

**RESOLUTION NO. 012-20R**

**A RESOLUTION ACCEPTING AND APPROVING THE CITY OF SANDUSKY TAX INCENTIVE REVIEW COUNCIL'S (T.I.R.C.) RECOMMENDATIONS REGARDING CURRENT TAXATION AGREEMENTS; AND DECLARING THAT THIS RESOLUTION SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.**

**WHEREAS**, the City of Sandusky's Tax Incentive Review Council met on March 12, 2020, to review the City's tax increment financing agreements, enterprise zone agreements and community reinvestment area abatements and the Chairman of the T.I.R.C., the County Auditor, has submitted the T.I.R.C.'s recommendations to this City Commission on March 17, 2020, a copy of which is marked Exhibit "A" attached to this Resolution and specifically incorporated as if fully rewritten herein; and

**WHEREAS**, pursuant to O.R.C. Section 5709.85(E), this City Commission is required to hold a meeting within sixty (60) days of receipt of the T.I.R.C.'s recommendations and vote to accept, reject, or modify all or any portion of the T.I.R.C.'s recommendations and to forward a copy of this Resolution together with the Commission's recommendations to the Erie County Auditor's Office; and

**WHEREAS**, this Resolution should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter to ensure compliance with the statutory timeline in the O.R.C. Section 5709.85(E); and

**WHEREAS**, in that it is deemed necessary in order to provide for the immediate preservation of the public peace, property, health, and safety of the City of Sandusky, Ohio, and its citizens, and to provide for the efficient daily operation of Municipal Departments, including the Department of Community Development, of the City of Sandusky, Ohio, the City Commission of the City of Sandusky, Ohio, finds that an emergency exists regarding the aforesaid, and that it is advisable that this **Resolution** be declared an emergency measure which will take immediate effect in accordance with Section 14 of the City Charter upon its adoption; and NOW, THEREFORE

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:**

Section 1. This City Commission accepts and approves the City of Sandusky Tax Incentive Review Council's recommendations as set forth in Exhibit "A" which is attached to this Resolution and is specifically incorporated as if fully rewritten herein.

Section 2. The Clerk of the City Commission be and is hereby directed to certify a copy of this Resolution together with any modifications, if any, to the Erie County Auditor.

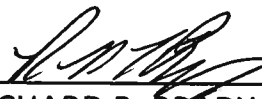
Section 3. If any section, phrase, sentence, or portion of this Resolution is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent


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provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 4. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Resolution were taken in an open meeting of this City Commission and that all deliberations of this City Commission and of any of its committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 5. That for the reasons set forth in the preamble hereto, this Resolution is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.

  
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RICHARD R. BRADY  
PRESIDENT OF THE CITY COMMISSION

ATTEST:   
\_\_\_\_\_  
KELLY L. KRESSER  
CLERK OF THE CITY COMMISSION

Passed: March 23, 2020

# **RICHARD H. JEFFREY**

## **E R I E COUNTY AUDITOR**

247 Columbus Avenue, Suite Sandusky, Ohio 44870-2635  
(419) 627-7746 [ecao@eriecounty.oh.gov](mailto:ecao@eriecounty.oh.gov)

March 17, 2020

Sandusky City Commission  
240 Columbus Ave  
Sandusky, Ohio

The Tax Incentive Review Council (TIRC) and Community Reinvestment Area Housing Council (CRAHC) for the City of Sandusky, Ohio met on Wednesday March 12, 2020 in the Erie County Commission Chambers, 2900 Columbus Avenue, Sandusky Ohio. The following Council members were in attendance:

- Richard Jeffrey, Erie County Auditor (Chair)
- Eric Wobser, City Manager, City of Sandusky
- Michelle Reeder, Finance Director, City of Sandusky
- Dick Brady, City Commission President, City of Sandusky
- Dru Meredith, Vice President of Operations/Marketing & Strategic Planning, Firelands Regional Medical Center
- Michael Will, Citizen Delegate, City of Sandusky
- JoAnn Bonner, Citizen Delegate, City of Sandusky

Also in attendance were:

