

TITLE

AN ORDINANCE CONSENTING TO THE EXECUTION OF AN AGREEMENT BETWEEN THE BOARD OF COMMISSIONERS OF TRUMBULL COUNTY, OHIO AND DAWN INCORPORATED PROVIDING FOR TAX INCENTIVES BY A PROGRAM OF ABATEMENT OF REAL PROPERTY TAXES OVER A PERIOD OF TEN YEARS FOR THE ADOPTION OF A PROJECT TO ESTABLISH A NEW FACILITY WITHIN THE ENTERPRISE ZONE LOCATED WITH THE CITY OF WARREN, OHIO AND DECLARING AN EMERGENCY.

ORDINANCE NO. 12729/17

WHEREAS, the City Council of the City of Warren, Ohio on October 26, 1994, consented to the establishment of an "Enterprise Zone" (the Zone) by the Board of Commissioners of Trumbull County, Ohio Pursuant to Chapter 5709 of the Ohio Revised Code; and

WHEREAS, on November 22, 1994, the Board of Commissioners of Trumbull County, Ohio did establish such a zone; and

WHEREAS, on December 22, 1994, the Director of Development of the State of Ohio certified the area designated by the Council of the City of Warren and the Board of Commissioners of Trumbull County, Ohio as an "Enterprise Zone" Pursuant to Section 5709.61 (A) (1), (2) and (3) of the Ohio Revised Code; and

WHEREAS, the Board of Commissioners of Trumbull County, Ohio has delegated to the Council of the City of Warren, Ohio as the governing body of the effected Municipality, the authority to negotiate and administer an agreement providing tax incentives to Dawn Incorporated to induce the establishment of their proposed project; and

WHEREAS, Dawn Incorporated has proposed a project estimated to involve an investment of approximately \$750,000.00 in the Zone; and

WHEREAS, a draft of the proposed Enterprise Zone Agreement attached to this Ordinance as "Exhibit A" is hereby fully incorporated herein, for all purposes, as if fully rewritten herein; and

WHEREAS, this Council of the City of Warren has reviewed the proposed project and is of the opinion that Dawn Incorporated is qualified by financial responsibility and business experience to create and preserve employment opportunities in the Zone and to improve the economic climate of the City; NOW THEREFORE

BE IT ORDAINED by the Council of the City of Warren, State of Ohio:

Section 1: That the City Council of the City of Warren does hereby consent to the approval by the Board of Commissioners of Trumbull County, Ohio to an Enterprise Zone Agreement the same as or substantially similar to the Agreement attached to this Ordinance as "Exhibit A". The Mayor and Director of Public Service and Safety are hereby authorized and directed to approve and execute such an Agreement on behalf of City Council and the City of Warren.

Section 2: That this City Council hereby finds and determines that all formal actions of the City Council relative to the passage of this Ordinance were taken in an open meeting of the City Council, and that all deliberations of the City Council and of its committees, if any, which resulted in formal action, were taken in meetings open to the public, in full compliance with applicable legal requirements, including Section 121.22 of the Ohio Revised Code of Ohio.

Section 3: That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, welfare and safety, and for the further reason of the benefit to, and protection of, the City and its residents, and for the further reason that the immediate approval of an Enterprise Zone Agreement as attached to this Ordinance is necessary, at the earliest possible time so as to maximize the investment that will be made by Dawn Incorporated within the City limits and may be more fully insured at the earliest possible time and without undue delay. WHEREFORE, this Ordinance shall go into immediate effect.

Passed in Council this 12<sup>TH</sup> day of JULY, 2017.

SIGNED: James Cochran ATTEST: Brenda Smith  
PRESIDENT OF COUNCIL CLERK

FILED WITH THE MAYOR: 7-12-17

DATE APPROVED: 7-12-17

MAYOR, CITY OF WARREN, OHIO William D. Felt

Exhibit for  
Draft 3696

**OHIO DEVELOPMENT SERVICES AGENCY**  
**OHIO ENTERPRISE ZONE PROGRAM**

**PROPOSED AGREEMENT** for Enterprise Zone Tax Incentives between the City of Warren located in the County of Trumbull and Dawn Incorporated.

- 1a. Name of business, home or main office address, contact person, and telephone number (attach additional pages if multiple enterprise participants).

Dawn Incorporated  
enterprise name

Dawn Ochman  
contact person

330-652-7711  
telephone number

106 E Market St. Ste 505. Warren, OH 44481  
address

- 1b. Project site:

Dawn Ochman  
contact person

330-652-7711  
telephone number

Sferra Ave, Warren Commerce Park, Warren, OH  
address

- 2a. Nature of business (manufacturing, distribution, wholesale or other).  
Construction firm

- 2b. List primary 6 digit NAICS # 236220  
Business may list other relevant SIC numbers.

