



# LEGISLATIVE COVER MEMO

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**Introduction:** October 6, 2025

**Public Hearing:** October 6, 2025

**Effective Date:** October 6, 2025

**Agenda Item:** **Ordinance 2025-25**

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN COOPERATIVE AGREEMENT AMONG THE WARREN COUNTY PORT AUTHORITY, THE CITY OF FRANKLIN, OHIO, FORESTAR (USA) REAL ESTATE GROUP INC., AND THE HUNTINGTON NATIONAL BANK; AND AUTHORIZING THE APPROPRIATION OF TAX INCREMENT FINANCING FUNDS FOR PAYMENT OF DEBT SERVICE WITH RESPECT TO A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$4,000,000 OF PORT AUTHORITY REVENUE BONDS TO BE ISSUED TO PAY COSTS OF PUBLIC INFRASTRUCTURE IMPROVEMENTS; AUTHORIZING AND APPROVING RELATED MATTERS; AND DECLARING AN EMERGENCY.

**Submitted by:** Jonathan Westendorf, City Manager

**Scope/Description:** This ordinance authorizes the City to enter into a Cooperative Agreement with the Warren County Port Authority, Forestar (USA) Real Estate Group Inc., and The Huntington National Bank to support the financing of public infrastructure improvements for the Shaker Farms residential development. The Port Authority will issue up to \$4 million in revenue bonds, to be repaid using tax increment financing (TIF) service payments and community development charges, with the City's approval of related matters to facilitate the project.

**Exhibits:** None.

**Recommendation:** Approval.

CITY OF FRANKLIN, OHIO  
ORDINANCE 2025-25

**AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN COOPERATIVE AGREEMENT AMONG THE WARREN COUNTY PORT AUTHORITY, THE CITY OF FRANKLIN, OHIO, FORESTAR (USA) REAL ESTATE GROUP INC., AND THE HUNTINGTON NATIONAL BANK; AND AUTHORIZING THE APPROPRIATION OF TAX INCREMENT FINANCING FUNDS FOR PAYMENT OF DEBT SERVICE WITH RESPECT TO A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$4,000,000 OF PORT AUTHORITY REVENUE BONDS TO BE ISSUED TO PAY COSTS OF PUBLIC INFRASTRUCTURE IMPROVEMENTS; AUTHORIZING AND APPROVING RELATED MATTERS; AND DECLARING AN EMERGENCY.**

WHEREAS, pursuant to Sections 5709.40, 5709.42, and 5709.43 of the Ohio Revised Code (“R.C.”), the City of Franklin, Ohio (the “City”) adopted Ordinance No. 2025-16 on June August 4, 2025 (the “TIF Ordinance”), which, in relevant part, established five (5) incentive districts pursuant to R.C. Section 5709.40(C) and declared that one hundred percent (100%) of the increase in the assessed value of each parcel within each incentive district comprising certain real property located within the City (the “Property”) subsequent to the effective date of the TIF Ordinance (such increase, as further defined in the R.C. Section 5709.40, an “Improvement”) is a public purpose and thereby exempt from taxation for up to thirty (30) years (the “TIF Exemption”); and

WHEREAS, pursuant to the TIF Ordinance, the City determined it to be necessary and appropriate and in the best interest of the City to require the current owners of the parcels comprising the Property and any future owners of such parcels to make annual service payments in lieu of taxes (the “Statutory Service Payments” with respect to any Improvement allocable thereto and to make certain minimum service payments in accordance with the provisions of R.C. Section 5709.91 (the “Minimum Service Payments”, and, together with the Statutory Service Payments, the “Service Payments”); and

WHEREAS, the Forestar (USA) Real Estate Group Inc., a Delaware corporation (the “Developer”), is the initial lot developer for the construction of public infrastructure improvements in support of a residential community to be known as “Shaker Farms” (the “Project”) to be located in the City on approximately 107.403 acres (the “Project Site”); and

WHEREAS, the Project Site is situated within each of the incentive districts authorized by the TIF Ordinance; and

WHEREAS, the City adopted Ordinance 2023-10 on April 17, 2023 establishing the Franklin New Community Authority (the “NCA”) as a body politic and corporate in accordance with the provisions of R.C. Chapter 349, for the purposes of encouraging and supporting well-balanced and diversified land use patterns within the territory of the City, including facilities for the conduct of industrial, commercial, residential, cultural, educational, and recreational activities; and

