

2
3 CITY OF CUYAHOGA FALLS, OHIO

4
5 ORDINANCE NO. 43 -2016

6
7 AN ORDINANCE AUTHORIZING THE DIRECTOR OF
8 COMMUNITY DEVELOPMENT TO AMEND THE
9 COMMUNITY REINVESTMENT AREA TAX EXEMPTION
10 AGREEMENT WITH MENARD INCORPORATED, AND
11 DECLARING AN EMERGENCY.
12

13 WHEREAS, pursuant to Ordinance No. 69-2006, adopted June 26, 2006, and
14 Ordinance No. 83-2007 adopted on June 25, 2007 this Council established and
15 designated the boundaries of the Cuyahoga Falls Northern Community Reinvestment
16 Area ("CRA") pursuant to Ohio Revised Code §3735.65 et seq., to encourage the
17 development of real property within the CRA; and
18

19 WHEREAS, the State of Ohio has made a determination that the findings
20 contained in Ord. No. 69- 2006 and Ord. No. 83-2007 are valid, and that the
21 classification of structures and/or remodeling eligible for exemption under the
22 Ordinance is consistent with zoning restrictions applicable to the CRA; 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 CRA, in order to
26 provide an incentive for the creation and retention of jobs and investment within the
27 CRA; and
28

29 WHEREAS, pursuant to Ordinance No. 81-2014, this Council provided economic
30 development assistance in the form of tax abatement to Menard Incorporated to
31 construct a Menards home improvement and building supply store to be located on
32 the north side of Graham Road at the former Giant Eagle location; and
33

34 WHEREAS, Menard Inc. has completed the acquisition of land and demolition of
35 the vacant Giant Eagle structure towards the total new project investment of
36 \$20,100,000; and
37

38 WHEREAS, Menard Inc. informed the City that all of Menard's projects scheduled
39 for the 2016 construction cycle, including the project in Cuyahoga Falls, have been
40 moved to 2017; and
41

42 WHEREAS, Menard Inc. is requesting an amendment extending the previously
43 approved abatement approximately one (1) year. The continuation of the project will
44 begin on May 1, 2017 and be completed by May 1, 2018.
45

46 NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Cuyahoga
47 Falls, County of Summit, and State of Ohio, that:
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49 Section 1. The Director of Community Development is hereby authorized to
50 amend the Community Reinvestment Area tax exemption agreement in accordance
51 with Ohio Revised Code §§3735.67 and 3735.671, consistent with Ordinance No. 69-
52 2006 and Ordinance No. 83-2007 and the terms set forth in the application for tax
53 exemption attached hereto as Exhibit A, in order to provide an exemption from real
54 property tax at the percentage and for the duration stipulated in said application.
55

56 Section 2. This Council further authorizes the Mayor, Director of Finance,
57 Director of Community Development, Director of Law and any other city officials,
58 individually and/or collectively as may be appropriate, to prepare and execute such
59 other documents and do other things as are necessary or incidental to carrying out
60 the requirements of this legislation consistent with the terms of the attached
61 application.
62

63 Section 3. Any ordinances or resolutions or portions of ordinances and
64 resolutions inconsistent herewith are hereby repealed, but any ordinances and
65 resolutions not inconsistent herewith and which have not previously been repealed
66 are hereby ratified and confirmed.
67

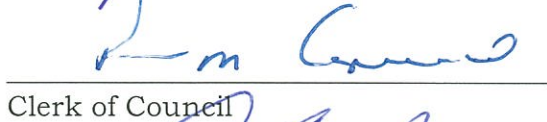
68 Section 4. It is found and determined that all formal actions of this Council
69 concerning and relating to the adoption of this ordinance were adopted in an open
70 meeting of this Council, and that all deliberations of this Council and of any of its
71 committees that resulted in such formal action, were in meetings open to the public,
72 in compliance with all legal requirements including Chapter 107 of the Codified
73 Ordinances.
74

75 Section 5. This ordinance is hereby declared to be an emergency measure
76 necessary for the preservation of the public peace, health, safety, convenience and
77 welfare of the City of Cuyahoga Falls and the inhabitants thereof, and provided it
78 receives the affirmative vote of two thirds of the members elected or appointed to
79 Council, it shall take effect and be in force immediately upon its passage and
80 approval by the Mayor; otherwise it shall take effect and be in force at the earliest
81 period allowed by law.
82

83
84 Passed: 6-13-16



President of Council



Clerk of Council

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90 Approved: 6-15-16



Mayor

94 5/9/16

AMENDED

EXHIBIT A

PROPOSED AGREEMENT for Community Reinvestment Area Tax Incentives between the City of Cuyahoga Falls, Ohio located in the County of Summit and Menard, Inc., a Wisconsin Corporation.

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

<u>Menard, Inc</u>	<u>Darren Appleby</u>
Enterprise Name	Contact Person
<u>5101 Menard Drive, Eau Claire, WI 54703</u>	<u>(715)876.2274</u>
Address	Telephone Number
<u>dappleby@menard-inc.com</u>	
Contact Email (For annual CRA reporting)	

- b. Project site:

<u>Graham Road</u>	
Address	Parcel Number
<u>Tom O'Neil (715)876.2810</u>	<u>toneil@menard-inc.com</u>
Contact Person, Telephone Number,	Email address

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

Menards home improvement and building material supply retailer.

- b. List primary 6 digit North American Industry Classification System (NAICS) #
Business may list other relevant SIC numbers. 444110

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

3. Name of principal owner(s) or officers of the business. John Menard, Jr.

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

Full Time: Zero Part Time: Zero

- 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): Full Time: 1,428 / Part Time: 2,168

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

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

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. Be as detailed as possible:

Menard, Inc is under contract with two (2) property owners to assemble the necessary acreage to build a Menards home improvement and building supply store. This will involve the demolition of the former Giant Eagle, grading the former Giant Eagle property in conjunction with the property to the north and construction of the Menards store. The goal is to perform the bulk of this work in 2015 with store opening scheduled early 2016.

7. Project will begin on May 1, 2017 and be completed by May 1, 2018 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):

Full Time: 40 / Part Time: 80

b. State the time frame of this projected hiring: Six (6) months

c. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees): All employees will be hired in the months immediately leading up to the opening of the store.

9.

a. Estimate the amount of annual payroll such new employees will add: \$2, 250,000 (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: N/A

10. An estimate of the amount to be invested by the enterprise to establish, expand, renovate or occupy a facility:

A. Acquisition of Land:	\$4,600,000
B. Additions/New Construction:	\$7,500,000
C. Improvements to existing buildings:	\$0
D. Machinery & Equipment:	\$0
E. Furniture & Fixtures:	\$1,000,000
F. Inventory:	\$7,000,000

Total New Project Investment: \$20,100,000

11.

a. Business requests the following tax exemption incentives: 50 % for 10 years covering the real property improvements as described above.


b. Business's reasons for requesting and AMENDMENT of application (be quantitatively specific as possible)

At present, Menard, Inc. has completed the acquisition of land towards the total new project investment. However, Menard, Inc. has decided not to make the remaining project investment in the 2016 construction season. This decision is based on continued slow economic growth as well as uncertainty over the direction the nation may take in the upcoming fall elections. As such, Menard, Inc. is requesting an Amendment extending the previously approved Community Reinvestment Area Tax Incentives of approximately one (1) year.

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.

Menard, Inc.	Real Estate Acquisition Representative
Name of Property Owner	Title
	4-15-16
Signature	Date

For City Use Only

* 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.