



## Legislation Text

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**File #: O-036-19, Version: 1**

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All Council Members

### **Levying special assessments for the City School District of the City of Toledo, Lucas County, and The Young Men’s Christian Association of Greater Toledo; and declaring an emergency.**

#### **SUMMARY & BACKGROUND:**

The City of Toledo, City of Oregon, City of Maumee, City of Northwood, Township of Monclova, Township of Springfield, Township of Swanton, and Township of Sylvania and the Toledo-Lucas County Port Authority (“Port Authority”) have partnered to create an Energy Special Improvement District (“District”) under Ohio Revised Code Chapter 1710 and a non-profit corporation, known as the Northwest Ohio Advanced Energy Improvement District (“Corporation”), to govern the District. Property owners within the District are permitted to make certain “energy efficiency improvements” to their properties, which constitute a “special energy improvement project”, and pay for the cost of the special energy improvement project by way of special assessments in accordance with the process set out in Chapters 727 and 1710 of the Ohio Revised Code. Revised Code Section 1710.01(G) provides that special energy improvement projects (including energy efficiency improvements) constitute public improvements and are therefore subject to special assessments.

The City School District of the City of Toledo, Lucas County (the “Owner”) is the owner of 100% of the property described on **Exhibit A** attached hereto (the “Property”). The Property is currently leased by The Young Men’s Christian Association of Greater Toledo, an Ohio non-profit corporation (“Lessee”) (jointly together, “Petitioners”). The Petitioners have executed an Energy Project Agreement (the “Agreement”) with the Corporation. A copy of the Agreement is attached to the Petitions as **Exhibit C**.

Pursuant to the Agreement, and upon Application to the Corporation for membership and financing of special energy improvement projects to the properties; the Port Authority, Corporation, and Petitioners have caused an energy audit to the property to be completed.

The energy audit has identified energy conservation measures, all of which qualify as energy efficiency improvements as defined in Revised Code Section 1710.01(K), which the Petitioners have determined to proceed with implementation, and to pay by way of special assessments.

The Petitioners have submitted to this Council a petition (“Petition”) seeking (i) the addition of certain of its property to the District and (ii) approval of an amendment to the District’s comprehensive plan for special energy improvement projects to include the Project be undertaken by the District and that the costs thereof be specially assessed against the properties of the Petitioners specially benefited thereby.

A complete list and description of the Project (the “Project”) is on file with the Clerk of Council and is attached as Exhibit B to this Ordinance. Exhibit B provides the following information for Project:

1. Identification of the parcel number(s) and name of the property/building to be improved;
2. A description of the nature of the special energy improvement project for the particular parcel;
3. The estimated amount of the special assessment to be levied against each parcel of property and the number of years the special assessment will be collected (if not paid in cash within 30 days after the passage of the assessing Ordinance as provided by law).

The Petitioners expressly waive the right to pay the assessments in cash within 30 days after passage of the assessing ordinance.

The annual special assessments for the Project are to be paid in semi-annual payments over nineteen years. The plans and specifications for the Project are on file with the City Council. The Petitioners' petition also waives all further notices, hearings, claims for damages, rights to appeal and other rights of property owners under the law, including but not limited to those specified in the Ohio Constitution, and Chapter 727 of the Revised Code, the Toledo City Charter and the Codified Ordinances of the City of Toledo. The Petitioners consent to the immediate imposition of the special assessments upon the various properties specially benefited by the Project. This special assessment process is a voluntary process with one hundred percent of the cost of the special energy improvement projects being assigned to the specially benefited properties. Final costs for the Project are now known and this assessing ordinance completes the assessing process, which included the adoption of a Resolution of Necessity (Resolution No. 34-19) and Ordinance to Proceed (Ordinance No. 35-19) by levying the assessments against the benefitted properties.

NOW, THEREFORE, Be it ordained by the Toledo City Council:

SECTION 1. That the special assessments for the cost of providing the Project in the District pursuant to Resolution No. 34-19 adopted by this Council on January 22, 2019 (the Resolution of Necessity), which were filed and are on file in the office of the Clerk of Council are adopted and confirmed; provided that the cost of providing such Projects are reduced to the aggregate amount of \$417,281.20, which reduction is adopted and confirmed. Those special assessments are levied and assessed upon the properties in the respective amounts set forth in the schedule attached as Exhibits B and on file with the City Council, which special assessments have been calculated in a manner provided for in the Resolution of Necessity and are not in excess of the special benefits or any statutory limitation. The special assessments are levied and assessed in accordance with the payment schedule attached hereto as Exhibit B in the amounts sufficient to pay the principal of and interest on the Authority's Taxable Development Revenue Bonds (Northwest Ohio Bond Fund) (The Northwest Ohio Advanced Energy Improvement District Project), and the scheduled amounts payable as the Port Authority program administration fee, and the Trustee fee due with respect to each semi-annual period identified in such payment schedule. The County Fiscal Officer of Lucas County, Ohio may impose a special assessment collection fee, which if imposed, will be added by the County Fiscal Officer of Lucas County, Ohio to each semi-annual assessment payment.

