



City of Kent
Wednesday, October 2, 2024
City Council Committee Meetings
320 S. Depeyster Street, Kent, OH 44240

AGENDA

1. 6:00 Democracy Day Public Hearing
2. 7:00 Public Hearing Zoning Code Text Amendments
 - 2.1. Public Notice

Board of Control & Council Committee Meetings Immediately Following Public Hearing

Call to Order

3. Committee of the Whole Chair Fiala/ Vice-Chair Amrhein
 - 3.1. Parks and Recreation Update
Angela Manley, Parks and Rec Director
4. Community Development Committee - Chair Rosenberg/Vice-Chair Clapper
 - 4.1. Zoning Code Text Amendments
Bridget Susel, Community Development Director
 - 4.2. CRA Agreement, Klaben: New Lincoln Dealership Building
Bridget Susel, Community Development Director
 - 4.3. CRA Agreement, Klaben: Renovation/Expansion of Service Center
Bridget Susel, Community Development Director
 - 4.4. Design recommendation on proposed exterior facade alterations to 265 West Main Street
Bridget Susel, Community Development Director
5. Health and Public Safety Committee - Chair Amrhein/ Vice-Chair Sidoti
 - 5.1. Paramedicine Program Update
Jamie Samels, Fire Chief
6. Streets, Sidewalks & Utilities Committee - Chair Sidoti/ Vice-Chair Clapper
 - 6.1. Resolution to Proceed- East Main Street Improvement Project
Hope Jones, Law Director
7. Executive Session

- 7.1. To consider the purchase of property for public purposes, the sale of property at competitive bidding, or the sale or other disposition of unneeded, obsolete, or unfit- for-use property
- 7.2. To consider the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee or official
- 7.3. Conferences with an attorney for the public body concerning disputes involving the public body that are the subject of pending or imminent court action

8. Return to Committee Meeting

Adjourn

Any person who requires an auxiliary aid or service for effective communication or a modification of policies and procedures to participate in any City or City Council public meeting or event should contact the Clerk of Council at 330-678-8007. Any request for auxiliary aid or other accommodation should be made as soon as possible, but no later than forty-eight hours prior to the event.

TENTATIVE OCTOBER 2024 CALENDAR

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 7:00 pm Planning Commission	2 6:00 p.m. Democracy Day 7:00 p.m. Council Committee Mtgs	3	4	5
6	7 5:00 pm Shade Tree Commission 5:30 pm Sustainability Commission	8 5:30 pm Health Board Mtg	9	10 4:00 pm Standing Rock Cemetery	11	12
13	14	15 7:00 pm Planning Commission	16 7:00 pm Reg. Council Mtg	17 5:30 pm Parks & Rec Mtg. Board	18	19
20	21 5 pm Civil Service Commission Mtg. 7 pm Board of Zoning Appeals	22	23	24	25	26
27 TRICK OR TREAT 4-6 PM	28	29	30	31		

KENT CITY COUNCIL'S PENDING LIST

Administration	Date of Motion	Motion Made by
Senior Advisory Committee	10/18/2017	Ferrara; Sidoti
Discussion with Franklin Twp. /sidewalk snow upkeep	01/19/2022	Shaffer Bish
Review of Roadwork Needed on Portage St.	05/17/2023	Wallach
Review Language of KRC 339.02 Regarding Semi Parking	03/20/2024	Amrhein
Review of Lifting of Adult Use Marijuana Moratorium	04/17/2024	Hook
Explore Use of Consent Agenda	04/17/2024	Hook
Recognize Juneteenth as City Holiday	06/19/2024	Sidoti
Council Committees	Month/Yr.	Motion Made by
Land O' Lakes Noise Issue- Comm/Whole	08/16/2023	Turner
Noise Ordinance Review – Health & Public Safety	11/15/2023	Amrhein
Fur Regulations and Sales in Kent- Community Dev.	12/20/2023	Wallach
Downtown Street Closure Procedures- Community Dev.	01/17/2024	Rosenberg
Downtown Historic District- Community Dev.	02/24/2024	Shaffer Bish
Role of Architecture Review Board- Community Dev.	02/24/2024	Celko
Parks and Rec Survey and Master Plan- Comm/Whole	02/24/2024	Sidoti
Requirement for In Person Board Interviews- Comm/Whole	03/20/2024	Rosenberg
Arborist & Health Dept. used in Rental Inspections	06/19/2024	Clapper
Warming Centers for the Unhoused	09/18/2024	Hook

Posted September 26, 2024 Amy Wilkens | Clerk of Council | Kent City Council

Any person who requires an auxiliary aid or service for effective communication or a modification of policies and procedures to participate in any City or City Council public meeting or event should contact the Clerk of Council at 330-676-7555 or councilclerk@kentohio.gov. Any request for an auxiliary aid or other accommodation should be made as soon as possible, but no later than forty-eight hours prior to the event.



CITY OF KENT, OHIO

CITY COUNCIL

Legal Advertisement

PLEASE PUBLISH SUNDAY, SEPTEMBER 15, 2024

CITY OF KENT, OHIO

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT THE KENT CITY COUNCIL WILL CONDUCT A PUBLIC HEARING ON WEDNESDAY, OCTOBER 2, 2024 AT 7:00 PM IN THE FIRE DEPARTMENT TRAINING ROOM (DOWNSTAIRS), 320 SOUTH DEPEYSTER STREET, KENT, OHIO. PLEASE USE THE FRONT (MAIN) DOOR TO ACCESS THE BUILDING. THE FOLLOWING CASE WILL BE DISCUSSED:

APPLICANT: CITY OF KENT

REQUEST: THE APPLICANT IS SEEKING APPROVAL OF TEXT AMENDMENTS TO THE CITY OF KENT ZONING CODE FOR THE FOLLOWING:

- CHAPTER 1102: DEFINITIONS
- CHAPTER 1103: ZONING DISTRICTS, LAND USE, AND ZONING MAP
- CHAPTER 1104: SUPPLEMENTAL ZONING DISTRICT STANDARDS AND OVERLAY ZONING DISTRICTS
- CHAPTER 1106: GENERAL PROVISIONS
- CHAPTER 1109: SIGNS

Anyone who is interested in submitting comments on the proposed project can do so through the following three (3) methods:

1. Participate live during the meeting on Wednesday, October 2, 2024 or
2. Submit written comments via email to amy.wilkens@kentohio.gov. All email comments received by 5:00 PM on Tuesday, October 1, 2024; or
3. Submit written comments via USPS or other delivery methods to the City of Kent Community Development Department, 930 Overholt Road, Kent OH 44240, All written comments received by 5:00 PM on October 1, 2024;

Copies of the proposed text amendments are maintained on file in the Community Development Department and may be reviewed by interested individuals during regular business hours. Any questions concerning this request should be directed to the City of Kent, Community Development Department at 930 Overholt Road, Kent, Ohio.

Posted: September 16, 2024

Amy Wilkens, Clerk of Council

memo

CITY OF KENT PARKS AND RECREATION DEPARTMENT

To: Dave Ruller, City Manager
Cc: City Council
From: Angela Manley, Director
Date: September 24, 2024
Re: Request to Provide KPR Update

I respectfully request your approval to be added to the City Council Committee Meeting Agenda on October 2, 2024, to provide an update from Kent Parks and Recreation, including highlights of programs, events and projects.

Thank you!



CITY OF KENT, OHIO

DEPARTMENT OF COMMUNITY DEVELOPMENT

DATE: September 24, 2024

TO: Dave Ruller, City Manager

FROM: Bridget Susel, Community Development Director *msb*

RE: Proposed Text Amendments to Zoning Code

Pursuant to prior discussions with Kent City Council, the Community Development Department will be developing Zoning Code language in order to codify the recommendations included in the Update to the Design Guidelines that was approved by Council in December 2023. The staff will be working on the regulations in groupings of similar design guideline elements over the next few months. The first grouping includes signs and lighting in the Overlay District.

The Community Development Department also is addressing some other needed text amendments that will assist with clarifying some existing terminology and add a new table to clarify residential occupancy limitations in the various Zoning Districts.

Staff met with the Planning Commission on September 17, 2024 to discuss the proposed text amendments and the Planning Commission voted unanimously to recommend Kent City Council approve all of the proposed text amendments. Attached is the detail of the various changes. Stricken language is shown in red/strikethrough and the addition of new language is shown in blue.

The following chapters incorporate proposed text amendments:

- CHAPTER 1102: DEFINITIONS
- CHAPTER 1103: ZONING DISTRICTS, LAND USE, AND ZONING MAP
- CHAPTER 1104: SUPPLEMENTAL ZONING DISTRICT STANDARDS AND OVERLAY ZONING DISTRICTS
- CHAPTER 1106: GENERAL PROVISIONS
- CHAPTER 1109: SIGNS

I am respectfully requesting time at the October 2, 2024 Council Committee meeting to discuss the proposed text amendments recommended by the Planning Commission in greater detail and to request Council authorization, with emergency, to incorporate the text amendments into the City's Zoning Code.

Please let me know if you require any additional information in order to add this item to the Land Use Committee agenda. Thank you.

Cc: Hope Jones, Law Director
Eric Fink, Assistant Law Director
Tim Sahr, Development Engineer
Kailyn Cyrus, Development Planner
Amy Wilkens, Clerk of Council

Attachment

Proposed Zoning Code Text Amendments

1102.03 DEFINITIONS.

(a) Unless otherwise specifically provided, or unless clearly required by the context, the words and phrases defined in this section must have the meaning indicated when used in this Code.

(2) **Accessory Subordinate Building and Accessory Subordinate Structure:** A subordinate secondary building or structure detached from but located on the same lot as the principal building, the use of which is incidental and accessory to that of the main building or use. Accessory A subordinate building or structure includes, but are not limited to, garages, carports, decks, sheds, and various commercial and/or industrial accessory uninhabitable buildings or structures.

(3) **Accessory Use:** A use on the same lot with and of a nature customarily incidental and subordinate to the principal use.

1106.10 ACCESSORY SUBORDINATE BUILDINGS AND SUBORDINATE STRUCTURES.

An accessory subordinate building or structure may be erected upon a lot on which a principle principal structure already exists. The use of the accessory subordinate building or structure must be secondary and incidental to the principle principal use. An accessory subordinate building or structure cannot exist without a principle principal building on the same lot.

(a) **Accessory Subordinate Buildings or Structures:** Accessory Subordinate buildings or structures must not be located closer than fifteen (15) feet to the principle principal building and not less than ten (10) feet from the side and rear property lines. Subject to the following:

(1) One or more accessory buildings must not occupy more than thirty (30) percent of a required rear yard. No more than two (2) detached accessory buildings are permitted per lot.

(2) Accessory buildings must not be located in front of the primary structure.

(3) Detached accessory buildings in residential zoning districts must not exceed fifteen (15) feet in height.

(4) In all other zoning districts, the maximum height must not exceed the principle building height.

(b) **Substandard Lot Exception:** On any substandard lot as defined in Section 1106.06 (a) of this Code, accessory buildings must:

- (1) Not be located closer than ten (10) feet to the main building.
 - (2) Not less than five (5) feet from the side and rear property lines.
 - (3) One or more accessory buildings must not occupy more than fifty (50) percent of a required rear yard.
 - (4) Accessory buildings must not be located in front of the primary structure.
 - (5) Detached accessory buildings in residential zoning districts must not exceed fifteen (15) feet in height.
-

1104.01 ARCHITECTURAL DESIGN REVIEW OVERLAY DISTRICTS.

1104.01 (f). Downtown / West River Overlay District Exterior Design Requirements.

(1). Signs and Lighting

- i. Box and cabinet wall signs are prohibited.
 - ii. Internally lit signs are prohibited.
 - iii. Wall and blade signs for street level and second story uses must be externally lit.
 - iv. Wall and blade signs must use dimensional letter forms, a minimum of a half-inch in depth, and cannot be painted acrylic.
 - v. Back-lit/halo illumination signs can be installed on buildings with a minimum of three (3) or more stories, measured from street level finished grade, and that contain commercial or mixed uses.
-

1109.06 GENERAL REQUIREMENTS FOR ALL SIGNS AND DISTRICTS.

The following conditions apply to all signs erected or located in any zoning district:

(A) Sign Location.

(1) **Right-of-Way Prohibited.** Except as provided, no sign will be placed or deposited within any public right-of-way or on any tree, pole, post, meter, or similar object located within the public right-of-way.

A. Blade signs attached to a building may project a maximum of forty inches over a public right-of-way provided the lowest part of the sign is at least eight feet but no more than fifteen feet above the pedestrian thoroughfare and provided said sign has received a Sign Permit from the Zoning Inspector.

B. Under no circumstance may any signs that are permitted in the public right-of-way interfere with vehicular or pedestrian visibility.

(2) **Clear Vision Triangle Area Prohibited.** No sign will be located in the clear vision triangle area described in Section 1106.09.

(3) **Sign Height.** No sign otherwise permitted will project above the maximum sign height limitation of the zoning district as specified in the "Dimensional Regulations" in each zoning district.

(4) **Alterations** - No sign will be altered, rebuilt, enlarged, extended or relocated except in conformity with the provisions of this Chapter. Restoring a sign to its original condition by repainting or refacing the sign is not an alteration within the meaning of this Chapter.

(5) **Sign Attachment and Support** - A sign must not be attached to or supported by a tree, utility pole, light pole, trash receptacle, bench, vending machine, gasoline pump or hose, public shelter, or be painted or drawn upon rocks or other natural features.

(B) Sign Power Source. All power sources, raceways, and conduit must be concealed from view.

1109.08 PROHIBITED SIGNS.

The following signs and types of signs are inconsistent with the purposes and standards of this Chapter and are prohibited in all zoning districts:

(a) A sign made of a material not designed for outdoor signage, including but not limited to, bed linens, tarps, or untreated or unfinished plywood;

(b) Abandoned Signs;

(c) Any advertising device that simulates or imitates in size, color, letter, or design any traffic sign or signal or other word, phrase, symbol or character in such a manner as to interfere with, mislead, or confuse traffic;

(d) Any sign containing off-premise commercial content, except as permitted by Section [1109.11](#);

(e) Any sign that is deemed structurally or electrically unsafe by the Chief Building Official;

(f) Any sign, structure, support or frame that was previously part of an on-premise commercial sign, but no longer supports or contains a sign relating to a commercial activity, business, or usage on the premises, which has been discontinued at least ninety (90) days must be removed in accordance with Section [1109.15](#) or brought into compliance with this chapter.

