

WORKFORCE TRAINING ASSISTANCE

To take advantage of growth opportunities employers are being called upon to increase their training efforts in order to cultivate the skills and talent they need to succeed. As a result, access to training dollars and resources have become more sought after. There are numerous local, regional and state entities offering workforce training assistance. Some of the more frequently utilized programs include:

Ohio Training Grant

The Ohio Training Grant servicing function of the Ohio Development Services Agency provides assistance to businesses that have been previously awarded a grant by the State of Ohio. These services include: drafting grant agreements and any subsequent amendments, processing grant payment requests, reviewing annual reports, and providing technical support to existing grantees.

On The Job Training

On The Job Training is a federally funded program that helps employers hire and train individuals for long-term employment. This is an opportunity for an employer to work with his or her local OhioMeansJobs Center to recruit, pre-screen and hire new employees, and to train them in specific skills. The employer is reimbursed for the costs of training, up to 50 percent of trainees' wages during training period.

Incumbent Workforce Voucher

The Ohio Incumbent Workforce Voucher Program will reimburse employers for up to 50 percent of the eligible employee training costs, up to \$4,000 per employee, after the employer pays the full cost of the training, and the employee successfully completes the training. The Program is designed to allow employers to retain and grow their existing Ohio workforce and create a statewide workforce that can meet the present and future demands in an ever changing economy.

Foreign Labor Certification

This program helps Ohio employers hire temporary foreign workers for one year if U.S. workers are not able, willing, qualified and available to fill job openings. The H-2A temporary agricultural program establishes a means for agricultural employers who anticipate a shortage of domestic workers to bring nonimmigrant foreign workers to the U.S. to perform agricultural labor or services of a temporary or seasonal nature. The H-2B temporary non-agricultural program does the same in other fields of work.

Rapid Response

This proactive and flexible program provides layoff aversion services to employers, funds special projects or initiatives, and helps workers affected by mass layoffs transition to reemployment. Employers and employees who are facing a potential or current mass layoff or facility closure are eligible for Rapid Response services.

Work Opportunity Tax Credit

This program gives eligible Ohio employers a federal tax credit for hiring individuals from nine target groups of disadvantaged job seekers. Depending on the target group and duration of employment, tax credits can range from \$1,200 to \$9,600 per eligible employee.

KEY ACCOUNT SERVICES

The City of Painesville has a Key Account Service for key retail, office and industrial users. The Key Account Program offers a hands-on approach to assisting local companies with their current and future growth plans. The program is designed to forge stronger more mutually beneficial relationships with our business customers. The following are just a few of the services that the key account program can offer.

- Utility Management and Review
- Energy Efficiency Education and Management
- Electric Rate Use and Analysis
- Electric Load Monitoring
- Electric Power Disturbance Analysis
- Compressed Air Leak Detection
- Infrared Testing of Electrical Connection
- Advanced Metering Services
- Energy Audits
- Outdoor Security Lighting Analysis

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THE CITY OF
Painesville

REAL ESTATE INCENTIVES

Real property incentives are among the most utilized tools to assist growing companies. Painesville's City Council and Administration understands the critical role of these programs and have been proactive to ensure they are available for industries looking to locate and expand within its borders. The following two programs allow for property tax exemption:

ENTERPRISE ZONE

Communities in Ohio may establish an Enterprise Zone that provides local officials with the ability to negotiate a tax incentive agreement with a prospective company. The rate and term of the tax exemption are negotiated between local officials and the company. The Enterprise Zone law permits municipalities to offer the following incentives:

1. Exemption of real and/or personal property assessed values of up to 75% for up to 10 years or an average of 60% over the term of the agreement on new investments.
2. Permits unincorporated areas to offer exemption of real and/or personal property assessed values of up to 60% for up to 10 years or an average of 50% over the term of the agreement on new investments.

Maximum exemption levels may be exceeded with approval by the affected board of education. The final Enterprise Zone Agreement is a contract between the community and the company and must be executed prior to the project beginning.

COMMUNITY REINVESTMENT AREA

Community Reinvestment Areas (CRA) are areas of land in which property owners can receive tax incentives for investing in real property improvements. The CRA Program is a direct incentive tax exemption program benefiting property owners who renovate existing or construct new buildings.

The local legislative authority with jurisdiction over the designated area determines the size, the number, as well as the term and extent of the real property exemptions.

Local municipalities or counties can determine the type of development to be supported by the CRA Program by specifying the eligibility of residential, commercial and/or industrial projects.

Call for a CRA Map that shows the various CRA designated areas within the City of Painesville and the terms of abatements.

GRANT FUNDING AND TAX CREDITS

Grant funding and tax credits are among the most sought after incentives of new and expanding businesses. JobsOhio and the City of Painesville have programs in place offering these benefits to encourage business growth. These programs, of varying focus, are typically tied to job creation and new capital investment in fixed assets.

Economic Development Grant

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

Revitalization Program

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

Workforce Grant

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

629 Roadwork Development

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

R&D Investment Tax Credit

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

Job Creation Tax Credit

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

PACE Bonds

Property Assessed Clean Energy bonds are part of a federal initiative to encourage states to enact programs that allow for property-based financing to fund alternative energy and energy efficiency projects.

FINANCING

Established businesses and entrepreneurs alike must have access to sufficient capital in order to operate and grow. Obtaining the financing needed in a risk adverse lending environment can often pose a challenge. Fortunately there are numerous institutions with tools and resources to assist the business community in acquiring the cash they need to achieve their desires goals and objectives. The following is a summary of the most commonly utilized program.

LOCAL RESOURCES

Revolving Loan Funds

Revolving Loan Funds seeks to promote business start-up and expansion in Lake County by creating and/or retaining employment opportunities for low to moderate income persons.

Tax Increment Financing

Fixed Rate Tax Increment Financing (TIF) is a financing alternative for qualifying projects, resulting in more favorable financing terms. A TIF must be used to finance infrastructure needed for a project and for which there is a common public good. Qualifying public works include streets, parking, water and utilities.



166 Direct Loan

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

Innovation Ohio Loan

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

Ohio Enterprise Bond Fund

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

Research & Development Investment Loan Fund

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



Basic 7(a) Loan Program

The SBA 7(a) Loan Program can be used for most sound business purposes including working capital, equipment, furniture, land and building, leasehold improvements, and debt refinancing (under special conditions).

504 Loan Program

The SBA's 504 Loan program offers small businesses another avenue for business financing, while promoting business growth, and job creation.

Business & Industry Guarantee

The purpose of the Business & Industry Guaranteed Loan Program (B&I) is to improve, develop, or finance business, industry, and employment and improve the economic and environmental climate in rural communities.

Rural Economic Development Loan & Grant

Under the Rural Economic Development Loan and Grant (REDLG), USDA provides zero interest loans to local utilities which they, in turn, pass through to local businesses for projects that will create and retain employment.

Rural Energy for America

Under the Rural Energy for America Program, project developers will work with local lenders, who in turn can apply to USDA Rural Development for a loan guarantee up to 85 percent of the loan amount.

Rural Business Investment

USDA licenses newly formed for-profit investment fund entities as Rural Business Investment Company's (RBIC) s. RBIC's use the equity raised in capitalizing their fund to make equity, and equity-like, investments.

