

**FAIRFIELD TOWNSHIP**  
**RESOLUTION NO. 23-154**

**RESOLUTION APPROVING SCHOOL COMPENSATION AGREEMENT.**

**WHEREAS:** The Fairfield Township Board of Trustees intends to vote on Resolution No. 23-154 to extend TIF Resolution No. 01-49 which was adopted June 18, 2001; and

**WHEREAS:** The Board supplied Fairfield City School District with notice of its intention to extend TIF Resolution No. 01-49 on October 18, 2023; and

**WHEREAS:** The Fairfield City School District approved the School Compensation Agreement attached hereto as Exhibit A by Resolution No. 23-98 on November 16, 2023; and

**WHEREAS:** The Board of Trustees of Fairfield Township believes the approval of the attached School Compensation Agreement will further the health, safety, welfare and economic development of the residents of Fairfield Township;

**NOW, THEREFORE, BE IT RESOLVED,** by the Board of Trustees of Fairfield Township, Butler County, Ohio, as follows;

**SECTION 1:** The Board hereby approves the School Compensation Agreement attached hereto as Exhibit A.

**SECTION 2:** The Board hereby dispenses with the requirement that this resolution be read on two separate days, pursuant to RC 504.10, and authorizes the adoption of this resolution upon its first reading.

**SECTION 3** This resolution is the subject of the general authority granted to the Board of Trustees through the Ohio Revised Code and not the specific authority granted to the Board of Trustees through the status as a Limited Home Rule Township.

**SECTION 4:** That it is hereby found and determined that all formal actions of this Board concerning and relating to the passage of this Resolution were taken in meetings open to the public, in compliance with all legal requirements including §121.22 of the Ohio Revised Code.

**SECTION 5:** This resolution shall take effect at the earliest period allowed by law.

**Adopted:** December 12, 2023

**Board of Trustees**

Michael Berding:

Shannon Hartkemeyer:

Joe McAbee:

**Vote of Trustees**

Abstain

yes

NO

**AUTHENTICATION**

This is to certify that this is a resolution which was duly passed and filed with the Fairfield Township Fiscal Officer this 12<sup>th</sup> day of December, 2023.

**ATTEST:**

Shelly Schultz

Shelly Schultz, Fairfield Township Fiscal Officer

**APPROVED AS TO FORM:**

L.E. Barbieri

Lawrence E. Barbieri, Township Assistant Law Director

FAIRFIELD TOWNSHIP AND FAIRFIELD CITY  
SCHOOL DISTRICT TAX INCREMENT FINANCE EXTENDED TAX EXEMPTIONS  
SCHOOL COMPENSATION AGREEMENT

THIS AGREEMENT (the "Agreement") dated November 16, 2023 is between the Township of Fairfield, Ohio (the "Township") acting by and through its Board of Township Trustees (the "Trustees") and the Fairfield City School District (the "District") acting by and through its Board of Education (the "Board").

WHEREAS, Sections 5709.73 et seq. of the Ohio Revised Code authorize townships to grant tax increment financing ("TIF") real property tax exemptions for improvements declared to be for a public purpose, which exempt from taxation the increase in the true value of the parcel of property after the effective date of the resolution granting such exemption; and,

WHEREAS, Section 5709.74 of the Ohio Revised Code further authorizes a township to require owners of improvements subject to a tax increment financing tax exemption to make an annual payment or semi-annual payments in lieu of taxes ("Service Payments in Lieu of Taxes"), which payment(s) is 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 5709.75 of the Ohio Revised Code further requires a township receiving payments in lieu of taxes to create a township 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, the Trustees have by previous resolutions granted tax increment financing ("TIF") real property tax exemptions pursuant to division (B) of Section 5709.73 et. seq. of the Ohio Revised Code; and

WHEREAS, the Trustees have now indicated a desire pursuant to Section 5709.51 of the Ohio Revised Code to amend some or all of said resolutions to extend the exemptions from taxation for an additional thirty (30) years and one hundred percent (100%) of the value of further improvements to certain real property located in Fairfield Township, Butler County, Ohio and described in the said previous TIF resolutions ("Exempted Property"); and

