

## Chapter191

### Macedonia occupancy and job creation program

#### 191.01 Purpose.

The Macedonia Occupancy and Job Creation Program is designed to attract new for profit businesses to the City or to expand existing for profit businesses already located in the City. A monetary discretionary grant is available if the business meets and maintains eligibility requirements and if the business will be or is located on light industrial or commercial property. The move into the City or the expansion of the existing business must result in new jobs. The available discretionary grant is in the form of an annual payment made to the business by the City from the City's non-tax revenues equal to the portion of the income tax paid as a result of the new jobs created. This will be a one-time program for businesses whether they are new or existing.

#### 191.02 Eligibility.

##### (a) New Business.

- A for profit business moving into the City and being located on light industrial or commercial property is eligible for an annual grant payment under the following conditions and terms:
  1. The business will employ at least ten (10) full-time employees (or equivalent based on 2080 hours per FTE) in the City that will result in at least \$350,000 in annual payroll excluding benefits within a three year period.
  2. The business is not applying for Enterprise Zone tax incentives.
  3. The business agrees to maintain the agreed upon number of jobs brought into the City and maintain the agreed upon payroll for the term of the Program Grant. In the event the agreed payroll is reduced, the Agreement may be terminated by the City or in the alternative, the credit will be reduced

proportionately at the discretion of the City. Failure of the business to maintain the agreed upon payroll and jobs two years in a row will result in termination of the Agreement.

4. The business agrees to comply with all laws and ordinances of the City of Macedonia.
5. The business is not delinquent in payment of taxes to the State of Ohio or any political subdivision.
6. A Macedonia Occupancy and Job Creation Program Agreement must be offered by the City prior to the business moving to the City.

**(b) Current Macedonia Business.**

A for profit business currently located in the City on light industrial or commercial property is eligible for a one time annual grant payment under the following conditions and terms:

1. The business will create at least five (5) new full-time jobs (or equivalent based on 2080 hours per FTE) in the City that will result in at least \$175,000 in annual payroll excluding benefits within a three year period.
2. The business is not applying for Enterprise Zone tax incentives.
3. The business agrees to maintain the agreed upon number of new jobs brought and maintain the agreed upon payroll for the term of the Program Grant. In the event the agreed payroll is reduced, the Agreement may be terminated by the City or in the alternative, the credit will be reduced proportionately at the discretion of the City. Failure of the business to maintain the agreed upon payroll and new jobs two years in a row will result in termination of the Agreement.
4. The business agrees to comply with all laws and ordinances of the City of Macedonia.
5. The business is not delinquent in payment of taxes to the State of Ohio or any political subdivision.
6. A Macedonia Occupancy and Job Creation Program Agreement must be offered by the City prior to the business expanding its employee staff in the City.

**191.03 Schedule of Grant Benefits.**

(a) A business awarded a grant is eligible to receive an annual payment up to no more than fifty percent (50%) of the total new employee payroll taxes paid to the City of Macedonia for the duration of the Program Agreement. The duration of the agreement may not exceed the lease term if the business is leasing the building or part of the building housing that business. The maximum duration of each Program Agreement is dependent upon the annual payroll as set forth in the following schedule:

<u>Total Annual Payroll</u>	<u>Duration (not to exceed)</u>
\$175,000 to \$500,000	3 years
\$500,001 to \$750,000	4 years
\$750,001 to \$1 million	5 years
\$1,000,001 to \$2 million	6 years
\$2,000,001 to \$3 million	7 years
\$3,000,001 to \$4 million	8 years
\$4,000,001 to \$5 million	9 years
\$5,000,001 and over	10 years

(b) An existing business awarded a grant is eligible to receive an annual payment up to no more than fifty percent (50%) of the total new employee payroll taxes paid to the City of Macedonia for the duration of the Program Agreement. The duration of the agreement may not exceed the lease term if the business is leasing the building or part of the building housing that business. The maximum duration of each Program Agreement is dependent upon the annual payroll as set forth in the following schedule:

<u>Total Annual Payroll</u>	<u>Duration (not to exceed)</u>
\$175,000 to \$1,000,000	5 years
\$1,000,001 to \$2 million	6 years
\$2,000,001 to \$3 million	7 years
\$3,000,001 to \$4 million	8 years
\$4,000,001 to \$5 million	9 years

\$5,000,001 and over

10 years

(C) Grants may be awarded by the City on a first-served basis until the appropriated funds are depleted. Appropriations are based upon non-tax revenues authorized by City Council for the Program. Payments of grants in future years will be conditioned upon and subject to appropriations of non-tax revenues by City Council to be used for the Program grants. Individual Program Grants may not exceed Fifty Thousand Dollars (\$50,000.00) per year.

**191 .04 Application Process.**

Applications for the Program must be made to the City on forms available on request to the Mayor's Office. Completed Applications should be filed with the Mayor's Office accompanied by a filing fee of \$500.00.

Initial discussions between the Applicant or the Applicant's representative or agent and the Mayor and/or the Mayor's designee will be deemed confidential including the actual Application Form. If a tentative Agreement is reached between the parties, the Mayor will request legislation approving the Grant which shall then be submitted to Council for ratification. Once the tentative Agreement is submitted to Council, it becomes public. The tentative Agreement will be placed on the Agenda for the next Council meeting after the receipt of the legislation by the Council Clerk.

If approved, grant payments will begin the first calendar year following the addition of and hiring of the agreed upon number of new employees. Program grant payments will terminate on December 31 of the last year in which a grant amount is paid.

**191.05 Annual Reportin1:.**

Businesses awarded a Program Grant shall file with the Mayor and the Director of Finance proof of the payroll and employment required by the Program Agreement annually no later than the end of the business day of December 15 using forms available from the Mayor's Office. The annual report will be reviewed by the Mayor or Mayor's designee, the Director of Finance and the City's Tax Incentive Review Council. The Tax Incentive Review

Council will supply the Mayor with its recommendation regarding the sufficiency of each report filed. The Mayor shall then terminate Program Businesses that failed to meet the requirements of its Program Agreement or failed to file the annual report. Late filing of the annual report will be assessed a late administration fee of \$500.

**191.06 Payback Upon Default or Exitin&: the City.**

Should any Grant Program business move from the City during the term of the Agreement or otherwise fail to meet the obligations under the terms of the Agreement, the business shall reimburse the City an amount equal to the grants received. Failure to make the reimbursement to the City within 30 calendar days of moving or within 15 days of notice of default given to the business by the City will require the business to pay a 25% late fee.