

RESOLUTION NO. 18-2021

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.



Sam Artino, Mayor

ATTEST: 
Clerk of Council

ADOPTED: 23 MAR 2021



RICHARD H. JEFFREY
E R I E COUNTY AUDITOR

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March 19, 2021

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 10, 2021 to review Enterprise Zone Agreements, the city's Tax Increment Financing Agreements 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 2021 judge performance for the prior year and therefore recommendations regarding these agreements apply to the calendar year ending December 31, 2020.

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.

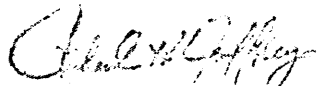
Draft minutes of the TIRC meeting are attached for your review. The following projects with active tax incentives within the City of Huron were recommended to be **continued**:

- 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**

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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. CONAGRA PARCEL TIF
 11. 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 3/10/2021 TIRC meeting

CC: Matt Lasko, Huron City Manager
Steve Poggiali, Erie County Enterprise Zone Manager

**CITY OF HURON, OHIO
TAX INCENTIVE REVIEW COUNCIL
MINUTES OF THE MARCH 10, 2021 MEETING**

The Tax Incentive Review Council for the City of Huron, Ohio met on Wednesday, March 10, 2021 in the 3rd floor Commission Chambers, 247 Columbus Avenue, Sandusky Ohio. The following Council members were in attendance:

- Rick Jeffrey, Auditor, Erie County (Chair)
- Hank Solowiej, Fiscal Administrator, Erie County (Approved alternate of Gary Lickfelt)
- Pete Daniel, Administrator, Erie County
- Randy Drewyor, Treasurer/CFO, Huron City Schools
- Steve Poggiali, Director, Erie County Regional Planning
- Matt Lasko, City Manager, City of Huron

Also in attendance were:

- John Rogers, Erie County Auditor's Office
- Toni Fritz, Erie County Auditor's Office
- Sharon Johnson, Member of the General Public
- Zach Rospert, Erie County Regional Planning

Chairman R. Jeffrey called the meeting to order at 2:32 P.M. with the following items reported on or discussed:

1. MINUTES OF THE MARCH 12, 2020 MEETING:

The minutes of the March 12, 2020 meeting were reviewed. On a motion by P. Daniel, 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 Pete Daniel as Vice-Chairman. S. Poggiali 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. At 12/31/20, one new full-time-equivalent was added. Rospert noted that the facility also has space that they are actively marketing for rent, and has the potential to phase in expansions, so continuing the abatement is advantageous.

H. Solowiej made a motion to continue the abatement. R. Drewyor 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 103 jobs held on 12/31/20 exceeded the goal of 80, but represented a decrease of 36 employees from 2019. Representatives from Humanetics indicated they are hopeful business picks back up so their headcount does not drop further.

S. Poggiali made the motion to continue the Humanetics/Denton CRA abatement as currently constituted. M. Lasko seconded the motion, which was unanimously approved.

5. HURON SENIOR RESIDENCES (In CRA #2)

Z. Rospert informed the Council Huron City Council agreed with this committee's recommendation from the 2020 TIRC to terminate this abatement. As such, no further action will be required.

6. 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. M. Lasko indicated construction has begun and will be complete in 2021. R. Drewyor made the motion to continue the Yellow Dog LTD abatement. P. Daniel seconded the motion, which was unanimously approved.

7. 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. M. Lasko indicated site preparations have begun. S. Poggiali made the motion to continue the Aldridge Boutique abatement. P. Daniel seconded the motion, which was unanimously approved.

8. 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 12/31/20 they had 162 employees, which exceeds their goal of 31 and represents an increase of 47 employees compared to 12/31/19.

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

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 12/31/20 they had 22 employees plus 2 temporary employees, which is short of their goal of 28. M. Lasko noted COVID did not help their business, so suggested continuing the abatement while keeping an eye on their job numbers in the future.

S. Poggiali made a motion to continue the Breckenridge/Central Ohio Paper and Packaging abatement. H. Solowiej 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 12/31/20 they have created 10 new jobs.

M. Lasko made a motion to continue the South Shore Marine/Three Seasons Partners, LLC Boat Storage abatement. P. Daniel 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 12/31/20 they have created 5 jobs, with a payroll of \$439,297 for said employees.

R. Drewyor made a motion to continue the South Shore Marine/Three Seasons Partners, LLC Showroom

abatement. S. Poggiali 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 12/31/20 they have created 5. M. Lasko indicated the company is currently hiring and they expect to exceed their job numbers goal in 2021.

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

TAX INCREMENT FINANCING AREA

13. ConAgra TIF

M. Lasko indicated the ConAgra Parcel TIF has not started yet.

14. Rye Beach TIF

M. Lasko indicated the Rye Beach TIF included 79 parcels from Sawmill Parkway to Rye Beach Road. The agreement was approved by the City but never sent to the State. The City plans to submit the paperwork to the state to use for the final 22 years of the agreement.

AUDITOR OFFICE INVOLVMENT

15. R. Jeffrey indicated his office has been increasing their involvement in the negotiating process of tax incentives. He has received positive feedback for the baseline values his office establishes, and helps to prevent any board of revision requests from the company or government entity. He further explained if his involvement ever becomes a hindrance, to let him know.

16. ADJOURNMENT:

With no further business to conduct, on a motion by R. Drewyor and second by S. Poggiali, all voted in favor of adjournment at 2:54 PM.

zjr 03/18/21