WHEREAS, the parties desire to agree that the District and the Butler Tech Joint Vocational School District be held harmless and receive from the Trustees one hundred percent (100%) of the tax revenue they would have received from improvements to the Exempted Property were it not for the extended exemptions granted by any future TIF amendment resolutions of the Trustees for any length or percentage of extended exemptions and whether or not required by law; and

WHEREAS, Sections 5709.73, 5709.75 and 5709.82 of the Ohio Revised Code permit the Trustees and the Board to enter into this Agreement in order to address compensation to the District for property taxes lost as a result of any future TIF extended exemption as described above; and

WHEREAS, the Board is in agreement to waive its right to approve TIF extended tax exemptions and its right to receive prior notice of such TIF extended exemptions under Ohio Revised Code Section

5709.73 and 5709.83 provided that the Trustees execute this School Compensation Agreement and do in fact "hold harmless" the District so that it receives one hundred percent (100%) of the tax revenue it would have received from improvements to the Exempted Property were it not for any future TIF extended exemption(s) granted by the Trustees' resolution(s); and

WHEREAS, the Board has passed a resolution on November 16, 2023, the ("District Resolution") authorizing the execution of this Agreement;

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES HEREIN CONTAINED AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED BY THE PARTIES, IT IS AGREED BY THE PARTIES AS FOLLOWS:

**SECTION 1. Approval of future TIF Extended Tax Exemption(s); Compensation to District.**

(a) The District and Board approves any future TIF extended tax exemption on the Exempted Property for up to one hundred percent (100%) of the further improvements to the Exempted Property, for a period of up to thirty (30) years. The District and Board waives its right to approve such TIF extended tax exemptions and its right to receive prior notice of such TIF extended tax exemptions under Ohio Revised Code Sections 5709.73 and 5709.83 as to the Exempted Property only. This waiver of approval and notice does not apply to real property not included in the Exempted Property as described above or to new TIF tax exemptions approved by the Trustees.

(b) Commencing with tax year 2024 and thereafter, during any year, or any portion thereof, in which the District would have received property tax payments derived from the Exempted Property, but for the Trustees' authorization of the TIF extended exemption, the Township agrees to pay to the District an amount equal to one hundred percent (100%) of the additional amount of property tax payments derived from the Exempted Property that the District would have received from the Exempted Property but for the TIF extended exemption, (the "TIF Compensation"), as determined by the Fiscal Officer of the Township and certified to the District Treasurer. Such amount shall be calculated by multiplying the assessed value of the Exempted Property by one hundred percent (100%) of the District effective tax rate for the applicable tax year and adjusting for any Service Payments not actually paid by property owners or received by the Township in accordance with subsection (f) below. Payment of the TIF Compensation may, but is not required to, be made from the Township's Public Improvement Tax Increment Equivalent Fund (the "Fund"). However, nothing in this Agreement shall be construed to pledge the full faith and credit of the Township.

(c) The Township agrees that it will pay TIF Compensation to the Butler Tech Joint Vocational School District as provided under Ohio Revised Code Section 5709.73(D) at the same rate (100% of revenue not received as a result of the exemption) and upon the same terms as provided herein for the Fairfield City School District.

(d) The Township further agrees that it intends and will pay the TIF Compensation as provided above for all years and percentages of exemption including the first ten (10) years of any exemption and exemption percentages of seventy-five percent (75%) or less on the Exempted Property whether or not required by law.

(e) The Township hereby agrees that it will not issue Bonds to be paid with the Service Payments from the Exempted Property unless estimated Service Payments will be sufficient to pay both debt service on any bonds issued and compensation due and owing the District under this Agreement.

(f) In the event that any one or more property owners fails to remit a Service Payment in Lieu of Taxes on or before its due date as determined by applicable statutes, the Township is not required to make a compensation payment to the District for the amount not remitted; provided, however, that the Township shall proceed to collect the amount not remitted and shall include that amount after collection in calculation of the next future TIF Compensation amount due to the District. Any collected amounts so included will be offset by a prorated amount of the costs incurred in the collection of said sum.

(g) In determining the amount of the Service Payments in Lieu of Taxes required by the Township pursuant to Section 5709.74 of the Ohio Revised Code, it is expressly agreed and relied upon that the value of the parcels included in the Exempted Property prior to the effective date of the TIF Exemption shall be the value of the parcels on the date that the applicable TIF Exemption resolution was passed by the Trustees.

