

AGENDA

DATE: MONDAY, JULY 17, 2006

PLACE: COUNCIL CHAMBERS

TIME: 7:30 P.M.

THERE ARE NO PUBLIC HEARINGS TONIGHT

1. ROLL CALL
2. INVOCATION BY COUNCILWOMAN KATHY CATAZARO-PERRY
3. PLEDGE OF ALLEGIANCE
4. READING OF THE JOURNAL
5. REMARKS OF DELEGATIONS AND CITIZENS TO MATTERS ON THE AGENDA
6. INTRODUCTION OF ORDINANCES AND RESOLUTIONS

ORDINANCE NO. 109 – 2006

BY: COMMUNITY DEVELOPMENT COMMITTEE

Passed
AN ORDINANCE authorizing the Mayor to enter into an agreement with Alco Industries Inc., dba U.S. Chemical & Plastics, for a development project. Alco Industries Inc., dba U.S. Chemical & Plastics is planning to expand its existing facility at 600 Nova Drive SE. The expansion of this facility will result in the creation of 5 new full time permanent jobs within the City of Massillon Enterprise Zone, and declaring an emergency.

ORDINANCE NO. 110 – 2006

BY: HEALTH, WELFARE & BLDG REGULATIONS

Passed
AN ORDINANCE authorizing the Director of Public Service and Safety of the City of Massillon, Ohio, to enter into a contract with Love Insurance Agency for boiler & machinery insurance and crime insurance coverage, and declaring an emergency.

ORDINANCE NO. 111 – 2006

BY: FINANCE COMMITTEE

Passed
AN ORDINANCE making certain appropriations from the unappropriated balance of the Legends Fund, General Fund, Capital Improvement Fund and the Muni Motor Vehicle License Fund, for the year ending December 31, 2006, and declaring an emergency.

RESOLUTION NO. 14 – 2006

BY: COMMITTEE OF THE WHOLE

Passed
A RESOLUTION recommending the appointment of Alliance Mayor Toni Middleton to serve as the at large mayor's position on the Stark County 911 Planning Committee.

RESOLUTION NO. 15 – 2006

BY: FINANCE COMMITTEE

Passed
A RESOLUTION estimating the aggregate maximum amount of public funds for the City of Massillon, Ohio, to be awarded and be on deposit as of August 1, 2006 to and including July 31, 2011, inviting bids from banking institutions qualified to serve as depositories of municipal funds under the Uniform Depository Act of the State of Ohio, fixing the date for the designation of such depositories, and declaring an emergency.

7. UNFINISHED BUSINESS
8. PETITIONS AND GENERAL COMMUNICATIONS

9. BILLS, ACCOUNTS AND CLAIMS
10. REPORTS FROM CITY OFFICIALS

- A). POLICE CHIEF SUBMITS MONTHLY REPORT FOR JUNE 2006
- B). TREASURER SUBMITS MONTHLY REPORT FOR JUNE 2006
- C). FIRE CHIEF SUBMITS MONTHLY REPORT FOR JUNE 2006.
- D). INCOME TAX DEPARTMENT SUBMITS MONTHLY REPORT FOR JUNE 2006
- E). WASTE DEPARTMENT SUBMITS MONTHLY REPORT FOR JUNE 2006

11. REPORTS OF COMMITTEES
12. RESOLUTIONS AND REQUESTS OF COUNCIL MEMBERS
13. CALL OF THE CALENDAR

ORDINANCE NO. 73 – 2006

BY: COMMUNITY DEVELOPMENT COMMITTEE

*Tabled
Unfil.
August 7*
AN ORDINANCE authorizing the Mayor of the City of Massillon, Ohio, to enter into an agreement with Polymer Packaging, Inc. to provide an economic development "inducement grant" to assist the company in relocating and expanding its operations in Massillon, and declaring an emergency.

14. THIRD READING ORDINANCES AND RESOLUTIONS

ORDINANCE NO. 86 – 2006

BY: ENVIRONMENTAL COMMITTEE

*Tabled
Unfil.
August 7*
AN ORDINANCE authorizing and directing the Director of Public Service and Safety of the City of Massillon, Ohio, to enter into a contract with Tetra Tech Inc., for engineering services to prepare plans and specifications for the design of the Federal Avenue Pump Station, and declaring an emergency.

ORDINANCE NO. 91 – 2006

BY: COMMUNITY DEVELOPMENT COMMITTEE

*Tabled
Unfil.
August 7*
AN ORDINANCE authorizing the Mayor and the Director of Public Service and Safety to enter into a lease agreement relating to certain lands that are presently owned by the City of Massillon to the Community Improvement Corporation in accordance with Section 1724.10 of the Ohio Revised Code, and declaring an emergency.

15. SECOND READING ORDINANCES AND RESOLUTIONS

ORDINANCE NO. 105 – 2006

BY: PARKS AND RECREATION COMMITTEE

*2nd
Reading
August 7*
AN ORDINANCE authorizing the Director of Public Service and Safety of the City of Massillon, Ohio, to enter into a contract with GE Capital to enter into a purchase agreement for the purchase of two (2) Toro Groundmaster 4000-D mowers, without competitive bidding, through pricing based on State Purchasing #777555C and approved by the Board of Control, and declaring an emergency.

7/17/06 Reading
ORDINANCE NO. 106 – 2006

BY: STREETS, HIGHWAYS, TRAFFIC & SAFETY

AN ORDINANCE vacating a portion of a certain public alley.

16. NEW AND MISCELLANEOUS BUSINESS

17. REMARKS OF DELEGATIONS AND CITIZENS TO MATTERS NOT ON THE AGENDA

18. ADJOURNMENT

MARY BETH BAILEY - CLERK OF COUNCIL

DATE: JULY 17, 2006

CLERK: MARY BETH BAILEY

CITY OF MASSILLON, OHIO

COUNCIL CHAMBERS

passed
LEGISLATIVE DEPARTMENT

ORDINANCE NO. 109 - 2006

BY: COMMUNITY DEVELOPMENT COMMITTEE

TITLE: AN ORDINANCE authorizing the Mayor to enter into an agreement with Alco Industries Inc., dba U.S. Chemical & Plastics, for a development project. Alco Industries Inc., dba U.S. Chemical & Plastics is planning to expand its existing facility at 600 Nova Drive SE. The expansion of this facility will result in the creation of 5 new full time permanent jobs within the City of Massillon Enterprise Zone, and declaring an emergency.

