

Ordinance No. 20 20 21

**AN ORDINANCE DECLARING IMPROVEMENTS TO CERTAIN REAL PROPERTY WITHIN THE CITY OF NORWOOD, OHIO TO BE A PUBLIC PURPOSE; DECLARING SUCH PROPERTY TO BE EXEMPT FROM REAL PROPERTY TAXATION; DESCRIBING THE PUBLIC INFRASTRUCTURE IMPROVEMENTS TO BE MADE TO BENEFIT SUCH REAL PROPERTY; REQUIRING ANNUAL STATUTORY SERVICE PAYMENTS IN LIEU OF TAXES; CREATING A FUND FOR THE DEPOSIT OF SUCH SERVICE PAYMENTS; AUTHORIZING THE EXECUTION OF A SERVICE AGREEMENT WITH THE OWNER OF SUCH REAL PROPERTY; AUTHORIZING THE EXECUTION OF A SCHOOL COMPENSATION AGREEMENT; AND DECLARING AN EMERGENCY**

**WHEREAS**, the development of commercial and residential properties in the City of Norwood, Ohio (the "City") will benefit the City and its residents by providing housing opportunities, creating economic opportunities, enlarging the property tax base, stimulating collateral development in the City, and enlarging income tax revenues for the City; and

**WHEREAS**, certain parcels within the City have been identified for development for commercial and residential use (as depicted and described in Exhibit A attached hereto and incorporated herein by this reference, the "TIF Site"), which TIF Site the City intends to be subject to a tax increment financing program in accordance with Ohio Revised Code Sections 5709.40, 5709.42, and 5709.43 (together with related provisions of the Ohio Revised Code, the "TIF Act"); and

**WHEREAS**, by providing public infrastructure improvements, as that term is defined in Ohio Revised Code Sections 5709.40(A)(8) (as more fully described on Exhibit B attached hereto and incorporated herein by this reference, the "Public Infrastructure Improvements"), the City may facilitate commercial and residential development for the benefit of the TIF Site, including, without limitation, by facilitating the financing, acquisition, and construction of the Public Infrastructure Improvements; and

**WHEREAS**, the TIF Act provides for the use of City tax increment financing to pay the costs of Public Infrastructure Improvements, which costs may include, without limitation: (i) the payment for or reimbursement of costs of the Public Infrastructure Improvements (which costs may include, without limitation, the payment for or reimbursement of costs of the Public Infrastructure Improvements incurred by the City, or any other public or private party in cooperation with the City), and (ii) payment of debt service (the "Debt Service") on, and other expenses relating to the issuance of, any bonds, notes, or other obligations issued to finance the Public Infrastructure Improvements (the "TIF Obligations"); and

**WHEREAS**, the TIF Act provides that this Council may, among other things, (a) declare the improvement to real property located in the City to be a public purpose, thereby exempting such improvement from real property taxation for a period of time, (b) specify public infrastructure improvements to be made to benefit those parcels, (c) require the owner or owners of those parcels to make service payments in lieu of taxes, and (d) establish a public improvement tax increment equivalent fund into which such service payments shall be deposited; and

**WHEREAS**, the City desires to grant a one hundred percent (100%) exemption from real property taxation for a period of thirty (30) years (the "TIF Exemption") for the improvement to the TIF Site (as defined in Section 1 hereof, the "Improvement"); and

**WHEREAS**, the City has determined that it is necessary and appropriate and in the best interests of the City to require the owners of the parcels included in the TIF Site and their successors and assigns (collectively, with their successors and assigns, as owners of the TIF Site, the "Owners") to make service payments in lieu of taxes (as defined in Section 2 hereof, the "Statutory Service Payments") with respect to the Improvement pursuant to Ohio Revised Code Section 5709.42;

**WHEREAS**, in order to generate sufficient funds to repay the TIF Obligations and compensate the School District and the JVSD, each as defined hereinafter, the City may obligate the Owners to pay amounts in addition to the Statutory Service Payments (the "Supplemental Payments" and together with the Statutory Service Payments, the "Service Payments"), such that the Service Payments shall not be less than

established amounts (the "Minimum Service Payments") with respect to the Improvement pursuant to Ohio Revised Code Section 5709.91; and

**WHEREAS**, the City has determined that is necessary and in the best interests of the City to provide for the making of Statutory Service Payments and, if advisable, Supplemental Payments in an aggregate amount not less than the Minimum Service Payments, by entering into a service or other agreement of similar affect with the current owner of the TIF Site (the "Service Agreement"); and

**WHEREAS**, the Norwood City School District (the "School District") and the Great Oaks Institute of Technology and Career Development (the "JVSD") have each received notice of the TIF Exemption in advance of the date on which this Ordinance is being adopted, in accordance with Ohio Revised Code Sections 5709.40 and 5709.83; and

**WHEREAS**, the School District, pursuant to a resolution of the Board of Education of the School District adopted on May 11, 2021, has approved the TIF Exemption and waived the notice requirements of Ohio Revised Code Sections 5709.40, 5709.83 and 5715.27, but solely with respect to the Improvement, on the condition that the City and the Board of Education of the School District enter into an agreement compensating the Board of Education of the School District for a portion of the real property taxes that the School District would have received but for the TIF Exemption; and

**WHEREAS**, the JVSD, pursuant to Resolution No. 012-109 of the Board of Education of the JVSD adopted on July 11, 2012, has waived the notice requirements of Ohio Revised Code Sections 5709.40, 5709.83 and 5715.27.

**BE IT ORDAINED** by the City Council of the City of Norwood, State of Ohio:

**SECTION 1. Authorization of TIF Exemption.** Pursuant to and in accordance with the provisions of Ohio Revised Code Section 5709.40(B), this Council hereby finds and determines that one hundred percent (100%) of the increase in assessed value of each parcel comprising the TIF Site (the "Exempted Property") subsequent to the effective date of this Ordinance (which increase in assessed value is hereinafter referred to as the "Improvement," as defined in Ohio Revised Code Section 5709.40(A)(4)) is declared to be a public purpose, and shall be exempt from real property taxation (the "TIF Exemption") for a period commencing with the tax year in which Improvement to such parcel in excess of One Hundred Thousand Dollars (\$100,000) first appears on the tax list and duplicate of real and public utility property and ending for such parcel on the thirtieth (30th) anniversary of the date the TIF Exemption commenced with respect to such parcel, being the date on which the City can no longer require Service Payments from Owners of real property located in the TIF Site. After the TIF Exemption becomes effective, such TIF Exemption shall apply with respect to any parcel when the required Improvement to such parcel is made and an exemption therefor is claimed in the manner provided for hereinabove.

**SECTION 2. Payment of Service Payments.** As provided in Ohio Revised Code Section 5709.42, but only after the TIF Exemption is effective, the Owner of a parcel comprising TIF Site shall be required to, and shall make, service payments in lieu of taxes with respect to the Improvement allocable thereto to the County Treasurer on or before the final due dates for payment of real property taxes. Each service payment in lieu of taxes shall be charged and collected in the same manner and in the same amount as the real property taxes that would have been charged and payable against such parcel as if it were not exempt from taxation pursuant to Section 1 hereof. Other payments in respect of such parcel which are received by the County Treasurer in connection with any reduction required by Ohio Revised Code Section 319.302, 321.24, 323.152 and 323.156, as the same may be amended from time to time, or any successor provisions thereto (the "Property Tax Rollback Payments," together with the service payments in lieu of taxes are collectively referred to herein as the "Statutory Service Payments"), will be allocated and distributed in accordance with this Ordinance.