WHEREAS, Developer has submitted an application to the City to petition the City for the inclusion of the Property in the boundaries of the NCA and to subject the Property to certain community development charges (the “Community Development Charges”) authorized under R.C. Chapter 349, and the provisions of the NCA ; and

WHEREAS, the City has requested the assistance of the Warren County Port Authority (the “Port Authority”) in financing the Project; and

WHEREAS, the Port Authority will issue revenue Bonds (the “Bonds”), the proceeds of which Bonds will be made available to the Developer for the payment of costs of the Project, as further described in the Cooperative Agreement to be entered into by and among the Port Authority, the City, the Developer, the NCA, and The Huntington National Bank, as trustee, (the “Cooperative Agreement”); and

WHEREAS, the Cooperative Agreement will provide for, among other things: (i) the use of the proceeds of the Bonds for the payment of costs of the Project, (ii) the assignment and pledge of the Service Payments to secure the payment of the Bonds, (iii) the assignment and pledge of the Community Development Charges to secure payment of the Bonds and (iv) the administration of the allocation of the Service Payments and Community Development Charges towards the payment of debt service on the Bonds; and

WHEREAS, City Council has determined to authorize the execution, delivery, and performance of the Cooperative Agreement by and among the Port Authority, the Developer, the City, the NCA, and The Huntington National Bank, as trustee, all in connection with the Project; and

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FRANKLIN, WARREN COUNTY, OHIO THAT:

Section 1.: Definitions. In addition to the words and terms defined in the Cooperative Agreement, the following words and terms shall have the following meanings unless the context or use clearly indicates another or different meaning or intent:

“Administrative Expenses” includes the fees and expenses of the Port Authority as issuer of the Bonds and amounts required to enforce any provisions of the Cooperative Agreement, including but not limited to amounts necessary to fund one or more reserve funds, to pay cost of issuance, if necessary, to pay the fees and expenses of any Trustee for the Bonds, and to pay premiums on one or more surety policies, if necessary.

Section 2. Determinations by Council. City Council finds and determines as follows:

- (a) Public Purpose. The Project serves a proper public municipal purpose under Article XVIII, Section 4, of the Ohio Constitution.
- (b) Cooperation with Port Authority. It is necessary, proper and in the best interest of the City to request the Port Authority to issue the Bonds and for the Port Authority to make the proceeds from the issuance of the Bonds available to the Developer pursuant to the Cooperative Agreement for use in the Project or the financing or refinancing thereof. Cooperation with the Port Authority is authorized by this Ordinance and by Ohio Revised Code Sections 4582.25, 4582.43, and 4582.431.
- (c) Cooperative Agreement. It is necessary, proper and in the best interest of the City to authorize the Cooperative Agreement to provide for, among other things, the issuance of the Bonds by the Port Authority.

City Council finds and determines that the issuance of the Bonds and the execution, delivery, and performance of the Cooperative Agreement in connection with such issuance for the purpose provided in this Ordinance serves a proper, public, municipal purpose and is authorized by this Ordinance and by Ohio Revised Code Sections 4582.25, 4582.43, and 4582.431.

Section 3. Bond Terms; Application of Proceeds.

- (a) Principal Amount. The principal amount of the Bonds shall not exceed Four Million Dollars (\$4,000,000.00).
- (b) Maturity. The final maturity of the Bonds shall be December 1, 2058. The Bonds shall be subject to redemption as provided in the Bond legislation approved by the Port Authority.
- (c) Interest. The interest rate on the Bonds shall be determined by the certificate of award executed by the Port Authority in accordance with the Bond legislation approved by the Port Authority.

(d) Application of Proceeds. The proceeds from the sale of the Bonds shall be deposited and applied as provided in the Cooperative Agreement and for the purposes stated in this Ordinance.

(e) Administrative Expenses. The Administrative Expenses of the Port Authority may be paid for with the proceeds from the sale of the Bonds. The Administrative Expenses of the Port Authority may be paid with Service Payments and Community Development Charges as part of the debt service on the Bonds or otherwise.