SECTION 2. That Petitioners waive the right to pay the special assessments in cash within thirty days after the passage of this ordinance, and shall pay the assessments in nineteen equal annual installments (thirty-eight equal semi-annual installments) in accordance with the schedules attached hereto as Exhibit B. All special assessments shall be certified by the Clerk of Council to the County Auditor as provided by law to be placed on the tax duplicate and collected as taxes are collected. All payments shall be made to the County Treasurer of Lucas County, Ohio and shall be subject to the same delinquency procedures, penalties, and interest as the payment of real property taxes in accordance with Ohio Revised Code Chapter 323.

Notwithstanding the foregoing, pursuant to the Agreement to Impose Special Assessments between the Petitioners, Lessor and the Corporation, attached to the petition as Exhibit C and providing that the Petitioners each grant the Corporation the authority to determine, in its sole discretion, the amount of the special assessments, the Corporation, acting through its Chairman or other authorized representative, may annually, on or before August 15th, deliver to the City assessment officer or other appropriate official, a certificate signed by the Chairman reflecting a reduction, in whole or in part, in the amount of the special assessment to be certified by the City's assessment officer to the County Auditor in that year for placement onto the tax duplicate the following year and collected as other taxes and assessments are collected. The Corporation's certificate shall reflect payments made by or on behalf of the Petitioners, or their successors, directly to the Corporation or to the Corporation's designee for some or all of the cost of the special energy improvement project thereby resulting in a reduction in the required annual special assessment. The City's assessment officer and all officials with authority to certify special assessments to the County Auditor shall, without any further action by this Council, rely upon the Corporation's certificate and take all actions necessary to implement the annual reduction of the special assessment, if any, evidenced by the certificate. In the event the City's assessment officer does not receive such a certificate in any given year on or before August 15<sup>th</sup>, the assessment officer shall certify the full amount of the annual special assessment as provided herein to the County Auditor.

SECTION 3. The Council finds and determines that it has previously waived notice of the passage of this assessing Ordinance and therefore no notice need be published in a newspaper of general circulation in the City.

SECTION 4. That the City Council shall deliver a certified copy of this Ordinance to the County Auditor within twenty days after its passage, but in no event later than the second Monday in September, 2019 (or by such other date as may be specified in the Ohio Revised Code or acceptable to the County Auditor of Lucas County, Ohio for the certification of assessments in connection with the preparation of the general tax list for tax year 2019).

SECTION 5. That the proceeds of the special assessments levied by this Ordinance that are received by the City shall be applied as provided in Section 1710.12 of the Revised Code and are hereby appropriated for that purpose. This Council covenants and agrees that it will give effect to the appropriation in the ordinance it hereafter adopts appropriating money for expenditure or encumbrance. The Director of Finance is authorized and directed to make appropriate accounting entries and adjustments to reflect the City's receipt and disbursement of those proceeds.

SECTION 6. That this Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken, and that all deliberations of this Council and any of its committees that resulted in those formal actions were held, in meetings open to the public in compliance with the law.

SECTION 7. That this Ordinance is declared to be an emergency measure and shall take effect and be enforced from and after its passage. The reason for the emergency lies in the fact that this Ordinance is necessary for the immediate preservation of the public peace, health, safety and property and for the further reason that the immediate action is necessary in order to conserve energy and protect the environment of the City, as well as, undertake the construction of the public improvements and enable and provide for the timely levying, certification and collection of the special assessments for the Project.

Vote on emergency clause: yeas \_\_\_\_\_, nays \_\_\_\_\_.

Passed: \_\_\_\_\_, as an emergency measure: yeas \_\_\_\_\_, nays \_\_\_\_\_.

Attest: \_\_\_\_\_  
Clerk of Council

\_\_\_\_\_  
President of Council

Approved: \_\_\_\_\_

\_\_\_\_\_  
Mayor

I hereby certify that the above is a true and correct copy of an Ordinance passed by Council

\_\_\_\_\_.

Attest: \_\_\_\_\_  
Clerk of Council