

CITY OF NORTH RIDGEVILLE
TAX ABATEMENT REVIEW BOARD
April 24, 2018

The meeting was called to order by Chairman Mayor Gillock at 2:00 p.m. at North Ridgeville City Hall, Mayor's Conference Room, 7307 Avon Belden Road.

Board members present: Chairman, Mayor David Gillock; School Representative, Superintendent Dr. James Powell; Lorain County Chamber of Commerce Representative, Jason Jacobs and City Council appointment, Bruce Abens.

Also present: Safety-Service Director, Jeff Armbruster; School Treasurer, Michael Verlingo; Assistant Clerk of Council, Tara L. Peet; City Treasurer, Brian Keller and Auditor, Jeff Wilcheck.

Minutes:

Chairman Mayor Gillock asked for any additions or corrections to the Tax Abatement Review Board meeting minutes from March 14, 2018. No discussion was offered.

Mayor Gillock announced the minutes stand approved as submitted.

Discussion:

Mayor Gillock stated the purpose of the meeting was to review all current CRA's for compliance.

Mayor Gillock began with Peteza, LLC (Pizza Pan/Zannoni's Food Service Distributors). He noted that Zannoni's went bankrupt and Pizza Pan stayed. They brought in a plastics company as a tenant. They are coming to the end of the abatement period. They were required to have fifty jobs and they are at forty-eight. Mayor Gillock stated they were in substantial compliance. Pizza Pan made their required \$10,000 school donation.

Moved by Superintendent Powell and seconded by Mr. Jacobs to continue the abatement for another year.

A voice vote was taken and the motion carried, 3-0.

Mayor Gillock moved on to MMCA Development, LLC (Nick Abraham/Frito-Lay). He noted they are almost done with their abatement. They meet the job requirement and no school donation was required.

Moved by Mr. Jacobs and seconded by Superintendent Powell to continue the abatement for another year.

A voice vote was taken and the motion carried, 3-0.

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Mayor Gillock moved on to KLC Properties, LLC (Poppee's Popcorn). He noted the \$1,000 school donation was completed in the first five years. They are job compliant.

Moved by Superintendent Powell and seconded by Mr. Jacobs to continue the abatement for another year.

A voice vote was taken and the motion carried, 3-0.

Mayor Gillock moved on to Lake Ridge Holdings, Ltd (Center Ridge Health Campus). He stated it was a ten year abatement and they are currently in year six. They are job compliant. They made the \$10,000 school donation all five years.

Moved by Mayor Gillock and seconded by Superintendent Powell to continue the abatement for another year.

A voice vote was taken and the motion carried, 2-0-1 (Jacobs).

Mayor Gillock moved on to Rhenium Alloys, Inc. He noted they had a fifteen year abatement and are currently in year six. They have fifty-seven jobs and they require sixty. Mayor Gillock stated he felt they were substantially compliant. There is no school donation required. Mayor Gillock felt the business will continue to grow as they have fifty year contracts with the U.S. government.

Moved by Mayor Gillock and seconded by Superintendent Powell to continue the abatement for another year.

A voice vote was taken and the motion carried, 3-0.

Mayor Gillock moved on to MVM Real Property Holdings, LLC (Norlake Manufacturing). He stated he met with them in the past about the job requirement. They did make their \$5,000 donation to the schools required annually. They make transformers used in mines and for the fracking industry. They currently have eleven jobs and they required to have thirty jobs. Mayor Gillock didn't find that to be substantial compliance.

Safety-Service Director Armbruster stated it was just their small business under abatement, not their large building. He noted that their growth is based on what the world is doing.

Mr. Jacobs asked what the minimum was for a Class 1 abatement in regard to job requirement.

Mayor Gillock stated zero.

Treasurer Keller asked if they should amend the agreement to require zero jobs instead of thirty.

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Mayor Gillock suggested it be left alone. He further added they can just keep an eye on the jobs. He advised the Board of their options to include continuing the abatement as is, amend their current agreement or end the abatement. Mayor Gillock stated he felt the abatement should be continued.

