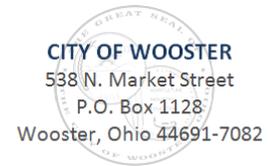




City of Wooster Enterprise Zone (EZ)
Welcome to Your Future
*Real Estate Tax Abatement Program for
Expanding Businesses*



Thank You For Considering Investing In Wooster:

For businesses seeking to expand or relocate to our community, the City of Wooster offers an Enterprise Zone Program, offering a **75 percent real estate tax savings/abatement** for ten years for real estate development projects that create 10 or more new jobs. The program is a collaborative between the City of Wooster, the State of Ohio, Wooster City Schools, Wooster Growth (Community Improvement Corporation), and private businesses seeking to grow their facilities and operations. In some instances, businesses undergoing major construction in order to retain jobs in the City of Wooster, may also qualify for the incentive.



2014 New Bauer Corporation Headquarters. The Enterprise Zone enabled a storied ladder company to build a permanent home in Wooster.

How It Works:

1. Businesses planning a project will need to contact the City of Wooster's Development Coordinator and arrange a Pre-Application Interview to discuss the project. If qualified, the Company will be invited to complete an official application and assist the Development Coordinator compiling a brief Enterprise Zone Proposal Packet, which is reviewed by the following:
 - a. Internal City of Wooster Review
 - b. Wooster City School Board of Education
 - c. WCSCC (Career Center)
 - d. Wooster Growth Corporation –
(Wooster's Community Improvement Corporation)
 - e. Wooster City Council (Attendance Recommended)The process takes about two months, though applications can be expedited if they meet certain criteria.
2. If approved, the Company signs a performance agreement with the City of Wooster. Membership with the Wayne Economic Development Council is also required. The Company provides a \$750 Application Fee to the Ohio Development Services Agency (ODSA), which provides the final Enterprise Zone approval.
3. Once approved, the Company may begin construction. Upon completion, the a report certifying the total investment will be needed. Over the following year, the Wayne County Auditor will reassess the property. Any increase in property value will be abated up to the agreed percentage of the investment.
4. Enterprise Zone agreements are reviewed for performance annually. The Company must submit performance reports on payroll and hiring to the City of Wooster by March 1st of each year of the agreement. This report is reviewed by the Wooster Tax Incentive Review Board which recommends to City Council on whether or not to Continue, Terminate, or Modify agreements based on performance.

Why We Want You To Know About Our Enterprise Zone:

The Enterprise Zone program has enabled businesses to expand or rehabilitate facilities while also providing opportunities for new companies seeking to establish a home within the region. This program not only offers a great opportunity for businesses leveraging investments, but also helps our community be enabling quality of infrastructure improvements and encouraging job creation.

***Offering A Savings of Up to
\$198,000 over 10 years for
each \$1,000,000 invested.***

Your Key Contacts:

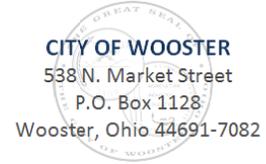
Jonathan Millea, AICP – Wooster Development Coordinator: P – 330.263.5250 E – Jmillea@woosteroh.com
Shawn Starlin – Wayne Economic Development Council: P – 859.421.0686 E – SStarlin@waynecountyedc.com



Robert F. Breneman, Mayor

City of Wooster Enterprise Zone PROGRAM POLICY

Provided by Ordinance No. 2007-4



INTRODUCTION

In an effort to spur the City's industrial growth, the City of Wooster has been designated an Enterprise Zone pursuant to state law. Therefore, special tax incentives may be offered by contract to businesses who agree to invest in capital improvements and/or create and/or retain jobs. Tax incentives will be offered provided program guidelines are met and a substantial investment is made. Jobs must be either created or retained. Each contract with a business within the Zone relating to jobs, investment and tax incentives must be submitted to Wooster City Council for its approval.

PURPOSE

The purpose of the Enterprise Zone is to encourage investment and job creation or retention within the boundaries of the Enterprise Zone. Each contract negotiated with a local business shall be designed to spur capital investment while creating or retaining jobs. In return, the City will agree to provide the minimum amount of tax incentives possible under the circumstances of each transaction.

ELIGIBLE BUSINESSES

Only those businesses that are "qualified by financial responsibility and business experience to create and preserve employee opportunities in the Zone and to improve the economic climate of the municipal corporation ... "(Section 5709.63(A) O.R.C.) may apply for tax incentives available. Furthermore, only businesses engaged in - manufacturing, warehousing, research and development, or distribution, or businesses organized as not-for-profit corporations will be eligible to apply for the tax incentives.

MINIMUM ASSISTANCE

In order to minimize the loss of new tax revenues, only the minimum abatement possible to bring about the investment will be offered.

