

**RESOLUTION NO. 25-2024**

Introduced by Joel Hagy

**A RESOLUTION ACCEPTING THE RECOMMENDATIONS OF THE ERIE COUNTY TAX INCENTIVE REVIEW COUNCIL RELATING TO ENTERPRISE ZONE AGREEMENTS AND COMMUNITY REINVESTMENT AREA AGREEMENTS.**

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HURON, OHIO:**

**SECTION 1:** That this Council hereby accepts the report and recommendations of the Erie County Tax Incentive Review Council as set forth in Exhibit "A" attached hereto and made a part hereof by reference.

**SECTION 2:** That this Council hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of the Council and that all deliberations of this Council and of its committees, if any, which resulted in formal action, were taken in meetings open to the public in full compliance with applicable legal requirements, including O.R.C. §121.22 of the Revised Code.

**SECTION 3:** This Resolution shall be in full force and effect from and immediately following its adoption.

ATTEST:

Jessie Weelkenen  
Clerk of Council

Monty Tapp, Mayor

ADOPTED:

26 MAR 2024

# RICHARD H. JEFFREY

## ERIE COUNTY AUDITOR

247 Columbus Avenue, Suite 210, Sandusky, Ohio 44870-2635  
(419) 627-7746 [ecao@eriecounty.oh.gov](mailto:ecao@eriecounty.oh.gov)

March 20, 2024

Huron City Council  
City of Huron, Ohio  
417 Main Street  
Huron, Ohio 44839

Re: Recommendations of the Tax Incentive Review Council to Huron City Council.

The City of Huron's Tax Incentive Review Council (TIRC) met on March 6, 2024 to review the city's Tax Increment Financing Agreement, Community Reinvestment Area and Enterprise Zone abatements that are currently in effect.

This annual review is required by Ohio Revised Code Section 5709.85 (C)(1) with the TIRC required by law to make recommendations to City Council concerning the disposition of agreements in effect for the prior year. Reviews conducted in 2024 judge performance for the prior year and therefore recommendations regarding these agreements apply to the calendar year ending December 31, 2023.

Under Section 5709.85(E)(F) of the Ohio Revised Code, City Council must hold a meeting within sixty days of receipt of the TIRC's recommendations and may vote to accept, reject or modify all or any portion of these recommendations.

After City Council acts and approves appropriate legislation regarding the TIRC recommendations, the City's recommendations and legislation must be forwarded to the Erie County Commissioners for their consideration and appropriate legislation.

Draft minutes of the TIRC meeting are attached for your review. The following projects with active tax incentives within the City of Huron were recommended to be **continued**:

1. **HURON PODIATRY/ANGTIN, LLC CRA (DR. LESNAK)**
2. **HUMANETICS INNOVATIVE SOLUTIONS, INC (DENTON) CRA**
3. **YELLOW DOG LTD. (DBA STRIDE MOBILITY) CRA**

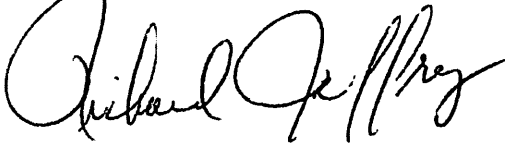
4. BRECKENRIDGE/CENTRAL OHIO PAPER AND PACKAGING, INC. CRA
5. SOUTH SHORE MARINE/THREE SEASONS PARTNERS, LLC CRA (Boat Storage)
6. SOUTH SHORE MARINE/THREE SEASONS PARTNERS, LLC CRA (Showroom)
7. SOUTH SHORE MARINE/THREE SEASONS PARTNERS, LLC CRA (Heated Storage)
8. CLDH PROPERTIES, LTD/LABEL AIDE, INC. CRA
9. ARDAGH METAL BEVERAGE USA INC CRA
10. SUNSPORT PROPERTIES, LLC DBA BUCKEYE SPORTS CENTER EZ
11. RYE BEACH TIF
12. SAWMILL TIF
13. CONAGRA TIF

The following project was recommended to be terminated:

1. n2y (NEWS TO YOU / DJ CLARK, LLC) CRA

Please feel free to contact the undersigned with any questions regarding these recommendations.

