

VILLAGE OF PENINSULA, OHIO
RESOLUTION NO.: 08-2020
INTRODUCED BY: FISCAL OFFICER ELKINS & SOLICITOR BRYAN
DATE PASSED: 4-13-2020

A RESOLUTION AUTHORIZING THE MAYOR AND FISCAL OFFICER TO ENTER INTO AN INTERGOVERNMENTAL TAX REVENUE SHARING AGREEMENT WITH THE CITY OF CUYAHOGA FALLS AND WOODRIDGE LOCAL SCHOOL DISTRICT RELATING TO THE RELOCATION OF THE WOODRIDGE INTERMEDIATE SCHOOL

WHEREAS, the Woodridge Local School District ("School District") previously operated an Intermediate School in the Village of Peninsula ("Village"); and

WHEREAS, in 2018, the School District relocated its Intermediate School to the new Woodridge Elementary School building in the City of Cuyahoga Falls ("City"); and

WHEREAS, pursuant to Section 8 of the Summit County Intergovernmental Memorandum of Understanding for Job Creation and Retention and Tax Revenue Sharing ("County Intergovernmental Agreement"), the Village served the City with notice of its intent to claim tax revenue sharing; and

WHEREAS, pursuant to the County Intergovernmental Agreement, the City, Village, and School District desire to enter into an agreement concerning the distribution of tax revenues related to this matter.

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Peninsula, Summit County, Ohio, to wit:

SECTION 1. Council hereby authorizes the Mayor and Fiscal Officer to enter into the Intergovernmental Tax Revenue Sharing Agreement that is attached hereto or a version of the Agreement that is substantially similar thereto.

SECTION 2. All formal actions of this Council concerning and relating to the adoption of this Resolution were taken in an open meeting of this Council, and all deliberations of this Council or any of its committees that resulted in such formal action were taken in meetings open to the public and/or in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

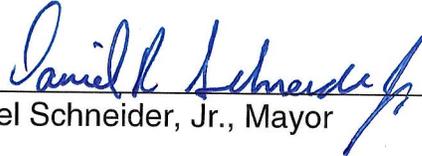
SECTION 3. This Resolution shall take effect and be in force after the earliest period permitted by law.

SECTION 4. Effective Date. This Resolution shall take effect on the 13 day of APRIL, 2020.

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IN WITNESS WHEREOF, we have hereunto set our hands this 13 day
of April, 2020.

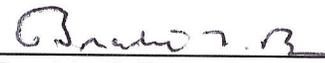
Passed:


Daniel Schneider, Jr., Mayor

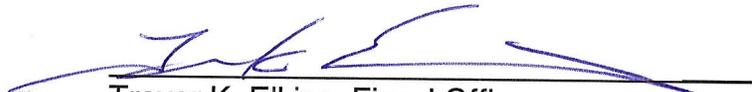
Attest:


Trevor K. Elkins, Fiscal Officer

Approved as to Legal Form.


Bradric T. Bryan, Solicitor

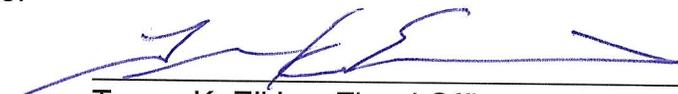
I, Trevor K. Elkins, Fiscal Officer of the Village of Peninsula, Summit County, Ohio, do hereby certify that the foregoing Resolution was duly passed by the Council of the Village of Peninsula, at a meeting held on the _____ day of _____, 2020.


Trevor K. Elkins, Fiscal Officer

Posting Certificate

I, Trevor K. Elkins, Fiscal Officer of the Village of Peninsula, Summit County, Ohio, hereby certify that there is no newspaper published in the Municipality, and publication of the foregoing Resolution was made by posting true and accurate copies thereof at five of the most public places in the Village as previously determined by Council, each for a period of at least fifteen days, commencing on the 13 day of April, 2020, as follows:

1. Terry Lumber & Supply;
2. Valley Fire District;
3. Peninsula Library & Historical Society;
4. Peninsula Village Hall Lobby; and
5. Peninsula Post Office.


