

COUNCIL CHAMBER

City of Berea, Ohio

Ordinance No. 2018-3

By Nick Haschka Sponsored By Mayor Cyril M. Kleem

AN ORDINANCE

APPROVING, RATIFYING AND AFFIRMING THE 2016 ANNUAL REPORT, MINUTES AND ACTIONS OF THE TAX INCENTIVE REVIEW COMMITTEE FOR COMMERCIAL COMMUNITY REINVESTMENT AREA REAL ESTATE TAX ABATEMENTS ENTERED INTO AFTER 2008 IN THE CITY OF BREA.

WHEREAS, the Tax Incentive Review Committee for the City of Berea meets annually to review the prior year's activities of entities that have qualified for, and participate in, Community Reinvestment Area Agreements within the City of Berea; and

WHEREAS, the 2016 meeting of said Tax Incentive Review Committee has been held according to law and said committee has issued its Report for 2016 Reviews and Minutes of said meeting, the same being attached hereto as Exhibit "A" and incorporated herein.

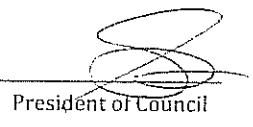
NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Berea, State of Ohio:

SECTION 1. That the Council of the City of Berea hereby approves, ratifies and affirms the 2016 Annual Report of the Tax Incentive Review Committee for Community Reinvestment Area Agreements (for 2016 activities) and the Minutes of its meeting held on July 19, 2017, the same being attached hereto as Exhibit "A" and incorporated herein.

SECTION 2. 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 3. That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.

PASSED: January 2, 2018

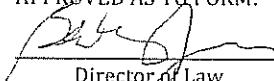

President of Council

ATTEST: Dale Eason
Clerk of Council

APPROVED: January 3, 2018


Mayor

APPROVED AS TO FORM:


Director of Law

TAX INCENTIVE REVIEW COUNCIL
July 19, 2017

The Tax Incentive Review Council met on July 19, 2017 and was called to order at 1:38 p.m. by Lisa Rocco, Cuyahoga County Treasurer's Department. Present: Joseph Farris, Cuyahoga County Treasurer's Department, Marionette Richardson-Scott, Cuyahoga County Planning Commission; John Dobeck, Cuyahoga County Fiscal Office; and Daniel Smith, Resident City of Berea. Also present were: Richard Gareau, 1230 West Bagley Road, LLC.; Pamela Hanover, Squire, Patton, Boggs, Attorney for City of Berea; Kevin M. Hinkel, Kadish, Hinkel and Weibel, Attorney for the Berea City School District; Thomas Norton, City of Berea; Michael Petrasek, Fieldhouse Athletics; and Matthew Madzy, City of Berea.

Moved and seconded that the minutes of the 2016 Tax Incentive Review Council be approved. Vote on the motion was all ayes and no nays. The motion carried and the minutes were approved.

Ms. Rocco allowed those in attendance to introduce themselves and turned the floor over to the City of Berea to present the 2016 Status Reports for each CRA Agreement.

1230 West Bagley, LLC

Mr. Madzy reviewed the history and requirements of this CRA Agreement. In 2016, 1230 West Bagley, LLC. exceeded the required number of jobs to be created as well as the amount of payroll to be generated. There was no further discussion regarding this CRA Agreement.

Motion was made and seconded that recommended that 1230 West Bagley, LLC is compliant with the terms of the CRA Agreement. Vote all ayes, no nays. The motion carried.

Motion was made and seconded to recommend that the City of Berea and 1230 West Bagley, LLC continue the CRA Agreement. Vote all ayes, no nays. The motion carried.

Fieldhouse Athletics, LLC

Mr. Madzy explained that this project is required to create three jobs and generate \$130,000 in payroll. Fieldhouse Athletics exceeded both of these numbers in 2016 by creating eight jobs and \$243,732 worth of payroll. There

was additional discussion about how this project allowed a business to stay in Berea and the number of families who visit Berea to attend classes at this business.

Motion was made and seconded that recommended that Fieldhouse Athletics, LLC. is compliant with the terms of the CRA Agreement. Vote all ayes, no nays. The motion carried.

Motion was made and seconded to recommend that the City of Berea and Fieldhouse Athletics, LLC. continue the CRA Agreement. Vote all ayes, no nays. The motion carried.

AFR Properties, LLC

Following a brief review of the project and terms of the CRA Agreement, Mr. Madzy stated that the developer has exceeded both the required number of jobs and payroll.

Motion was made and seconded that recommended that AFR Properties, LLC. is compliant with the terms of the CRA Agreement. Vote all ayes, no nays. The motion carried.

Motion was made and seconded to recommend that the City of Berea and AFR Properties, LLC. continue the CRA Agreement. Vote all ayes, no nays. The motion carried.

Helwig Whistle Stop, LLC

Discussion about the Helwig Whistle Stop, LLC. project opened with a review of new jobs and payroll created through the project. Mr. Madzy explained that the project has exceeded both the required jobs and payroll.

Motion was made and seconded that recommended that Helwig Whistle Stop, LLC is compliant with the terms of the CRA Agreement. Vote all ayes, no nays. The motion carried.

Motion was made and seconded to recommend that the City of Berea and Helwig Whistle Stop, LLC continue the CRA Agreement. Vote all ayes, no nays. The motion carried.

Secretariat Berea, LLC formerly WXZ Retail Group/Berea, LLC.

The TIRC discussed the fact that the former tenant, Advance Auto, moved out of the location in December of 2015, and that the building has been vacant since that time. As such, the required number of jobs and payroll were not met in 2016. Kevin Hinkel, attorney for the Berea City School District, stated that the District would support reducing the percentage of the tax abatement to 1%.

Motion was made and seconded that recommended that Secretariat Berea, LLC is non-compliant with the terms of the CRA Agreement. Vote all ayes, no nays. The motion carried.

Motion was made and seconded to recommend that the City of Berea and Secretariat Berea, LLC amend the CRA Agreement to a lower percentage as determined by the City and School District. Vote all ayes, no nays. The motion carried.

First Avenue Improvement District

In opening the discussion of the First Avenue Improvement District (“FAID”), Mr. Madzy explained that the Director of Finance for the City of Berea updated the FAID spreadsheet which contains financial data going back to 1991. This spreadsheet now includes the performance for 2016. Ms. Hanover then provided a historical perspective of the FAID and gave a more detailed explanation of the information contained in the spreadsheet.

Motion was made and seconded that the City of Berea is compliant in reporting the performance of the 725 Urban Renewal Bonds. Vote all ayes, no nays. The motion carried.

Motion was made and seconded to recommend that the City of Berea continue 725 Urban Renewal Bonds. Vote all ayes, no nays. The motion carried.

Having no further business before the Tax Incentive Review Council, there was a Motion to Adjourn and a second. Vote all ayes, no nays. The motion carried.