

**Cuyahoga Falls City Council  
Minutes of the Community Development Committee**

**July 15, 2024**

**Members:** Joe Siegferth, Chair  
Brian Ashton, Vice-Chair  
Mary Nichols-Rhodes, Susan Spinner, Meika Penta

Mr. Siegferth called the meeting to order at 6:45 p.m. Mrs. Penta was absent.

The minutes of the June 17, 2024 Community Development Committee meeting were approved as written.

**Legislation Discussed:**

Temp. Ord. A-66

Temp. Ord. A-67

Temp. Ord. A-68

**Discussion:**

**Temp. Ord. A-66**

An ordinance amending ordinance 95-2004 to revise the Cuyahoga River Community Reinvestment Area boundaries, implementing sections 3735.65 through 3735.70 of the Ohio Revised Code, and declaring an emergency.

Ms. Diana Colavecchio, Community Development Director, presented Temporary Ordinance A-66 to Council. The Council of the City of Cuyahoga Falls (“City Council”) desires to pursue all reasonable and legitimate incentive measures to assist and encourage development in specific areas of the City of Cuyahoga Falls that have not enjoyed reinvestment from remodeling or new construction. City Council established the Cuyahoga River Community Reinvestment Area pursuant to Ordinance No. 95-2004, attached to the ordinance as Exhibit A, and incorporated by reference herein; City Council desires to amend the Cuyahoga River Community Reinvestment Area to include the properties depicted on the map attached to the ordinance as Exhibit B, and incorporated by reference herein. A survey of housing as required by the Ohio Revised Code 3735.66 has been prepared and attached to the ordinance as Exhibit C, and incorporated by reference herein; The maintenance of existing and construction of new structures in such area would serve to encourage economic stability, maintain real property values, and generate new employment opportunities. The remodeling of existing structures or the construction of new structures in this Community Reinvestment Area constitutes a public purpose for which real property exemptions may be granted.

Ms. Colavecchio stated that the City has had a CRA district called the Cuyahoga River Community CRA District. That map included pretty much all of the east side of the city. That CRA district is there for purposes of tax abatement to incentivize new construction, remodeling, expansion and

**Community Development Committee**

**July 15**

**July 15, 2024 – Page 2**

renovation of existing structures. This ordinance is to include the area of Orlen Avenue for further renovation and new construction.

Mr. Siegferth asked what the potential expansion would look like and would it be substantial. Ms. Colavecchio stated that without committing the owners located there to performing something that they are just thinking about right now, she could not say, but there has been turnover on one property and they, in particular, are looking at growing that business.

Mr. Ashton moved to bring out Temp. Ord. A-66 with a favorable recommendation, second by Mrs. Spinner. Motion passed (4-0).

**Temp. Ord. A-67**

An ordinance authorizing the Mayor to execute the revised Summit County Intergovernmental Memorandum of Understanding for Job Creation and Retention and Tax Revenue Sharing, and declaring an emergency.

Ms. Diana Colavecchio, Community Development Director, presented Temporary Ordinance A-67 to Council. The City is currently a party to the Summit County Intergovernmental Memorandum of Understanding for Job Creation and Retention and Tax Revenue Sharing (“Job Creation and Retention MOU”), together with most other communities in Summit County, The Job Creation and Retention MOU provides for the sharing of a portion of income tax revenue between participatory communities in certain circumstances where a business relocates from one community to another community. The participating communities recently met and have proposed revisions to the Job Creation and Retention MOU to account for the impact of work-from-home jobs in the calculation of income tax revenue sharing when a business relocates. The Job Creation and Retention MOU requires the participating communities to re-execute the same when a substantive revision is agreed to by the participating communities. The revised Job Creation and Retention MOU will take effect on October 31, 2024.

Ms. Colavecchio stated that the City has been a partner in the County's Intergovernmental Agreement which is commonly referred as to the anti-poaching agreement. It benefits the City. For example, if a large company were to leave the borders of the City and move across the border to Munroe Falls, all income tax revenue that the City generally would receive would flip over. The anti-poaching agreement has been in place and the City has been a part of it for many years. This is a way to handle the loss. The city that acquires the company has to kickback and share their new revenue with the city from which the company departed. That agreement was due to expire at the end of this summer, so, many months ago, they started meeting with all the communities that are involved with the agreement, along with the County, and with some of the changes that they have all been experiencing lately, namely work from home, tweak the agreement. All the red-line versions in the new agreement were provided to Council in the Dropbox. That is essentially the big change. If someone works at home, their wages are not

**Community Development Committee**

**July 15**

**July 15, 2024 – Page 3**

included in the equation because there are certain thresholds that need to be met and that does not meet the threshold.

Mr. Sieferth stated that, if approved, the agreement would commence October 31st, 2024.

