

Resolution authorizing a Compensation Agreement by and between the County and the City of Columbus related to the creation of the Harlem-Walnut Incentive District in order to compensate the County for tax revenues foregone. (Economic Development and Planning)

WHEREAS, the City of Columbus anticipates the creation of a Tax Increment Financing District ("TIF"), the "The Harlem-Walnut Incentive District" (the "TIF District"), to support a new residential development project of approximately 1,061 residential units at an estimated cost of \$318,000,000;

WHEREAS, the City of Columbus has proposed to use a Tax Increment Financing District under Section 5709.40(C) of the Ohio Revised Code to capture and redirect taxes from the incremental increase in value of parcels in the TIF District to fund public infrastructure improvements within and adjoining the district;

WHEREAS, the City of Columbus submitted formal notice on October 1, 2021 to Franklin County (the "County") Board of Commissioners (the "Commissioners") pursuant to Section 5709.40(E) of the Ohio Revised Code, making the County aware that the proposed TIF District would be for a term of thirty (30) years and the percentage of the improvements exempted from taxation would be one hundred percent (100%);

WHEREAS, pursuant to Ohio Revised Code Section 5709.40(E)(2) and Resolution 0833-21 adopted on October 26, 2021, the Commissioners formally objected to the TIF District in order to allow the Commissioners and City of Columbus time to negotiate a compensation agreement;

WHEREAS, pursuant to Ohio Revised Code Section 5709.40(E)(3), the City and the Commissioners have negotiated a Compensation Agreement (the "Compensation Agreement") to compensate the County for tax revenues foregone pursuant to real property tax exemptions granted by the TIF Ordinance;

WHEREAS, the City has agreed to modify its plan to enact a fifty percent (50%) exemption rather than a one hundred percent (100%) exemption as originally contemplated when notice was delivered to the Commissioners (the "TIF Exemption");

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WHEREAS, the County shall receive, in the same manner as usual, an amount equal to fifty percent (50%) of the real property taxes that the Board would have been paid for the improvement to each Parcel located within the TIF District;

WHEREAS, Columbus City Schools (the "School District") shall receive an amount equal to the real property taxes that the School District would have been paid if the improvement to each Parcel located within the School District had not been exempt from taxation pursuant to this Ordinance;

WHEREAS, the appropriate taxing authorities under ORC Section 5709.40(F) will also receive the amounts they would have received in real property taxes attributable to any amount by which the effective tax rate of either a renewal levy with an increase or a replacement levy exceeds the effective tax rate of the levy renewed or replaced, or that are attributable to an additional levy, for a levy authorized by the voters on or after January 1, 2006 for any applicable services as described in ORC Section 5709.40(F)(1)-(13); and

WHEREAS, the County has determined it is in its best interest to enter into the Compensation Agreement.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, FRANKLIN COUNTY, OHIO:

Section 1. That the County Administrator is authorized to execute the Compensation Agreement, subject to the expected approval of the TIF District by Columbus City Council. The Compensation Agreement shall be in substantially the form now on file with the Clerk, allowing for any changes not materially adverse or substantially different. The Compensation Agreement shall be approved as to form by the Prosecuting Attorney.

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Section 2. That the County Administrator is authorized to execute and approve such other agreements and instruments and to take all actions necessary to implement this Resolution and the transactions contemplated by the Compensation Agreement

Section 3. Provided the Compensation Agreement is duly executed and delivered, the County hereby waives compliance with the notice requirements of Sections 5709.40(E) and waives any defects or irregularities related to or in connection with the authorization of the TIF Exemption, all with respect to the property within the TIF District.

Section 4. It is hereby found and determined that all formal actions of this Board concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 5. This Resolution shall take effect and be in force from and immediately after its passage.

Submitted by: _____

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