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3 CITY OF CUYAHOGA FALLS, OHIO

4  
5 ORDINANCE NO. 87 -2015

6  
7 AN ORDINANCE AUTHORIZING THE DIRECTOR OF  
8 COMMUNITY DEVELOPMENT TO AMEND THE  
9 COMMUNITY REINVESTMENT AREA TAX EXEMPTION  
10 AGREEMENT JOINTLY WITH TECHNICOTE, INC. AND  
11 CFO REALTY, LLC, AND DECLARING AN  
12 EMERGENCY.  
13

14 WHEREAS, pursuant to Ordinance No. 69-2006, adopted June 26, 2006, and  
15 Ordinance No. 83-2007 adopted on June 25, 2007 this Council established and  
16 designated the boundaries of the Cuyahoga Falls Community Reinvestment Area  
17 ("CRA") pursuant to Ohio Revised Code §3735.65 et seq., to encourage the  
18 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 and Ord. No. 83-2007 are valid, and that the  
22 classification of structures and/or remodeling eligible for exemption under the  
23 Ordinance is consistent with 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  
29

30 WHEREAS, pursuant to Ordinance No. 57-2012, this Council provided  
31 economic development assistance in the form of tax abatement jointly to  
32 Technicote, Inc. and CFO Realty, LLC in connection with improvements to a light  
33 manufacturing, offices and warehouse facility located at 70 Marc Drive (Parcel No.  
34 35-03133),  
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36 WHEREAS, after the Board of Directors of Technicote, Inc. and CFO Realty, LLC  
37 reviewed the application submitted to the State of Ohio, concluded that they did  
38 not fully understand the questions being asked and incorrectly stated employment  
39 numbers and facts.  
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41 NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Cuyahoga  
42 Falls, County of Summit, and State of Ohio, that:  
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44 Section 1. The Director of Community Development is hereby authorized to  
45 amend the Community Reinvestment Area tax exemption agreement in accordance  
46 with Ohio Revised Code §§3735.67 and 3735.671, jointly with Technicote, Inc. and  
47 CFO Realty, LLC, consistent with Ordinance No. 69-2006 and Ordinance No. 83-  
48 2007 and the terms set forth in the application for tax exemption attached hereto

49 as Exhibit A, in order to provide an exemption from real property tax at the  
50 percentage and for the duration stipulated in said application.

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

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

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

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

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Passed: 11/9/2015

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Approved: 11-10-15

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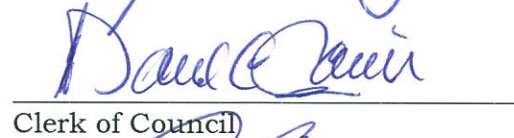
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10/26/15

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President of Council

  
\_\_\_\_\_  
Clerk of Council

  
\_\_\_\_\_  
Mayor

EXHIBIT A

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

CFO Realty, LLC and Technicote, Inc  
(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).

<u>CFO Realty, LLC</u>	<u>Vincent Kyle</u>
Enterprise Name	Contact Person

<u>3802 Winkler Drive Ext. NW</u>	<u>330.447.5852</u>
<u>Dover, Ohio 44622</u>	
Address	Telephone Number

Vin34aol.com  
Contact Email

Project site:

<u>70 Marc Drive, CFO, 44223</u>	<u>35.06443</u>
Address	Parcel Number

<u>David Bolanz</u>	<u>330.928.1476</u>
Contact Person	Telephone Number

dbolanz@technicote.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.

Manufacturer of pressure sensitive roll label materials and  
silicone coated release liner sold to the label printing  
industry.

- b. List primary 6 digit North American Industry Classification System (NAICS) #  
Business may list other relevant SIC numbers.  
322200

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

This is not a consolidation of several different business.

- d. Form of business of enterprise:

Corporation  Partnership  Proprietorship  Other LLC

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

George Corbett

Vincent Kyle

Anthony Vinciguerra

James Boyer

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

Full Time: 14 Part Time: \_\_\_\_\_  
(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

Six employees will be re-located from Akron to Cuyahoga Falls.

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	90	
Part Time		

(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:

Will add 26 employees at Cuyahoga Falls when construction of the building is completed. Twenty from Terre Haute, Indiana and six from Akron, Ohio.

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

The Cuyahoga Falls plant will be impacted by re-locating the 26 employees back to Cuyahoga Falls and by purchasing inventory and equipment to re-establish production facilities lost in the December 2011 fire.

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

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6 Project Description. Be as detailed as possible.

Replace facility at 70 Marc Drive previously destroyed in fire.  
Purchase and install manufacturing and support equipment to  
restore previous manufacturing capacity. Approximately 8,825  
square feet will be salvaged and 45,800 square feet will be con-  
structed for a total of 54,625 square feet.

7. Project will begin on July 2012 and be completed by March 2013 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	26	
Part Time		

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

b. State the time frame of this projected hiring: twelve months.

c. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees):

All 26 employees will be re-located to Cuyahoga Falls as soon as construction of the new building is completed.

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	\$	1,040,000	\$	
Part-time	\$		\$	
TOTAL:	\$	1,040,000	\$	

(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: \$ 560,000

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

A. Acquisition of Land	\$	
B. Additions/New Construction	\$	3,000,000
C. Improvements to Existing Buildings	\$	
D. Machinery & Equipment	\$	3,750,000
E. Furniture & Fixtures	\$	100,000
F. Inventory	\$	3,500,000
<b>Total New Project Investment</b>	<b>\$</b>	<b>10,350,000</b>

11.

a. Business requests the following tax exemption incentives: 50 %  
for 15 years covering the real property improvements as described above.

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

Technicote, Inc. was established in 1980 in Cuyahoga Falls, Ohio to service local roll label converters. As a financially stable, privately owned company, Technicote has grown to include 9 manufacturing and distribution facilities throughout the United States and Mexico. With outstanding employees and a strong customer base. Technicote continues to maintain substantial growth year after year. In December 2011 our Cuyahoga Falls location experienced a devastating fire that destroyed most of the building and equipment and displaced our workforce. After this major business interruption, we were forced to relocate the manufacturing demand to our 3 other manufacturing sites in Ohio, Indiana and California. We continued to offer employment to all existing personnel who were willing to work temporarily at our Indiana Facility. To minimize hardship, we have paid all travel, housing and meals for 20 employees working in Terre Haute, Indiana through the date of this application. Technicote has effectively absorbed our lost manufacturing capacity into existing company assets. We have investigated all options including relocating outside Cuyahoga Falls. There are many reasons that moving would make sense. However, our preferred course of action would be to rebuild at the 70 Marc Drive location, which allows us to maintain our experienced work force and support the local customers, which have been with us since starting the Company. Technicote looks forward to a continued partnership and requests that all financial support possible be given to assist us in this decision.



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.

CFO Realty, LLC	
<u>Vincent W. Kyle</u>	<u>Member</u>
Name of Property Owner	Title
	10/8/2015
<u>Signature</u>	<u>Date</u>