



**Development Coordination**  
**Concluding 2018 Annual Report**  
**Department of Community Service and Development**  
*City of Wooster*

*Provided by:*  
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## EXECUTIVE SUMMARY

### *Creating Opportunities for Prosperity for Wooster Residents, Businesses & Start-Ups in 2018*

Development is responsible for supporting **Economic and Community Development** under the direction of the Administration. Development pursues various grants to support City infrastructure projects to improve the quality of life for residents and to aid in job creation. The department also manages local tax incentive programs to encourage development. The Division performs a variety of real estate and business analyses to support City affairs and to aid in business growth. Development also performs Project Management for the City’s community improvement corporation, Wooster Growth. Among the programs managed, highlights from 2018 include:

### *Welcoming New Business*



**RBB Systems Inc.** Completed its expansion to Wooster, Wooster to underutilized 1909 Old Mansfield Road (newly acquired and rehabilitated by Baker Enterprises – Mt. Vernon LLC), with assistance from Development, Wooster Growth, and WEDC. **Represents 77 new jobs (52 existing) with \$3,375,000 payroll within 36 months.** Support: Real Estate Transaction, Leasehold improvements grant coupled with JobsOhio Economic Grant

### *2018 RECOGNITION:*



*#5 Wooster McSA in United States*

### *Funding:*

**\$962,500**  
**CHIP GRANT**

Development was the lead in an effort to secure a historic **\$962,500 Community Housing Impact and Preservation** grant covering the repair of ~20 homes in Wooster and also ~22 in Wayne County, prepared on behalf of the Wayne Partnership with Wayne Metropolitan Housing Authority.



**The City of Wooster, Wayne County, & City of Orrville CHIP Partnership**  
With Wayne Metropolitan Housing Authority

1. Development also provided support for a Safe Routes to School Project in 2018 for a 2018 pursuit.
2. Development managed a \$192,500 CDBG Targets of Opportunity Grant through 2018.

## Development by the Numbers

### Enterprise Zone

**One** new agreement action  
*1 Proposed*

**12** Active EZ Agreements managed in 2018

**\$172,870,419** in property investment

**2,312** jobs created / retained.

**\$193,504,826** in payroll

### Community Reinvestment Area

**Five** CRA agreement actions  
*Amendments / Updates 5 Existing*

**32** Active CRA Agreements managed through  
2018 with an impact of:

**\$31,988,406** in property investment

**337** jobs created / retained.

**\$4,047,245** in payroll

### Community Development

**Twelve** Private Business Consultations

**57** Fair Housing Inquiries, five out-reaches, and  
36 mailings processed.

**Four** Real Estate Site Studies / Reports

**Four** Biz-Connects

**Five** Community Development Consultations

### Managed Reporting for

629 Loan (Schaeffler Way)  
Job Ready Sites Grant (Secrest)  
Five Local Job Creation Tax Credits (L-JCTC)  
CDBG Economic Grant (Daisy Brand)  
CDBG Critical Infrastructure Grant  
\$755,000 North Street & Liberty Signaling System  
Housing Advisory Committee (CHIP)  
2018 CDBG Allocation Grant

## Wooster's American Community Survey

*Annual Census updated conducted by the US Census Bureau*

**26,618** People

*A 1.7% increase over 2010 vs. 0.7% Statewide*

**2,152** registered firms<sup>1</sup>

**59.8%** in labor force<sup>1</sup>

**\$1,406,265,000** in manufacturing shipments<sup>1</sup>

**\$597,894,000** in retail sales<sup>1</sup>

**\$303,983,000** in healthcare spending<sup>1</sup>

**\$43,946** median household income

**18.5%** in poverty (-4%<sup>2</sup>) vs. 14.6% Statewide<sup>2</sup>

**43%** Low-to-Moderate Income<sup>2</sup>

**90.2%** high school graduate  
*Versus 89.5% Statewide*

**28.0%** Bachelor's degree or higher  
*Versus 26.7% Statewide*

1. 2012 Economic Census, latest figure available

2. Versus previous year.

2. While these numbers demonstrate challenges within our local economy, Wooster's household size, education, and age should be factored in considering the community's lower income and higher poverty rate. The utility infrastructure in Wooster has allowed for the development of apartment complexes that provide one-bedroom and two-bedroom affordable living opportunities for smaller families either starting out or down-sizing that are

generally not available in non-urbanized areas.

