



SIMPLIFYING
SUCCESS

COMMUNITY IMPROVEMENT CORP

ED 101-CONNECT

COMMUNITY REINVESTMENT
AREAS & ENTERPRISE ZONES

CHERI HOTTINGER

PRESIDENT & CEO, LICKING
COUNTY CHAMBER OF COMMERCE

Community Reinvestment Area (CRA) Background



SIMPLIFYING
SUCCESS

- This economic development tool was established to entice investment & redevelopment in communities where investment has been discouraged
- Program can be used towards the revitalization of both residential & commercial uses
- Considered a local tax incentive program
 - Allows for local property tax to be abated
 - Up to 100% of the improved value for a term of up to 15 years
- The program can be broken down into Pre-1994 & Post-1994 CRA areas
 - Changes in how the program is administered occurred in 1994 (hence the distinction)

For more information, please visit: https://development.ohio.gov/bs/bs_comreinvest.htm

Community Reinvestment Area (CRA) Background (cont'd)



SIMPLIFYING
SUCCESS

CRA Program Benefits

Exemption Levels	Pre-July 1, 1994 CRA	Post-July 1, 1994 CRA
Real Property	Must be 100%	Up to 100%**
Personal Property	None	None
Inventory	None	None

Term Exemptions	Pre-July 1, 1994 CRA	Post-July 1, 1994 CRA
Residential Remodeling (2 units or less; minimum \$2500)	Up to 10 years as specified in the legislation that creates the CRA	Up to 10 years as specified in the legislation that creates the CRA
Residential Remodeling (more than 2 units; minimum \$5000)	Up to 12 years as specified in the legislation that creates the CRA	Up to 12 years as specified in the legislation that creates the CRA
Residential New Construction	Up to 15 years as specified in the legislation that creates the CRA	Up to 15 years as specified in the legislation that creates the CRA
Commercial and Industrial Remodeling (minimum \$5000)	Up to 12 years as specified in the legislation that creates the CRA	Up to 12 years as negotiated and approved in an CRA Agreement
Commercial and Industrial New Construction	Up to 15 years as specified in the legislation that creates the CRA	Up to 15 years as negotiated and approved in an CRA Agreement

Enterprise Zones Background



SIMPLIFYING
SUCCESS

- The State of Ohio's Enterprise Zone (EZ) program was designed to encourage businesses to establish, expand, renovate, and occupy facilities and to create jobs within economically distressed areas.
 - Unless within specifically designated areas, the State of Ohio does not permit the use of Enterprise Zones for retail projects.
- The State of Ohio permits two types of enterprise zones: limited and full authority.
 - Limited authority enterprise zones do not need to be in economic distress but do need approval from the director of the ODSA for an Ohio business to move from an existing Ohio location into another enterprise zone and receive a tax abatement.
 - Full-authority enterprise zones are located in areas of economic distress

For more information, please visit: https://development.ohio.gov/bs/bs_oezp.htm

Enterprise Zones Background (cont'd)