It is determined that the terms of the Bonds as so determined within the limitations set forth in this Ordinance and as so specified and set forth in the Cooperative Agreement will be in the best interest of the City and consistent with all legal requirements.

Section 4. Authorization of Cooperative Agreement; Additional Documents. In connection with the issuance of the Bonds, the City Manager, the City Finance Director, and the City Law Director are each authorized, in the name and on behalf of the City, to sign and deliver the Cooperative Agreement in such forms as are determined by the City Manager, City Finance Director, and the City Law Director as acceptable, in the best interest of the City, and consistent with this Ordinance.

The City Manager, the City Finance Director, and the City Law Director are each authorized to sign and deliver and accept delivery of such instruments, certificates and documents as are necessary or appropriate to consummate the transactions authorized by this Ordinance, including the Cooperative Agreement, and all agreements, contracts, and documents necessary or appropriate, in such officer's discretion, to facilitate procurement of municipal bond insurance to enhance the credit of the Bonds if determined to be advisable in connection with the pricing and sale of the Bonds.

The City Manager, the City Finance Director, and the City Law Director are each further authorized to provide certain information related to the City (the "City Information") for inclusion in an official statement or other offering document of the Port Authority, in preliminary and final form, in connection with the original issuance of the Bonds. If City Manager, the City Finance Director, or the City Law Director so determines, then City Manager, the City Finance Director, or the City Law Director are hereby authorized and directed to prepare, on behalf of the City and in their official capacities, the City Information and any supplements thereto, and such certificates related to the accuracy of the City Information as may, in their judgment, be necessary or appropriate.

City Manager, the City Finance Director, and the City Law Director are each authorized to make the necessary arrangements on behalf of the City and cooperate with the Port Authority to establish the date, location, procedure and conditions for the delivery of the Bonds to the original purchaser of the Bonds identified by the Port Authority and to take all actions necessary to effect due signing, authentication and delivery of the Bonds by the Port Authority consistent with the terms of this Ordinance, and the Cooperative Agreement. The Clerk of Council or other appropriate official of the City shall, upon request, furnish the original purchaser of the Bonds identified by the Port Authority a true transcript of proceedings certified by the Clerk or other official, of all proceedings had with reference to the authorization of the Cooperative Agreement.

Section 5. Interpretation. Any provisions of the Codified Ordinances of the City which are inconsistent with the provisions of this Ordinance shall not apply to the Bonds or matters authorized herein. Nothing in this Ordinance is intended to, and no provision hereof shall be applied in any manner as would, impair the obligation of contract of the City with respect to any outstanding bonds, certificates of indebtedness, other obligations, indentures, or other agreements or contracts made or entered into by the City.

Section 6. Validity. It is found and determined, and is hereby represented and recited, that all applicable rules of this Council have been fully complied with and this Ordinance was passed in conformity therewith.

Section 7. Severability. Each section of this Ordinance and each subdivision or paragraph of any section is hereby declared to be independent, and the finding or holding of any section or any subdivision or paragraph of any section to be invalid or void shall not be deemed or held to affect the validity of any other section, subdivision or paragraph of this Ordinance.

Section 8. Compliance with Open Meeting Law. This Council finds and determines that all formal actions of this Council were taken in an open meeting of this Council, and that all deliberations of this Council were in meetings open to the public, all in compliance with the law, including Ohio Revised Code Section 121.22.

Section 9. Emergency Measure. This ordinance is declared to be an emergency measure necessary for the immediate preservation of the public health, safety and general welfare, to wit: to allow the agreement to be effective immediately to facilitate the development of the Project, and shall take effect and be in force from and after its adoption.

INTRODUCED:      October 6, 2025

ADOPTED:          October 6, 2025

ATTEST: \_\_\_\_\_  
             Khristi Dunn, Clerk of Council

APPROVED: \_\_\_\_\_  
             Brent Centers, Mayor

CERTIFICATE

I, the undersigned Clerk of Council for the Franklin City Council do hereby certify that the foregoing is a true and correct copy of Ordinance 2025-25 passed by that body on October 6, 2025.

\_\_\_\_\_  
Khristi Dunn, Clerk of Council

Approved as to form: \_\_\_\_\_  
Ben Yoder, Law Director