

ORDINANCE NO. 2017-052

AN ORDINANCE DETERMINING TO PROCEED WITH CERTAIN FINDLAY SURGICAL PROPERTIES, LTD. SPECIAL ENERGY IMPROVEMENT PROJECTS BY WAY OF SPECIAL ASSESSMENTS IN ACCORDANCE WITH CHAPTERS 1710 AND 727 OF THE OHIO REVISED CODE AND DECLARING AN EMERGENCY.

SUMMARY & BACKGROUND:

The City of Findlay created an Energy Special Improvement District ("District") under Ohio Revised Code Chapter 1710 and a non-profit corporation, known as the City Of Findlay, Ohio Energy Special Improvement District, Inc. ("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 of Toledo and the Toledo-Lucas County Port Authority ("Port Authority") have partnered to create an Energy Special Improvement District under Ohio Revised Code Chapter 1710 and a non-profit corporation, known as the Northwest Ohio Advanced Energy Improvement District, to govern the District. The Northwest Ohio Advanced Energy Improvement District and Port Authority have provided technical and financial assistance to the District for this project.

Findlay Surgical Properties, Ltd., (the "Petitioner") is the owner of 100% of the property described on **Exhibit A** attached hereto (the "Properties"). The Petitioner has executed an Energy Project Agreement (the "Agreement") with the Corporation and the Northwest Ohio Advanced Energy Improvement District. A copy of the Energy Project Agreement is attached to the Petition as **Exhibit C**.

Pursuant to the Agreement, and upon Application to the City Of Findlay, Ohio Energy Special Improvement District, Inc. for membership and financing of special energy improvement projects to the Properties; the Port Authority, Corporation, and Findlay Surgical Properties, Ltd., 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 Findlay Surgical Properties, Ltd., has determined to proceed with implementation, and to pay by way of special assessments.

Findlay Surgical Properties, Ltd., has submitted to this Council a petition ("Petition") seeking (i) the addition certain of its property to the District and (ii) approval of the District's initial comprehensive plan for special energy improvement projects, including the Findlay Surgical Properties, Ltd. Special Energy Improvement Projects and requesting that those Projects be undertaken by the District and that the costs thereof be specially assessed against the properties of the Findlay Surgical Properties, Ltd., specially benefited thereby.

A complete list and description of the Findlay Surgical Properties, Ltd. Special Energy Improvement Projects is on file with the Clerk of Findlay City Council and is attached as Exhibit B to this Resolution. Exhibit B provides the following information for the Findlay Surgical Properties, Ltd. Special Energy Improvement Projects:

1. Identification of the parcel numbers 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 total dollar cost of the Findlay Surgical Properties, Ltd. Special Energy Improvement Projects, subject to capitalized interest on the Port Authority's revenue bonds, reserve fund for the Port Authority's bonds, and costs of issuance of the Port Authority's revenue bonds (collectively, the "Project"), is estimated to be One Million Five Hundred Forty Five Thousand Twenty Five Dollars and Zero Cents (\$1,545,025.00). Each semi-annual payment represents the payment of a portion of the principal of and interest on the Port Authority's revenue bonds and the scheduled amounts payable as the Port Authority administrative fee, the Port authority program administration fee, the trustee fee and the Hancock County, Ohio special assessment collection fee due with respect to each semi-annual payment.

The Port Authority, Northwest Ohio Advanced Energy Improvement District, and the Corporation are funding the cost of the Project through the issuance of bonds. Ultimately, the bonds will be repaid over time from the amounts Findlay Surgical Properties, Ltd., pays as special assessments. Findlay Surgical Properties, Ltd., in turn, is expected to be able to pay the special assessments from the energy savings estimated to be achieved as a result of the Project.

The annual special assessments for the Project are to be paid in semi-annual payments over fourteen (14) years. The plans and specifications for the Findlay Surgical Properties, Ltd. Special Energy Improvement Projects are on file with the Clerk of Council. The Findlay Surgical Properties, Ltd., 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, Chapter 727 of the Revised Code, the Findlay City Charter and the Findlay Municipal Code. The Findlay Surgical Properties, Ltd., consents to the immediate imposition of the special assessments upon the various properties specially benefited by Special Energy Improvement Projects.

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. This resolution accepts and approves the petition from Findlay Surgical Properties, Ltd., to begin that special assessment process, and is accompanied by an ordinance to proceed with the Findlay Surgical Properties, Ltd. Special Energy Improvement Projects. When Findlay Surgical Properties, Ltd. Special Energy Improvement Projects are complete and the final costs known, an assessing ordinance directing that the necessary special assessments be made against the benefited properties will be presented to the Council.

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

SECTION 1. That this Council hereby determines to proceed with the Findlay Surgical Properties, Ltd. Energy Improvement Project as described in the Findlay Surgical Properties, Ltd., Petition and in the Resolution of Necessity, including the Exhibit B thereto, and in accordance with the plans, specifications, profiles and estimates of costs previously approved and now on file with the Clerk of Council.

SECTION 2. That the Corporation shall cause the Findlay Surgical Properties, Ltd. Special Energy Improvement Project to be constructed under such contracts as it determines to be appropriate under law and in accordance with the plans and specifications approved by this Council.

SECTION 3. That the total cost of the Findlay Surgical Properties, Ltd. Special Energy Improvement Projects to be assessed in accordance with the Resolution of Necessity shall be assessed on the properties in the manner and pursuant to the payment schedule set forth in the Resolution of Necessity, and the estimated special assessments prepared and filed in the Office of the Clerk of Council are adopted.

