

TITLE: A RESOLUTION APPROVING A REAL PROPERTY TAX EXEMPTION UNDER REVISED CODE SECTION 5709.41 IN CONNECTION WITH THE DEVELOPMENT OF CERTAIN PROPERTY IN THE CITY OF CLEVELAND HEIGHTS, COMPENSATION AGREEMENT, SCHOOL DISTRICT ADDITIONAL PARKING AGREEMENT AND RELATED MATTERS

WHEREAS, the City of Cleveland Heights (the "City") owns certain parcels of real property known as the Cedar-Lee Meadowbrook parcels consisting of approximately 4.8 acres located between Cedar Road and Meadowbrook Road, as shown on Exhibit A hereto (collectively referred to herein as the "TIF Area," with the parcels comprising the real property within the TIF Area, as improved, referred to herein as the "Parcels");

WHEREAS, R.C. 5709.41 provides that City Council may, under certain circumstances, declare Improvements (as defined in R.C. 5709.41) to the Parcels be a public purpose, thereby exempting those Improvements from real property taxation;

WHEREAS, the City has entered into a Development Agreement with F & C Development, Inc. (the "Developer") pursuant to which the Developer will lease the Parcels from the City and improve the Parcels by building thereon a mixed-use development which will include construction of (a) one or more buildings of varying heights including approximately 200-225 market-rate apartments, (b) approximately 5,000-9,000 square feet of first floor non-residential space such as commercial, retail and/or restaurant space, (c) public gathering and green spaces, and (d) all private and public sidewalks, as well as driveways, access ways, street and parking lot lighting and utility connections and sanitary, stormwater drainage and other infrastructure improvements on the Project Site, all as further described in the Development Agreement (all of the foregoing being referred to herein collectively as the "Development");

WHEREAS, by an Ordinance introduced in City Council (the "TIF Ordinance"), the City proposes to establish a tax increment financing district with respect to the Parcels, to exempt from real property taxation improvements to be made to the Development pursuant to R.C. 5709.41 and to require the development entity to be established by F & C Development, Inc. to improve the parcels in the Development Property (such entity, the "Developer"), to make Service Payments In Lieu of Taxes in an amount equal to the amount of real property taxes that would have been payable if the Improvements described below had not been exempted from taxation under the TIF Ordinance (those payments in lieu of taxes, together with any related penalties, interest and rollback payments, are collectively referred to herein as "PILOTS"), and to use such PILOTS for among other purposes to pay compensation to the School District pursuant to a Compensation Agreement;

WHEREAS, pursuant to R.C. 5709.41, said exemption may not exceed 75% of such Improvements for up to ten (10) years without the approval of the board of education of the city, local or exempted village school district within the territory in which the Parcels are located;

WHEREAS, the Board of Education of the Cleveland Heights-University Heights City School District (the "School District") has determined that it is in the School District's best interests for the School District to enter into a compensation agreement (the "Compensation Agreement") with the City which Compensation Agreement provides for the payment of compensation by the City to the School District and other terms;

WHEREAS, the School District has determined that it is in the School District's best interests for the School District to enter into a School District Additional Parking Agreement with the City; and

WHEREAS, the Development and those improvements will be a significant benefit to the entire community and increase revenue to the School District;

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the Cleveland Heights-University Heights City School District, County of Cuyahoga, State of Ohio, that:

Section 1. This Board hereby approves the 100% real property tax exemption for up to 30 years to be authorized by City Council to be passed pursuant to RC. 5709.41, authorizing a real property tax exemption for the parcels identified on Exhibit A hereto with respect to the real property improvements to be made as part of the Development.

Section 2. This Board hereby authorizes the Superintendent, Treasurer/CFO, and Board President to enter into a Compensation Agreement on behalf of this Board with the City, substantially in the form attached to this Resolution as Exhibit 1.

Section 3. This Board hereby authorizes the Superintendent, Treasurer/CFO, and Board President to enter into a School District Additional Parking Agreement on behalf of this Board with the City, substantially in the form attached to this Resolution as Exhibit 2.

Section 4. This Board authorizes and directs the Superintendent and Treasurer/CFO or their designees to provide such information or certificates, and enter into such instruments from time to time as are necessary and appropriate to carry out this Resolution.

Section 5. This Board authorizes and directs the Superintendent, Treasurer, and President of this Board to notify the City of this approval of the tax exemption.

Section 6. This Board approves and waives delivery of the notice of the proposed exemptions as provided under R.C. 5709.41, R.C. 5709.82, R.C. 5709.83, and R.C. 5715.27.

Section 7. This Board finds and determines that all formal actions of this Board concerning and relating to the deliberation and adoption of this Resolution were made in compliance with Ohio law.

Section 8. This resolution shall be in full force and effect from and immediately upon its adoption.

By: _____
Elizabeth Kirby
Superintendent

Malia Lewis
Board President

A. Scott Gainer
Treasurer/CFO

CHIEF FINANCIAL OFFICER'S CERTIFICATION

The above is a true and correct extract from the minutes of the regular meeting of the Board of Education of Cleveland Heights-University Heights, Ohio, held on _____, 2022, and recorded in the official records of the School District.

Dated: _____, 2022

A. Scott Gainer, Treasurer/Chief Financial Officer
Cleveland Heights-University Heights City School District

Exhibit A

2021 Tax Year (Pay 2022) Permanent Parcel Numbers

687-06-009, 687-06-011, 687-06-012, 687-06-096 (all four subject to subsequent consolidation and lot split)

687-08-001