

TEMPORARY ORDINANCE NO. 73-25

PERMANENT ORDINANCE NO. _____

AN ORDINANCE LEVYING SPECIAL ASSESSMENTS FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, AND IMPROVING CERTAIN PUBLIC IMPROVEMENTS IN THE CITY OF LANCASTER OHIO IN COOPERATION WITH THE LANCASTER ENERGY SPECIAL IMPROVEMENT DISTRICT, APPROVING THE C-PACE ASSIGNMENT AGREEMENT, AND DECLARING AN EMERGENCY

WHEREAS, Equity Trust Company Custodian FBO Leung Chee Kwan IRA (the "Owner") has submitted its *Petition for Creation of Energy Special Improvement District and for Special Assessments for Special Energy Improvement Projects* (the "Petition") in order to provide for the completion of a special energy improvement project on real property owned by the Owner in the City of Lancaster, Ohio (the "City"); and

WHEREAS, this Council ("Council") of the City duly adopted Temporary Resolution No. 101-25 which became Permanent Resolution No. _____ on December 1, 2025 (the "Resolution Approving Petition and Declaring Necessity") and declared the necessity of acquiring, constructing, improving and installing energy efficiency improvements on its real property, including, without limitation, renovation and upgrades to electrical and mechanical systems, improvements to building envelope efficiency, installation of solar, and related improvements (the "Project"), as described in the Resolution Approving Petition and Declaring Necessity and as set forth in the Petition requesting those improvements; and

WHEREAS, this Council duly passed Temporary Ordinance No. 72-25 which became Permanent Ordinance No. _____ on December 15, 2025, and determined to proceed with the Project and adopted the maximum estimated Special Assessments (as defined in the Resolution Approving Petition and Declaring Necessity) filed with the Council and the Clerk of Council pursuant to the Resolution Approving Petition and Declaring Necessity; and

WHEREAS, the City intends to enter into a C-PACE Assignment Agreement with Amalgamated Bank (together with its successors and assigns, the "Investor") (the "C-PACE Assignment Agreement"), which C-PACE Assignment Agreement is to provide for, among other things, a collection process to collect the Special Assessments and to a foreclosure process to enforce the lien of the Special Assessments as a covenant running with the property binding on the Owner and all future owners of the property; and

WHEREAS, the actual costs of the Project have been ascertained and have been certified to the City in the Petition and the Plan for the Project; now, therefore,

BE IT ORDAINED BY COUNCIL OF THE CITY OF LANCASTER, STATE OF OHIO:

SECTION 1. That each capitalized term not otherwise defined in this Ordinance or by reference to another document shall have the meaning assigned to it in the Resolution Approving Petition and Declaring Necessity.

SECTION 2. That the list of maximum Special Assessments to be levied and assessed on the Property in an amount sufficient to pay the costs of the Project, which is Eight Hundred Ninety-One Thousand Seven Hundred Fifty-Five Dollars (\$891,755.00), including other related financing costs incurred in connection with the issuance, sale, and servicing of securities, nonprofit corporate obligations, or other obligations issued to pay costs of the Project in anticipation of the receipt of the Special Assessments, capitalized interest on, and financing reserve funds for, such securities, nonprofit corporate obligations, or other obligations so issued, including any credit enhancement fees, trustee fees, and District administrative fees and expenses, which costs were set forth in the Petition and previously reported to this Council and are now on file with the Council and the Clerk of Council, is adopted and confirmed, and that the Special Assessments are levied and assessed on the Property. The interest portion of the Special Assessments, together with amounts used to pay administrative expenses, are determined to be substantially equivalent to the fair market rate or rates of interest that would have been borne by securities issued in anticipation of the collection of the Special Assessments if such securities had been issued by the Council.

As requested in the Petition, the final aggregate amount of the Special Assessments may be in an amount less than the aggregate maximum amount of Two Million Four Hundred Eighty Five Thousand Four Hundred Six Dollars and Fourteen Cents (\$2,485,406.14) if the final rate of interest for the financing for the Project is less than the assumed maximum rate of interest such that the aggregate amount of Special Assessments necessary to repay the financing for the Project is less than the aggregate amount of Two Million Four Hundred Eighty Five Thousand Four Hundred Six Dollars and Fourteen Cents (\$2,485,406.14), the Owner and the provider of the financing shall certify a final schedule of Special Assessments to the City, which final schedule shall be certified to the County Auditor for collection.

The Special Assessments are assessed against the Property commencing in tax year 2026 for collection in 2027 and shall continue through tax year 2055 for collection in 2056. The semi-annual installments of the Special Assessments shall be collected in each calendar year equal to a total maximum annual amount of Special Assessments as shown in Exhibit A, attached to and incorporated into this Ordinance.