## *The Year Ahead*

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- Akron Road Industrial Park Project
- 2018 CHIP and CDBG Grant Pursuits
- Coordination on Bike Trail in Wayne County
- Grant Pursuits for Phase III of the Wooster Loop
  - Clear Creek Park Grants Coordination
- Community Reinvestment Area Boundary Analysis
- Shovel-Ready Industrial Sites Analysis and Inventory
  - Land Bank and Delinquent Properties
  - Creating New Tools for Local Entrepreneurship
- Continued Business Outreach, Consultation, and Project Management

## *Incentives Details*

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**Enterprise Zone Program (EZ)** – *Real estate tax abatement program focusing on major commercial. The City of Wooster features the 11th single most productive Enterprise Zone program out of 213 zones in Ohio. This office performed general program maintenance on 12 active Enterprise Zone Agreements, including one close-out. The active agreements generated \$172,870,419 in new real estate construction with the creation of 665 jobs with a payroll of \$48,096,843 for 2017, the latest year figures are available. Another 1,647 jobs were retained with a payroll commitment of \$147,407,983,*

- Assisted *Baker Properties - Mt. Vernon LLC* on a 10-year, 75% EZ application, which was later tabled at the request of the client.

**Community Reinvestment Area (CRA) Program** – *Real estate tax abatement program encouraging new investment in the City's historic areas and Akron Road Priority Area. The City of Wooster's CRA ranks third (tied) in the State of Ohio for total number of projects. Notably, 2018 was the first time in four years where no new applications were made to the program. This Office managed 32 active CRA agreements, processing a transfer, two modifications, and other assistance in 2018.*

- Assisted the *Wooster Republican Printing Company* with a new firm with a CRA transfer application.
- Conducted an amendment for *Brian and Tammy Polen* for their 437 E. South Street project, revising the project completion date to December 31, 2019, and to recognize Blandeau Property Management LLC as a party to the agreement.
- Conducted an amendment for *Morrison Enterprises* for its rehabilitation of the former Minglewood Ice House at 437 S. South Street, revising the project completion date to December 31, 2019.
- Conducted an amendment for *iAlexo LLC's* 2241 Benden Drive project, revising the project completion date to December 31, 2019 and increasing the project investment amount to \$510,000.
- Managed a CRA transfer with modification of *JAS LLC's* 2375 Benden Drive project to The Memmer Homes Group LLC and Gilcrest Senior Wellness and Fitness Center.

**Local Job Creation Tax Credit (L-JCTC)** – *This tax incentive program provides a credit (refund) of up to 50% of new income taxes collected from firms that receive a State of Ohio Job Creation Tax Credit and also create 25 or more new jobs as a result of an expansion project.*

- No new applications in 2018. Total of six L-JCTCs in effect in 2018.

**Community Development Block Grant Program (CDBG)** – *Grants for public infrastructure or benefit.*

The City of Wooster is eligible to compete for CDBG funds to support community development.

- Secured **\$192,500** in 2018 to assist Brian and Tammy Polen as owners of the 148 W. Liberty Street building in downtown Wooster, to assist with a historic restoration of one of Wooster's oldest buildings. Upon further architectural study later in the year, the scope changed dramatically and federal requirements rendered the grant unusable. The City has since cancelled this grant, however, the project will move forward due to Ohio Historic Preservation Tax Credits secured with assistance from this Office.
- Processed work on a previously-secured **\$379,000** grant for the replacement of five traffic signaling systems along Liberty Street and expanding medical services at VSFC.
- The City of Wooster was not eligible to apply for CDBG funding in 2018, however, this office prepared information to make funding applications in 2018.

**Assisted other Departments in Securing Additional Grants** – *Grant pursuits to aid public infrastructure.*

- Assisted with other grant requests, including Safe Routes to School in 2018, which remains on-going.
- On-going work with Ohio Department and Commerce to secure funding for industrial park expansion.

**Draft - Business Consultation** – *Responds to Requests for proposals.*

- Consulted with **six** businesses on WEDC BizConnects and individually regarding various expansion efforts.
- Coordinated with WEDC on information requests from JobsOhio on regional business inquiries.
- Provided consultations to **14** businesses, exclusive of previously described firms receiving CRA, EZ, or other incentives. While level of effort varies, Development's consultations generally concern a local business start-up, expansion, or disposition, and typically involve at least one in-person meeting or site-visit (sometimes several) and a deliverable, such as creating or providing data or assisting the business through a unique process. Development coordinates with WEDC on most consultations performed.

**Wooster Growth Corporation** – *This office provides project management to the not-for-profit corporation.*

- Responsible for arranging monthly agendas, research requested by the Board, and oversight of land holdings.
- Negotiated a new lease with *Chemviron Midwest LLC* at 2579 Long Road, Wooster, Ohio 44691.
- Negotiated the sale of *1909 Old Mansfield Road* and also a related mutual lease termination tied with State of Ohio loan performance guarantees.
- Processed a Leasehold Improvements Incentive grant to follow along with a State of Ohio grant to secure *RBB System Inc.*'s expansion into Wooster, with a commitment of bringing 77 new jobs with a payroll of \$3,375,000 within three years.
- Processing of previous incentives to *LuK USA LLC*, *Daisy Brand LLC*, and *GOJO Industries*.

