

# COUNCIL CHAMBER

City of Berea, Ohio

Ordinance No. 2021-1

By Jim Maxwell Sponsored By Mayor Cyril M. Kleem

## AN ORDINANCE

### AUTHORIZING THE MAYOR TO ENTER INTO A COMMUNITY REINVESTMENT AREA ("CRA") AGREEMENT WITH JOYCE MANUFACTURING CO. AND RAM REAL ESTATE, LLC., AND DECLARING AN EMERGENCY.

**WHEREAS**, Ordinance No. 94-60, 97-24, 2007-11, 2008-27 passed by this Council on June 21, 1994, and as amended by Ordinance Nos. 97-24, 2007-11, 2008-27 (collectively the "CRA Ordinance"), found and determined that the Community Reinvestment Area (the "Community Reinvestment Area") designated in Ordinance No. 94-60 constitutes an area in which housing facilities or structures of historical significance are located and in which new construction and repair of existing facilities has been discouraged; and

**WHEREAS**, effective June 20, 1994, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Ordinance No. 94-60, June 21, 1994, and as amended by Ordinance Nos. 97-24, 2007-11, 2008-27 contains the characteristics set forth in Section 3735.66 of the Ohio Revised Code and confirmed said area as a Community Reinvestment Area under said Chapter 3735; and

**WHEREAS**, RAM REAL ESTATE LLC (RRE), the owner of Permanent Parcel Number 361-34-014, intends to construct an addition of approximately 18,000 Square Feet to the existing manufacturing building located at 1125 Berea Industrial Parkway, Berea, Ohio 44017 (hereinafter also referred to as the "Site"); and

**WHEREAS**, said addition is to be used by JOYCE MANUFACTURING CO. (JMC) to manufacture insulated glass and other products as well as to conduct business related activities (hereinafter also referred to as the "Project") within the boundaries of the aforementioned Community Reinvestment Area, provided that the appropriate development incentives are available to support the economic viability of said Project; and

**WHEREAS**, the proposed use of the Site is beneficial to the community because it allows a strong, existing Berea business to expand and develop more materials on-site; reduces the supply chain for JMC; and creates more job opportunities for the residents of Berea and the surrounding cities. The Project will likely encourage similar development within the general area; and

**WHEREAS**, the City having the appropriate authority for the Project is desirous of providing JMC and RRE with incentives available for the development of the Project in the Community Reinvestment Area under Chapter 3735 of the Ohio Revised Code; and

**WHEREAS**, upon completion of this Project, JMC would retain 86 full-time equivalent, permanent jobs and create 16 additional full-time equivalent permanent jobs with an approximate additional total payroll of \$350,000 within twenty-four (24) months of receiving a final occupancy permit; and

**WHEREAS**, such development project qualifies for benefits associated with the City's duly adopted, as amended, Community Reinvestment Area program.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the City of Berea, State of Ohio:

**SECTION 1.** That the Mayor is hereby authorized to enter into a Community Reinvestment Area ("CRA") Agreement with JMC and RRE in substantially the form of Agreement attached hereto as Exhibit "A" and incorporated herein.

# COUNCIL CHAMBER

City of Berea, Ohio

Ordinance No. 2021-1

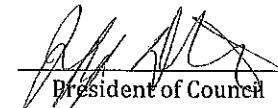
By Maxwell Sponsored By Mayor Kleem

**SECTION 2.** That due notice of such Agreement has been provided by the Mayor, or his designee, to the Olmsted Falls City School District and Polaris Vocational School District in accordance with current law and/or regulations, and that all other notices, requirements, application contents and/or reviews be otherwise completed and provided, as may be required or called for in said Agreement, or pursuant to law.

**SECTION 3.** That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal actions were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

**SECTION 4.** That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare, or providing for the usual daily operation of a municipal department and for the further reason that said Agreement must be in place before improvements on the property may begin, and the improvements are ready to immediately commence upon such approval, thereby enhancing business expansion and creating jobs. Therefore, provided this Ordinance receives the affirmative vote of two-thirds of all members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise, from and after the earliest period allowed by law.