WHEREAS, the City of Massillon has encouraged the development of real property and the acquisition of personal property located in the area designated as an Enterprise Zone; and

WHEREAS, Alco Industries Inc., dba U.S. Chemical & Plastics is proposing to expand its existing facility at 600 Nova Drive SE, within the Massillon Enterprise Zone, through the expansion of this new facility at a total investment of \$6,200,000.00 (hereinafter the "Project"), provided that the appropriate development incentives are available to support the economic viability of said Project; and

WHEREAS, the Council of the City of Massillon, Ohio, (hereinafter "Council") by Ordinance No. 163 – 1994, adopted on July 18, 1994, and as amended by Ordinance No. 57 – 1998, adopted on March 2, 1998, and as amended by Ordinance No. 43 – 1999, adopted on March 1, 1999, has designated an area of the City as an "Enterprise Zone: pursuant to Chapter 5709 of the Ohio Revised Code; and

WHEREAS, effective September 12, 1994, and as amended on March 13, 1998, and as amended on March 9, 1999, the Director of Development of the State of Ohio has determined that the aforementioned area designated in said Ordinance No. 163 - 1994 contains the characteristics set forth in 5709.61(A) of the Ohio Revised Code, and has certified said area as an Enterprise Zone under Chapter 5709; and

WHEREAS, the City of Massillon, having the appropriate authority for the stated type of project is desirous of providing Alco Industries Inc., dba U.S. Chemical & Plastics with the incentives available for development of the Project in said Enterprise Zone, under Chapter 5709 of the Ohio Revised Code; and

WHEREAS, Alco Industries Inc., dba U.S. Chemical & Plastics has submitted a proposed agreement application, herein attached as Exhibit "A", to the City of Massillon, Ohio, requesting that the incentives available for development within the Enterprise Zone be approved for the Project; and

WHEREAS, the Mayor of the City of Massillon, Ohio, has investigated the application submitted by Alco Industries Inc., dba U.S. Chemical & Plastics and has recommended approval of the same to the Council on the basis that the company is qualified by financial responsibility and business experience to create employment opportunities in said Enterprise Zone and to improve the economic climate of the City of Massillon; and

WHEREAS, the project site is located in the Massillon City School District and the Massillon Board of Education has been notified in accordance with Section 5709.83 and have been given a copy of the application.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MASSILLON, STATE OF OHIO, THAT:

Section 1:

The Council of the City of Massillon, Ohio does hereby authorize and direct the Mayor to enter into an agreement, attached hereto as Exhibit "A" and incorporated herein by reference, with Alco Industries Inc., dba U.S. Chemical & Plastics providing for the adoption of a project which will improve their facility and preserve employment opportunities within the City of Massillon Enterprise Zone.

Section 2:

This Ordinance is declared to be an emergency measure immediately necessary for the preservation of the health, safety and welfare of the City of Massillon, Ohio and for the further reason that approval of said agreement is necessary so as to maximize the investment that will be made by Alco Industries Inc., dba U.S. Chemical & Plastics within the City of Massillon, Ohio. Provided it receives the affirmative vote of two-thirds of the elected members to Council it shall take effect and be in force immediately upon its passage and approval by the Mayor. Otherwise it shall take effect and be in force from and after the earliest period allowed by law.

PASSED IN COUNCIL THIS _____ DAY OF _____, 2006

APPROVED: _____
MARY BETH BAILEY, CLERK OF COUNCIL GLENN E. GAMBER, PRESIDENT

APPROVED: _____
FRANCIS H. CICCHINELLI, JR., MAYOR

OHIO ENTERPRISE ZONE AGREEMENT

This Agreement made and entered into by and between the **City of Massillon, Ohio**, a municipal corporation, with its main offices located at 151 Lincoln Way East, Massillon, Ohio 44646 (hereinafter referred to as "City of Massillon"), **Alco Industries, Inc. dba U.S. Chemical & Plastics**, a Corporation with its main offices currently located at 820 Adams Avenue, Suite 130, Trooper, PA 19403 (hereinafter referred as the "Enterprise"), and JJ & W Limited Partnership, the Lessor (hereinafter referred to as the "Lessor").

WITNESSETH:

Whereas, the City of Massillon has encouraged the development of real property and the acquisition of personal property located in the area designated as an Enterprise Zone; and

Whereas, the Enterprise, which manufactures auto body repair materials, epoxy adhesives, vinyl compounds, industrial coatings, and surface primers, is desirous of expanding its existing facility within the Enterprise Zone through the construction of a 14,400 square foot manufacturing building and the construction of a 4,225 square foot training center, and the relocation to this facility of production lines currently operated in the United Kingdom and in Gnadenhutzen, Ohio (hereinafter referred to as the "Project"), provided that the appropriate development incentives are available to support the economic viability of said Project; and

Whereas, the Council of the City of Massillon, Ohio (hereinafter "Council") by Ordinance No. 163-1994, adopted on July 18, 1994, and as amended by Ordinance No. 57-1998, adopted on March 2, 1998, and as amended by Ordinance No. 43-1999, adopted on March 1, 1999, has designated an area of the City as an "Enterprise Zone" pursuant to Chapter 5709 of the Ohio Revised Code; and

Whereas, effective September 12, 1994, and as amended on March 13, 1998 and on March 9, 1999, the Director of Development of the State of Ohio has determined that the aforementioned area designated in said Ordinance No. 163-1994, Ordinance No. 57-1998, and Ordinance No. 43-1999 contains the characteristics set forth in 5709.61 (A) (1) (a) and (e) of the Ohio Revised Code, and has certified said area as an Enterprise Zone under Chapter 5709; and

Whereas, the City of Massillon, having the appropriate authority for the stated type of project, is desirous of providing the Enterprise and the Lessor with the incentives available for development of the Project in the said Enterprise Zone, under Chapter 5709 of the Ohio Revised Code; and

Whereas, the- Enterprise and the Lessor have submitted a proposed agreement application, herein attached as Exhibit A, (hereinafter referred to as the "Application") to

the City of Massillon, Ohio, requesting that the incentives available for development within the Enterprise Zone be approved for the Project; and

Whereas, the Enterprise has remitted the required state application fee of \$750.00 made payable to the Ohio Department of Development with the application to be forwarded with the final agreement; and

Whereas, the Mayor of the City of Massillon, Ohio, has investigated the Application submitted by the Enterprise and the Lessor, and has recommended approval of the same to the Council on the basis that the Enterprise is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Enterprise Zone and to improve the economic climate of the City of Massillon; and

Whereas, the project site is located in the Massillon City School District and the Board of Education of said district and any applicable Joint Vocational School District have been notified in accordance with Section 5709.83 and been given a copy of the Application; and

Whereas, pursuant to Section 5709.62(C) and in conformance with the format required under Section 5709.631 of the Ohio Revised Code, the parties hereto desire to set forth their agreement with respect to matters hereinafter contained.

Now, therefore, in consideration of the mutual covenants herein contained and the benefit to be derived by the parties from the execution hereof, the parties herein agree as follows:

Section I:

The Enterprise has an existing facility located at 600 Nova Drive SE, Massillon, Ohio and known as Out Lot 560, Parcel 06-17132, (hereinafter the "Project Site"). The Enterprise will construct the following building additions on this property:

1. A 14,400 square foot building on the southeast corner of the existing facility. This space will be used for the production of paint and paint related products currently produced largely in the United Kingdom by its sister company, Cambridgeshire Coatings Ltd. The Enterprise will also relocate production of its truck bed liner product line, primers and activators, from its Gnadenhutten, Ohio plant.
2. A 4,225 square foot addition on the southwest corner of the existing facility. This addition will also include the renovation of another 840 square feet from the existing facility. This space will be used as a paint training and technical center to train employees and customers in the proper application of body filler and paint products. This training room will accommodate up to 25 people, and will include a drive-in paint booth, prep station, a paint mixing room, and office space.