Moved by Mayor Gillock and seconded by Superintendent Powell to continue the abatement for another year.

A voice vote was taken and the motion carried, 3-0.

Mayor Gillock stated he will have a conversation with the owner.

Mayor Gillock stated Rudolph Libbe and Danbury have not taken affect yet. They will pay taxes next year.

With no further business to address, the meeting was adjourned at 2:17 p.m.



Recording Secretary Tara L. Peet, MMC
Assistant Clerk of Council

April 9, 2019
Date Approved

City of North Ridgeville
 Review of Outstanding Community Reinvestment Area (CRA) Abatements - 2017
 7-Feb-2018

CRA #14C Abated Parcel #: 07-50-003-102-079
 Peteza, LLC (Pizza Pan/Zannoni's Food Service Distributors)
 Date Cerified: 11/5/2007
 Type: Class 1

	Tax Years	Exemption	Project	Investment	Jobs	Jobs	
	<u>Effective</u>	<u>Percentage</u>	<u>Investment</u>	<u>Exempted</u>	<u>Full-Time/Part-Time</u>	<u>Required</u>	<u>Status</u>
Year One	2008	100%	2,400,000	1,471,300	7/4	35	In Compliance
Year Two	2009	100%	2,400,000	1,471,300	7/4	35	In Compliance
Year Three	2010	100%	2,400,000	1,471,300	4/4	50	In Compliance
Year Four	2011	100%	2,400,000	1,471,300	3/2	50	In Compliance
Year Five	2012	100%	2,400,000	1,423,810	20/4	50	In Compliance
Year Six	2013	100%	2,400,000	1,423,810	25/5	50	In Compliance
Year Seven	2014	100%	2,400,000	1,423,810	48/0	50	In Compliance
Year Eight	2015	100%	2,400,000	1,423,810	48	50	In Compliance
Year Nine	2016	100%	2,400,000	1,423,810	48	50	In Compliance
Year Ten	2017	100%	2,400,000	1,423,810	48	50	

Comments: Total Investment in Building, Equipment & Inventory estimated at \$2,400,000 plus or minus 10%.
\$10,000 donation to school district by April 30th for each year taxes are fully abated (2009-18).

CRA #14D

Abated Parcel #: 07-50-047-000-106

MMCA Development, LLC (Nick Abraham/Frito-Lay)

Date Certified: 9/2/2008

Type: Class 1

	Tax Years	Exemption	Project	Investment	Jobs	Jobs	
	<u>Effective</u>	<u>Percentage</u>	<u>Investment</u>	<u>Exempted</u>	<u>Full-Time/Part-Time</u>	<u>Required</u>	<u>Status</u>
Year One	2009	100%	430,000	186,800	29/2	25	In Compliance
Year Two	2010	100%	430,000	186,800	25/4	25	In Compliance
Year Three	2011	100%	430,000	186,800	28/5	25	In Compliance
Year Four	2012	100%	430,000	186,790	28/0	25	In Compliance
Year Five	2013	100%	430,000	186,790	28/6	25	In Compliance
Year Six	2014	80%	430,000	149,432	28/0	25	In Compliance
Year Seven	2015	60%	430,000	112,070	24/4	25	In Compliance
Year Eight	2016	40%	430,000	74,716	30/8	25	In Compliance
Year Nine	2017	20%	430,000	37,358	28/7	25	

Comments: Total Investment in Building Improvements & Expansion estimated at \$430,000.00, plus or minus 10%.
No school donation is required.