(g) Bench signs;

(h) Billboard sign;

(i) Feather Signs;

(j) Festoons air-activated, and balloon signs except for decorations commemorating a time limited event or holiday. This time period is determined at the sole discretion of the Community Development Director;

(k) Obscene sign, which is any signs containing words or pictures that are lewd, obscene, profane, or libelous;

(l) Pole signs, including signs attached to light poles, utility poles, street sign post, and trees. Prohibited pole signs do not include pole signs lawfully installed by an authorized public entity;

(m) Portable message signs unless authorized by the appropriate government entity in a public or private road Right-of-Way;

(n) Roof signs;

(o) Signs that obstruct any fire escape;

(p) Signs within any public right-of-way unless specifically authorized under Section [1109.06\(a\)\(1\)](#); ~~and~~

(q) Vehicle signs; ~~and~~

(r) Mounting of neon signs on the exterior façade of any building.

1109.09 STANDARDS FOR SPECIFIC SIGN TYPES.

(A) Awning and Canopy Signs. Awning and canopy signs may be permitted only as an integral part of the awning or canopy to which they are attached or applied and must meet the following conditions:

(1) **Location.** Signs may be placed only on awnings or canopies that are located on first-story and second-story building frontages, including those fronting a parking lot or pedestrian way.

(2) **Prohibited Locations.** Awnings and canopies must not extend beyond the width of the building or tenant space, nor encroach above the roof line.

(3) **Extension.** Such signs must not extend more than six (6) feet from the face of the building to which they are attached.

(4) **Minimum clearance.** A minimum clearance of eight (8) feet must be maintained above sidewalks.

(5) **Illumination.** Internal illumination is prohibited.

(6) **Material.** Awnings and canopies must be constructed of materials designed specifically for outdoor use.

(B) Blade Signs.

(1) **Location.** Blade signs must be placed only on a ground floor facade, except for businesses located above the ground level with direct exterior pedestrian access.

(2) **Height above finished grade.** The lowest point of a blade signs must be at least eight (8) feet but no more than fifteen (15) feet above finished grade. Blade signs must not extend vertically above the roof line.

(3) **Maximum Distance from the Wall.** The distance between a blade sign and the wall to which it is attached may not be greater than twenty-four (24) inches.

(4) **Sign structure.** Sign supports and brackets must be compatible with the design and scale of the sign. Brackets and/or hardware for the sign may not extend more than four inches from the outside face of the sign.

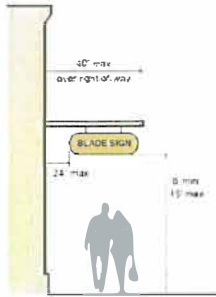
(5) **Square footage.** A maximum of six (6) square feet will be allowed.

(6) **Illumination.** Internal illumination is prohibited.

(7) **Minimum Setback from Intersections.** Blade signs must not be located closer than ten (10) feet to any intersecting of a public right-of-way with another public right-of-way.

(8) **Review of Blade Signs in the Public Right-of-Way.** Prior to the erection of a sign overhanging a public right-of-way, the person erecting such sign must receive the approval of the City.

(9) **Design of Hardware, Supports, and Brackets.** Mounting hardware, such as supports and brackets, must complement the design of the sign, the building, or both. See Figure 33.



(C) **Banner or Pennant Signs** - Banner or Pennant Signs are Temporary Signs and subject to the following conditions:

(H) **Window Signs.** Window Signs are permitted in any non-residential zoning district and do not require a Sign Permit. However, unless further restricted in this Chapter, all window signs must meet the following conditions:

(1) **Surface Coverage.** Window signs, both permanent and temporary, must not exceed ~~fifty percent (50%)~~ **thirty (30%)** of the area within a single windowpane, and the total area of window signs must not exceed ~~fifty~~ **thirty** percent (~~50%~~ **30%**) of the total window area per tenant.

(2) **Illumination.** Window Signs may be internally illuminated. ~~illuminated internally.~~ Internally illuminated window signs are limited to no more than two (2) ~~illuminated~~ **illuminated** signs per tenant and must be fixed lighting (i.e. no flashing, scrolling, dissolving, osculating, spinning, twirling, or any other type of motion). (Ord. 2023-051. Passed 8-16-23.)

PROPOSED 1103.07(B)

Table of Residential Uses by Zoning District

Specific Zoning Land Use Category by Zoning District	Zoning District														
	O-R	R-1	R-2	R-3	R-3A	R-4	R-C	C-R	IC-R	C	C-D	N-C	U	R-T-O	I
(70) Dwelling, Apartment Complex						C							C		
(71) Dwelling, Dormitory													C		
(72) Dwelling, Multifamily				C	C	C	C	C	C		C	C	C		
(73) Dwelling, Single Family	P	P	P	P	P	P	P	C	C			P	C		
(74) Dwelling, Two Family				P	P	P	P	C	C			P	C		
(105) House, Boarding						C	C	C	C						
(106) House, Rooming						C	C	C	C		C				

NOTES

Must consider definitions for each word in Zoning Land Use Category.
Numbers in parentheses reference definition # in CH 1102

KEY

C: Conditionally Permitted Use
P: Permitted Use
Gray Cell: Not permitted nor conditionally permitted in zoning district

General Definitions

(69) Dwelling: Any building, or portion thereof, which is designed or used primarily for residential purposes, including single family, a household unit, or three (3) or more unrelated individuals, but not including hotels, motels, and bed and breakfasts.

(75) Dwelling Unit: Any room or group of rooms located within a dwelling and forming a residential household unit with facilities that are used or intended to be used for living, sleeping, cooking and eating, with a restroom(s) and bathing facility(ies) to be utilized by a family, a household unit, as defined in this Chapter, or three or more unrelated individuals.

(79) Family: Individuals who are related by marriage, legally recognized civil union, adoption, or who are within three (3) degrees (or fewer) of consanguinity.

(107) Household Unit: A family, a single family and one (1) unrelated individual, a single individual, two (2) unrelated individuals, or any of these four (4) designations and a caregiver(s) (as defined by this Code) residing in a dwelling unit. Individuals residing in an apartment complex, rooming house, boarding house, hotel, motel, group dwelling, dormitory, fraternity house, or sorority house, together, do not constitute a household unit.



CITY OF KENT, OHIO

DEPARTMENT OF COMMUNITY DEVELOPMENT

DATE: September 24, 2024

TO: Dave Ruller, City Manager

FROM: Bridget Susel, Community Development Director *BGS*

RE: Proposed CRA II Agreement – Klaben Lincoln New Dealership

The City of Kent has received an application from Klaben Ford Lincoln, Inc., requesting a real property tax exemption under the City's Community Reinvestment Area (CRA) program, to construct a new Lincoln dealership at 1238 West Main Street. The property is located within the City's CRA II area, which requires Council approval of the real property exemption prior to executing the agreement.

The applicant is proposing a real property investment of \$3,000,000 which includes \$500,000 for property acquisition and \$2,500,000 for the construction of a new Lincoln dealership. This total excludes additional investments of \$7,000,000 and \$150,000 respectively, for additional inventory, furniture, and fixtures, none of which are eligible for real property tax exemption. The requested exemption is for 75% of the real property taxes associated with the increase in the assessed valuation resulting from the proposed improvements. The applicant is seeking a 75% exemption for a period of fifteen (15) years.

In accordance with the CRA requirements delineated in the Ohio Revised Code, the City has notified the Kent City School Board of the proposed real property tax exemption, but the agreement does not require separate approval from the Board because the requested exemption does not exceed 75% of the increase in the assessed valuation.

I am respectfully requesting time at the October 2, 2024 Council Committee session to discuss this item in more detail and to request Council's authorization, with emergency, to enter into an agreement with Klaben Ford Lincoln, Inc for the requested CRA II real property tax exemption.

Please let me know if you have any questions concerning the attached materials or if you need any additional information to add this to the October 2, 2024 agenda.

Thank you.

Attachments

cc: Eric Helmstedter, Economic Development Director
Hope Jones, Law Director
Amy Wilkens, Clerk of Council
Patti Long, Executive Assistant
Sandy Lance, Legal Assistant
CRA-Klaben Lincoln Vitrine, 2024 file

CITY OF KENT

COMMUNITY REINVESTMENT AREA (CRA) AGREEMENT

This agreement made and entered into as of _____, 2024 by and between the City of Kent, Ohio, a municipal corporation, with its main offices located at 301 South Depeyster Street, Kent, Ohio 44240 (hereinafter referred to as “Kent” or “the City”) and Klaben Property Management, LLC, a real estate holding company with its main office located at 1250 West Main Street, Kent, Ohio 44240, (hereinafter referred to as “Klaben Property Management”) and Klaben Ford Lincoln, Inc., an operating company with its main office located at 1089 West Main Street, Kent, Ohio 44240, (hereinafter referred to as “Klaben”). WITNESSETH;

WHEREAS, the City has encouraged the acquisition and redevelopment of real property located in the area described in Exhibit A attached hereto and designated as Community Reinvestment Area II; and

WHEREAS Klaben Property Management and Klaben are desirous of constructing a new 9,900 square foot standalone Lincoln Vitrine car dealership at 1238 West Main Street, Kent, Ohio 44240, hereinafter referred to as the “NEW DEALERSHIP,” within the boundaries of the aforementioned Community Reinvestment Area, provided that the appropriate development incentives are available to support the economic viability of said NEW DEALERSHIP; and

WHEREAS, the Council of the City of Kent, Ohio, by Ordinance No 2005-55, passed June 15, 2005, designated the area as a “Community Reinvestment Area,” pursuant to Chapter 3735 of the Ohio Revised Code; and

WHEREAS, effective July 12, 2005, the Director of the State of Ohio Department of Development determined that the aforementioned area designated as Community Reinvestment Area II in said Ordinance No. 2005-55 contained the characteristics set forth in Section 3735.66 of the Ohio Revised Code and confirmed said area as a Community Reinvestment Area under said Chapter 3735; and

WHEREAS, the City, having appropriate authority for the stated type of project, is desirous of providing the Company with incentives available for the development of the NEW DEALERSHIP in Community Reinvestment Area II under Chapter 3735 of the Ohio Revised Code; and

WHEREAS, Klaben Property Management and Klaben have submitted a proposed agreement application to the City, a copy of which is attached hereto as Exhibit B (the “APPLICATION”); and

WHEREAS, the Director of Community Development of the City has investigated the application of Klaben Property Management and Klaben and has recommended the same to the Council of the City on the basis that Klaben Property Management and Klaben are qualified by financial responsibility and business experience to create and preserve employment opportunities in said Community Reinvestment Area and improve the economic climate of the City; and

WHEREAS, the project site as proposed by Klaben Property Management and Klaben, is located in the Kent City School District and the Board of Education of the Kent City School District has been notified in accordance with Section 5709.83 and been given a copy of the Application, and, pursuant to Section 3735.671(A)(2), no approval is required; and

WHEREAS, pursuant to Section 3735.67(A), and in conformance with the format required under Section 3735.671, of the Ohio Revised Code, the parties hereto desire to set forth an agreement with respect to matters hereinafter contained;

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

1. Klaben Property Management and Klaben shall construct a new building at **1238 West Main Street, Kent, Ohio 44240 (NEW DEALERSHIP)**. The NEW DEALERSHIP will involve a total investment by Klaben Property Management and Klaben of approximately ten million one hundred fifty thousand dollars (\$10,150,000), plus or minus 10% at the project site. Included in this investment are five hundred thousand dollars (\$500,000) for the acquisition of the land and the building, approximately two million five hundred thousand dollars (\$2,500,000) for the construction of the new building, approximately one hundred fifty thousand dollars (\$150,000) for the acquisition of furniture and fixtures and seven million dollars (\$7,000,000) of vehicle inventory.

The improvements are to be made on the property listed as **Permanent Parcel Numbers 17-027-10-00-074-000 and 17-027-10-00-075-002** on the real property list of the Portage County Auditor.

The NEW DEALERSHIP will begin after the date hereof and all renovation and construction will be complete by June 30, 2026

2. Klaben Property Management and Klaben shall create in the City, within a time period not exceeding thirty-six (36) months after the completion of construction and renovation of the aforesaid facility, **four (4) full-time permanent job and retain six (6) full-time permanent jobs** at the project site.

The Klaben Property Management and Klaben schedule for hiring is as follows: create in Kent one (1) full-time permanent job in the first year after the NEW DEALERSHIP is completed, one (1) full-time job in the second year after the NEW DEALERSHIP is completed and two (2) full-time jobs in the third year after the NEW DEALERSHIP is completed. The period for job creation in Kent begins on or after June 30, 2026 and the four (4) new jobs will be in place by June 30, 2029.

Klaben Property Management and Klaben currently have one hundred thirty-eight (138) full-time permanent employees and five (5) part-time permanent in the State of Ohio.

The increase of four (4) new full-time permanent employee in Kent will result in approximately **one hundred eighty thousand dollars (\$180,000)** of additional annual payroll in the City for Klaben Property Management and Klaben. The retention of the existing jobs in the State of Ohio will assist Klaben Property Management and Klaben in maintaining three hundred twelve thousand dollars (\$312,000) of existing payroll of its current annual payroll of eleven million five hundred thousand dollars (\$11,500,000) in the State of Ohio. Total payroll in the State of Ohio expected after the period of job creation ends is eleven million nine hundred ninety-two thousand dollars (\$11,992,000).

3. Klaben Property Management and Klaben shall provide to the City of Kent Tax Incentive Review Council any information reasonably required by the Council to evaluate the property owners' compliance with the agreement, including returns filed pursuant to Section 5711.02 of the Ohio Revised Code, if requested by the Council.

4. The City hereby grants Klaben Property Management and Klaben an **exemption from real property taxation of 75%** of the increase in the assessed valuation resulting from improvements to the real property described in Exhibit B hereto that is completed after the date hereof pursuant to Section 3735.67 of the Ohio Revised Code **for a period of fifteen (15) years**. The exemption commences the first year for which the real property would first be taxable were that property not exempted from taxation. No exemption shall commence after December 31, 2026 nor extend beyond December 31, 2040.