PASSED: January 4, 2021

  
President of Council

ATTEST: Alvin En  
Clerk of Council

APPROVED: January 5, 2021  
  
Mayor

APPROVED AS TO FORM:  
Barbara  
Director of Law

## COMMUNITY REINVESTMENT AREA AGREEMENT

This Community Reinvestment Area Agreement (the "Agreement"), dated as of July 6, 2020, is entered into by and between the City of Berea, Ohio (the "City"), a municipal corporation and political subdivision, organized and existing under the laws of the State of Ohio (the "State"), with its main offices located at 11 Berea Commons, Berea, Ohio 44017, (hereinafter referred to as the "City"); Joyce Manufacturing Co., a corporation with its main offices located at 1125 Berea Industrial Parkway, Berea, Ohio 44017 (hereinafter referred to as "JMC") and RAM Real Estate, LLC, a limited liability company with its main offices located at 1125 Berea Industrial Parkway, Berea, Ohio 44017 (hereinafter referred to as "RRE").

### WITNESSETH:

**WHEREAS**, by Ordinance No. 94-60, 97-24, 2007-11, 2008-27 passed by this Council on June 21, 1994, and as amended by Ordinance Nos. 97-24, 2007-11, 2008-27 (collectively the "CRA Ordinance"), the Council found and determined that the Community Reinvestment Area (the "Community Reinvestment Area") designated in Ordinance No. 94-60 constitutes an area in which housing facilities or structures of historical significance are located and in which new construction and repair of existing facilities has been discouraged; and

**WHEREAS**, effective June 20, 1994, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Ordinance No. 94-60, June 21, 1994, and as amended by Ordinance Nos. 97-24, 2007-11, 2008-27 contains the characteristics set forth in Section 3735.66 of the Ohio Revised Code and confirmed said area as a Community Reinvestment Area under said Chapter 3735; and

**WHEREAS**, the City has encouraged the development of real property located in the Community Reinvestment Area; and

**WHEREAS**, RRE, the owner of Permanent Parcel Number 361-34-014 intends to construct an approximately 18,000 Square Foot addition to the existing manufacturing building located at 1125 Berea Industrial Parkway, Berea, Ohio 44017 (hereinafter also referred to as the "Site"). Said addition is to be used by JMC to manufacture insulated glass and other products as well as to conduct business related activities (hereinafter also referred to as the "Project") within the boundaries of the aforementioned Community Reinvestment Area, provided that the appropriate development incentives are available to support the economic viability of said Project; and

**WHEREAS**, JMC designs, manufactures and installs walls, windows, and roofing systems as well as replacement windows and sliding patio doors. Currently, JMC operates the 125,000 square foot building at the Site, but JMC needs to expand in order to manufacture insulated glass and to conduct other business-related activities on-site; and

**WHEREAS**, the proposed use of the Site is beneficial to the community because it allows a strong Berea business to expand and develop more materials on-site; reduces the supply chain for JMC; and creates more job opportunities for the residents of Berea and the surrounding cities. The Project will likely encourage similar development within the general area; and

**WHEREAS**, the City having the appropriate authority for the Project is desirous of providing JMC and RRE with incentives available for the development of the Project in the Community Reinvestment Area under Chapter 3735 of the Ohio Revised Code; and

**WHEREAS**, JMC and RRE have submitted a proposed agreement application (herein attached as Exhibit 1) to the City and said application is hereinafter referred to as the "Application"; and

WHEREAS, JMC and RRE have remitted the required state application fee of \$750.00 made payable to the Ohio Department of Development with the application to be forwarded to said Department with a copy of the final agreement; and