The Owner of a parcel comprising the TIF Site may also be required to pay amounts in addition to the Statutory Service Payments (the "Supplemental Payments" and together with the Statutory Service Payments, the "Service Payments") in an aggregate amount not less than the amount (the "Minimum Service Payment") necessary to (i) make payments due under the School Compensation Agreement, as defined hereinafter, and (ii) pay Debt Service on, and other expenses relating to the issuance or administration of, any bonds, notes, or other obligations issued to finance the Public Infrastructure Improvements (the "TIF Obligations").

The Mayor is hereby authorized and directed to execute on behalf of the City one or more service payment agreements, or other agreements or instruments of similar affect (the "Service Agreement") between the City and the current Owner providing for the payment and collection of the Statutory Service Payments and Supplemental Payments, if any, which agreement shall be in such form as is acceptable to the Mayor, and not substantially inconsistent with the terms and purpose of this Ordinance. The execution of the Service Agreement by the Mayor shall be conclusive evidence of such consistency and approval.

**SECTION 3. Creation of TIF Fund; Application of Service Payments.** This Council hereby establishes, pursuant to and in accordance with the provisions of Ohio Revised Code Section 5709.43, a Municipal Public Improvement Tax Increment Equivalent Fund designated the "PLK Tax Increment Equivalent Fund". The Finance Director of the City may create one or more accounts or sub-accounts within an existing City Municipal Public Improvement Tax Increment Equivalent Fund as appropriate to distinguish the Service Payments received with respect to the TIF Exemption established pursuant to this Ordinance from any tax increment financing programs that may be established by the City in the future and as are necessary to account for payment of the costs of the Public Infrastructure Improvements, including any reimbursement payments for the reimbursement of the costs of the Public Infrastructure Improvements, and Debt Service on, and other expenses relating to the issuance and administration of any TIF Obligations. As used in this Ordinance, "TIF Fund" shall refer to the PLK Tax Increment Equivalent Fund or any specified fund or account of another name that receives the Service Payments provided for in this Ordinance. The TIF Fund shall be maintained in the custody of the City and shall receive all distributions of Service Payments required to be made to the City; provided that any Supplemental Payments may be made directly to a trustee or other entity for the purpose of paying Debt Service on, or other expenses related to, the TIF Obligations. Those Service Payments received by the City with respect to the Exempted Property, shall be used solely for the purposes authorized in the TIF Act, including, but not limited to, paying any costs of the Public Infrastructure Improvements and making payments due under the School Compensation Agreement, as defined hereinafter, in a manner that is consistent with this Ordinance. For purposes of this Ordinance, "costs" of the Public Infrastructure Improvements payable from the TIF Fund shall also include the items of "costs of permanent improvements" set forth in Ohio Revised Code Section 133.15(B), and incurred with respect to the Public Infrastructure Improvements, which "costs" specifically include any reimbursement payments for the reimbursement of the costs of the Public Infrastructure Improvements, and Debt Service on, and other expenses relating to the issuance of, any bonds, notes, or other obligations issued to finance the Public Infrastructure Improvements.

No TIF Obligations shall pledge the full faith and credit of the City and no tax shall be levied by the City for the purpose of paying the principal of and interest on such TIF Obligations or the paying by the City of any other costs related to such TIF Obligations. In no event shall the City be required to make payments on such TIF Obligations or Public Infrastructure Improvements from sources other than the Statutory Service Payments and the Supplemental Payments (if any are required under the Service Agreement). The TIF Fund shall remain in existence so long as such Service Payments are collected and used for the aforesaid purposes, after which time said TIF Fund shall be dissolved and any surplus funds remaining therein shall be transferred to the City's General Fund, all in accordance with Ohio Revised Code Section 5709.43.

**SECTION 4. Public Infrastructure Improvements.** This Council hereby designates the Public Infrastructure Improvements described in Exhibit B attached hereto as "public infrastructure improvements" (as such term is defined in Ohio Revised Code Sections 5709.40(A)(7)), made, to be made, or in the process of being made, and that, once made, will directly benefit the TIF Site.

**SECTION 5. Application for Real Property Tax Exemption and Remission.** This Council further hereby authorizes and directs the Mayor, the Clerk of Council, the Law Director, the City Auditor, or other appropriate officers of the City to prepare and/or sign all agreements and instruments and to take any other actions as may be necessary or appropriate to implement the purposes of this Ordinance.

**SECTION 6. Authorization of School Compensation Agreements.** This Council further hereby approves the compensation agreement among the City, the Board of Education of the School District, and Playing Card Partners, LLC, as the current Owner of the TIF Property, in the form attached hereto as Exhibit C (the "School District Compensation Agreement"), with any changes that are not inconsistent with this Ordinance and not substantially adverse to the City and that are approved by the Mayor on behalf of the City, all of which shall be conclusively evidenced by the signing of the School District Compensation Agreement, and hereby authorizes the Mayor to execute the School District Compensation Agreement on behalf of the City. If determined necessary and advisable by counsel to the City, this Council further hereby approves a compensation agreement (the "JVSD Compensation Agreement") between the City and the Board of Education of the Great Oaks Institute of Technology and Career Development (the "JVSD") to effect the payment to the JVSD of any amounts due and payable to the JVSD pursuant to Ohio Revised Code Section 5709.40(D)(2). The Mayor is hereby authorized to execute a JVSD Compensation Agreement on behalf of the City in a form not inconsistent with the purposes of this Ordinance, which shall be conclusively evidenced by the signing by the Mayor of the JVSD Compensation Agreement on behalf of the City.

**SECTION 7. Further Authorizations.** This Council further hereby authorizes and directs the Mayor, the Clerk of Council, the Law Director, the City Auditor, or other appropriate officers of the City, to prepare and sign all agreements, and any amendments thereto such that the character of those changes is not substantially adverse to the City, which shall be established conclusively by their signatures thereon, and to

prepare and sign all instruments and to take all other actions as may be necessary and appropriate to implement this Ordinance.

**SECTION 8. Non-Discriminatory Hiring Policy.** In accordance with Ohio Revised Code Section 5709.832, this Council hereby determines that no employer located in the TIF Site shall deny any individual employment based solely on race, religion, sex, disability, color, national origin or ancestry. The City shall include a non-discriminatory hiring covenant in any development agreement entered into between the City and any Owner or developer of any Exempted Property.

**SECTION 9. Notices.** This Council hereby finds and determines that notice of this proposed Ordinance has been delivered to all affected school districts, including the School District and the JVSD, in accordance with Ohio Revised Code Sections 5709.40 and 5709.83, and hereby ratifies the giving of that notice.

This Council hereby acknowledges receipt of the resolution of the Board of Education of the School District approving the TIF Exemption in advance of the adoption of this Ordinance and waives receipt of any certification by the Board of Education of the Norwood City School District of its resolution required under Ohio Revised Code Section 5709.40.

Pursuant to Ohio Revised Code Section 5709.40(I), the Clerk of Council is hereby directed to deliver, or assist in the delivery of, a copy of this Ordinance to the Director of the Development Services Agency of the State of Ohio within fifteen (15) days after its adoption. On or before March 31 of each year that the exemption set forth in Section 1 hereof remains in effect, the City Auditor or other authorized officer of this City shall prepare and submit to the Director of the Development Services Agency of the State of Ohio the status report required under Ohio Revised Code Section 5709.40(I).

**SECTION 10. Open Meetings.** This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the adoption of this Ordinance were taken in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law, including Ohio Revised Code Section 121.22.

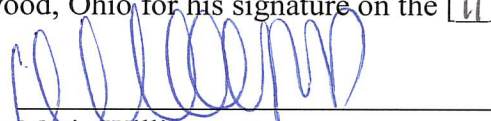
**SECTION 11. Effective Date.** This Ordinance is hereby declared to be an emergency measure necessary for the preservation of the public peace, health and safety of the City and its inhabitants for the reason that this Ordinance must be immediately effective so that the work can begin on the construction of the Public Improvements, wherefore, this Ordinance shall take effect and be in force from and immediately after its adoption.