Klaben Property Management and Klaben must file the appropriate tax forms with the Portage County Auditor to effect and maintain the exemptions covered by this agreement.

5. Klaben Property Management and Klaben shall pay such real property taxes as are not exempted under this agreement and are charged against Permanent Parcel Numbers 17-027-10-00-074-000 and 17-027-10-00-075-002 and shall file all tax reports and returns as required by law. If Klaben Property Management and Klaben fail to pay such taxes or file such returns and reports, the exemptions from taxation granted under

this agreement may be rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.

6. The City 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.

7. If for any reason the Community Reinvestment Area designation expires, the Director of the State of Ohio Department of Development revokes certification of the area, or the City revokes the designation of the area, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless Klaben Property Management and Klaben materially fail to fulfill their obligations under this agreement and the City terminates or modifies the exemptions from taxation granted under this agreement.

8. If Klaben Property Management and Klaben materially fail to fulfill their obligations under this agreement, or if the City reasonably determines that the certification as to delinquent taxes required by this agreement is fraudulent, the City may thereafter terminate or modify the exemptions from taxation granted under this agreement, and may require the repayment of the amount of taxes that would have been payable had the property not been exempted from taxation under this agreement.

9. Klaben Property Management and Klaben 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 of the State of Ohio, and do not owe delinquent taxes for which it is liable under Chapter 5733, 5735, 5739, 5741, 5743, 5747, or 5753 of the Ohio Revised Code, or, if such delinquent taxes are owed, Klaben Property Management and Klaben currently are paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against it. 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 Ohio Revised Code governing payment of those taxes.

10. Klaben Property Management, Klaben and the City acknowledge that this agreement must be approved by formal action of the legislative authority of the City as a condition for the agreement to take effect. This agreement takes effect upon such approval.

11. Exemptions from taxation granted under this agreement shall be revoked if it is determined that Klaben Property Management and Klaben, any successor property owner, or any related member (as those terms are defined in Section 3735.671 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 or 5709.63 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.

12. Klaben Property Management and Klaben affirmatively covenant that they have not knowingly made any false statements to the State of Ohio or the City of Kent in the process of obtaining approval of the Community Reinvestment Area incentives. If Klaben Property Management and Klaben have knowingly made a false statement to the State or City to obtain the Community Reinvestment Area incentives, the party making such false statement shall be required to immediately return any monies received under this agreement, pursuant to Ohio Revised Code 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 to Ohio Revised Code Section 9.66(C)(1). Any person who knowingly makes a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to Ohio Revised Code Section 2921.13(A)(4), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six (6) months.

13. This agreement is not transferable or assignable without the express, written approval of the City.

14. This agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.

15. This agreement may be executed in multiple counterparts, each of which, when so executed, shall be deemed an original, and all of which shall together constitute one and the same document, and shall be binding on the signatories; and the signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

[Balance of page intentionally left blank.]

IN WITNESS WHEREOF, the aforementioned parties have caused this instrument to be executed as of the date set forth on the first page hereof.

CITY OF KENT, OHIO

By: _____
Dave Ruller, City Manager, City of Kent

Approved as to form:

Hope Jones, Director of Law, City of Kent

Klaben Property Management, LLC

By: _____

Name: _____

Title: _____

Klaben Ford Lincoln, Inc.

By: _____

Name: _____

Title: _____

EXHIBIT A

CRA II
(post-1994)
Draft No. 05-86

ORDINANCE NO. 2005-55

AN ORDINANCE IMPLEMENTING SECTIONS 3735.65 THROUGH 3735.70 OF THE OHIO REVISED CODE, ESTABLISHING AND DESCRIBING THE BOUNDARIES OF COMMUNITY REINVESTMENT AREA IN THE CITY OF KENT, OHIO AND DESIGNATING A HOUSING OFFICER TO ADMINISTER THE PROGRAM AND CREATING A COMMUNITY REINVESTMENT HOUSING COUNCIL AND A TAX INCENTIVES REVIEW COUNCIL.

WHEREAS, the Council of the City of Kent (hereinafter "Council") desires to pursue all reasonable and legitimate incentive measures to assist and encourage development in specific areas of the City of Kent that have not enjoyed reinvestment from remodeling or new construction;

WHEREAS, a survey of housing (see Exhibit A) as required by Ohio Revised Code (ORC) Section 3735.66 has been prepared for the area to be included in the proposed Community Reinvestment Area;

WHEREAS, the maintenance of existing and construction of new structures in such area would serve to encourage economic stability, maintain real property values, and generate new employment opportunities; and

WHEREAS, the remodeling of existing structures and the construction of new structures in this Community Reinvestment Area constitutes a public purpose for which real property tax exemptions may be granted.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Kent, Portage County, Ohio, at least a majority (5) of all members elected thereto concurring:

Section 1: The area designated as the City of Kent Community Reinvestment Area II constitutes an area in which housing facilities or structures of historical significance are located, and in which new construction or repair of existing facilities has been discouraged:

Section 2: Pursuant to ORC Section 3735.66, City of Kent Community Reinvestment Area II, is hereby established in the following described area:

The district is generally defined on both the north and south by properties, in whole or in part, that front on, or are within 300 feet of, West Main Street, or front on North Frances Street. The district extends from the Summit/Portage County line on the west to approximately 150 feet northeast of the intersection of Haymaker Parkway and West Main Street in Kent, Portage County, Ohio.

The Community Reinvestment Area is approximately depicted as the crosshatched area on the map attached to this Ordinance, marked Exhibit B, and by this reference incorporated herein.

Only residential, commercial and/or industrial properties consistent with the applicable zoning regulations within the designated Community Reinvestment Area will be eligible for tax exemptions under this Program.

Section 3: All properties identified in Exhibit B, the "General Boundary Description Map" as being within the designated Community Reinvestment Area are eligible for this incentive. This proposal is a public/private partnership intended to promote and expand conforming uses in the designated area. As part of the project, the City of Kent intends to undertake supporting public improvements in the designated area.

Section 4: Within the Community Reinvestment Area, the percentage of the tax exemption on the increase in the assessed valuation resulting from improvements to commercial and industrial real property and the term

of those exemptions shall be negotiated on a case-by-case basis in advance of construction or remodeling occurring according to the rules outlined in the ORC Section 3765.67. The results of the negotiation as approved by this Council will be set in writing in a Community Reinvestment Area Agreement as outlined in ORC Section 3735.671. For residential property, a tax exemption on the increase in the assessed valuation resulting from improvements as described in ORC Section 3735.67 shall be granted upon proper application by the property owner and certification thereof by the designated Housing Officer for the following periods. Residential applications must be filed with the Housing Officer no later than six months after construction completion.

(a) An abatement of up to 75% for a term of five (5) years, for the remodeling of dwellings and upon which the cost of remodeling is at least \$2,500, as described in ORC Section 3735.67.

(b) An abatement of up to 75% for a term of up to twelve (12) years for existing commercial and industrial facilities which shall be negotiated on a case-by-case basis in advance of construction or remodeling occurring.

(c) An abatement of up to 75% for a term of up to fifteen (15) years for new commercial or industrial facilities as contemplated in the *City of Kent Bicentennial Plan*, and specifically stated in the *Design Guidelines Manual: West Main Street Corridor, City of Kent, Ohio*, which shall be negotiated on a case-by-case basis in advance of construction occurring. For those project involving the construction of three or more new residential units, the agreement is subject to prior approval by the Board of Education.

If remodeling qualifies for an exemption, during the period of the exemption, the exempted percentage of the dollar amount of the increase in market value of the structure shall be exempt from real property taxation. If new construction qualifies for an exemption, during the period of the exemption the exempted percentage of the structure shall not be considered to be an improvement on the land on which it is located for the purpose of real property taxation.

Section 5: All commercial and industrial projects are required to comply with the state application fee requirements of ORC Section 3735.672 (C).

Section 6: To administer and implement the provisions of this Ordinance, the City of Kent Director of Community Development, is designated as the Housing Officer as described in Sections 3735.65 through 3735.70.

Section 7: That a "Community Reinvestment Area Housing Council" shall be created, consisting of two members appointed by the Mayor of the City of Kent, two members appointed by the Council of the City of Kent and one member appointed by the Planning Commission of the City of Kent. The majority of the members shall then appoint two additional members who shall be residents within the area. Terms of the members of the Council shall be for three years. An unexpired term resulting from a vacancy in the Council shall be filled in the same manner as the initial appointment was made.

A Tax Incentive Review Council shall be established pursuant to ORC Section 5709.85 and shall consist of three representatives appointed by the Board of County Commissioners, two representatives of the City of Kent, appointed by the City Manager Council concurrence, the county auditor or designee and a representative of each affected Board of Education. At least two members must be residents of the City of Kent. The Tax Incentive Review Council shall review annually the compliance of all agreements involving the granting of exemptions for commercial or industrial real property improvements under Section 3735.671, of the ORC and make written recommendations to the Council as to continuing, modifying or terminating said agreement based upon the performance of the agreement.

Section 8: The council reserves the right to re-evaluate the designation of the City of Kent Community Reinvestment Area II after December 31, 2015, at which time the Council may direct the Housing Officer not to accept any new applications for exemptions as described in Section 3735.67 of the ORC.

Section 9: The Community Reinvestment Area Council shall make an annual inspection of the properties within the district for which an exemption has been granted under Section 3735.67 of the ORC. The council shall also hear appeals under 3735.70, of the ORC.

Section 10: The City Manager of the City of Kent is hereby directed and authorized to petition the Director of Development to confirm the findings contained within this Ordinance.

Section 11: The Council hereby finds and determines that all formal actions relative to the passage of this Ordinance were taken in an open meeting of this Council, that all deliberations of this Council and of its committees, if any, which resulted in formal action were taken in meetings open to the public, in full compliance with the applicable legal requirements, including Section 121.22 of the ORC.

Section 12: That this ordinance shall take effect and be enforce from and after the earliest period allowed by law and upon confirmation by the Director of Development of the findings in this Ordinance.

PASSED:

June 15, 2005
DATE

John Funder
MAYOR AND PRESIDENT OF COUNCIL

ATTEST:

Robert Copley
CLERK OF COUNCIL

I hereby certify that Ordinance No. 2005-63 was duly enacted on this 15 day of June, 2005, by the Council of the City of Kent, Ohio

Robert Copley
Clerk of Council

EXHIBIT A
CITY OF KENT
COMMUNITY REINVESTMENT AREA II
SURVEY

The City of Kent is hereby creating a Community Reinvestment Area (CRA II) in the western portion of the City along State Route 59. The district is generally defined on both the north and south by properties, in whole or in part, that front on, or are within 300 feet of, West Main Street, or front on North Frances Street. The district extends from the Summit/Portage County line on the west to approximately 150 feet northeast of the intersection of Haymaker Parkway and West Main Street in Kent, Portage County, Ohio. Exhibit B, the General Boundary Description Map defines the area graphically.

The area is represented by a mix of both residential and highway commercial land uses. The predominate zoning in the area is IC-R, Intensive Commercial-Residential; however, the CRA boundaries do include small portions of R-2, Medium Density Residential; and, R-C, High Density Multifamily Commercial Urban Residential. The current mix of residential to commercial land uses, within the CRA boundaries is approximately 20% and 80% respectively. Because of the high visibility of this segment of the City serving as the western entrance to the community, and recognizing the economic importance of the commercial contribution of the western end of the State Route 59 corridor which serves as home to many of the county's automobile dealerships, the recently adopted comprehensive plan highlighted this area as a Special Planning District. As such, the community as a whole has focused their attention on the redevelopment of this area, and has indicated a desire to devote resources to the developmental evolution of this important segment of the City.

The area consists of approximately 230 individual parcels, many of which are undersized and do not meet current subdivision regulations as buildable parcels. As such, many adjacent property owners, both commercial and residential, have purchased adjoining parcels to amass sufficient area to accommodate a variety development projects.

While many properties within the CRA boundaries are well maintained, and continue to serve their intended purpose, there are many structures, both residential and commercial, that are showing various levels of disrepair. In fiscal year 2004 there were eight Property Maintenance and other code violations within the CRA II boundary description area.

In conducting a windshield survey of the area, the following properties were specifically noted as being in a state of disrepair, and serving as a basis for the creation of CRA II:

1. 1210 West Main Street
2. 382 Irma Street
3. 936 West Main Street

All three of these properties have been identified as being in a state of general disrepair by the City's Code Enforcement Officer, and have been documented as such with photographs and letters noting the violations.

