

## RECORD OF ORDINANCES

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Ordinances No. \_\_\_\_\_, 2021

Passed \_\_\_\_\_, 2021

**AN ORDINANCE CREATING THE LOCKLAND CANAL DOWNTOWN REDEVELOPMENT DISTRICT AND THE LOCKLAND MILL DOWNTOWN REDEVELOPMENT DISTRICT; DECLARING THE IMPROVEMENT TO CERTAIN PARCELS OF REAL PROPERTY TO BE A PUBLIC PURPOSE AND EXEMPT FROM TAXATION; REQUIRING THE OWNER OF THE PARCELS TO MAKE SERVICE PAYMENTS IN LIEU OF TAXES; SPECIFYING THE PLAN FOR USING SERVICE PAYMENTS TO PROMOTE ECONOMIC DEVELOPMENT AND JOB CREATION; AUTHORIZING THE EXECUTION OF AN ECONOMIC DEVELOPMENT PLAN; AND DECLARING AN EMERGENCY.**

WHEREAS, Sections 5709.45 through 5709.46 of the Ohio Revised Code (Collectively, the “DRD Statutes”) authorize a municipality, by ordinance, for the purposes of rehabilitation of historic buildings, creating jobs, and encouraging economic development in commercial and mixed-use commercial and residential areas to create a downtown redevelopment district; declare improvements to parcels within the district to be a public purpose and exempt from taxation; require the owner of each parcel to make service payments in lieu of taxes; establish a municipal downtown redevelopment district fund for the deposit of those service payments to be used to finance or support loans, deferred loans, or grants to owners of historic buildings within the downtown redevelopment district; to make contributions to a special improvement district for use under section 1710.14 of the Revised Code; to make contributions to a community improvement corporation for use for use under section 1724.12 of the Revised Code; or to make contributions to a nonprofit corporation as defined in section 1702.21 of the Revised Code; and to finance or support loans to owners of one or more buildings located within the district that do not qualify as historic buildings as well as finance public infrastructure improvements within the downtown redevelopment districts and/or the immediate vicinity; and

WHEREAS, the parcels of real property identified and depicted in Exhibit “A” attached hereto are located in the Village of Lockland, Hamilton County, Ohio (the “Village”), and Council has determined to declare the Improvement (as defined in Section I of this Ordinance) to the Parcels to be a public Purpose; and

WHEREAS, Council has determined that the parcels of real estate as set forth in the attached Exhibit “B1” and “B2” shall establish the boundaries of the downtown redevelopment districts which include the Lockland Mill historic district on the National Register; and

WHEREAS, Council has determined that the life of the downtown redevelopment district will be no more than thirty (30) years; and

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WHEREAS, Council has developed an economic development plan for the downtown redevelopment district, as set forth in Exhibit “C” attached hereto and incorporated herein by reference that describes the principal purposes and goals to be served by creating the district, explains how the Village will collaborate with businesses and property owners within the district to develop strategies for achieving such purposes and goals, and describes a plan for using the

WHEREAS, Council has, pursuant to section 5709.83 of the Revised Code, provided a 45-day notice to the Board of Education of the Lockland School District and Great Oaks of the proposed ordinance to grant tax exemption; and

WHEREAS, Council has determined to provide for the execution and delivery of Downtown Redevelopment District Financing Agreement(s);

NOW, THEREFORE, BE IT ORDAINED by the Village Council for the Village of Lockland, Hamilton County, State of Ohio, as follows:

Section I. Establishment of Two Downtown Redevelopment Districts: There is hereby established two downtown redevelopment districts to be known as Lockland Canal Downtown Redevelopment District and the Lockland Mill Downtown Redevelopment District, the boundaries of which shall be those as are set forth in the Exhibit “A”, attached hereto and incorporated herein by reference.

