

# New Philadelphia City Council

## Public Works & Economic Development Committee

### Meeting Notes

January 26, 2015 – 6:45 p.m.

**Present for all or portions of the meeting were the following:** committee member Darrin Lautenschleger and committee alternate Dan Lanzer; Councilmember John Zucal; Mayor Dave Johnson; Council President Sam Hitchcock; Clerk of Council Patti McKay; Safety Director Greg Popham; Treasurer Tom Gerber; Service Director Jim Zucal; Law Director Marvin Fete; Auditor Beth Gundy; Jennifer Syx of Insite Advisory Group LLC; Rodney Wekkin of Menard Inc.; and city residents Dean Hollins, Aimee May and Rod Miller.

**ITEM:** Presentation from Insite Advisory Group LLC about Community Reinvestment Area program

**DISCUSSION:** City Service Director Jim Zucal stated that through the Community Reinvestment Area (CRA) program that was identified by Mayor Dave Johnson as a potential economic development tool to attract a Menard's retail store to the former Kmart property on Bluebell Dr. NW, the city administration has met with Ms. Syx of Insite Advisory Group LLC (based in Fairlawn) on a few occasions recently.

Ms. Syx distributed a presentation to provide details about the program (see attachment). "It is a flexible program that allows you to use the tools presented by the Ohio Revised Code, but with the flexibility to meet your community's needs," Ms. Syx said.

She also said that she believes the entire city – with the exception of primary residential areas – also can be designated as a CRA area and that this could have a very beneficial impact on economic development in the city. Ms. Syx praised the leadership of Mayor Johnson for identifying the CRA program and for following up on it.

Mr. Zucal said that with a CRA designation, the additional development along W. High Ave. potentially could be enhanced and "speeded up" since it could become more attractive to developers.

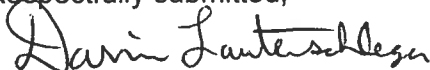
Mr. Fete informed the committee that the piece of legislation he prepared about the CRA for the city – Proposed Ordinance No. 1-2015 – is a preliminary draft and was developed for discussion purposes and background at this time. No action should be taken on it at this time until final details are developed.

Mr. Zucal said that additional work with Insite and Ms. Syx will continue.

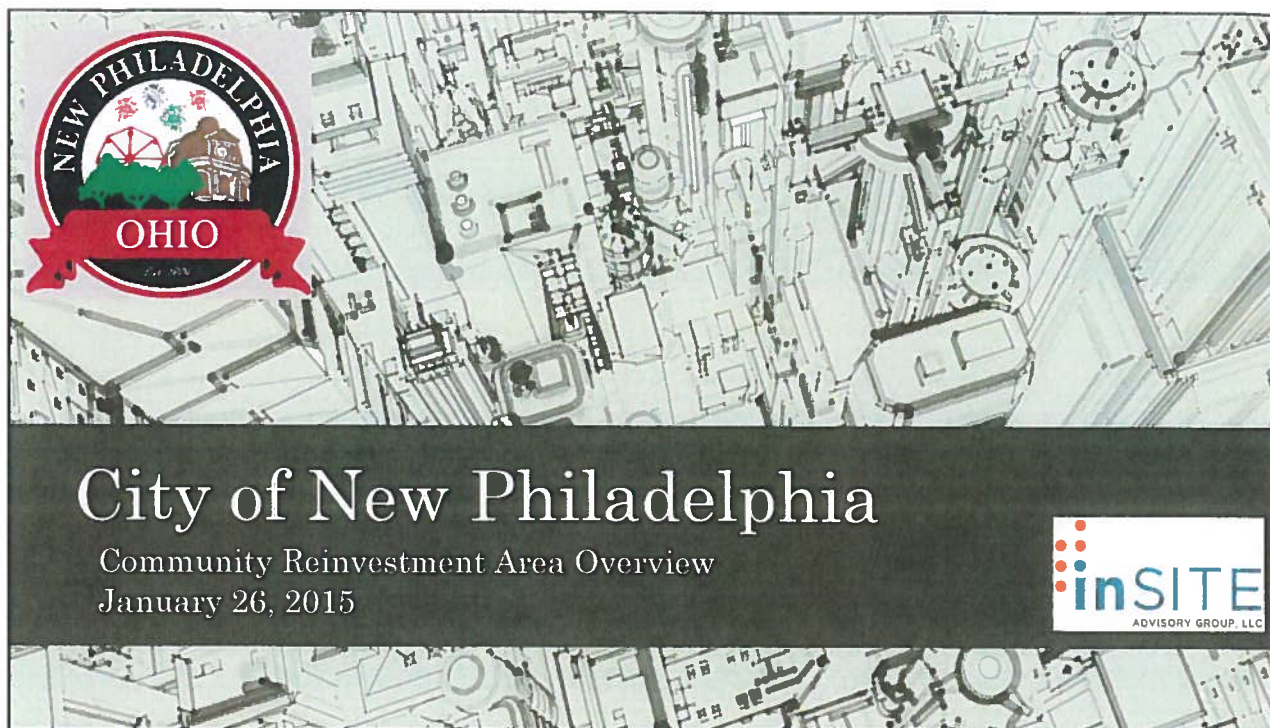
**ACTION:** No action was necessary at this time.