- Kristen Barone, Administrative Assistant, City of Sandusky
- John Storey, Economic Development Specialist, City of Sandusky
- Matt Lasko, Chief Development Officer, City of Sandusky
- Sharon Johnson, member of the general public
- Zach Rospert, Erie Regional Planning Commission
- John Rogers, Erie County Auditor's Office
- Toni Fritz, Erie County Auditor's Office

Chairman Jeffrey called the meeting to order at 3:04 P.M. He informed everyone the first items to be voted on fell under the TIRC; therefore, the members eligible to vote included E. Wobser, M.Reeder, J. Bonner, D. Meredith, D. Brady, and R. Jeffrey. He further stated for the Community Reinvestment Area those eligible to vote included M. Will, M. Reeder, D. Meredith, and R.Jeffrey.

**EXHIBIT**

**"A"**

**CONSIDERATION OF MARCH 6, 2019 MEETING MINUTES:**

The minutes of the March 6, 2019 meeting were reviewed. On a motion by D. Meredith and second by M. Will, the minutes were unanimously approved as presented.

**ENTERPRISE ZONE AGREEMENTS:**

**Gundlach Sheet Metal Works, Inc.-** M. Lasko stated the agreement was for a 10-year 75% abatement on the cost of improvements. The project includes the construction of a new 6,250 square foot warehouse addition, improved parking and logistical area and renovated administrative offices at the existing facility. Total project investment was to be between \$830,000-\$1,040,000 in physical construction improvements. In addition, the company was to install between \$20,000-\$50,000 in furniture and fixtures for the project. The project is totally constructed and was completed in the fall of 2018 -prior to the stated project completion deadline of March 31, 2019. As of 12/31/2019, the total project investment was \$1,050,000 including furniture and fixtures. The company was to retain forty-five (45) existing positions and hire and additional four and one-half (4.5) new full-time permanent positions. These additional jobs were to be in place by 12/31/2019. The anticipated increase in additional payroll was to be \$475,000.

As of 12/31/19, the company had retained forty-five (45) employees (although 1 has subsequently been laid off) and has hired ten (10) new full-time permanent positions based on the expansion project. As of 12/31/19, the company has increased its payroll \$418,235.96. Although this is slightly below the required \$475,000 it is due to the fact that some employees have not worked a full year although they were hired by 12/31/19. This number will be higher at the end of 2020. M. Lasko recommended to continue the agreement as constituted.

There was a motion by E. Wobser, and second by M. Reeder, to accept the recommendation. All voting members were in favor of the motion.

**Chris Andrews, LLC d.b.a Ohio Truck Sales-** M.Lasko stated the agreement was for a 10-year 75% abatement on the cost of improvements. The project includes the construction of a new 13,200 square foot addition and a new 500 square foot office and other site improvements including concrete work and fencing. Total project investment is estimated at over \$1,200,000. In addition, the Company expects to install \$200,000 to \$225,000 in furniture and fixtures for the project. There was a first amendment to the original agreement, approved on 12/27/18, extending the latest date for the commencement of the tax abatement based on a longer than anticipated construction schedule. The project completed construction in very early 2019. As of 12/31/2019, the total project investment was approximately \$3,300,000 for physical construction costs, furniture and fixtures through 12/31/19. The Company was to create ten (10) new full-time permanent positions and retain twenty-one (21) positions. These jobs are to be in place by 12/31/2019. The anticipated increase in additional payroll was to be \$250,000 in total - all of which is for permanent full-time positions. The Company has a total of sixty-eight (68) employees as of 12/31/19 (down

from 71 in 2018), meaning it has hired forty-seven (47) new employees with over \$2,000,000 in added payroll attributable to the new employees. M. Lasko recommended to continue the agreement as constituted.

There was a motion by D. Meredith, and a second by M. Reeder, to accept the recommendation. All voting members were in favor of the motion.

**300 E. Water Street Properties, LLC-** M. Lasko stated the agreement was for a 10-year 75% abatement on the cost of improvements. The project included the renovation and adaptive reuse of a 2,400 square foot, former residential condominium unit and commercial space into a larger commercial condominium unit to be leased out. Total project investment is estimated to be between \$100,000-\$150,000 on top of acquisition costs. In addition, the company expects to install \$20,000 to \$45,000 in furniture and fixtures for the project. The project was to be completed no later than 12/31/19. The company was to hire 5 new employees with a \$500,000 payroll. As of 12/31/19, the Company had in fact hired 5 full-time employees with a payroll exceeding \$660,000. M. Lasko recommended to continue the agreement as constituted.