SIMPLIFYING
SUCCESS

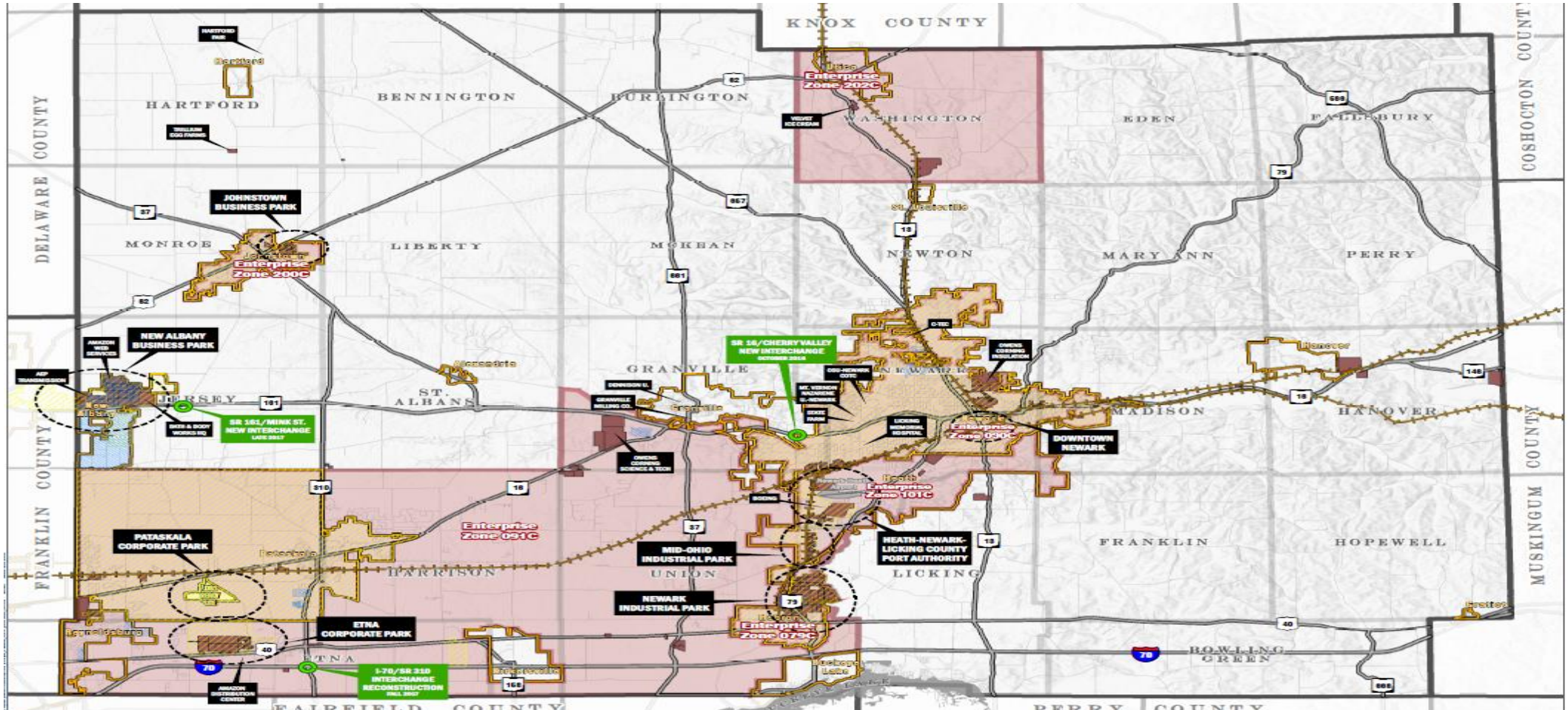
- Both municipalities and county governments may create enterprise zones
- Ohio's enterprise zone tax abatements exempt a portion of the area from property taxes and are generally granted for the creation or expansion of companies as well as the renovation and occupation of existing business sites.
 - The term of an Enterprise Zone agreement is limited to no more than 15 years
- Ohio enterprise zones established by a municipality can enter into agreements to exclude up to 75% of the assessed value of real property first used in business at the project site as a result of the agreement.
 - The tax abatement can exceed 75% in any year (1) if the average percent exempted during all years the enterprise zone agreement with a particular company is in effect does not exceed 60% or (2) if the board of education of the school district where the enterprise zone is located approves the excess percentage.

For more information, please visit: https://development.ohio.gov/bs/bs_oezp.htm or check your State of Ohio Economic Development Manual

