

ORDINANCE NO. 61-15

AN ORDINANCE APPROVING THE RECOMMENDATION OF THE COMMUNITY REINVESTMENT AREA NEGOTIATING COMMITTEE WITH REGARD TO THE COMMUNITY REINVESTMENT AREA TAX INCENTIVE APPLICATION FOR TARA SPK HOSPITALITY, LLC

WHEREAS, a Community Reinvestment Area Tax Incentive Application has been submitted to the City of Ashland by Tara SPK Hospitality, LLC; and

WHEREAS, the Community Reinvestment Area Negotiating Committee (The Committee) met on June 3, 2015 and reviewed said Application; and

WHEREAS, the Committee felt that the creation of a new hotel in the City was one of the primary objectives of the Community Reinvestment Area and by offering this tax incentive, the economic viability of the project would be enhanced and encourage growth; and

WHEREAS, the Application involves the removal of structures and development of property located at 755 US RT 250, Ashland, Ohio 44805 is called Sec 15 Lot I-1 and is identified as Parcel ID I25-015-0-0018-00 and 753 US RT 250, Ashland, Ohio 44805 is called Sec 15 Lots I-2 & I-3 and is identified as Parcel ID I25-015-0-0017-00. Tara SPK Hospitality purchased a total of 2.66 acres which has been annexed into the City of Ashland. The parcels will be assigned new Parcel IDs as designated by the Auditor's Office as they fall within the third ward of Ashland, Ohio.

WHEREAS, Tara SPK Hospitality, LLC will construct a new 4-story hotel consisting of eighty-one (81) rooms and suites with a small meeting room, a large indoor swimming pool, and an exercise room under the Hilton Brand; and

WHEREAS, Tara SPK Hospitality shall create within a time period not exceeding 12 months after the commencement of the construction of the aforesaid hotel, the equivalent of 20 new full-time permanent job opportunities and 7 part-time permanent job opportunities and 4 seasonal part-time job opportunities at the US RT 250 site.

WHEREAS, these new employees are estimated to result in approximately five hundred ninety-one thousand dollars (\$591,000) in new payroll on an annual basis; and

WHEREAS, based on the application and information provided by Tara SPK Hospitality, LLC the Committee voted 4 to 1 to recommend to Council to provide to Tara

SPK Hospitality, LLC reductions in real property tax of sixty percent (60%) for twelve (12) years for the proposed new construction of seven million one hundred twenty-four thousand eight hundred ninety-nine dollars (\$7,124,899) noted in the Application; and

WHEREAS, the City provided the Ashland City Schools Board of Education and the Ashland County-West Holmes Career Center JVSD Board of Education notice of the Application prior to formal action as required within Ohio Revised Code Section 5709.83; and

WHEREAS, the representatives of the Ashland City Schools Board of Education approved said Application by a vote of 4 to 1 at their Board Meeting held on August 10, 2015 based on a 60% tax reduction for 12 years for the new hotel construction; and

WHEREAS, the Ashland County-West Holmes Career Center JVSD Board of Education has also approved said Application at their Board Meeting held on July 16, 2015 based on a 60% tax reduction for 12 years for the new hotel construction; and

WHEREAS, based on the decisions of the Boards of Education and the Committee, it is recommended to provide Tara SPK Hospitality, LLC with a sixty percent (60%) tax reduction for twelve (12) years for the new construction of a 54,000 to 56,000 sq. ft. hotel at 753 & 755 State Route 250 based on the Agreement; and

WHEREAS, time is of the essence and this Council wishes to proceed with approval of the recommendation for the sixty percent (60%) tax reduction for the twelve (12) years for the construction of the real property set forth above; and

WHEREAS, this Council must consider such recommendations and either approve or disapprove them; now therefore,

BE IT ORDAINED by the Council of the City of Ashland, State of Ohio, 4 members thereto concurring:

Section 1. That based upon the recommendations of the Community Reinvestment Area Negotiating Committee duly adopted at the Ashland City School Board of Education meeting of August 10, 2015, the Ashland County-West Holmes Career Center JVSD Board of Education meeting of July 16, 2015, and upon the Community Reinvestment Application of Tara SPK Hospitality, LLC on behalf of the Hampton Inn & Suites Ashland for certain tax incentives is hereby approved.

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

Passed: August 13, 2015

  
Stephen L. Stuart, President of Council

Attest:   
Elizabeth A. McClurg, Interim Clerk of Council

Approved:   
Glen P. Stewart, Mayor

Approved as to form & correctness:

Date: August 13, 2015

  
Richard P. Wolfe, Director of Law