

2
3 CITY OF CUYAHOGA FALLS, OHIO

4
5 ORDINANCE NO. 57 -2012

6
7 AN ORDINANCE AUTHORIZING THE DIRECTOR OF
8 COMMUNITY DEVELOPMENT TO ENTER INTO A
9 COMMUNITY REINVESTMENT AREA TAX EXEMPTION
10 AGREEMENT JOINTLY WITH TECHNICOTE, INC. AND
11 CFO REALTY, LLC, AND DECLARING AN
12 EMERGENCY.
13

14 WHEREAS, pursuant to Ordinance No. 83-2007, this Council established and
15 designated the boundaries of the Cuyahoga Falls Community Reinvestment Area
16 ("CFCRA") pursuant to Ohio Revised Code §3735.65 *et seq.*, to encourage the
17 development of real property within the CFCRA; and
18

19 WHEREAS, the State of Ohio Director of Development has made a
20 determination that the findings contained in Ord. No. 83-2007 are valid, and that
21 the classification of structures and/or remodeling eligible for exemption under the
22 Ordinance is consistent with zoning restrictions applicable to the CFCRA, and
23

24 WHEREAS, with receipt of the Director's positive determination, the City is
25 enabled to abate certain taxes on real property located in the CFCRA, in order to
26 provide an incentive for the creation and retention of jobs and investment within
27 the CFCRA; and
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29 WHEREAS, this Council has determined to provide economic development
30 assistance in the form of tax abatement jointly to Technicote, Inc. and CFO Realty,
31 LLC in connection with improvements to a light manufacturing, offices and
32 warehouse facility located at 70 Marc Drive (Parcel No. 35-03133),
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34 NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Cuyahoga
35 Falls, County of Summit, and State of Ohio, that:
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37 Section 1. The Director of Community Development is hereby authorized to
38 enter into a Community Reinvestment Area tax exemption agreement in
39 accordance with Ohio Revised Code §§3735.67 and 3735.671, jointly with
40 Technicote, Inc. and CFO Realty, LLC, consistent with Ordinance No. 83-2007 and
41 the terms set forth in the application for tax exemption attached hereto as Exhibit
42 A, in order to provide an exemption from real property tax at the percentage and
43 for the duration stipulated in said application.
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45 Section 2. This Council further authorizes the Mayor, Director of Finance,
46 Director of Community Development, Director of Law and any other city officials,
47 individually and/or collectively as may be appropriate, to prepare and execute such
48 other documents and do other things as are necessary or incidental to carrying out

49 the requirements of this legislation consistent with the terms of the attached
50 application.

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52 Section 3. Any ordinances or resolutions or portions of ordinances and
53 resolutions inconsistent herewith are hereby repealed, but any ordinances and
54 resolutions not inconsistent herewith and which have not previously been repealed
55 are hereby ratified and confirmed.

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57 Section 4. It is found and determined that all formal actions of this Council
58 concerning and relating to the adoption of this ordinance were adopted in an open
59 meeting of this Council, and that all deliberations of this Council and of any of its
60 committees that resulted in such formal action, were in meetings open to the
61 public, in compliance with all legal requirements including Chapter 107 of the
62 Codified Ordinances.

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64 Section 5. This ordinance is hereby declared to be an emergency measure
65 necessary for the preservation of the public peace, health, safety, convenience and
66 welfare of the City of Cuyahoga Falls and the inhabitants thereof, and provided it
67 receives the affirmative vote of two thirds of the members elected or appointed to
68 Council, it shall take effect and be in force immediately upon its passage and
69 approval by the Mayor; otherwise it shall take effect and be in force at the earliest
70 period allowed by law.

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Passed: 5-29-12

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Approved: 5/30/12

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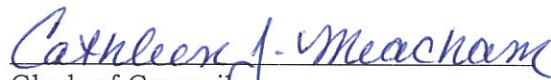
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5/14/12

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O:\2012ords\Technicote CRA Agreement


Diana Calveccio - PRO TEM
President of Council


Cathleen J. Meacham
Clerk of Council


J. Robert
Mayor

PROPOSED AGREEMENT for Community Reinvestment Area Tax Incentives between the City of Cuyahoga Falls located in the County of Summit and Technicote, Inc. & CFO Realty.

1. a. Name of property owner, home or main office address, contact person, and telephone number (attach additional pages if multiple enterprise participants).

<u>Technicote</u>	<u>Dan Clarke</u>
Enterprise Name	Contact Person

<u>222 Mound Avenue Miamisburg, Ohio 45342</u>	
Address	Telephone Number

<u>CFO Realty</u>	<u>Vince Kyle</u>
Enterprise Name	Contact Person

<u>3802 Winkler Drive, Dover, Ohio 44622</u>	<u>330-447-5852</u>
Address	Telephone Number

- b. Project site:

<u>70 Marc Drive, Cuyahoga Falls, Ohio 44223</u>	<u>Dan Clarke</u>
Address	Contact Person

<u>937-859-4448</u>	
Telephone Number	

2. a. Nature of commercial/industrial activity (manufacturing, warehousing, wholesale or retail stores, or other) to be conducted at the site.

Manufacturing

- b. List primary 6 digit North American Industry Classification System (NAICS) # Business may list other relevant SIC numbers. 322200

- c. If a consolidation, what are the components of the consolidation? (must itemize the location, assets, and employment positions to be transferred:

n/a

- d. Form of business of enterprise (corporation, partnership, proprietorship, or other).

