

TAX INCENTIVE REVIEW COUNCIL

City of Middletown Annual Review of Enterprise Zone Agreements,
Tax Increment Financing (TIF) Districts, and Community Reinvestment Areas
Reporting Year 2014

Thursday, April 21, 2016

2:00 P.M.

CITY COUNCIL CHAMBER

MEMBERS PRESENT

JULIE LEPSKY, Butler County Deputy Auditor
RANDY BERTRAM, Middletown City Schools Treasurer
PAUL CARPENTER, Butler Tech CFO
RON CARTER, Middletown Resident
MATT NOLAN, Warren County Auditor
CATHY McMONIGLE, Warren County Career Center
DOUG ADKINS, City Manager
JACOB BURTON, Finance Director

MEMBERS ABSENT

DORA BRONSTON, Middletown City Council Representative
YOLANDA JUNIOR, Middletown Resident
KATIE MCNEIL, Middletown Resident
TOM BRICKEY, Middletown Resident
JANA BELLAMY, Franklin City Schools Treasurer
ERIC SOTZING, Lebanon City Schools Treasurer

STAFF MEMBERS PRESENT

ALEXIS FITZSIMMONS, Assistant Economic Development Director
MATT EISENBRAUN, Assistant Economic Development Director
DEBBIE GARITSON, Economic Development Administrative Assistant

CALL TO ORDER AND INTRODUCTIONS

Alexis Fitzsimmons welcomed everyone to the annual meeting and asked that the roll be called.

MINUTES

April 16, 2015

A vote was not taken to approve the minutes as most of the members present would abstain since they are new to the committee this year.

ANNUAL REVIEW OF ENTERPRISE ZONE AGREEMENTS

Alexis described the status of Enterprise Zone tax abatement agreements within the City of Middletown as of 12/31/15 individually beginning with those located in Butler County. Voting will take place at the end of each group.

BUTLER COUNTY ENTERPRISE ZONE AGREEMENTS

AKERS PACKAGING

Alexis said Akers has made a commitment to Middletown for a \$15 million investment to their plant. The actual total was \$27.4 million. Employment is 173 where 150 was committed. Staff recommends continuing the agreement.

COMPARTIR/ PAC WORLDWIDE

Alexis said PAC's investment commitment was \$15.1 million and the actual is \$36.9 million. They committed to 207 employees and currently have 360. Staff recommends continuing the agreement.

MIDDLETOWN COKE

Alexis reported the company had exceeded their investment and employment commitment. The company committed to \$354.1 million investment and the actual amount is \$417.96 million. They have 91 employees and had committed to 75. The company continues to grow. Staff recommends continuing the agreement.

PILOT CHEMICAL

Alexis said \$20.9 million is to be invested during the 10 year agreement. Four Million was invested in upgrades and infrastructure in 2015. The next phase is on hold. They committed to 61 employees and currently have 53. Staff recommends continuing the agreement.

QUAKER CHEMICAL

Alexis reported the \$20 million commitment was met. Quaker committed to 77 employees and now have 78. Staff recommends continuing the agreement.

STEAM SYSTEMS

Alexis said the company met their commitment of \$.35 million. They have 24 employees where they committed to 21. Staff recommends continuing the agreement.

BUTLER COUNTY ENTERPRISE ZONES VOTING RESULTS

Alexis entertained a motion by Randy Bertram to continue the above listed Butler County Enterprise Zones. Julie Lepsky seconded and the motion carried.

VENTILEX USA

Alexis said the company is considering other options at this time due to the economy. Staff recommends discontinuing the agreement. Paul Carpenter moved to discontinue the agreement. Randy Bertram seconded and the motion carried.

WARREN COUNTY ENTERPRISE ZONE AGREEMENTS

PAYCHEX/ EAST POINTE

Alexis said Paychex exceeded their \$6.9 million commitment and invested \$7.1 million. Their staff level is 139 where 131 were committed. Staff recommends continuing the agreement.

PLEDGER ORTHOPAEDIC LLC

Alexis said the company exceeded their commitment. They currently employ 22 where 17 was committed. She recommended continuing the agreement.

NTE OHIO USA

Alexis reported the company committed to \$475 million of Investment and 25 full time permanent employees when project is completed. The Estimated Construction Payroll 12/31/15 is \$419,000. Staff recommends to continue this agreement.

WARREN COUNTY ENTERPRISE ZONE DISTRICT

Alexis entertained a motion by Matt Nolan to continue all of the Warren County Enterprise Zone agreements. Cathy McMonigle seconded and the motion carried.

