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3
4 CITY OF CUYAHOGA FALLS, OHIO

5
6 ORDINANCE NO. 14 - 2007

7
8 AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO AN
9 ENTERPRISE ZONE TAX INCENTIVE AGREEMENT WITH BWC, L.L.C.,
10 AND THE COUNTY OF SUMMIT, AND DECLARING AN EMERGENCY.

11
12 WHEREAS, the City passed Ordinance Nos. 129-1995 and 26-1996 to authorize the City's participation
13 in the County's Enterprise Zone Program; and

14
15 WHEREAS, the City of Cuyahoga Falls has been certified by the State of Ohio Director of Development
16 as an Enterprise Zone enabling it to exempt certain taxes imposed on industry provided said industry
17 creates or retains jobs and makes a significant investment within the certified zone; and

18
19 WHEREAS, the creation of an Enterprise Zone in the City of Cuyahoga Falls was intended primarily to
20 induce economic growth by assisting Cuyahoga Falls' businesses to expand and businesses to locate in
21 Cuyahoga Falls through the use of tax incentives;

22
23 NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Cuyahoga Falls, County of Summit,
24 and State of Ohio:

25
26 Section 1. That the Mayor is hereby authorized to enter into an Enterprise Zone Tax Incentive
27 Agreement with BWC, L.L.C., consistent with the terms in the Proposed Enterprise Zone Application
28 attached hereto, to provide real property tax abatement at the percentage and length of abatement as
29 stipulated in said application, to benefit the City and being consistent with the objectives of this ordinance.

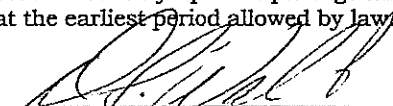
30
31 Section 2. That Council further authorizes the Mayor, Director of Finance, Director of Community
32 Development, Director of Law and any other City officials, individually and/or collectively as may be
33 appropriate, to prepare and execute such other documents and do other things as are necessary for and
34 incidental to carrying out the requirements of this legislation consistent with the terms of the attached
35 application.

36
37 Section 3. That any other ordinances or resolutions or portions of ordinances and resolutions
38 inconsistent herewith be and the same are hereby repealed, but any ordinances and resolutions not
39 inconsistent herewith and which have not previously been repealed are hereby ratified and confirmed.

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41 Section 4. That it is found and determined that all formal actions of this Council concerning and
42 relating to the adoption of this ordinance were adopted in an open meeting of this Council and that all
43 deliberations of this Council and of any of its committees that resulted in such formal action were in
44 meetings open to the public, in compliance with all legal requirements to the extent applicable, including
45 Chapter 107 of the Codified Ordinances.

46
47 Section 5. That this ordinance is hereby declared to be an emergency measure necessary for the
48 preservation of the public peace, health, safety, convenience and welfare of the City of Cuyahoga Falls and
49 the inhabitants thereof, and provided it receives the affirmative vote of two-thirds of the members elected or
50 appointed to Council, it shall take effect and be in force immediately upon its passage and approval by the
51 Mayor; otherwise it shall take effect and be in force at the earliest period allowed by law.

52
53
54 Passed: 1/22-07

55 
56 _____
57 President of Council

58 Barbara J. White
59 _____
60 Clerk of Council

61
62 Approved: 1/23/07

63 
64 _____
65 Mayor

PROPOSED AGREEMENT for Enterprise Zone Area Tax Incentives between the City of Cuyahoga Falls, Ohio located in the County of Summit and Industrial Tool & Machine.