CRA & Enterprise Zone Map Licking County



SIMPLIFYING
SUCCESS



Best Practices Licking County



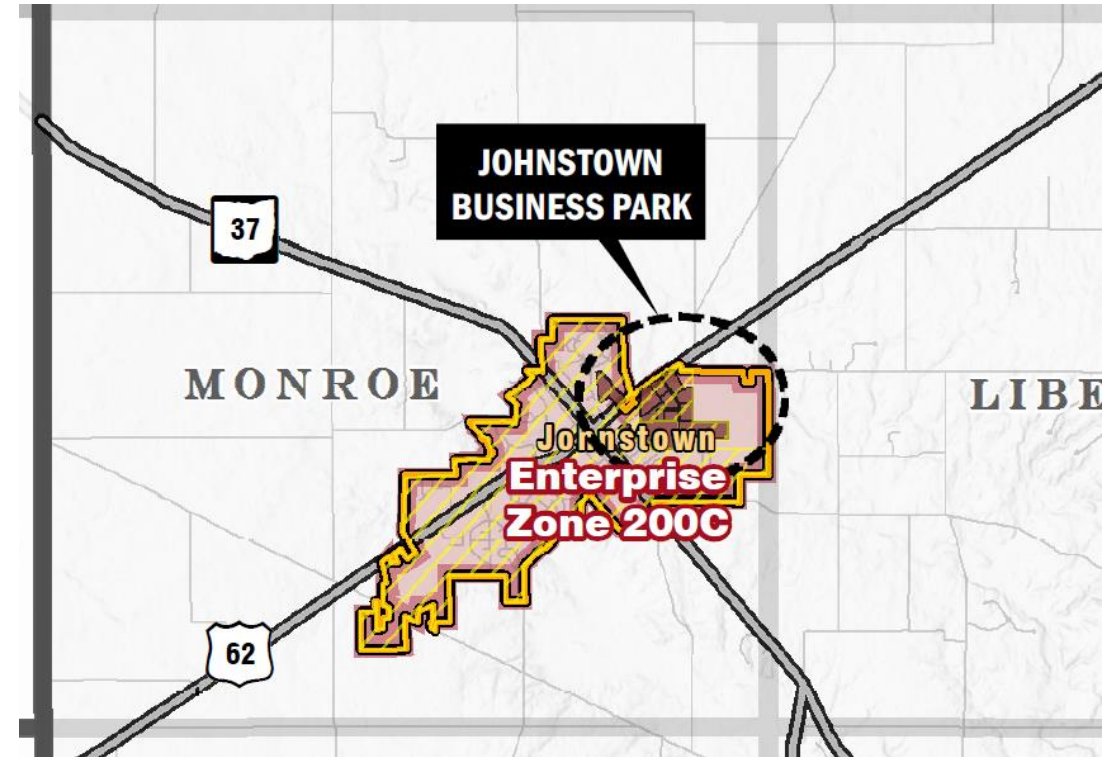
SIMPLIFYING
SUCCESS

Village of Johnstown

- Apeks Supercritical
 - Enterprise Zone
 - Local Incentive
 - 60% property tax reduction for 10 years

Local Yield

- \$1.6 million investment (Over two phases)
- Phase I: 17K sqft New Facility
 - Creation of a min. of 5 new jobs
- Phase II: Expansion of up to 30K