**Community Development** – *This office provides project management to the not-for-profit corporation.*

- Coordinated interviews, events, and other data to secure recognitions, including *Ohio Magazine Best Hometown Award 2018 / 2018*, and *Money Magazine Top 100 Places to Live in the United States in 2018*.
- Processed **55** fair housing inquiries in 2018 in coordination with property maintenance division and partner regional agencies. The Wooster Fair Housing Program performs outreach efforts in addition to answering inquiries for prospective and current landlords, tenants seeking information on landlord-tenant resources, and complaints from current and prospective residents concerning fair housing violations.
- Completed **five** comprehensive real estate analysis reports to support various projects.
- Also provided support to the Northeast Ohio Four County Organization, Main Street Economic Development Committee, Planning and Zoning Committee, Bike Trail Committee, and WEDC Site Selection Committee.

# ***DIVISION GOALS AND OBJECTIVES***

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## **2018 Division Goals and Objectives**

- **Enhance Tools for Portfolio:** With several tools now available to market programs and guide clients through the process to attain incentives and services, additional tools are needed to strengthen certain programs, such as the Local Job Creation Tax Credit. This office is currently working to formalize documentation and processing for this growing program that has been pivotal in attracting new business to Wooster. Additionally, with new technology, certain reporting and applications will start transitioning to web-based applications in 2018.
- **Increase Community Outreach:** This remains an on-going need of the Department so that businesses are aware of options when seeking expansion and that the community has more visibility on the City’s offerings and how they relate to return on investment.
  - This Office has held additional fair housing trainings in 2016, and intends to continue doing so in 2018 with a greater emphasis on economic development as well as the development process.
- **Ongoing efforts to manage CDBG and CHIP programs:** Continue to grow the administrative capacity of the CHIP and CDBG programs to maximize opportunities for future funding. This Office will seek a CHIP application for 2018 that will fund housing rehabilitation in the City through the next few years.

## **2018 through 2021 Division Goals and Objectives**

- **Direct Community Outreach / Culture of Entrepreneurship:** Strengthen working relationships with partners to ensure better access to City’s programs. Increase number of outreach events, such as courses.
- **Continue to Identify and Pursue Development Opportunities with WEDC.** This Office partners with other agencies and entities, particularly the Wayne Economic Development Council, in identifying possibilities for future development, both in terms of responding to inquiries, and in preparing for the future. Several sites have been identified over the last year for future development. Better coordination is needed to determine funding opportunities for site development, whether pre-empting inquiries or to be ready to respond to site selectors. With much analysis complete, it will be the goal of this department to promote opportunities for action.

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## TAX INCENTIVE PROGRAMS

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This division works to coordinate the City's tax incentive programs between the City Administration, Finance, Wooster Growth, WEDC, Main Street, Chamber of Commerce, and general public. The City offers a Community Reinvestment Area (CRA), Enterprise Zone (EZ), and Job Creation Tax Credit (JCTC) for businesses relocating or expanding in the area. The incentive is meant to spur activity that would otherwise not occur, and generally results in an immediate real estate tax gains and also income tax gains. Businesses, at the same time, are encouraged to reinvest and expand within the City.

### **Community Area Reinvestment Program (CRA)**

The City of Wooster's CRA program provides property tax abatements to qualifying residential home and commercial projects within the City's historical neighborhoods and areas. Homeowners may receive 10 year (or 12 if new construction) 100 percent abatements on the improved value of their homes resulting from a project by filing a simple application. For commercial projects, prospective projects flow a similar process to the EZ Program, with the City meeting with developers on prospective projects to explain the process and provides guidance. If accepted after review by the City Administration, the Office creates a Summary Report and provides notification to applicable school districts, in addition to presenting the proposal to Wooster Growth and then the Wooster City Council. Commercial projects are usually limited to a 50 percent abatement for 10 years (or 12 years if there is new construction), but may be higher with an approving vote by the primary school district, a process which takes approximately 90 days. CRA typically runs south of Akron Road and Bowman Street, with a few exceptions. Through 2018, this Division managed 31 active CRA agreements.

The City had **32 active Commercial CRA agreements** in place in 2018, along with **21 active Residential CRA abatements**. Coordinating with the Finance Director and Wayne County Auditor, the Development Coordinator is responsible to completing annual status reports and working with the Ohio Development Services Agency. The City accepted **one new Commercial CRA applications** in 2018, while another application was denied, offering authorization for a fifth agreement that remains pending. The City also accepted and processed **three Commercial CRA transfer requests** (which require an application and Council approval).

