



Community Reinvestment Area: Commercial and Mixed-Use Tax Abatement

47 Hall Street | Powell, OH 43065 | 614.885.5380 | cityofpowell.us

APPLICATION PROCEDURES FOR COMMERCIAL CRA TAX ABATEMENT

City of Powell Community Reinvestment Area (CRA) Residential, Commercial, Mixed-Use

Dear valued applicant,

Thank you for considering the City of Powell's Community Reinvestment Area (CRA) Tax Abatement program. We appreciate your interest in contributing to the growth and development of our community. To ensure a smooth application process, we have outlined our formal procedures for your guidance:

1. Review Eligibility Criteria:

- Carefully review the eligibility criteria to ensure your project aligns with the CRA Tax Abatement program's objectives.

2. Documentation Requirements:

- Prepare the following documentation to accompany your application:
 - A detailed breakdown of all Sources and Uses of Funds for the project, including evidence of the expected costs of construction or remodeling as disclosed in Section III.
 - A post-construction operating pro forma for the building and cash flow analysis.
 - A copy of the proposed construction plans/rendering.
 - Estimated pre-construction and post-construction real estate taxes.

3. Complete Application Form (Section I):

- Complete all required fields in Section I of the application form, providing accurate and comprehensive information.

4. Project Description (Section I):

- Clearly describe the nature and purpose of your project, its potential benefits to the downtown location, and your previous development experience.

5. Job Creation/Retention (Commercial Only - Section II):

- If applicable to your commercial project, provide details about job creation and retention, including existing positions, relocation, and new job projections.

6. Project Investment (Section III):

- Disclose the estimated costs of construction or remodeling, total project costs, and other investments related to the project.

7. Applicant Certifications (Section IV):

- Initial that you have read and understood the various certifications and agreements outlined in Section IV.

8. Sign and Date (Section IV):

- Sign the application, declaring its accuracy to the best of your knowledge and include date of signing.

9. Submission:

- Compile all required documents and the completed application form.
- Include a **\$250.00** Non-Refundable Application Fee. Make check, money order, or cashier's check payable to "City of Powell." Please include the property address on the memo line. Cash and credit cards are not accepted. A \$30 fee will be levied on checks that are returned for insufficient funds. **The application will not be accepted until proper application fee is received. The application fee is non-refundable.**
- Mail the application package to the City of Powell at the following address:

City of Powell
47 Hall Street
Powell, Ohio 43065
Attention: CRA Tax Abatement Application

10. Processing Time: Please allow a minimum of four weeks for the City Staff to review and follow up on your application.

Important Notes:

- Any projects that commence construction prior to City Council approval will be deemed INELIGIBLE for a CRA Tax Abatement.
- Depending on the requested percentage of tax exemption, a school district compensation agreement may be required.
- Be aware that an annual report is mandatory for each year of the tax exemption agreement.

We appreciate your commitment to enhancing our community and look forward to reviewing your application. If you have any questions or require further assistance, please feel free to contact my office.

Sincerely,

Andrew D. White, City Manager
City of Powell



Community Reinvestment Area: Commercial and Mixed-Use Application

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APPLICATION FOR COMMERCIAL AND MIXED-USE CRA TAX ABATEMENT

City of Powell Community Reinvestment Area (CRA) Commercial, Mixed-Use

Note to Applicant: After review and recommendation by the City Staff, all applications must be reviewed and approved by the City of Powell City Council before commencing construction. **Any projects that start construction prior to City Council approval will be INELIGIBLE for a CRA Tax Abatement.**

The City requires the Applicant provide the following documentation with this application:

- A detailed breakdown of all Sources and Uses of Funds for the project, including evidence of the expected costs of construction or remodeling as disclosed in Section III.
- A post-construction operating pro forma for the building and cash flow analysis.
NOTE: Please submit a copy of the pro forma used to apply for any bank financing and required and a contact person considering the application for bank financing.
- A copy of the proposed construction plans/rendering/etc. (Design Development Drawings are the minimum accepted stage of construction plans).
- Estimated pre-construction, and post construction real estate taxes.

SECTION I – APPLICATION/Project Information

Application Information:

Legal Name of Property Owner Applying for Abatement: _____

Form of business enterprise (Corporation, Partnership, Proprietorship, LLC, Non-Profit or Other): _____

_____ Is the Applicant affiliated with a larger developer or development entity? If yes, please provide the name of this developer or development entity: _____

Legal Address or real property owner: _____

Federal Tax ID #(s): _____

Applicant Contact Person: _____ Title: _____

Applicant Contact Address: _____ Phone: _____

Address of subject property _____

Delaware County Auditor Parcel ID# _____ - _____ - _____

_____ - _____ - _____

_____ - _____ - _____

Is any other financial assistance being requested from the City of Powell for this project? (Yes/No). If yes, please describe the nature of the other incentive(s) required.