Section II. Establishment of the Economic Development Plan. That there is hereby established an economic development plan for the downtown development districts to be known as the DRD Economic Development plan and implemented in accordance with the provisions as set forth in the Exhibit “C”, attached hereto and incorporated herein by reference.

Section III. Term of Redevelopment District. That the term of the DRDs shall be for a period not to exceed thirty (30) years.

Section IV. Authorization of Tax Exemption. This Council hereby finds and determines that seventy percent (70%) of the increase in assessed value of the Parcels within the economic development district subsequent to the effective date of this Ordinance (which increase in assessed value is hereinafter referred to as the “Improvement” as defined in Section 5709.45(A)(4) of the Ohio Revised Code) is hereby declared to be a public purpose. And, as such, shall be exempt from taxation for a period commencing with the first tax year that begins after the effective date of this Ordinance and in which an Improvement due to the construction or rehabilitation of a structure on the Parcel first appears on the tax list and duplicate of real and public utility property and ending thirty (30) years after such commencement

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Section V. Service Payments and Property Tax Rollback Payments. Subject to any tax exemption applicable to the Improvement granted under any property tax exemption for a Parcel as provided Pursuant to Section 5709.45 of the Ohio Revised Code, the owner of any structure located on the parcel which constitutes the Improvement, pursuant to Section 5709.46 (A) of the Ohio Revised Code shall make annual service payments in lieu of taxes to the Treasurer of Hamilton County, Ohio (the “County Treasurer”) on or before the final dates for payment of real property taxes. Each such payment shall be charged and collected in the same manner and in the same amount as the real property taxes that would have been charged and payable against the improvement if it were not exempt from taxation. If any reduction in the levies otherwise and any redevelopment charge agreements. Any incidental surplus remaining in the Fund upon dissolution of the Fund or shall be transferred to the general fund of the Village.

Section VII. Distribution of Service Payments and Property Tax Rollback Payments. Pursuant to the DRD Statutes, the County Treasurer is requested to distribute the Service Payments and the Property Tax Rollback Payments to the Village for deposit into the Fund to be used to pay costs described in division (E) of section 5709.45 of the Revised Code and in the attached Economic Development Plan. All distributions required under this Section 5 are to be made at the same time and in the same manner as real property tax distributions.

Section VIII. Downtown Redevelopment District Financing Agreement. The Village shall enter into a Downtown Redevelopment District Financing Agreement (the “DRD Agreement”) which shall be in the customary form not inconsistent with this Ordinance or substantially adverse to the Village or with each parcel owner that is a recipient of revenue as derived in sections 5709.45 (E) (1-4) that determines the metrics and tracking of revenues derived from the DRD. Each DRD Agreement shall be approved by the Mayor, whom is hereby authorized, for and in the name of the Village, to execute DRD Agreements.

Section IX. Local and Vocational School Compensation. The Village shall enter into a compensation agreement with Lockland School District to commit to public improvements that benefit the School District as indicated in 5709.47 (B)(1). This will address the revenue sharing requirement for both the DRD and any Enterprise Zone projects within the DRD boundaries. Compensation by the Village to the Vocational School District (Great Oaks) will be provided following section 5709.45 (G)(1)(c).

Section X. Non –Discriminatory Hiring Policy. In accordance with Section 5709.823 of the Ohio Revised Code, this Council hereby determines that no employer located upon the Parcels shall deny any individual employment based solely on the basis of race, religion, sex, disability, color, natural origin or ancestry.

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Section XI. Further Authorizations. This Council hereby authorizes and directs the Mayor, the Village Auditor, or other appropriate officers of the Village, to make such arrangements as are necessary and proper for collection of the Service Payments. This Council further hereby authorizes and directs the Mayor, the Village Auditor, or other appropriate officers of the Village to prepare and sign all agreements and instruments and to take any other actions as may be appropriate to implement this Ordinance.