As part of this Project, the Enterprise will also purchase certain machinery and equipment as detailed in the Application.

The Project will involve a total investment by the Enterprise as detailed below:

	Minimum	Maximum
A. Acquisition of Buildings:	\$ 0	\$ 0
B. Additions/New Construction:	\$ 2,200,000	\$ 2,700,000
C. Improvements to existing buildings	\$ 300,000	\$ 500,000
D. Machinery & Equipment	\$ 1,200,000	\$ 2,500,000
E. Furniture & Fixtures:	\$ 100,000	\$ 200,000
F. Inventory	\$ 200,000	\$ 300,000
Total New Project Investment:	\$ 4,000,000	\$ 6,200,000

Furthermore, the Enterprise has reported that its existing on-site base level of inventory as listed in the personal property tax return for the tax year (stated in average \$ value per most recent 12 month period) in which the agreement is entered into is \$5,600,000.

The Project will begin July 2006, and all acquisition, construction, and installation will be completed by July 31, 2007.

The total investment by the Enterprise in undertaking this expansion Project is greater than 10% of the market value of the facility assets already owned at the site prior to such expenditures as evidenced in the application attached as Exhibit A, and as such, the City of Massillon hereby determines that the Project is eligible for the tax incentives and other benefits as described in this Agreement.

If, at any time, The Enterprise determines that it will not undertake all the improvements set forth in this Section 1, or otherwise desires to modify the Project, the Enterprise will notify the City of Massillon, stating the reasons for its determination. The parties will thereupon confer to discuss the effect of the Enterprise's determination on the tax exemptions provided herein and to amend or terminate this Agreement accordingly. In no event shall any such amendment operate to revoke retroactively the tax exemptions provided herein.

Section 2:

The Enterprise shall create within a time period not exceeding 36 months after the start of construction of the aforesaid Project, 5 new full-time permanent jobs with an annual payroll of (\$175,000) One Hundred Seventy-Five Thousand Dollars. The Enterprise's schedule for hiring is as follows: create 3 new full-time permanent jobs in year one; create 1 new full-time permanent jobs in year two; and create 1 new full-time permanent jobs in year three. The job creation period begins in 2007 and all jobs will be in place by December 31, 2009.

(Insert name of enterprise) currently has full-time permanent employees, part-time permanent employees, full-time temporary employees, and part-time permanent employees at the project site. In total, (insert name of enterprise) has full-time permanent employees, part-time permanent employees, full-time temporary employees, and part-time temporary employees in the State of Ohio.

The Enterprise currently has 147 full time permanent employees in the State of Ohio, with 123 employees at the Massillon facility and 23 employees at the Gnadenhutten facility. No jobs will be relocated or lost from the Gnadenhutten facility as a result of this Project. The current annual payroll at the Massillon facility is \$4,810,000.

Section 3:

The Enterprise and the Lessor shall provide to the proper Tax Incentive Review Council any information reasonably required by the council to evaluate the Enterprise's compliance with the agreement, including returns filed pursuant to section 5711.02 of the Ohio Revised code if requested by the council.

Section 4:

The City of Massillon hereby grants the Enterprise a tax exemption pursuant to Section 5709.62 for eligible new tangible personal property acquired in conjunction with the Project and will only apply to the investment limits expressed in the project description as defined in Sections 1 of this agreement. This tax exemption shall be at the rate of 75% on all machinery and equipment, furniture and fixtures, and inventory acquired as part of the Project as defined in Section 1 and Exhibit A of this Agreement. Each identified project improvement will receive a ten year exemption period.

The minimum investment for tangible personal property to qualify for the exemption is \$1,200,000 to purchase machinery and equipment first used in business at the facility as a result of the project, \$100,000 for furniture and fixtures and other noninventory personal property first used in business at the facility as a result of the project, and \$200,000 for new inventory. The maximum investment for tangible personal property to qualify for exemption is \$2,500,000 to purchase machinery and equipment first used in business at the facility as a result of the project, \$200,000 for furniture and fixtures and other noninventory personal property first used in business at the facility as a result of the project, and \$300,000 for new inventory. The exemption commences the first year for which the tangible personal property would first be taxable were that property not exempted from taxation. No exemption shall commence after tax return year 2007 nor extend beyond tax return year 2016. In no instance shall any tangible personal property be exempted from taxation for more than ten return years.

Section 5:

The City of Massillon hereby grants the Enterprise and the Lessor a tax exemption for real property improvements made to the Project Site pursuant to Section 5709.62 of the Ohio Revised Code. This tax exemption shall be at the rate of 75%. Each

identified project improvement will receive a ten year exemption period. The exemption commences the first year for which the real property exemption would first be taxable were that property not exempted from taxation. after tax return year 2007 nor extend beyond tax return year 2016

The Enterprise must file the appropriate tax forms (DTE 23) with the County Auditor to effect and maintain the exemptions covered in the agreement.

Section 6:

Waivers under section 5709.633 of the revised code: not applicable.

Section 7:

The Enterprise shall pay to the City of Massillon an annual monitoring fee of (\$500) Five Hundred Dollars for each year the agreement is in effect. The fee shall be made payable to the City of Massillon and shall be paid by certified check and delivered to the Mayor by March 31 of each year that the fee is due and payable. This fee shall be deposited in a special fund created for such purpose and shall be used exclusively for the purpose of complying with section 5709.68 of the revised code and by the tax incentive review council created under section 5709.85 of the revised code exclusively for the purposes of performing the duties prescribed under that section.

Section 8:

The Enterprise and/or the Lessor shall pay such real and tangible personal property taxes as are not exempted under this agreement and are charged against such property and shall file all tax reports and returns as required by law. If the Enterprise and/or the Lessor fails to pay such taxes or file such returns and reports, all incentives granted under this agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.

Section 9:

The City of Massillon shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve, and maintain exemptions from taxation granted under this Agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.

Section 10:

If for any reason the Enterprise Zone designation expires, the Director of the Ohio Department of Development revokes certification of the zone, or the City of Massillon revokes the designation of the zone, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless the Enterprise and/or the Lessor materially fails to fulfill its obligations under this Agreement and the

City of Massillon terminates or modifies the exemptions from taxation under this agreement.

Section 11:

If the Enterprise and/or the Lessor materially fails to fulfill its obligations under this Agreement, other than with respect to the number of employee positions estimated to be created or retained under this agreement, or if the City of Massillon determines that the certification as to delinquent taxes required by this agreement is fraudulent, the City of Massillon may terminate or modify the exemptions from taxation granted under this Agreement.