BUTLER COUNTY TIF DISTRICTS

DOWNTOWN IMPROVEMENT TIF DISTRICT

Alexis reported the Downtown TIF received \$9,437 in revenue and the expenses were \$15,000 in 2015. The current balance is \$6,058. Staff recommends continuing the agreement.

AERONCA TIF DISTRICT

Alexis reported there was no activity for this TIF in 2015 so the balance remains at \$4,423. Staff recommends to discontinue and restart the agreement.

AIRPORT/RIVERFRONT TIF DISTRICT

Alexis reported that \$1,466 was deposited in 2015 and there were \$1,882 in expenses. The balance is \$6,851. Staff recommends to discontinue and restart the agreement.

MADE TIF DISTRICT

Alexis said there was \$877 deposited into the Fund and there were no expenses in 2015. The current balance is \$1,164. Staff recommends to discontinue and restart the agreement.

MILLER ROAD NORTH DISTRICT RID

Alexis reported the revenue of \$8,825 was deposited in 2015 with no expenses. The balance is \$73,196. Staff recommends continuing the agreement.

MILLER ROAD SOUTH DISTRICT RID

Alexis said there has been no action in this RID to date. Staff recommends continuing the agreement.

GREENTREE INDUSTRIAL TIF DISTRICT

Alexis reported this is a portion of Greentree Industrial Park including 3415 Emerald Way which is undeveloped land. Improvement includes Cincinnati-Dayton Road improvements. There were \$210,748 in revenue in 2015 and no expenses. The current balance is \$210,748. Staff recommends continuing the agreement.

MIDDLETOWN COKE TIF DISTRICT

Alexis said these are parcels along Yankee Road include Suncoke, Quaker Chemical, and Pilot Chemical parcels. The 2015 revenue totaled \$231 in 2015 and there were no expenses. The current is \$23,044. Staff recommends continuing the agreement.

BUTLER COUNTY TIF DISTRICTS VOTING RESULTS

Alexis entertained a motion by Julie Lepsky to continue the above listed Butler County Enterprise Zones. Randy Bertram seconded and the motion carried.

Ron Carter moved to continue the Downtown, Miller Road North RID, and Miller Road South RID. Julie Lepsky seconded and the motion carried.

Randy Bertram moved to discontinue and restart the Aeronca, Airport, and MADE TIFs. Paul Carpenter seconded and the motion carried.

WARREN COUNTY TIF DISTRICTS

EAST END (S. TOWNE BLVD.) TIF DISTRICT

Alexis reported that \$322,845 was deposited into the TIF fund in 2015 and the expenses were \$404,617. The current balance is \$280,533. Staff recommends continuing the agreement.

TOWNE MALL/HOSPITAL TIF DISTRICT

Alexis reported the revenue was \$574,069 in 2015 and the expenses totaled \$593,760. The current balance is \$156,913. Staff recommends continuing the agreement.

MANCHESTER RID DISTRICT (WARREN)

Alexis reported there was no revenue or expense in 2015 and the balance remains at \$378. Staff recommends continuing the agreement.

SAYWER'S MILL RID DISTRICT

Alexis noted there has been no activity at this time. Staff recommends continuing the agreement.

RENAISSANCE NORTH RID DISTRICT

Alexis noted that revenues for 2015 were \$196,893 and expenses were \$188,468. She said the balance is \$106,187. Staff recommends continuing the agreement.

RENAISSANCE SOUTH RID DISTRICT

Alexis noted the revenue for 2015 was \$157,650 and the expenses totaled \$75,654. The ending balance is \$145,865 for Renaissance South. Staff recommends continuing the agreement.

WARREN COUNTY TIF DISTRICTS VOTING RESULTS

Alexis entertained a motion by Cathy McMonigle to continue the Warren County TIF and RID Districts. Matt Nolan seconded and the motion carried.

Randy Bertram suggested having the schools involved with each enterprise zone, TIF, and RID listed on each section of the documents they have in from of them. This would be easier for them to know who should vote. Duly noted for future meetings.

BUTLER COUNTY CRA
GOETZ TOWER

Alexis noted the Goetz Tower is to be renovated to restore the property for retail, office and market rate apartments with an investment of \$2 million. The owners are Historic Goetz, LLC. Staff recommends to continue the agreement.

Alexis entertained a motion by Randy Bertram to continue the CRA. Julie Lepsky seconded and the motion carried.

Alexis advised the TIRC members a new CRA Agreement was recently approved for Liberty Spirits for 1357 Central Avenue just to the right of the former Studio Theater. The owners plan to have a distillery on site. No vote is required.

ADJOURNMENT

With no further comments Ron Carter moved to adjourn. Randy Bertram seconded. The meeting adjourned at 2:49pm. Alexis thanked everyone for attending.