Section XII. Filings with Ohio Development Services Agency. Pursuant to Section 5709.45(K) of the Ohio Revised Code, the Clerk of this Council is hereby directed to deliver a copy of this Ordinance to the Director of the Ohio Development Services Agency within fifteen (15) days after its effective date. Further, and on or before March 31 of each year that the Exemption set forth in this Ordinance remains in effect, an authorized officer of the Village shall prepare and submit to the Director of Development of the State of Ohio the status report required Code Section 5709.45(K).

Section XIII. Tax Incentive Review Council. The Tax Incentive Review Council established by the Village shall review annually all exemptions from taxation resulting from the declarations set forth in this Ordinance and any other such matters as may properly come.

Section XIV. Board of Directors. A Board of Directors (“the Board”) will be made up of the Village Administrator, Mayor, two property owners within the DRDs (1 from each DRD), and one member of Village Council. The Board will meet at least once annually to review the revenues, expenditures, and make revisions and/or updates to this economic development. The Board will approve any expenditures beyond the DRD Agreements.

Section XV. Review Committee. Review of the DRD shall be conducted every six (6) years, from passage, by the DRD Review Committee (“Review Committee”) of 8 members. Two members from Village Council, two members appointed by the Mayor, two members of the Lockland School District, and two members appointed by the School District. This group will review all aspects of the DRD and determine if the DRD shall continue, be revised in term or percentage, or be terminated. The Mayor will become the 9<sup>th</sup> voting member to break any ties.

Section XVI. This ordinance is hereby declared to be emergency measure necessary for preservation of the health, safety and welfare of the citizens of the Village of Lockland, such emergency arising out of the immediate need for the establishment of a downtown redevelopment

district for the economic development of the parcels within this district without unnecessary delay, so that this ordinance shall take effect and be in force immediately from and after its passage and approval by the Mayor.

PASSED: \_\_\_\_\_

\_\_\_\_\_  
PRESIDENT OF COUNCIL

ATTEST: \_\_\_\_\_  
CLERK OF COUNCIL

APPROVED: \_\_\_\_\_

\_\_\_\_\_  
MAYOR

APPROVED AS TO FORM:

\_\_\_\_\_  
LOCKLAND LAW DIRECTOR



# Exhibit A

Lockland Canal Downtown  
Redevelopment  
District

Lockland Mill Downtown  
Redevelopment  
District





### Exhibit B1 - Lockland Canal DRD Parcels

ADDRESS/LOCATION	BOOK	PAGE	PARCEL
209 E WYOMING AVE	641	0014	0074
205 MILL ST	641	0014	0060
113 MILL ST	641	0014	0069
208 DUNN ST	641	0014	0053
200 DUNN ST	641	0014	0052
223 DUNN ST	641	0014	0064
243 SHEPHERD AVE	641	0013	0044
119 MILL ST	641	0014	0350
222 DUNN ST	641	0014	0067
100 WILLIAMS ST	641	0014	0045
100 WILLIAMS ST	641	0014	0049
120 WILLIAMS ST	641	0014	0050
Parking Lot at Williams & Dunn	641	0014	0054
Parking Lot at Williams & Dunn	641	0014	0055
The Locks W of Shepherd	641	0013	0037
The Locks W of Shepherd	641	0013	0043
217 DUNN ST	641	0014	0326
215 DUNN ST	641	0014	0062
215 E WYOMING AVE	641	0014	0076
219 DUNN ST	641	0014	0008
123 MILL ST	641	0014	0318
DUNN ST	641	0014	0327
211 E WYOMING AVE	641	0014	0075
126 WILLIAMS ST	641	0014	0051
103 MILL ST	641	0014	0073
The Locks W of Shepherd	641	0014	0058
109 MILL ST	641	0014	0071
107 MILL ST	641	0014	0072