There was a motion by E. Wobser, and a second by M. Reeder, to accept the recommendation. All voting members were in favor of the motion.

**S + S Realty, Ltd (Holiday Inn Express - Phase D)-** M. Lasko stated that the agreement was for a 10-year 75% abatement on the cost of improvements. The project includes the demolition of the north wing of the existing Quality Inn and the construction of a new five-story, 73-room Holiday Inn Express. Total project investment is estimated between \$5,000,000-\$6,000,000. An additional \$1,000,000-\$1,250,000 is anticipated to be invested in the form of furniture and fixtures. Holiday Inn Express has been operating since May 2016. As of 12/31/2019, the total project investment was \$6,224,637.06 with an additional \$1,245,485.29 spent for new personal property through 12/31/19. The company is to create 15 new full-time permanent positions and 20 new part-time permanent positions. These jobs are to be in place by 11/1/2015. The anticipated increase in additional payroll is \$331,000 in total which includes \$285,000 in permanent full-time positions, with the balance comprised of permanent part-time positions and temporary full-time positions. The company has a total of 30 employees as of 12/31/19 with \$588,691.96 in payroll attributable to the new employees. This number is much higher at different times of the year. 20 of the total employees are full-time permanent positions and 10 are part-time permanent positions. 29 of the 30 employees (97%) are Erie County residents. M. Lasko recommended to continue the agreement as constituted.

There was a motion by D. Brady, and a second by M. Will, to accept the recommendation. All voting members were in favor of the motion.

**S & S Realty, LTD. (Holiday Inn Express - Phase II)-** M. Lasko stated that the agreement was for a 10-year 75% abatement on the cost of improvements. The project includes the

expansion of the existing Holiday Inn Express hotel through a second phase. In total, an additional sixty-six (66) rooms will be added through a new five-story building. Total project investment is estimated to be between \$5,000,000-\$5,700,000. In addition, the company expects to install between \$900,000 to \$1,100,000 in furniture and fixtures for the project. The project is to be completed no later than 6/30/2020. The company will create 15 new full-time equivalent permanent positions. These jobs are to be in place by 6/30/21. The anticipated increase in additional payroll is set at \$185,000. As mentioned, the project is still under construction. The job creation period commenced on 10/31/19 and continues through 6/30/21. M. Lasko recommended to continue the agreement as constituted.

There was a motion by D. Meredith, and a second by M. Will, to accept the recommendation. All voting members were in favor of the motion.

**Bay Boat Storage, LTD.-** M. Lasko stated that the agreement was for a 10-year 75% abatement on the cost of improvements. The project includes the new construction of an approximate 60,000 square foot heated indoor marina storage building on approximately 2-acres of land. The facility will include offices and restrooms and cater to boats and other types of water-craft. The company intends to invest between \$1,000,000-\$1,400,000 in physical construction cost and another \$50,000-\$100,000 for machinery and equipment. The project is to be completed no later than 12/31/2020. As of 12/31/2019, the project remained under construction but well on its way to being completed prior to the end of calendar year 2020. To date, \$490,500 has been spent on the project including construction wages. The company is to create three (3) new full-time employment positions. The minimum new annual payroll attributed to these positions is \$120,000. The jobs are to be in place no later than 12/31/2020. Since the project is still under construction, there are no permanent job results to report. M. Lasko recommended to continue the agreement as constituted.

There was a motion by D. Brady, and a second by M. Reeder, to accept the recommendation. All voting members were in favor of the motion.