Section 12:

The Enterprise and the Lessor hereby certify that, at the time this agreement is executed, they do not owe any delinquent real or tangible personal property taxes to any taxing authority in the State of Ohio, and do not owe delinquent taxes for which the Enterprise and/or the Lessor is liable under Chapter 5733., 5735., 5739., 5741., 5743., 5747., or 5753. of the Revised Code, or, if such delinquent taxes are owed, the Enterprise and/or the Lessor are currently paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition of bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against the Enterprise and/or the Lessor. For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised code governing payment of those taxes.

Section 13:

The Enterprise and the Lessor affirmatively covenants that they do not owe: (1) any delinquent taxes to the State of Ohio or a political subdivision of the State; (2) any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State; and (3) 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.

Section 14:

The Enterprise and the Lessor and the City of Massillon acknowledge that this Agreement must be approved by formal action of the legislative authority of the City of Massillon as a condition for the agreement to take effect. This Agreement takes effect upon such approval.

Section 15:

The City of Massillon has developed a policy to ensure recipients of Enterprise Zone tax benefits practice non-discriminating hiring in its operations. By executing this agreement, the Enterprise is committing to following non-discriminating hiring practices

acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, disability, color, national origin, or ancestry.

Section 16:

Exemptions from taxation granted under this agreement shall be revoked if it is determined that the Enterprise, any successor enterprise, or any related member (as those terms are defined in Section 5709.61 of the Ohio Revised Code) has violated the prohibition against entering into this agreement under Division (E) of Section 3735.671 or Section 5709.62 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.

Section 17:

In any three-year period during which this agreement is in effect, if the actual number of employee positions created or retained by the Enterprise is not equal to or greater than seventy-five percent of the number of employee positions estimated to be created or retained under this agreement during three-year period, the Enterprise shall repay the amount of taxes on property that would have been payable had the property not been exempted from taxation under this agreement during that three-year period. In addition, the City of Massillon may terminate or modify the exemptions from taxation granted under this agreement.

Section 18:

The Enterprise and the Lessor together affirmatively covenants that it has made no false statements to the State or local political subdivision in the process of obtaining approval for the Enterprise Zone incentives. If any representative of the Enterprise and/or the Lessor has knowingly made a false statement to the State or local political subdivision to obtain the Enterprise Zone incentives, the Enterprise and/or the Lessor shall be required to immediately return all benefits received under the Enterprise Zone Agreement pursuant to ORC Section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the State, any state agency, or a political subdivision pursuant ORC 9.66(C)(1). Any persons who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant ORC 2931.13(D)(1), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than 6 months.

Section 19:

This Agreement is not transferable or assignable without the express, written approval of the City of Massillon.

In Witness Whereof, the City of Massillon, Ohio, by Francis H. Cicchinelli, Jr., its Mayor, and pursuant to Ordinance No. _____, has caused this instrument to be executed this ____ day of _____; Alco Industries, Inc., dba U.S. Chemical & Plastics, by Daniel G. Unklesbay, Jr., Vice President and Controller has caused this instrument to be executed this ____ day of _____; and JJ & W Limited Partnership, the Lessor, by Raymond K. Janson, Partner, has caused this instrument to be executed this ____ day of _____;

WITNESSED BY:

THE CITY OF MASSILLON, OHIO

Francis H. Cicchinelli, Jr., Mayor

WITNESSED BY:

**ALCO INDUSTRIES, INC., DBA
U.S. CHEMICAL AND PLASTICS**

Daniel G. Unklesbay
Vice President and Controller

WITNESSED BY:

JJ & W LIMITED PARTNERSHIP

Raymond K. Janson, Partner

Approved as to form and legal sufficiency:

Pericles G. Stergios, Director of Law
City of Massillon, Ohio

**OHIO DEPARTMENT OF DEVELOPMENT
OHIO ENTERPRISE ZONE PROGRAM**

**PROPOSED AGREEMENT for Enterprise Zone Tax Incentives between the City of
Massillon located in the County of Stark and Alco Industries, Inc. dba U.S. Chemical &
Plastics**

(Enterprise)

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

Alco Industries, Inc.
enterprise name

Lawrence T. Way
contact person

820 Adams Avenue, Suite 130

Trooper, PA 19403
Address

610-666-0930
telephone number

- b. Project Site:

600 Nova Dr. S.E.

Daniel G. Unklesbay, Jr.
contact person

Massillon, OH 44646
address

330-830-6000
telephone number

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

Manufacturer

- b. List primary 6 digit NAICS # 325211

Business may list other relevant SIC numbers.

- c. If a consolidation, what are the components of the consolidation? (must itemize the location, assets, and employment positions to be transferred)

Moving production of some product lines from our UK sister company,
Cambridgeshire Coatings located in the UK

- d. Form of business of enterprise (corporation, partnership, proprietorship, or other).

Corporation

3. Name of principal owner(s) of the business (attach list if necessary).

Alco Industries, Inc.

4. Is business seasonal in nature? Yes _____ No X

5. a. State the enterprise's current employment level at the proposed project site:

123

b. 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 Department of Development is available for special limited circumstances. The business and local jurisdiction should contact ODOD early in the discussions.

Yes X No _____

c. 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:

We have a production plant in Gnadenhutten, OH. No positions will be eliminated, but some plant equipment will be transferred.

d. State the enterprise's current employment level in Ohio (itemized for full and part-time and permanent and temporary employees):

147

e. State the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets:

Massillon - 123; Gnadenhutten - 24

f. What is the projected impact of the relocation, detailing the number and type of employees and/or assets to be relocated? An existing production line for some paint-related products will be moved to Massillon from Gnadenhutten, however, no employees will be impacted.

6. a. 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

b. 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 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, amount and/or case identification numbers (add additional sheets if necessary).

N/A

8. Project Description (attach additional pages if necessary: Relocate production currently being performed at our facility in the United Kingdom of Balancers/Binders and Clearcoats. Additionally, we will relocate a production line from our Gnadenhutten Plant (equipment only). All lines will be installed in a building expansion on the east end of Current facility in Massillon. In addition to the plant expansion, we will add a Paint Training and Technical facility on the south side of our current facility.

9. Project will begin June/July, 2006 and be completed June/July, 2007 provided a tax exemption is provided.

10. a. 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): _____

5 Full time

b. State the time frame for this projected hiring: 3 years.

c. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees): _____

3 by the June 2007 completion date and 1 in each of the following years.

11. a. Estimate the amount of annual payroll such new employees will add \$ 175,000
(new annual payroll must be itemized by full and part-time and permanent and
temporary new employees). The additional payroll will all be in permanent full-
time positions
- b. Indicate separately the amount of existing annual payroll relating to any job retention
claim resulting from the project: \$ 4,810,000

12. Market value of the existing facility as determined for local property taxation.
\$ 5,125,000

13. a. Business's total current investment in the facility as of the proposal's submission.
\$ Building and Improvements - \$3,900,000
Equipment - \$4,120,000
- b. State the business's 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): \$ 5,600,000

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

	Minimum	Maximum
A. Acquisition of Buildings:	\$ <u>0</u>	\$ <u>0</u>
B. Additions/New Construction:	\$ <u>2,200,000</u>	\$ <u>2,700,000</u>
C. Improvements to existing buildings	\$ <u>300,000</u>	\$ <u>500,000</u>
D. Machinery & Equipment	\$ <u>1,200,000</u>	\$ <u>2,500,000</u>
E. Furniture & Fixtures:	\$ <u>100,000</u>	\$ <u>200,000</u>
F. Inventory	\$ <u>200,000</u>	\$ <u>300,000</u>

Total New Project Investment: \$ 4,000,000 \$ 6,200,000

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

We request 75% abatement for 10 years on all real property and the remaining
taxable personal property – inventory and furniture and fixtures.