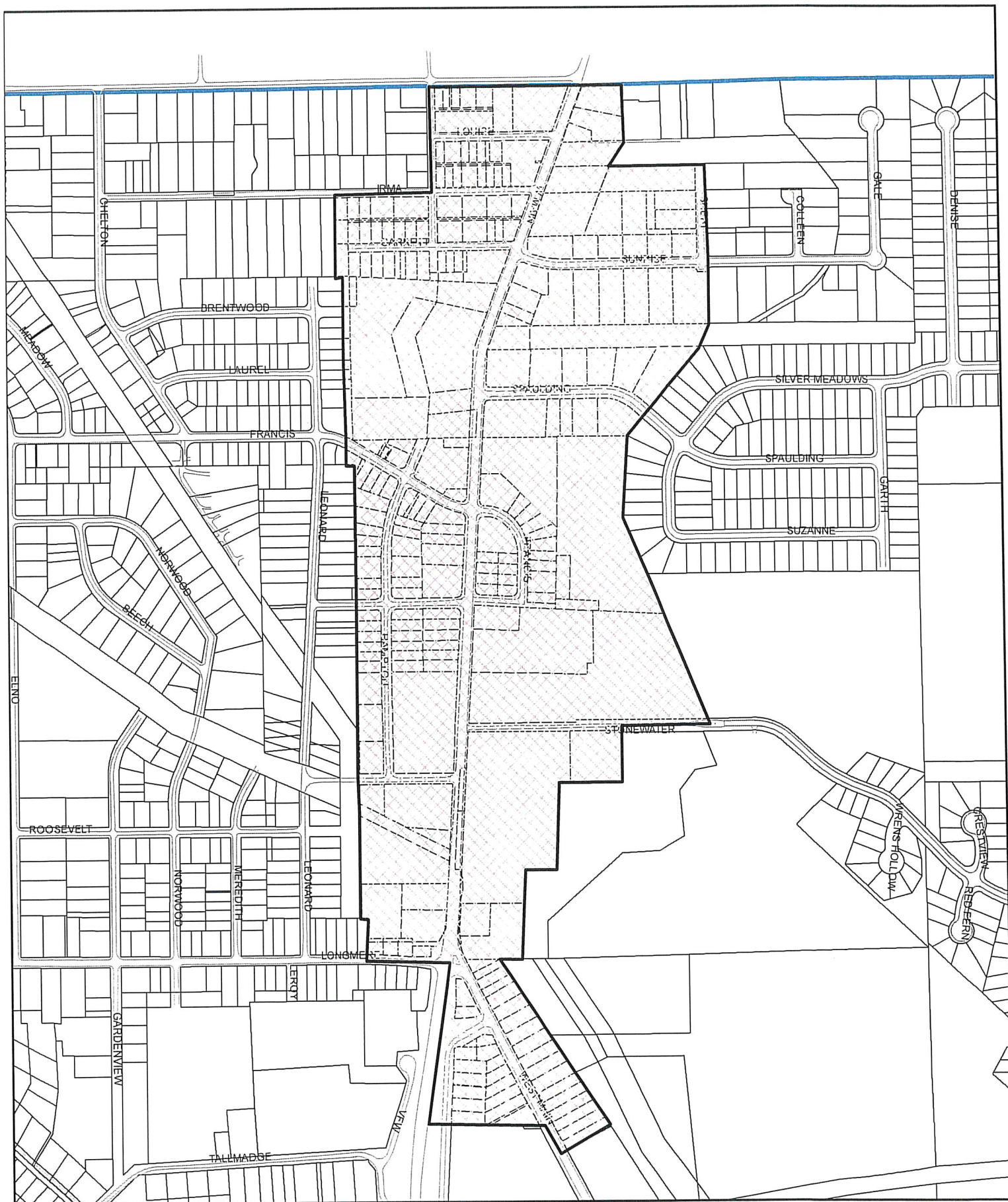


EXHIBIT B



CITY OF KENT, OHIO

DEPARTMENT OF COMMUNITY DEVELOPMENT

2024-02
Application #

City of Kent Tax Incentive Programs Application Form

This form is to be completed by company and submitted to the City of Kent Community Development Director to determine eligibility before project begins.

1. Klaben Ford Lincoln, Inc.
Applicant Name
2. 1089 W. Main Street, Kent, OH 44240
Applicant Address (Street, City, State, Zip Code)

<u>(330) 673-3139</u>	<u>(330) 677-2876</u>	<u>rgklaben@klaben.com</u>
Phone	Fax	E-Mail
3. Klaben Property Management, LLC
Name of Entity Who Will Own Property Being Assisted (if different than applicant)
4. 1250 W. Main Street, Kent, OH 44240
Address of Entity Who Will Own Property (Street, City, State, Zip Code)

<u>(330) 677-2888</u>	<u>(330) 677-2874</u>	<u>jr@klaben.com</u>
Phone	Fax	E-Mail
5. 1238 W. Main Street, Kent, OH 44240 (vacant)
Address of Property to be Assisted (if Vacant Land, please indicate)
6. Albert O. Klaben, Jr., Richard G. Klaben, Michael G. Klaben, Sr.
Name of Principal Owner(s) or Officer(s) of the Business

new dealership building
B.O.D.

7. Please provide the County's Permanent Parcel Number(s) for all properties contained within the site to be assisted:

17-027-10-00-074-000 (parcels to be consolidated)

17-027-10-00-075-002

8. Describe the Nature of the Business:

New Car Dealer - New Construction Lincoln Vitrine Stand Alone Facility

9. If this is a consolidation, what are the components of the consolidation (must itemize the location, assets, and employment positions to be transferred)

N/A

10. Provide Primary SIC or NAICS Code for Company NAICS: 441110

11. Form of Business Enterprise & State (LLC, Corporation, Sole Proprietor, Etc.)
Corporation

12. The business to be assisted is currently located in the following community / communities:

Kent, OH

City of Kent Tax Incentive Application

13. Name of officer authorized to execute any agreements / documents related to the requested incentive:

Richard G. Klaben

Name

President

Title

14. Projected Start of Construction Date: 12/01/24
Projected End of Construction Date: 06/30/26

15. If currently located in the City of Kent, or if other property is owned in the City of Kent by the entity to be assisted, is any income tax, water or sewer fees or other monies owed to the City of Kent?

No X

Yes _____. If Yes, Explain: _____

16. Does the entity to be assisted owe any back taxes of any type to the State of Ohio, State Agency, or any other political subdivision in the State of Ohio?

No X

Yes _____. If Yes, Explain: _____

17. Is the business seasonal in nature? Yes _____ No X

On the next several pages you will be asked to provide detailed project information as well information regarding property taxes, existing and projected employment, existing and projected payroll and payroll taxes. The applicant is permitted to use separate forms that it may already have to provide this information as long as the information requested herein is provided on those other forms.

Project & Property Information

Project Description: *Attach Description to Application*

Nature of Requested Abatement: 75 % 15 years

Estimated Costs / Uses of Funds:

Land & Building Acquisition	<u>\$500,000</u>
Additions / New Construction	<u>\$2,500,000</u>
Existing Building Renovations	<u>\$0</u>
Machinery & Equipment	<u>\$0</u>
Furniture & Fixtures	<u>\$150,000</u>
Inventory	<u>\$7,000,000</u>
Total	<u>\$10,150,000</u>

Note: Not all of the above costs are eligible for tax abatement. Upon receipt of application, the City will attempt to estimate an approximate abatement after consulting with the County Auditor's office.

Existing Property Tax Data:

Total Current Property Tax Due for All Parcel(s) \$9,924 per year

School District in Which Site is Located: Kent Schools X Field Schools

Current County Auditor Market Valuation for All Parcel(s):

Land	<u>\$537,700</u>
Building	<u>\$0</u>
Total	<u>\$537,700</u>

City of Kent Tax Incentive Application

*Employment and Payroll Information*Current Total Employment In Ohio (If any)

Full Time	<u>138</u>		Part Time	<u>5</u>	
	<u>Permanent</u>	<u>Temporary</u>		<u>Permanent</u>	<u>Temporary</u>

Current Total Employment at Site to be Assisted (If any)

Full Time	<u>0</u>		Part Time	<u>0</u>	
	<u>Permanent</u>	<u>Temporary</u>		<u>Permanent</u>	<u>Temporary</u>

Will the project involve the relocation of employment positions or assets from oneOhio location to another?

Yes _____

No X

If yes, state the location(s) from which employment positions or assets will be relocated and the location to where the employment positions or assets will be located:

State the enterprises current employment level for each facility to be affected by the relocation of employment positions or assets (if applicable):

What is the projected impact of the relocation, detailing the number and type (full and part-time, permanent and temporary) of employees and/or assets to be relocated (if applicable): Attach description to application

Estimate of New Jobs to Be Created (Do not Include Existing or Relocated jobs)

Year 1	Full Time	<u>1</u>		Part Time		
		<u>Permanent</u>	<u>Temporary</u>		<u>Permanent</u>	<u>Temporary</u>
Year 2	Full Time	<u>1</u>		Part Time		
		<u>Permanent</u>	<u>Temporary</u>		<u>Permanent</u>	<u>Temporary</u>
Year 3	Full Time	<u>2</u>		Part Time		
		<u>Permanent</u>	<u>Temporary</u>		<u>Permanent</u>	<u>Temporary</u>

Employment and Payroll Information (continued)

State the Time Frame of this Projected Hiring: 30 months

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

Total Employment at Site (Include All Jobs: Existing+Relocated+New)

At Opening	Full Time	<u>6</u>	Part Time	<u> </u>
End of Year 3	Full Time	<u>10</u>	Part Time	<u> </u>

Current Total Payroll In Ohio (If any):
21221

\$11,500,000

Existing Annual Payroll Relating to any Job Retention
Claim Resulting from the Project (if any):

\$312,000

Current Total Payroll at Site to be Assisted (If any):

\$0

Current Total Relocated Payroll (Jobs relocated to site):

\$0

Projected New Job Payroll (New Jobs at site):

\$180,000

Total Payroll At Site (Include All Jobs: Existing+Relocated+New)

At Opening	<u>\$312,000</u>
End of Year 3	<u>\$492,000</u>

Certifications & Signatures

1. The applicant and undersigned authorized officer affirmatively states that the information contained in and submitted with this application is complete and correct and is aware of Ohio Revised Code Sections 9.66 (C)(1) and 2921.13 (D)(1) penalties for falsification which could result in the forfeiture of all current and future tax incentives, assistance provided by the City of Kent, County of Portage and State of Ohio as well as all other penalties provided by law.
2. The applicant further understands that any misstatement or misrepresentation of information presented in this application, and any subsequent agreements and submittals for required reports may render this application and any subsequent agreements null and void and may be cause for the repeal of any ordinance adopted or action taken in reliance on said information.
3. The applicant agrees to provide any additional appropriate information requested by the City of Kent in the processing of this application. The applicant agrees to comply with all reporting requirements at the time of construction completion and for each annual report required during the term of the abatement as required by the City of Kent, County of Portage and State of Ohio. The applicant understands that failure to provide said information as required may render this application and any subsequent agreements null and void and may be cause for the repeal of any ordinance adopted or action taken in reliance of said information.
4. The applicant agrees that submission of this application expressly authorizes the City of Kent to contact the Ohio and/or U.S. EPA to confirm that no environmental action is currently being undertaken against the subject site at which the project is being located.
5. The applicant understands that the City of Kent will forward a copy of this application, if required to the affected Board of Education (School District). Notices to the school district as well as any affected political subdivision which may see job loss as a result of this project. When required, the Director of the Ohio Department of Development will also be notified and sent copies of relevant documents.
6. The applicant agrees to pay any applicable application fees and annual review fees as may be required, depending on the form of tax incentive provided.

Richard G. Klaben

Printed Name of Authorized Official

Signature

8/21/24

President

Title

Date

9-10-24



CITY OF KENT, OHIO

DEPARTMENT OF COMMUNITY DEVELOPMENT

September 16, 2024

Mr. Thomas P. Larkin
Superintendent
Kent City School District
Board of Education
321 N. Depeyster Street
Kent, Ohio 44240

RE: Notification of Application for CRA II Real Property Tax Exemption: Klaben Ford
Lincoln, Inc. 1238 West Main Street, Kent, Ohio 44240 (NEW DEALERSHIP)

Dear Mr. Larkin:

In accordance with Chapter 5709.83 of the Ohio Revised Code, the Housing Officer of a political subdivision is required to notify the local board of education of all applications for tax exemptions under a community's Community Reinvestment Area (CRA) program. The City of Kent has received a CRA II real property tax exemption application for the property listed below, which is located in the Kent City School District:

Application # 2024-02 Klaben Ford Lincoln, Inc., Kent, Ohio 44240
Parcel IDs: 17-027-10-00-074-000, 17-027-10-00-075-002
(TO BE CONSOLIDATED)

The applicant is requesting an exemption of 75% on the increase in the assessed valuation resulting from improvements to the real property. The owner is reporting a total project cost of \$3,150,000 for the improvements and \$7,000,000 in new inventory. The maximum term of the exemption for this project is fifteen (15) years and it will be applied beginning with the first year for which the real property improvements will first be taxable were the property improvements not exempted from taxation, which is anticipated to be tax year 2026.

The City of Kent staff is proposing to recommend to Kent City Council the passage of an ordinance approving a CRA agreement with Klaben Ford Lincoln, Inc. for the requested exemption of 75% for a period of fifteen (15) years. The presentation to Kent City Council will be held at 7:00 p.m. on Wednesday, October 2, 2024. The meeting will be held in the Fire Department Training Room (downstairs) located at 320 S. Depeyster Street, Kent, Ohio.

Section 3735.671(A)(2) of the Ohio Revised Code does not require approval of an agreement by the local board of education prior to securing legislative authority to enter into the agreement if the amount of taxes charged and payable on any portion of the assessed valuation of the improvements "equals or exceeds twenty-five percent [25%] of the amount of taxes, as estimated at or prior to that time, that would have been charged and payable that year upon the real property had that property not been exempted from taxation."

As the designated Housing Officer for the City of Kent, I am forwarding a copy of the application as notification of this real property tax exemption request. If you should have any comments regarding this application for exemption and the City's proposed approval of the associated agreement, please forward them to me at bridget.susel@kentohio.gov.

If you have any questions regarding this notice or the enclosed application, please do not hesitate to call me at 330-678-8108.

Sincerely,



Bridget O. Susel
Community Development Director / Housing Officer
City of Kent, Ohio

Attachments (email)
Enclosures (paper copy)

Cc: Deb Krutz, Treasurer, Kent City School District
Eric Helmstedter, Economic Development Director
Applicant via email



CITY OF KENT, OHIO

DEPARTMENT OF COMMUNITY DEVELOPMENT

DATE: September 24, 2024
TO: Dave Ruller, City Manager
FROM: Bridget Susel, Community Development Director *BCD*
RE: Proposed CRA II Agreement – Klaben Service Center

The City of Kent has received an application from Klaben Ford Lincoln, Inc., requesting a real property tax exemption under the City's Community Reinvestment Area (CRA) program, to expand its existing service center located at 1085 West Main Street. The property is located within the City's CRA II area, which requires Council approval of the real property exemption prior to executing the agreement.

The applicant is proposing a real property investment of \$4,425,000 for the construction of an approximately 15,000 square foot addition to allow for the expansion of the current service center operations. This total excludes an additional \$800,000 investment in machinery and equipment, as this expense is not eligible for real property tax exemption. The requested exemption is for 75% of the real property taxes associated with the increase in the assessed valuation resulting from the proposed improvements. The applicant is seeking a 75% exemption for a period of twelve (12) years.

In accordance with the CRA requirements delineated in the Ohio Revised Code, the City has notified the Kent City School Board of the proposed real property tax exemption, but the agreement does not require separate approval from the Board because the requested exemption does not exceed 75% of the increase in the assessed valuation.