WHEREAS, the administrative staff of the City investigated the application of JMC and RRE and has recommended the same to the Council of the City on the basis that JMC and RRE are qualified by financial responsibility and business experience to create and preserve employment opportunities in said Community Reinvestment Area and improve the economic climate of the City; and

WHEREAS, JMC currently employs 86 Full-Time Employees or Full Time Equivalent Employees and wishes to expand but cannot expand within its current facility; and

WHEREAS, if RRE builds the proposed Project pursuant to this agreement, JMC will retain 86 Full-Time Employees or Full Time Equivalent Employees and shall create an addition sixteen (16) new Full Time Employees or Full Time Equivalent Employees within twenty-four (24) months of obtaining the Final Occupancy Permit for the Project; and

WHEREAS, if RRE builds the proposed Project pursuant to this Agreement and JMC hires the new Full Time Employees or Full Time Equivalent Employees as projected, the additional payroll from the sixteen (16) new Full Time Employees or Full Time Equivalent Employees is estimated to be \$350,000 within twenty-four (24) months of obtaining the Final Occupancy Permit for the Project; and

WHEREAS, pursuant to Section 3735.67(A) and in accordance with the format required under Section 3735.671(B) of the Ohio Revised Code, the parties hereto desire to set forth their agreement with respect to matters hereinafter contained.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and the benefits to be derived by the parties from the execution hereof, the parties herein agree as follows:

1. Construction of the Project. The Project shall consist of the construction of an addition of approximately 18,000 square feet to the existing manufacturing building at the Site to be used for the manufacture of insulated glass and other products as well as to conduct business related activities. Said building addition shall be constructed on the Site which is located in the Ward 2 of Berea, Ohio.

RRE agrees that the investment in the Project shall be not less than \$3,770,000.00 (plus or minus 10%) in the aggregate and that such investment shall be made at the Site. Included in this investment will be \$750,000 for construction of the Project.

The Project will begin as soon as possible and all acquisition and construction will be completed by early Summer, 2021.

2. Job Creation and Retention. JMC and RRE shall create sixteen (16) new Full Time Job Opportunities or Full Time Equivalent Job Opportunities within twenty-four (24) months of obtaining the Final Occupancy Permit for the Project.

JMC and RRE shall retain the equivalent of 86 full-time permanent jobs during the abatement period.

The increase in the number of employees to be created in accordance with this Section 2 will result in approximately \$350,000.00 of additional annual payroll for JMC and RRE. The entire increase in payroll shall be attributed to the creation of permanent employment positions.

3. Exemption Granted. As authorized under Section 3735.67 of the Ohio Revised Code, the City hereby grants to JMC and RRE a tax exemption for real property improvements made to the Site. Such real property improvements will receive a ten-year exemption period, commencing the first year for which such real property improvements would first be taxable were that property not exempted from taxation. The exemptions provided for herein in each year shall be in the amounts set forth below.

<i>Years of Tax Exemption</i>	<i>Tax Exemption Amount</i>
Years 1-10	49%

JMC and RRE acknowledge and agree that they shall have sole and full responsibility for filing the appropriate tax forms to effect and maintain the exemptions contemplated herein, including without limitation, form DTE 23 with the County Auditor and that neither the City nor any employee or agent thereof shall have any responsibility for taking any actions, other than those expressly set forth herein, to effect or maintain such exemption.

4. Provision of Information. JMC and RRE agree that they shall promptly provide to the City of Berea Tax Incentive Review Council (the "Council") any information reasonably required by the Council to evaluate the compliance of JMC and RRE with this Agreement, including, but not limited to, yearly employee counts, payroll figures, and returns filed pursuant to Section 5711.02 of the Ohio Revised Code if requested by the Council.

5. Annual Fee. JMC and RRE shall pay to the City an annual fee equal to the greater of one percent of the dollar value of the taxes abated in such year under this Agreement or Five Hundred Dollars (\$500.00); provided, however, that if in any year, the value of the taxes abated pursuant to this Agreement shall exceed Two Hundred Fifty Thousand Dollars (\$250,000.00), the fee shall be Two Thousand Five Hundred Dollars (\$2,500).