### Exhibit B2 - Lockland Mill DRD Parcels

ADDRESS/LOCATION	BOOK	PAGE	PARCEL
316 DUNN ST	641	0014	0198
112 MILL ST	641	0014	0344
110 MILL ST	641	0014	0079
120 MILL ST	641	0014	0082
The Locks E of Shepherd	641	0013	0072
The Locks E of Shepherd	641	0013	0142
112 MILL ST	641	0014	0080
116 MILL ST	641	0014	0305
322 DUNN ST	641	0014	0199
328 DUNN ST	641	0014	0200
301-309 WYOMING AV	641	0014	0077
312 DUNN ST	641	0014	0197
310 DUNN ST	641	0014	0081
200 MILL ST	641	0014	0353
305 DUNN ST	641	0014	0354

Exhibit C

Economic Development Plan

Canal Downtown Redevelopment District &  
Mill Downtown Redevelopment District

Provided to the  
Village of Lockland, Ohio  
by  
HCDC

July 2020



The Village of Lockland seeks aggressive revitalization of their historic business district and 12 acres of Village owned industrial property in the heart of their community. This is a rare opportunity to harness growth in advanced manufacturing in the Cincinnati Region and aid in neighborhood business district revival. The economic development plan outlines how the Village will engage with private investors on the former Stearns and Foster industrial site now known as “The Locks” and the adjoining Mill & Dunn historic business district.

The Village of Lockland will establish two 10 acre downtown redevelopment districts (DRDs). The Village intends to invest in new public infrastructure, and offer renovation grants on historic structures. There are two recent public efforts which lay the foundation for plan.

### **2017 Master Plan**

A master plan for the Locks site, adopted by Village Council in 2017, provides guidance on end users, and evaluation on the market-based potential for private investment and payroll figures on the 12 acre development site. The highest end use is identified as advanced manufacturing. The financial analysis shows that \$16M in both real property investments and \$16M in new payroll are possible on the site in the best case scenario. This resulted in two goals that determine the conditions by which the Village will sell land: 1) attract commitment of an advanced manufacturing end user with at least \$8,000,000 in real property investment from new construction, AND 2) attract commitment of no less than \$8,000,000 in new payroll. It is expected that the site will be sold to more than one end user and therefore those goals are \$670,000 per acre for real investments and payroll. The master plan can be found on [hcdc.com](http://hcdc.com) or upon request.

### **2020 Business District Redevelopment Study**

A redevelopment study of the Mill & Dunn Business District conducted in 2020 provides public input from a broad range of stakeholders. It stated that renovation of the former Stearns and Foster office building was the highest priority for the business district. It also concluded that emphasis should be placed on gateway properties along Wyoming Avenue, and that basic maintenance of private and public properties would lead to new private investment and commercial activity. The study provides suggestions about adopting a unique visual theme that combines elements of artistry with industrial legacy will strengthen the sense of place and a foster the areas as a destination location. The redevelopment study is still in progress as of the writing of this document but can be provided upon request. Discussions with property owners are expected to be ongoing.

## Downtown Redevelopment Goals

On the findings of these two studies it has been determined that two DRDs will be established for a period of 30 years to achieve the following goals:

- Goal 1        Support renovation and creation of jobs at the former Stearns and Foster Office building at Williams and Wyoming as the highest priority for the Canal Business District.
- Goal 2        Attract new construction and jobs at the Locks site at Shepherd and Wyoming by an advanced manufacturing end user which meets the guidance of the 2017 Master Plan. This will be within the Mill DRD.
- Goal 3        Invest in improvement of public infrastructure, public recreational and cultural facilities, as well as building code enforcement in the DRDs and the immediate vicinity.
- Goal 4        Offer grants to renovate buildings in the DRDs that contribute to the historic character, and commit to job creation.

## District Boundaries

Extensive effort has been made to include as much of the undeveloped lands and historic business district as possible into the DRDs. Unfortunately it is impossible to include all of the Locks site and all of the historic business district. Creation of a third district should be considered if a new significant revenue generator such as new construction or significant renovation can be identified.

