




CITY OF KENT, OHIO

DEPARTMENT OF ECONOMIC DEVELOPMENT

Date: April 19, 2011

To: David Ruller, City Manager

From:  Dan Smith, Economic Development Director

Subject: Semi-annual EDA Revolving Loan Fund Certification

The EDA guidelines for compliance in administering our revolving loan fund require semi-annual certification. Our RLF 2 (EDA funded) requires both the RLF Committee and City council to confirm that the City is operating the program in accordance to our plan and program guidelines. Given staff guidance and committee review that loan activities are being administered in accordance with RLF/EDA guidelines, the RLF committee voted to approve certification at the April committee meeting. As before, City Council needs to do the same for us to be in compliance.

I am respectfully requesting time on the May Council agenda to seek approval for the semi-annual certification.

A RESOLUTION CERTIFYING THAT THE CITY'S REVOLVING LOAN PLAN IS CONSISTENT WITH AND SUPPORTIVE OF THE AREA'S ECONOMIC DEVELOPMENT ADJUSTMENT STRATEGY AND IS BEING OPERATED IN ACCORDANCE WITH THE POLICIES AND PROCEDURES CONTAINED IN THE REVOLVING LOAN PLAN AND THAT THE LOAN PORTFOLIO MEETS THE STANDARDS CONTAINED WITHIN SAID PLAN AND DECLARING AN EMERGENCY.




CITY OF KENT, OHIO

DEPARTMENT OF COMMUNITY DEVELOPMENT

April 12, 2011

TO: Dave Ruller
City Manager

FROM: Gary Locke
Community Development Director 

RE: Council Approval of Tax Incentive Review Council's Recommendations

On March 16, 2011, the Kent Tax Incentive Review Council (TIRC) met to conduct their annual review of performance related to previously granted tax abatements under the City's Enterprise Zone and Community Reinvestment Area (CRA #2) programs. This review relates to two remaining projects and their performance during the 2010 calendar year.

In regard to the two projects, the TIRC was advised that Land O' Lakes had requested a termination of the Enterprise Zone agreement. Pursuant to this request, the TIRC is recommending termination. This request is before Kent City Council as a separate matter. In regard to the Don Joseph Inc. CRA #2 Agreement, the TIRC recommended continuation.

The prescribed action for City Council to take in regard to both projects is to accept the recommendations of the TIRC. Staff recommends that Council accept the recommendations as well.

A copy of the meeting record is attached. Council should schedule this matter for review at the upcoming May meeting if possible.

Cc: Dan Smith, Economic Development Director
Linda Copley, Clerk of Council
TIRC File

**OHIO ENTERPRISE ZONE PROGRAM - PORTAGE COUNTY, OHIO
TAX INCENTIVE REVIEW COUNCIL MEETING RECORD**

Community: City of Kent Enterprise Zone # 238C
Location of Meeting: Kent Board of Education Building Date: March 16, 2011
Chairperson: Janet Esposito Time convened: 10:35 am Time adjourned: 11:15 a.m.

Members Present: Aric Hochstettler, Lori Wemhoff, Michelle Hartman, Gary Locke, Janet Esposito, Dr. Joseph Giancola. Also present: Debbie Krutz, School Treasurer and Diana Fierle, Portage Development Board.

Enterprise Zone agreements reviewed, status, recommendations, actions and/or comments

Business: Land O'Lakes
Agreement reviewed? (Yes or No) Yes
TIRC Recommendation (choose one): Continue Amend **Terminate** Expire
Actions, recommendations and/or comments: There was brief discussion regarding the report. Janet Esposito motioned to terminate the agreement at the request of Land O'Lakes, 2nd by Lori Wemhoff. All voted to recommend termination of the agreement at the company's request.

Community Reinvestment Area agreements, status, recommendations, actions and/or comments

Business: Don Joseph, Inc.
Agreement reviewed? (Yes or No) Yes
TIRC Recommendation (choose one): **Continue** Amend Terminate Expire
Actions, recommendations and/or comments: DJ has a 36 month job creation period which expires July 2011. The city could request an update of their numbers at that time. They did all the construction but at a lesser cost to the company. As far as the ODOD report is concerned, it's what the company did during 2010. As far as contract is concerned the city can request a report from the company at anytime. Janet Esposito made a motion to continue the agreement as the company is in compliance for 2010, 2nd by Aric Hochstettler. All voted in favor.