NO RETROACTIVITY

The tax incentives available will only be offered when absolutely necessary to bring about the investment. No incentives will be made available for any investment in land, building and/or equipment which occurred prior to final approval of the application. In order to qualify to receive the tax incentives, the investment must take place subsequent to approval by the City of Wooster. Any business interested in receiving the tax incentives must show that the incentives requested are essential to cause the investment and, if not for the available tax incentives, the investment would not have been made.

DEGREE OF INVESTMENT REQUIRED

Only businesses that agree to make a substantial investment in either real property and/or personal property shall be eligible to receive the benefits available under the program. The amount of investment needed to qualify as a substantial investment shall depend on the facts and circumstances of each applying business. As a general guideline, a substantial investment in real property shall exist whenever the following conditions apply:

1. When new construction is involved, a building or addition of at least 10,000 sq. ft. in size or \$250,000.00 in construction costs is proposed; or

2. When renovation or remodeling of an existing structure is involved, the amount of the proposed real property investment must equal or exceed 50% of the market value of the existing improvements located on the parcel. The market value, not including land value, will be determined by the Wayne County tax records; or
3. When expansion of a facility is contemplated, an investment of 10% of existing market value of the present facility normally must be made in the addition of building, equipment or other materials, except inventory.

SUBSTANTIAL IMPACT ON JOBS

Any business applying for the incentives available, in addition to the other requirements herein, must agree by contract that their project will have a substantial positive impact on job opportunities or retention at the site location. New businesses must agree to employ at least 10 full-time persons as a result of the investment in order to qualify as having a substantial impact on jobs. The interested parties will supply a business plan demonstrating their ability to have an impact on the local economy.

PENALTY

Failure to fulfill the requirement of substantial positive impact during the abatement period and for one additional year for each year of abatement may cause all tax abatements received by the organization to be owed and payable to the City of Wooster upon demand. Upon receipt of these penalty payments the City shall cause distribution of said moneys to the other affected taxing districts in their prorated share.

OTHER REQUIREMENTS

In addition to the guidelines set forth herein, any business applying must comply with all other applicable local, county and state regulations pertaining to the Enterprise Zone Program. Applicants must submit all information and payments required by the City of Wooster and or the State of Ohio.

PRINCIPALS ONLY

Only individuals who are principally involved as an owner or manager or authorized representative of a business interested in the Enterprise Zone tax incentives may negotiate with City officials regarding the specific incentives available under the terms of any investment agreement.

TAX INCENTIVE REVIEW COUNCIL

The Tax Incentive Review Council shall annually review all Enterprise Zone Agreements to determine compliance. The TIRC shall make a written report on each agreement with a recommendation to continue, to discontinue, or to amend the agreements. City Council shall adopt a resolution affirming, rejecting, or amending the recommendations of the TIRC.

CITY TO NEGOTIATE AGREEMENTS

The Wooster City Council has authorized the Mayor to apply to the Ohio Department of Development for the designation of the City of Wooster Enterprise Zone. It has delegated to the Wooster Growth Corporation, as the city's agent for economic development, the authority to negotiate and administer tax incentive agreements with businesses located therein. Interested parties should contact and negotiate with the Wooster Growth Corp, which will negotiate for the city and forward a completed application including a recommendation to City Council. Before abatement is granted, the local school district shall be invited to comment on the effect such action will have on school enrollment and financing.

EXPEDITED AGREEMENTS

The Wooster City Council commits to expedite applications by waiving the three reading rule (Charter Section 2.10) in the following situations:

- A. The proposed Enterprise Zone Agreement does not seek an abatement in excess of seventy-five percent (75%) nor a term in excess of ten (10) years; and
- B. The agreement has been recommended by Wooster Growth Corporation as having a positive impact on the City; and
- C. The business will not directly compete with the customer base of an existing business located in the City; except that this section will not apply if the applicant is an existing business located in the City seeking to expand; or the business with which the applicant would compete has previously been granted a tax abatement, in which case the abatement terms for the applicant will not exceed the prior tax abatement; and
- D. The wage rates contained in the proposed Enterprise Zone Agreement shall generally equal or exceed seventy-five percent (75%) of the highest average wage for comparable positions as shown in the latest edition of the Tri-County Wage and Benefit Survey at the time of the application; and
- E. The application contains a benefit package that includes a health benefit plan.
- F. If the Tri-County Wage and Benefit survey is older than three years at the time of application, or the Tri-County Wage and Benefit survey does not address proposed positions, another reputable source of wage rates may be used to demonstrate that the proposed wages equal or exceed 75% of the highest average wages in the area for the particular position(s).

CONTINUING OBLIGATION

During the term of any approved agreement, the business involved must continue to cooperate with city officials by providing any information necessary to ensure compliance with the terms of the tax incentive agreement.

Adopted by Wooster City Council, Ord. 1989-24

Amended by Wooster City Council, Ord. 1994-6

Amended by Wooster City Council, Ord. 1999-9