- b. Business's reasons for requesting tax incentives (be quantitatively specific as
possible)

Tax incentive will bring approximately \$35-45,000 in annual abatements which
will aid cash flow upon completion of the new building.



Submission of this application expressly authorizes the City of Massillon, Ohio 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.

Alco Industries, Inc. dba U.S. Chemical & Plastics
Name of Enterprise

6/7/06
Date


Signature

Signature

Daniel G. Unklesbay, Jr.
Vice President and Controller
Typed Name and Title

Lessor - JJ & W Limited Partnership

* A copy of this proposal must be forwarded by the local government 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

*** An Application Fee of Seven Hundred Fifty Dollars (\$750.00) must be submitted along with the Proposed Agreement for Enterprise Zone Tax Exemption (Application). This fee is payable by check or money order made payable to the **Ohio Department of Development**.

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 Department of Development within fifteen (15) days of final approval.

**APPLICATION TO THE CITY OF MASSILLON
FOR A PROJECT AGREEMENT UNDER THE
OHIO URBAN JOBS AND ENTERPRISE ZONE ACT**

NARRATIVE STATEMENT

I. PROJECT DESCRIPTION:

Briefly summarize the project proposed to be undertaken, including a description of the investments to be made by the applicant enterprises. Describe the project site, including the lot number, address, and area (in square feet or acres).

The introduction of automotive paint system named Pro-Spray in North America has exceeded all of our expectations. The quality of color match and coverage is well recognized as world class. We now have placed over 200 systems and we are adding quality new jobbers and shops to our portfolio every day. Our market and product strategies are being well received. We have proven we have the product technology and the ability to successfully execute our sales and marketing plans. Demand is growing and it now is time to build capacity here in the United States.

The project will build a 160' x 90' addition to the Massillon plant for the manufacture of paints and intermediate products. The plant will include a 2500 sq. ft. storage room rated for flammable raw material drums and totes and an 11500 sq. ft. mixing and packaging area. We will be moving a small production line from our current Massillon facility along with a production line currently in our Gnadenhutten facility into this facility, utilizing about 2,000 sq. ft. Approximately 1,000 sq. ft. is planned for an office, a color/QC lab, a spray booth and restrooms. The remaining Production area of 8,500 will be for products currently manufactured at CCL in England. Immediate production plans include the Outrageous product line, binder/balancer production, Clears and a packaging line for all products. . We will also be constructing a 1600 sq. ft. tank farm designed for later installation of five bulk tanks for solvents and an 1800 sq. ft. "holding dike" for sprinkler runoff in the event of a fire.

Plans also include space for 6 new offices, a supporting Q.C. lab, 3 new shipping docks, additional bulk resin storage, and a tank farm for solvents.

In addition to the addition described above, we will add on a "World Class" Training Facility at Massillon to train employees and customers in the proper application of our body filler and paint products. Total facility interior area will be about 5,065 sq. ft. with 4,225 sq. ft. being new construction located adjacent to the present body shop. The remaining 840 sq. ft. is a renovation and upgrade of the present body shop.

The facility will include a Training Room capable of accommodating up to 25 people, a drive-in Paint Booth (30' x 14'), a drive-in Prep Station (27' x 14'), a Paint Mixing Room (21' x 12.5') inserted into the existing body shop, a kitchen area, restrooms, 2 offices, and a small lobby. There will also be abundant space to store paint clips and panels (>1,100 sq. ft.), and the ability to bring a vehicle completely inside and wash it prior to entering the Prep Station.

The parcel # is 06-17132 600 Nova Dr. S.E.

Note: If the project involves the relocation of all or part of the enterprise's operations from another county or municipal corporation in the State of Ohio, the Enterprise shall attach a statement detailing the reasons for the proposed relocation.

II. PROJECT BUDGET

A. NEW BUILDINGS (Provide a brief description of size, type, etc.)	<u>Proposed Cost</u>
---	-----------------------------

\$2,000,000

A 14,400 square foot building will be built on the southeast corner of our current facility. This space will be used for the production of paint and paint related products currently produced largely in the United Kingdom at our sister company, Cambridgeshire Coatings Ltd. Production of our truck bed liner product line, some primers and activators will also be moved from our Gnadenhutten, Ohio plant.

The construction will match our current facilities design and look and will comply with all the latest regulatory and insurance regulations.

B. ADDITIONS (Provide a brief description of size, type, etc.)	<u>Proposed Cost</u>
---	-----------------------------

\$1,200,000

A 4,225 square foot addition will be made to the southwest corner of our current facility. The addition will also include the renovation of 840 square feet that is our current body shop. This space will be utilized as a world class paint training and technical center which we will use to bring painters in from all over to provide necessary training.

C. IMPROVEMENTS TO EXISTING BUILDINGS (Provide an itemized description)	<u>Proposed Cost</u>
---	-----------------------------

The cost of improvements is included in (B) above.

D. MACHINERY AND EQUIPMENT

Proposed Cost

1. Provide an itemized list of machinery, equipment, furniture, and fixtures to be purchased and installed at the project site and that will be subject to tax exemption under this Agreement.

See Attached List of Equipment to be purchased now and a list of product to be purchased as volume increases. We anticipate this to be within 5-10 years.



I:\Spreadsheets\
Capital\Paint Plan1

2. Provide an itemized list of machinery, equipment, furniture, and fixtures used by the enterprise at another location in the State that will be relocated to the project site and that will not be exempted from taxation under this Agreement.

See Attached List of Equipment



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Capital\Gnaden Ec

E. INVENTORY

Proposed Cost

List the value of inventory at the project site, including an itemization of the value of inventory held at another location in this state prior to the Agreement and to be relocated from that location to the project site; and the value of inventory held at the project site prior to the execution of the Agreement that will be not be exempted from taxation.

The average inventory in Massillon listed on our 2006 Property Tax return was valued at \$5,579,553 while the inventory in Gnadenhutzen that will be moved is approximately \$280,000. Most of the \$280,000 will be moved to Massillon upon completion of the project, giving us a base inventory value of \$5,859,553.

The inventory which is eligible for exemption is that amount or value of inventory in excess of the amount or value of inventory required to be listed in the personal property tax return for the tax year in which the Agreement is entered into.