The CRA continues to perform well in terms of investment and job creation, and ranks 3rd in the State of Ohio in 2018 for total number of projects. Unusually, 2018 was the first year since 2009 to not receive a commercial CRA application (though this office is currently working with two applicants as of 2/2019.) At the same time, however, there was a normal level of activity with updates for five existing agreements which required coordination with the school districts, Wooster City Council or City Administration, and the State of Ohio.



The Wooster Republican Printing Company sought the City's assistance in transferring its real estate tax abatement to a new property owner. The new owner, however, desired to forgo the abatement, but visibly met the basic employee retention commitment. The City notified the Wayne County Auditor that the project was out of agreement on March 19, 2018, cancelling \$13,000 in remaining tax incentives. This allowed the community to collect \$13,000 additional taxes from what would have otherwise been abated and to acknowledge the Wooster Republican Printing Company's investment without losing its ability to seek financial recourse in the unlikely event the new owner failed to continue meeting job commitments.

Brian and Tammy Polen were provided with an administrative amendment to their CRA abatement covering the Faber Building project at 148 W. Liberty Street, extending the project completion date for December 31, 2018, and to recognize their wholly-owned Blandeau Property Management LLC as a party to the agreement. The historic restoration project required complex architectural review and specialized work that prolonged the schedule. Vertical Runner held its grand opening on January 26, 2019.





As was originally planned with its initial application, Morrison Enterprises received an administrative amendment to allow it additional time, until December 31, 2019, to complete its rehabilitation of the former Minglewood Ice House at 437 S. South Street. The project, covering one of downtown's oldest and tallest structures, required complex engineering and tedious planning, and was always expected to require an extension.

iAlexo LLC was granted an administrative amendment to its CRA agreement pertaining to 2241 Benden Drive project, revising the project completion date to December 31, 2019 and increasing the project investment amount to \$510,000.



The Memmer Homes Group LLC and Gilcrest Senior Wellness and Fitness Center Inc. were granted permission to attain a CRA from JAS LLC for the now-completed 2375 Benden Drive project. The Memmer Homes Group LLC came to own the building and funded the renovation, while the Gilcrest Senior Wellness and Fitness Center (whose owners were affiliated with JAS LLC) employed 14 people at the site.

2017 Tax Incentive Review Report (meeting in 2018), offering the most recent data available, noted that existing CRA agreements had resulted in **\$31,988,406** (up 9% from the year prior) in new property improvements while creating **228 jobs** (up 15% from the previous year) and retaining **130 jobs** (up 52% from the previous year, factoring out non-reporting agreements), primarily within Downtown Wooster. The City collected **\$127,036** in income tax related to CRA-created jobs in 2017, in addition to **\$60,708** from retained jobs. Not calculated are qualitative impacts of rising property taxes from neighboring properties resulting in a higher grade for certain areas. While some firms lost employment, the most gained jobs.

<b>Community Reinvestment Area Agreements</b>	<b>Jobs Created / Retained (2015)</b>	<b>Amount Invested</b>	<b>2018 TIRC Status</b>
<b><i>New In 2018:</i></b>			
None			
<b><i>On-going Agreements:</i></b>			
17-001 iAlexo LLC (Rehabilitation)*	0 / 23	\$300,000*	Continue
16-004 Planet Fitness (Rehabilitation)	17 / 0	\$1,150,000*	Continue
16-003 Brian Polen, Tammy Polen (Rehabilitation)*	0 / 3	\$700,000*	Continue
16-002 North Pole Holdings LLC (Rehabilitation)	6 / 6	\$250,000*	Continue
16-001 JAS LLC (Rehabilitation)*	14 / 0	\$612,950*	Continue
15-001 Liberty Street Partners Ltd (Rehabilitation)	0 / 0	\$350,000	Continue
15-002 Morrison Enterprises LLC (Rehabilitation)*	4 / 11	\$500,000	Continue
14-003 Echo Kole LLC (Rehabilitation)	3.5 / 18.5	\$700,000	Continue
14-002 Wootown Properties LLC (Rehabilitation)	0 / 0	\$150,000	Continue
14-001 C & C Wellert Properties (Rehabilitation)	0.5 / 2	\$82,725	Continue
13-003 Xcess Limited LLC	17 / 0	\$200,000	Continue
13-002 Palm House Apartments II, LLC	16 / 14	\$4,289,814	Continue
13-001 Condor Pacific Properties	0 / 2	\$1,620,000	Continue
12-004 TAJ Investments (Formerly G&G Properties of Ohio)	4 / 7	\$ -	Continue
12-003 S & D Realty, LLC	3 / 2	\$255,000	Continue
12-002 Just Basic Sports, Inc. and Retail Rentals LLC	- / -	\$337,646	Terminated
12-001 Brasfond USA Corp.	- / -	\$ -	Continue
11-001 CM Properties-Wooster LLC	0 / 2	\$503,000	Continue
10-002 Merchants Block LLC	0 / 10	\$ -	Continue
10-001 Coyote Group LLC	11 / 0	\$265,000	Continue
07-006 MRR Properties	0 / 0	\$96,840	Continue
07-005 Gentry Estates (Formerly S Properties LLC)	2 / 0	\$320,000	Continue

