

COMMUNITY REINVESTMENT AREA TAX ABATEMENT PROGRAM

Program Overview

Through City Ordinance 2018-36 and later amended by City Ordinance 2020-113 the City of Beachwood has established a Community Reinvestment Area (CRA) Tax Abatement in most commercial zoning classification areas within the City. The CRA can assist property owners with remodeling of existing structures or the construction of new structures in this CRA area for which real property exemptions may be granted.

- The percentage of the tax exemption on the increase in the assessed valuation resulting from improvements to commercial and industrial real property and the term of those exemptions shall be negotiated on a case-by-case basis in advance of construction or remodeling occurring according to the rules outlined in the ORC Section 3735.67. The results of the negotiation as approved by this Council will be set forth in writing in a Community Reinvestment Area Agreement as outlined in ORC Section 3735.671.
- Up to, and including, ten (10) years, and up to, and including, fifty percent (50%) for the remodeling of existing commercial and industrial facilities, with a minimum investment of Two Hundred Fifty Thousand Dollars (\$250,000.00) for commercial and Five Hundred Thousand Dollars (\$500,000.00) for industrial with the term and percentage of which shall be negotiated on a case-by-case basis in advance of remodeling occurring.
- See map and application on the following pages.

Any project generating a new annual payroll of one million dollars or more, requires the municipality and the board of education to negotiate a revenue sharing agreement outlining the manner and procedure of the agreed upon compensation. If no agreement is reached within six months of the finalization of the CRA Agreement, then the income tax revenues generated by the new employees will be split 50/50 between the municipality and board of education.

The affected school board(s) and joint vocational school district(s) are provided written notice of the intent of the local jurisdiction to enter into a CRA agreement. This letter may ask for the affected school board's consent if it is required.

Each CRA agreement, at a minimum requires that notice be sent to every affected school district and joint vocational school district that will be affected by the tax exemption. See ORC § 5709.83. This notice must be delivered not less than 14 calendar days prior to the date in which your jurisdiction will first consider the passage of legislation to enter into a CRA contract.

All incentives through the Office of Economic Development will have clawbacks and performance requirements and require formal legislation and approval through Beachwood City Council at a public council meeting. It is the policy of the City under its Public Records Policy to comply with the Ohio Public Records Act and therefore, all documents provided to the City of Beachwood are public records.

All of the materials associated with procuring the CRA agreement (application, notices, approvals, local legislation, and agreement) and an application fee (presently \$750) are sent within 15 days of the passage of the City's legislation to the Ohio Development Services Agency, care of the Office of Strategic Business.

Community Reinvestment Area Application

Applicants seeking real property tax incentives through the City of Beachwood Community Reinvestment Area program must submit the following form for consideration. All applicable information as requested in this form must be provided, and the applicant is responsible for the accuracy of the information submitted.

I. Applicant Information: Please provide the legal name, address and other contact information of the property owner, (hereinafter “Applicant or Company”) for this request.

- a. Applicant Name(s): _____
- b. Contact Name(s): _____
- c. Applicant Mailing Address: _____
- d. City/State/Zip: _____
- e. Email Address: _____
- f. Website Address: _____
- g. Daytime Phone #: _____ Fax: _____
- h. Federal Tax ID#: _____

II. Affiliated Company Information: If there is/are another company(ies) (hereinafter “Affiliate(s)”) that will benefit from the receipt of this economic development incentive program, please list the appropriate contact information for each company. (An Affiliate is defined as any company in which either the Applicant, or Applicant’s principals, has a financial interest.)

- a. Affiliate Name(s): _____
- b. Contact Name(s): _____
- c. Affiliate Relationship to Applicant: _____
- d. Affiliate Mailing Address: _____
- e. City/State/Zip: _____
- f. Email Address: _____
- g. Website Address: _____
- h. Daytime Phone #: _____ Fax: _____
- i. Federal Tax ID#: _____

III. Project Location: Please specify the street address of the proposed project.

Project Street Address: _____

IV. Time In Business: How long has the Company/Affiliate to benefit from the incentive program been in existence?

Years: _____ Months: _____

V. Industrial Classification: List primary 6 digit North American Industry Classification System (NAICS) Code of the company to benefit from the incentive program.

Primary NAICS: _____

Please list any other significant NAICS Code numbers:

VI. Company and Affiliate Officers/Principals: Please provide the name of all owners, principals and/or primary officers of the Company on the lines below.