CRA #14E

Abated Parcel #: 07-50-047-000-099

KLC Properties, LLC (Poppee's Popcorn)

Date Certified: 2/16/2010

Type: Class 1

	Tax Years	Exemption	Project	Investment	Jobs	Jobs	
	<u>Effective</u>	<u>Percentage</u>	<u>Investment</u>	<u>Exempted</u>	<u>Full-Time/Part-Time</u>	<u>Required</u>	<u>Status</u>
Year One	2011	100%	1,000,000	579,400	4/0	5	In Compliance
Year Two	2012	100%	1,000,000	650,070	3/0	5	In Compliance
Year Three	2013	100%	1,000,000	650,070	3/0	5	In Compliance
Year Four	2014	100%	1,000,000	650,070	5/0	5	In Compliance
Year Five	2015	100%	1,000,000	650,070	4/2	5	In Compliance
Year Six	2016	80%	1,000,000	520,056	8/2	5	In Compliance
Year Seven	2017	60%	1,000,000	390,042	3/2	5	
Year Eight	2018	40%	1,000,000			5	
Year Nine	2019	20%	1,000,000			5	

2 were hired in 2017 3 positions available

Comments: Total Investment in New Construction, Machinery & Equipment estimated at \$1,000,000.00, plus or minus 10%.
\$1,000 donation to school district for five years beginning in 2011 through 2015.

CRA #14F Abated Parcel #: 07-50-046-107-020
 Lake Ridge Holdings, LTD (Center Ridge Health Campus)
 Date Certified: 3/15/2010
 Type: Class 1

	Tax Years	Exemption	Project	Investment	Jobs	Jobs	
	<u>Effective</u>	<u>Percentage</u>	<u>Investment</u>	<u>Exempted</u>	<u>Full-Time/Part-Time</u>	<u>Required</u>	<u>Status</u>
Year One	2011	100%	5,200,000	3,852,700	10/8	21	In Compliance
Year Two	2012	100%	5,200,000	4,294,940	13/11	21	In Compliance
Year Three	2013	100%	5,200,000	4,524,080	16/13	21	In Compliance
Year Four	2014	100%	5,200,000	4,524,080	12/41	21	In Compliance
Year Five	2015	100%	5,200,000	4,524,080	12/12	21	in Compliance *
Year Six	2016	80%	5,200,000	4,160,000	12/12	21	In Compliance **
Year Seven	2017	60%	5,200,000	3,120,000	18/6	21	
Year Eight	2018	40%	5,200,000			21	
Year Nine	2019	20%	5,200,000			21	

*County over reported \$4,524,080.00 by \$364,080.00

**County under reported \$2,714,450.00[2016 & 2017 amounts minus the over reporting for 2016 with a difference of \$-41,470.00

Comments: Total Investment in New Construction, existing Building Improvements & new Fixtures estimated at \$5,200,000.00.
\$10,000 donation to school district for five years beginning in 2012 through 2016.rcvd all checks**

CRA #14G

Abated Parcel #: 07-99-047-000-104

Rhenium Alloys, Inc.

Date Certified: 9/19/2011

Type: Class 2

	Tax Years	Exemption	Project	Investment	Jobs	Jobs	
	<u>Effective</u>	<u>Percentage</u>	<u>Investment</u>	<u>Exempted</u>	<u>Full-Time/Part-Time</u>	<u>Required</u>	<u>Status</u>
Year One	2012	100%	3,000,000	1,079,550	57/1	60	In Compliance
Year Two	2013	100%	3,000,000	1,079,550	39/1	60	In Compliance
Year Three	2014	100%	3,000,000	1,079,550	43/1	60	In Compliance
Year Four	2015	100%	3,000,000	1,079,550	45/0	60	In Compliance
Year Five	2016	100%	3,000,000	1,079,550	39/1	60	In Compliance
Year Six	2017	100%	3,000,000	1,079,550	56/2	60	
Year Seven	2018	100%	3,000,000			60	
Year Eight	2019	100%	3,000,000			60	
Year Nine	2020	100%	3,000,000			60	
Year Ten	2021	100%	3,000,000			60	
Year Eleven	2022	80%	3,000,000			60	
Year Twelve	2023	60%	3,000,000			60	
Year Thirteen	2024	40%	3,000,000			60	
Year Fourteen	2025	20%	3,000,000			60	

Comments: Total Investment in Acquisition, New Construction, Machinery and Equipment estimated at \$3,000,000.00, plus or minus 10%.
No school donation is required.