PASSED May 11, 2021  
Date


  
Ken Miracle  
President of Council

**ATTEST:**

Maria Williams, the duly appointed Clerk of Council, attests that this ordinance was passed at a regular/special meeting of Norwood City Council on the [11] day of May, 2021 in compliance with the rules of Norwood City Council and the laws of the State of Ohio. The foregoing ordinance was submitted to the Mayor of the City of Norwood, Ohio for his signature on the [11] day of May, 2021.

  
Maria Williams  
Clerk of Council

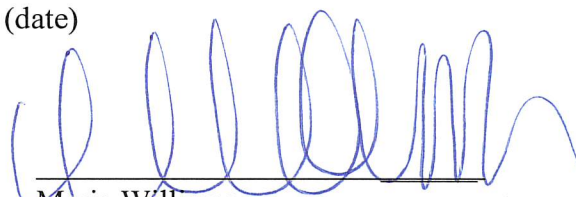
APPROVED 11 May, 2021  
Date

  
Victor Schneider  
Mayor

**CERTIFICATION OF PUBLICATION:**

Maria Williams, the dully appointed Clerk of Council, attests that this ordinance was published in the

\_\_\_\_\_ on \_\_\_\_\_ and \_\_\_\_\_.  
(Name of Newspaper) (date) (date)

  
Maria Williams  
Clerk of Council

**ORDINANCE READINGS**

**1<sup>st</sup> Reading** \_\_\_\_\_  
**Date**

**2<sup>nd</sup> Reading** \_\_\_\_\_  
**Date**

**3<sup>rd</sup> Reading** \_\_\_\_\_  
**Date**

**All 3 Readings** 5-11-21  
**Date**

**Tabled** \_\_\_\_\_  
**Date**

**Vetoed** \_\_\_\_\_  
**Date**

**DESCRIPTION OF THE EXEMPTED PROPERTY**

**(4590 Beech Street, Hamilton County, Ohio)**

**Tract I – Fee Simple - Auditor’s Parcel No. 651-0019-0125, 126, 128, 172, 177 consolidated:**

Situated in Sections 28 and 34, Township 4, Fractional Range 4, Columbia Township, City of Norwood, Hamilton County, State of Ohio, and being more particularly described as follows:

Beginning at the intersection of the North line of Robertson Avenue with the East line of Beech Street;

thence along the East line of Beech Street, North 5°45'02" East, for a distance of 320.00 feet to the REAL PLACE OF BEGINNING;

thence continuing along the East line of Beech Street, North 5°45'02" East, for a distance of 600.00 feet to the northerly terminus of Beech Street, as described in Quit Claim Deed recorded in Deed Book 3545, Page 393, of the Hamilton County, Ohio Deed Records;

thence along said terminus, North 84°15'58" West, for a distance of 45.00 feet to a point five (5) feet from the West line of Beech Street;

thence parallel to said West line of Beech Street, North 5°45'02" East, for a distance of 366.29 feet to the South right-of-way line of the Baltimore & Ohio Southwestern Railroad;

thence along said railroad right-of-way, South 68°17'00" East, for a distance of 1225.75 feet to an angle point in said right-of-way;

thence along said right-of-way, South 21°43'00" West, for a distance of 20.00 feet to an angle point in said right-of-way;

thence leaving said right-of-way, South 21°43'00" West, for a distance of 50.00 feet to a point;

thence South 6°50'00" East, 129.30 feet;

thence South 36°44'46" East, for a distance of 62.16 feet to a point on the West line of the limited access right-of-way line of Interstate Highway I-71;

thence along said right-of-way of I-71 the following courses: on a curve deflecting 10°02'10" right, having a radius of 602.96 feet, for a distance on arc of 105.61 feet (chord of arc bears South 34°45'15" West, 105.48 feet);

thence South 39°46'20" West, 109.72 feet;

thence South 33°42'02" West, 135.08 feet;

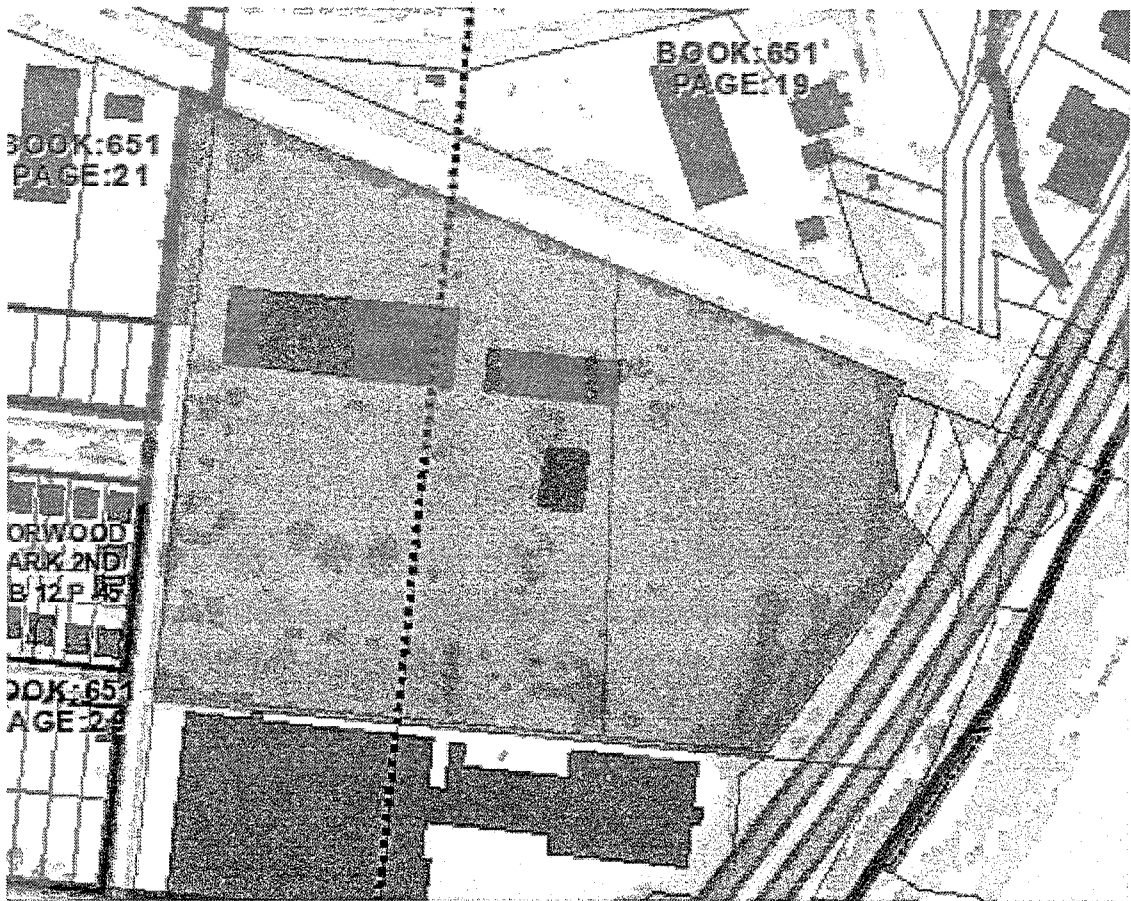
thence South 35°34'04" West, 100.27 feet;

thence leaving said right-of-way of I-71, North 84°15'58" West, for a distance of 958.67 feet to the place of beginning. Containing 888,465.20 square feet or 20.396355 acres.