**U.S. Chemical & Plastics
Equipment List for Paint Product Line from the UK**

Equipment Description	Time Frame	Maximum Batch Size Gal.	Total Cost \$K
Disperser Cuyuga	Now	300	35.0
Bal/Binder Tank #1 w/ Low Speed Agitator	Now	500	93.8
Bal/Binder Tank #1 Rotor/Stator Agitator	Now		20.0
Bal/Binder Tank #2 w/ Low Speed Agitator	Now	1000	98.8
Bal/Binder Tank #2 Rotor/Stator Agitator	Now		20.0
Bal/Binder Tank #3 w/ Low Speed Agitator	Now	1000	98.8
Bal/Binder Tank #3 Rotor/Stator Agitator	Now		20.0
Bal/Binder Tank #4 w/ Low Speed Agitator	Now	1000	98.8
Bal/Binder Tank #4 Rotor/Stator Agitator	Now		20.0
Mezzanine For Bal/Binder Tanks	Now		50.0
Disperser for Fact Pack #1	Now	200	20.0
Disperser for Fact Pack #2	Now	300	30.0
Disperser for Fact Pack #3	Now	200	20.0
Paint Hardener Mixer	Now	600	45.0
Outrageous Disperser #3	Now	55	12.0
Outrageous Disperser #4	Now	55	12.0
Outrageous Disperser #5	Now	55	12.0
Office HVAC	Now		20.0
QC Lab Exhaust	Now		10.0
QC Lab Oven	Now		7.0
Outrageous Disperser #6	Now	10	5.5
Outrageous Disperser #7	Now	10	5.5
Outrageous Disperser #8	Now	10	6.5
Outrageous Disperser #9	Now	10	6.5
Outrageous Disperser #10	Now	10	6.5
Outrageous Disperser #11	Now	10	6.5
Outrageous Disperser #12	Now	55	11.0
Process Dust Col Exhaust Fan	Now		70.0
Diaphragm Air Pumps (6)For Bal Tanks	Now		22.0
Tape Machines (2)	Now		20.0
Manual Carton Erector	Now		10.0
Load Cells For Bal/Binder Tanks	Now		40.0
Upgrade Paint Filler & Re-install	Now		130.0

1083.0

U.S. Chemical & Plastics Equipment List for Paint Product Line from the UK

Future equipment related to our Paint business (as volume grows,
more equipment and tanks will be required):

Equipment Description	Time Frame	Maximum Batch Size	Total Cost \$K
Disperser for Fact Pack #4	Future	200	25.0
Disperser for Fact Pack #5	Future	300	35.0
Disperser for Fact Pack #6	Future	200	25.0
Horiz Mill #1	Future	200	45.0
Horiz Mill Pump #1	Future		5.0
Horiz Mill #2	Future	200	45.0
Horiz Mill Pump #2	Future		5.0
Horiz Mill #3	Future	200	45.0
Horiz Mill Pump #3	Future		5.0
Horiz Mill #4	Future	200	45.0
Horiz Mill Pump #4	Future		5.0
Horiz Mill #5	Future	200	45.0
Horiz Mill Pump #5	Future		5.0
Horiz Mill #6	Future	200	45.0
Horiz Mill Pump #6	Future		5.0
Disperser Future	Future	300	35.0
Disperser Future	Future	200	25.0
Chiller	Future		115.0
Packaging Pump #3	Future		10.0
Bulk Tank For Solvents	Future		130.0 Acetone
Bulk Tank For Solvents	Future		130.0 Bannerol G (PMA)
Bulk Tank For Solvents	Future		130.0 N Butyl Acetate
Bulk Tank For Solvents	Future		130.0 Toluene
Bulk Tank For Solvents	Future		130.0 Aromatic Solvent
Bulk Tank For Resin	Future		220.0 Setalux C-1192
			<u>1440.0</u>
GRAND TOTAL			<u>\$2,523</u>

Equipment to be Moved from Gnadenhutten to Massillon

2000	Drum Runner	10	06/00	9,850.00
1994	PORT COLOR DIFFER METER	10	02-94	7,414.11
1995	DIGITAL SCALE	10	09-95	3,435.00
1996	Cowles Disperser	10	08/97	27,233.00
1998	MORTON LIQUID FILLER	10	6/98	12,164.86
1984-1990	MECHANICAL OVEN	12	03-85	1,064.10
1984-1990	BALANCE SCALE	12	03-85	1,027.51
1984-1990	BROOKFIELD VISCOMETER	12	12-85	1,198.30
1984-1990	HIGH SPEED DISPENSER	12	11-85	1,685.13
1984-1990	AUTO LIQUID FILLER	10	N/A	35,496.62
1984-1990	BATTERY CHARGER	10	N/A	942.46
1984-1990	USED CLARK FORKLIFT	10	N/A	3,348.59
1984-1990	RGA PORTABLE BOTTLE CAPPEF	10	N/A	697.09
1984-1990	JM METAL SHELVING	10	N/A	2,691.48
1984-1990	RACKS-UP LIGHTS & BEAMS	10	N/A	10,984.00
1984-1990	2 USED PUMPS	10	N/A	717.61
1984-1990	USED CHAIN HOIST	10	N/A	2,368.15
1984-1990	USED TANK NO GEARS/MOTOR	10	N/A	476.00
1984-1990	ALLIS CHAMER FORKLIFT	10	N/A	11,875.96
1984-1990	DRUM STACK RACK	10	N/A	1,100.88
1984-1990	FORKLIFT	10	N/A	376.76
1984-1990	WELDON AIR PUMP	10	N/A	387.54
1984-1990	400 TUB OIL WHEELS	10	N/A	1,840.16
1984-1990	FILPAC SYPHON FILTER	10	N/A	702.71
1984-1990	5 PC. K1605 SHELVES	10	N/A	214.58
1984-1990	4000 KNEE CRANE	10	N/A	2,105.74
				81,301.37
Grand Total				141,398.34

III. EMPLOYMENT

Describe the current workforce of the company, including annual payroll. Describe the impact that the project will have on the company's workforce, specifically, at the project site. List the total number of jobs to be created/and or retained as a result of the project, itemized as to the number of full-time, part-time, and temporary positions, and including a schedule of hiring, itemized by each type of position listed above (the suggested maximum job creation is 36 months). Provide estimates of the dollar amount of additional payroll attributable to each type of position to be created (i.e., full-time, part-time, and temporary).

See above

IV. REQUEST FOR TAX EXEMPTION

Describe the type, amount, and term of tax exemption being requested for this project as follows:

- (1) An exemption for a specified number of years, not to exceed ten, of a specified portion, up to seventy-five per cent, of tangible personal property first used in business at the project site as a result of this Agreement. ("First used in business" means that the property referred to has not been used in business in this State by the enterprise that owns it, or by an enterprise that is an affiliate or subsidiary of such an enterprise, other than as inventory, prior to being used in business at the project site as a result of an Agreement.)
- (2) An exemption for a specified number of years, not to exceed ten, of a specified portion, up to seventy-five per cent, of real property constituting the project site.

In addition, provide a detailed explanation of the reasons why the proposed tax exemptions are necessary for the project. Provide any supporting financial information that would document the need for such tax exemptions. Using the attached forms, provide an analysis of the total taxes that would result from the project, both with and without the proposed tax exemptions. Summarize the benefits to the community as a result of the project.