- a. _____
- b. _____
- c. _____
- d. _____

VII. Business Organization: Please indicate under which type of organization your Company presently operates or the Affiliate operates (check all that apply).

- | | |
|--|--|
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Franchise |
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Joint Venture |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Start-Up |
| <input type="checkbox"/> LLC | <input type="checkbox"/> Other (specify) _____ |

VIII. Business Classification: Please describe the type of business in which the Applicant, or Affiliate to benefit from the incentive program, is involved (check all that apply).

- | | |
|--|---|
| <input type="checkbox"/> Construction | <input type="checkbox"/> Research & Development |
| <input type="checkbox"/> Manufacturing | <input type="checkbox"/> Retail |
| <input type="checkbox"/> Service | <input type="checkbox"/> Other (specify) _____ |

IX. Current Employment: For each of the categories listed below, please specify the number of employees currently employed by the Applicant, or Affiliate.

- | | |
|---------------------------|--|
| Full-time permanent _____ | Part-time temporary _____ |
| Part-time permanent _____ | Seasonal _____ |
| Full-time temporary _____ | <input type="checkbox"/> None (New Business) |

X. Total Ohio Employment: Please indicate the total number of employees employed by the Applicant in the *State of Ohio*.

Total Employment in Ohio: _____

XI. Current Payroll: For each of the categories listed below, please specify the dollar amount of payroll for the employees currently employed by the Applicant, or Affiliate.

Full-time permanent \$ _____ Part-time temporary \$ _____

Part-time permanent \$ _____ Seasonal \$ _____

Full-time temporary \$ _____ None (New Business)

XII. Projected New Employment: If granted an incentive from the City of Beachwood, for each employment category listed below, please specify the number of employees the Applicant, or Affiliate to benefit from the incentive program (*Those to be located at the Beachwood Project Site*) will create over a three-year (3) time period.

	Year 1	Year 2	Year 3
a. Full-time permanent	_____	_____	_____
b. Part-time permanent	_____	_____	_____
c. Full-time temporary	_____	_____	_____
d. Part-time temporary	_____	_____	_____
e. Seasonal	_____	_____	_____

XIII. Projected New Payroll: For each of the categories listed below, please specify the dollar amount of annual payroll for the employment to be created by the Applicant, or Affiliate to benefit from the incentive program (*Those to be located at the Beachwood Project Site*).

	Year 1	Year 2	Year 3
a. Full-time permanent	\$ _____	\$ _____	\$ _____
b. Part-time permanent	\$ _____	\$ _____	\$ _____
c. Full-time temporary	\$ _____	\$ _____	\$ _____
d. Part-time temporary	\$ _____	\$ _____	\$ _____
e. Seasonal	\$ _____	\$ _____	\$ _____
f. Total Annual Payroll	\$ _____	\$ _____	\$ _____

XIV. Uses of Funds: For each of the categories listed below, please estimate the amount to be invested by the Applicant or Affiliate to establish, expand, renovate or occupy the proposed Project Site.

a. Acquisition of Buildings	\$ _____
b. Additions/New Construction	\$ _____
c. Improvements to Existing Buildings	\$ _____
d. Machinery & Equipment	\$ _____
e. Furniture & Fixtures	\$ _____
f. Inventory	\$ _____
g. Total New Project Investment	\$ _____

XV. Project Timeline:

Project will begin _____, 20__
and be completed _____, 20__.

XVI. Relocation: Will the project involve the relocation of employment positions or assets from one Ohio location to another?

Yes No

a. If yes, state the location from which employment positions or assets will be relocated and the location to where the employment positions or assets will be located:

b. If yes, state the current employment level for each location in the state to be affected by the relocation of employment positions or assets:

c. If yes, what is the projected impact of the relocation, detailing the number and type of employee and/or assets to be relocated (*Those to be located at the Beachwood Project Site*)?

XVII. Consolidation: Will the project involve the consolidation of business operations or assets from another Ohio location?

Yes No

If yes, please itemize the location, assets, and employment positions to be transferred:

XVIII. Delinquencies:

a. Does the Applicant, or Affiliate to benefit from the incentive program, owe any delinquent taxes to the Federal Government, State of Ohio or a political subdivision?