Sincerely,



Richard Jeffrey  
Erie County Auditor  
Chairman of the Tax Incentive Review Council

Attachment: Draft Minutes of the 3/6/2024 TIRC meeting

CC: Matt Lasko, Huron City Manager  
Tim King, Erie County Enterprise Zone Manager

**CITY OF HURON, OHIO  
TAX INCENTIVE REVIEW COUNCIL  
MINUTES OF THE MARCH 6, 2024 MEETING**

The Tax Incentive Review Council for the City of Huron, Ohio met on Wednesday, March 6, 2024 in the 3<sup>rd</sup> floor Commission Chambers, 247 Columbus Avenue, Sandusky Ohio. The following Council members were in attendance:

- Rick Jeffrey, Auditor, Erie County (Chair)
- Gary Lickfelt, Assistant Prosecutor, Erie County
- Hank Solowiej, Administrator, Erie County
- Matt Lasko, City Manager, City of Huron
- Tim King, Director, Erie County Regional Planning
- Mike Limberios, Treasurer, Huron City School District

Also in attendance were:

- James Tatman, Superintendent, Huron City School District
- Sharon Johnson, member of the General Public
- John Rogers & Mark Wroblewski, Erie County Auditor's Office
- Zach Rospert, Erie County Regional Planning

Chairman R. Jeffrey called the meeting to order at 2:05 P.M. with the following items reported on or discussed:

**1. MINUTES OF THE MARCH 16, 2023 MEETING:**

The minutes of the March 16, 2023 meeting were reviewed. On a motion by T. King, and second by H. Solowiej, the minutes were unanimously approved as presented.

**2. APPOINTMENT OF A VICE-CHAIRMAN:**

R. Jeffrey requested the appointment of a Vice-Chairman. H. Solowiej made a motion to appoint G. Lickfelt as Vice-Chairman. T. King seconded the motion, which was unanimously approved.

**COMMUNITY REINVESTMENT AREAS**

**3. ANGTIN, LLC/HURON PODIATRY (In CRA #1):**

Z. Rospert informed the Council that this 15-year, 100% abatement, with a 25% gift back to the Huron Local Schools will run from 2015 – 2029. The agreement called to create two new jobs in the first 36 months. As of 12/31/2023 they created five jobs.

M. Lasko made a motion to continue the abatement. T. King seconded the motion, which was unanimously approved.

**4. HUMANETICS INNOVATIVE SOLUTIONS, INC (DENTON) (In CRA #1):**

Z. Rospert informed the Council that this is an active 15-year, 100% abatement with a 25% gift back to Huron Local Schools which will run from 2010 - 2024. Z. Rospert noted that the 114 jobs held on 12/31/23 exceeded the goal of 80.

G. Lickfelt made the motion to continue the abatement. M. Lasko seconded the motion, which was unanimously approved.

**5. YELLOW DOG LTD. (DBA STRIDE MOBILITY) (IN CRA 1)**

Z. Rospert informed the Council this is the first year of the tax exemption, which will run from 2022-2036. The terms call for a 75% abatement in years 1-5, 50% in years 6-10, and 25% in years 11-15. The company committed to create five jobs, and on 12/31/23 they created nine.

G. Lickfelt made the motion to continue the Yellow Dog LTD abatement. M. Lasko seconded the motion, which was unanimously approved.

**6. NEWS TO YOU/N2Y, LLC/DJ CLARK LLC (IN CRA 1)**

Z. Rospert informed the Council that this 15 year, 100% abatement with 25% gift back to the schools began in 2015, and is scheduled to run through 2029. Z. Rospert indicated N2Y moved out of the building, with M. Lasko further explaining that the property sold in 2023. The new owners requested the abatement be assigned to them following purchase, however, they did not commit to any job creation. As such, Huron City Council did not agree to the reassignment of the abatement.

M. Lasko made a motion to terminate the DJ Clark/N2Y abatement, effective 12/31/2023. H. Solowiej seconded the motion, which was unanimously approved.

**7. BRECKENRIDGE/CENTRAL OHIO PAPER AND PACKAGING, INC. (IN CRA 1)**

Z. Rospert informed the Council that this 15 year, 100% abatement with 25% gift back to the schools runs from 2015 until 2029. As of 12/31/23 they had 23 employees, which is short of their goal of 28. Since the abatement began in 2015, job numbers have ranged from 22-24.5 employees.

M. Lasko indicated this has been a tough industry and made a motion to continue the Breckenridge/Central Ohio Paper and Packaging abatement. G. Lickfelt seconded the motion, which was unanimously approved.

**8. SOUTH SHORE MARINE/THREE SEASONS PARTNERS, LLC- BOAT STORAGE (CRA 1)**

Z. Rospert informed the Council that this 15 year, 100% with 25% gift back will run from 2016 until 2030. The agreement called for the creation of five jobs. As of 12/31/23 they have created 17 new jobs.

G. Lickfelt made a motion to continue the South Shore Marine/Three Seasons Partners, LLC Boat Storage abatement. H. Solowiej seconded the motion, which was unanimously approved.

**9. SOUTH SHORE MARINE/THREE SEASONS PARTNERS, LLC - SHOWROOM (CRA 1)**

Z. Rospert informed the Council that this 15 year, 100% with 25% gift back to the schools runs from 2018-2032. The agreement called for the creation of 3 jobs within the first 3 years. As of 12/31/23 they have created 12 jobs.

