

TEMPORARY RESOLUTION NO. 57-15

PERMANENT RESOLUTION NO. _____

A RESOLUTION TO ACCEPT THE ENTIRE WRITTEN RECOMMENDATIONS OF THE TAX INCENTIVE REVIEW COUNCIL FOR CONTINUANCE OF THE ENTERPRISE ZONE TAX EXEMPTION AGREEMENTS FOR NFOCUS CONSULTING (AGREEMENT 232-03-02), & WINDSOR EQUITY, (AGREEMENT 232-04-02), PURSUANT TO ORC 5709.85(C)(I) AND (E)

WHEREAS, the ORC has been amended to require a yearly review and continuance of Enterprise Zone Agreements pursuant to ORC 5709.85(C)(I) and (E); and

WHEREAS, the Tax Incentive Review Council met on March 11, 2015, and deemed NFocus Consulting and Windsor Equity companies herein were in compliance with their Agreement;

BE IT RESOLVED BY COUNCIL OF THE CITY OF LANCASTER, STATE OF OHIO

SECTION 1. That the recommendation by the Tax Incentive Review Council to continue the Enterprise Zone Agreements be and hereby is accepted for the following companies:

- a. Nfocus Consulting (Agreement 232-03-02)
- b. Windsor Equity (Agreement 232-04-02)

SECTION 2. That this resolution shall take effect and be in force from and after the earliest period allowed by law.

Passed: _____ after _____ reading. Vote: Yeas _____ Nays _____

Date Approved: _____

Clerk: _____

President of Council

Offered by: _____

Mayor

Second by: _____

Requested by Finance Committee

**FAIRFIELD COUNTY ENTERPRISE ZONE
TAX INCENTIVE REVIEW COUNCIL**

Minutes

Meeting was held at the Fairfield County Courthouse, 3rd Floor Commissioners' Hearing Room 210 E. Main St., Lancaster, OH 43130 on March 11, 2015 at 8:45 a.m.

Attendees included the following:

- Ed Laramée, Fairfield County Auditor's Office, Chair
- Marilyn Boyd, Village of Bremen
- David Myers, Rushcreek Township
- Bill Myers, Rushcreek Township
- Peg Arnett, Greenfield Township
- Larry Joos, Greenfield Township
- Julie Taylor, Lancaster City School District Treasurer
- Staci Knisley, Fairfield County Commissioner designate
- Carri Brown, Fairfield County
- Holly Mattei, Fairfield County
- Harry Hiles, City of Lancaster
- Bob Clark, Enterprise Zone Manager, ex officio, non-voting member of the Council
- Linda Kauffman, Recorder
- Trisha Nettles, City of Lancaster
- Kelly Fuller, Eastland-Fairfield Career & Technical School

Absent

- Travis Bigam, Bloom Carroll School District
- Kevin Miller, Fairfield Union School District
- Troy Tripp, Village of Bremen

The meeting was called to order by Chair Ed Laramée at 8:40 a.m. Committee members received a copy of the minutes from the March 6, 2014 meeting. Laramée asked that minutes be accepted as presented.

Each member of the council has been provided with a document reviewing the company, the terms of the Enterprise Zone Agreement and the information the company has reported. The company representatives, if attending, will provide a brief presentation about the company and its plans for the future. Company representatives are not required to attend this council meeting. A brief question and answer period will follow for the TIRC members involved with that particular project to allow them to ask questions of the representative. Following the question and answer session, the recommendation of the staff will be considered. Those recommendations will be to continue the existing Enterprise Zone Agreement, to amend the agreement, in which case specific suggestions for amendment will be provided; or to terminate the agreement.

NFocus Consulting (*Agreement 232-03-02*)

Doug Cronin, Owner and President of the company spoke to the council when it reconvened at 10:00 am. NFocus continues to show employment and payroll numbers beyond commitment. Business continues at a brisk pace, with none of the normal slowdown in the winter months. While the agreement ends 12-31-2015, Laramie noted the reports still need to be filed while the tax abatement continues. Tax years lag behind reporting years.

