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3
4 CITY OF CUYAHOGA FALLS, OHIO

5
6 ORDINANCE NO. 50 - 2015

7
8 AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER
9 INTO A COMMUNITY REINVESTMENT AREA AGREEMENT
10 WITH RIVER FALLS PROPERTY III, LLC AND DECLARING
11 AN EMERGENCY.
12

13
14 WHEREAS, the City of Cuyahoga Falls designated an O.R.C. Chapter 3735
15 Community Reinvestment Area by virtue of Ordinance No. 95-2004 to encourage the
16 development of real property within the Cuyahoga River Community Reinvestment Area;
17 and,
18

19 WHEREAS, the City of Cuyahoga Falls has designated a certain area within the City
20 that has been certified by the State of Ohio as a Community Reinvestment Area enabling it
21 to exempt certain real property taxes imposed on industry provided said industry creates or
22 retains jobs and makes a significant investment within the certified zone; and
23

24 WHEREAS, the City Council and the Administration wish to provide assistance to
25 River Falls Property III, LLC to construct an approximate 80 room, eight story hotel on
26 parcel 02.18226 also known as Front & Center Urban Renewal Parcel 107R.
27

28 NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Cuyahoga Falls,
29 County of Summit, and State of Ohio, that:
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31 Section 1. That the Mayor is hereby authorized to enter into a Community
32 Reinvestment Area (CRA) Agreement with River Falls Property III, LLC, consistent with the
33 terms in the proposed CRA Application attached hereto as Exhibit A, to provide real
34 property tax relief at the percentage and length of abatement as stipulated in said
35 Application to benefit the City and being consistent with the objectives of this ordinance.
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37 Section 2. That Council further authorizes the Mayor, Director of Finance, Director of
38 Community Development, Director of Law and any other city officials, individually and/or
39 collectively as may be appropriate, to prepare and execute such other documents and do
40 other things as are necessary for or incidental to carrying out the requirements of this
41 legislation consistent with the terms of the attached Application.
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43 Section 3. That any ordinances or resolutions or portions of ordinances and resolutions
44 inconsistent herewith be and the same are hereby repealed, but any ordinances and
45 resolutions not inconsistent herewith and which have not previously been repealed are
46 hereby ratified and confirmed.
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48 Section 4. That it is found and determined that all formal actions of this Council
49 concerning and relating to the adoption of this ordinance were adopted in an open meeting
50 of this Council, and that all deliberations of this Council and of any of its committees that
51 resulted in such formal action, were in meetings open to the public, in compliance with all
52 legal requirements, to the extent applicable, including Chapter 107 of the Codified
53 Ordinances.
54

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

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62 Passed: 7/13/2015

Mary Ellen Pyke
President of Council

David Cain
Clerk of Council

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69 Approved 7-14-15

[Signature]
Mayor

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74 6/22/14
75 O:\2015 ords\Legislation River Falls III, LLC.doc

- 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.

Construction of an approximate 80 room, eight (8) story hotel

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

721110

- 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 Other

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

Thomas Bartlebaugh & Steven Krutowsky

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:

N/A

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	0	0
Part Time	0	0

(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

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 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.
N/A

- 6 Project Description. Be as detailed as possible:
Construction of an approximately 80 room, eight (8) story hotel

7. Project will begin in late Fall of 2015 and be completed within 18 months of construction start date provided a tax exemption is provided Spring 2016

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	25 (hotel jobs)	20 (construction)
Part Time	10 (hotel jobs)	15 (construction)

(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):

Temporary full time and part time construction jobs – Fall 2015
Full and part time permanent hotel jobs 2016

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	\$ 850,000.00	\$ 825,000.00
Part-time	\$ 150,000.00	\$ 125,000.00
TOTAL:	\$ 1,000,000.00	\$ 950,000.00

(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: \$ 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	\$ 54,160.00
B. Additions/New Construction	\$ 8,000,000
C. Improvements to Existing Buildings	\$ 0
D. Machinery & Equipment	\$ 0
E. Furniture & Fixtures	\$ 650,000
F. Inventory	\$ 60,000
Total New Project Investment	\$ 8,784,160.00

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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)

River Falls III, LLC will be constructing an approximate \$8,000,000 eight-story hotel on a City parcel which has been vacant for over thirty years. The Cuyahoga River CRA was enacted in 2004 to encourage reinvestment and new development in this important area of town. The hotel project will create jobs, enhance the downtown district and create more vibrancy and activity in the heart of the City.

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 9.60(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>Thomas Barthelmeuth</u> Name of Property Owner	<u>Partner</u> Title
<u>Thomas Barthelmeuth</u> Signature	<u>3/5/2015</u> Date