

## Hudson Economic Growth Board Survey of Area Community Improvement Corporations (CIC)

REVISED AUGUST 2016

| Questions   | Stow   | Twinsburg  | Canton  | Shaker Heights  | Westlake  | Cuyahoga Falls*  |
|---|--|--|---|---|---|--|
| Date when your CIC was established  | Formed in 1985. Dormant until 2006-2007  | 2013   | 1988  | Formed in 1981, revitalized in 2011   | "a number of years ago"   | n/a  |
| What was the principal objective in establishing your CIC?                          | Carry out the Economic Development Agenda  | To advance, encourage and promote the industrial, economic, commercial, distribution, research and civic development of the City of Twinsburg.   | Economic development for the city.  | Revitalize City's commercial districts & diversify the City's tax base  | Help businesses with financing needs, financing /revolving loans  | n/a  |
| Describe the activities and results of your CIC:                                    | Updating the Strategic Economic Development Plan Assist companies in obtaining State programs, Development Assistance Grants to growing companies.   | Central development of the Town Square area  | Attract businesses, retains them, and assists with expansion. Puts together incentive packages, offers help with site location, brownfield remediation  | Building relationships with property owners and businesses  | Produced marketing materials for the city's bicentennial celebration.   | n/a  |
| Major transactions over the past 5 years:   | Development Assistance Grants  | n/a  | Creating the "stakeholder meetings". Developing a 26-acre industrial park that was a brownfield   | Built a Board and strategic plan 2013 – 2014, hired first Executive Director in early 2015.   | n/a   | n/a  |
| What have you learned from your CIC experience?                                     | It is useful if used as additional incentive to help close deals, especially with existing businesses in the City who normally would not qualify for incentives.   | Have a specific purpose and stick to it.   | Be very patient, think long-term  | There is a lot of confusion as to where the City stops and the 501c3 starts. It takes time to build an engaged unified board and without a staff person it is hard to make much headway   | Contact Fran Migliorino in Brooklyn or Rebecca Corrigan in Fairport Harbor, both of which have active CICs and a great deal of knowledge. | n/a  |
| Value Add of CIC – What does it bring to the table?                                 | It helps with small to mid size deals that do not otherwise qualify for incentives. Local expansions need help too.  | Acts as an assistant to specific City objectives. Adds local support/participation to grant applications (asbestos abatement). Allows private negotiations with property owners to remain private. | Enables the transfer of properties from public to private without having to go through the rebidding process, especially in areas of brownfield remediation. Can partner with developers and no developer would normally get involved in any type of project if they knew they had to bid it out after because they are often putting their time and treasure into it. "Stakeholder meetings" - coordinate meetings between a company and the various regulatory agencies, utility companies, and various departments, such as the fire and police departments. | Ability to raise funds and advocate for developers and businesses in a way a City employee can't.   | n/a   | n/a  |
| Source of income for your CIC?  | City Council and bed tax.  | Seed money from City (\$300,000). Fees from Tax Incentive Review Council (\$20,000 per year), 50% of bed tax (\$80,000 per year), possible fees from new cell tower revenue (\$14,000 per year).   | City's general fund, 10% of TIF funding. Other idea: talking to foundations for seed money  | The start up \$ (approx. \$500K) was an endowment from the Fund for the Future of Shaker Heights. Goal: the sale and rehab of buildings on Lee Road will generate operating income. Highly dependent on raising funds from the community. | n/a   | n/a  |
| Asset range / income range for the past three years.                                | \$50,000 per year from City Council  | Seed money from City (\$300,000). Fees from Tax Incentive Review Council (\$20,000 per year), 50% of bed tax (\$80,000 per year), possible fees from new cell tower revenue (\$14,000 per year).   | \$250K through the general fund and another \$50 - 60K from other sources. Events: recent conference at the Hall of Fame Village  | \$500K  | n/a   | n/a  |
| The City's (Administration & Council's) degree of satisfaction with the use of CIC. | Highly satisfied with the assistance   | High degree of satisfaction  | Happy   | TBD   | n/a   | n/a  |
| Recommendations for us regarding the establishment of/activation of a CIC:          | Review your bylaws and make sure they reflect your current needs.  | Have a specific purpose that the City Administration supports or don't bother. Redevelopment should be your top priority.  | Zero in on what we want the CIC to do   | Really think about why you want/need a CIC.   | n/a   | n/a  |
| How do you determine the length of incentives offered to companies?                 | Based on payroll and investment scoring with discretionary points based on desirability and growth projections. They will go as high as 100% for 10 years minus a PILOT to the schools to net a 70% Abatement. | Guidelines are outlined in a City Ordinance. Average awards are between 3-10 years depending on level of investment and payroll.   | Depends on the company's needs and long-term projections. Maximum: 10 year, 75% abatement. May also have a local job creation tax credit or apply to the state for credits for those targets that are planning on millions of dollars of investments and creation of jobs. Advice - keep it minimal and keep in mind limitations other programs might impose.   | One residential CRA for 10 years, but state statute allows for up to 15 years for residential. Commercial CRA's are 15 years new and 12 years for rehab.  | Each project is reviewed independently.   | Maximum 50% for 10 years.  |
| How often do you use CRA?   | As often as possible.  | As often as possible to attract or retain new and existing businesses.   | CRA's are not used as often as enterprise zones in the City of Canton.  | Only have one area in the city that qualifies for banks.  | 9 businesses currently receive tax abatements through the CRA.  | 2014 - 3 times; 2015 - 4 times   |
| Additional Comments:<br>* Cuyahoga Falls CIC is inactive                            |  | The CIC is contemplating sponsoring various City event such as the Taste Of Twinsburg and other community wide events.   |   |   |   | Currently working on the proposed Menard's project. Noted that Barberton did not have a CIC, but does have a CDC funded with \$90,000 from the sale of their hospital. |