Best Practices Licking County



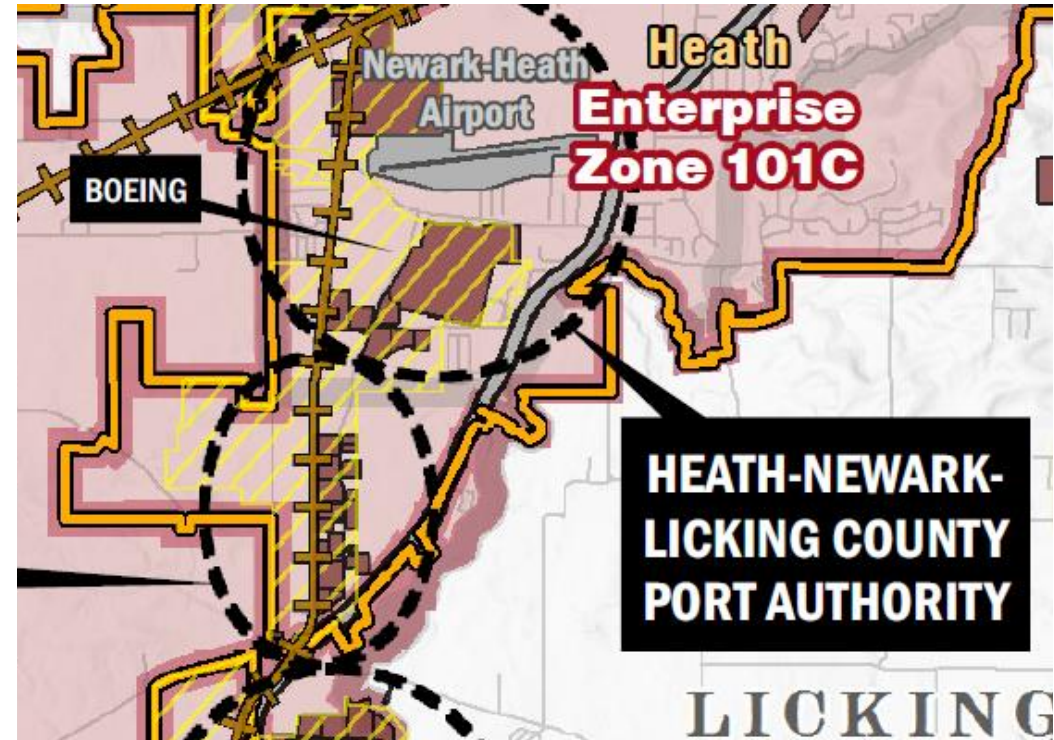
SIMPLIFYING
SUCCESS

City of Heath

- Xperion
 - CRA Tax Abatement
 - 100% property tax abatement for 15 years

Local Yield

- \$6.3 million investment
- 59 new jobs
- \$2M in new payroll



Best Practices Licking County



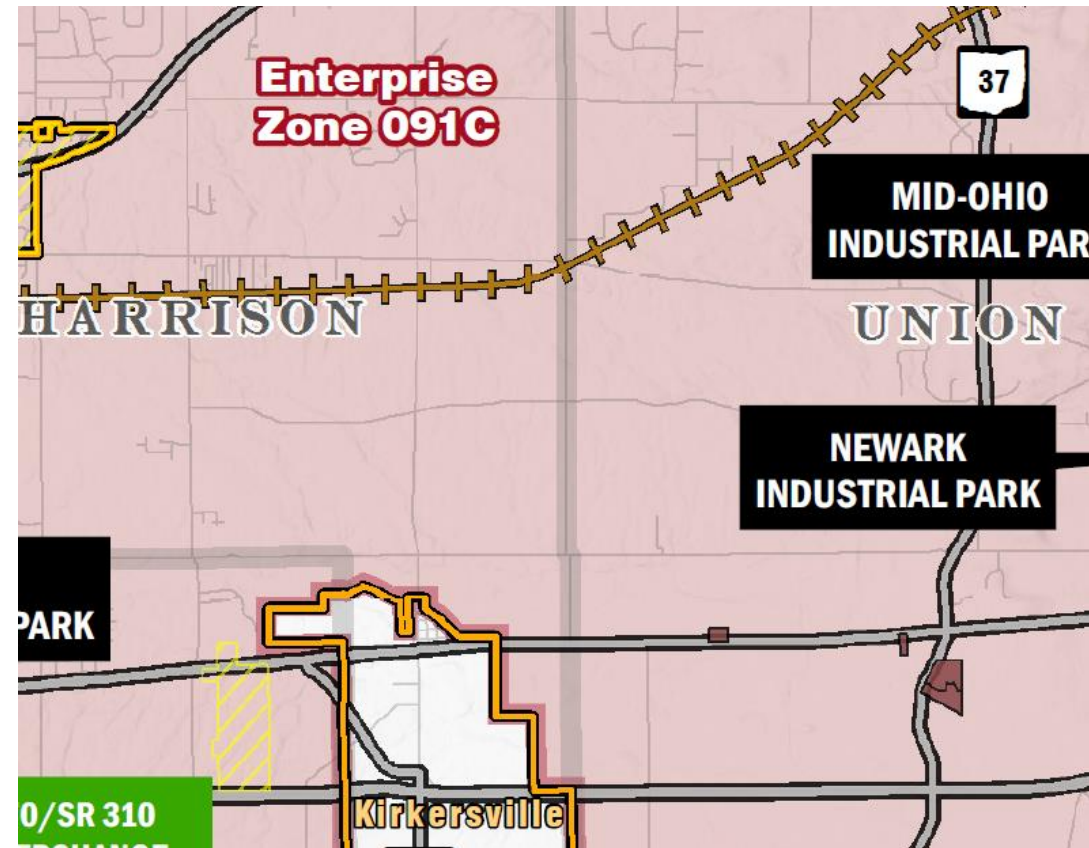
SIMPLIFYING
SUCCESS

Union Township

- MPW
 - Enterprise Zone
 - 100% property tax abatement for 15 years

Local Yield

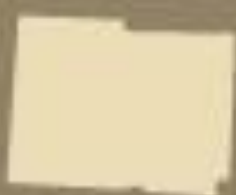
- \$4.4 million investment
- 25 new jobs
- \$1M in new payroll





SIMPLIFYING
SUCCESS

QUESTIONS?



GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORP