



**City of Hudson, Ohio
Community Reinvestment Area
Tax Incentive Application**

PROPOSED AGREEMENT for Community Reinvestment Area Tax Incentives between the City of Hudson, located in the County of Summit, and 10125 Wellman Real Estate, LLC.
(Property Owner)

1. General Information:

- a. Name of property owner, home or main office address, contact person, and telephone number (attach additional pages if multiple enterprise participants).

<u>ForTec Medical, Inc.</u> Enterprise Name	<u>Drew C. Forhan</u> Contact Person
<u>10125 Wellman Rd., Streetsboro, OH 44241</u> Address	<u>330-463-1257</u> Telephone Number

- b. Project Site:

<u>Hudson Crossing Parkway – Parcel #3</u> Street Address (or Parcel Number)	<u>Drew C. Forhan</u> Contact Person
	<u>330-463-1257</u> Telephone Number

2. Business Information:

- a. Nature of commercial/industrial activity (manufacturing, warehousing, wholesale or retail stores, or other) to be conducted at the site.

Medical and surgical equipment leasing / corporate national headquarters

- b. List primary 6-digit North American Industry Classification System (NAICS) #

532490

Business may list other relevant SIC numbers.

7352

- c. If a consolidation, what are the components of the consolidation? (must itemize the location, assets, and employment positions to be transferred)

n/a

3. Name of principal owner(s) or officers of the business:

Drew C. Forhan

4. Employment:

a. State the enterprise's current employment level at the proposed project site:

0

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

Yes X No

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

From: 10125 Wellman Rd., Streetsboro, OH 44241

To: Hudson Crossing Parkway, Parcel #3, Hudson, OH 44236

d. State the enterprise's current employment level in Ohio (itemized for full-time, part-time, permanent, and temporary employees):

117 full time, 20 part time

e. State the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets:

Streetsboro, OH: 70 full time, 13 part time

f. What is the projected impact of the relocation, detailing the number and type of employees and/or assets to be relocated?

All 83 employees will be relocated. All assets (approx. \$4.5m) will be relocated.

5. Does the Property Owner owe:

a. Any delinquent taxes to the State of Ohio or a political subdivision of the State?

Yes _____ No X

b. Any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State?

Yes _____ No X

c. 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 X

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 (add additional sheets).

6. Project Description:

New headquarters for ForTec Medical, a national surgical laser company

7. Project will begin January 1, 2017 and be completed September 30, 2017, provided a tax exemption is provided.

8. New Hire:

a. Estimate the number of new employees the property owner will cause to be created at the facility that is the project site (job creation projection must be itemized by the name of the employer, full-time, part-time, permanent, and temporary):

ForTec Medical, Inc.

Full time permanent employees: + 50 Part time permanent employees: +5

b. State the time frame of this projected hiring: 5 years

c. State proposed schedule for hiring (itemize by full-time, part-time, permanent, and temporary employees):

2018: Full time +10, part time +1, 2019: Full time +10, part time +1, 2020: Full time +10, part time +1, 2021: Full time +10, part time +1, 2022: Full time +10, part time +1

9. Payroll:

- a. Estimate the amount of annual payroll such new employees will add:

\$800,000 full time, \$35,000 part time per year

(New annual payroll must be itemized by full-time, part-time, permanent, and temporary new employees).

- b. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project:

\$ 8,500,000.00

10. Investment:

Estimate the amount to be invested by the enterprise to establish, expand, renovate or occupy a facility:

- | | |
|--|----------------------------|
| a. Acquisition of Buildings: | \$ <u>n/a</u> |
| b. Additions / New Construction: | \$ <u>4,500,000</u> |
| c. Improvements to Existing Buildings: | \$ <u>n/a</u> |
| d. Machinery & Equipment: | \$ <u>n/a</u> |
| e. Furniture & Fixtures: | \$ <u>250,000</u> |
| f. Inventory: | \$ <u>n/a</u> |
| Total New Project Investment: | \$ <u>4,750,000</u> |

11. Tax Incentive Requests:

- a. The business requests the following tax exemption incentives: 100 % for 15 years, covering real property, as described above. Be specific as to the rate and term.
- b. Business' reasons for requesting tax incentives (be as quantitatively specific as possible).
ForTec Medical can expand to meet forecasted growth needs at its current Streetsboro, property. This expansion investment would be approximately \$500,000. Tax incentives are required to help justify and finance the relocation of the business and the construction of a new building, which would cost almost ten times the proposed expansion and renovation project.

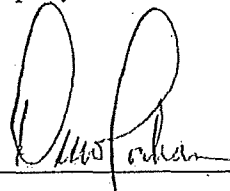
Submission of this application expressly authorizes the City of Hudson to contact the Ohio Environmental Protection Agency to confirm statements contained within this application including item #5 and to review applicable confidential records. As part of this application, the property owner may also 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 local jurisdiction considering the request.

The Applicant agrees to supply additional information upon request

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.

Drew C. Forhan
Name of Property Owner

11-12-2016
Date



Signature

Drew C. Forhan, Chairman & Founder
Typed Name and Title

* A copy of this proposal must be forwarded by the local governments 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.

** Attach to Final Community Reinvestment Area Agreement as Exhibit A.

Please note that copies of this proposal must be included in the finalized Community Reinvestment Area Agreement and be forwarded to the Ohio Department of Taxation and the Ohio Department of Development within fifteen (15) days of final approval.