



Legislation Text

File #: O-165-22, **Version:** 1

IRONVILLE TIF - disbursement of TIF Payments
Econ Development/Law
B. Schlorst (x1692)/E. Granata (x1034)
Revised

Authorizing the appropriation of funds deposited in 2021 and 2022 into the Ironville Tax Increment Financing (“TIF”) Fund; authorizing expenditure of all funds deposited into the Ironville TIF Fund during the term of the TIF, subject to annual appropriations; and declaring an emergency.

SUMMARY & BACKGROUND:

Ordinance 511-18 as amended by Ord. 341-19 (the “TIF Ordinance”) authorized a Tax Increment Financing exemption for certain real property known as the Ironville Site, as authorized under Ohio Revised Code sections 5709.41 through 5709.43. The TIF Ordinance authorized Service Payments in lieu of taxes to include payments to the Toledo City School District with the balance to be used for the payment of public improvements necessary to support the Cliffs Natural Resources, Inc. HBI production project. In accordance with Revised Code and the TIF Ordinance, the Service Payments, after payment to the School District, are deposited into the city’s municipal public improvement tax increment equivalent fund (the “Ironville Tax Increment Fund”).

The TIF Ordinance provided that the costs of the public improvements to be paid out of the Ironville Tax Increment Fund specifically include any reimbursement payments for the costs of the public infrastructure improvements, debt service and any administrative or other expenses relating to the issuance of bonds, notes or other obligations issued to finance the public infrastructure improvements paid by the Toledo Lucas County Port Authority or the company. Under the Service Payment Agreement and Cooperative Agreement authorized by the Ordinance, the Port Authority or the Company, as applicable, shall provide a certified statement to the City setting forth and providing reasonable evidence concerning costs of the Public Infrastructure Improvements. The City is then obligated to pay such certified costs to the extent that funds are available in the Ironville Tax Increment Fund.

This Ordinance appropriates all revenues received so far and any revenues to be received in 2022 into the Ironville Tax Increment Fund for payment of the authorized public improvements. It also authorizes expenditures from the fund going forward, subject to appropriation. There is at present \$111,894.69 in the Ironville Tax Increment Fund.

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

SECTION 1. That all amounts received in 2021 and in 2022 by the City from the Lucas County Treasurer as service payments in lieu of taxes and deposited into the Ironville Tax Increment Fund, Account Code 5034-16400-5661001STDSTD, pursuant to Ordinance 511-18 as amended by Ord. 341-19, are appropriated for the purposes of payment of eligible costs of public improvements in accordance with the TIF

Ordinance and the Service Payment and Cooperative Agreements dated December 16, 2019.

SECTION 2. That the expenditure of all funds deposited into the Ironville Tax Increment Fund, Account Code 5034-16400-5661001STDSTD, is authorized for the term of the Ironville tax increment financing exemption for the purposes stated in Section 1, subject to annual appropriation.

SECTION 3. That the Director of Finance is authorized to draw his or her warrant or warrants against the Account Code in Section 2 in payment of the above authorized obligations upon receipt of a certified statement of costs for eligible public improvements.

SECTION 4. That this Ordinance is declared to be an emergency measure and shall take effect and be in force from and after its passage. The reason for the emergency lies in the fact that the same is necessary for the immediate preservation of the public peace, health, safety and property, and for further reason that the Ordinance must be immediately effective in order to allow the timely payment of obligations related to the Ironville TIF Ordinance and related agreements.

Vote on emergency clause: yeas 12, nays 0.

Passed: April 12, 2022, as an emergency measure: yeas 12, nays 0.

Attest:

Gerald E. Dendinger
Clerk of Council

Matt Cherry
President of Council

Approved:

April 13, 2022
Wade Kapszukiewicz
Mayor