**Tract II – Easement:**

Together with an easement, in, on and over a strip of land ten (10) feet in width lying immediately south of the south property line as granted in Corporation Limited Warranty Deed recorded in Deed Book 4233, Page 1657 and established in the servient tract chain of title by Corporation Limited Warranty Deed recorded in Deed Book 4242, Page 91, of the Hamilton County, Ohio Records; as partially released by Termination of Roadway Easement recorded in Official Record Book 6921, Page 3139 and Termination of Roadway Easement recorded in Official Record Book 6921, Page 3148, of the Hamilton County, Ohio Records.

[DEPICTION ON FOLLOWING PAGE]



MAP



**DESCRIPTION OF THE PUBLIC IMPROVEMENTS**

**Public Infrastructure Improvements**

The Public Infrastructure Improvements consist generally of acquiring and constructing the infrastructure described below:

- Construction, reconstruction, extension, opening, improving, widening, grading, draining, curbing or changing of the lines and traffic patterns of roads, highways, streets, bridges (both roadway and pedestrian), traffic calming devices, sidewalks, bikeways, medians and viaducts accessible to and serving the public, and providing lighting systems, signalization, and traffic controls, and all other appurtenances thereto;
- Construction, reconstruction or installation of improvements (including any underground utilities), storm and sanitary sewers (including necessary site grading therefore), police equipment and police station buildings and improvements, fire equipment and fire buildings and improvements, water and fire protection systems, and all other appurtenances thereto;
- Continued maintenance of public roads and highways and water and sewer lines;
- Reconstruction and restoration of an historic clock tower located on the TIF Site; provided that such clock tower shall constitute public infrastructure only to the extent the clock tower includes a viewing platform accessible by the general public;
- Construction, reconstruction or installation of gas, electric, and communication service facilities, and all other appurtenances thereto;
- Construction or reconstruction of one or more public parks, including grading, trees and other park plantings, park accessories and related improvements, and all other appurtenances thereto;
- Construction or installation of streetscape and landscape improvements including trees and shrubs, landscaping mounds and fencing, tree grates, planting beds, signage, curbs, sidewalks, street and sidewalk lighting, trash receptacles, benches, newspaper racks, burial of overhead utility lines and related improvements, and all other appurtenances thereto;
- Construction of one or more public parking facilities, including public surface parking and public parking structures and related improvements, and all other appurtenances thereto;
- Demolition and excavation, including demolition and excavation on private property when determined to be necessary for economic development purposes;
- Acquisition of real estate or interests in real estate (including easements) necessary to accomplish the foregoing improvements;
- Any on-going administrative expenses relating to the Public Infrastructure Improvements and maintaining the TIF revenues, including but not limited to engineering, architectural, legal, TIF administration, and other consulting and professional services; and
- All inspection fees and other governmental fees related to the foregoing.

The Public Infrastructure Improvements specifically include the costs of financing the Public Infrastructure Improvements, including the items of "costs of permanent improvements" set forth in Ohio Revised Code Section 133.15(B), and incurred with respect to the Public Infrastructure Improvements, which "costs" specifically include any reimbursement payments for the reimbursement of the costs of the Public Infrastructure Improvements and the Debt Service on, and other expenses relating to the issuance of, any bonds, notes, or other obligations issued to finance the Public Infrastructure Improvements.

All of the Public Infrastructure Improvements described above are hereby determined to be "public infrastructure improvements" (as defined in Ohio Revised Code Sections 5709.40(A)(7)) and are intended to directly benefit the real property described in Exhibit A.

**SCHOOL COMPENSATION AGREEMENT**

**THIS TAX INCENTIVE AGREEMENT (the “Agreement”)**, is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_ 2021, by and between the BOARD OF EDUCATION OF THE NORWOOD CITY SCHOOL DISTRICT, Hamilton County Ohio, a city school district and political subdivision of the State of Ohio (the “School District”), and the CITY OF NORWOOD, Hamilton County, Ohio, a political subdivision of the State of Ohio (the “City”). This Agreement is joined in by PLAYING CARD PARTNERS, LLC, an Ohio limited liability company (the “Developer”) with respect to Sections 1(B)(i), (iv), (vii), 3 and 14.

**WITNESSETH THAT:**

WHEREAS, Sections 5709.40 et seq. of the Ohio Revised Code authorize cities to grant tax increment financing real property tax exemptions for improvements declared to be for a public purpose, which exemptions exempt from taxation the increase in the true value of the parcel of property after the effective date of the ordinance granting such exemption; and

WHEREAS, Section 5709.42 of the Ohio Revised Code further authorizes a city to require owners of improvements subject to a tax increment financing tax exemption to make semi-annual payments to the city in lieu of taxes (“Service Payments”), which payments are approximately equivalent to the amount of real property tax which would be payable on the increase in the true value of the parcel of property but for the exemption from taxation; and

WHEREAS, Section 5709.43 of the Ohio Revised Code further requires a city receiving payments in lieu of taxes to create a public improvement tax increment equivalent fund for deposit of the entire amount of such payments, to be used to pay the costs of public infrastructure improvements benefiting the parcels subject to the tax increment financing tax exemption and, if provided, to make payments to school districts impacted by exemption from taxation; and

WHEREAS, pursuant to a letter dated April 7, 2021, the City notified the School District of its intent to grant an exemption (the “TIF Exemption”), as authorized by Section 5709.40(B), Ohio Revised Code, for improvements to certain real property located within the boundaries of the City and the School District, which real property is approximately 20.721 acres and is described and defined in Exhibit A-1, attached hereto and made a part hereof (the “Exempted Property”), and to use the Service Payments to pay for or finance the construction of public improvements that are necessary for the development of the Exempted Property (the “Public Improvements”) in order to induce the Developer and any heirs, successors and assigns of a fee interest in all or any portion of the Exempted Property to develop the Exempted Property; and

WHEREAS, the City Council of the City adopted Ordinance No. 18-2009, on April 14, 2009, as amended (the “CRA Ordinance”) designating certain real property within the City as a “Community Reinvestment Area” pursuant to Sections 3735.65 through 3735.70 of the Ohio Revised Code;

WHEREAS, pursuant to applications by the property owner, the City intends to grant real property tax exemptions pursuant to the CRA Ordinance and Sections 3735.65 through 3735.70 of the Ohio Revised Code (collectively the “CRA Exemption” and each CRA Exemption or the TIF Exemption referred to herein as a “Tax Exemption”) for the projects and real property described and set forth in Exhibit A-2 attached hereto (the “CRA Property”) in the amount of one hundred percent of the increased value for a term of 15 years; and

WHEREAS, the City intends for the TIF Exemption to be subordinate to the CRA Exemption; and

WHEREAS, pursuant to a letter dated April 7, 2021, the City notified the School District of its intent to grant the CRA Exemption; and

WHEREAS, the Board of Education of the School District on May 11, 2021, approved the TIF Exemption and the CRA Exemption on the condition that the parties hereto enter into this Agreement; and

WHEREAS, the City has, pursuant to an ordinance of the City Council of the City adopted on \_\_\_\_\_, 2021 (the "TIF Ordinance"), attached hereto as Exhibit B, granted the TIF Exemption and authorized the execution of this Agreement; and

WHEREAS, Ohio Revised Code Sections 5709.40 and 5709.82 permit the City Council of the City and the Board of Education of the School District, to enter into this Agreement in order to compensate the School District for property taxes lost as a result of the TIF Exemption and the CRA Exemption;

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter described, the School District, the City, and the Developer covenant, agree and bind themselves as follows:

**SECTION 1. Approval of the CRA Exemption and TIF Exemption; Compensation to School District While Exemptions in Effect.**

(a) School District Consent. As provided in the School District Resolution, the School District consents to the TIF Exemption for up to one hundred percent (100%) of the increase in assessed value of the real property and further improvements to the Exempted Property for a period of up to thirty (30) years, commencing and ending as set forth in the TIF Ordinance and further consents to the CRA Exemption for up to one hundred percent (100%) of the increase in assessed value of real property and further improvements to the CRA Property for a period of up to fifteen (15) years commencing and ending as set forth in the CRA Ordinance.

