

ORDINANCE NO. 17 - 23

By: Matt Klingler

To approve and authorize the Mayor and the City Auditor to sign the Bexley Office Incentive Agreement and Tax Increment Financing Agreement between the City of Bexley and CSD Bexley LLC (COHatch); to provide incentives available for public infrastructure improvements in the Main Street Incentive District; and to establish the CSD Bexley LLC Account

WHEREAS, the City of Bexley, Ohio (the “City”) desires to increase employment opportunities and encourage the creation of new jobs in the City to improve the overall economic health of the City and its citizens; and

WHEREAS, in furtherance of this effort, the City established the Bexley Office Incentive Program, to assist employers that create new jobs in the City by offering to such employers an annual cash incentive equal to a portion of the City income tax withheld from New Employee Positions (as defined in Ordinance No. 69-06) located within the corporate limits of the City for a specific period of time (the “Bexley Incentive Program”); and

WHEREAS, the City and CSD Bexley LLC desire to enter into an Office Incentive Agreement (the “Office Incentive Agreement”) substantially in the form attached hereto as Exhibit A, to provide Ohio State Bank with substantial cash incentive payments based on Ohio State Bank’s commitment to undertake investments and increase employment and payroll at the Project Site; and;

WHEREAS, the Council of the City of Bexley, Ohio (the “City”) by its Ordinance No. 91-04 (the “TIF Ordinance”) adopted January 25, 2005 designated an area of the City as an “incentive district” as defined in Ohio Revised Code (“R.C.”) Section 5709.40, the boundaries of which “incentive district” are fully described in the TIF Ordinance and which include the Project; and

WHEREAS, CSD Bexley LLC (the “Developer”) has acquired certain real property situated within the City 2691 East Main Street and designated as parcel number 020-002011-00 (the “Property”), and intends to remodel the existing building and construct or cause to be constructed an addition to the Property to be used as a shared office facility, which is expected to be operated by COHatch (the “Project”); and

WHEREAS, the development of the Project will necessitate and will be enhanced by the undertaking of certain public infrastructure improvements (the “Public Infrastructure Improvements”) described in Exhibit B; and

WHEREAS, it has been proposed that the City and the Developer enter into a Tax Increment Financing Agreement (the “TIF Agreement”) substantially in the form attached hereto as Exhibit C to provide for reimbursements to the Developer for the costs associated with the Public

Infrastructure Improvements, only so long as the Developer is in compliance with the Agreement; and

WHEREAS, the City desires to pursue all reasonable and legitimate incentives measures to enable the Public Infrastructure Improvements to be undertaken and recognizes that the Public Infrastructure Improvements can benefit the City; and

WHEREAS, reimbursements for the costs associated with the completed Public Infrastructure Improvements will be made to the Developer solely from the Service Payments (as defined in the TIF Ordinance) generated from the Property and received by the City pursuant to R.C. Section 5709.42 and deposited into the CSD Bexley LLC Account (as established herein);

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL FOR THE CITY OF BEXLEY, OHIO:

Section 1.

That in consideration of the mutual covenants set forth in the Office Incentive Agreement substantially in the form attached hereto and made a part hereof as “Exhibit A”, the Office Incentive Agreement hereby is approved and authorized with changes therein not inconsistent with this Ordinance and not substantially adverse to the City, and the Mayor and the City Auditor hereby are authorized to execute the Office Incentive Agreement and directed to take any further actions, and execute and deliver any further agreements, certificates or documents necessary to accomplish the granting of the annual payments described in the Office Incentive Agreement, provided further that the approval of changes thereto by those officials, and their character as not being substantially adverse to the City, shall be evidenced conclusively by the execution thereof.

Section 2.

That in consideration of the mutual covenants set forth in the TIF Agreement substantially in the form attached hereto as “Exhibit C” and made a part hereof, including but not limited to the annual reimbursements by the City to the Developer for the costs associated with the completed Public Infrastructure Improvement as provided therein, the Agreement hereby is approved and authorized with changes therein not inconsistent with this Ordinance and not substantially adverse to the City, and the Mayor and the City Auditor hereby are authorized to execute the Agreement and directed to take any further actions, and execute and deliver any further agreements, certificates or documents necessary to accomplish the granting of the annual reimbursements described in the Agreement, provided further that the approval of changes thereto by those officials, and their character as not being substantially adverse to the City, shall be evidenced conclusively by the execution thereof.

Section 3.

This Council hereby establishes within the Main Street Public Improvement Tax Increment Equivalent Fund referred to in Section 5 of the TIF Ordinance, the CSD Bexley LLC Account (the “Account”), into which shall be deposited, after the Bexley City School District receives its portions

of the semiannual Service Payments as set forth in the TIF Ordinance, one hundred percent (100%) of all of the remaining Service Payments attributable to the Property distributed to the City by or on behalf of the County Treasurer, as provided in R.C. Section 5709.42. The Account shall remain in existence so long as Service Payments are collected in the TIF Fund, after which the Account shall be dissolved. The Service Payments deposited into the Account shall be used to reimburse the Developer for up to the eight hundred thousand dollars (\$670,000) in consideration it paid for the Property.

Section 4.

That it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council and that all deliberations of this Council and any decision making bodies of the City of Bexley which resulted in such formal actions were in meetings open to the public or in compliance with all legal requirements of the City of Bexley, Franklin County, Ohio.

Section 5.

This ordinance shall take effect and be in force from and after the earliest period allowed by law.

Passed: _____, 2023

Troy Markham, President of Council

Attest: _____
Matt McPeek, Clerk of Council

Approved: _____, 2023

Ben Kessler, Mayor

First Reading: May 23, 2023

Second Reading:

Third Reading:

EXHIBIT A TO ORDINANCE

Form of Office Incentive Agreement

(attached hereto)

EXHIBIT B TO ORDINANCE

Public Infrastructure Improvements

(attached hereto)

EXHIBIT C TO ORDINANCE

Tax Increment Financing Agreement

(attached hereto)