- 2c. If a consolidation, what are the components of the consolidation? (must itemize the location, assets, and employment positions to be transferred)
- N/A
- 
- 2d. Form of business of enterprise (corporation, partnership, proprietorship, or other).
- Corporation
3. Name of principal owner(s) or officers of the business (attach list if necessary).
- Dawn Ochman
4. Is business seasonal in nature? Yes \_\_\_ No X
- 5a. State the enterprise's current employment level at the proposed project site:
- 0
- 
- 5b. Will the project involve the relocation of employment positions or assets from one Ohio location to another? Note that relocation projects are restricted in non-distress based Ohio Enterprise Zones. A waiver from the Director of the Ohio Development Services Agency is available for special limited circumstances. The business and local jurisdiction should contact ODSA early in the discussions.
- Yes No X
- 5c. 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:
- N/A
- 5d. State the enterprise's current employment level in Ohio (itemized for full and part-time and permanent and temporary employees):
- 21 full-time. 2 part-time.
- 5e. State the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets: N/A
- 5f. What is the projected impact of the relocation, detailing the number and type of employees and/or assets to be relocated? N/A
- 6a. Has the Enterprise previously entered into an Enterprise Zone Agreement with the local legislative authorities at any site where the employment or assets will be relocated as a result of this proposal? Yes No X

6b. If yes, list the local legislative authorities, date, and term of the incentives for each Enterprise Zone Agreement: N/A

7. Does the Enterprise 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 if necessary).  
N/A.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Project Description (attach additional pages if necessary):  
Purchase of a 2 acre property on Sferra Ave in Warren Commerce Park. Design/Build construction of 3,100sf state of the art executive office building and 4,500sf shop/storage facility.

\_\_\_\_\_  
\_\_\_\_\_

9. Project will begin October, 2017 and be completed April, 2018 provided a tax exemption is provided.

10a. Estimate the number of new employees the business intends to hire at the facility that is the project site (job creation projection must be itemized by full and part-time and permanent and temporary): 2 full-time and 1 part-time administrative and project executive positions.

10b. State the time frame of this projected hiring: 1.5 years

10c. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees): 1 full-time hire June 2018, 1 part-time hire October 2018, and 1 full-time hire April 2019.

11a. Estimate the amount of annual payroll such new employees will add \$ 150,000 (new annual payroll must be itemized by full and part-time and permanent and temporary new

employees). Full-time employees, 2 x \$65k; 1 part-time employee, 1 x \$20k.

11b. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project: \$ 240,000

12. Market value of the existing facility as determined for local property taxation.  
\$ N/A. We do not own the current facility. We rent our office.

13a. Business's total current investment in the facility as of the proposal's submission.  
\$ 31,762.00

13b. State the businesses' value of on-site inventory required to be listed in the personal property tax return of the enterprise in the return for the tax year (stated in average \$ value per most recent 12 month period) in which the agreement is entered into (baseline inventory):  
\$ 35,915

14. An estimate of the amount to be invested by the enterprise to establish, expand, renovate or occupy a facility:

	<u>Minimum</u>	<u>Maximum</u>
A.Acquisition of Buildings:	\$ 0	\$ 0
B.Additions/New Construction:	\$ 550,000	\$ 700,000
C.Improvements to existing buildings:	\$ 0	\$ 0
D.Machinery & Equipment:	\$ 0	\$ 0
E.Furniture & Fixtures:	\$ 25,000	\$ 50,000
F.Inventory:	\$ 0	\$ 0
<b>Total New Project Investment:</b>	<b>\$ 575,000</b>	<b>\$ 750,000</b>

15. a. Business requests the following tax exemption incentives: 75 % for 10 years covering real X and/or personal property including inventory \_\_\_\_\_ as described above. Be specific as to type of assets, rate, and term.


b. Business's reasons for requesting tax incentives (be quantitatively specific as possible)  
The tax incentives are requested because they are needed to make the project possible.

We currently pay \$1,100 per month in rent for our office. To build the new facility the cost of infrastructure will be approx. \$700,000. This in addition to taxes and maintenance on the property will increase our monthly operating expenses by 7 to 8 times. We expect additional growth with our relocation and the tax incentives will assist.

Submission of this application expressly authorizes the City of Warren and/of Trumbull County to contact the Ohio Environmental Protection Agency to confirm statements contained within this application including item #7 and to review applicable confidential records. As part of this application, the business may also be required to directly request from the Ohio Department of Taxation or complete a waiver form allowing the Ohio Department of Taxation to release specific tax records to the local jurisdictions considering the incentive request.

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 benefit as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

Dawn Incorporated	06/26/2017
_____ Name of Enterprise	_____ Date
	Dawn R. Ochman, President
_____ Signature	_____ 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 Enterprise Zone Agreement as Exhibit A

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