**Resort School, LLC-** M. Lasko stated that the agreement was for a 10-year 75% abatement on the cost of improvements. The project includes the new construction of an approximate 78,000 square foot, five-story facility. The facility will include 80 residential apartments and first floor post-secondary education space, lobby and modest retail along with a 30+ space on-site parking lot. The company intends to invest approximately \$13,600,000 on the improvements. The project must be completed no later than 12/31/20 but is expected to be completed by 9/30/20. As of 12/31/2019, the project remained under construction but well on its way to being completed prior to the end of calendar year 2020 and in time for the start of the fall semester. To date, approximately \$4,500,000 has been spent on improvements inclusive of construction wages. The company is to create or cause to be created 10 new full-time employment positions. The minimum new annual payroll attributed to these positions is \$700,000. The jobs are to be in place no later than 12/31/2020. Since the project is still under construction, there are no permanent job results to report. M. Lasko recommended to continue the agreement as constituted.

There was a motion by E. Wobser, and a second by D. Brady, to accept the recommendation. All voting members were in favor of the motion.

**Market Street Collective, LLC-** M. Lasko stated that the agreement was for a 10-year 75% abatement on the cost of improvements. The project includes the complete renovation of the former 11,000 square foot Cardinal Grocery Store. Once completed, the facility will resemble a food hall with individual vendors, some grocery, bar and dining space. The company intends to invest just over \$2,000,000 which includes \$515,000 for building acquisition. The project must be completed no later than 12/31/2020. As of 12/31/2019, the project remained in due diligence and pre-construction planning. With the abatement being passed and signed near the tail end of 2019, there is no construction commencement and therefore no construction wages paid to date. The company is to create or cause to be created 8 new full-time employment positions and 6 part time/seasonal positions. The minimum new annual payroll attributed to these positions is \$414,000. The jobs are to be in place no later than 12/31/2020. Since the project is still under construction, there are no permanent job results to report. M. Lasko recommended to continue the agreement as currently constituted.

There was a motion by M. Reeder, and a second by E. Wobser, to accept the recommendation. All voting members were in favor of the motion.

**Huntley Building, LLC-** M. Lasko stated that the agreement was for a 10-year 75% abatement on the cost of improvements. The project included the renovation of an approximate 30,000 square foot formerly vacant downtown commercial building. Now constructed, the building is referred to as the "Marketplace at Cooke" and houses multiple food & beverage, retail and entertainment tenants. Total project investment was to be between \$1,500,000-\$2,500,000 with an additional \$100,000-\$200,000 in furniture, fixtures and equipment. The project was to be completed no later than 12/31/19. As of 12/31/2019, construction was completed, and many tenants now occupy the space. The total project investment on top of acquisition costs was \$2,821,197 including furniture, fixtures and equipment. The Company was to create or cause to be created a minimum of 10 new full-time permanent positions. These jobs were to be in place by 6/30/20. The anticipated increase in additional payroll is set at \$150,000. As of 12/31/2019, there have been nine (9) full time jobs created and twenty-nine (29) part-time jobs created at the site with payroll calculated at \$194,700 for a partial year. M. Lasko recommended to continue the agreement as currently constituted.

There was a motion by D. Brady, and a second by M. Reeder, to accept the recommendation. All voting members were in favor of the motion.

**Cooke Building, LLC-** M. Lasko stated that the agreement was for a 10-year 75% abatement on the cost of improvements. The project was to include the historic rehabilitation of two downtown properties comprising three 3 legal parcels. The buildings comprised approximately 35,000 square feet and once completed, would house leasable retail, commercial and entertainment space. The project called for an investment of between

\$6,000,000-\$7,000,000 in physical buildout and another \$500,000 in furniture, fixtures, and equipment. The project was to be entirely completed by 12/31/2020. As of 12/31/2019, the project is not moving forward. Due to complications during interior demolition, the owners have decided to demolish the buildings and construct new beginning in 2020. Plans for the new facility are still being developed. The company was to create or cause to be created eight (8) new full-time employment positions. The minimum new annual payroll attributed to these positions was to be \$300,000. The jobs were to be in place no later than 6/30/2021. Since the project is being altered, no jobs have yet to be attributed to this agreement nor will there be. The owners and the City agreed to terminate the agreement in late 2019 due to the project not being able to move forward as contemplated in the approved agreement. The owners have expressed interest in reapplying once the details of the new building are finalized.

R. Jeffrey stated he would assume we would still need to have a motion to accept the termination.

There was a motion made by D. Brady, and a second by M. Reeder to terminate the agreement. All voting members were in favor of the motion.

R. Jeffrey advised for someone to figure out whether or not the work they are doing to shore up the south side wall, constitutes the start of the replacement, for whatever agreement is worked out in the future.

**Renaissance Too. LLC (125 E. Water Street)-** M. Lasko stated that the agreement was for a 10-year 75% abatement on the cost of improvements. The project involved the substantial and historic renovation to the formerly vacant property at 125 E. Water Street. Upon completion the approximate 7,350 square foot building will house both commercial and residential spaces along with ground floor indoor parking. This building will also serve as the new headquarters for Lake Erie Shores and Islands. The company intends to invest between \$500,000-\$550,000 on the improvements, not including costs of acquisition. The project must be completed no later than 12/31/2020. As of 12/31/2019, the project remained under construction but well on its way to being completed prior to the end of calendar year 2020. To date, approximately \$418,200 has been invested into the project of \$200,000 is attributed to construction wages. The company is to retain or cause to be retained ten (10) full-time employment positions and four (4) part-time/seasonal employment positions. The minimum new annual payroll attributed to these positions being retained is \$400,000. The jobs are to be in place no later than 12/31/2020. Since the project is still under construction, there are no job retention results to report. M. Lasko recommended to continue the agreement as currently constituted.

There was a motion made by D. Brady, and a second by D. Meredith, to accept the recommendation. All voting members were in favor of the motion.

**Renaissance Too. LLC (131 E. Water Street)-** M. Lasko stated that the agreement was for



a 10-year 75% abatement on the cost of improvements. The project involves the substantial and historic renovation to the formerly vacant property at 131 E. Water Street along with the addition of a 4<sup>th</sup> floor. Upon completion the approximate 7,300 square foot building will house both commercial and residential spaces along with ground floor indoor parking. The company intends to invest between \$1,125,000-\$1,210,000 on the improvements, not including costs of acquisition. The project must be completed no later than 12/31/20. As of 12/31/2019, the project remained under construction but well on its way to being completed prior to the end of calendar year 2020. To date, approximately \$320,300 has been invested into the project of which \$200,000 was in the form of construction wages. The company is to create or cause to be created two (2) full-time employment positions. The minimum new annual payroll attributed to these positions being created is \$100,000. The jobs are to be in place no later than 12/31/2021. Since the project is still under construction, there are no job retention results to report. M. Lasko recommended to continue the agreement as currently constituted.

There was a motion made by E. Wobser, and a second by D. Meredith, to accept the recommendation. All voting members were in favor of the motion.

**TAX INCREMENT FINANCING (TIF) AREAS -Mr. Lasko informed the Council that next he would be reviewing the TIF Agreements:**

**Chesapeake TIF-** M. Lasko stated the TIF was created in 2004, requiring that all deposits into the TIF account be expensed on certain private redevelopment projects and/or municipal improvements including, but not limited to, land acquisition, relocation, demolition, parks, streets, utilities, public buildings - all intended to promote further development within the TIF district. In 2019, there was \$578,200.57 in receipts. In the same time, there was \$430,336.19 in expenses. As such, as of 12/31/19, the balance was \$1,167,410.31. M. Lasko recommended continuation of the agreement as currently constituted.

There was a motion made by D. Meredith, and a second by M. Reeder, to accept the recommendation. All voting members were in favor of the motion.

**Cleveland Road TIF-** M. Lasko stated created in 2018, the Cleveland Road TIF includes eight parcels on the eastern end of Sandusky- that currently serve as the site of the second phase of the Cedar Point Sports Center and the Knights Inn Motel. Any projects on these parcels that are developed and taxable at the earlier of \$50,000 worth of investment or 12/31/21 will pay into the TIF account for a period of thirty years. Any projects developed and taxable on these specific parcels after 12/31/21, will pay into the TIF account until 12/31/50, which will be less than thirty years. The Sandusky City Schools will be due 10% of all gross annual revenues deposited into the account until 2050. Revenues in the account may be used for public infrastructure improvements that are to the benefit the TIF parcels and may include trails, paths, parks, streets, sidewalks, water and sewer lines, and acquisition of real estate. This is not a boundary TIF. In 2019, there were no revenues deposited into the account nor were there expenses debited from the account. Therefore, there were no school

compensation payments made to the Sandusky City Schools in 2019. However, with the completion of the second phase of the Sports Center project, revenues will begin to be received in first quarter of 2021. Based on a development agreement entered into in December of 2019 between the City and Cedar Fair, the minimum gross revenues to be received by the City related to the new complex are \$550,000 annually. M. Lasko recommended continuation of the existing agreement as currently constituted.