Trevor K. Elkins, Fiscal Officer

INTERGOVERNMENTAL TAX REVENUE SHARING AGREEMENT

This Agreement between the City of Cuyahoga Falls ("City"), a municipal corporation with its offices at 2310 Second Street, Cuyahoga Falls, Ohio 44221; the Village of Peninsula ("Village"), with its offices at 1582 Main Street, Peninsula, Ohio 44264; and Woodridge Local School District Board of Education ("School District"), a public school district with its principal offices at 4411 Quick Road, Peninsula, Ohio 44264; specifies the manner and procedure to be used pursuant to the Summit County Intergovernmental Memorandum of Understanding for Job Creation and Retention and Tax Revenue Sharing, Version 2019-2020, and covering the period 07/01/2019 through 06/30/2020 ["Intergovernmental Agreement"], requiring general compensation and income tax revenue sharing of new municipal income tax revenues relating to the relocation of the Woodridge Local School District's Intermediate School from the Village of Peninsula to the City of Cuyahoga Falls.

Whereas, the Woodridge Local School District previously operated an Intermediate School in the Village of Peninsula;

Whereas, in 2018 the Woodridge Local School District relocated its Intermediate School to the new Woodridge Elementary School building in the City of Cuyahoga Falls;

Whereas, pursuant to Section 8 of the Intergovernmental Agreement, the Village of Peninsula has served the City of Cuyahoga Falls with Notice of its intent to claim tax sharing; and

Whereas, pursuant to the Intergovernmental Agreement, the City of Cuyahoga Falls and the Village of Peninsula elect to enter into this agreement concerning the distribution of tax revenue related to the aforementioned Project.

Now Therefore, in consideration of the foregoing and of the mutual promises, covenants and agreements hereinafter set forth, the respective municipalities agree as follows:

Section 1. Definitions as used in this agreement. The following shall have the meanings set forth below:

"Annual Payment Amount" shall mean the amount paid directly by the City of Cuyahoga Falls to the Village of Peninsula under Section 2 of this agreement.

"New Employee" shall include all employees that transferred their work location from the Village of Peninsula to the City of Cuyahoga Falls due to the Woodridge Local School District school relocation. "New employee" does not include any person hired to replace a person who is not a "new employee." "New employee" does not include the employees

employed in any construction related to the Project during the period between the scheduled starting date for the investments to be made by the business and the completion date of the Project.

"Base Employment" shall be the number of School District employees located in the Village of Peninsula immediately prior to the School District school relocation to the City of Cuyahoga Falls.

"Base Payroll" shall be the annualized salary of all employees located in the Village of Peninsula immediately prior to the School District school relocation to the City of Cuyahoga Falls.

Section 2. Amount of Municipal Payments. The parties agree that the amount of the total annual payroll paid by Woodridge Local School District to the Village of Peninsula did constitute more than five (5%) percent of the aggregate income tax revenues of the Village based upon the average of the last two full calendar years prior to the relocation; and that accordingly, pursuant to the terms of Section 4 of the Intergovernmental Agreement, Tier Two of the Intergovernmental Agreement applies and provides as follows:

In the first year, the destination community will pay fifty (50%) percent of the new income tax revenue received from the business by the destination community to the departed community, forty (40%) in the second year, thirty (30%) percent in the third year, twenty (20%) in the fourth year, and ten (10%) in the fifth year.

Therefore, the City of Cuyahoga Falls will pay to the Village of Peninsula the aforementioned percentages calculated on the total annual municipal income tax revenues received by the City of Cuyahoga Falls from its levy on the wages, salaries, commissions and other compensation of "new employees" located at the Woodridge Local School District's Elementary School Project site. Further, all other terms of the Intergovernmental Agreement shall apply.