Additional items:
Gary Locke explained the EZ/CRA programs along with the TIRC and the Housing Council. Janet Esposito will follow up with the schools regarding any abated taxes to date. Gary Locke stated that it's possible the TIRC could reconvene later this year or just wait until the next report in 2012.

Meeting adjourned 11:15 a.m.



CITY OF KENT, OHIO

DEPARTMENT OF COMMUNITY DEVELOPMENT

April 19, 2011

TO: Dave Ruller
City Manager

FROM: Gary Locke
Community Development Director

RE: Extension of City's Enterprise Zone Tax Abatement Program

Pursuant to our recent discussions, I would like to request that City Council extend the authority of the City to grant tax abatements under the State's Enterprise Zone Tax Abatement Program. The City had previously utilized this program back in the 1990's as a mechanism to allow negotiated abatements on both real and personal property taxes to qualifying projects that were not part of our Community Reinvestment Area (CRA) tax abatement districts. While the payment (and abatement) of personal property tax is no longer an issue, real property tax abatements can still be granted under the Enterprise Zone program. Staff believes that having this program serves as another valuable tool in the City's economic development tool box.

I am working with Jim Silver and Pam Hanover to evaluate the City's old policy regarding these abatements to make sure that the document and any proposed ordinance extending the program is consistent with current state law, since our previous program expired in 1999. I would request Council time in May, with additional information forthcoming within the next several days. Should Council concur with this request, legislation will be drafted for consideration at the regular May Council meeting.

Please let me know if there are any questions.

Cc: James Silver, Law Director
Dan Smith, Economic Development Director
Linda Copley, Clerk of Council
Enterprise Zone File




CITY OF KENT, OHIO

DEPARTMENT OF ECONOMIC DEVELOPMENT

Date: April 18, 2011

To: Dave Ruller, City Manager
Bill Lillich, Safety Director

From:  Dan Smith, Economic Development Director

Subject: Request to Create Entertainment District in Support of Downtown Development Efforts

Our two private downtown development partners, Phoenix Properties (Ron Burbick) and Fairmount Properties (Randy Ruttenburg), have requested the City's assistance in setting up an entertainment district to support several new restaurants that will populate the redevelopment block. The purpose of the request is to assist in securing a few new liquor licenses that are not able to be covered by a D5I permit. Per the Ohio Revised Code, section 4301.80 (attached), redevelopment projects that create new investment at a level of \$50 million can request such a district.

As outlined in the ORC code, there are several steps to creating the district that are to be completed by both the applicants and City. Phoenix Properties and Fairmount Properties are currently in the process of addressing the requirements and making a full submission. Due to the required time frames, they have requested that entertainment district be submitted for consideration at the May 4th City Council Committee meeting. Upon our certification and Council approval of the request, there is still a normal processing time of 6 -12 weeks for the State of Ohio Division of Liquor Control.

This request is in accordance with our Downtown Kent Revitalization Project master plan. I respectfully request time on the May 4th City Council agenda to present creating an entertainment district in support of downtown development efforts.

4301.80 Community entertainment district application.

(A) As used in this section, "community entertainment district" means a bounded area that includes or will include a combination of entertainment, retail, educational, sporting, social, cultural, or arts establishments within close proximity to some or all of the following types of establishments within the district, or other types of establishments similar to these:

- (1) Hotels;
- (2) Restaurants;
- (3) Retail sales establishments;
- (4) Enclosed shopping centers;
- (5) Museums;
- (6) Performing arts theaters;
- (7) Motion picture theaters;
- (8) Night clubs;
- (9) Convention facilities;
- (10) Sports facilities;
- (11) Entertainment facilities or complexes;
- (12) Any combination of the establishments described in division (A)(1) to (11) of this section that provide similar services to the community.