See above

Total Estimated of Enterprise Zone Tax Abatement	\$ 349,254	\$ 450,576
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1A. Total Project Costs receiving Real Property Exemption: \$2,500,000

Real Property Tax Matrix

Projected Tax Year	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8	YR9	YR10	TOTALS
Estimated Value of Real Property Improvements	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	
Exemption Schedule	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Exempted Value	\$ 1,875,000	\$ 1,875,000	\$ 1,875,000	\$ 1,875,000	\$ 1,875,000	\$ 1,875,000	\$ 1,875,000	\$ 1,875,000	\$ 1,875,000	\$ 1,875,000	
Taxable Value	\$ 625,000	\$ 625,000	\$ 625,000	\$ 625,000	\$ 625,000	\$ 625,000	\$ 625,000	\$ 625,000	\$ 625,000	\$ 625,000	
Assessment	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35
Net Real Property Tax Rate (\$1000)	51.8277771	51.8277771	51.8277771	51.8277771	51.8277771	51.8277771	51.8277771	51.8277771	51.8277771	51.8277771	51.8277771
Total Real Property Tax Foregone (Taxable Value x 35% + tax rate)	\$ 34,012	\$ 34,012	\$ 34,012	\$ 34,012	\$ 34,012	\$ 34,012	\$ 34,012	\$ 34,012	\$ 34,012	\$ 34,012	\$ 340,120
Net New Tax Revenue Taxable Value x 35% + tax rate)	\$ 11,337	\$ 11,337	\$ 11,337	\$ 11,337	\$ 11,337	\$ 11,337	\$ 11,337	\$ 11,337	\$ 11,337	\$ 11,337	\$ 113,373
Total Real Property Tax Foregone over Project Term:											\$ 340,120
Total New Real Property Tax Revenue generated over Project Term:											\$ 113,373

1B. Please calculate the annual net new Real Property Tax Revenue generated by the project. Subtract any real property tax revenue loss (page 1) 0 from the new real property tax generated \$ 113,373 (1A) to equal the net new annual real property increase (loss) \$ 113,373 to community.

1A. Total Project Costs receiving Real Property Exemption: \$3,200,000

Real Property Tax Matrix

Projected Tax Year	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8	YR9	YR10	TOTALS
Estimated Value of Real Property Improvements	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	
Exemption Schedule	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Exempted Value	\$ 2,400,000	\$ 2,400,000	\$ 2,400,000	\$ 2,400,000	\$ 2,400,000	\$ 2,400,000	\$ 2,400,000	\$ 2,400,000	\$ 2,400,000	\$ 2,400,000	
Taxable Value	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	
Assessment	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	
Net Real Property Tax Rate (\$1000)	51.8277771	51.8277771	51.8277771	51.8277771	51.8277771	51.8277771	51.8277771	51.8277771	51.8277771	51.8277771	
Total Real Property Tax Foregone (Taxable Value x 35% + tax rate)	\$ 43,535	\$ 43,535	\$ 43,535	\$ 43,535	\$ 43,535	\$ 43,535	\$ 43,535	\$ 43,535	\$ 43,535	\$ 43,535	\$ 435,353
Net New Tax Revenue Taxable Value x 35% + tax rate)	\$ 14,512	\$ 14,512	\$ 14,512	\$ 14,512	\$ 14,512	\$ 14,512	\$ 14,512	\$ 14,512	\$ 14,512	\$ 14,512	\$ 145,118
Total Real Property Tax Foregone over Project Term:											\$ 435,353
Total New Real Property Tax Revenue generated over Project Term:											\$ 145,118

1B. Please calculate the annual net new Real Property Tax Revenue generated by the project. Subtract any real property tax revenue loss (page 1) 0 from the new real property tax generated \$ 145,118 (1A) to equal the net new annual real property increase (loss) \$ 145,118 to community.

2A. Total Project Costs Receiving Tangible Personal Property Exemptions: \$300,000

Note that because of depreciation of Tangible Personal Property by the business - these calculations must be repeated for each year during the term of the exemptions. The Business must supply the community with the annual estimates.

Personal Property Tax Matrix

Projected Tax Year	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8	YR9	YR10	Totals
Estimated Value of Tangible Personal Property	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Exemption Schedule	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	
Exempted Value	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Taxable Value	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Assessment	25%	18.8%	12.5%	6.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Tangible Personal Property Tax Rate	64.90	64.90	64.90	64.90	64.90	64.90	64.90	64.90	64.90	64.90	
Total Tangible Property Tax Foregone (Exempted Value x Assessment x Tax Rate)	\$ 3,651	\$ 2,745	\$ 1,825	\$ 913	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,134
Net New Tangible Property Tax Revenue (Taxable Value x Assessment x Tax Rate)	\$ 1,217	\$ 915	\$ 608	\$ 304	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,045
Total Tangible Personal Property Tax Foregone over Project Term:											\$ 9,134
Total Net New Tangible Personal Property Tax Revenue generated over Project T											\$ 3,045

2B. Please calculate the annual net new Tangible Personal Property Tax Revenue generated by the project. Subtract any Tangible Personal Property tax revenue loss \$ 0 (page1) from the new Tangible Personal Property Tax generated \$241 (2A) to equal the net new annual Tangible Property increase (loss) \$241 to community.

2A. Total Project Costs Receiving Tangible Personal Property Exemptions: \$500,000

Note that because of depreciation of Tangible Personal Property by the business - these calculations must be repeated for each year during the term of the exemptions. The Business must supply the community with the annual estimates.

Personal Property Tax Matrix

Projected Tax Year	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8	YR9	YR10	Totals
Estimated Value of Tangible Personal Property	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Exemption Schedule	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Exempted Value	\$ 375,000	\$ 375,000	\$ 375,000	\$ 375,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Taxable Value	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Assessment	25%	18.8%	12.5%	6.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Tangible Personal Property Tax Rate	64.90	64.90	64.90	64.90	64.90	64.90	64.90	64.90	64.90	64.90	64.90
Total Tangible Property Tax Foregone (Exempted Value x Assessment x Tax Rate)	\$ 6,084	\$ 4,575	\$ 3,042	\$ 1,521	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,223
Net New Tangible Property Tax Revenue (Taxable Value x Assessment x Tax Rate)	\$ 2,028	\$ 1,525	\$ 1,014	\$ 507	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,074
Total Tangible Personal Property Tax Foregone over Project Term:	\$ 15,223										
Total Net New Tangible Personal Property Tax Revenue generated over Project Term:	\$ 5,074										

2B. Please calculate the annual net new Tangible Personal Property Tax Revenue generated by the project. Subtract any Tangible Personal Property tax revenue loss \$ 0 (page1) from the new Tangible Personal Property Tax generated \$241 (2A) to equal the net new annual Tangible Property increase (loss) \$241 to community.