The Canal DRD will be comprised of the property south of Brown Street, west of Shepherd, west of Mill Street, and east of Williams. It will include the public parking on Dunn Street along with all the structures between Williams and Mill as well as the Wolfman's Tavern on Mill. It includes the former S&F building but not any buildings on the west-side of Williams. Preliminary discussions with ODOT reveal that all the buildings on the west-side of Williams are expected to be demolished in the next 10 years for the I-75 expansion. A portion of this land northwest of the intersection of Wyoming and Shepherd may be needed by ODOT for the expansion – therefore the Master Plan for the Locks may need to be revised to consider a wider range of end users that could still meet the investment and payroll goals. Especially in the area east of Shepherd.

The Mill DRD will be located east of Shepherd, east of Mill, west of the railroad. The northern boundary is just above the curve in Shepherd Avenue and the south of the crosswalk and is the northern boundary line of parcel number 87. The southern boundary is Dunn Street but includes parcels 353 and 354 at the southeastern corner of Mill & Dunn. The expectation is this area will experience new construction first given the depth of the lot on the northeastern side of Wyoming and Shepherd. It is likely that the area west of Shepherd will continue to be reserved for advanced manufacturing.

## Achievement of Goals

### Goal 1 – Renovation of S&F Office Building at Wyoming and Williams

An annual renovation grant will be offered on projects within the DRDs which contributes to the historic character of the district and results in job creation. Details of that grant will be negotiated on a case-by-case basis. On the Williams and Shepherd Office Building project, an incentive will be provided equal to an Enterprise Zone Agreement (EZA). EZAs are discussed in more detail in the next section. Because the DRD is 70% of real property taxes and the EZA is 75%, the Village will need to provide 5% of the real property taxes to the end user from other funds. This is assumed to come from either the capital budget or proceeds from new payroll taxes committed by the end user. The DRD is expected to generate a surplus in years 11-30, a portion of which could be used to pay back the 5%. A brief summary of incentive programs available in the Village of Lockland is provided in the appendix.

### Goal 2 – New Construction at the Locks

An EZA will be offered to new construction projects on the Locks. The maximum term of this abatement will be 75% abatement for 10 years and comply with Hamilton County guidelines. This will take precedence over the DRD. The rationale is that EZA is needed to make the site competitive with similar sites in surrounding communities. The DRD would then collect funds in years 11-30.

New construction on the Locks site and renovation of the S&F office building are expected to be the main immediate recipients of benefit but also the largest generators of DRD revenues over the long term.

### Goal 3 – Public Infrastructure

There has been a great deal of discussion on improvement of the intersection at Shepherd and Wyoming. Vehicles are unable to navigate the intersection due to the tight turn radius. It is expected that DRD could be part of a capital stack along with

funds from ODOT, JobsOhio, and Hamilton County. This intersection and the surrounding area could also be a focal point for the Village's Veteran Park, Historic Society Offices, and Band Stand which may require relocation. Some consideration could also be made for the regional triangle trail and that this stretch of Wyoming Avenue is the closest connector to both the east and west fork of the Mill Creek. The intersection requires redesign that meets the needs of vehicular traffic of advanced manufacturing while also providing pedestrians a safe and inviting experience.

It is likely that the School District will formally request that a funds from the DRD be used for improvements equal to be amount of revenues lost by the Schools as a condition of their approval.

The Village will consider municipal bonds to finance public infrastructure in the districts which would be repaid using DRD funds generated in years 11-30.

A safe routes to school grant will be utilized in 2023. Funds will be used to replace sidewalks and curbs along Mill Street. Trees will be removed and replaced with more a more appropriate non-destructive variety. Crosswalks will be repainted.

Aesthetic improvements to pedestrian amenities such as sidewalks, landscaping, lighting, trees along Wyoming and Shepherd will be considered in future years.

#### Goal 4 – Renovation of Other District Buildings

The Village intends to investigate expansion of the CRA program to provide incentives for up to 10 years on remodeling and construction projects throughout the entire Village. This will likely become a focus once goals 1-3 have been addressed.