I am respectfully requesting time at the October 2, 2024 Council Committee session to discuss this item in more detail and to request Council's authorization, with emergency, to enter into an agreement with Klaben Ford Lincoln, Inc for the requested CRA II real property tax exemption.

Please let me know if you have any questions concerning the attached materials or if you need any additional information to add this to the October 2, 2024 agenda.

Thank you.

Attachments

cc: Eric Helmstedter, Economic Development Director
Hope Jones, Law Director
Amy Wilkens, Clerk of Council
Patti Long, Executive Assistant
Sandy Lance, Legal Assistant
CRA-Klaben Ford Lincoln Service, 2024 file

CITY OF KENT

COMMUNITY REINVESTMENT AREA (CRA) AGREEMENT

This agreement made and entered into as of _____, 2024 by and between the City of Kent, Ohio, a municipal corporation, with its main offices located at 301 South Depeyster Street, Kent, Ohio 44240 (hereinafter referred to as “Kent” or “the City”) and Klaben Property Management, LLC, a real estate holding company with its main office located at 1250 West Main Street, Kent, Ohio 44240, (hereinafter referred to as “Klaben Property Management”) and Klaben Ford Lincoln, Inc., an operating company with its main office located at 1089 West Main Street, Kent, Ohio 44240, (hereinafter referred to as “Klaben”). WITNESSETH;

WHEREAS, the City has encouraged the acquisition and redevelopment of real property located in the area described in Exhibit A attached hereto and designated as Community Reinvestment Area II; and

WHEREAS Klaben Property Management and Klaben are desirous of expanding its service center operations by constructing an approximately 15,000 square foot addition to its existing service center building, hereinafter referred to as the “SERVICE CENTER,” within the boundaries of the aforementioned Community Reinvestment Area, provided that the appropriate development incentives are available to support the economic viability of said SERVICE CENTER; and

WHEREAS, the Council of the City of Kent, Ohio, by Ordinance No 2005-55, passed June 15, 2005, designated the area as a “Community Reinvestment Area,” pursuant to Chapter 3735 of the Ohio Revised Code; and

WHEREAS, effective July 12, 2005, the Director of the State of Ohio Department of Development determined that the aforementioned area designated as Community Reinvestment Area II in said Ordinance No. 2005-55 contained the characteristics set forth in Section 3735.66 of the Ohio Revised Code and confirmed said area as a Community Reinvestment Area under said Chapter 3735; and

WHEREAS, the City, having appropriate authority for the stated type of project, is desirous of providing the Company with incentives available for the development of the SERVICE CENTER in Community Reinvestment Area II under Chapter 3735 of the Ohio Revised Code; and

WHEREAS, Klaben Property Management and Klaben have submitted a proposed agreement application to the City, a copy of which is attached hereto as Exhibit B (the “APPLICATION”); and

WHEREAS, the Director of Community Development of the City has investigated the application of Klaben Property Management and Klaben and has recommended the same to the Council of the City on the basis that Klaben Property Management and Klaben are qualified by financial responsibility and business experience to create and preserve employment opportunities in said Community Reinvestment Area and improve the economic climate of the City; and

WHEREAS, the project site as proposed by Klaben Property Management and Klaben, is located in the Kent City School District and the Board of Education of the Kent City School District has been notified in accordance with Section 5709.83 and been given a copy of the Application, and, pursuant to Section 3735.671(A)(2), no approval is required; and

WHEREAS, pursuant to Section 3735.67(A), and in conformance with the format required under Section 3735.671, of the Ohio Revised Code, the parties hereto desire to set forth an agreement with respect to matters hereinafter contained;

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

1. Klaben Property Management and Klaben shall construct an addition to its existing service center building at **1085 West Main Street, Kent, Ohio 44240 (SERVICE CENTER)**. The SERVICE CENTER will involve a total investment by Klaben Property Management and Klaben of approximately five million two hundred twenty-five thousand dollars (\$5,225,000), plus or minus 10% at the project site. Included in this investment are approximately four million four hundred twenty-five thousand dollars (\$4,425,000) for the addition to the existing building, and approximately eight hundred thousand dollars (\$800,000) for the acquisition of machinery and equipment.

The improvements are to be made on the property listed as **Permanent Parcel Number 17-027-00-00-024-000** on the real property list of the Portage County Auditor.

The SERVICE CENTER will begin after the date hereof and all renovation and construction will be complete by June 30, 2027.

2. Klaben Property Management and Klaben shall create in the City, within a time period not exceeding thirty-six (36) months after the completion of construction and renovation of the aforesaid facility, **eight (8) full-time permanent job and retain fifteen (15) full-time permanent jobs** at the project site.

The Klaben Property Management and Klaben schedule for hiring is as follows: create in Kent eight (8) full-time permanent jobs in the third year after the SERVICE CENTER is

completed. The period for job creation in Kent begins on or after June 30, 2027 and the eight (8) new jobs will be in place by June 30, 2030.

Klaben Property Management and Klaben currently have sixty-two (62) full-time permanent employees, and two (2) part-time permanent employees at the project site. In total, Klaben Property Management and Klaben have one hundred and thirty-eight (138) full-time permanent employees and five (5) part-time permanent employees in the State of Ohio.

The increase of eight (8) new full-time permanent employee in Kent will result in approximately **three hundred thirty-five thousand dollars (\$335,000)** of additional annual payroll in the City for Klaben Property Management and Klaben. The retention of the existing jobs in the State of Ohio will assist Klaben Property Management and Klaben in maintaining six hundred fifty-eight thousand dollars (\$658,000) of existing payroll of its current annual payroll of eleven million five hundred thousand dollars (\$11,500,000) in the State of Ohio. Total payroll in the State of Ohio expected after the period of job creation ends is eleven million eighty hundred thirty-five thousand dollars (\$11,835,000).

3. Klaben Property Management and Klaben shall provide to the City of Kent Tax Incentive Review Council any information reasonably required by the Council to evaluate the property owners' compliance with the agreement, including returns filed pursuant to Section 5711.02 of the Ohio Revised Code, if requested by the Council.

4. The City hereby grants Klaben Property Management and Klaben an **exemption from real property taxation of 75%** of the increase in the assessed valuation resulting from improvements to the real property described in Exhibit B hereto that is completed after the date hereof pursuant to Section 3735.67 of the Ohio Revised Code for a **period of twelve (12) years**. The exemption commences the first year for which the real property would first be taxable were that property not exempted from taxation. No exemption shall commence after December 31, 2027 nor extend beyond December 31, 2038.

Klaben Property Management and Klaben must file the appropriate tax forms with the Portage County Auditor to effect and maintain the exemptions covered by this agreement.

5. Klaben Property Management and Klaben shall pay such real property taxes as are not exempted under this agreement and are charged against Permanent Parcel Number 17-027-00-00-024-000 and shall file all tax reports and returns as required by law. If Klaben Property Management and Klaben fail to pay such taxes or file such returns and reports, the exemptions from taxation granted under this agreement may be rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.

6. The City 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.

7. If for any reason the Community Reinvestment Area designation expires, the Director of the State of Ohio Department of Development revokes certification of the area, or the City revokes the designation of the area, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless Klaben Property Management and Klaben materially fail to fulfill their obligations under this agreement and the City terminates or modifies the exemptions from taxation granted under this agreement.

8. If Klaben Property Management and Klaben materially fail to fulfill their obligations under this agreement, or if the City reasonably determines that the certification as to delinquent taxes required by this agreement is fraudulent, the City may thereafter terminate or modify the exemptions from taxation granted under this agreement, and may require the repayment of the amount of taxes that would have been payable had the property not been exempted from taxation under this agreement.

9. Klaben Property Management and Klaben 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 of the State of Ohio, and do not owe delinquent taxes for which it is liable under Chapter 5733, 5735, 5739, 5741, 5743, 5747, or 5753 of the Ohio Revised Code, or, if such delinquent taxes are owed, Klaben Property Management and Klaben currently are paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against it. 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 Ohio Revised Code governing payment of those taxes.

10. Klaben Property Management, Klaben and the City acknowledge that this agreement must be approved by formal action of the legislative authority of the City as a condition for the agreement to take effect. This agreement takes effect upon such approval.

11. Exemptions from taxation granted under this agreement shall be revoked if it is determined that Klaben Property Management and Klaben, any successor property owner, or any related member (as those terms are defined in Section 3735.671 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 or 5709.63 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.

12. Klaben Property Management and Klaben affirmatively covenant that they have not knowingly made any false statements to the State of Ohio or the City of Kent in the process of obtaining approval of the Community Reinvestment Area incentives. If Klaben Property Management and Klaben have knowingly made a false statement to the State or City to obtain the Community Reinvestment Area incentives, the party making such false statement shall be required to immediately return any monies received under this agreement, pursuant to Ohio Revised Code 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 to Ohio Revised Code Section 9.66(C)(1). Any person who knowingly makes a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to Ohio Revised Code Section 2921.13(A)(4), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six (6) months.

13. This agreement is not transferable or assignable without the express, written approval of the City.

14. This agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.

15. This agreement may be executed in multiple counterparts, each of which, when so executed, shall be deemed an original, and all of which shall together constitute one and the same document, and shall be binding on the signatories; and the signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

[Balance of page intentionally left blank.]

IN WITNESS WHEREOF, the aforementioned parties have caused this instrument to be executed as of the date set forth on the first page hereof.

CITY OF KENT, OHIO

By: _____
Dave Ruller, City Manager, City of Kent

Approved as to form:

Hope Jones, Director of Law, City of Kent

Klaben Property Management, LLC

By: _____

Name: _____

Title: _____

Klaben Ford Lincoln, Inc.

By: _____

Name: _____

Title: _____

EXHIBIT A

CRA II
(post.-1994)
Draft No. 05-86

ORDINANCE NO. 2005-55

AN ORDINANCE IMPLEMENTING SECTIONS 3735.65 THROUGH 3735.70 OF THE OHIO REVISED CODE, ESTABLISHING AND DESCRIBING THE BOUNDARIES OF COMMUNITY REINVESTMENT AREA IN THE CITY OF KENT, OHIO AND DESIGNATING A HOUSING OFFICER TO ADMINISTER THE PROGRAM AND CREATING A COMMUNITY REINVESTMENT HOUSING COUNCIL, AND A TAX INCENTIVES REVIEW COUNCIL.

WHEREAS, the Council of the City of Kent (hereinafter "Council") desires to pursue all reasonable and legitimate incentive measures to assist and encourage development in specific areas of the City of Kent that have not enjoyed reinvestment from remodeling or new construction;

WHEREAS, a survey of housing (see Exhibit A) as required by Ohio Revised Code (ORC) Section 3735.66 has been prepared for the area to be included in the proposed Community Reinvestment Area;

WHEREAS, the maintenance of existing and construction of new structures in such area would serve to encourage economic stability, maintain real property values, and generate new employment opportunities; and

WHEREAS, the remodeling of existing structures and the construction of new structures in this Community Reinvestment Area constitutes a public purpose for which real property tax exemptions may be granted.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Kent, Portage County, Ohio, at least a majority (5) of all members elected thereto concurring:

Section 1: The area designated as the City of Kent Community Reinvestment Area II constitutes an area in which housing facilities or structures of historical significance are located, and in which new construction or repair of existing facilities has been discouraged:

Section 2: Pursuant to ORC Section 3735.66, City of Kent Community Reinvestment Area II, is hereby established in the following described area:

The district is generally defined on both the north and south by properties, in whole or in part, that front on, or are within 300 feet of, West Main Street, or front on North Frances Street. The district extends from the Summit/Portage County line on the west to approximately 150 feet northeast of the intersection of Haymaker Parkway and West Main Street in Kent, Portage County, Ohio.

The Community Reinvestment Area is approximately depicted as the crosshatched area on the map attached to this Ordinance, marked Exhibit B, and by this reference incorporated herein.

Only residential, commercial and/or industrial properties consistent with the applicable zoning regulations within the designated Community Reinvestment Area will be eligible for tax exemptions under this Program.

Section 3: All properties identified in Exhibit B, the "General Boundary Description Map" as being within the designated Community Reinvestment Area are eligible for this incentive. This proposal is a public/private partnership intended to promote and expand conforming uses in the designated area. As part of the project, the City of Kent intends to undertake supporting public improvements in the designated area.

Section 4: Within the Community Reinvestment Area, the percentage of the tax exemption on the increase in the assessed valuation resulting from improvements to commercial and industrial real property and the term

of those exemptions shall be negotiated on a case-by-case basis in advance of construction or remodeling occurring according to the rules outlined in the ORC Section 3765.67. The results of the negotiation as approved by this Council will be set in writing in a Community Reinvestment Area Agreement as outlined in ORC Section 3735.671. For residential property, a tax exemption on the increase in the assessed valuation resulting from improvements as described in ORC Section 3735.67 shall be granted upon proper application by the property owner and certification thereof by the designated Housing Officer for the following periods. Residential applications must be filed with the Housing Officer no later than six months after construction completion.

(a) An abatement of up to 75% for a term of five (5) years, for the remodeling of dwellings and upon which the cost of remodeling is at least \$2,500, as described in ORC Section 3735.67.

(b) An abatement of up to 75% for a term of up to twelve (12) years for existing commercial and industrial facilities which shall be negotiated on a case-by-case basis in advance of construction or remodeling occurring.

(c) An abatement of up to 75% for a term of up to fifteen (15) years for new commercial or industrial facilities as contemplated in the *City of Kent Bicentennial Plan*, and specifically stated in the *Design Guidelines Manual: West Main Street Corridor, City of Kent, Ohio*, which shall be negotiated on a case-by-case basis in advance of construction occurring. For those project involving the construction of three or more new residential units, the agreement is subject to prior approval by the Board of Education.

If remodeling qualifies for an exemption, during the period of the exemption, the exempted percentage of the dollar amount of the increase in market value of the structure shall be exempt from real property taxation. If new construction qualifies for an exemption, during the period of the exemption the exempted percentage of the structure shall not be considered to be an improvement on the land on which it is located for the purpose of real property taxation.

Section 5: All commercial and industrial projects are required to comply with the state application fee requirements of ORC Section 3735.672 (C).