Section 3. Timing of the Payments. The City of Cuyahoga Falls shall provide the Village of Peninsula the required annual payment amount within sixty (60) days of receiving a payroll report from Woodridge Local School District's Intermediate School (as is required in Section 4 below) each calendar year the Intergovernmental Agreement is in place. The payment will include an itemization of the municipal income tax collections attributed to "new employees" employed as a result of the Project. The parties agree that the first year's required annual payment will begin in the calendar year 2020 for taxes collected in calendar year 2019.

Section 4. Annual Payment Amount Calculation Procedure. For each year in which this agreement is in effect, Woodridge Local School District shall provide no later than February 28th (or within 30 days of the date of the execution of this agreement in 2020) a report documenting the number of employees and the total annual payroll for the

“new employees” for the preceding year for the Project site.

The City of Cuyahoga Falls Income Tax Administrator shall within 30 days confirm the amount reported by the School District as an accurate representation of the annual payroll information submitted to the City for income tax purposes. If the information is not consistent, the City Income Tax Administrator shall notify School District of the discrepancy. In that event, within 30 days, the School District must reconcile and/or correct the variation. The City Finance Director shall multiply the percentages provided in Section 2 to the total income tax collected from “new employees” and forward the amount to the Village of Peninsula, less any deductions provided pursuant to Section 5 of this agreement.

Section 5. Maximum Income Tax Revenue Sharing Compensation. The intent of this agreement is to lessen the impact of the loss of withholding tax collected by the Village of Peninsula. For purposes of determining the revenue sharing formula provided under this section, the new income tax revenue received from the School District by the City shall be capped at and shall not exceed the amount of income tax revenue that was collected by the School District in the last full calendar year prior to the relocation. In addition, since the Heritage Classical Academy has relocated to the former Woodridge Intermediate School campus, the revenue sharing amount required to be paid pursuant to this agreement should be calculated upon the difference between the income tax revenue generated for the Village by the School District in the last full year prior to its departure and the lower annual income tax revenue amount generated for the Village by the Heritage Classical Academy, or any other entity filling the vacancy which led to the revenue sharing obligation pursuant to this agreement, in the appropriate year for which a payment pursuant to this agreement is made.

Section 6. Amendments. This agreement may be amended or modified by the parties, only in writing, signed by all parties to the agreement or by applicable law changes.

Section 7. Entire Agreement. Except for possible future applicability of the Intergovernmental Agreement, this agreement sets forth the entire agreement and understanding between the parties as to the subject matter contained herein and merges and supersedes all prior discussions, agreements, and undertakings of every kind and nature between the parties with respect to the subject matter of this agreement.

Section 8. Notices. All payments, certificates, reports and notices which are required to or may be given pursuant to the provisions of this agreement shall be sent by regular mail, postage prepaid, and shall be deemed to have been given or delivered when so mailed to the following addresses:

Municipality: City of Cuyahoga Falls
 Diana Colavecchio, Development Director
 2310 Second Street
 Cuyahoga Falls, Ohio 44221

Municipality: Village of Peninsula
Brad Bryan, Solicitor
1582 Main Street
Peninsula, Ohio 44264

Business: Woodridge Local School District
Walter Davis, Superintendent
4411 Quick Road
Peninsula, Ohio 44264

Any party may change its contact or address for receiving notices and reports by giving written notice of such change to the other parties.

Section 9. Severability of Provisions. The invalidity of any provision of this agreement shall not affect the other provisions of this agreement, and this agreement shall be construed in all respects as if any invalid portions were omitted.

In witness thereof, the parties have caused this Agreement to be executed as of this _____ day of _____, 2020.

Witness

Authorized by

Woodridge Local School District

Date

Witness

Authorized by

City of Cuyahoga Falls

Date

Approved as to Legal Form:

Witness

Authorized by

Village of Peninsula

Date

Approved as to Legal Form:
