

2
3 CITY OF CUYAHOGA FALLS, OHIO

4
5 ORDINANCE NO. 49 -2015
6

7 AN ORDINANCE AUTHORIZING THE DIRECTOR OF
8 COMMUNITY DEVELOPMENT TO ENTER INTO A
9 COMMUNITY REINVESTMENT AREA TAX EXEMPTION
10 AGREEMENT WITH CASCADE AUTO GROUP, LTD.
11 DBA PRIMM LAND LTD. AND VALLEY PARK LTD., AND
12 DECLARING AN EMERGENCY.
13

14
15 WHEREAS, pursuant to Ordinance No. 69-2006, passed June 26, 2006, this
16 Council established and designated the boundaries of the Cuyahoga Falls Northern
17 Community Reinvestment Area ("CRA") pursuant to Ohio Revised Code §3735.65 et
18 seq., to encourage the development of real property within the CRA; and
19

20 WHEREAS, the State of Ohio has made a determination that the findings
21 contained in Ord. No. 69- 2006 are valid, and that the classification of structures
22 and/or remodeling eligible for exemption under the Ordinance is consistent with
23 zoning restrictions applicable to the CRA, and
24

25 WHEREAS, with receipt of the Director's positive determination, the City is
26 enabled to abate certain taxes on real property located in the CRA, in order to
27 provide an incentive for the creation and retention of jobs and investment within
28 the CRA; and
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30 WHEREAS, this Council has determined to provide economic development
31 assistance in the form of tax abatement to Cascade Auto Group, Ltd., dba Primm
32 Land Ltd. and Valley Park Ltd., in connection with a new Audi retail store and the
33 expansion and remodeling of the Subaru retail store both located on State Road
34 parcels 35.00711 and 35.02603, hereinafter the "Project".
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36 NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Cuyahoga
37 Falls, County of Summit, and State of Ohio, that:
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39 Section 1. The Director of Community Development is hereby authorized to
40 enter into a Community Reinvestment Area tax exemption agreement with Cascade
41 Auto Group, Ltd. dba Primm Land and Valley Park Ltd. This agreement is in
42 accordance with Ohio Revised Code §§3735.67 and 3735.671 and consistent with
43 Ordinance No. 69-2006. The terms are set forth in the application for tax
44 exemption attached hereto as Exhibit A.
45

46 Section 2. This Council further authorizes the Mayor, Director of Finance,
47 Director of Community Development, Director of Law and any other city officials,
48 individually and/or collectively as may be appropriate, to prepare and execute such
49 other documents and do other things as are necessary or incidental to carrying out

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

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

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

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

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Passed:

7/13/2015

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Approved:

7-14-15

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6/22/15

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Mary Ellen Pyke
President of Council

David Quinn
Clerk of Council

[Signature]
Mayor

Draft

EXHIBIT A

PROPOSED AGREEMENT for Community Reinvestment Area Tax Incentives between the City of Cuyahoga Falls located in the County of Summit and:

Cascade Auto Group, ltd dba PrimmLand ltd and Valley Park ltd

(Company Name)

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

Cascade et al
Enterprise Name

Michelle Primm
Contact Person

4149, 4152, 4161(F+R), 4173, 4193 State Rd.
Cuyahoga Falls, Ohio 44223

Address

330-929-1861

Telephone Number

michelleprimm@cascadeautogroup.com

Contact Email

Project site:

4193-New Audi
4173-Subaru remodel/expansion

Address

35-00711

35-02603

Parcel Number

Michelle/Pat/Mike Primm

Contact Person

330-929-1861

Telephone Number

michelleprimm@cascadeautogroup.com

Contact Email

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.

An Audi retail store is being built at 4193 State Road. The design will include a new showroom, service write-up, offices (public and private) and customer lounges.

This new building is in response to and a compromise with Audi Corporate to avoid moving to the Arlington Road Auto Mile in South Akron. Cascade's area of responsibility reaches South to Canton and East to Youngstown. The Arlington Road Auto Mile is perceived to better serve the complete market.

