



# City Manager's Report

For  
City Council Meeting  
March 2, 2015

**To:** The Honorable President and  
Members of City Council  
**From:** Anthony Carson, City Manager  
**Date:** February 27, 2015

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## **LEGISLATION:**

- 1. Resolution Establishing a Painesville Job Creation Tax Credit (JCTC) as permitted in Section 718.15 of the Ohio Revised Code and Declaring and Emergency.** The City of Painesville's Economic Development Department has drafted a Job Creation Tax Credit Program (JCTC) based on the recommendation of the Economic Development Committee of Council. This resolution will allow the City to exercise its authority to form a Job Creation Tax Credit Program under section 718.15 of the Ohio Revised Code. This is a new Incentive Program that can be added to the City's existing programs for business retention, expansion and attraction. The program would allow eligible companies who are creating new jobs to receive a refundable tax credit up to a maximum of 50% of municipal income tax withheld for qualifying new jobs against their City of Painesville income tax with approval from City Council. At least 25 new, full-time jobs must be created and maintained by the company (taxpayer) within three years of initial operations. For the purposes of this program, "new jobs" do not include transfers from affiliated companies within the City of Painesville, nor for wage and salary increases of existing jobs. The average hourly base wage rate (excluding benefits) of the project's new, full-time, or full-time equivalent jobs must be at, or above 150% of federal minimum wage (average income jobs). If the average hourly base wage rate (excluding benefits) of at least 10 new, full-time, or full-time equivalent jobs are at, or above 400% of the federal minimum wage (high income jobs), then the minimum number of new jobs to be created to qualify for this program is reduced to 10. The company must agree to maintain operations at the project site for at least twice the term of the maximum number of years the tax credit is offered up to 20 years. This is the second reading.

## **OLD BUSINESS:**

1. Prairie State Power Plant
2. Buffering of Railroads and Limited Access Highways

**UNFINISHED BUSINESS:** None

**NEW BUSINESS:** None