Section 6: To administer and implement the provisions of this Ordinance, the City of Kent Director of Community Development, is designated as the Housing Officer as described in Sections 3735.65 through 3735.70.

Section 7: That a "Community Reinvestment Area Housing Council" shall be created, consisting of two members appointed by the Mayor of the City of Kent, two members appointed by the Council of the City of Kent and one member appointed by the Planning Commission of the City of Kent. The majority of the members shall then appoint two additional members who shall be residents within the area. Terms of the members of the Council shall be for three years. An unexpired term resulting from a vacancy in the Council shall be filled in the same manner as the initial appointment was made.

A Tax Incentive Review Council shall be established pursuant to ORC Section 5709.85 and shall consist of three representatives appointed by the Board of County Commissioners, two representatives of the City of Kent, appointed by the City Manager Council concurrence, the county auditor or designee and a representative of each affected Board of Education. At least two members must be residents of the City of Kent. The Tax Incentive Review Council shall review annually the compliance of all agreements involving the granting of exemptions for commercial or industrial real property improvements under Section 3735.671, of the ORC and make written recommendations to the Council as to continuing, modifying or terminating said agreement based upon the performance of the agreement.

Section 8: The council reserves the right to re-evaluate the designation of the City of Kent Community Reinvestment Area II after December 31, 2015, at which time the Council may direct the Housing Officer not to accept any new applications for exemptions as described in Section 3735.67 of the ORC.

Section 9: The Community Reinvestment Area Council shall make an annual inspection of the properties within the district for which an exemption has been granted under Section 3735.67 of the ORC. The council shall also hear appeals under 3735.70, of the ORC.

Section 10: The City Manager of the City of Kent is hereby directed and authorized to petition the Director of Development to confirm the findings contained within this Ordinance.

Section 11: The Council hereby finds and determines that all formal actions relative to the passage of this Ordinance were taken in an open meeting of this Council, that all deliberations of this Council and of its committees, if any, which resulted in formal action were taken in meetings open to the public, in full compliance with the applicable legal requirements, including Section 121.22 of the ORC.

Section 12: That this ordinance shall take effect and be enforce from and after the earliest period allowed by law and upon confirmation by the Director of Development of the findings in this Ordinance.

PASSED:

June 15, 2005
DATE

John Funder
MAYOR AND PRESIDENT OF COUNCIL

ATTEST:

Stephen Copley
CLERK OF COUNCIL

I hereby certify that Ordinance No. 2005-65 was duly enacted on this 15 day of June, 2005, by the Council of the City of Kent, Ohio

Stephen Copley
Clerk of Council

EXHIBIT A
CITY OF KENT
COMMUNITY REINVESTMENT AREA II
SURVEY

The City of Kent is hereby creating a Community Reinvestment Area (CRA II) in the western portion of the City along State Route 59. The district is generally defined on both the north and south by properties, in whole or in part, that front on, or are within 300 feet of, West Main Street, or front on North Frances Street. The district extends from the Summit/Portage County line on the west to approximately 150 feet northeast of the intersection of Haymaker Parkway and West Main Street in Kent, Portage County, Ohio. Exhibit B, the General Boundary Description Map defines the area graphically.

The area is represented by a mix of both residential and highway commercial land uses. The predominate zoning in the area is IC-R, Intensive Commercial--Residential; however, the CRA boundaries do include small portions of R-2, Medium Density Residential; and, R-C, High Density Multifamily Commercial Urban Residential. The current mix of residential to commercial land uses, within the CRA boundaries is approximately 20% and 80% respectively. Because of the high visibility of this segment of the City serving as the western entrance to the community, and recognizing the economic importance of the commercial contribution of the western end of the State Route 59 corridor which serves as home to many of the county's automobile dealerships, the recently adopted comprehensive plan highlighted this area as a Special Planning District. As such, the community as a whole has focused their attention on the redevelopment of this area, and has indicated a desire to devote resources to the developmental evolution of this important segment of the City.

The area consists of approximately 230 individual parcels, many of which are undersized and do not meet current subdivision regulations as buildable parcels. As such, many adjacent property owners, both commercial and residential, have purchased adjoining parcels to amass sufficient area to accommodate a variety development projects.

While many properties within the CRA boundaries are well maintained, and continue to serve their intended purpose, there are many structures, both residential and commercial, that are showing various levels of disrepair. In fiscal year 2004 there were eight Property Maintenance and other code violations within the CRA II boundary description area.

In conducting a windshield survey of the area, the following properties were specifically noted as being in a state of disrepair, and serving as a basis for the creation of CRA II:

1. 1210 West Main Street
2. 382 Irma Street
3. 936 West Main Street

All three of these properties have been identified as being in a state of general disrepair by the City's Code Enforcement Officer, and have been documented as such with photographs and letters noting the violations.

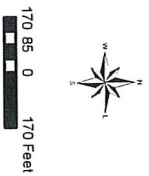
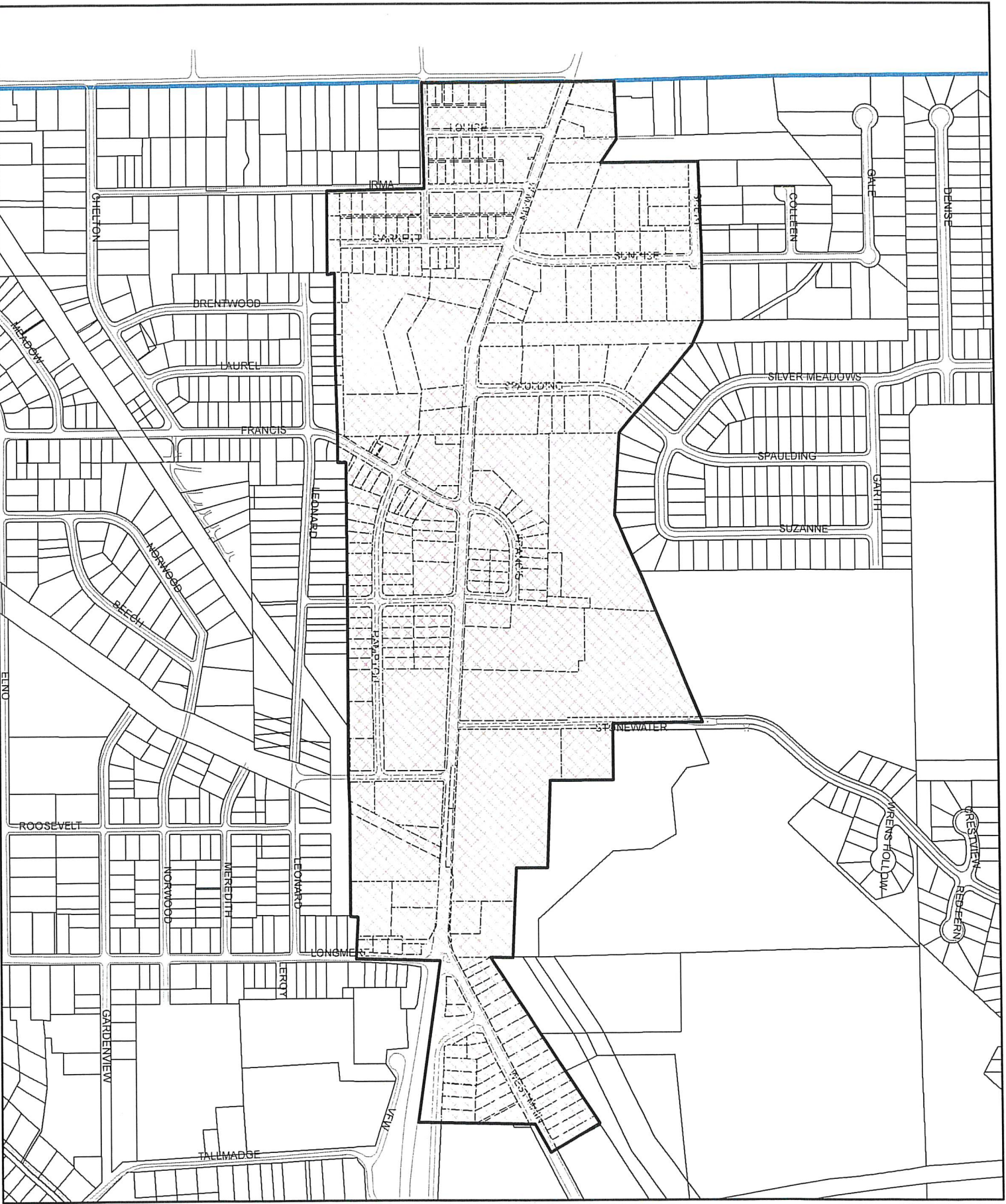
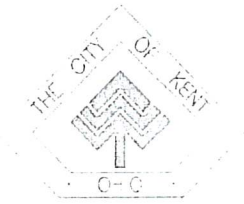


EXHIBIT B



CITY OF KENT, OHIO

DEPARTMENT OF COMMUNITY DEVELOPMENT

2024-01
Application #

City of Kent Tax Incentive Programs Application Form

This form is to be completed by company and submitted to the City of Kent Community Development Director to determine eligibility before project begins.

1. Klaben Ford Lincoln, Inc.
Applicant Name
2. 1089 W. Main Street, Kent, OH 44240
Applicant Address (Street, City, State, Zip Code)

<u>(330) 673-3139</u>	<u>(330) 677-2876</u>	<u>rgklaben@klaben.com</u>
Phone	Fax	E-Mail
3. Klaben Property Management, LLC
Name of Entity Who Will Own Property Being Assisted (if different than applicant)
4. 1250 W. Main Street, Kent, OH 44240
Address of Entity Who Will Own Property (Street, City, State, Zip Code)

<u>(330) 677-2888</u>	<u>(330) 677-2874</u>	<u>jr@klaben.com</u>
Phone	Fax	E-Mail
5. Klaben Ford Service Expansion 1085 W. Main Street, Kent, OH 44240
Address of Property to be Assisted (if Vacant Land, please indicate)
6. Albert O. Klaben, Jr., Richard G. Klaben, Michael G. Klaben, Sr.
Name of Principal Owner(s) or Officer(s) of the Business

7. Please provide the County's Permanent Parcel Number(s) for all properties contained within the site to be assisted:

17-027-00-00-024-000

8. Describe the Nature of the Business:

New Car Dealer - sales and service of new and pre-owned vehicles. This is an expansion to service operations. Sales operations are located in separate building. *

9. If this is a consolidation, what are the components of the consolidation (must itemize the location, assets, and employment positions to be transferred)

N/A

10. Provide Primary SIC or NAICS Code for Company

NAICS: 441110 New Car Dealer

11. Form of Business Enterprise & State (LLC, Corporation, Sole Proprietor, Etc.)

Corporation

12. The business to be assisted is currently located in the following community / communities:

Kent, OH

City of Kent Tax Incentive Application

13. Name of officer authorized to execute any agreements / documents related to the requested incentive:

Richard G. Klaben

Name

President

Title

14. Projected Start of Construction Date: 12/01/24
Projected End of Construction Date: 06/30/27

15. If currently located in the City of Kent, or if other property is owned in the City of Kent by the entity to be assisted, is any income tax, water or sewer fees or other monies owed to the City of Kent?

No X

Yes _____. If Yes, Explain: _____

16. Does the entity to be assisted owe any back taxes of any type to the State of Ohio, State Agency, or any other political subdivision in the State of Ohio?

No X

Yes _____. If Yes, Explain: _____

17. Is the business seasonal in nature? Yes _____ No X

On the next several pages you will be asked to provide detailed project information as well information regarding property taxes, existing and projected employment, existing and projected payroll and payroll taxes. The applicant is permitted to use separate forms that it may already have to provide this information as long as the information requested herein is provided on those other forms.

Project & Property Information

Project Description: **Attach Description to Application**

Nature of Requested Abatement: 75 % 12 years

Estimated Costs / Uses of Funds:

Land & Building Acquisition	<u>\$0</u>
Additions / New Construction	<u>\$4,425,000</u>
Existing Building Renovations	<u>\$0</u>
Machinery & Equipment	<u>\$800,000</u>
Furniture & Fixtures	<u>\$ 0</u>
Inventory	<u>\$ 0 * see page 2 question 8</u>
Total	<u>\$5,225,000</u>

Note: Not all of the above costs are eligible for tax abatement. Upon receipt of application, the City will attempt to estimate an approximate abatement after consulting with the County Auditor's office.