Each such payment shall be made to the City on March 1<sup>st</sup> of each year that this Agreement shall be in effect, commencing on March 1<sup>st</sup> in the year following issuance of the Final Occupancy Permit and ending on the March 1<sup>st</sup> of the calendar year following the last tax year in which taxes shall be abated hereunder. Each such payment shall be made to the Director of Finance of the City and shall be made by certified check or such other method as may be approved by the Director of Finance. Any amounts received by the City may be used for such purposes as are authorized by applicable law, including but not limited to Section 3735.671(D) of the Revised Code.

6. Payment of Taxes. JMC and RRE shall pay such real and tangible personal property taxes as are not exempted under this Agreement and are charged against such property and shall file all tax reports and returns as required by law. In the event that the JMC or RRE fail to pay such taxes or file such returns and reports, all incentives granted under this Agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.

7. Further Acts. The City shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve, and maintain exemptions from taxation granted under this agreement including, without limitations, joining to the execution of all documentation, providing any necessary certificates required in connection with such exemptions; provided, however that JMC and RRE acknowledge and agree that the City shall have no monetary liability for any damages caused or incurred by JMC and RRE by any failure of the City to perform its obligations under Section 7 or any other provisions of this Agreement. JMC and RRE will collectively contribute Five Hundred Dollars (\$500.00) annually to the City of Berea Special Events Fund for the support of events put-on or sponsored by the City or not-for-profit organizations for the support of events that draw people to Berea and to Berea businesses for the duration of the Agreement, of which is the first payment is due within Forty-Five (45) days of the passage

of this Agreement. Subsequent donations will be made by August 1, of every year the Agreement is active.

**8. Entitlements to Survive Revocation of Area Designation.** If for any reason the Community Reinvestment Area designation expires, the Director of the Ohio Department of Development revokes certification of the area, or the City revokes the designation of the area, entitlements granted under this Agreement shall continue for the number of years specified under this Agreement, unless JMC and RRE materially fail to fulfill its obligation under this Agreement and the City terminates or modifies the exemptions for taxation granted under this agreement.

**9. Termination or Modification of the Exemption; Repayment to the City of the Amounts Exempted.** If JMC or RRE materially fail to fulfill its obligation under this Agreement, or if the City determines that the certification as to delinquent taxes required by this Agreement is fraudulent, the City may terminate or modify the exemptions from taxation granted under this Agreement and may require the repayment of the amount of taxes that would have been repayable had the property not been exempted from taxation. If JMC or RRE relocates from the City of Berea for any reason during the abatement period, the total amount of all taxes abated is due and payable to the City of Berea within Thirty (30) days of the said relocation.

**10. No Delinquent Amounts.** JMC and RRE hereby certify that at the time this Agreement is executed neither JMC nor RRE owes any delinquent real or tangible personal property taxes to any taxing authority of the State, and does not owe delinquent taxes for which JMC or RRE is liable under Chapter 5733., 5735., 5739., 5741., 5743., 5747., or 5753. of the Revised Code or, if such delinquent taxes are owed, JMC and/or RRE currently is paying delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof, has filed petition in Bankruptcy under Chapter 11 U.S.C.A. 101, et seq., or such a petition has been filed against JMC or RRE. For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised Code governing payment of those taxes.

JMC and RRE further covenant that they do not owe (1) any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State; and (2) any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not.

**11. Further Approvals.** JMC, RRE and the City acknowledge that this Agreement must be approved by formal action of the legislative authority of the City as a condition for the agreement to take effect. This agreement takes effect upon such approval.