**SECTION 2. Payment of TIF Compensation.** Each calendar year or portion thereof for which this Agreement is in effect, within thirty (30) days after the receipt of payment and settlement from the county auditor and/or treasurer for each half of annual real property taxes for that calendar year, the Township shall pay to the District, by bank check, ACH, or other mutually agreeable manner, the amount of the TIF Compensation. Upon mutual written agreement the parties may agree to an alternate payment schedule for the TIF Compensation.

**SECTION 3. Resolution of Disputes.** In the event the District disputes the amount of the TIF Compensation as paid by the Township, or the Township believes it has overpaid amounts of TIF Compensation in the past, the District or the Township shall certify the basis for the dispute and the amount that the District or the Township claims is the correct amount of TIF Compensation to be paid to the District or refunded to the Township. Such dispute must be certified to the other party within 180 days of the receipt of or payment of TIF Compensation. Within fifteen (15) days thereafter, the Treasurer of the District and the Township Fiscal Officer shall meet to discuss and attempt to resolve the dispute. In the event the Treasurer of the District and the Township Fiscal Officer are unable to mutually agree on the amount of TIF Compensation, the parties shall next mutually select an impartial arbitrator to determine the amount of TIF Compensation. The cost of such arbitration shall be borne equally by the District and the Township in the event that they are able to mutually arrive at a settlement of such dispute prior to the issuance of a decision by the arbitrator. In the event that they are unable to arrive at a mutually acceptable settlement and the arbitrator is required to make a decision, the cost of such arbitration shall be borne by the losing party to such arbitration. The Township or the District shall then pay such agreed amount or determined amount within 30 days thereafter; provided that nothing contained in this Section shall limit either the District's or the Township's ability, after payment and receipt of such TIF Compensation amount to seek recovery of amounts deemed overpaid or underpaid.

**SECTION 4. Late Payments.** Except for the case where a TIF Compensation payment is delayed pursuant to a dispute, as provided in Section 3 hereof, and the dispute results in a determination that the TIF Compensation amount is an amount different than the amount initially certified by the Treasurer, any late TIF Compensation payments shall bear interest at the then current rate established under Sections 323.121(B)(1) 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 5. **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 TIF extended tax exemption on the Exempted Property is in effect. This Agreement may be amended only by mutual written agreement of the respective governing Boards of the District and the Township.

SECTION 6. **Severability.** Should any portion of this Agreement be declared by the courts to be unconstitutional, invalid or otherwise unlawful, such decision shall not affect the entire Agreement but only that part declared to be unconstitutional, invalid or illegal.

SECTION 7. **Counterpart; 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.

SECTION 8. **Filing of Agreement.** The Township Administrator shall file an executed copy of this Agreement with the County Auditor, as a member of the Tax Incentive Review Council.

SECTION 9. **Recording of Exemption.** Notice of the extended exemption of the Exempted Property and the requirement of property owners to make Service Payments will be properly recorded with the Butler County Recorder in accordance with Section 5709.911(C)(1) of the Ohio Revised Code.

SECTION 10. **Third Party Beneficiary.** The parties acknowledge the District is directly impacted by the tax increment financing exemption and shall be a third party beneficiary of any service payments and/or payments in lieu of taxes required to be paid under Section 5709.74 and extended TIF resolutions of the Trustees, and any agreement between the Township and any property owner pertaining to said service payments in lieu of taxes and shall have the right to enforce the provisions thereof.

IN WITNESS WHEREOF, the Board of Township Trustees of Fairfield Township, Ohio has caused this Agreement to be signed by at least two members of the Board of Township Trustees and the Fairfield City School District Board of Education has caused this Agreement to be signed by the President and the Treasurer of the Board of Education, all as of the date first written above.

BOARD OF TRUSTEES OF FAIRFIELD  
TOWNSHIP, OHIO

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

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

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

BOARD OF EDUCATION OF FAIRFIELD CITY  
SCHOOL DISTRICT

By: Brian Begley Date: 11/29/2023  
Brian Begley, President

By: Nancy L. Lane Date: 11/16/2023  
Nancy L. Lane, Treasurer