

ORDINANCE NO. 151-19

BY: **KRISTIN L. SABAN**
(By Request – Mayor)

AN ORDINANCE AUTHORIZING THE ACCEPTANCE AND CONVEYANCE OF CERTAIN REAL PROPERTY IN THE CITY OF PARMA, OHIO IN CONNECTION WITH THE ESTABLISHMENT OF A TAX INCREMENT FINANCING PROGRAM UNDER OHIO REVISED CODE SECTION 5709.41; AUTHORIZING A DEVELOPMENT AGREEMENT IN CONNECTION WITH THE DEVELOPMENT AND REDEVELOPMENT OF SUCH REAL PROPERTY, AND DECLARING AN EMERGENCY

WHEREAS, Midtown Parma Acquisitions LLC, an Ohio limited liability company (the “Developer”) is the fee owner of certain real property located in the City of Parma, Ohio (the “City”), which real property is more particularly described on Exhibit A attached hereto (the “Property”); and,

WHEREAS, the Developer desires to develop and redevelop the Property for various commercial uses at an estimated cost of approximately \$8,000,000 (the “Project”), in accordance with the terms, conditions, covenants and warranties in the Development Agreement that has been negotiated by the Developer and City attached hereto as Exhibit B; and,

WHEREAS, the Project will be in furtherance of the City’s urban redevelopment activities, the City anticipates providing project-based tax increment financing for the Project, to be authorized by a separate ordinance pursuant to Ohio Revised Code (“R.C.”) Section 5709.41 (the “Project TIF” and the “TIF Ordinance”, as applicable); and,

WHEREAS, under R.C. Section 5709.41, it is necessary for the City to have held title to the Property while engaged in urban redevelopment prior to passage of the TIF Ordinance; therefore (i) the Developer will first convey the Property to the City for \$1.00, (ii) the City will then convey the Property back to the Developer or to a third party (the recipient of the conveyance is referred to herein as the “Acquirer”), for \$1.00, and (iii) the Developer will undertake and complete the Project; and,

WHEREAS, Section 13 of Article VIII of the Ohio Constitution provides that it is in the public interest and proper public purpose for the City to support economic development and improve the economic and general well-being of the people of the City to create or preserve jobs and employment opportunities.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PARMA, STATE OF OHIO:

Section 1. That it is in the best interest of the City to accept the conveyance of the Property by the Developer for \$1.00, and to convey the Property to the Acquirer for \$1.00, because such conveyances are necessary to facilitate the anticipated creation of the Project TIF for the Project.

Section 2. That the Property is not needed for a municipal purpose.

Section 3. That waiving competitive bidding in connection with the City’s conveyance of the Property to the Acquirer is justified and reasonable because the property conveyances are necessary for the Project.

Section 4. That the Development Agreement, substantially in the form attached hereto as Exhibit B, which Development Agreement specifies, among other things, that (A) the plans for the Project be prepared and submitted to the City for approval, (B) the Developer obtain all building permits, zoning approvals, and other governmental approvals required for the Project, (C) the Developer pay the City's fees for outside legal counsel incurred in connection with the planning and documenting of the Project, and (D) the Developer make an upfront cash contribution to the City in the amount of \$35,000 to be used for marketing and branding purposes for a portion of the Project identified by the City as the "Quarry District," is hereby authorized and approved, together with such revisions or additions thereto as approved by the Economic Development Director and Law Director as are consistent with the objectives and requirements of this Ordinance and not otherwise materially adverse to the City. The Economic Development Director, for and in the name of the City, with the approval of the Law Director, is hereby authorized to execute the Development Agreement and any amendments thereto deemed by the Economic Development Director to be necessary. The approval of changes or amendments by the Economic Development Director, and the character of the changes or amendments as not being inconsistent with this Ordinance and not being substantially adverse to the City, shall be evidenced conclusively by the execution thereof by the Economic Development Director, with the approval of the Law Director.

Section 5. That this Council authorizes the Economic Development Director and all proper City officials to take actions necessary to fulfill the terms of this Ordinance and the Development Agreement, including the execution of any and all documents or amendments, necessary to enter into, implement, and administer the Development Agreement and create new encumbrances and release existing encumbrances on the title to the Property.

Section 6. It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were passed in an open meeting of this Council, and that all deliberations of this Council 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 R.C. Section 121.22.

Section 7. This Ordinance is hereby declared to be an emergency measure for the immediate preservation of the public peace, health, safety, and welfare of the City, due to the benefits resulting from the development and redevelopment of the Property, and this Ordinance shall become immediately effective upon receiving the affirmative vote of two-thirds of all members elected to Council and approval of the Mayor, otherwise from and after the earliest period allowed by law.

PASSED: _____
PRESIDENT OF COUNCIL

ATTEST: _____ APPROVED: _____
CLERK OF COUNCIL

FILED WITH
THE MAYOR: _____
MAYOR, CITY OF PARMA, OHIO

CERTIFICATE

The undersigned Clerk of Council hereby certifies that the foregoing is a true copy of Ordinance No. 151-19 duly adopted by the Council of the City of Parma, Ohio on _____, 2019.

Clerk of Council
City of Parma, Ohio

EXHIBIT A

DESCRIPTION OF PROPERTY

EXHIBIT B

DEVELOPMENT AGREEMENT

(See Attached)