**CONTINUED ON FOLLOWING PAGE**

<b>CONTINUED: Community Reinvestment Area Agreements</b>	<b>Jobs Created / Retained (2015)</b>	<b>Amount Invested</b>	<b>2018 TIRC Status</b>
07-004 Liberty Market Properties	35 / 0	\$842,700	Continue
07-003 Coyote Group LLC	2 / 0	\$337,000	Continue
07-002 CCM Real Estate LLC	2 / 0	\$430,000	Continue
07-001 544 LLC – Recommended	15 / 5	\$1,290,000	Continue
06-005 Gold Star Holdings, LLC	13 / 0	\$521,500	Continue
06-004 Coyote Group LLC	1 / 0	\$415,000	Continue
06-003 HAYNN Construction Inc.	3 / 1	\$118,250	Continue
06-002 Liberty Market Properties LLC	25 / 0	\$1,355,000	Continue
06-001 Michael R. Rose	22.5 / 0	\$224,200	Continue
05-001 Wooster Republican Printing Company*	No Data	\$1,900,666	Continue
<b>TOTAL INVESTMENT IMPACT:</b>	<b>221 / 111</b>	<b>\$28,259,409</b>	

Residential CRA Program:

Three new Residential CRA applications (one new construction, two rehabilitation) were submitted in 2018, representing \$148,188 in new investment. Interest in the program has picked up slightly, but remains anemic.

Program Marketing:

The program continues to be promoted with help through Main Street Wooster and the Chamber of Commerce. Information about the program is also passed along by the Property Maintenance Division.

CRA Housing Council:

This Office conducts an annual visual inspection of all CRA properties each year for review by the CRA Housing Council, as required for program compliance. CRA Housing Council members are appointed for a two-year term.

Enterprise Zone Program

The City had **12 active EZ agreements**<sup>1</sup> in 2018. While this office worked with one firm in preparing an application, 2018 was the first year since 2011 in which no applications were formally submitted, however, private sector partners continued to invest heavily in capital and real estate resulting from active agreements. The City’s largest Enterprise Zone agreement by investment, Daisy Brand LLC’s facility expansion, remained under construction during the year, while another major business expansion (Schaeffler, who maintains three agreements today) moved forward without assistance.

The City of Wooster’s Enterprise Zone program, the 11th most productive in the State of Ohio by number of projects, allows for negotiated property tax abatements of up to 75 percent for ten years on the improved value of a new or expanded facility in return for the creation or retention of at least 10 positions. Applications must be administratively approved before being provided to applicable school districts for comment and or approval. Wooster Growth also votes on providing a recommendation to Wooster City Council, which is ultimately responsible for approving applications. The zone encompasses all of Wooster’s 2004 Corporation limits. Areas annexed following 2004 are also eligible for an Enterprise Zone, but the incentive is provided through a separate Enterprise Zone managed by the Wayne County government (approval is required from the Wayne County Commissioners following authorization by Wooster City Council.) All abatements are reviewed annually by a local Tax Incentive Review Council.

Other Key Enterprise Zone actions included:

**Application Submission:** This office assisted Baker Properties, Mt Venon, Ltd in preparing an application for an industrial project that was later tabled. Efforts continue to develop the proposed site.

**Abatement Periods Ended:** Bosch Rexroth Corporation and Chesterland Estates (Agreement 07-01), reached the end of its abatement period effective December 31, 2018. The property is now assessed at 100 percent its actual value starting in 2019 (due payable in 2020), adding \$33,834 to local tax property tax rolls. The firms will not be required to file an annual report in 2019 as no abatement was provided, however, the companies remain obligated to retaining their operations at the location 2027 or risk penalties up to a claw-back of taxes saved.

<sup>1</sup> Number includes 389-05-01 Tekfor, which requested termination from the program in 2009, nor 389-04-01, which is out of agreement. Additionally, agreement 389-05-01’s incentives expired on 1 Jan. 2016.