There was a motion made by D. Brady, and a second by E. Wobser. All voting members were in favor of the motion.

R. Jeffrey advised the City to think about the fact that there is some additional money coming from Firelands that is not included in that \$550,000 that they will need to decide what to do with.

Joe Ann Bonner asked if there will ever be room for a YMCA there.

R. Jeffrey stated that they have the space to do something more there, but they will not give an answer on what their plans are for that space yet.

**Downtown TIF-** M. Lasko stated created in 2018, the Downtown TIF includes 35 parcels in the core of downtown and heading eastward - made up of a combination of City owned land and historically vacant or underutilized properties and buildings. Any projects on these parcels that are developed and taxable at the earlier of \$50,000 worth of investment or 12/31/21 will pay into the TIF account for a period of 30 years. Any projects developed and taxable on these specific parcels after 12/31/21, will pay into the TIF account until 12/31/50, which will be less than 30 years. The Sandusky City Schools will be due 10% of all gross annual revenues deposited into the account until 2050. Revenues in the account may be used for public infrastructure improvements that are to the benefit of the TIF parcels and may include trails, paths, parks, streets, sidewalks, water and sewer lines, and acquisition of real estate. This is not a boundary TIF. In 2019, there were no revenues deposited into the account nor were there expenses debited from the account. Therefore, there were no school compensation payments made to the Sandusky City Schools in 2019. The City anticipates the first revenues to be deposited into the account in 2020. M. Lasko recommended continuation of the existing agreement as currently constituted.

There was a motion made by E. Wobser, and a second by M. Reeder, to accept the recommendation. All voting members were in favor of the motion.

There was a motion made by D. Brady, and a second by M. Reeder, to adjourn the meeting.

**2019 COMMUNITY REINVESTMENT AREA REVIEW:**

Chairman Jeffrey called the meeting to order at 3:31 P.M. Voting members present included: R. Jeffrey, D. Meredith, M. Reeder, and M. Will.

**Consideration of March 6, 2019 meeting Minutes:**

The minutes of the March 6, 2019 meeting were reviewed. On a motion by M. Will and second by M. Reeder, the minutes were unanimously approved as presented.

**Zeller Gaming Enterprises, LLC-** Mr. Lasko stated that the agreement was for a 5-year 75% abatement on the cost of improvements. The project includes the renovation of a vacant commercial building located at 142 Columbus Avenue, Sandusky, Ohio. Total project investment is estimated at \$395,000. An additional \$5,000 is anticipated to be invested in the form of furniture and fixtures. Construction is complete and Barra has been operating since June 2017. As of 12/31/2019, the total project investment was \$395,000 with an additional \$5,000 spent for new personal property through 12/31/19. The Company is to create four (4) new full-time permanent positions. These jobs were to be in place by 12/31/2017. The anticipated increase in additional payroll is \$100,000 in total, including permanent full-time and part-time positions. The company has a total of 33 employees (20 FTEs) as of 12/31/19 with \$350,000 in payroll attributable to the new employees (down from 37 employees and \$395,000 in payroll from 2018). Mr. Lasko recommended continuation of the existing agreement as currently constituted.

There was a motion made by M. Reeder, and a second by M. Will, to accept the recommendation. All voting members were in favor.

