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3 CITY OF CUYAHOGA FALLS, OHIO

4
5 ORDINANCE NO. 03 -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
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19 WHEREAS, the State of Ohio has made a determination that the findings contained
20 in Ord. No. 69- 2006 and Ord. No. 83-2007 are valid, and that the classification of
21 structures and/or remodeling eligible for exemption under the Ordinance is consistent
22 with zoning restrictions applicable to the CRA; and
23

24 WHEREAS, with receipt of the Director's positive determination, the City is enabled
25 to abate certain taxes on real property located in the CFCRA, in order to provide an
26 incentive for the creation and retention of jobs and investment within the CFCRA; and
27

28 WHEREAS, pursuant to Ordinance No. 81-2014; amended by Ordinance No. 43-
29 2016 , this Council provided economic development assistance in the form of tax
30 abatement to Menard Incorporated to construct a Menards home improvement and
31 building supply store to be located on the north side of Graham Road at the former
32 Giant Eagle location; and
33

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

38 WHEREAS, Menard Inc. is requesting an amendment of Ordinance No. 43-2016 by
39 stating the continuation of the project will begin in calendar year 2017 and be completed
40 by calendar year 2018.
41

42 NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Cuyahoga Falls,
43 County of Summit, and State of Ohio, that:
44

45 Section 1. The Director of Community Development is hereby authorized to amend
46 the Community Reinvestment Area tax exemption agreement in accordance with Ohio
47 Revised Code §§3735.67 and 3735.671, consistent with Ordinance No. 69-2006 and
48 Ordinance No. 83-2007 and the terms set forth in the application for tax exemption
49 attached hereto as Exhibit A, in order to provide an exemption from real property tax at
50 the percentage and for the duration stipulated in said application.

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

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


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

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

Passed: 12-12-16




President of Council



Clerk of Council

Approved: 12-13-2016



Mayor

2nd AMENDMENT

A-94

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:

Original Application (Approved 9/23/14) - 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.

June 15, 2016 Amendment (approved 6/15/16) – The amendment indicated that construction would begin in May of 2017 and be completed in May of 2018. All details of the original application remain the same.

Current Amendment Request – Menard Incorporated is requesting an amendment stating that construction will begin in 2017 and be completed in 2018. All details of the original application remain the same.

7. Project will begin in 2017 and be completed in 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)

Menards Incorporated shall begin construction in 2017 and be completed in 2018. All details from the original application remain the same.

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
_____	_____
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 Development Services Agency within fifteen (15) days of execution.