**12. Revocation of Exemption Under Certain Circumstances.** The exemptions from taxation granted under this agreement shall be revoked if it is determined that JMC or RRE, any successor property owner, or any related member (as those terms are defined in Section 3735.671 of the Ohio Revised Code) has violated the prohibition against entering into this agreement under Division (E) of Section 3735.671 or Section 5709.62 or 5709.63 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.

**13. No False Statements.** JMC and RRE affirmatively covenant that they have made no false statements to the State or local political subdivisions in the process of obtaining approval of the Community Reinvestment Area incentives. If any representative of JMC or RRE has knowingly made a false statement to the State or local political subdivision to obtain the Community Reinvestment Area incentives, JMC and RRE acknowledge and agree that they shall be required to immediately return and shall return, all benefits received under this Agreement pursuant Ohio Revised Code Section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the State, any state agency or a political subdivision pursuant to Ohio Revised Code Section 9.66(C)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to Ohio Revised Code Section 2921.13(D)(1), which is

punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

14. Non-Discriminatory Hiring. JMC and RRE acknowledge that the City has developed a policy to ensure that recipients of Community Reinvestment Area tax benefits practice non-discriminatory hiring in their operations. By executing this Agreement, JMC and RRE agree to follow non-discriminatory hiring practices, and acknowledges and agrees that no individual shall be denied employment with JMC or RRE on the basis of race, religion, sex, disability, color, national origin, or ancestry.

15. Assignment and Transfer. This Agreement is not transferable or assignable without the express, written approval of the City.

16. No Waiver. No failure by the City to insist upon the strict performance by JMC or RRE of any provisions hereof shall constitute a waiver of the City's right to strict performance and no express waiver shall be deemed to apply to any other existing or subsequent right to remedy the failure by JMC or RRE to observe or comply with any provision hereof, including but not limited to any rights of the City under Section 9 of this Agreement.

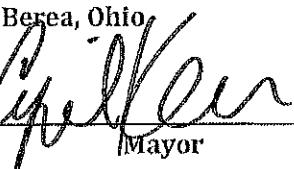
17. Miscellaneous. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument. If any provision of this Agreement, or any covenant, obligation or agreement contained herein is determined by a court to be invalid or unenforceable, such determination shall not affect any other provision, covenant, obligation or agreement, each of which shall be construed and enforced as if such invalid or unenforceable provisions were not contained herein and each such provision, covenant obligation or agreement shall be deemed to be effective in the manner and to the full extent permitted by law. This Agreement may not be amended except by a written instrument executed by the parties hereto.

All covenants, obligations and agreements of the City contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, obligation or agreement shall be deemed to be a covenant, obligation or agreement of any employee, officer, agent, independent contractor or elected representative of the City in other than his or her official capacity, acting pursuant to the laws of the State, and no such employee, officer, agent, independent contractor or elected representative shall be personally liable or in any way obligated by reason hereof or by reason of any other action taken by the City or any representative thereof.

IN WITNESS WHEREOF, the City of Berea, Ohio, by its Mayor, JMC and RRE by its authorized representatives, have caused this instrument to be executed all as of the date first written above.

City of Berea, Ohio

By

  
\_\_\_\_\_  
Mayor

Joyce Manufacturing Co.

By

  
\_\_\_\_\_  
Title JB 201047

RAM Real Estate, LLC.

By Barry J. Stoll

Title Partner

Approved as to form:

  
\_\_\_\_\_  
Director of Law

Note: A copy of this agreement must be forwarded to the Ohio Department of Taxation and Development within fifteen (15) days of finalization.

**PROPOSED AGREEMENT** for Community Reinvestment Area Tax Incentives between the  
 City of Berea located in the County of Cuyahoga and  
 — RAM Real Estate —.

1. a. Name of property owner, home or main office address, contact person, and telephone number (attach additional pages if multiple enterprise participants).