**Tier 3, LLC-** Mr. Lasko stated that the agreement was for a 10-year 75% abatement to offset a portion of the property tax costs associated with the renovation and occupancy of the building located at 223 W Water Street (Erie County, Ohio permanent parcel number 56-00079.000). The project involves the renovation of a currently vacant commercial building located at 223 W Water Street. The renovation consists of the demolition and construction necessary for the renovation and return to productive use of a currently vacant, blighted commercial building into a hotel and lounge/restaurant space. Costs of the project are estimated at approximately \$912,000 for the renovation, \$179,000 for purchase of the existing building (no abatement) and \$85,000 for new machinery, equipment, furniture and fixtures (no abatement). The first phase of the hotel is now open and operating. Total project investment as of 12/31/19 was \$1,400,000. The project was anticipated to create 10 new full-time positions with new annual payroll of \$165,260. As of 12/31/19, the project has created 28 new employment positions with a total payroll of \$369,584 (up from 27 and \$323,000 in 2018). Mr. Lasko recommended to continue the abatement as currently constituted.

There was a motion made by M. Will, and a second by M. Reeder, to accept the recommendation. All voting members were in favor.

**SANDCITY, LLC-** Mr. Lasko stated that the agreement was for a 10-year 75% abatement on the cost of improvements. The project includes the renovation of three architecturally

distinct historic buildings into one 68,000+ square foot (51,000 leasable square feet) approximately \$11.4 million mixed-use development. The project consists of new City Hall administrative offices for the City of Sandusky, three renovated retail spaces and 18 market rate apartments in the remaining leasable space. The renovation shall consist of the demolition and construction necessary for the return to productive use of currently vacant, blighted commercial buildings into a mixed-use development. The project is now complete, with the exception of undertaking tenant improvements in two of the leasable retail bays. As of 12/31/19, the total investment was \$12,507,000 far in excess of the requirements of the agreement. As a result of the project, it is expected that 25 new full-time permanent positions (excluding City Hall employees) will be created from the businesses in the retail spaces and also property management positions. These jobs are to be in place fully by 12/31/2023. The anticipated increase in additional payroll is \$600,000 in total. As of 12/31/19, there were no new employment positions created. However, it should be noted, two of the three retail spaces are leased out and it is expected that the employment and payroll requirements will be met as early as the end of 2020. M. Lasko recommended to continue the agreement as constituted.

There was a motion made by M. Reeder, and a second by M. Will, to accept the recommendation. All voting members were in favor.

**Rieger Place/Buckeye Community Twenty-Two, LP-** M. Lasko stated that the agreement was for a 10-year 75% abatement for the costs associated with the renovation of the formerly vacant property commonly called the Rieger or the Sanduskian. The project consists of the renovation of this 64,995 square foot commercial building (parcel numbers 56- 00980.000 and 56-00981.000) into retail units on the ground floor and renovation of the balance of the building into thirty-seven (37) income restricted senior housing units (apartments). The renovations are to meet current building codes and also design and energy efficiency requirements set forth by both the Ohio Housing Finance Agency and Enterprise respectively. Costs of the project are estimated at approximately \$5,000,000 - \$6,000,000 for the renovation. Construction on the building is complete. As of 12/31/2019, the total project investment was \$6,194,986.00. There was an additional investment of \$95,228.00 in personal property within the project. It is anticipated that the project will result in the creation of 2 new jobs, to be in place by 12/31/14, and a yet to be determined number of jobs hired by the commercial tenants once the space is leased. As of 12/31/19, the project has created two full-time permanent positions and one part-time permanent positions, exceeding the requirements outlined in the agreement and not including the commercial ground floor tenants. The payroll associated with the new employment is \$50,896.75, versus the \$50,000.00 contained in the agreement. M. Lasko recommended to continue the agreement as currently constituted.

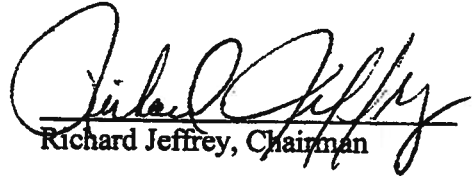
There was a motion made by M. Will and a second by M. Reeder, to accept the recommendation. All voting members were in favor.

**ADJOURNMENT:**

Chairman R. Jeffrey called for a motion to adjourn. M. Will moved to adjourn the meeting; M. Reeder seconded the motion. All were in favor to adjourn. The meeting ended at 3:50pm.

**Approved:**

\_\_\_\_\_  
Kristen Barone, Clerk

  
Richard Jeffrey, Chairman