



ECONOMIC DEVELOPMENT • 1140 Terex Road • Hudson, Ohio 44236 • (330) 342-1893

MEMORANDUM

Date: April 17, 2026
To: Mayor Anzevino and City Council
From: Katie Behnke, Economic Development Manager
CC: Thom Sheridan, City Manager, Brian Griffith, Assistant City Manager, Greg Hannan, Community Development Director
Re: Hudson Innovation Park Update

Background

The Community Development Department pursued JobsOhio's SiteOhio Certification for 996 Hines Hill Road with the goal of generating more high-quality leads for the acreage. The site was rebranded to Hudson Innovation Park in 2025 as part of this effort and officially awarded certification in March of 2026. The following is a summary of next steps and requested guidance on strategy from City Council.

Project Timeline

Staff submitted the vacant site to Wave 5 of the JobsOhio SiteOhio program in June 2023. The site was selected to participate through continued rounds of data submissions culminating in a site visit and mock pitch with site selection consultant, InSite, in October 2024. Following the visit, Staff was provided with a list of action items required for the site to be authenticated. The site was officially designated as SiteOhio Certified in March 2026, only the twenty-sixth site in JobsOhio database of 6,000+ sites to earn such designation. None of the existing authenticated sites are within Summit, Cuyahoga, Portage, Geauga, Stark, or Medina Counties and the nearest site can be found in Rittman, Ohio.

Future Considerations

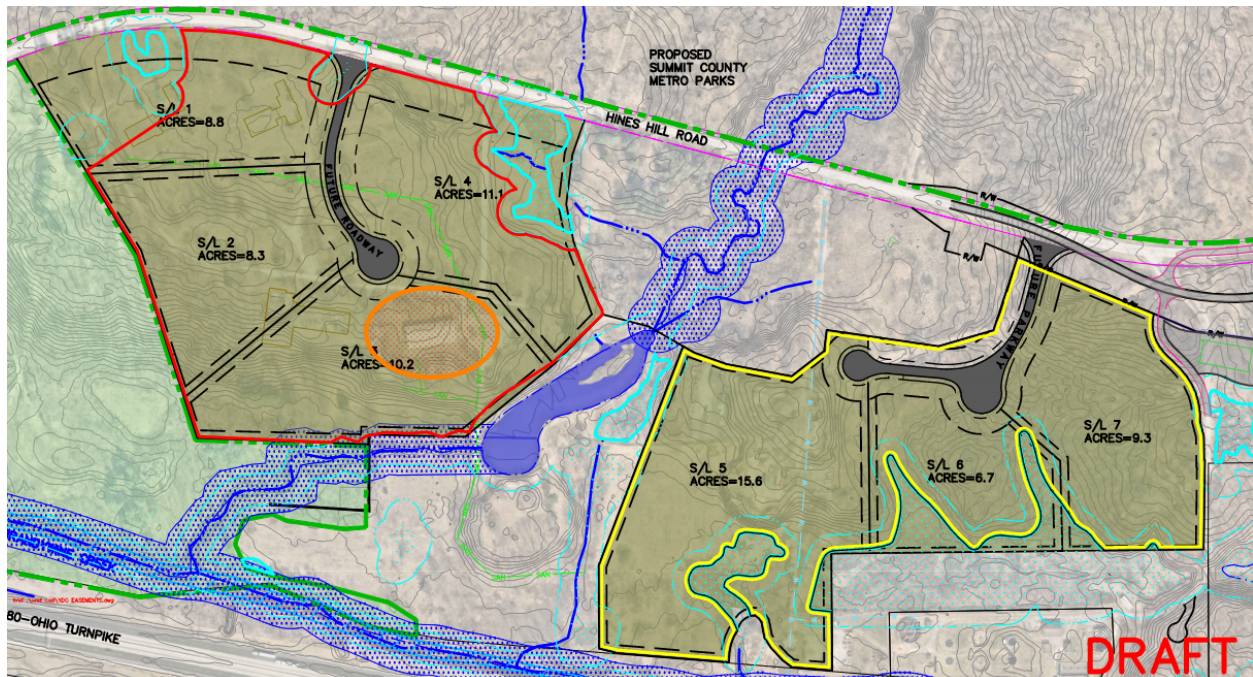
Authentication is the first step to increase the marketability of the site for commercial and industrial development. Staff requests City Council's preferred approach to the following next steps:

1. Salt Dome Relocation
2. Property Tax Abatement
3. City or Developer Led Project
4. Involvement of Real Estate Broker

Salt Dome Relocation

The western portion of the site (32 acres outlined in red below) is currently not developable or qualified for authentication due to the location of the auxiliary salt barn (circled in orange below). This infrastructure should be relocated before the City can seriously market the property. Public Works Staff confirmed that salt is delivered in August for the upcoming winter season so it is critical that a new site will be operational by that time prior to deciding to remove the existing structure at the conclusion of the 2025-2026 snow season. The City will not be able to sell the development site until the salt barn has been relocated, so identifying a solution is a critical path item that must be addressed prior to other marketing and sales negotiations.

After an exhaustive review of alternative sites, Staff has determined a site to the eastern border of the developable parcel is most feasible. Further details will be provided to City Council in a separate agenda item.



Property Tax Abatement

The City of Hudson currently offers three primary incentive tools: Job Creation Grant (income-tax based annual grant), Community Reinvestment Areas (pre-designated districts eligible for property tax abatement), and Tax Incentive Financing (property tax abatement used to repay publicly financed infrastructure improvements to private property). Job Creation Grants can be awarded throughout the City and are based upon the committed new payroll a project will generate in the City of Hudson. These grants are most often negotiated directly with an employer, rather than a site developer. Property tax abatements are negotiated for new construction only and are preferred by developers as a building value is more directly in their control than the resulting payroll at a site. Based on its location, the site is not currently eligible for property tax abatement. As construction costs remain high, it is likely that a developer or user would require incentive to pursue new construction. Below is a summary of property tax abatement tools allowed in the State of Ohio, which could be studied further at City Council's direction.