<u>Joyce Manufacturing Co</u>	<u>Russell Schmidt</u>
Enterprise Name	Contact Person
<u>1125 Berea Industrial Parkway</u>	
<u>Berea, Ohio 44017</u>	<u>(440)239-9100</u>
Address	Telephone Number

b. Project site:

<u>RAM Real Estae</u>	<u>Russell Schmidt</u>
	Contact Person
<u>1125 Berea Industrial Pkwy</u>	
<u>Berea, Ohio 44017</u>	<u>(440)239-9100</u>
Address	Telephone Number

2. a. Nature of commercial/industrial activity (manufacturing, warehousing, wholesale or retail stores, or other) to be conducted at the site.

Manufacturing

b. List primary 6 digit North American Industry Classification System (NAICS) # 332300

Business may list other relevant SIC  
 numbers. \_\_\_\_\_

c. If a consolidation, what are the components of the consolidation? (must itemize the location, assets, and employment positions to be transferred): \_\_\_\_\_

N/A

d. Form of business of enterprise (corporation, partnership, proprietorship, or other).

S-Corporation

3. Name of principal owner(s) or officers of the business.

Russell Schmidt

4. a. State the enterprise's current employment level at the proposed project site:

Currently 0, until building is complete

b. Will the project involve the relocation of employment positions or assets from one Ohio location to another? Yes        No  X  

c. If yes, state the locations from which employment positions or assets will be relocated and the location to where the employment positions or assets will be located:

N/A

d. State the enterprise's current employment level in Ohio (itemized for full and part-time and permanent and temporary employees):

Joyce Manufacturing currently has 90 employees

e. State the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets:

no relocation only additional workers

f. What is the projected impact of the relocation, detailing the number and type of employees and/or assets to be relocated?

N/A

5. Does the Property Owner owe:

a. Any delinquent taxes to the State of Ohio or a political subdivision of the state?  
Yes    No   X  

b. Any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State? Yes    No   X  

c. Any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not?  
Yes    No   X  

d. If yes to any of the above, please provide details of each instance including but not limited to the location, amounts and/or case identification numbers (add additional sheets).

6. Project Description: \_\_\_\_\_

18,000 Sq Ft. Manufacturing Facility

7. Project will begin 11/23, 2020 and be completed 5/1, 2021 provided a tax exemption is provided.

8. a. Estimate the number of new employees the property owner will cause to be created at the facility that is the project site (job creation projection must be itemized by the name of the employer, full and part-time and permanent and temporary):

Joyce Manufacturing 8-10 in first year for first shift

an additional 8-10 in second year for second shift

b. State the time frame of this projected hiring: 2 yrs.

c. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees):

see above

9. a. Estimate the amount of annual payroll such new employees will add \$ 350,000 to 500,000 (new annual payroll must be itemized by full and part-time and permanent and temporary Full time new employees).

b. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project: \$ n/A

10. An estimate of the amount to be invested by the enterprise to establish, expand, renovate or occupy a facility:

A. Acquisition of Buildings:	\$ _____
B. Additions/New Construction:	\$ 750,000
C. Improvements to existing buildings:	\$ 20,000
D. Machinery & Equipment:	\$ 2,000,000
E. Furniture & Fixtures:	\$ _____
F. Inventory:	\$ 1,000,000
<b>Total New Project Investment:</b>	<b>\$ 3,770,000</b>

11. a. Business requests the following tax exemption incentives: 50 % for 10 years covering real        as described above. Be specific as to the rate, and term.

b. Business's reasons for requesting tax incentives (be quantitatively specific as possible)

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Joyce Manufacturing currently purchases insulated  
glass from out of town suppliers and with this addition  
will be able to manufacture insulated glass locally for  
the production of windows in our main warehouse

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Submission of this application expressly authorizes City of Berea to contact the Ohio Environmental Protection Agency to confirm statements contained within this application including item # 5 and to review applicable confidential records. As part of this application, the property owner may also be required to directly request from the Ohio Department of Taxation, or complete a waiver form allowing the Department of Taxation to release specific tax records to the local jurisdiction considering the request.

