

CITY OF ORRVILLE
JOB CREATION INCOME TAX CREDIT PROGRAM

ADOPTED BY ORRVILLE CITY COUNCIL MAY 20, 2002
LAST AMENDED JANUARY 20, 2009

The City of Orrville Safety Service Director or his/her designee is hereby authorized to administer the program to take all necessary and appropriate actions to achieve its objectives.

Criteria for Participation:

The following are the general criteria that the City of Orrville will use in consideration of applications to participate in a Jobs Creation Tax Credit Program. (The City may consider applications that do not meet all of the below referenced criteria on a case-by-case basis, if extenuating circumstances exist and the spirit of the program is satisfied.)

1. Any office or manufacturing firm that commits to the creation of at least 10 new full-time or full-time equivalent jobs in the City of Orrville may be eligible for the Job Creation Tax Credit. Firms new to the City and the current businesses that are expanding are eligible to participate.
2. Each participant shall commit to establish, within three years, a minimum of 10 new jobs in the City of Orrville. "New jobs" do not include transfers from affiliated companies within Orrville. Each participant must commit to retaining the current number of jobs and to maintaining current levels of payroll. The Job Creation Tax Credit does not apply to wage and salary increases of existing jobs.
3. Each participant shall concurrently secure state tax credit pursuant to a job creation agreement with the State of Ohio as authorized by Ohio Revised Code Section 122.17.
4. Each participant should document that receiving the City Income Tax Credit is a major factor in the taxpayer's decision to go forward with the job creation program.
5. The average wage of the new jobs should be at least 150% of the Federal Minimum Wage.
6. Tax Credits are not available for those jobs filled by non-residents of Orrville, unless tax revenues are collected, and not refunded, for those employees of the participant who do not live in the City of Orrville.
7. The participant shall comply with all applicable City Code provisions.

Income Tax Credits:

For those participants who meet the criteria established in this policy (as determined by the City of Orrville), the following shall apply:

1. Refundable Income Tax Credits shall be established by a written Job Creation Agreement with each participant, each separately authorized by City Council Resolution.

2. The maximum Job Creation Tax Credit will be 25% of the City Income Tax withheld on the qualifying new jobs; with a maximum Job Creation Tax Credit of 10% of the City Income Tax withheld on qualifying new jobs if the participant also has an accompanying Enterprise Zone Agreement. This is a refundable credit against the Company's Orrville Profit Tax or an Individual's Income Tax.
3. The Tax Credit shall only apply to income taxes actually collected from the qualifying new jobs.
4. The maximum term of credit granted under this program shall be ten years, but no longer than the period allowed under the State of Ohio Tax Credit Agreement with the participant.
5. Failure to comply with the terms and conditions of the Job Creation Income Tax Credit Agreement may result in the loss of subsequent credit for the duration of the agreement by action of the City Council.
6. The Company must agree to remain in business one additional year for each year of the term of the Job Creation Income Tax Credit Agreement, and failure to do so may result in the Company repaying any credit that they received from the City of Orrville.

Application Confidentiality:

1. Financial statements and other information (including, but not limited to, tax returns) submitted to the City of Orrville or the Director of Finance by the applicant are generally not considered public records subject to Section 149.43 of the Ohio Revised Code. The Safety-Service Director or the Finance Director may, however, make use of the information received, including but not limited to the following, for the purpose of issuing public reports:
 - a. Name of the business entity
 - b. Description of the project
 - c. Location of the project
 - d. Number of jobs created and/or retained
 - e. Amount of fixed-asset investment in the project
 - f. Percent and terms of the tax credit, dollar value of the tax credit, years the company wants the tax credit to begin and end, and
 - g. The business entity's contact person, office address, and telephone number
2. The Safety-Service Director or the Finance Director may also make use of the statements and other information in connection with court proceedings concerning the Job Creation Tax Credit Agreement.