Limited Liability Company

3. Name of principal owner(s) or officers of the business.

George Corbett, Vincent Kyle, Doug O'Connell

4. a. State the enterprise's current employment level at the proposed project site:

40

b. Will the project involve the relocation of employment positions or assets from one Ohio location to another? Yes ___ No X

c. If yes, state the locations from which employment positions or assets will be relocated and

the location to where the employment positions or assets will be located:

n/a

d. State the enterprise's current employment level in Ohio (itemized for full and part-time and permanent and temporary employees):

66 Permanent Full Time located in Cuyahoga Falls and Miamisburg, OH

e. State the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets:

No relocation of employment

f. What is the projected impact of the relocation, detailing the number and type of employees and/or assets to be relocated?

NA

5. Does the Property Owner owe:

a. Any delinquent taxes to the State of Ohio or a political subdivision of the state?

Yes ___ No x

b. Any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State? Yes ___ No x

c. Any other moneys to the State, a state agency or a political subdivision of the

State that are past due, whether the amounts owed are being contested in a court of law or not?

Yes ___ No x

d. If yes to any of the above, please provide details of each instance including but not limited to the location, amounts and/or case identification numbers

n/a

6. Project Description:

Replace facility at 70 Marc Drive previously destroyed in fire. Purchase and install manufacturing and support equipment to restore previous manufacturing capacity. Approximately 8,825 square feet will be salvaged and 45,800 square feet will be constructed for a total of 54,625 square feet.

7. Project will begin in May 2012 and be completed by March 2013 provided a tax exemption is provided.

8. a. Estimate the number of new employees the property owner will cause to be created at the facility that is the project site (job creation projection must be itemized by the name of the employer, full and part-time and permanent and temporary):

12 new full time employees

b. State the time frame of this projected hiring: 24 months

c. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees):

2012 = 5 Full Time Employees 2013 = 7 Full Time Employees

9.

a. Estimate the amount of annual payroll such new employees will add:
\$ 498,828.00 based on 12 employees with Average Wage \$41,569.00/yr
(new annual payroll must be itemized by full and part-time and permanent and temporary new employees).

b. Indicate separately the amount of existing annual payroll relating to any job retention claim
resulting from the project: \$ 1,598,200

10. An estimate of the amount to be invested by the enterprise to establish, expand, renovate or occupy a facility:
- | | |
|--|---------------------------|
| A. Acquisition of Land: | \$ <u> 0</u> |
| B. Additions/New Construction: | \$ <u>3,000,000</u> |
| C. Improvements to existing buildings: | \$ <u> 0</u> |
| D. Machinery & Equipment: | \$ <u>3,750,000</u> |
| E. Furniture & Fixtures: | \$ <u> 100,000</u> |
| F. Inventory: | \$ <u>3,500,000/Month</u> |
| Total New Project Investment: | \$10,350,000 |

- 11.
- a. Business requests the following tax exemption incentives: 50 % for 15 years covering the real property improvements as described above.
- b. Business's reasons for requesting tax incentives (be quantitatively specific as possible)

Technicote, Inc. was established in 1980 in Cuyahoga Falls, Ohio to service local roll converters. As a financially stable, privately owned company, Technicote has grown to include 9 manufacturing and distribution facilities throughout the United States and Mexico. With outstanding employees, and a strong customer base, Technicote continues to maintain substantial growth year after year.

In December 2011, our Cuyahoga Falls location experienced a devastating fire that destroyed most of the building and equipment and displaced our workforce. After this major business interruption, we were forced to relocate the manufacturing demand to our 3 other manufacturing sites in Ohio, Indiana, and California. We continued to offer employment to all existing personnel who were willing to work temporarily at our Indiana Facility. To minimize hardship, we have paid all travel, housing, and meals for approximately 20 employees working in Terre Haute, IN since the beginning of the year. In addition we have maintained their Ohio wage rates, which are higher than Indiana. This has resulted in a transparent situation to the County and City as all employees have been able to maintain their Ohio residency.

Technicote has effectively absorbed our lost manufacturing capacity into existing company assets. We have investigated all options including relocating outside Cuyahoga Falls, the county, or the State of Ohio. There are many reasons that moving would make sense. However our preferred course of action would be to rebuild at the 70 Marc Drive location, which allows us to maintain our experienced work force and support the local customers which have been with us since starting the Company.

Technicote looks forward to a continued partnership and requests that all financial support possible be given to assist us in this decision.

Submission of this application expressly authorizes the City of Cuyahoga Falls to contact the Ohio Environmental Protection Agency to confirm statements contained within this application including item # 5 and to review applicable confidential records. As part of this application, the property owner may also be required to directly request from the Ohio Department of Taxation, or complete a waiver form allowing the Department of Taxation to release specific tax records to the local jurisdiction considering the request.

The Applicant agrees to supply additional information upon request.
The Applicant affirmatively covenants that the information contained in and submitted with this application is complete and correct and is aware of the ORC Sections 9.66(C)(1) and 2921.13(D)(1) penalties for falsification which could result in the forfeiture of all current and future economic development assistance benefits as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

Name of Property Owner	Title
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Signature	Date
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* A copy of this proposal must be forwarded by the local governments to the affected Board of Education along with notice of the meeting date on which the local government will review the proposal. Notice must be given a minimum of fourteen (14) days prior to the scheduled meeting to permit the Board of Education to appear and/or comment before the legislative authorities considering the request.

** Attach to Final Community Reinvestment Area Agreement as Exhibit A

Please note that copies of this proposal must be included in the finalized Community Reinvestment Area Agreement and be forwarded to the Ohio Department of Taxation and the Ohio Department of Development within fifteen (15) days of final approval.