Space/Unit(s) to be constructed/renovated:

Construction Type: ☐ New Construction ☐ Renovation

Is there an existing structure? (Yes/No) ☐ Yes ☐ No

If yes, what percentage of the existing structure is currently occupied: _____ %

Total sq/ft/units to be constructed/renovated:

Commercial: _____ (sq/ft) Residential (3 units or less): _____ (sq/ft)

Residential (above 3 units): _____ (sq/ft)

Project Type:

- ☐ Residential (3 units or less)
☐ Residential (above 3 units)
☐ Commercial (Retail, Office, etc.)
☐ Mixed-Use (Residential & Commercial)

Describe the break down in use below:

When will the proposed construction commence? (Month/Year): _____

Anticipated Completion Date? (Month/Year): _____

The building Owner requests the following tax exemption incentives:

_____ % (up to 100%) for _____ years (up to 15%)

_____ The Building Owner understands that depending on the requested percentage a school district compensation agreement may need to be executed. (Initial)

General Project Information:

Project Name (if Applicable):

Description of the project:

State the nature of the commercial activity (office, retail, hospitality, etc.) to be conducted at the site:

Please provide a brief description of the applicant's development experience:

Please state why this project deserves a tax exemption from the City of Powell and what benefits the project will bring to the downtown location:

SECTION II – JOB CREATION / RETENTION (COMMERCIAL ONLY)

Job Creation and Retention:

_____ The Company will agree to use its best efforts to retain and/or create at least the following estimated number of employee positions at the Property in connection with the Project, in accordance with the specified schedule, and to maintain the minimum employment levels throughout the period of the incentive. (Initial)

The Job numbers below are to be listed in Full Time Equivalent (FTE) positions. FTE's are calculated by the number of total hours worked divided by the maximum number of compensable hours for a full-time work schedule (40hrs/week).

Existing positions at the site of the company to be retained:

Full-Time Equivalent _____ employees; Total Annual Payroll \$ _____

Will the project involve relocation of positions from another company location in the State of Ohio to the City of Powell (Yes/No)? ☒ ☐

If yes, how many existing positions at other company locations in Ohio to be relocated? _____

Address of other Location(s): _____

Full-Time Equivalent _____ employees; Total Annual Payroll \$ _____

Address of other Location(s): _____

Full-Time Equivalent _____ employees; Total Annual Payroll \$ _____

Address of other Location(s): _____

Full-Time Equivalent _____ employees; Total Annual Payroll \$ _____

* Please attach additional sheets if other locations exceed spaces provided above

Will the project involve relocation of positions from another company location outside of the State of Ohio to the City of Powell (Yes/No)? ☒ ☐

If yes, how many existing positions at other company locations outside of Ohio to be relocated? _____

Address of other Location(s): _____

Full-Time Equivalent _____ employees; Total Annual Payroll \$ _____

Address of other Location(s): _____

Full-Time Equivalent _____ employees; Total Annual Payroll \$ _____

Address of other Location(s): _____

Full-Time Equivalent _____ employees; Total Annual Payroll \$ _____

* Please attach additional sheets if other locations exceed spaces provided above

Estimate the number of new employees the property owner will cause to be created at the facility that comprises the project site within three years. Job creation projection must be itemized by the name of the employer (add additional page(s) if more than one employer). FTEs are calculated by the number of total hours worked divided by the maximum number of compensable hours for a full-time work schedule (40hrs/week).

Full-Time Equivalent _____ employees; Total Annual Payroll \$ _____

During the first twelve months of the agreement: _____ positions

During the second twelve months of the agreement: _____ additional positions
During the third twelve months of the agreement: _____ additional positions

Temporary construction Jobs: _____; Total Annual Payroll \$ _____
Length of Construction Period: _____

Of all the above jobs, number and description of approximately how many positions are part-time in nature _____

Please provide a brief description of the Job Creation that is associated with this Project (types of jobs; e.g. fabrication, sales, operations, management, technical, retail, etc.):

Note to Applicant: Ohio Revised Code Section 3735.673 requires the City formally to notify each county or municipal corporation from which the company intends to relocate, and the Ohio Development Services Agency, prior to approval of a tax exemption agreement. This notification must be sent prior to consideration of the exemption by Powell City Council.