<b>Enterprise Zone Agreements</b>	<b>Jobs Created / Retained (2018)</b>	<b>Amount Invested</b>	<b>2016 TIRC Status</b>
<i>New In 2018:</i>			
N/A	0/0	\$0	N/A
<i>On-going Agreements:</i>			
115C-17-01 Daisy Brand LLC* (Wayne County EZ)	59/81	\$140,000,000	Continue (75%)
389-16-01 LuK USA LLC	0 / 1,859	\$60,000,000	Continue (75%)
389-15-01 LuK USA LLC	0 / 1,759	\$3,500,000	Continue (75%)
389-15-02 Wooster Growth / Tekfor USA	0 / 224	\$1,750,000	Continue (75%)
389-13-02 Certified Angus Beef LLC	24 / 78	\$1,100,000	Continue (75%)
389-13-01 Daisy Brand LLC	0 / 0	See 115C-14-01	Continue (75%)
115C-14-01 Daisy Brand LLC* (Wayne County EZ)	89 / 0	\$125,429,660	Continue (75%)
389-13-02 McConnel Wooster Properties dba Bauer Corp.	0 / 30	\$2,500,000*	Continue (75%)
389-13-01 LuK USA LLC	1,133 / 539	\$12,626,342	Continue (75%)
389-12-02 ABS Materials	No Data	\$2,447,433	Terminating
389-12-01 Seaman Corporation	13 / 141	\$2,533,740	Continue (50%)
389-08-01 Technographics Inc. ET. AL.	No Data	\$6,200,000	Continue (0%)
389-07-01 Bosch Rexroth Corp.& Chesterland Estates	3 / 39	\$1,845,421	Continue (75%)
<b>TOTAL INVESTMENT IMPACT:</b>	<b>126 / 2,186</b>	<b>\$384,274,654</b>	

While there were no new applications, the latest figures from the 2017 TIRC show a historic investment of **\$52,214,269** was poured into real estate construction attributable to the Enterprise Zone Program, with another **\$15,714,538** invested in equipment, most notably driven by massive expansions at Schaeffler and at Daisy Brand. Among active agreements, total program created and retained jobs rose 5.5% from 2,323 to 2,450.

### Local Job Creation Tax Credit

The Local Job Creation Tax Credit (Local JCTC) is processed by the Finance Director (Andrei Dordea, 2018). This Office provides supporting information to interested companies, including providing City representation for prospective projects at the State of Ohio's Tax Credit Authority. Obtaining a State Job Creation Tax Credit (State JCTC) is a pre-requisite for receiving a Local JCTC. The Local JCTC credits up to 50 percent of income tax revenues received from qualified new employment at a term of five years, or longer if in order to match a State JCTC. The City of Wooster works closely with WEDC when considering these types of incentives, which are reserved for firms hiring 25 or more persons within a three-year period.

No new applications were made in 2018, while Westerman completed its L-JCTC period at the end of the year. At present, the City has six active Job Creation Tax Credits<sup>2</sup> with the following firms:

<b>Active Local Job Creation Tax Credits</b>	<b>Percentage and Term</b>	<b>Credit Expiration</b>
Daisy Brand LLC	50%, 8 Years	2024
LuK USA LLC (2016)	50%, 5 Years	2021
GOJO Industries	50%, 6 Years	2021
LuK USA LLC (2015)	50%, 5 Years	2020
Artiflex Manufacturing LLC	50%, 5 Years	2019
Daisy Brand LLC	50%, 5 Years	2019
Westerman <sup>3</sup>	35%, 7 Years	2018

<sup>2</sup> Additional firms have received State of Ohio Job Creation Tax Credits, but have not elected to secure a Local Job Creation Tax Credit. As of 2016, the Local JCTC requires a higher level of employment (25 jobs) than required for a State JCTC (10 jobs). A local JCTC will match the terms of a State JCTC, with exception to a 50 percent maximum level of income tax credit per any year.

<sup>3</sup> Please note, certain agreements offer variable rates throughout the duration of the prescribed term.

## ***DOWNTOWN AND COMMUNITY DEVELOPMENT SUPPORT***

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This Division works to support multiple downtown and community development efforts through managing the City's Community Development Block Grant (CDBG) program, overseeing the Community Housing Impact and Preservation (CHIP) program, the Fair Housing program, and several other projects as needed to assist other Divisions and partnering agencies with economically-linked or quality-of-life projects. Main Street Wooster, the Wayne Metropolitan Housing Authority, Wayne County Commissioners, the Ohio Development Services Agency, the Chamber of Commerce, and the Ohio Department of Transportation are vital partners.

### **Community Development Block Grant Program**

The City of Wooster expended \$390,500 in CDBG funding in 2018 through two allocation (critical infrastructure) community development block grants (CDBG). Currently, one awarded grant is open for 2018.