(b) Base TIF Compensation. All references to "effective tax rate millage" and "assessed valuation" in the following paragraphs shall mean the effective tax rate millage and assessed valuations applicable for the tax year immediately preceding the calendar year in which Base TIF Compensation is due hereunder. For example, commercial "effective rate real property tax millage" for tax year 2020 means 45.749134, divided by 1,000, equals 0.045749134, and the assessment factor is 35% of market value (as market value is determined for such tax year by the Hamilton County Auditor, or any successor entity).

(i) For the Exempted Property consisting of the Phase 1A Apartments, as described and depicted on Exhibit A-3 attached hereto (the "A-3 Property"), each year during the term of the CRA Exemption the Developer shall pay to the School District an amount equal to ten percent (10%) of the School District's effective tax rate millage, divided by 1,000, times the portion of assessed valuation of the A-3 Property exempt from taxation pursuant to the CRA Exemption;

(ii) For the A-3 Property, during any year of the term of the TIF Exemption, after the expiration or termination of the CRA Exemption, the City shall pay to the School District an amount equal to sixty-four percent (64%) of the School District's effective tax rate millage, divided by 1,000, times the portion of the assessed value of the A-3 Property exempt from taxation pursuant to the TIF Exemption, which is not otherwise exempt pursuant to the CRA Exemption;

(iii) For the Exempted Property consisting of the Phase 1A Commercial, as described and depicted on Exhibit A-4 attached hereto (the "A-4 Property"), each year during the term of the TIF Exemption, the City shall pay to the School District an amount equal to forty percent (40%) of the School District's effective tax rate millage, divided by 1,000, times the portion of the assessed valuation of the A-4 Property exempt from taxation pursuant to the TIF Exemption;

(iv) For the Exempted Property consisting of the Phase 1B Apartments, as described and depicted on Exhibit A-5 attached hereto (the "A-5 Property") each year during the term of the CRA Exemption, the Developer shall pay to the School District an amount equal to five percent (5%) of the School District's effective tax rate millage, divided by 1,000, times the portion of the assessed valuation of the A-5 Property exempt from taxation pursuant to the CRA Exemption;

(v) For the A-5 Property during any year of the term of the TIF Exemption, after the expiration or termination of the CRA Exemption, the City shall pay to the School District an amount equal to one hundred percent (100%) of the School District's effective tax rate millage, divided by 1,000, times the portion of the assessed value of the A-5 Property exemption from taxation pursuant to the TIF Exemption, which is not otherwise exempted pursuant to the CRA Exemption; and

(vi) For any Exempted Property not included in A-3, A-4 or A-5 Property, unless a supplement to this Tax Incentive Agreement is entered into by all parties hereto setting forth other terms, during any year of the TIF Exemption the City shall pay to the School District an amount equal to one hundred percent (100%) of the School District's effective tax rate millage, divided by 1,000, times the portion of the assessed value of such Exempted Property exempt from taxation pursuant to the TIF Exemption.

(vii) In keeping with Ohio Revised Code Section 5709.40(D)(2), the City and the Developer shall, respectively, be obligated to compensate the Great Oaks Institute of Technology and Career Development (the "JVS") at the same rate and under the same terms as they compensate the School District hereunder (e.g. if the JVS's effective tax millage is 5 mills, then with respect to A-3 Property during the term of the CRA Exemption, the Developer would pay the JVS Base TIF Compensation of 10% of the 5 mills on the assessed value of the A-3 Property exempt from taxation under the CRA Exemption).

The payment of Base TIF Compensation is an absolute obligation and the payment of Base TIF Compensation is not subordinate to the payment of debt service on bonds or other obligations issued by or on behalf of the City to pay for necessary infrastructure improvements in support of development of the A-3, A-4 and A-5 Property (the "Bonds") or any other obligations of the City. Notwithstanding the foregoing, the City's obligation to pay Base TIF Compensation shall be payable solely from statutory service payments ("Service Payments") or minimum service payments received by the City in connection with the TIF Exemption.

(c) Additional TIF Compensation Attributable to Excess Service Payments. Additionally, during any year or any portion thereof, in which the School District would have received property tax collections derived from the Exempted Property but for the City's authorization of the TIF Exemptions, to the extent that the City collects Excess Service Payments (defined below), the City will deposit all Excess Service Payments into the City's PLK Tax Increment Equivalent Fund until an accumulated balance of one times maximum annual debt service on the Bonds and then will pay to the School District and Great Oaks Career Campuses (the "JVS") Excess Service Payment TIF Compensation (defined below).

As used herein; (i) "Excess Service Payments" mean that portion of the Service Payments received by the City from the owners of the Exempted Property annually, in excess of the amount of such Service Payment required to pay annually, (A) Base TIF Compensation defined in Section 1(b) above, inclusive of Base TIF Compensation to the JVS, plus (B) debt service on the Bonds, administrative expenses related to the Bonds, and amounts necessary to replenish any reasonably required debt service reserve securing the Bonds; and (ii) "Excess Service Payment TIF Compensation" shall mean the School District's pro rata share of one hundred percent (100%) of the Excess Service Payments. The School District's pro rata share shall be determined by the ratio of the School District's effective tax rate millage divided by the sum of the School District's effective tax rate millage plus the JVS's effective tax rate millage. In no event shall the Base TIF Compensation plus the Excess Service Payment TIF Compensation over the life of the TIF Exemption exceed the amount the School District would have collected with respect to the A-3, A-4 and A-5 Property if the A-3, A-4 and A-5 Property were not subject to the CRA Exemption and the TIF Exemption. For purposes of determining Excess Service Payments, the City agrees that Bonds shall not be issued in excess of the amount required to generate \$7,600,000 of project funds, but may be issued in one or more series.

(d) Nothing in this Agreement shall be construed to pledge the full faith and credit of the City for the payment of Base TIF Compensation, and the Excess Service Payment TIF Compensation (collectively, the "School Compensation").

(e) Other than the School Compensation payable to the School District pursuant this Agreement, and amounts payable to the JVS as described in this Agreement, no other amounts shall be payable to the School District or the JVS as a result of or in connection with the Tax Exemptions.

**SECTION 2. Certification of School Compensation Amount.** By April 1 and September 1 of each year during which the TIF Exemption will result in the School District's receipt of less than one hundred percent (100%) of the amount of real property taxes that the School District would have received but for the TIF Exemption, the City shall certify to the School District the amount of the School Compensation due to the School District and shall provide calculations to show how such amount was derived.

**SECTION 3. Payment of School Compensation.** Base TIF Compensation due under Sections 1(B)(i) and (iv) shall be payable by the Developer in semi-annual installments at the same time that real property taxes are otherwise due on the A-3 Property and A-5 Property, respectively. Base TIF Compensation due under Sections 1(B)(ii), (iii), and (v), and Excess Service Payment TIF Compensation, shall be paid by the City semi-annually for the Service Payments distributed to the City by the Hamilton County Auditor not later than June 1 and December 1 of each year (with the June 1 payment corresponding to the School Compensation due from the first half tax distribution made to the City, and the December 1 payment corresponding to the second half tax distribution). All payments shall be made by bank or cashier's check or wire transfer. The obligations of the City and the Developer to make payments to the School District hereunder shall not be assignable by the City or the Developer to anyone without the express written consent of the School District; provided, however, the School District's consent to an assignment (complete assignment, in the case of a complete transfer, or partial assignment in the case of a partial transfer) by Developer of its obligations hereunder to a successor in interest to the A-3 Property or the A-5 Property shall not be unreasonably withheld, conditioned, or delayed.