Existing Property Tax Data:

Total Current Property Tax Due for All Parcel(s) \$88,081 per year

School District in Which Site is Located: Kent Schools X Field Schools

Current County Auditor Market Valuation for All Parcel(s):

Land	<u>\$1,673,600</u>
Building	<u>\$3,410,600</u>
Total	<u>\$5,084,200</u>

City of Kent Tax Incentive Application

*Employment and Payroll Information*Current Total Employment In Ohio (If any)

Full Time	<u>138</u>		Part Time	<u>5</u>	
	<u>Permanent</u>	<u>Temporary</u>		<u>Permanent</u>	<u>Temporary</u>

Current Total Employment at Site to be Assisted (If any)

Full Time	<u>62</u>		Part Time	<u>2</u>	
	<u>Permanent</u>	<u>Temporary</u>		<u>Permanent</u>	<u>Temporary</u>

Will the project involve the relocation of employment positions or assets from one

Ohio location to another? Yes _____ No X

If yes, state the location(s) from which employment positions or assets will be relocated and the location to where the employment positions or assets will be located:

State the enterprises current employment level for each facility to be affected by the relocation of employment positions or assets (if applicable):

What is the projected impact of the relocation, detailing the number and type (full and part-time, permanent and temporary) of employees and/or assets to be relocated (if applicable): Attach description to application

Estimate of New Jobs to Be Created (Do not Include Existing or Relocated jobs)

Year 1	Full Time	<u> </u>	<u> </u>	Part Time	<u> </u>	<u> </u>
		<u>Permanent</u>	<u>Temporary</u>		<u>Permanent</u>	<u>Temporary</u>
Year 2	Full Time	<u> </u>	<u> </u>	Part Time	<u> </u>	<u> </u>
		<u>Permanent</u>	<u>Temporary</u>		<u>Permanent</u>	<u>Temporary</u>
Year 3	Full Time	<u>8</u>	<u> </u>	Part Time	<u> </u>	<u> </u>
		<u>Permanent</u>	<u>Temporary</u>		<u>Permanent</u>	<u>Temporary</u>

Employment and Payroll Information (continued)

State the Time Frame of this Projected Hiring: 36 months

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

Total Employment at Site (Include All Jobs: Existing+Relocated+New)

At Opening	Full Time	<u>15</u>	Part Time	<u> </u>
End of Year 3	Full Time	<u>23</u>	Part Time	<u> </u>

Current Total Payroll In Ohio (If any): \$11,500,000
21221

Existing Annual Payroll Relating to any Job Retention Claim Resulting from the Project (If any): \$658,000

Current Total Payroll at Site to be Assisted (If any): \$4,500,000

Current Total Relocated Payroll (Jobs relocated to site): \$0

Projected New Job Payroll (New Jobs at site): \$335,000

Total Payroll At Site (Include All Jobs: Existing+Relocated+New)

At Opening	<u>\$658,000</u>
End of Year 3	<u>\$993,000</u>

Certifications & Signatures

1. The applicant and undersigned authorized officer affirmatively states that the information contained in and submitted with this application is complete and correct and is aware of Ohio Revised Code Sections 9.66 (C)(1) and 2921.13 (D)(1) penalties for falsification which could result in the forfeiture of all current and future tax incentives, assistance provided by the City of Kent, County of Portage and State of Ohio as well as all other penalties provided by law.
2. The applicant further understands that any misstatement or misrepresentation of information presented in this application, and any subsequent agreements and submittals for required reports may render this application and any subsequent agreements null and void and may be cause for the repeal of any ordinance adopted or action taken in reliance on said information.
3. The applicant agrees to provide any additional appropriate information requested by the City of Kent in the processing of this application. The applicant agrees to comply with all reporting requirements at the time of construction completion and for each annual report required during the term of the abatement as required by the City of Kent, County of Portage and State of Ohio. The applicant understands that failure to provide said information as required may render this application and any subsequent agreements null and void and may be cause for the repeal of any ordinance adopted or action taken in reliance of said information.
4. The applicant agrees that submission of this application expressly authorizes the City of Kent to contact the Ohio and/or U.S. EPA to confirm that no environmental action is currently being undertaken against the subject site at which the project is being located.
5. The applicant understands that the City of Kent will forward a copy of this application, if required to the affected Board of Education (School District). Notices to the school district as well as any affected political subdivision which may see job loss as a result of this project. When required, the Director of the Ohio Department of Development will also be notified and sent copies of relevant documents.
6. The applicant agrees to pay any applicable application fees and annual review fees as may be required, depending on the form of tax incentive provided.

Richard G. Klaben

Printed Name of Authorized Official

Signature

8/21/24

President

Title

Date

4.10.24



CITY OF KENT, OHIO

DEPARTMENT OF COMMUNITY DEVELOPMENT

September 16, 2024

Mr. Thomas P. Larkin
Superintendent
Kent City School District
Board of Education
321 N. Depeyster Street
Kent, Ohio 44240

RE: Notification of Application for CRA II Real Property Tax Exemption: Klaben Ford
Lincoln, Inc. 1085 West Main Street, Kent, Ohio 44240 (SERVICE CENTER)

Dear Mr. Larkin:

In accordance with Chapter 5709.83 of the Ohio Revised Code, the Housing Officer of a political subdivision is required to notify the local board of education of all applications for tax exemptions under a community's Community Reinvestment Area (CRA) program. The City of Kent has received a CRA II real property tax exemption application for the property listed below, which is located in the Kent City School District:

Application # 2024-01 Klaben Ford Lincoln, Inc., Kent, Ohio 44240
Parcel IDs: 17-027-00-00-024-000

The applicant is requesting an exemption of 75% on the increase in the assessed valuation resulting from improvements to the real property. The owner is reporting a total project cost of \$5,225,000 for the improvements and no new inventory. The maximum term of the exemption for this project is twelve (12) years and it will be applied beginning with the first year for which the real property improvements will first be taxable were the property improvements not exempted from taxation, which is anticipated to be tax year 2027.

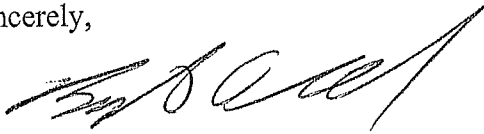
The City of Kent staff is proposing to recommend to Kent City Council the passage of an ordinance approving a CRA agreement with Klaben Ford Lincoln, Inc. for the requested exemption of 75% for a period of twelve (12) years. The presentation to Kent City Council will be held at 7:00 p.m. on Wednesday, October 2, 2024. The Council meeting will be held in the Fire Department Training Room (downstairs) located at 320 S. Depeyster Street, Kent, Ohio.

Section 3735.671(A)(2) of the Ohio Revised Code does not require approval of an agreement by the local board of education prior to securing legislative authority to enter into the agreement if the amount of taxes charged and payable on any portion of the assessed valuation of the improvements "equals or exceeds twenty-five percent [25%] of the amount of taxes, as estimated at or prior to that time, that would have been charged and payable that year upon the real property had that property not been exempted from taxation."

As the designated Housing Officer for the City of Kent, I am forwarding a copy of the application notification of this real property tax exemption request. If you should have any comments regarding this application for exemption and the City's proposed approval of the associated agreement, please forward them to me at bridget.susel@kentohio.gov.

If you have any questions regarding this notice or the enclosed application, please do not hesitate to call me at 330-678-8108.

Sincerely,



Bridget O. Susel
Community Development Director / Housing Officer
City of Kent, Ohio

Attachments (email)
Enclosures (paper copy)

Cc: Deb Krutz, Treasurer, Kent City School District
Eric Helmstedter, Economic Development Director
Applicant via email



CITY OF KENT, OHIO

DEPARTMENT OF COMMUNITY DEVELOPMENT

DATE: September 24, 2024

TO: Dave Ruller, City Manager

FROM: Bridget Susel, Community Development Director *BS*

RE: 265 West Main Street: Exterior Façade Design Recommendation

The update to the Design Guidelines was adopted on December 20, 2023 and the Design Guidelines became recommendations only for all development and sign projects occurring within the "Downtown/West River Overlay District"(Overlay District).

The owner of 265 West Main Street is working on a renovation to the building that will add a restaurant and bar, with a speakeasy theme, to the first floor. The building is located within the Overlay District and Section 1104.01(C) of the Zoning Code requires that exterior façade alterations in the Overlay District be considered by the Architectural Review Board (ARB) for a Certificate of Appropriateness even though the updated Design Guidelines are now recommendations only. The ARB currently is not an active board, so it does not have a quorum to vote on a recommendation, so a recommendation is needed from Kent City Council.

Attached are renderings depicting the proposed exterior façade alterations to the building. All proposed alterations are planned for the east side of the building and will include:

1. Construction of an enclosed addition on the northeast corner of the building's exterior to house a new commercial kitchen. The exterior finish for the addition will be in a color that matches the existing building color;
2. Partial patio clear panel roof covering, with white support posts, attached to the exterior east façade;
3. Installation of a concrete outside patio area that will incorporate areas of outdoor wood and brick inlay;
4. Installation of stone partition walls and black rail fencing to separate dining areas from existing green space area;
5. Replacement of double pane windows with new double pane windows;
6. Replacement of existing door with new glass door;
7. Installation of new stairs and handrail leading to existing bike and hike trail;
8. Brick inlay, raised stone base, and light post east of bike and hike trail.

The proposed exterior façade design alterations are aligned with the recommendations in the current Design Guidelines, which were authorized in December 2023.

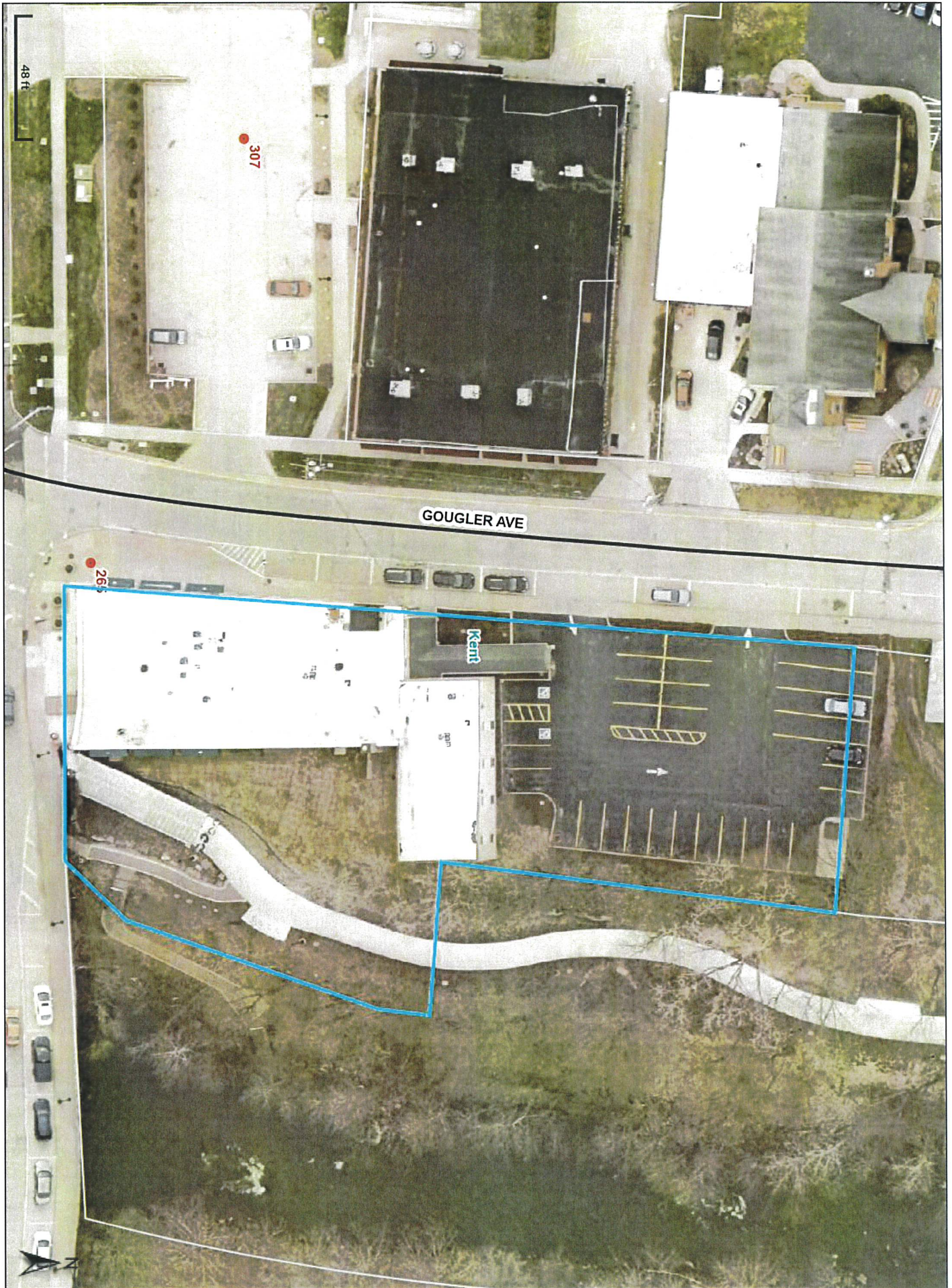
I am respectfully requesting time at the October 2, 2024 Council Committee meeting to discuss the proposed exterior façade renovations in greater detail and to request a recommendation from Council on the proposed exterior façade alterations proposed for the property located at 265 W. Main Street.

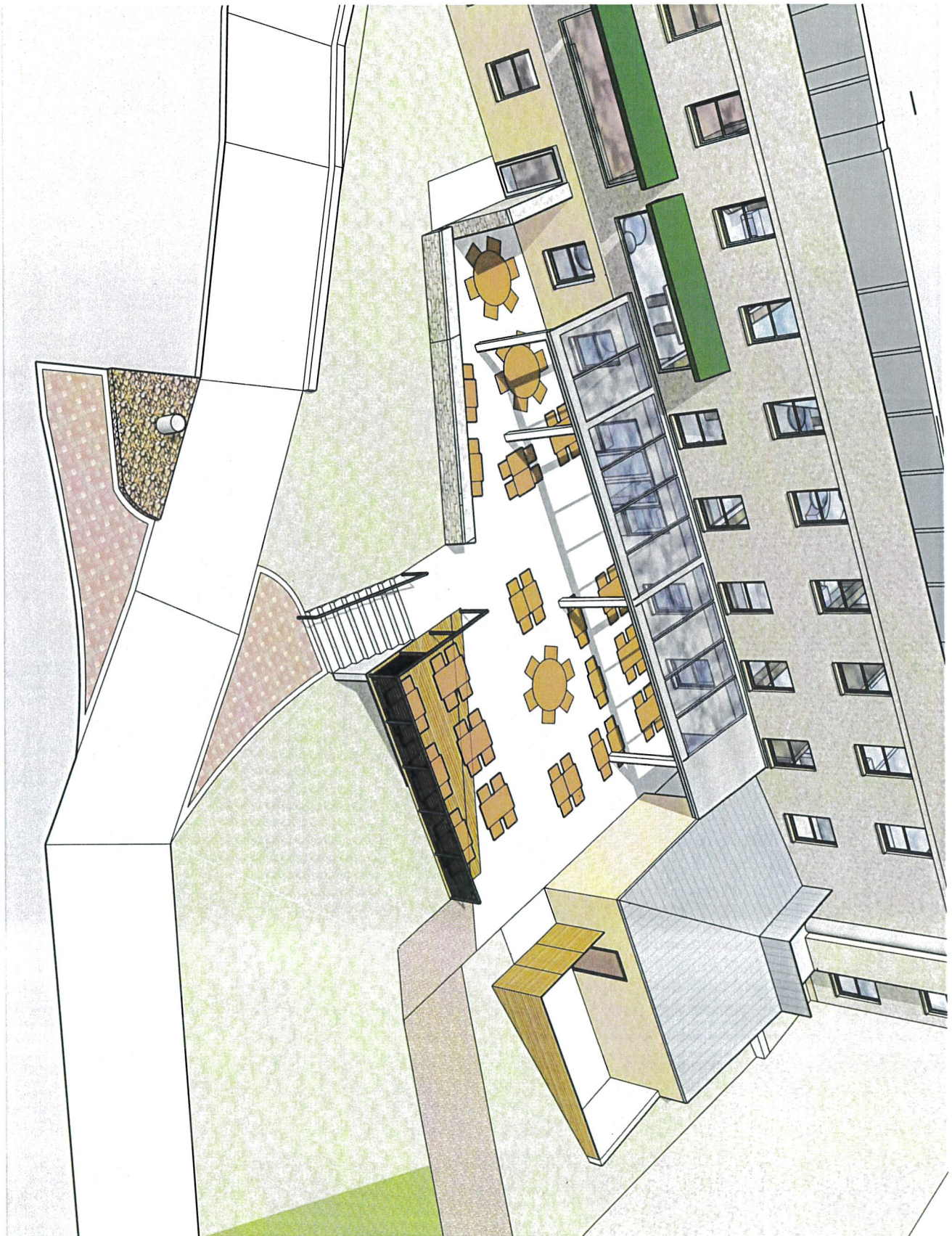
If you need any additional information to add this item to the agenda, please let me know.