Subaru at 4173 State Rd is being remodeled and enlarged. The retail portion will expand by approximately 100sq feet, furniture, ceiling and floors will be replaced and the exterior will change to meet Subaru corporate standards.

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

441110

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

The new Audi retail store (4193) will replace the current Audi retail store (4161.) 4161 will become a used car showroom. Sales, reception and Technologists will move from the old building. Service Advisors and senior Management will move from other buildings to the new location.

- d. Form of business of enterprise:

Corporation Partnership Proprietorship Other

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

Michelle Primm

Pat Primm

Mike Primm

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

Full Time: 0 Part Time: 0
 (To be considered full time the individual must work at least 35 hours per week.)

- b. Will the project involve the relocation of employment positions or assets from one Ohio location to another? Yes 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:

See previous answers for specific numbers. Cascade has grown from 30 employees (1970's), 40(1980's), 50(2000's) to 73 today. We fully expect to reach and maintain 80 in 2016. 85 employees in 2017 is a reasonable target given our sales and service growth.

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

	Permanent	Temporary
Full Time	57	
Part Time	16	

(To be considered full time the individual must work at least 35 hours per week.)

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

4161 5 staff will move to the new facility (3 sales, 1 mgrs, 1 receptionist, 1 technologist.)

4149 2 staff will move to the new facility (2 mgrs)

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

Cascade will be more efficient. Expanded outdoor space will allow for more Inventory. Cascade will meet the Audi and Subaru corporate standards. With Expansion, more staff will be added to service customers and support front Facing staff. Used car sales and service will expand.

5. Does the Property Owner Currently Owe:

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

Yes No

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

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

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.

6. Project Description. Be as detailed as possible:

Cascade Auto has purchased a blighted building (former Boot Scoot'n Saloon) on State Road that has been an eyesore in Cuyahoga Falls for over a decade. Their investment provides great value for not only the State Road corridor but the city as a whole. This project includes the construction of a new Audi showroom and office, a renovation of the Subaru facility and improvements to the current Audi building to serve the used car market. These improvements to the Cascade Campus will "anchor" the North end of State road. Portage Crossings has substantially improved State Road. It is our plant that our project will be a catalyst to spur additional growth at the north end of the State Rd corridor and hopefully the rebirth in between the two ends will continue. We anticipate that our project will provide an opportunity for other entities to see the value of investing in Cuyahoga Falls.

7. Project will begin on July 1st, 2015 and be completed by March 2016 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):

	Permanent	Temporary
Full Time	2-5	4
Part Time	1-3	2

(To be considered full time the individual must work at least 35 hours per week.)

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):

We will begin hiring 3 months prior to completion (expected January 2016.)

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

	Permanent		Temporary	
Full-time	\$	\$216,000	\$	
Part-time	\$	\$ 22,000	\$	
TOTAL:	\$	\$238,000	\$	

(To be considered full time the individual must work at least 35 hours per week.)

b. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project: \$596,000.00

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

A. Acquisition of Land	\$	750,000
B. Additions/New Construction	\$	4,000,000
C. Improvements to Existing Buildings	\$	300,000
D. Machinery & Equipment	\$	50,000
E. Furniture & Fixtures	\$	200,000
F. Inventory	\$	500,000
Total New Project Investment	\$	5,800,000.

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 tax incentives (be quantitatively specific as possible)

The scope and size of the project is greater than originally anticipated to meet outside factors including manufacturer demands, city requirements, customer needs, etc. Changes in State of Ohio taxation and unavailability of energy efficiency grants from city have resulted in cost increases and less subsidy.

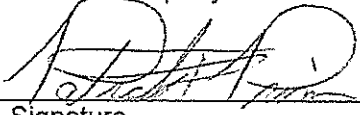
We anticipate driveway and bike trail request from Cuyahoga Falls to extend the current road construction to the end of our property.

While we are being pursued and encouraged by Audi to relocate to South Arlington Road where there is greater traffic and customer availability, it is our desire to remain in Cuyahoga Falls if possible.

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.

<u>Patrick T Pimm</u>	<u>Managing Partner</u>
Name of Property Owner	Title
<u></u>	<u>6/3/15</u>
Signature	Date