Yes No

b. Does the Applicant, or Affiliate to benefit from the incentive program, owe any moneys to the Federal Government, State or a state agency for the administration or enforcement of any environmental laws?

Yes No

c. Does the Applicant, or Affiliate to benefit from the incentive program, owe any other moneys to the Federal Government, the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not?

Yes No

d. If yes to any of the above, please provide details of each instance including, but not limited to, the location, amounts and/or case identification numbers.

XIX. Legal Proceedings: Are there any current or pending law suits involving either the principals of or the Applicant or any Affiliate?

Yes No

If yes, provide details below, and attach any supporting documentation related to the law suits.

XX. Project Description: In the space provided below, please describe the project. This statement should focus on the ability to grow and to expand capacity. Savings, efficiencies and improvements in technology expected as a result should also be addressed. Describe new products, if any, which will result from the project. Discuss the potential for spin-off industries if this project is funded. State what the Company expects to accomplish with the overall project. This should include information on existing as well as planned products, services or business information.

XXI. Amount and Term of Real Property Tax Incentive: Please specify the amount of abatement, and the term of the real property tax incentive requested by the applicant covering the project described above.

a. Tax Incentive Amount
(the maximum shall not exceed 50%): _____ %

b. Tax Incentive Term: _____ years

XXII. Tax Incentive Justification: Please specify the applicant's reasons for requesting tax incentives (be as quantitatively specific as possible).

XXIII. Financial Information: Please provide the last three (3) years of profit and loss statements for the Company and any Affiliate.

TAX INCENTIVE APPLICATION NOTES

- a. A copy of this proposal must be forwarded by the City to the affected Board of Education along with notice of the meeting date on which the local government will review the proposal. Notice must be given a minimum of fourteen (14) days prior to the scheduled meeting to permit the Board of Education to appear and/or comment before the legislative authorities considering the request.
- b. A copy of the final City of Beachwood Community Reinvestment Area Agreement will attach this Application as Exhibit A, and must be forwarded to the Ohio Department of Taxation and the Ohio Department of Development within fifteen (15) days of final approval.

REQUIREMENTS AND CERTIFICATIONS

The undersigned, duly authorized Officers of the Applicant, hereby certify that the statements made in the foregoing application and in all attachments submitted in connection with this application are true and correct to the best information and belief of the undersigned and are submitted as a basis for determining approval of Community Reinvestment Area tax incentive request.

I/we certify that the requirements listed below will be met:

a. Submission of this application expressly authorizes the City of Beachwood to contact the Ohio Environmental Protection Agency to confirm statements contained within this application, and to review applicable confidential records. As part of this application, the applicant may also be required to directly request from the Ohio Department of Taxation, or complete a waiver form allowing the Department of Taxation, to release specific tax records to the City of Beachwood for consideration of this request.

b. The Applicant affirmatively covenants that the information contained in and submitted with this application is complete and correct and is aware of the ORC Sections 9.66(C)(1) and 2921.13(D) (1) penalties for falsification which could result in the forfeiture of all current and future economic development assistance benefits as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

c. The Applicant agrees to supply additional information upon request.

Signature: _____ Date: _____

Name & Title of Property Owner: _____
(Typed or Printed)

Submit completed application

City of Beachwood Economic Development Department
Attention: Catherine Bieterman
Economic Development Director

City of Beachwood
25325 Fairmount Boulevard
Beachwood, Ohio 44122
Phone: 216.292.1915
catherine.bieterman@beachwoodohio.com