**SECTION 4. Resolution of Disputes.** In the event the School District disputes the amount of the School Compensation as certified by the City, the School District shall certify, by May 15 and October 15, with respect to the first and second-half property tax settlements, the basis for the dispute and the amount that the School District claims is the correct amount of School Compensation to be paid to the School District. Within ten (10) days thereafter, the Treasurer of the School District and the City Auditor or the City Safety Service Director shall meet to discuss and resolve the dispute. In the event the Treasurer of the School District and the City are unable to mutually agree on the amount of School Compensation, the parties shall next seek a third party mediator to settle the dispute and determine the amount of the School Compensation. The City shall then pay such amount within thirty (30) days thereafter; provided that nothing contained in this Section 4 shall limit either the School District's or the City's ability, after payment and receipt of such School Compensation amount, to seek recovery of amounts deemed overpaid or underpaid.

**SECTION 5. Late Payments.** Except for the case where a School Compensation payment is delayed pursuant to a dispute as provided in Section 4 hereof (so long as the dispute of the School Compensation payment amount is reasonable) or is delayed as a result of a failure to pay Service Payments by a property owner, any late School Compensation payments shall bear interest at the then current rate established under Sections 323.121(B)(a) and 5703.47 of the Ohio Revised Code, as the same may be amended from time to time, or any successor provisions thereto, as the same may be amended from time to time.

**SECTION 6. School District Expenses.** Within thirty (30) days after the execution of this Agreement, the Developer shall pay or cause to be paid to the School District an amount equal to the School District's reasonable fees and expenses, including fees of its legal counsel, associated with negotiating, approving and entering into this Agreement and approving the TIF Exemption.

**SECTION 7. Notices.** All notices, designations, certificates, requests or other communications under this Agreement shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, postage prepaid addressed to the following addresses:

Norwood City School District:

Board of Education of the  
Norwood City School District  
2132 Williams Ave.  
Norwood, Ohio 45212  
Attn: Treasurer

City of Norwood, Ohio:

City of Norwood, Ohio  
4645 Montgomery Road  
Norwood, Ohio 45212  
Attn: City Auditor

Playing Card Partners, LLC

Playing Card Partners, LLC  
5905 E. Galbraith Road, Suite 4100  
Cincinnati, Ohio 45236  
Attn: \_\_\_\_\_

**SECTION 8. Duration of Agreement; Amendment.** This Agreement shall become effective on the date that it is executed and delivered and shall remain in effect for such period as any Tax Exemption is in effect with respect to the Exempted Property or any portion thereof. This Agreement may be amended only by mutual agreement of the parties hereto. No amendment to this Agreement shall be effective unless it is contained in a written document approved through legal process and signed on behalf of all parties hereto by duly authorized representatives.

**SECTION 9. Waiver.** No waiver by the School District or the City, or their successors and assigns, of the performance of any terms or provision hereof shall constitute, or be construed as, a continuing waiver of performance of the same or any other term or provision hereof.

**SECTION 10. Merger; Entire Agreement.** This Agreement sets forth the entire agreement and understanding between the parties as to the subject matter contained herein and merges and supersedes all prior discussion, agreements, and undertakings of every kind of nature between the parties with respect to the subject matter of this Agreement.

**SECTION 11. Binding Nature.** This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.

**SECTION 12. Severability.** Should any portion of this Agreement be declared by a court of competent jurisdiction to be unconstitutional, invalid or otherwise unlawful, such decision shall not effect the entire agreement but only that part declared to be unconstitutional, invalid or illegal and this Agreement shall be construed in all respects as if any invalid portions were omitted.

**SECTION 13. Counterparts; Captions.** This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same Agreement. Captions have been provided herein for the convenience of the reader and shall not affect the construction of this Agreement.

(Signature Page to follow)

IN WITNESS WHEREOF, the School District and the City have caused this Agreement to be executed in their respective names by their duly authorized officers all as of the date hereinbefore written.

**BOARD OF EDUCATION OF THE  
NORWOOD CITY  
SCHOOL DISTRICT,  
HAMILTON COUNTY, OHIO**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

**CITY OF NORWOOD,  
HAMILTON COUNTY, OHIO**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

WITH RESPECT TO SECTIONS 1(B)(i),  
(iv), (vii), SECTION 3, and SECTION 14:

**PLAYING CARD PARTNERS, LLC**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A-1**

**DESCRIPTION OF THE "EXEMPTED PROPERTY"**

Parcels exempted pursuant to ORC §5709.40(B)

**(4590 Beech Street, Hamilton County, Ohio)**

**Tract I – Fee Simple - Auditor's Parcel No. 651-0019-0125, 126, 128, 172, 177 consolidated:**  
Situating in Sections 28 and 34, Township 4, Fractional Range 4, Columbia Township, City of Norwood, Hamilton County, State of Ohio, and being more particularly described as follows:

Beginning at the intersection of the North line of Robertson Avenue with the East line of Beech Street;

thence along the East line of Beech Street, North 5°45'02" East, for a distance of 320.00 feet to the REAL PLACE OF BEGINNING;

thence continuing along the East line of Beech Street, North 5°45'02" East, for a distance of 600.00 feet to the northerly terminus of Beech Street, as described in Quit Claim Deed recorded in Deed Book 3545, Page 393, of the Hamilton County, Ohio Deed Records;

thence along said terminus, North 84°15'58" West, for a distance of 45.00 feet to a point five (5) feet from the West line of Beech Street;

thence parallel to said West line of Beech Street, North 5°45'02" East, for a distance of 366.29 feet to the South right-of-way line of the Baltimore & Ohio Southwestern Railroad;

thence along said railroad right-of-way, South 68°17'00" East, for a distance of 1225.75 feet to an angle point in said right-of-way;

thence along said right-of-way, South 21°43'00" West, for a distance of 20.00 feet to an angle point in said right-of-way;

thence leaving said right-of-way, South 21°43'00" West, for a distance of 50.00 feet to a point;

thence South 6°50'00" East, 129.30 feet;

thence South 36°44'46" East, for a distance of 62.16 feet to a point on the West line of the limited access right-of-way line of Interstate Highway I-71;

thence along said right-of-way of I-71 the following courses: on a curve deflecting 10°02'10" right, having a radius of 602.96 feet, for a distance on arc of 105.61 feet (chord of arc bears South 34°45'15" West, 105.48 feet);

thence South 39°46'20" West, 109.72 feet;

thence South 33°42'02" West, 135.08 feet;

thence South 35°34'04" West, 100.27 feet;

thence leaving said right-of-way of I-71, North 84°15'58" West, for a distance of 958.67 feet to the place of beginning. Containing 888,465.20 square feet or 20.396355 acres.