Tool	Description
Community Reinvestment Area	<p>Municipalities designate an area in which investment has been discouraged and may use the CRA Program to encourage revitalization of the housing stock, renovation of commercial and industrial structures, and to attract new-build developments. Creation of this tool requires a Housing Survey which demonstrates investment in housing within the proposed area has been discouraged. The City of Hudson has two active CRA Zones (map attached).</p> <p><i>Staff studied the residential properties surrounding the site and did not note evidence that the residential properties lack investment as required for the Housing Survey. An argument could be made that the residences at the Youth Development Center were demolished and reinvestment in residential has been discouraged through zoning changes since that time.</i></p>
Enterprise Zone	<p>Municipalities designate an area in which property tax may be abated for employers expanding or locating to Ohio. The local government must petition the Ohio Department of Development for certification of the area and document evidence of two of the distress conditions noted in the application.</p> <p><i>Staff reviewed the distress conditions included in the application and notes that the site likely meets the threshold for: 5709.61(A)(1)(d) prevalence of commercial or industrial structures that are vacant or demolished or are vacant and tax delinquent, and 5709.61(A)(1)(g) specific vacant industrial facilities</i></p> <p><i>Preliminary conversations with Summit County confirmed their alignment with this interpretation and general support to bring this request to County Council should Hudson City Council request such a review.</i></p>
Tax Increment Financing	<p>This tool is used to fund public infrastructure improvements that directly benefit private development. In this model, the municipality pays the upfront cost of new infrastructure and is repaid through service payments from the newly created property tax value. These service payments pay down the TIF fund or debt acquired to make the infrastructure improvement. The incentive is negotiated in a TIF Agreement and unlike the two preceding tools, it does not require a pre-designated zone.</p> <p><i>Staff notes that the City bears more risk in an incentive structure as compared to abatement districts. In the event the City pays for infrastructure and the planned building is not built or not built to proposed scale, the property value may not generate enough funds to repay the TIF fund or associated debt. This can be mitigated in the TIF agreement by requiring the developer to pay for any shortfall. Staff also notes that the site is generally well served by</i></p>
Undeveloped Property Tax Abatement	<p>A property owner can apply for a six-year local tax exemption of up to 100% of new property value for commercial sites with the local jurisdiction. However, this exemption is terminated once a certificate of occupancy is issued for a structure or the title changes hands. Essentially, this tool is meant to protect landowners of idle sites from general, community-wide increases in property assessment increases.</p>

<p><i>Staff notes this tool is not so much a development incentive but a protection for developers land massing sites. This is not well aligned with the Hudson Innovation Park's phase of development as the site is already massed.</i></p>

Staff reviewed the above tax abatement tools and recommends pursuing an Enterprise Zone for this site following a discussion with Hudson City School District officials based on the likelihood of approval and the forecasted needs of a developer.

City or Developer Led Project

Ahead of launching a marketing campaign, a clear understanding of City Council's preferred strategy to develop the site is requested. There are three broad strategies that could be pursued:

1. City Led: City Council may elect to retain ownership of the site until end users are identified and the site can be sold in parcels to such users. This would allow the City to remain involved in the process to vet proposed uses and office park design. However, the City will continue to bear risk until the site is fully developed and leads will be limited to JobsOhio requests and local connections.
2. Developer Led: City Council may elect to sell the developable parcel outright to a private developer that would further design and engineer the site and recruit potential users from their broader network. Proposed Uses and Buildings would be required to go through the typical permitting processes, but the City would be otherwise removed from the development process.
3. Public-Private Partnership: City Council may seek a private developer partner to design the office park to City Council's specifications while City Council maintains a strong role in the recruitment of end users. A public-private partnership is more typical in projects where the municipality is financially participating in the development and/or at least one public use will be included in the development plan.

Staff recommends a developer-led project for this site. An outright sale of the parcel would immediately resolve the City's financial risk and provide access to a national developer's broader contact list to recruit users to the site. Additionally, a development firm has more experience in parceling out a property to market specifications and would reduce the risk that portions of the site may go unused.

Involvement of Real Estate Broker

Before advertising the site, City Council should consider whether to engage a real estate broker for the site. Points for consideration include:

- The For Sale sign with City of Hudson Branding has generated a significant number of inquiries requesting the land for free or significantly less than market value. A broker firm sign would be less likely to generate such inquiries.
- A broker firm could screen the inquiries for non-conforming uses like residential, senior living, and heavy industrial. Additionally, a broker has capacity to proactively recruit leads for the site.
- Professional marketing materials could be generated by broker firm with existing templates and best practices, as opposed to Staff-led effort.
- Per high-level conversations with Northeast Ohio brokers, a commission would likely range from 4-5% for the seller's broker or 7-8% split between a buyer and seller broker if both parties engaged a representative.

Staff recommends City Council engage a broker to produce professional quality marketing materials, reduce the inquiries for free/deeply discounted property, and vet/recruit potential users.

Conclusion

Staff seeks City Council's direction on the next steps in the development of Hudson Innovation Park with a recommendations to:

1. Support Salt Dome Relocation through expedient reviews of contract modifications and land swaps and consideration of funding the costs associated with moving the infrastructure.
2. Pursue an enterprise zone application.
3. Seek a parcel sale to a developer.
4. Contract with a commercial/industrial real estate broker to market the site.