CITY OF Beachwood

MARTIN S. HORWITZ, MAYOR

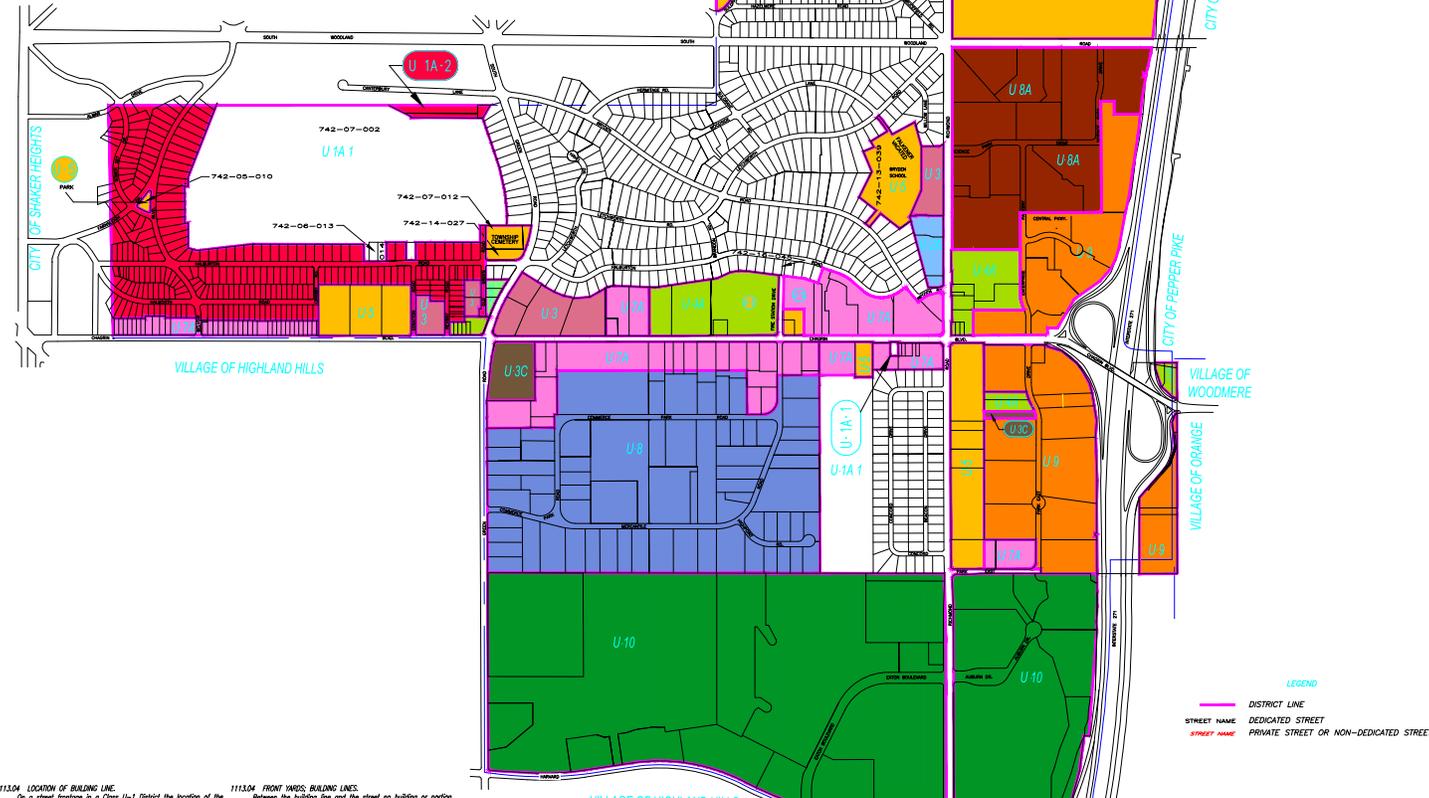
ZONING MAP

SHOWING ALL AMENDMENTS TO AND INCLUDING ORDINANCE No. 2002-187 ADOPTED BY THE COUNCIL OF THE CITY OF BEACHWOOD, OHIO

APPROVED BY THE PLANNING COMMISSION OF THE CITY OF BEACHWOOD, OHIO MAP UPDATE, OCTOBER 28, 2004.