(B) Any owner of property located in a municipal corporation seeking to have that property, or that property and other surrounding property, designated as a community entertainment district shall file an application seeking this designation with the mayor of the municipal corporation in which that property is located. Any owner of property located in the unincorporated area of a township seeking to have that property, or that property and other surrounding property, designated as a community entertainment district shall file an application seeking this designation with the board of township trustees of the township in whose unincorporated area that property is located. An application to designate an area as a community entertainment district shall contain all of the following:

- (1) The applicant's name and address;
- (2) A map or survey of the proposed community entertainment district in sufficient detail to identify the boundaries of the district and the property owned by the applicant;
- (3) A general statement of the nature and types of establishments described in division (A) of this section that are or will be located within the proposed community improvement district and any other establishments located in the proposed community entertainment district that are not described in division (A) of this section;
- (4) If some or all of the establishments within the proposed community entertainment district have not yet been developed, the proposed time frame for completing the development of these establishments;
- (5) Evidence that the uses of land within the proposed community entertainment district are in accord with the municipal corporation's or township's master zoning plan or map;
- (6) A certificate from a surveyor or engineer licensed under Chapter 4733. of the Revised Code indicating that the area encompassed by the proposed community entertainment district contains no less than twenty contiguous acres;
- (7) A handling and processing fee to accompany the application, payable to the applicable municipal corporation or township, in an amount determined by that municipal corporation or township.

(C) An application described in division (B) of this section relating to an area located in a municipal corporation shall be addressed and submitted to the mayor of the municipal corporation in which the area described in the application is located. The mayor, within thirty days after receiving the application, shall submit the application with the mayor's recommendation to the legislative authority of the municipal corporation. An application described in division (B) of this section relating to an area located in the

unincorporated area of a township shall be addressed and submitted to the board of township trustees of the township in whose unincorporated area the area described in the application is located. The application is a public record for purposes of section 149.43 of the Revised Code upon its receipt by the mayor or board of township trustees.

Within thirty days after it receives the application and the mayor's recommendations relating to the application, the legislative authority of the municipal corporation, by notice published once a week for two consecutive weeks in at least one newspaper of general circulation in the municipal corporation, shall notify the public that the application is on file in the office of the clerk of the municipal corporation and is available for inspection by the public during regular business hours. Within thirty days after it receives the application, the board of township trustees, by notice published once a week for two consecutive weeks in at least one newspaper of general circulation in the township, shall notify the public that the application is on file in the office of the township fiscal officer and is available for inspection by the public during regular business hours. The notice shall also indicate the date and time of any public hearing by the legislative authority or board of township trustees on the application.

Within seventy-five days after the date the application is filed with the mayor of a municipal corporation, the legislative authority of the municipal corporation by ordinance or resolution shall approve or disapprove the application based on whether the proposed community entertainment district does or will substantially contribute to entertainment, retail, educational, sporting, social, cultural, or arts opportunities for the community. The community considered shall at a minimum include the municipal corporation in which the community is located. Any approval of an application shall be by an affirmative majority vote of the legislative authority.

Within seventy-five days after the date the application is filed with a board of township trustees, the board by resolution shall approve or disapprove the application based on whether the proposed community entertainment district does or will substantially contribute to entertainment, retail, educational, sporting, social, cultural, or arts opportunities for the community. The community considered shall at a minimum include the township in which the community is located. Any approval of an application shall be by an affirmative majority vote of the board of township trustees.

If the legislative authority or board of township trustees disapproves the application, the applicant may make changes in the application to secure its approval by the legislative authority or board of township trustees. Any area approved by the legislative authority or board of township trustees constitutes a community entertainment district, and a local option election may be conducted in the district, as a type of community facility, under section 4301.356 of the Revised Code.

(D) All or part of an area designated as a community entertainment district may lose this designation as provided in this division. The legislative authority of a municipal corporation in which a community entertainment district is located, or the board of township trustees of the township in whose unincorporated area a community entertainment district is located, after giving notice of its proposed action by publication once a week for two consecutive weeks in at least one newspaper of general circulation in the municipal corporation or township, may determine by ordinance or resolution in the case of the legislative authority of a municipal corporation, or by resolution in the case of a board of township trustees of a township, that all or part of the area fails to meet the standards described in this section for designation of an area as a community entertainment district. If the legislative authority or board so determines, the area designated in the ordinance or resolution no longer constitutes a community entertainment district.

Effective Date: 03-30-1999; 12-20-2005