SECTION III – PROJECT INVESTMENT

Real Estate Investment:

Indicate the estimated cost of the construction or remodeling: \$ _____

Estimated total cost of the project (including soft costs & acquisition): \$ _____

Estimated Project Commencement date (month/year): _____

Estimated Project Completion date (month/year): _____

Current Auditor's value of property (aggregate value of all parcels involved): _____

Estimated post-construction value of the property: _____

(Please provide appraisal or other method of determining post-construction value of the property)

Other Investment:

Investment in Machinery & Equipment (M&E) at the Property: \$ _____

Investment in Furniture, Fixtures, And Equipment (FF&E) at the Property: \$ _____

Other Investments: \$ _____

Description of Other Investment:

SECTION IV – APPLICANT CERTIFICATIONS

Does the property owner owe:

1. Any delinquent taxes to the State of Ohio, the City of Powell or another political subdivision of the State? (YES/NO) ☐ ☐

2. Any moneys to the State of a state agency for the administration or enforcement of any environmental laws of the State? (YES/NO) ☐ ☐

3. Any other moneys to 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) ☐ ☐

If the applicant responds yes to any of the three above questions, please provide details of each instance including but not limited to the location, amounts, and/or case identification numbers (please submit additional sheets for response).

_____ The Applicant authorizes the City and/or the Ohio Development Services Agency to inspect the personal financial statements of the Applicant, including but not limited to tax records and other similar information not ordinarily open to public inspection; and authorizes the Ohio Environmental Protection Agency and the Ohio Department of Taxation to release information to the City and/or the Ohio Development Services Agency in connection with the above statements. (Initial)

Note: The above statements as to taxes and other obligations, and authorization to inspect, are required by Ohio Revised Code Section 9.66 (C) (1), As provided by statute, a knowingly false statement under this paragraph may be prosecuted as a first degree misdemeanor under Ohio Revised Code 2921.13 (D) and may render the Applicant ineligible for any future economic development assistance from the state or any political subdivision.

Please initial that you have read the above. X _____

Additional Certifications by Applicant:

- The Applicant acknowledges that the property is **Not Eligible** for tax exemption if construction activities are commenced prior to the execution of a Community Reinvestment Area Tax Exemption Agreement between the Applicant and the City. No agreement may be executed by the City without prior approval by Powell City Council.
- The Applicant acknowledges that a Payment In Lieu of Taxes (PILOT) agreement in the amount of 33% of the annual value of the exemption with Powell Board of Education may be required. The form of this PILOT agreement is available upon request.
- The Applicant acknowledges that all tax exemptions must submit an Annual Report on or before March 31 of each year. This report must be submitted for each year of the tax exemption agreement including during the construction period.
- The Applicant acknowledges that to be eligible for tax exemption by the City of Powell, the subject property must be located within the City of Powell.
- The Applicant acknowledges that exemption values are determined by the Delaware County Auditor's Office.
- The Applicant acknowledges that the City of Powell may revoke the tax exemption any time after the first year if the property has building code violations or is delinquent on the property taxes.
- The Applicant acknowledges that the City of Powell Council may rescind or alter the Ordinance granting tax exemptions.
- The Applicant agrees to supply additional information upon request.

Please initial that you have read and agree to the above. X _____

Prior Agreement. Applicant represents and warrants that neither Applicant, nor any "predecessor" or "related member" is a party to another agreement granting tax exemption relating to a structure in this

state at which the Applicant (or the predecessor or related member) has discontinued or intends to discontinue operations prior to the expiration of the term of that agreement. (Note: This information is required by Ohio Revised Code 3735.671 (E). As used herein "predecessor" means a person or entity that has transferred assets or equity to Applicant, which transfer resulted in the full or partial non-recognition of gain or loss, or resulted in a carryover basis, both as determined by rule adopted by the Ohio Tax Commissioner; and "related member" has the same meaning as defined in Ohio Revised Code 5733.042 without regard to division (B) of that section.)

Please initial that you have read and agree to the above. X _____

I declare under the penalties of falsification that this application, including all enclosed documents and statements, has been examined by me, and to the best of my knowledge and belief is true, correct, and complete.

Signature of Applicant

Date

Printed Name

Title (if signed as officer)

Please complete this application in its entirety and submit to the City of Powell along with required supporting documentation. Please make and retain a copy of this application for your records. Please allow four weeks for the City to review and follow-up on this application.

Send Completed Application to:

City of Powell

47 Hall Street

Powell, Ohio 43065

Attention: CRA Tax Abatement Application