M. Lasko made a motion to continue the South Shore Marine/Three Seasons Partners, LLC Showroom abatement. T. King seconded the motion, which was unanimously approved.

**10. SOUTH SHORE MARINE/THREE SEASONS PARTNERS, LLC – HEATED STORAGE (CRA 1)**

Z. Rospert informed the Council that this 15 year, 100% abatement was approved in 2022 for a 24,000 square foot heated storage facility. The agreement has compensation agreements with Huron City School District and EHOVE Joint Vocational School District to pay such school districts the amount they would have received from real property taxes, but for the abatement. This is the first year of the abatement, with an appraised value of \$874,380 and will run from 2023-2037. They committed to create four jobs within the first two years, after this first year, they have created two of those jobs.

M. Lasko made a motion to continue the South Shore Marine/Three Seasons Partners, LLC Heated Storage abatement. T. King seconded the motion, which was unanimously approved.

**11. CLDH PROPERTIES, LTD/LABEL AIDE, INC (CRA 1)**

Z. Rospert informed the Council that this 15 year, 100% with 50% gift back to the schools will run from 2017-2031. The company committed to create 8 jobs. With 47 employees on 12/31/2023, they have exceeded their job creation goal.

G. Lickfelt made a motion to continue the CLDH Properties, LTD/Label Aide, Inc. abatement. H. Solowiej seconded the motion, which was unanimously approved.

**12. ARDAGH METAL BEVERAGE USA INC. (IN CRA 1)**

Z. Rospert informed the council that this 15 year, 100% abatement where both Huron City School and EHOVE will be made whole in connection with the exemption granted, was approved in 2022. This is the first year of the abatement, with an appraised value of \$25,185,290 and will run from 2023-2037. They committed to create 211 jobs, and on 12/31/2023 they created 252.

T. King made a motion to continue the Ardagh Metal Beverage USA Inc abatement. M. Limberios seconded the motion, which was unanimously approved.

**13. SUNSPORT PROPERTIES, LLC DBA BUCKEYE SPORTS CENTER (ENTERPRISE ZONE)**

Z. Rospert informed the Council that this 15 year, 100% abatement was approved in 2022 for a 32,000 square foot marine sales, service and storage facility. The agreement has compensation agreements with Huron City School District and EHOVE Joint Vocational School District to pay such school districts the amount they would have received from real property taxes, but for the abatement. This is the first year of the abatement, with an appraised value of \$2,781,560 and will run from 2023-2037. They committed to create 11 Full-Time jobs and 3 Part-Time jobs within the first three years, and on 12/31/2023 they created 12 Full-Time jobs.

M. Lasko made a motion to continue the Sunsport Properites, LLC abatement. G. Lickfelt seconded the motion, which was unanimously approved.

**TAX INCREMENT FINANCING AREAS**

**14. Rye Beach TIF**

M. Lasko indicated the Rye Beach TIF originally approved in 2012 was not sent to the state at that time. It was sent and approved in late 2021. This is a Non-School TIF. The TIF saw \$30,995.59 of revenue and \$9,686.30 of expenses (for storm water improvements) in 2023, leaving the fund balance at \$49,990.91. The City will see an increase in revenue as the abatements expire in the corporate park. M. Lasko further explained that, since this is a parcel TIF, each new development will contribute to the TIF for 30 years.

**15. Sawmill TIF**

M. Lasko indicated the Sawmill TIF was approved in 2022, with revenue expected to begin this year. Compensation agreements of 25% of the Service Payment will be due to Huron City Schools & 1.5% of the Service Payment will be due to EHOVE. The service payment is set at \$450,000 per year, received through tax dollars and the remainder as a direct payment from Cedar Fair.

**16. ConAgra TIF**

M. Lasko indicated the ConAgra TIF's was approved in 2022. The 30-year period will commence when \$50,000 of improvement value is added. Compensation agreements of 25% of the Service Payment will be due to Huron City Schools & 1.5% of the Service Payment will be due to EHOVE. The deal with the previous developer did not come to fruition, and the City is currently down to the final 3 proposals from developers with a hopeful start of construction in 2025.

M. Lasko made a motion to continue the Rye Beach TIF, Sawmill TIF and ConAgra TIF. T. King seconded the motion, which was unanimously approved.

**17. CRA REPORTING**

R. Jeffrey indicated the state is no longer requiring the local governments to submit the abatement information to them. Erie County will continue to collect the jobs information to assist with the monitoring process. Information from Enterprise Zones are still being reported to the State.

**18. ADJOURNMENT:**

With no further business to conduct, R. Jeffrey declared the meted adjourned at 2:25 P.M.

zjr 03/07/24