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

| | |
|-----------------|----------------------|
| <u>BWC, LLC</u> | <u>Bruce Collins</u> |
| Enterprise Name | Contact Person |

| | |
|---------------------------------|---------------------|
| <u>1783 Front Street</u> | |
| <u>Cuyahoga Falls, OH 44221</u> | <u>330.928.1136</u> |
| Address | Telephone Number |

| | |
|-----------------|----------------------|
| <u>BWC, LLC</u> | <u>Bruce Collins</u> |
| Property Owner | Contact Person |

- b. Project site:

| | |
|--------------------------------------|----------------------|
| <u>Parcels 35-01727 and 35-02065</u> | <u>Bruce Collins</u> |
| Address | Contact Person |

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

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

c. If a consolidation, what are the components of the consolidation? (must itemize the location, assets, and employment positions to be transferred:
This project involves the consolidation of two operations into one with an expansion.

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

3. Name of principal owner(s) or officers of the business.
Bruce W. Collins, Jr. and Susan Collins

4. a. State the enterprise's current employment level at the proposed project site: 0

- b. Will the project involve the relocation of employment positions or assets from one Ohio location to another? Yes X No
- 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: All employees at the current location will be transferred to the new site.
- d. State the enterprise's current employment level in Ohio (itemized for full and part-time and permanent and temporary employees): 8 full time, 1 part time
- e. State the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets: 8 full time, 1 part time
- f. What is the projected impact of the relocation, detailing the number and type of employees and/or assets to be relocated? All positions will be retained.
5. Does the enterprise 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 (add additional sheets).
 N/A
6. Project Description: As a result of this project, Industrial Tool & Machine will construct a new 20,000 square foot building in which to manufacture, process, warehouse, and expand their existing operations.
7. Project will begin approximately in March 2007 and is expected to be complete by September 2007 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): 5 Full Time Employee Equivalents annually, 0 Part-Time Employees, (exclusive of construction personnel).
- b. State the time frame of this projected hiring: 24 months after construction

c. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees): 2 full-time; in 2007 and 3 full-time in 2008.

9. a. Estimate the amount of annual payroll such new employees will add. \$ 168,000*
 (New annual payroll must be itemized by full and part-time and permanent and temporary new employees).

| Est. Employee | Est. hours | Est. weeks/ year | Est. hourly wage | Est. total. |
|----------------------|------------|------------------|------------------|-------------|
| Full Time Employee 1 | 50 hours | 52 weeks/ year | \$10.00 / hour | \$24,000 |
| Full Time Employee 2 | 50 hours | 52 weeks/ year | \$12.00 / hour | \$28,800 |
| Full Time Employee 3 | 50 hours | 52 weeks/ year | \$14.00 / hour | \$33,600 |
| Full Time Employee 4 | 50 hours | 52 weeks/ year | \$16.00 / hour | \$38,400 |
| Full Time Employee 5 | 50 hours | 52 weeks/ year | \$18.00 / hour | \$43,200 |
| | | | | |
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| | | | | |

* The above-listed estimated totals were calculated on 40 hours of straight time worked plus 10 hours at the over-time rate. Also factored in are days not worked.

b. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project: \$360,000

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>\$ 125,000</u> |
| B. Additions/New Construction: | <u>\$ 750,000</u> |
| C. Improvements to existing buildings: | <u>\$ 0</u> |
| D. Machinery & Equipment: | <u>\$ 300,000</u> |
| E. Furniture & Fixtures: | <u>\$ 20,000</u> |
| F. Inventory: | <u>\$ 0</u> |
| Total New Project Investment: | <u>\$ 1,195,000</u> |

10. a. Business requests the following tax exemption incentives: 75% for 10 years, by covering real property as described above.

b. Business's reasons for requesting tax incentives (be quantitatively specific as possible).

1. Consolidation of two operating plants into one facility improving efficiencies, and lowering operating costs.

2. Additional manufacturing space allowing for additional equipment and employees. We would increase our present manufacturing facility by 25%, and employees by approximately 40%.

3. Modernization by acquisition of new CNC equipment capabilities. This to meet our present customer increasingly technical applications, and future growth into new areas of manufacturing. With the present trend of manufacturing toward high-tech development, gross sales could increase well over 50%.

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.

BWC, LLC

By: _____

Date

- 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 Enterprise Zone Area Agreement as Exhibit A

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