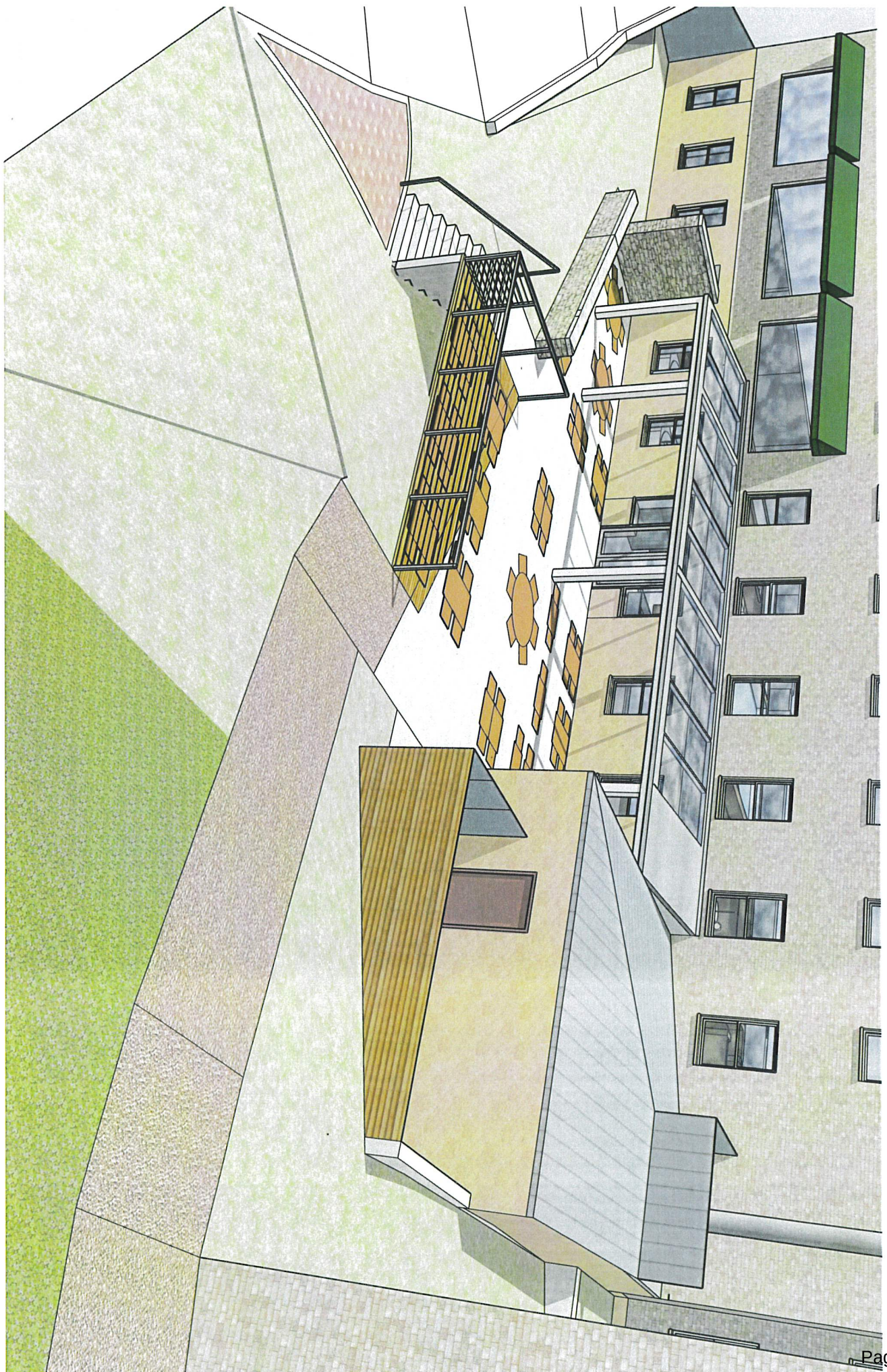
Thank you.

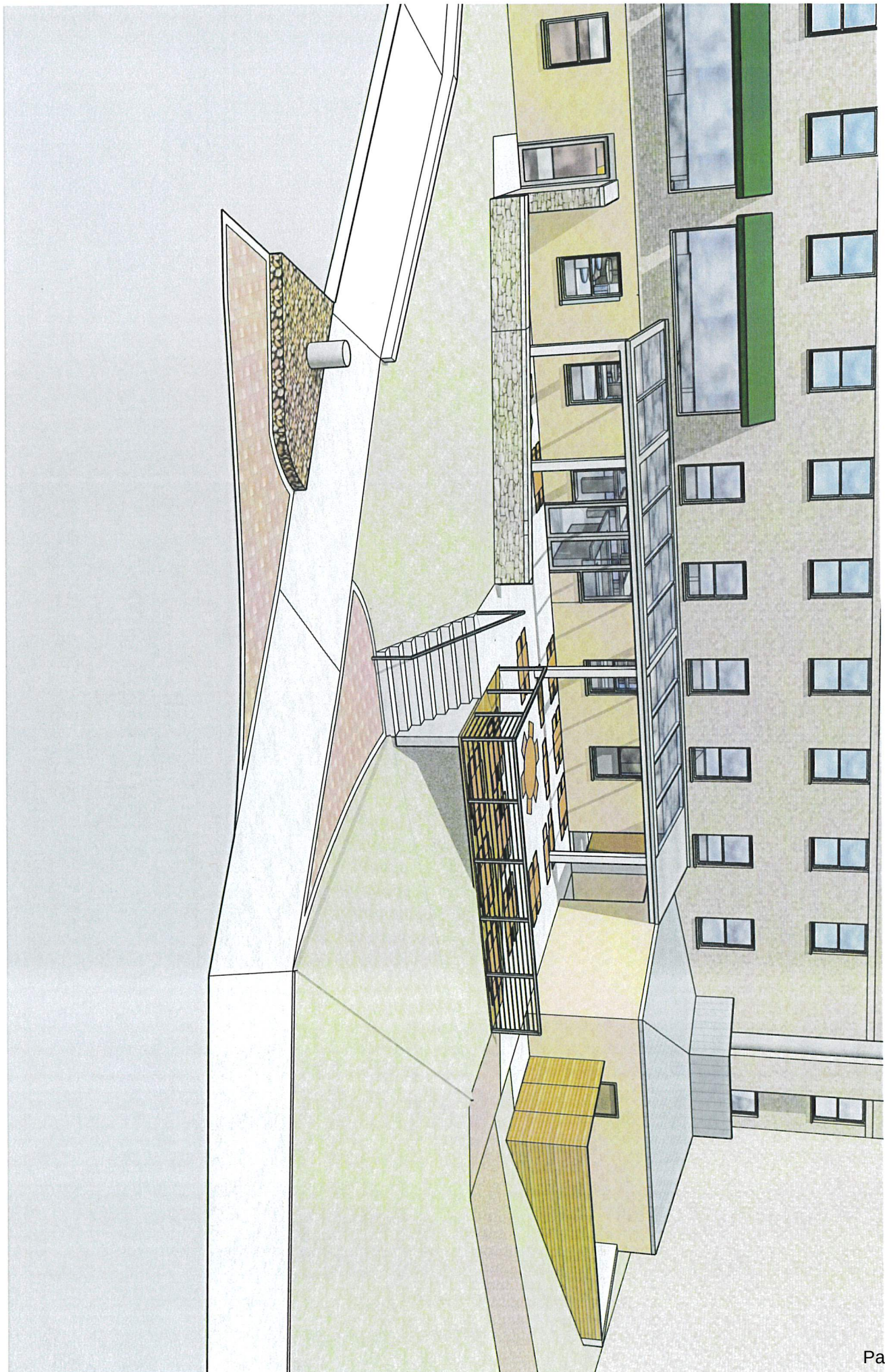
Attachments

Cc: Hope Jones, Law Director
Amy Wilkens, Clerk of Council
CD Department Planning & Zoning staff

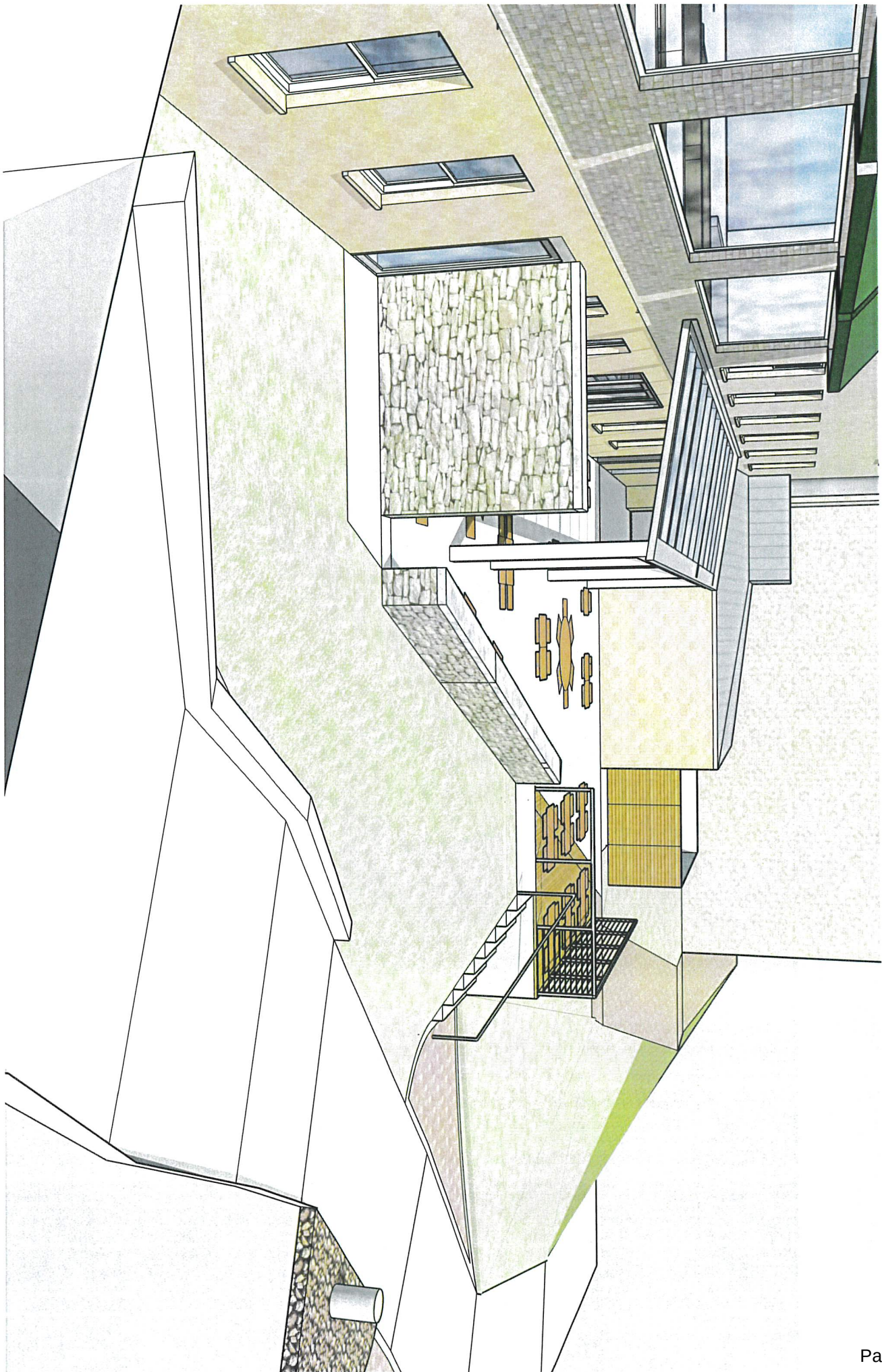














City Of Kent Fire Department

320 S. Depeyster St.

Kent, Ohio 44240

330. 673.8814

330.676.7374 Fax

Date: May 31, 2024

To: Dave Ruller

From: James Samels

Re: update on Paramedicine to City Council

Dave,

I would like to reserve some time for the July 10th, 2024, council meeting to inform council on the progress of the Paramedicine program. My goal would be to briefly give an overview and then have Sara and Dr. Hill also provide important insight into the program and its' impact. I'm not on a specific timeline, so if July doesn't work based on the current agenda, we could always adjust to August.

Let me know if you have any questions or concerns.

Thank you,

Jamie



LAW DEPARTMENT MEMORANDUM KENT, OHIO

To: Dave Ruller, City Manager
From: Hope L. Jones, Law Director
Date: September 24, 2024
Re: Resolution to Proceed

Mr. Ruller,

On July 24, 2024, Council passed Resolution No. 2024-061 approving its intent to acquire certain property for the East Main Street Improvement Project. I am requesting Committee time on October 2, 2024, to discuss proceeding with the appropriation of a temporary easement required for the Project. The location of the property is 405 East Main Street. All legal requirements have been met for the City to begin eminent domain.

Hope