With no further business to be discussed by the committee, the meeting was adjourned at 7:20 p.m.

Respectfully submitted,



Darrin Lautenschleger  
Chairman



## Establishing A Community Reinvestment Area

- The Ohio Community Reinvestment Area program is an economic development tool that provides real property tax exemptions for property owners who renovate existing or construct new buildings.
- This program permits municipalities to designate areas where investment has been discouraged as a CRA to encourage the development of new structures.
- Local municipalities can determine the type of development to be supported by the CRA Program by specifying the eligibility of residential, commercial and/or industrial projects.

## How A CRA Agreement Works

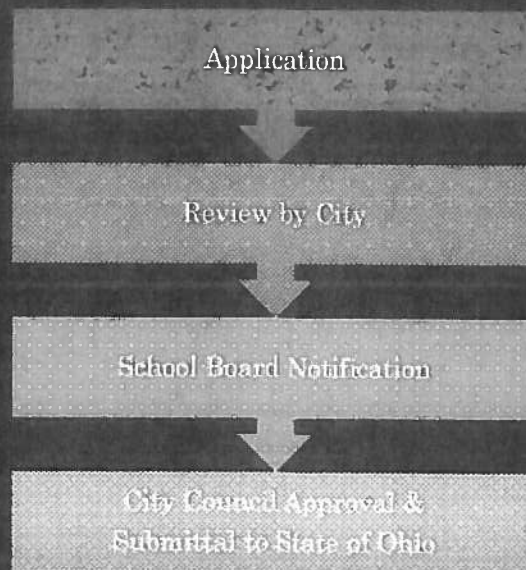
- The value of the real property improvements are abated at a certain percentage and term defined in a Resolution and approved by City Council.
- Each eligible project must be reviewed and approved by City Council.