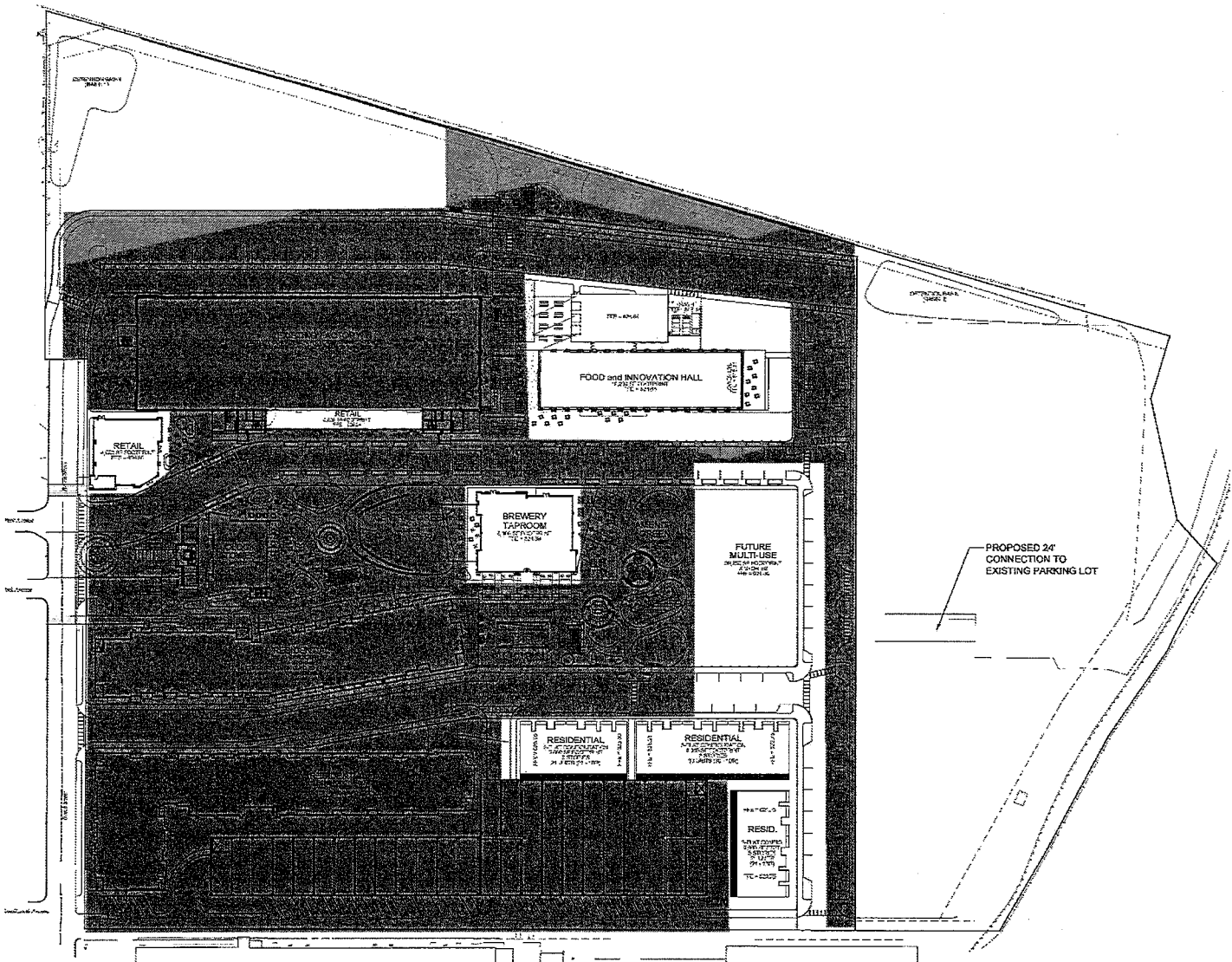
**Tract II – Easement:**

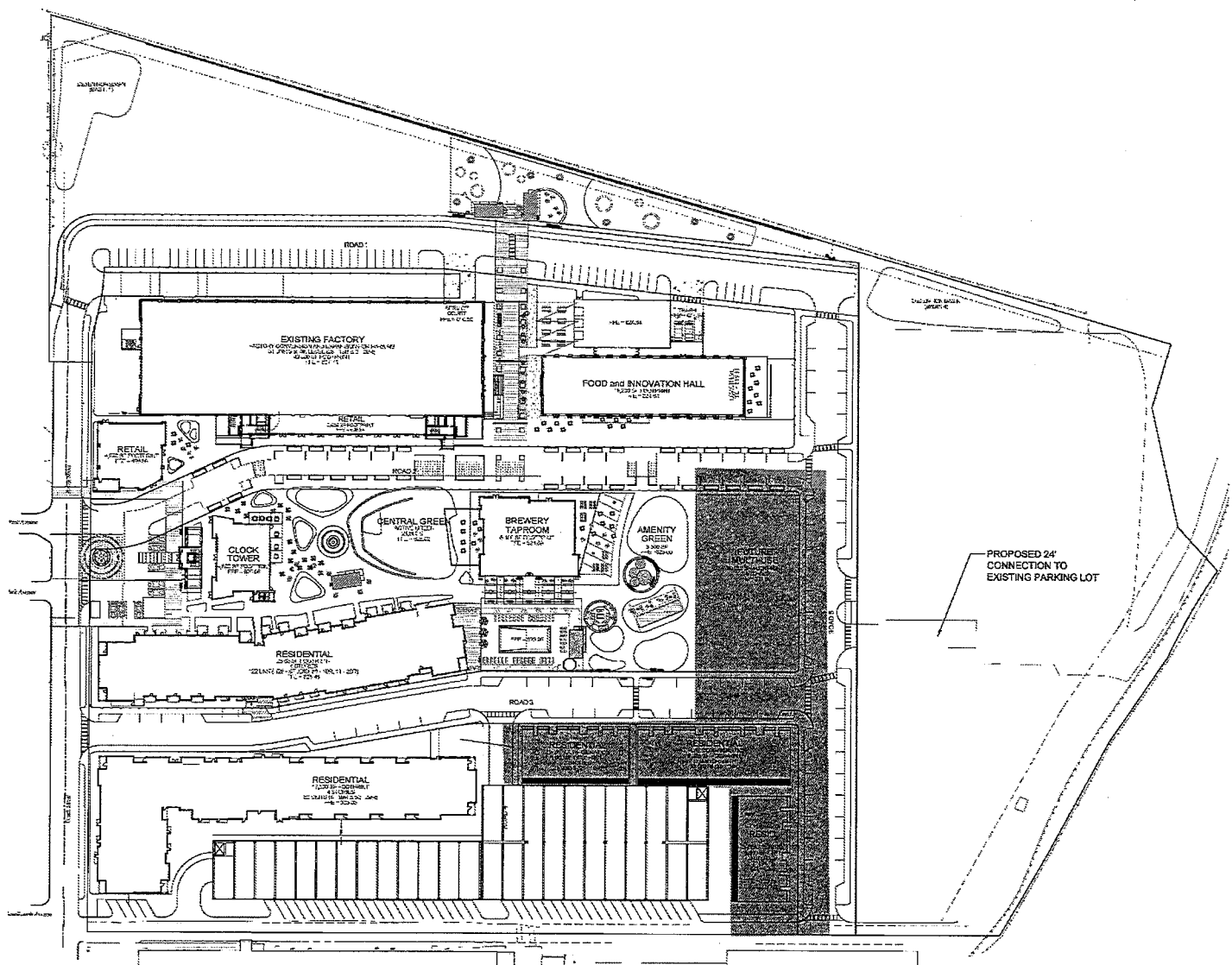
Together with an easement, in, on and over a strip of land ten (10) feet in width lying immediately south of the south property line as granted in Corporation Limited Warranty Deed recorded in Deed Book 4233, Page 1657 and established in the servient tract chain of title by Corporation Limited Warranty Deed recorded in Deed Book 4242, Page 91, of the Hamilton County, Ohio Records; as partially released by Termination of Roadway Easement recorded in Official Record Book 6921, Page 3139 and Termination of Roadway Easement recorded in Official Record Book 6921, Page 3148, of the Hamilton County, Ohio Records.





