



VILLAGE OF WALTON HILLS, OHIO

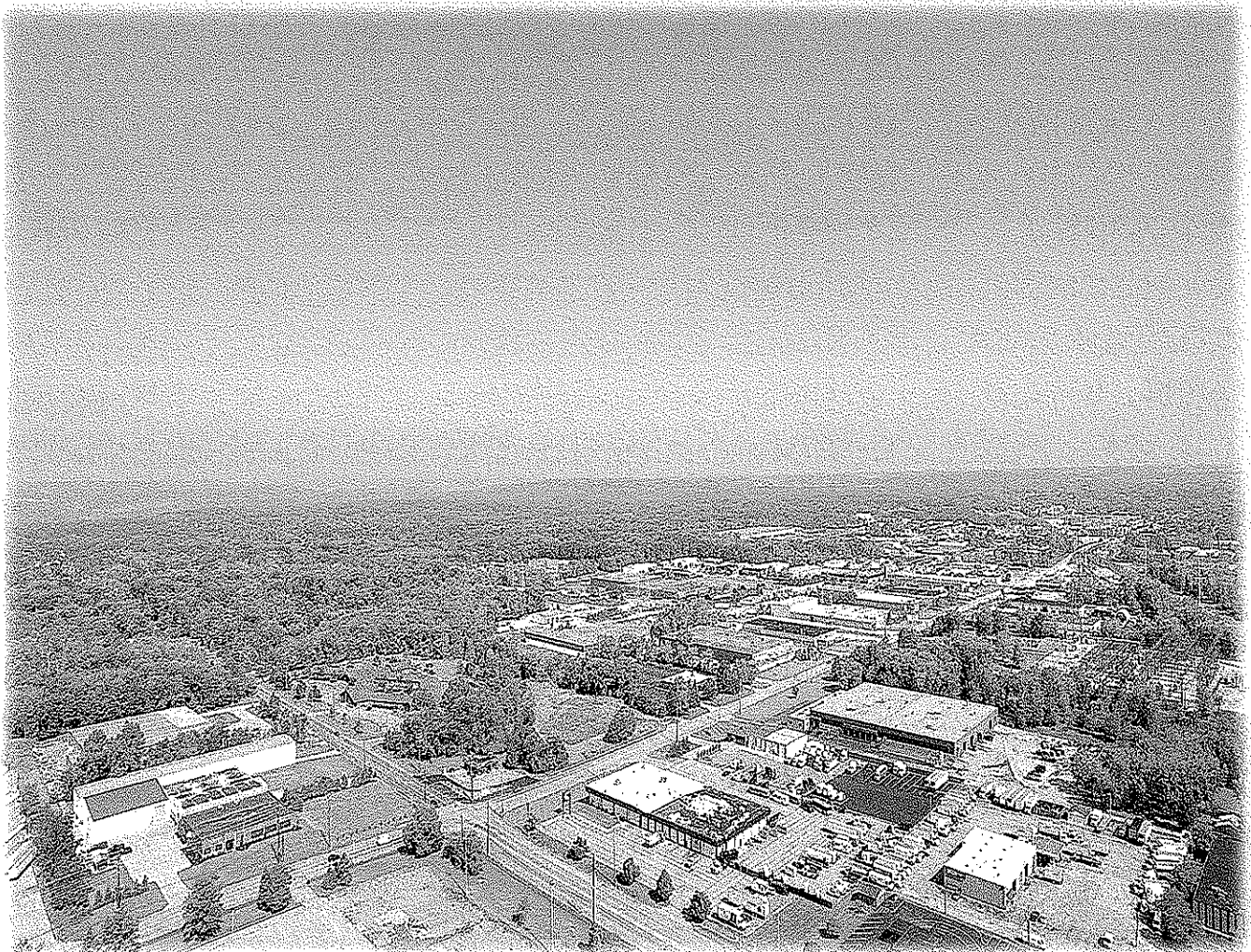
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Kevin Hurst – Mayor / Safety Director/ Economic Director

**The Village of Walton Hills
Economic Development
Informational Guide
for
Local and State
Incentives, Low Interest Loans, Available Grants and Other Programs:**





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The Village of Walton Hills Economic Profile:

The Village of Walton Hills is centrally located between Cleveland and Akron along the I-271 corridor. The Village is on the border of Cuyahoga and Summit Counties and is within 15 and 5 miles of I-90 and I-480 respectively.