CRA #14H Abated Parcel #: To be determined
MVM Real Property Holdings, LLC (Norlake Manufacturing Company)
Date Certified: 6/4/2013
Type: Class 1

	Tax Years Effective	Exemption Percentage	Project Investment	Investment Exempted	Jobs Created	Jobs Required	Status
					Full-Time/Part-Time		
Year One	2014	100%	3,720,000	0	19/0	30	In Compliance
Year Two	2015	100%	3,720,000	1,075,950	15/0	30	In Compliance
Year Three	2016	100%	3,720,000	1,075,950	11/0	30	In Compliance
Year Four	2017	100%	3,720,000	1,075,950	11/0	30	
Year Five	2018	100%	3,720,000			30	
Year Six	2019	80%	3,720,000			30	
Year Seven	2020	60%	3,720,000			30	
Year Eight	2021	40%	3,720,000			30	
Year Nine	2022	20%	3,720,000			30	
Year Ten	2023	0%	3,720,000			30	

Comments: Total Investment in New Construction, Machinery, Equipment & Inventory estimated at \$3,720,000.00, plus or minus 10%.
\$5000.00 donation to school district required by March 15 for five years beginning in 2015 through 2019

CRA #

Abated Parcel #:

Rudolph Libbe

Date Certified:

Type: Class 2

	Tax Years	Exemption	Project	Investment	Jobs Created	Jobs Required	Status
	<u>Effective</u>	<u>Percentage</u>	<u>Investment</u>	<u>Exempted</u>	<u>Full-Time/Part-Time</u>		
Year One	2018	100%	1,200,000	1,200,000		50	
Year Two	2019	100%	1,200,000	1,200,000		50	
Year Three	2020	100%	1,200,000	1,200,000		50	
Year Four	2021	100%	1,200,000	1,200,000		50	
Year Five	2022	100%	1,200,000	1,200,000		50	
Year Six	2023	100%	1,200,000	1,200,000		50	
Year Seven	2024	100%	1,200,000	1,200,000		50	
Year Eight	2025	100%	1,200,000	1,200,000		50	
Year Nine	2026	100%	1,200,000	1,200,000		50	
Year Ten	2027	100%	1,200,000	1,200,000		50	
Year Eleven	2028	80%	1,200,000	960,000		50	
Year Twelve	2029	60%	1,200,000	720,000		50	
Year Thirteen	2030	40%	1,200,000	480,000		50	
Year Fourteen	2031	20%	1,200,000	240,000		50	

Comments: No School Donation Necessary

CRA #

Danbury Senior Living

Date Certified:

Type: Class 2

Abated Parcel #:

	Tax Years	Exemption	Project	Investment	Jobs	Jobs	
	<u>Effective</u>	<u>Percentage</u>	<u>Investment</u>	<u>Exempted</u>	<u>Created</u>	<u>Required</u>	<u>Status</u>
					Full-Time/Part-Time		
Year One	2018	100%	12,000,000	12,000,000		47/42	
Year Two	2019	100%	12,000,000	12,000,000		47/42	
Year Three	2020	100%	12,000,000	12,000,000		47/42	
Year Four	2021	100%	12,000,000	12,000,000		47/42	
Year Five	2022	100%	12,000,000	12,000,000		47/42	
Year Six	2023	100%	12,000,000	12,000,000		47/42	
Year Seven	2024	100%	12,000,000	12,000,000		47/42	
Year Eight	2025	100%	12,000,000	12,000,000		47/42	
Year Nine	2026	100%	12,000,000	12,000,000		47/42	
Year Ten	2027	100%	12,000,000	12,000,000		47/42	
Year Eleven	2028	80%	12,000,000	9,600,000		47/42	
Year Twelve	2029	60%	12,000,000	7,200,000		47/42	
Year Thirteen	2030	40%	12,000,000	4,800,000		47/42	
Year Fourteen	2031	20%	12,000,000	2,400,000		47/42	

Comments: **School Donation of 50% of the abated amount annually**

Effective Tax Year unknown at this time