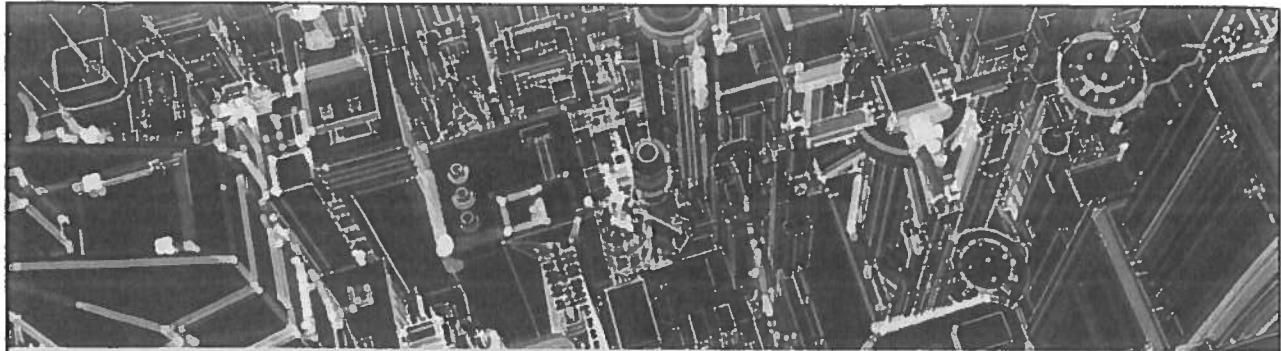
### Eligible Projects

Commercial and Industrial Remodeling (minimum \$5000)	Up to 100% and up to 12 years as negotiated and approved in an CRA Agreement
Commercial and Industrial New Construction	Up to 100% and up to 15 years as negotiated and approved in an CRA Agreement

## The CRA Process

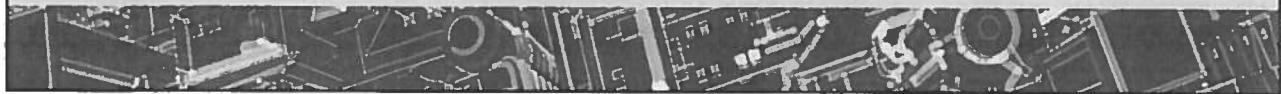
- Business completes the CRA application and submits it to the City
- City reviews application
- City provides school board notice
- City creates authorizing legislation and the formal agreement
- City Council approves agreement
- Upon execution, City sends all information to the State for filing
- Project can begin





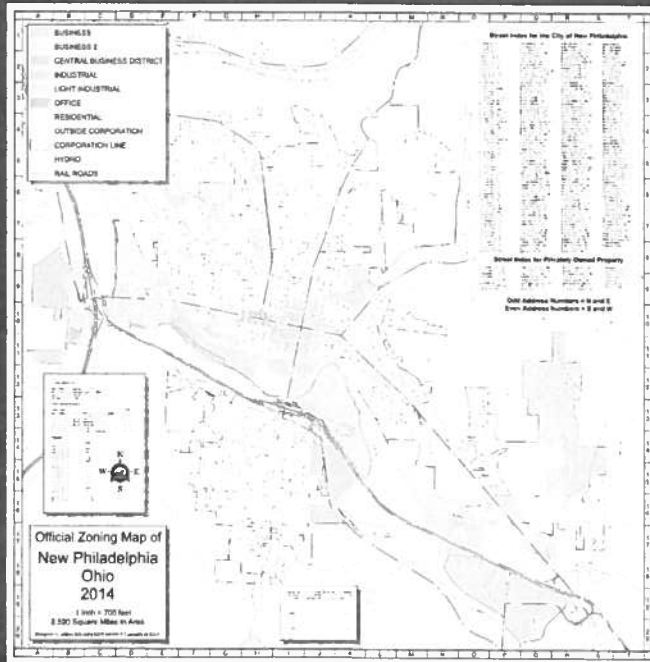
# Steps to Establishing the CRA

City of New Philadelphia CRA



## CRA Process

- Determine the area to be designated as the CRA
- Conduct a Housing Survey - must include evidence of disinvestment
- Determine eligible projects
- City Approves Authorizing Legislation that establish the boundary and parameters of the project



## CRA Process Continued...

- Publish the Legislation for two weeks
- Revenue Sharing Agreement with school district
- Submit the Petition and all Supporting Documentation to the Ohio Development Services Agency
- CRA Confirmation Certificate is signed by Director of ODSA
- Upon Final Confirmation, the City may begin offering tax incentives

## Additional Required Attachments

- Population of the area of to be designated as the CRA
- Maps (zoning, school districts, vacant land, industrial use, etc..)
- Boundary description
- Board of Education notification
- Establish income tax sharing procedures
- Contact information for County, City, School, State Representative, Senator(s) for the CRA

## Annual Requirements

- Company pays annual fee for participation
- Payment is made direct to the City
- Tax Incentive Review Council Meeting
- City obtains relevant documentation from each business and files an annual report to the State of Ohio
- Relocation notice

Questions?

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