All Special Assessments shall be certified by the Council or the Clerk of Council to the County Auditor of Fairfield County, Ohio pursuant to the Petition and Ohio Revised Code Chapter 727.33 to be placed on the tax list and duplicate and collected with and in the same manner as real property taxes are collected and as set forth in the Petition.

The Special Assessments shall be allocated among the parcels constituting the Property as set forth in the Petition and the List of Special Assessments attached to and incorporated into this Ordinance as Exhibit A.

SECTION 3. That this Council finds and determines that the Special Assessments are in proportion to the special benefits received by the Property through the financing of the Project, as set forth in the Petition, and are not in excess of any applicable statutory limitation.

SECTION 4. That Owner has waived its right to pay the Special Assessments in cash, and all Special Assessments and installments of the Special Assessments shall be certified

by the Council or the Clerk of Council to the County Auditor of Fairfield County, Ohio as provided by the Petition and Ohio Revised Code Section 727.33 to be placed by him or her on the tax list and duplicate and collected with and in the same manner as real property taxes are collected and as set forth in the Petition.

SECTION 5. That the Special Assessments will be used by the City to provide for the Project in cooperation with the District in any manner, including assigning the Special Assessments actually received by the City to the District or to another party the City deems appropriate, and the Special Assessments are appropriated for such purposes.

SECTION 6. That the Council and the Clerk of Council shall keep the Special Assessments on file in their respective offices.

SECTION 7. That this Council hereby approves the Financing Agreement, a copy of which is on file with the Clerk of Council. The Mayor and the Law Director, or their designee, shall sign and deliver, in the name and on behalf of the City, the Financing Agreement, in substantially the form as is now on file with the Clerk of Council. The Financing Agreement is approved, together with any changes or amendments that are not inconsistent with this Ordinance and not substantially adverse to the City and that are approved by the Mayor and the Law Director, or their designee, in the name and on behalf of the City, all of which shall be conclusively evidenced by the signing of the Financing Agreement or amendments to the Financing Agreement.

SECTION 8. That this Council hereby approves the Special Assessment Agreement, a copy of which is on file in the office of the Clerk of Council. The Mayor and the Law Director, or their designee, shall sign and deliver, in the name and on behalf of the City, the Special Assessment Agreement, in substantially the form that is now on file with the Clerk of Council. The Special Assessment Agreement is approved, together with any changes or amendments that are not inconsistent with this Ordinance and not substantially adverse to the City and that are approved by the Mayor and the Law Director, or their designee, on behalf of the City, all of which shall be conclusively evidenced by the signing of the Special Assessment Agreement or amendments to the Special Assessment Agreement.

SECTION 9. That the Safety Service Director is hereby authorized to enter into such other agreements that are not inconsistent with the Resolution Approving Petition and Declaring Necessity and this Ordinance and that are approved by the Mayor and the Law Director, or their designee, on behalf of the City, all of which shall be conclusively evidenced by the signing of such agreements or any amendments to such agreements.

SECTION 10. That in compliance with Ohio Revised Code Section 319.61, the Council and the Clerk of Council are directed to deliver a certified copy of this Ordinance to the County Auditor of Fairfield County, Ohio within fifteen (15) days after its passage.

SECTION 11. That this Council finds and determines that all formal actions of Council concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Ohio Revised Code Section 121.22.

SECTION 12. That this Ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the City, and for the further reason that this Ordinance is necessary to the timely completion of the Project described above; wherefore this Ordinance shall be in full force and effect immediately upon its passage and approval by the Mayor.

Passed: _____ after _____ reading. Vote: Yeas _____ Nays _____

Approved: _____

President of Council

Clerk: _____

Mayor

Offered by: _____

Second by: _____

Requested by Economic Development Committee

I, Anitra Scott, Clerk of Council do hereby certify that on _____, 202_ the Lancaster Eagle Gazette will publish the summary of this ordinance in accordance with Ohio Revised Code 731.24.

Clerk of Council

CERTIFICATE

The undersigned Clerk of Council hereby certifies that the foregoing is a true copy of Permanent Ordinance No. [] duly adopted by the City Council of the City of Lancaster, Ohio on December 15, 2025 and that a true copy thereof was certified to the County Auditor of Fairfield County, Ohio within fifteen (15) days of its passage.