Mr. Balthis stated that a lot of communities do not participate in the agreement and he is glad that Cuyahoga Falls does. As a public entity, they are all in competition for jobs. Luckily, the City has been successful in that, but it is important that if a community loses that income tax revenue that they are relying on, there be a process to mitigate that to spread it over time to give communities time to adjust. This agreement is beneficial to the City and the region. He appreciates all the hard work the City has done to revise it to reflect the new reality with COVID and working from home. This is a good example of communities working together to try to mitigate costs and damages when companies leave.

Mr. Ashton moved to bring out Temp. Ord. A-67 with a favorable recommendation, second by Mrs. Spinner. Motion passed (4-0).

**Temp. Res. A-68**

A resolution accepting the recommendations of the Tax Incentive Review Council and the Community Reinvestment Area Housing Council concerning Enterprise Zone and Community Reinvestment Area Tax Exemption Agreements within the City of Cuyahoga Falls, and declaring an emergency.

Ms. Diana Colavecchio, Community Development Director, presented Temporary Resolution A-68 to Council. The City of Cuyahoga Falls has designated certain areas within the city as Enterprise Zones pursuant to Ohio Revised Code (“R.C.”) §5709.61-69, and as Community Reinvestment Areas, pursuant to R.C. §3735.65 et seq. Pursuant to these statutes, the City of Cuyahoga Falls has entered into Enterprise Zone and Community Reinvestment Area tax exemption agreements (the “tax exemption agreements”) with various property owners in the mentioned areas for the abatement of portions of the property owners’ real property taxes as incentives for the businesses and homeowners to invest in the community. The City has established a Tax Incentive Review Council pursuant to R.C. 27 §5709.85, and a Community Reinvestment Area Housing Council pursuant to Ord. No. 95-2004, for the purpose of annually assessing whether each owner of property exempted from taxation pursuant to a tax exemption agreement has complied with the agreement. The Tax Incentive Review Council is required to annually submit written recommendations to this Council concerning whether each tax exemption agreement subject to its review should be continued, amended or terminated.

Ms. Colavecchio stated that this is an annual ordinance. They have two presentations to make out of the department. The first of those is that, in March, they presented to their Housing Council group of volunteers, of which Mr. Balthis and Mr. Sieferth are members, a list of all the residential housing that is in the City in the CRA District that has qualified for abatement. The

**Community Development Committee**

**July 15**

**July 15, 2024 – Page 4**

way they qualify is it has to be owner-occupied and they keep their taxes current. Every March, they convene the Housing Council to show them the list of all of these properties. They have, in advance, done the homework to be able to tell them whether these properties are current on taxes and homeowner-occupied. This year, everybody passed that test except one, and that is a home that is in Salt Creek that is behind in their taxes. Every address is listed and, across from that, their recommendation to continue except for this one located Line 18 that they are recommending be terminated.

Mr. Siegfert thanked Ms. Mary Spaugy, Deputy Community Development Director, and Attorney Bradley LeBoeuf, member of the CRA Housing Council who were instrumental in reviewing some of this information and helping them through the process.

Ms. Colavecchio stated that the second component to this ordinance is that, every year, they are invited to the County office along with all the businesses that the City has tax agreements with, tax CRA's, Enterprise Zone agreements and abatement agreements and the superintendents of the three school districts they serve. They present to them, at this meeting, a list of all of the agreements and explain whether each company that they was granted an agreement is still in compliance. It is an audit of sorts. That includes whether they have achieved success in hiring. They monitor how many jobs they promised each year and whether their salary is also commensurate with that. They were pleased that, this year, everyone has met the audit and was able to be approved. Attached to the ordinance are those that will be recommended for passage tonight. They have four in the Cuyahoga River Community CRA, Northern State Road and Portage Trail area covering three school districts. They have eight in the Cuyahoga Falls City School District, two in the Hudson School District and seven in the Woodridge Local School District. The Tax Incentive Review Committee also concurred in their decision to approve these this time around.

Mr. Balthis stated that he appreciates that they do these audits. As a component or part of these agreements, they require a business to make a donation to a scholarship fund or something to benefit the school districts. He asked if they are confirming that those donations were made as part of this process.

Ms. Colavecchio stated that, a couple years ago, when awarding CRA's, they began making sure that was part of the agreement because, again, these businesses are taking advantage of lower taxes, and that is usually at the expense of the school districts. Ms. Spaugy makes sure that the school treasurers verify that they have paid over those funds to their foundation.

Ms. Nichols-Rhodes stated that, as the Finance Chair, she participates in the Tax Incentive Review Council meetings. As indicated by most of these agreements, these companies are exceeding the amount of jobs and salary required, and that helps everyone. Ms. Spaugy has done a fine job of making sure whether the scholarship appeared there and whether it was paid.

**Community Development Committee**

**July 15**

**July 15, 2024 – Page 5**

Mr. Ashton moved to bring out Temp. Ord. A-68 with a favorable recommendation, second by Mrs. Spinner. Motion passed (4-0).

The meeting adjourned at 7:02 p.m.