**EXHIBIT A-2**  
**DESCRIPTION OF THE “CRA PROPERTY”**

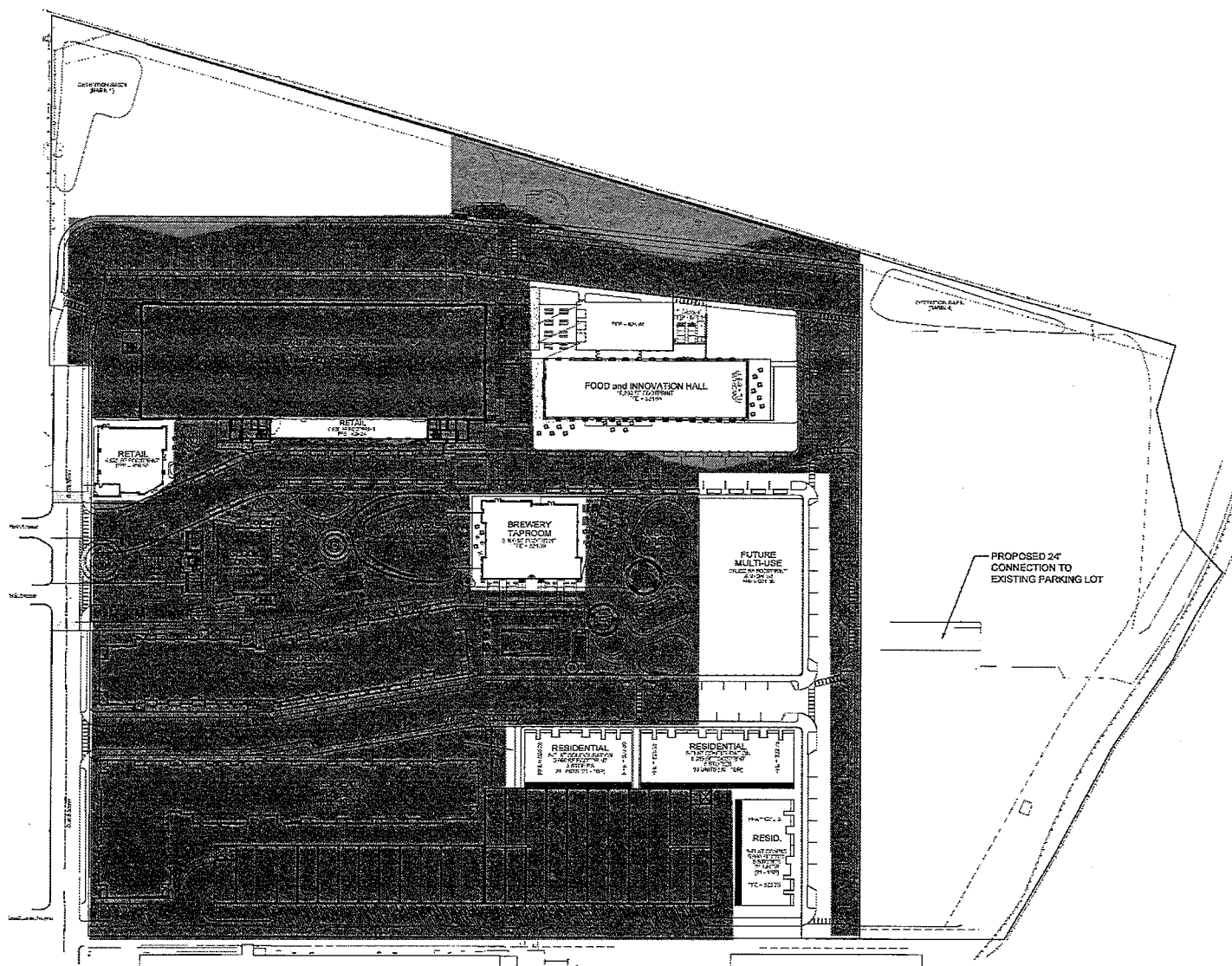




**EXHIBIT A-3**

**DESCRIPTION OF THE “A-3 PROPERTY”**

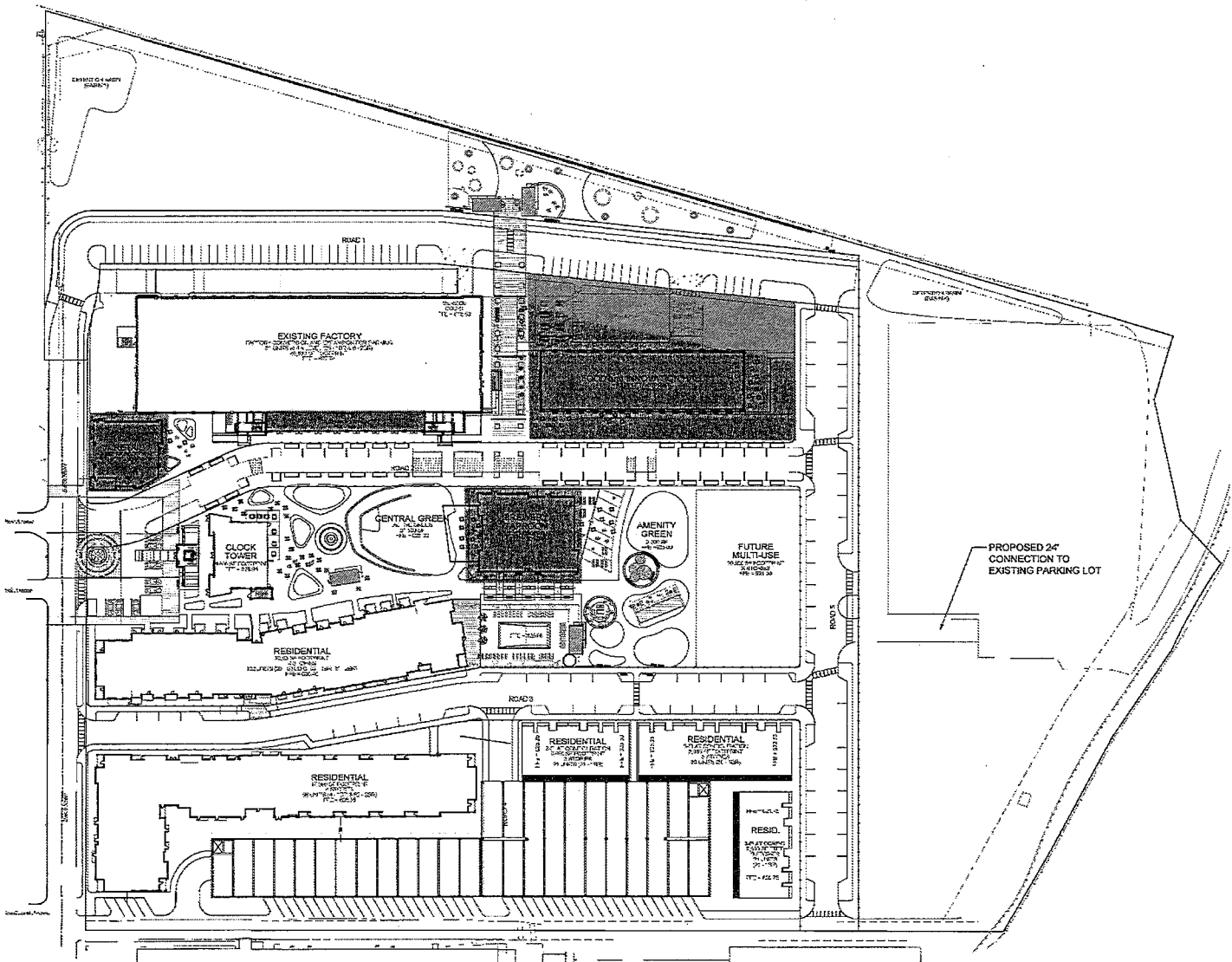
Phase 1A Apartments



**EXHIBIT A-4**

**DESCRIPTION OF THE “A-4 PROPERTY”**

**Phase 1A Commercial**



**EXHIBIT A-5**

**DESCRIPTION OF THE "A-5 PROPERTY"**

**Phase 1B Apartments**