The City of Wooster previously earned the status of an entitlement city through the Ohio Development Services Agency's (ODSA) Small Cities Program. Each year, the City is permitted to apply for uncompetitive funding (Up to **\$79,000** in 2016) for qualifying public improvements and/or programs dedicated to assisting low-to-moderate income neighborhoods, such as sidewalks, roadwork, housing revitalization, and community amenities. The program also qualifies the City to apply for competitive grants, often amounting up to \$300,000 for similar projects, such as a Targets of Opportunity Grant to assist private property owners in rehabilitating downtown buildings or the Critical Infrastructure Grant which funds up to 50% of a major public project, two grants that this office successfully pursued in 2016.

For 2016, the City applied for and secured a \$79,000 Allocation Grant coupled with a competitive<sup>4</sup> 50-percent matching Grant of up to \$300,000 for the Liberty Street Signalization Project. The project would replace two traffic poles at the Liberty/Bever, Liberty/Buckeye, Liberty/Market, Liberty/Grant, and Liberty/Columbus intersections. This work follows the previous North Street Signalization Project from a year prior, which targeted four intersections. The City also has approval to utilize \$5,016 in the City's Economic Revolving Loan Fund for the project. The project will also install new pedestrian crosswalk signals, which have never been available at four of the five intersections. The project represents a significant safety enhancement.

### **Active CDBG Grants in 2018**

	<b>Amount</b>	<b>Status (As of 1/2019)</b>
A-E-13-2EQ-1 Economic Grant – Daisy Sanitary Sewer	\$500,000	Completed / Close-Out <b>2019</b>
A-F-15-2EQ-1 Allocation & Critical Infrastructure – Signals	\$377,000	Completed / Close-Out 2018
A-D-16-2EQ-1 Targets of Opportunity – 148 W. Liberty St.	\$192,500	Secured / Cancelled 2018
A-F-16-2EQ-1 Allocation & Critical Infrastructure – Signals	\$379,000	Completed / Close-Out <b>2019</b>
A-F-18-2EQ-1 Allocation – South Street Parking Lot	\$150,000	Secured / <b>2019 Construction</b>

### **A-E-13-2EQ-1 Economic Grant: \$500,000 – Completed (Reporting through 2019)**

The City of Wooster is working to complete the close-out of its first CDBG Economic Grant, which funded \$500,000 of the approximate \$740,000 cost of extending water and sewer service to a new food processing plant owned by Daisy Brand. This office coordinated with Engineering and Daisy Brand on status reports and project close-out. Funds were completely expended by the end of 2015. In return for the \$500,000 in funds, Daisy Brand LLC committed to creating 89 jobs, including 47 to be made available to low and moderate-income (LMI) persons. By the end of 2018, Daisy Brand had created 148 jobs, hired 43 LMI persons, and over half of the positions had been made available for LMI.

### **A-F-16-2EQ-1 Allocation and Critical Infrastructure Grants: \$379,000 – Completed and Closed**

Continuing the work performed on the North Street Corridor, the City applied again and secured a \$300,000 critical infrastructure in combination with its \$79,000 allocation grant to fund the replacement of five traffic control systems along Liberty Street, downtown's main thoroughfare with over 8,000 vehicles daily. This project installed crosswalk signals across four major downtown intersections for the first time and also supported the Viola Startzman Free Clinic with an \$11,800 grant for expanding medical services to LMI persons in 2016.

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<sup>4</sup> Approximately 50 percent of Critical Infrastructure Competitive projects were funded in 2015.

**2016 CDBG Targets of Opportunity Grant Application:** \$192,500 – Awarded / Cancelled

This office secured an agreement in 2018 for a \$192,500 Targets of Opportunity Grant to assist Brian and Tammy Polen with the reconstruction of the Faber Building. The grant was returned to the State due to its excessive compliance costs and project moved forward with a revised scope, work has been scheduled on the building starting in February of 2018, being aided with Wayne County's first-ever Ohio Historic Preservation Tax Credit, which Development assisted the owners in obtaining. Vertical Runner, the business anchor, celebrated its grand opening on January 26, 2018.

**2018 CDBG Allocation Grant Application:** \$150,000

This project will support the creation of the South Street Parking Lot in the East Liberty Street Neighborhood to assist with a proposed mixed-use development. This project also supports the Viola Startzman Free Clinic.

**2018 CDBG Critical Infrastructure Grant Application:** \$300,000 – Applied / Not Awarded

This office applied for a \$300,000 Critical Infrastructure Grant to assist with replacement of signals along the South Street Corridor. South Street contains four of six remaining signals within the City in need of replacement. The grant authority did not find the project to be critical in nature and advised it was no longer funding such projects.

**2018 Community Housing Impact and Preservation (CHIP) Program**

Development is responsible for the City's CHIP Program, which works to procure federal funds to rehabilitate older housing stock to create long-term housing opportunities for low-to-moderate income families. CHIP has saved over three hundred homes in Wooster throughout its near-30 year history. In addition to ensuring residents in need are able to safely continue living in their homes and stay off most costly and indefinite public assistance, the program has also brought value into neighborhoods suffering blight, improving safety and finances for the community as a whole.

