

RESOLUTION NO. 30-2022

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:

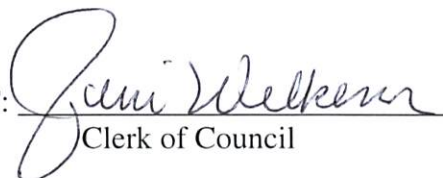
SECTION 1. That this Council hereby accepts the report and recommendations of the Erie County Tax Incentive Review Council as set forth in Exhibit "A" on file in the office of the Clerk of Council and made a part hereof as fully as if the same were set forth in its entirety herein.

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 take effect and be in full force and effect immediately upon its passage.



Monty Tapp, Mayor

ATTEST: 
Clerk of Council

ADOPTED: 22 MAR 2022



RICHARD H. JEFFREY

ERIE COUNTY AUDITOR

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

March 14, 2022

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 1, 2022 to review the city's Tax Increment Financing Agreement and Community Reinvestment Area 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 2022 judge performance for the prior year and therefore recommendations regarding these agreements apply to the calendar year ending December 31, 2021.

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.

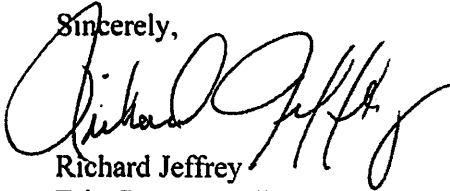
Draft minutes of the TIRC meeting are attached for your review. The following projects with active tax incentives within the City of Huron were recommended to be **continued**:

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

4. ALDRIDGE BOUTIQUE LLC (DBA MOCO BOUTIQUE) CRA
5. n2y (NEWS TO YOU / DJ CLARK, LLC) CRA
6. BRECKENRIDGE/CENTRAL OHIO PAPER AND PACKAGING, INC. CRA
7. SOUTH SHORE MARINE/THREE SEASONS PARTNERS, LLC CRA (Boat Storage)
8. SOUTH SHORE MARINE/THREE SEASONS PARTNERS, LLC CRA (Showroom)
9. CLDH PROPERTIES, LTD/LABEL AIDE, INC. CRA
10. RYE BEACH TIF

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 3/1/2022 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 1, 2022 MEETING**

The Tax Incentive Review Council for the City of Huron, Ohio met on Wednesday, March 1, 2022 in the 3rd floor Commission Chambers, 2900 Columbus Avenue, Sandusky Ohio. The following Council members were in attendance:

- Rick Jeffrey, Auditor, Erie County (Chair)
- Hank Solowiej, Administrator, Erie County
- Matt Lasko, City Manager, City of Huron
- Tim Coffman, Treasurer, EHOVE
- Tim King, Director, Erie County Regional Planning

Also in attendance were:

- Tim Schwanger & Sharon Johnson, members of the General Public
- John Rogers & Toni Fritz, Erie County Auditor's Office
- Nico Samaniego & Abbey Bemis, ECEDC
- Zach Rospert, Erie County Regional Planning

Chairman R. Jeffrey called the meeting to order at 1:05 P.M. with the following items reported on or discussed:

1. MINUTES OF THE MARCH 10, 2021 MEETING:

The minutes of the March 10, 2021 meeting were reviewed. On a motion by H. Solowiej, and second by M. Lasko, the minutes were unanimously approved as presented.

2. APPOINTMENT OF A VICE-CHAIRMAN:

R. Jeffrey requested the appointment of a Vice-Chairman. T. King made a motion to appoint Hank Solowiej as Vice-Chairman. M. Lasko 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. The office space they had available was leased in 2021, resulting in the creation of 7 jobs.

H. Solowiej made a motion to continue the abatement. M. Lasko seconded the motion. In discussion, T. Coffman asked if the 25% payment was only to Huron Schools, and not EHOVE. Z. Rospert indicated the agreement only included compensation agreement language with Huron City Schools. With no further discussion, the motion to continue the abatement 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 107 jobs held on 12/31/21 exceeded the goal of 80

H. Solowiej made the motion to continue the Humanetics/Denton CRA abatement as currently constituted. T. King seconded the motion, which was unanimously approved.

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

Z. Rospert informed the Council of this new CRA approved in 2020. The terms call for a 75% abatement in years 1-5, 50% in years 6-10, and 25% in years 11-15. Z. Rospert indicated construction is now complete, however, the value will not hit the books until 2022. As such, only the construction wages of \$659,000 is required to be reported. M. Lasko made the motion to continue the Yellow Dog LTD abatement. H. Solowiej seconded the motion, which was unanimously approved.

6. ALDRIDGE BOUTIQUE LLC (DBA MOCO BOUTIQUE) (IN CRA 1)

Z. Rospert informed the Council of this new CRA approved in 2020. The terms call for a 75% abatement in years 1-5, 50% in years 6-10, and 25% in years 11-15. Z. Rospert indicated construction has not begun on the building, but \$50,000 of demolition and removal of the diesel tanks did occur in 2021. M. Lasko made the motion to continue the Aldridge Boutique abatement. T. King seconded the motion, which was unanimously approved.

7. 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 will run through 2029. As of 12/31/21 they had 178 employees, which exceeds their goal of 31.

T. King made a motion to continue the DJ Clark/N2Y abatement. M. Lasko seconded the motion, which was unanimously approved.

8. 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. As such, no approval is needed this year.

9. 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 will run from 2015 until 2029. As of 12/31/21 they had 24 employees, which is short of their goal of 28, but turned 2 temporary jobs from 2020 into permanent jobs.

M. Lasko made a motion to continue the Breckenridge/Central Ohio Paper and Packaging abatement. T. King seconded the motion, which was unanimously approved.

10. 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 12/31/21 they have created 13 new jobs.

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

11. 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 was approved in 2017. The agreement called for the creation of 3 jobs within the first 3 years. As of 12/31/21 they have created 8 jobs, with a payroll of \$430,653 for said employees.

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

12. CLDH PROPERTIES, LTD/LABEL AIDE, INC

Z. Rospert informed the Council that this 15 year, 100% with 50% gift back to the schools was agreed on in July 2016. The company committed to create 8 jobs over the first 3 years. As of 12/31/21 they have created 5, but indicated 3 additional employees will be starting in a few weeks.

M. Lasko made a motion to continue the CLDH Properties, LTD/Label Aide, Inc. abatement. T. King seconded the motion, which was unanimously approved.

TAX INCREMENT FINANCING AREA

13. Rye Beach TIF

M. Lasko indicated the Rye Beach TIF originally approved in 2011 or 2012 was not sent to the state at that time. It was sent and approved in late 2021. This is a Non-School TIF, and collections will begin in 2022. M. Lasko further explained that, since this is a parcel TIF, each new development will contribute to the TIF for 30 years.

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

14. ConAgra & Sawmill TIF

M. Lasko indicated they are working on finalizing the ConAgra & Sawmill TIF's, with compensation agreements to both Huron City Schools & EHOVE. No action needed at this time.

15. ADJOURNMENT:

With no further business to conduct, on a motion by T. King and second by H. Solowiej, all voted in favor of adjournment at 1:20 PM.

zjr 03/10/22