Vorhis Funeral Home is an outstanding building second only to the Williams and Wyoming office building. Significant effort should be put into the renovation and repurpose of this underutilized facility.

Priority needs to be given to the buildings at the intersections of Mill & Dunn and Mill and Wyoming. These building have the highest visibility and contribute most significantly to a sense of place. The condition of these buildings plays a large role in perception of the areas as a whole.

Attention should be given to the blossoming arts community which is beginning to gain a foothold in the district. Mill & Dunn is an easily accessible oasis which retains most of the historic charm and lends itself to creative activities.



State law allows the following uses of DRD funds which could be included into this plan at a later time:

1. Finance or support loans, deferred loans, or grants to owners of historic buildings within the DRD. Loans or grants must be used to rehabilitate the building.
2. Contribute to a special improvement district. The board of directors of the district shall use all such contributions to promote the downtown redevelopment district to potential business patrons, to recruit businesses to relocate or expand to the downtown redevelopment district, and to attract and promote events and activities that generate revenue or enhance public welfare within the downtown redevelopment district.
3. To finance or support loans to owners of one or more buildings located within the district that do not qualify as historic buildings. Such loans shall be awarded upon the condition that the loan amount may be used by the owner only to make repairs and improvements to the building or buildings.
4. To finance public infrastructure improvements within the downtown redevelopment district. A municipal corporation shall not use service payments derived from a downtown redevelopment district to repair or replace police or fire equipment.
5. To finance specific public improvements as requested by the school district and to make payments as required by law to the vocational school district.

## Authority & Review

The DRD establishment ordinance will authorize the Mayor to execute DRD Agreements with property owners and/or end users for use of DRD funds.

A Board of Directors (“the Board”) will be made up of the Village Administrator, Mayor, two property owners within the DRDs (1 from each DRD), and one member of Village Council. The Board will meet at least once annually to review the revenues, expenditures, and make revisions and/or updates to this economic development. The Board will approve any expenditures beyond the DRD Agreements.

A DRD Review Committee (“the Review Committee”), will be made up of 8 members. Two members from Village Council, two members appointed by the Mayor, two members of the Lockland School District, and two members appointed by the School District. This group will review the DRD funds and expenditures every 6 years. The Mayor will become the 9<sup>th</sup> voting member to break any ties.

The DRD will also be reviewed annually by the Tax Incentive Review Council along with EZ and TIF agreements.

Appendix A -  
Village of Lockland Incentive Programs

Program	Enterprise Zone	Community Reinvestment Area	Opportunity Zone	Tax Increment Financing	Downtown Redevelopment District
Acronym	EZ	CRA	OZ	TIF	DRD
Authorized By	State	State	Federal	State	State
Summary	Reduces New Real Property Improvement Taxes the property owner pay that would otherwise have increased due to project	Same as Enterprise Zone	Reduces and/or Delays Capital Gains Taxes	Redirects New Real Property Improvement Taxes generated by a project into a fund for public improvements dictated by a service agreement w the owner/occupant and the municipality	Same as Tax Increment Financing but with broader uses - funding CIC activities, grants/loans to property owners in district for renovation
Eligible Property	Commercial/Industrial	Com/Ind, Retail, Housing	Federally Designated Areas	Various	Business Districts of 10 Acres
Location	All of Lockland	2 Areas - Cristo Housing, West Wyoming Ave	All of Lockland	South Wayne - Adleta & Trans Ash Sites	Proposed for Mill & Dunn, The Locks Area
Administrator Advisor	Hamilton County HCDC	Municip., County for Twps HCDC	IRS Tax Lawyers	Municipalities Specialty Lawyers	Municipalities HCDC
Note	Directly Benefits the property owner	Directly Benefits the property owner	Between the taxpayer and IRS only	Can be used to pay off debt	Can be used to pay off debt, Requires National Register Designation