MAP REVISED APRIL 2018

CLASS USE / AREA	DISTRICT	MINIMUM LOT AREA/ACREAGE SQ. FT.	MINIMUM LOT WIDTH FT.	MINIMUM FRONT YARD SETBACK FT.	MINIMUM SIDE YARD SETBACK FT.	MINIMUM REAR YARD SETBACK FT.	MINIMUM HEIGHT FT.	MINIMUM NUMBER OF PARKING SPACES
U 1A 1	SINGLE FAMILY	18,000	SEE NOTES ON MAP	SEE NOTES ON MAP	35	35	35	1
U 1A 2	SINGLE FAMILY	8,000	SEE NOTES ON MAP	SEE NOTES ON MAP	35	35	35	1
U 1A 3	MULTIPLE FAMILY	VARIES	75	75	25	25	2/UNT	2
U 1A 4	ATTACHED SINGLE FAMILY	10 ACRES	50	500	25	25	5/UNT	5
U 1A 5	APARTMENT HOUSE	VARIES	50	50	35	2/UNT	35	2
U 3A	HIGH RISE APARTMENT	7 ACRES	80 MIN.	200	100	2/UNT	2/UNT	2
U 2A	SENIOR APARTMENT & LONG TERM CARE DISTRICT	10 ACRES	100/500 (ON ACREAGE)	200	40	VARIES	VARIES	40
U 2B	INDEPENDENT BUSINESS	5 ACRES	100	250	25	25	25	VARIES
U 2C	SHOPPING CENTER	300	300	200	2	300	1/20	SALES AREA
U 2D	PUBLIC AND INSTITUTIONAL	3 ACRES	75	250	40	VARIES	40	VARIES
U 2E	GENERAL OFFICE BUILDING OFFICES REFER TO ORDINANCES	1 ACRE	75	200	35	35	35	VARIES
U 2F	STORAGE AND MANUFACTURING	1 ACRE	2-4 ACRES (SEE 7-4 ACRES-25)	400	35	35	35	VARIES
U 2G	OFFICE BUILDING AND RESEARCH	2 ACRES	100	100	35	35	35	VARIES
U 2H	MOTOR SERVICE	VARIES	VARIES	VARIES	60	VARIES	60	VARIES
U 10	PLANNED MEDICAL DEVELOPMENT DISTRICT	SEE NOTES ON MAP	SEE NOTES ON MAP	SEE NOTES ON MAP	SEE NOTES ON MAP	SEE NOTES ON MAP	SEE NOTES ON MAP	SEE NOTES ON MAP
U 3C	PLANNED MULTI-FAMILY RESIDENTIAL DISTRICT	7 ACRES	40	600	65	15/UNT	15/UNT	15/UNT



U-1A 1 1113.04 LOCATION OF BUILDING LINE.
On a street frontage in a Class U-1 District the location of the building line shall be as follows:

- On a street frontage other than the side line of a corner lot, the distance of the building line back from the street right-of-way line shall be twenty percent (20%) of the average depth of the lot or thirty-five (35) feet, whichever is greater.
- In a Class U-1 District along the side line of a corner lot, the distance of the building back from the street right-of-way line shall be twenty percent (20%) of the average width of such lot or twenty (20) feet, whichever is greater.

1113.04 FRONT YARDS, BUILDING LINES.
Between the building line and the street no building or portion of a building extending above the established grade may be erected. On a corner lot between the building line and the street line, and within the triangular space included between the street line, for a distance of twenty-five feet from their point of intersection, no fence or other structure more than three feet in height above the plane of the established grade shall hereafter be erected, and no awnings or foliage shall be maintained that, in the judgment of the Building Commission, will materially obstruct the view of a driver of a vehicle approaching the intersection and within seventy-five feet of the center of such intersection, of approaching cross traffic which is within seventy-five feet of the center of such intersection.

- Permitted uses in this U-10 District shall include the following uses with the minimum set forth in this chapter or incorporated by reference:
- Class P-1 (P-44 Retail).
 - Class P-2 (P-76 Office Building).
 - Class P-3 (P-84 "Flex" Space).
 - Class P-4 (U-9 Hotel, Gas Station or restaurant).
 - Class P-5.
 - Class P-6.

Not more than the number of square feet of area for 15,000 square feet of gross building area for a group, including 5,000 square feet of office space in office buildings.

Not more than twenty percent of the use of the City through P-3.

Use of the area shall be occupied by one or more of the following:

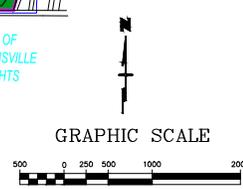
- Office use for each building.
- Hotel (not less than 200 rooms).
- Gas station.
- Restaurant.
- Public utility service uses.

Plans shall be filed in duplicate with the City Engineer for approval of the use of the City through P-3.

Use of the area shall be approved by the Mayor and Council on the basis of the following:

- The use shall be compatible with the surrounding area.
- The use shall be in accordance with the City's Comprehensive Zoning Ordinance.

LEGEND
DISTRICT LINE
STREET NAME DEDICATED STREET
STREET NAME PRIVATE STREET OR NON-DEDICATED STREET



(IN FEET)
APRIL 2018