The company has entered the world of digital marketing and digital campaigns. Email addresses can be linked to physical addresses. Not only can NFocus target an appropriate audience but can monitor the "click through" profile and rate the success of a campaign. Their ability to do an analysis on the results is a strength leading to growth in this area of advertising. Growth markets in this field stretch nationwide and NFocus has made some impact in the Canadian market as well. Direct mail has no such measurable results.

Workforce challenges include locating software developers who can do the complex coding that triggers the results that can be analyzed. Data companies in Columbus metro region are offering six figure compensation packages for basic programmers. Recruiting employees from outside the area leads to challenges in retaining them. Cronin would like to locate employees from the area who are committed to staying here.

The staff recommendation is to continue the agreement; the committee agreed unanimously.

Windsor Equity (*Agreement 232-04-02*)

The council reformed at 10:35am to hear from Brian Moore and John Moore from Windsor Equity. Commitment numbers have been met successfully and the Fairmore facility is fully leased entering the last year of their Enterprise Zone Agreement. The jobs created number has increased from 87 to 93.

Currently there are no plans for future medical complexes although vacant medical office space is almost nonexistent. The hospital drives the physician staffing and there have been no requests for future office space. The Fairmore was a joint with Windsor Company building the facility and The Equity Company leasing the building.

The staff recommendation is to continue the agreement; the committee agreed unanimously.

Adjournment

With no other business to come before the TIRC Ed Laramie adjourned the meeting at 10:45 am.

Respectfully submitted,
Linda Kauffman, Recorder

Company	Agreement	Expiration	2015 Recommendation
NFocus Consulting	232-03-02	12/31/2015	Continue
Windsor Equity	232-04-02	12/31/2015	Continue
Roger Wolfe (ASA)	09-12.15c	12/31/2018	Continue
H&W Investments/Company Wrench	232-06-03	12/31/2018	Continue
Westerman Company	232-06-01	12/31/2019	Continue



**Fairfield County Enterprise Zone
Tax Incentive Review Council
March 11, 2015**

Lancaster City, Lancaster CSD

10:00 a.m.

NFocus Consulting

NFocus Consulting Inc began as a consulting and software firm for mainframe computers in July 1989. In 1993, they shifted to doing work for a PC environment, and they have been developing software for the PC platform for over ten years. Their customers are mainly *Fortune 500* companies, and the majority of their customers are located out-of-state. Also, around 1993, they started data processing for direct mail. Right now, they average about 500 million records (mainly addresses) every month. Anyone who receives any mail labeled "Occupant" or "Resident" likely had NFocus involved, because they house the national residential file for Advo, the largest marketing firm in the world. Eventually, they started designing software specifically to assist companies in bulk mailing, and they are successfully competing with companies with over 1000 employees.

Project Status

NFocus Consulting's Enterprise Zone project period ended December 31, 2006 and its job creation period ended June 1, 2007. The company has far exceeded its investment commitment. In terms of jobs, the company has added 25 new employees since the EZ agreement. The company committed to retain 12 and create 10 per the agreement. In 2014, they remained steady with 36 employees.

Agreement 232-03-02

Agreement Executed: 6/3/2003
 Agreement Amended: 1/11/2005
 Agreement Ends: 12/31/2015

Terms: Real property improvements and equipment
 50% for ten years
 No PILOT to Lancaster CSD

Real Property	
Commitment:	\$400,000
Investment:	\$473,500
Taxes 2013	
Paid:	\$11,226
Abated:	\$10,114

	12/31/07	12/31/08	12/31/09	12/31/10	12/31/11	12/31/12	12/31/13	12/31/14
New Jobs Commitment (total)	10	10 Total	10 Total					
New Jobs Created (total)	16	18	18	24	25	25	25	25
New Payroll Commitment	\$360,000	\$360,000	\$360,000	\$360,000	\$360,000	\$360,000	\$360,000	\$360,000
New Payroll	\$589,269	\$677,847	\$721,855	\$807,420	\$914,042	\$959,744	\$1,015,409	\$1,063,793
Retained Jobs Commitment	12	12	12	12	12	12	12	12
Retained Jobs	12	12	12	12	12	12	12	12

Staff Recommendation:

Continue, upon receiving check for administrative fee. Non-discrimination form has been submitted.