Our goals include; forming relationships with managers and business owners, developing additional programs to retain and increase local business and offer assistance that will help to ensure their success. By achieving these goals, we can maintain the balance between our business and residential communities.

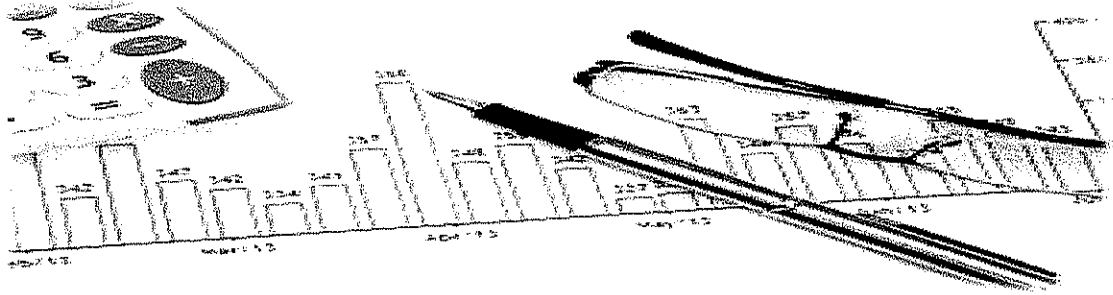
The Mayor Kevin Hurst of the Village of Walton Hills serves as not only the Mayor but as the Safety Director, Magistrate and the Economic Director as well. We encourage you to please contact him as soon as possible when there is any interest in relocating your business to Walton Hills or if any existing businesses have plans or exploring the options for expansion.

Now is the time, more than ever, to review all the options available to you the investor as to how Walton Hills can serve you and assist you in the growth, expansion or relocation of your business, while you watch your investment grow in Walton Hills.

We have listed below many different programs and possible options that could be made available to you if you qualify with the guidelines that the state requires for your business to use these many possible programs and/or options.

Walton Hills wants to work for you and can arrange a time to discuss all the possibilities of how we can serve you and your business.

As you will read in the information listed in this packet that the Village of Walton Hills provides and demonstrates several different opportunities for investors and/or business partners to sustain and grow with their investments in our community. As you will witness with the information that is provided; the benefits, incentives and programs that Walton Hills can offer and assistants with local and/or state incentive programs that have proven to help businesses in many different ways.



Walton Hills Business Outreach:

We have a business outreach program that includes visiting existing businesses to facilitate discussion with owners and operators regarding their business needs including concerns, community issues, expansion plans, and opinions doing business in Walton Hills. In a continuous effort to help businesses achieve their goals, we maintain dialog with our businesses and follow up on concerns, requests, and questions.

Walton Hills Economic Development Local Incentives:

Incentives & Financing:

The Village can also coordinate incentives available to businesses locating or expanding in the Village of Walton Hills. We will analyze a proposed project and determine its eligibility as it pertains to the programs available. Our goal is to streamline the development process at the state, county and local level and insure the best results possible for business and industry, facilitating new job creation and economic growth.

Existing and prospective businesses have several funding incentive options available at the state, county and local level. Each of these levels of government offer programs for job creation and retention, new construction and improvements. There are also loan programs and funds available for brownfield site redevelopment.

Job Creation Incentive Grant Program (JCIGP):

Incentive: Municipal tax refunds, which minimize capital expenditures to encourage business expansions and locations in Walton Hills.

