



Commissioner Ted Kalo – NAIOP July 26, 2018 – Lorain Harbor AWP Incentives

- **The City of Lorain**

- Job Creation Tax Incentive – Based upon jobs created and pay. An amount equal to the percentage of withholding tax paid to the City to be repaid the following year. Percentage and terms to be negotiated with the City.
- HUD 108 – low interest loan (backed by CDBG funds) – Long term financing for larger projects. Must create jobs available to low/moderate income people or other national objective. Up to \$35,000 per job created. Term can be up to 20 years.
- Tax Increment Financing (TIF) – Dedicates a portion of the incremental property tax payments, derived from the increased property value of the project, to finance bonds issued to pay for certain public infrastructure costs related to the project.
- Enterprise Zone – Reduces the effective increase in real estate taxes through an exemption.
- Lorain Downtown Entertainment District
 - D5-j liquor permits – Currently; Broadway from E. 9th Street to E. Erie.
- Expedited Permitting
- Fee discounts on utilities and plan reviews –Reduction in fees will be dependent upon the value of impacts to the local tax base.

- **Lorain Port Authority**

- Construction Financing Program – Sales tax exemption on construction materials. The borrower is the owner for federal tax purposes and acquires the project for \$1.00 at the end of the lease term. The borrower retains full control of the property.
- Conduit Bond Financing – Tax-exempt financing for land and building acquisition, renovations, new construction and equipment purchase. The program can provide up to 100% financing. Borrower may consider direct placement of the bonds with a bank (Northwest & 5/3rd).
- Special Assessment Program – Assists developers and business owners in financing public infrastructure projects. Can be used to supplement TIF bonds. Special assessment bonds allow the borrower to reduce the amount of equity or conventional financing, and are non-recourse. This program can provide 100% fixed-rate, tax-exempt financing for 10 to 33 years.
- Partnerships with other Ports for larger projects
 - Lorain County Port Authority, Cleveland, Toledo, etc.

- Property Assessed Clean Energy (PACE) Program – Finance investments in energy related improvements including heating and cooling systems, roof, insulation, windows, doors, solar, geothermal projects, etc. Can provide up to 100% fixed-rate financing.
- Brownfield Assessment Grant – Funding available for Phase 1&2 site assessments
 - Phase I – Review history, site inspection, perform interviews, and data preparation.
 - Phase II – Review reports, soil sampling, lab testing, and data analysis.
- **Lorain County**
 - Recycling Revolving Loan – Provide loans to businesses who use machinery and equipment that keeps waste out of the landfill. Utilization of recycled materials either in building materials or in their manufacturing process.
 - Revolving Loan Fund – Provide low interest loans to for-profit industrial or commercial businesses. For machinery & equipment, new construction, land acquisition, working capital. Borrowing Amount: Maximum amount – 50% of total project costs up to \$500,000. Terms: 5-10 years fixed rate.
 - Workforce Development Assistance
 - Employee Recruitment – Identify and pre-screen hires.
 - OJT funding availability – Must be permanent, full time. Subject to eligibility of position and person.
 - Training opportunities – Lorain County Community College (LCCC) and Lorain County Joint Vocational School (JVS).
 - Technical assistance in loan packaging outside of local incentives – targeting tenants
 - Community Advantage Loan Program – SBA loans for the purpose of increasing working capital.
 - Maximum loan size: \$250,000, Maximum interest rate: Prime +6%
 - Technical assistance with grant writing
 - USEPA brownfield, Great lakes restoration initiative, etc.
 - Conduit to Team NEO, Jobs Ohio, and Ohio Development Services Agency.
- **Point of Contact**
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