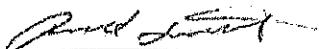
The Applicant agrees to supply additional information upon request.

The Applicant affirmatively covenants that the information contained in and submitted with this application is complete and correct and is aware of the ORC Sections 9.66(C)(1) and 2921.13(D)(1) penalties for falsification which could result in the forfeiture of all current and future economic

development assistance benefits as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

Russell Schmidt

Name of Property Owner



Signature

11/12/2020

Date

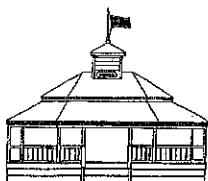
Russell Schmidt/ Owner

Typed Name and Title

\* A copy of this proposal must be forwarded by the local governments to the affected Board of Education along with notice of the meeting date on which the local government will review the proposal. Notice must be given a minimum of fourteen (14) days prior to the scheduled meeting to permit the Board of Education to appear and/or comment before the legislative authorities considering the request.

\*\* Attach to Final Community Reinvestment Area Agreement as Exhibit A

Please note that copies of this proposal must be included in the finalized Community Reinvestment Area Agreement and be forwarded to the Ohio Department of Taxation and the Ohio Development Services Agency within fifteen (15) days of final approval.



# CITY OF BEREA

*"The Grindstone City"*

Cyril Kleem  
*Mayor*

11 Berea Commons  
Berea, Ohio 44017  
(440) 826-5800  
Fax. (440) 826-4800  
[www.cityofberea.org](http://www.cityofberea.org)

December 17, 2020

Polaris Career Center  
Attn: Superintendent Robert Timmons  
7285 Old Oak Blvd.  
Middleburg Hts., OH 44130

Re: City of Berea Amending  
Community Reinvestment Area Agreement with  
Petrasek Properties, LLC.

Dear Superintendent Timmons,

In 2016, the City of Berea entered into a Community Reinvestment Area ("CRA") Tax Abatement Agreement for the construction of a 4,000 square foot commercial building at 1061 West Bagley Road; Berea, Ohio 44017. This CRA Agreement contained figures for job retention, job creation and payroll generation that were tailored to the original tenant. However, in 2018, the original tenant moved out of the building and then in 2019 a new tenant moved in.

The City of Berea now seeks to update the figures in the CRA Agreement to reference the job retention, job creation and payroll generation of the new tenant. Please see the chart below comparing these figures from the original tenant and the new tenant.

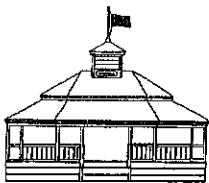
CRA Agreement at 1061 West Bagley Road in Berea		
	Original Tenant	New Tenant
Jobs Retained (Full Time Equivalent)	4	6
Jobs Created (Full Time Equivalent)	3	4
Payroll Generated from Jobs Created	\$61,000	\$75,000

The percentage of the tax abatement as well as the end date of the tax abatement will not be changed.

It is anticipated that Berea City Council will hear first reading on an ordinance to amend this CRA Agreement at its meeting on January 4, 2021. This meeting will take place via video conference and if you would like the log-in credentials, please feel free to contact me. If approved, it is anticipated that this ordinance would be effective from the earliest date permitted by law.

*"City of Champions"*





# CITY OF BEREAL

*"The Grindstone City"*

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Cyril Kleem  
*Mayor*

11 Berea Commons  
Berea, Ohio 44017  
(440) 826-5800  
Fax. (440) 826-4800  
[www.cityofberea.org](http://www.cityofberea.org)

Any comments which you may have concerning the amendments to the Agreement or passage of the ordinance should be made to me prior to that meeting. Should you need any additional information, please let me know.

Very truly yours,

CITY OF BEREAL

Matthew J. Madzy  
Planning, Engineering, and Development

cc: Berea Clerk of Council



*"City of Champions"*