The JCIGP provides for municipal tax incentives for businesses that expand or locate in Walton Hills. A business can receive a refundable tax credit against its corporate franchise/income tax based on the local income tax withheld on new, full-time employees. The amount of the tax credit is negotiable based on the guidelines of the program

Enterprise Zone Program:

All of the Village of Walton Hills commercial properties are located in an Enterprise Zone (EZ). A businesses that invest significantly and predetermined by the state, dollars in real property or inventory may apply for an EZ Agreement. Tax abatements up to 100%, with approval of the local school district, may be approved. Construction of real property cannot occur until the Enterprise Zone Agreement is approved by all entities including the Cuyahoga County Council and County Executive.

Community Reinvestment Area:

Community Reinvestment Areas (CRA) are located within all of Walton Hills commercial zoned properties. These CRA(s) areas were established with the intent to encourage investment in real property through remodeling or new construction. New real property investment in these designated areas are 1eligible for up to 100% tax exemption for a maximum of 15 years or certain period of time depending on what type of dwelling was constructed or remodeled.

Infrastructure Revolving Loan Fund:

The low cost loans, and under certain instances grants, to assist with public infrastructure that is necessary for business expansion or government infrastructure improvement.

Revolving Loan Fund:

This loan program provides low interest loans for financing of business development. However, it is only to be used as gap financing, meaning it is only to be used to fill in the gap between the total project cost and other sources of financing (owner equity, bank loan, etc...). Generally, the dollar amount of the loan is based upon the jobs that will be created.

SBA/504:

This program is available to small businesses as defined by the Small Business Administration (SBA) for the acquisition of land and buildings, new construction, renovation and acquisition of machinery and equipment. Manufacturing, commercial and retail businesses could receive a minimum of \$50,000 to a maximum of \$750,000 for projects. The program has restrictions regarding eligible projects and job creation.

166 Direct Loan:

The intent of this loan is providing money to companies for the use of land and building acquisition, expansion or renovation and equipment purchases. The minimum available is \$350,000 and the maximum can be \$1,000,000. Preference is given to industrial projects. This program has eligibility requirements that surround repayment capabilities and job creation.

State Incentives:

Ohio's competitive and profitable business environment makes it easier for companies to expand and land here with solid financial footing. Our strategic location and pro-business climate brings together a full range of benefits from low-cost access to customers and a comprehensive supply chain to streamlined regulatory processes and assistance programs that align with a growing company's financial needs.

Jobs-Ohio Loans and Grant Programs:

Jobs-Ohio Growth Fund Loan:

The Jobs-Ohio Growth Fund provides capital for expansion projects to companies that have limited access to capital and funding from conventional, private sources of financing. Jobs-Ohio will consider loans to companies that are in the growth, established or expansion stage, and that have generated revenues through a proven business plan.

The Jobs-Ohio Growth Fund's loan decisions are based on a number of project factors, including but not limited to job creation, additional payroll, fixed-asset investment commitment, project return on investment, and project location.

Jobs-Ohio Workforce Grant:

The Jobs-Ohio Workforce Grant was created to promote economic development, business expansion, and job creation by providing funding for the improvement of worker skills and abilities in the State of Ohio. Grant decisions are based on a number of project factors, including but not limited to job creation, additional payroll, fixed-asset investment commitment, project return on investment, and project location.

Jobs-Ohio Revitalization Program:

The Jobs-Ohio Revitalization Program is focused on helping revitalize sites in preparation for end-users that support future job creation opportunities for Ohioans. The program, comprised of both loans and grants, is available to public and private entities seeking to cleanup and redevelop sites across Ohio.

Jobs-Ohio Economic Development Grant:

The Jobs-Ohio Economic Development Grant was created to promote economic development, business expansion, and job creation by providing funding for eligible projects in the State of Ohio. Grant decisions are based on a number of project factors, including but not limited to job creation, additional payroll, fixed-asset investment commitment, project return on investment, and project location.