Clerk of Council

EXHIBIT A

**LIST OF SPECIAL ASSESSMENTS AND
SCHEDULE OF SPECIAL ASSESSMENTS**

LIST OF SPECIAL ASSESSMENTS

Name	Assessed Properties Description	Portion of Benefit and Special Assessment	Maximum Amount of Special Assessments
Equity Trust Company Custodian FBO Leung Chee Kwan IRA	0535038700	100%	\$2,485,406.14

*As identified in the records of the Auditor of Fairfield County, Ohio as of December 15, 2025.

SCHEDULE OF SPECIAL ASSESSMENTS

The following schedule of Special Assessment charges shall be levied in fifty-eight (58) semi-annual installments with respect to first-half and second-half real property taxes levied in tax years 2026 through 2054 and collected in calendar years 2027 through 2055:

Installment No.	Special Assessment Payment Date*	Total Special Assessment Payment Amount**
1	6/1/2027	\$42,851.83
2	12/1/2027	42,851.83
3	6/1/2028	42,851.83
4	12/1/2028	42,851.83
5	6/1/2029	42,851.83
6	12/1/2029	42,851.83
7	6/1/2030	42,851.83
8	12/1/2030	42,851.83
9	6/1/2031	42,851.83
10	12/1/2031	42,851.83
11	6/1/2032	42,851.83
12	12/1/2032	42,851.83
13	6/1/2033	42,851.83
14	12/1/2033	42,851.83
15	6/1/2034	42,851.83
16	12/1/2034	42,851.83
17	6/1/2035	42,851.83
18	12/1/2035	42,851.83
19	6/1/2036	42,851.83
20	12/1/2036	42,851.83
21	6/1/2037	42,851.83
22	12/1/2037	42,851.83
23	6/1/2038	42,851.83
24	12/1/2038	42,851.83
25	6/1/2039	42,851.83
26	12/1/2039	42,851.83
27	6/1/2040	42,851.83
28	12/1/2040	42,851.83
29	6/1/2041	42,851.83
30	12/1/2041	42,851.83
31	6/1/2042	42,851.83
32	12/1/2042	42,851.83
33	6/1/2043	42,851.83
34	12/1/2043	42,851.83
35	6/1/2044	42,851.83
36	12/1/2044	42,851.83
37	6/1/2045	42,851.83
38	12/1/2045	42,851.83
39	6/1/2046	42,851.83
40	12/1/2046	42,851.83
41	6/1/2047	42,851.83
42	12/1/2047	42,851.83
43	6/1/2048	42,851.83
44	12/1/2048	42,851.83
45	6/1/2049	42,851.83
46	12/1/2049	42,851.83
47	6/1/2050	42,851.83
48	12/1/2050	42,851.83
49	6/1/2051	42,851.83
50	12/1/2051	42,851.83
51	6/1/2052	42,851.83
52	12/1/2052	42,851.83

53	6/1/2053	42,851.83
54	12/1/2053	42,851.83
55	6/1/2054	42,851.83
56	12/1/2054	42,851.83
57	6/1/2055	42,851.83
58	12/1/2055	42,851.83

** Pursuant to Ohio Revised Code Chapter 323, the Special Assessment Payment Dates identified in this Schedule of Special Assessments are subject to adjustment by the Fairfield County Auditor under certain conditions.

*** The Auditor of Fairfield County, Ohio may impose a special assessment collection fee with respect to each semi-annual Special Assessment payment. If imposed, this special assessment collection fee will be added by the Auditor of Fairfield County, Ohio to each semi-annual Special Assessment payment.

RECEIPT OF FAIRFIELD COUNTY AUDITOR FOR
LEGISLATION LEVYING SPECIAL ASSESSMENTS
FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING,
AND IMPROVING CERTAIN PUBLIC IMPROVEMENTS
IN THE CITY OF LANCASTER IN COOPERATION WITH
THE LANCASTER REGIONAL ENERGY SPECIAL IMPROVEMENT DISTRICT

I, Dr. Carri Brown, the duly elected, qualified, and acting Auditor in and for Fairfield County, Ohio hereby certify that a certified copy of Ordinance No. _____, duly adopted by the Council of the City of Lancaster, Ohio on December 15, 2025 and made effective on December 15, 2025, levying special assessments for the purpose of acquiring, constructing, and improving certain public improvements in the City of Lancaster, Ohio in cooperation with the Lancaster Regional Energy Special Improvement District, including the List of Special Assessments and Schedule of Special Assessments, which Special Assessment charges are levied in fifty-eight (58) semi-annual installments with respect to real property taxes due in calendar years 2027 through 2055, was filed in this office on _____, 2025.

WITNESS my hand and official seal at Lancaster, Ohio on _____, 2025.

[SEAL]

Auditor
Fairfield County, Ohio