**Fairfield County Enterprise Zone
Tax Incentive Review Council
March 11, 2015**

Lancaster City, Lancaster CSD

10:30 a.m.

Windsor Equity

Windsor Equity is a joint venture between The Windsor Company, a Lancaster development company, and Equity, a real estate development firm based in Worthington, Ohio. Founded in 1974, Windsor has developed, managed or sold over 1,200 apartment units, 333,000 square feet of commercial space, and hundreds of acres of undeveloped land across three states. Equity was founded in 1989 and has developed medical, office, retail, distribution, and hotel buildings throughout Ohio and other states.

Project Status

Additional real property improvements and new employees were added to the project site in 2008. The total number of employees as of 12/31/2014 was 93, an increase of 6 from the previous year. The company has invested over \$5.3 million in real property, approximately \$400,000 more than committed.

Agreement 232-04-02

Agreement Executed: 9/14/2004
 Agreement Amended: 6/28/2007
 Agreement Ends: 12/31/2015

Terms: On real property only - 100% for ten years
 25% PILOT to Lancaster CSD

Real Property	
Commitment:	\$4,596,833
Investment:	\$5,305,346
Taxes 2013	
Paid:	\$0
Abated:	\$56,716

	12/31/08	12/31/09	12/31/10	12/31/11	12/31/12	12/31/13	12/31/14
New Jobs* Commitment	26	77 Total	77 Total	77 Total	77 Total	77 Total	77 Total
New Jobs Created	13	58	66	87	98	87	93
New Payroll* Commitment (Total)	\$5,394,000	\$5,394,000	\$5,394,000	\$5,394,000	\$5,394,000	\$5,394,000	\$5,394,000
New Payroll	\$5,421,409	\$6,027,487	\$7,650,616	\$11,709,046	\$13,368,678	\$12,624,627	\$13,382,105
Retained Jobs Commitment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Retained Jobs	N	N/A	N/A	N/A	N/A	N/A	N/A

Staff Recommendation: Continue upon receiving the check for administrative fee.

TEMPORARY RESOLUTION NO. 59-14

PERMANENT RESOLUTION NO. 63-14

A RESOLUTION TO ACCEPT THE ENTIRE WRITTEN RECOMMENDATIONS OF THE TAX INCENTIVE REVIEW COUNCIL FOR CONTINUANCE OF THE ENTERPRISE ZONE TAX EXEMPTION AGREEMENTS FOR NFOCUS CONSULTING (AGREEMENT 232-03-02), & WINDSOR EQUITY, (AGREEMENT 232-04-02), PURSUANT TO ORC 5709.85(C)(I) AND (E)

WHEREAS, the ORC has been amended to require a yearly review and continuance of Enterprise Zone Agreements pursuant to ORC 5709.85(C)(I) and (E); and

WHEREAS, the Tax Incentive Review Council met on ~~April 17, 2013~~ ^{March 6, 2014**}, and deemed NFocus Consulting and Windsor Equity companies herein were in compliance with their Agreement;

BE IT RESOLVED BY COUNCIL OF THE CITY OF LANCASTER, STATE OF OHIO

SECTION 1. That the recommendation by the Tax Incentive Review Council to continue the Enterprise Zone Agreements be and hereby is accepted for the following companies:

- a. Nfocus Consulting (Agreement 232-03-02)
- b. Windsor Equity (Agreement 232-04-02)

SECTION 2. That this resolution shall take effect and be in force from and after the earliest period allowed by law.

Passed: 4/28/14 after 3rd reading. Vote: Yeas 9 Nays 0

Date Approved: 4/28/14

Clerk: Jeressa Lee Sandy

City of Lancaster
President of Council

Offered by: Tom Stuk

[Signature]
Mayor

Second by: [Signature]

Requested by Finance Committee

** 5/5/2014, Mr. Hedges made a motion to change the date in the second whereas from April 17, 2013 to March 6, 2014, seconded by Mrs. Tener. Motion carried 8-0

Jeressa Lee Sandy
Clerk 5/5/2014