State Tax Credits and Benefits:

Job Creation Tax Credit:

The Job Creation Tax Credit is a refundable tax credit to companies generally creating at least 10 new jobs (within three years) with a minimum annual payroll of \$660,000 that pay at least 150 percent of the federal minimum wage. The tax credit is measured as a percentage of the state income tax withholdings for all new employees hired under the program, and is applied toward the company's commercial activity tax liability. Should the amount of the credit exceed the company's commercial activity tax liability for any given year, the difference is refunded. A business must apply for the credit before committing to the project. Applicants must be approved through the Ohio Tax Credit Authority before hiring begins.

Ohio Enterprise Zone Program:

The Ohio Enterprise Zone Program provides real property tax incentives for businesses that expand or relocate in Ohio. To establish an Enterprise Zone, a municipality or county must apply to the Director of Development for certification. To secure benefits, businesses must apply to the local community. Certain qualifying businesses may be eligible for additional benefits.

Community Reinvestment Areas:

The Community Reinvestment Areas provide companies locating in a designated Community Reinvestment Area an exemption of up to 100 percent of improvement value for up to 15 years on real property taxes. To be eligible, a company must make an agreement with the local community prior to going forward with the qualifying project. This particular program works with the same guidelines that Walton Hills currently has in place since 2011.

State Financing Programs:

Research and Development Investment Loan:

The Research and Development Investment Loan Fund provides loan financing between \$500,000 and \$5 million for projects primarily engaging in research and development activity. Rates are fixed (at- or below-market rates) with other loan terms similar to those of commercial bank financing. Companies receive a dollar-for-dollar, non-refundable Ohio commercial activity tax credit for principal and interest payments made during the year up to \$150,000 during the loan term.

Research and Development Investment Tax Credit:

The Research and Development Investment Tax Credit provides a non-refundable tax credit up to seven percent for qualified research and development expenses. Qualifying expenses fit into two categories: in-house research expenses, and contracted research expenses. Any unused portion of a tax credit may be carried forward for up to seven years.

Ohio Enterprise Bond Fund:

The Ohio Enterprise Bond Fund provides revenue bond financing through an S&P rated fund, whereby proceeds from the sale of bonds are loaned to companies for fixed-rate, long-term capital asset financing. Rates are market-driven and fixed prior to funding. Loan terms range between 7 to 10 years for equipment and 15 to 20 years for real estate. Up to \$10 million in financing is available through the program.

166 Direct Loan:

The 166 Direct Loan provides loans for land and building acquisition, construction, expansion, or renovation, and equipment purchases for eligible businesses. The program provides low-interest loans up to 40 percent not to exceed \$1.5 million.

Regional 166 Direct Loan:

The Regional 166 Direct Loan provides loans for land and building acquisition, construction, expansion, or renovation, and equipment purchases for eligible businesses. Regional economic development agencies administer the program. It provides low-interest loans up to 75 percent collateral value, not to exceed \$500,000.

Innovation Ohio Loan Fund:

The Innovation Ohio Loan Fund provides loans for acquisition, construction, and related capital costs of technology, facilities, and equipment purchases. The fund was created to assist existing Ohio companies in developing next-generation products and services within the state's Industry Sectors up to 75 percent ranging from \$500,000 to \$1.5 million.

State Grants:

Roadwork Development (629):

Roadwork Development (629) funds are available for public roadway improvements, including engineering and design costs. Funds are available for projects primarily involving manufacturing, research and development, high technology, corporate headquarters, and distribution activity. Projects must create or retain jobs. Grants are reimbursable and provided to a local jurisdiction and require local participation.

Please contact the Mayor Kevin Hurst if either of these programs are of interest to you or if your business is considering a project. Many programs exist and it is the goal of the Village of Walton Hills to assist businesses in any of their building and economic development needs.



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