SECTION 4. That the Clerk of Council is hereby directed to deliver a certified copy of this Ordinance to the County Auditor within fifteen (15) days after its passage, but in no event later than the second Monday in September, 2016 (or by such other date as may be specified in the Ohio Revised Code or acceptable to the County Auditor of Hancock County, Ohio for the certification of assessments in connection with the preparation of the general tax list for tax year 2017)

SECTION 5. 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 or any of its Committees that resulted in such formal action were held in meetings open to the public, in compliance with all legal requirements including those of Section 121.22 of the Ohio Revised Code.

SECTION 6. 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 this Ordinance is necessary for the immediate preservation of the public peace, health, safety and property; and for the further reason that immediate action is necessary in order to conserve energy, protect the environment of the City and undertake the construction of necessary public improvements, as well as, enable and provide for the timely levying, certification and collection of special assessments for the Findlay Surgical Properties, Ltd. Special Energy Improvement Project.

Jim P. Slough
PRESIDENT OF COUNCIL
Lydia Mihaluk
MAYOR

PASSED May 16, 2017

ATTEST Denise DeVore
CLERK OF COUNCIL

APPROVED May 16, 2017

EXHIBIT A

DESCRIPTION OF REAL PROPERTY SUBJECT TO THIS PLAN:

The real property subject to this Petition is located at the commonly used mailing address: 1709 Medical Boulevard, Findlay, Ohio 45840. The area of the real property subject to this Petition is approximately 5.745 acres. The Hancock County Auditor Parcel IDs for the real property subject to this Petition are: 580001010514 and 580001010515. The following is the legal description for the real property subject to this Petition:

Situated in the City of Findlay, County of Hancock, State of Ohio, described as follows:

Lots 4 and 5 in Lake Cascades Corporate Centre, as recorded in Plat Volume 17, Page 33, City of Findlay, Hancock County, Ohio.

Parcel Nos. 580001010514 and 580001010515

Property Address: 1709 Medical Boulevard, Findlay, Ohio 45840

EXHIBIT B

**SCHEDULE OF SPECIAL ASSESSMENTS
Project Plan for Findlay Surgical Properties, Ltd.**

The real property owned by at 1709 Medical Boulevard, Findlay, Ohio 45840, serves as a medical surgical facility. The legal description of the property is set forth on the attached Exhibit A. The property will be subject to special assessments for energy improvements in accordance with Revised Code Chapter 1710.

The energy efficiency savings for the project are expected to be 20% or more annually and consist of the following energy efficiency elements:

1. HVAC Replacement
2. Boiler Replacement
3. Steam Generator and Sterilizer Cleaning Unit
4. Climate Control and Mini Split HVAC Heat Pump

Total Project Cost: \$997,450.00

Total cost including financing and other charges: \$1,095,000.00

Total assessment payments to be collected: \$1,545,025.00

Estimated annual special assessment for 14 years: **Varies** *(See Schedule Below)*

Estimated semi-annual special assessments for 14 years*: **Varies** *(See Schedule Below)*

Number of semi-annual installments: 28

First annual installment due: January 31, 2018

**Note: Numbers do not reflect additional charges that County Auditor may apply to the annual assessment.*

TAX YEAR	YEAR ANNUAL ASSESSMENT IS DUE	ANNUAL ASSESSMENT FOR PARCEL # 580001010514	ANNUAL ASSESSMENT FOR PARCEL # 580001010515	TOTAL ANNUAL ASSESSMENT
2017	2018	\$ 98,395.35	\$ 11,370.28	\$ 109,765.63
2018	2019	\$ 100,319.83	\$ 11,592.67	\$ 111,912.50
2019	2020	\$ 97,630.59	\$ 11,281.91	\$ 108,912.50
2020	2021	\$ 99,423.42	\$ 11,489.08	\$ 110,912.50
2021	2022	\$ 100,885.70	\$ 11,658.06	\$ 112,543.76
2022	2023	\$ 97,748.25	\$ 11,295.51	\$ 109,043.76
2023	2024	\$ 99,092.87	\$ 11,450.89	\$ 110,543.76
2024	2025	\$ 100,106.93	\$ 11,568.07	\$ 111,675.00
2025	2026	\$ 96,521.28	\$ 11,153.72	\$ 107,675.00
2026	2027	\$ 97,417.69	\$ 11,257.31	\$ 108,675.00
2027	2028	\$ 97,983.56	\$ 11,322.70	\$ 109,306.26
2028	2029	\$ 102,804.58	\$ 11,879.80	\$ 114,684.38
2029	2030	\$ 98,325.31	\$ 11,362.19	\$ 109,687.50
2030	2031	\$ 98,325.31	\$ 11,362.19	\$ 109,687.50
	TOTAL	\$ 1,384,980.68	\$ 160,044.37	\$ 1,545,025.05

Pursuant to Ohio Revised Code Chapter 323, the Assessment Payment Dates identified in this Exhibit B to the Plan are subject to adjustment by the Hancock County Fiscal Officer under certain conditions.

The County Fiscal Officer of Hancock County, Ohio may impose a special assessment collection fee with respect to each Semiannual Assessment payment. If imposed, this special assessment collection fee will be added by the County Fiscal Officer of Hancock County, Ohio to each semi-annual Semiannual Assessment payment.

EXHIBIT C

Energy Project Agreement

[Attached]