As the grant lead of the 2018 City of Wooster, Wayne County, and City of Orrville CHIP Partnership, Development coordinated a new competitive grant application for 2018, securing **\$962,500** for the County, with WMHA providing extensive support. **\$400,000** in funding has been dedicated to the City of Wooster to repair a minimum of **20 homes**, in addition to \$109,000 in administrative services to be spent within city limits.

The programs funded through 2018 and going into 2019 include:

1. **Homeownership Grant-Mortgage:** An 85% forgivable mortgage granted to first-time homebuyers.
2. **Repair Assistance Grant:** A grant to assist needy families with emergency repairs to their homes.
3. **Private Rehabilitation Grant-Mortgage:** An 85% forgivable mortgage to assist needy families in fully rehabilitating an older deteriorated home to modern standards.
4. **Rental Rehabilitation Grant-Mortgage:** A grant offering up to 75% of total project costs to landlords who upgrade deteriorated rental units to modern standards with a commitment to rent the unit to low-to- moderate income families for at least ten years.

The application, filed by the City of Wooster, ranked 10th place out of 40 applications, the highest ranking our region has attained in recent memory. The top 30 applications were funded.

Development assists with reporting, marketing the program, coordinating special events, interfacing with state program officials, processing certain files, managing financial reconciliations, and assisting the CHIP Administrator from time to time with special projects. Day-to-day operations, which include qualifying clients, performing inspections, writing specifications, managing projects, and working directly with applicants, have been contracted out to Wayne Metropolitan Housing Authority (WMHA) since 1994. The CHIP Partnership was originally established in 2014, when the Ohio Development Services Agency, which administers CHIP, encouraged adjacent jurisdictions to partner to make the program more efficient. The City of Orrville joined the Partnership in 2018 for its most recent application.

**Fair Housing Coordination**

This Office manages Fair Housing concerns for the City, which provides Fair Housing education services, community outreach, and fair housing referrals to those in need. The Fair Housing Program is a requirement for CDBG funding, and also provides a primary source for property maintenance complaints, which are forwarded to the Zoning Inspector.

The City maintains a Fair Housing Hotline (Contact: 330.263.5200 Ext. 300) and regularly updates its website (located: [www.woosteroh.com/Fair-Housing](http://www.woosteroh.com/Fair-Housing)) with fair housing information to ensure resources are easily accessible. **A total of 57 calls and/or visits were fielded by this office in 2018, a roughly similar volume to 2017.** A sizeable portion of calls were from outside of the City of Wooster and generally concerned property maintenance. (This occurs in part because the Wayne County Health Department and also Building Departments generally do not enforce property maintenance issues.) Other concerns typically related to landlord tenant law. Fair housing concerns logged in 2018 concerned illegal discrimination against persons with disabilities, households with children (familial status), and race. In all instances, the program records complaints, provides referrals, and on fair housing matters will follow-up with the complainant in writing and assist in filing complaints with state agencies. The City also conducted **five** Fair Housing Outreach sessions in 2018.



## ***WOOSTER GROWTH CORPORATION***

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**DRAFT** This office provides project management for Wooster Growth Corporation efforts. Wooster Growth is the City's Community Improvement Corporation, an independent not-for-profit public entity focused on promoting economic and community development in the City of Wooster. 2018 efforts included the following:

- **Wooster Growth Agenda** compilation and meeting coordination.
- **Management of a Lease** for 2759 Long Road.
- **Close-Out of a Leasehold Improvement Reimbursement Credit for RBB Systems Inc**, completed in 2018.
- **Wooster Opportunity Loan Fund** Promotion and Maintenance of a local technology business start-up loan program.
- **Research and or/Reporting**, as assigned, including an analysis of the Community Reinvestment Area boundaries.

## ***ADDITIONAL ECONOMIC AND COMMUNITY DEVELOPMENT EFFORTS***

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**DRAFT** Continued partnering with WEDC on Incentive Proposals for prospective business pursuits, including Schaeffer expansion and other pursuits in 2016. Collaborated on several BizConnect visits with Wooster firms to continue learning the needs of the business community, and assisting businesses with problems or potential expansions.

- Assisted with the Downtown Waste Collection Program.
- Downtown Parking Permit Program transition.
- Continued to represent the City on Main Street Wooster Inc.'s Economic Development Committee, NEFCO (as an Alternate), NEFCO CEDs, and the Ohio Development Services Agency's Technical Advisory Committee (concerning CDBG and CHIP statewide policies).
- Assisted Downtown Business Owners with various requests, including information or assistance with parking arrangements, liquor permits and the revitalization district, networking, and program updates.