

ORDINANCE NO. 43-2013

Extending the Term of the Community Reinvestment Area Agreement in Place for Franklin County Auditor's Parcel No. 100-006685 to Allow For a Full Ten-Year Term to the Property Owner of the Tax Exemption as Originally Contemplated by City Council.

WHEREAS, the City has undertaken efforts to foster commercial redevelopment of the former Worthington Foods manufacturing site on Proprietors Road, which site was purchased and left vacant and unused in 1999 and then demolished in 2005; and,

WHEREAS, the City worked with the developer to incent the redevelopment of commercial office space on the site, with the City initially approving by ordinance two respective forms of assistance on the value of improvements made to such property: a 10-year Community Reinvestment Area ("CRA") exemption approved by City Council under Ordinance 13-2007 on April 16, 2007 and tax increment financing ("TIF") approved by City Council under Ordinance 50-2007 on November 5, 2007; and,

WHEREAS, the City later amended the CRA exemption under Ordinance 31-2011 on September 19, 2011 to allow assignment of the exemption to the new owner of 862 Proprietors Road, parcel number 100-006685 (the "Property"); and,

WHEREAS, an application for the TIF exemption of the Property had been filed in late 2010 by the City's representative, seeking to put in place the 25% TIF for ten years pursuant to City Council's legislation; and,

WHEREAS, in the course of filing the application for the TIF exemption, documents were submitted, and the Franklin County Auditor and the State Tax Commissioner acted in accordance thereof, such that the TIF application precluded any other exemption being put in place on the Property; and,

WHEREAS, the City always desired that the Property would be subject to both the TIF and the CRA exemptions, but that the earlier TIF filing had the unintended consequence of precluding the CRA exemption; and,

WHEREAS, the City thereafter has worked with the Franklin County Auditor's Office and the Ohio Department of Taxation, Tax Equalization Division, to receive a new, revised Tax Commissioner's Final Determination to recognize and allow the CRA exemption in addition to the TIF already in place on the Property, and such revised Final Determination was issued on October 29, 2013; and,

WHEREAS, the revised Final Determination states that the CRA exemption supercedes the earlier TIF, and is therefore available to the owner of the Property, and still allows the TIF to also remain in effect; and,

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WHEREAS, the revised Final Determination further states the CRA exemption shall run on the Property beginning in tax year 2013 (i.e., tax lien date January 1, 2013) and continue for ten (10) years thereafter (i.e., end in tax year 2023), but this timeframe is in conflict with the CRA agreement in place for the Property, executed on May 24, 2007 and later amended by the parties on July 16, 2012 (the "CRA Agreement"), which Section 4 states that no exemption is to occur beyond January 1, 2021; and,

WHEREAS, left as-is the CRA Agreement would serve to disallow the owner of the Property to receive exemptions in the final two (2) years of the CRA exemption term now recognized by the State; and,

WHEREAS, this City Council is desirous of the owner of the Property being eligible to receive the full ten (10) year exemption originally contemplated at the time the CRA exemption was approved.

NOW, THEREFORE, BE IT ORDAINED by the Council of the Municipality of Worthington, County of Franklin, State of Ohio:

SECTION 1. That the City hereby agrees to work with the owner of the Property to amend the CRA Agreement to allow the CRA exemption to extend to no later than January 1, 2023.

SECTION 2. That the City Manager is authorized to take any actions and execute any documents necessary to carry out Section 1 of this Ordinance.

SECTION 3. That notice of passage of this Ordinance shall be posted in the Municipal Administration Building, the Worthington Library, the Griswold Center and the Worthington Community Center and shall set forth the title and effective date of the Ordinance and a statement that the Ordinance is on file in the office of the Clerk of Council. This Ordinance shall take effect and be in force from and after the earliest period allowed by law and by the Charter of the City of Worthington, Ohio.

Passed December 2, 2013

[Signature on File]
President Pro-Tem of Council

Attest:

[Signature on File]
Clerk of Council

Introduced November 18, 2013
P.H. December 2, 2013
Effective December 26, 2013