DATE: JULY 17, 2006

CLERK: MARY BETH BAILEY

CITY OF MASSILLON, OHIO

COUNCIL CHAMBERS

passed
LEGISLATIVE DEPARTMENT

ORDINANCE NO. 110 - 2006

BY: HEALTH, WELFARE & BUILDING REGULATIONS COMMITTEE

TITLE: AN ORDINANCE authorizing the Director of Public Service and Safety of the City of Massillon to enter into a contract with Love Insurance Agency for boiler & machinery insurance and crime insurance coverage, and declaring an emergency.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MASSILLON, STATE OF OHIO, THAT:

Section 1:

The Council of the City of Massillon, Ohio, hereby determines it to be necessary and in the public health, safety and welfare to enter into contract with Love Insurance Agency for boiler & machinery insurance and crime insurance coverage for 2006 – 2007 year.

Section 2:

The Director of Public Service and Safety of the City of Massillon is hereby authorized to enter into contract with Love Insurance Agency for boiler & machinery insurance and crime insurance coverage for 2006 – 2007 year.

Section 3:

This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the health, safety, and welfare of the community, and for the additional reason that it is necessary to enter into a contract with Love Insurance Agency as the previous policies are about to expire. Provided it receives the affirmative vote of two-thirds of the elected members to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

2nd upage is the signature page

DATE: JULY 17, 2006

CLERK: MARY BETH BAILEY

CITY OF MASSILLON, OHIO

COUNCIL CHAMBERS

Passed
LEGISLATIVE DEPARTMENT

ORDINANCE NO. 111 - 2006

BY: FINANCE COMMITTEE

TITLE: AN ORDINANCE making certain appropriations from the unappropriated balance of the Legends Fund, General Fund, Capital Improvement Fund and the Muni Motor Vehicle License Fund, for the year ending December 31, 2006, and declaring an emergency.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MASSILLON, STATE OF OHIO, THAT:

Section 1:

There be and hereby is appropriated from the unappropriated balance of the Legends Fund, for the year ending December 31, 2006, the following:

\$17,000.00 to an account entitled "Capital Equipment" 2104.920.2532

Section 2:

There be and hereby is appropriated from the unappropriated balance of the General Fund, for the year ending December 31, 2006, the following:

\$10,000.00 to an account entitled "Arbitrator Services/Contracts" 1100.905.2392

Section 3:

There be and hereby is appropriated from the unappropriated balance of the Capital Improvement Fund, for the year ending December 31, 2006, the following:

\$10,000.00 to an account entitled "New Equipment" 1401.205.2530

\$ 8,000.00 to an account entitled "Services/Contracts" 1401.325.2392

Section 4:

There be and hereby is appropriated from the unappropriated balance of the Muni Motor Vehicle License Fund, for the year ending December 31, 2006, the following:

\$2,113.50 to an account entitled "Services/Contracts" 1206.435.2392

2nd page is the signature page

DATE: JULY 17, 2006 CLERK: MARY BETH BAILEY

CITY OF MASSILLON, OHIO

COUNCIL CHAMBERS

Passed
LEGISLATIVE DEPARTMENT

RESOLUTION NO. 14 - 2006

BY: COMMITTEE OF THE WHOLE

TITLE: A RESOLUTION recommending the appointment of Alliance Mayor Toni Middleton to serve as the at large mayor's position on the Stark County 911 Planning Committee.

WHEREAS, the City of Massillon, Ohio, is authorized by law to participate in the Stark County 911 Planning Committee by virtue of being a political subdivision of the State of Ohio, and;

WHEREAS, pursuant to the Ohio Revised Code the planning committee is composed of five individuals, one of which must be a mayor as approved by a majority of the city and village councils in the county

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MASSILLON, STATE OF OHIO, THAT:

Section 1:

That the Council of the City of Massillon, Ohio, hereby approves of the appointment of Alliance City Mayor Toni Middleton to the Stark County 911 Planning Committee.

Section 2:

This Resolution is hereby declared to be an emergency measure, the emergency being that said enactments are necessary for the more efficient operation of the Stark County 911 Planning Committee and for the additional reason for the preservation of the public health, safety and welfare of the community. And provided it receives the affirmative vote of two-thirds of the elected members to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

PASSED IN COUNCIL _____ DAY OF _____, 2006

ATTEST: _____
MARY BETH BAILEY, CLERK OF COUNCIL GLENN E. GAMBER, PRESIDENT

APPROVED: _____
FRANCIS H. CICCHINELLI, JR., MAYOR

DATE: JULY 17, 2006

CLERK: MARY BETH BAILEY

CITY OF MASSILLON, OHIO

COUNCIL CHAMBERS

Passed
LEGISLATIVE DEPARTMENT

RESOLUTION NO. 15 - 2006

BY: FINANCE COMMITTEE

TITLE: A RESOLUTION estimating the aggregate maximum amount of public funds for the City of Massillon, Ohio, to be awarded and be on deposit as of August 1, 2006 to and including July 31, 2011, inviting bids from banking institutions qualified to serve as depositories of municipal funds under the Uniform Depository Act of the State of Ohio, fixing the date for the designation of such depositories, and declaring an emergency.

WHEREAS, the present depository agreement between the local banks and the City of Massillon, Ohio, for the deposit of municipal funds expires on July 31, 2006; and

WHEREAS, it is necessary for the City to enter into a new agreement pursuant to the provisions of the Uniform Depository Act of the State of Ohio;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MASSILLON, STATE OF OHIO, THAT:

Section 1:

The Treasurer of the City of Massillon, Ohio, be and is hereby authorized to invite banking institutions in the City of Massillon, Ohio, duly qualified to serve as depositories of municipal funds under the provisions of the Uniform Depository Act of the State of Ohio, to serve as depositories of the municipal funds of said City for a five (5) year period from and including August 1, 2006 to and including July 31, 2011.

Section 2:

That the meeting for the designation of the depositories will be held at 3:00 P.M. on Thursday, August 17, 2006, in the Council Chambers of City Hall.

Section 3:

That the Clerk of this Council shall cause a copy of this Resolution together with a notice of the date on which the meeting for the designation of such depository will be held to be published once a week for two (2) consecutive weeks in two (2) newspapers of general circulation in Stark County, Ohio.

Section 4:

That all applications shall be presented to the Treasurer of the City of Massillon, Ohio, not later than 12:00 Noon Friday, August 4, 2006 and said applications shall contain any and all information so requested by said Treasurer.

Section 5:

That this Resolution is declared to be an emergency measure immediately necessary for the preservation of the health, safety and welfare of the community and for the further reason that it is necessary to give this Resolution immediate effect in order that the various city officers can provide the steps necessary for the timely execution of depository contracts within the time limitation imposed by state law. Wherefore, this Resolution shall be in full force and effect immediately from and after passage and upon approval by the Mayor.

PASSED IN COUNCIL THIS _____ DAY OF _____ 2006

APPROVED: _____
MARY BETH BAILEY, CLERK OF COUNCIL GLENN E. GAMBER, PRESIDENT

APPROVED: _____
FRANCIS H. CICCHINELLI, JR., MAYOR