

PROPOSED

**Concord Township - City of Painesville
Joint Economic Development District (JEDD)
Fact Sheet**



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1. Agreement: The proposed Joint Economic Development District (JEDD) agreement is between the City of Painesville and Concord Township.

Area: The area of the proposed JEDD is within Concord Township along Auburn Rd. to the west of State Route 44. There are potentially four properties initially in the JEDD District. These properties are: Concord Township Community Center, City of Painesville, Lake Hospital System and University Hospital System. The area of the JEDD may expand at the will of the JEDD partners.

Period: The initial period of this agreement is 20 years with four renewals of up 20 years each.

Benefits: The concept of the JEDD is for the collection of income tax revenue that would not ordinarily be available to Concord Township. The need for this revenue is for the future economic development as well as maintenance of the area within the JEDD and the Township as well as its partner, the City of Painesville.

Concord Township: Concord would use the income tax revenue towards the overall economic development of the Corridor and Township. It may also be used for maintenance of the Township's infrastructure and roads, providing for safety forces (fire, EMS and policing) or in other means of benefit to the Township through its General Fund. The agreement also does not allow annexation by the City of Painesville of Concord Township territory without prior approval of the Township.

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City of Painesville: Recovery of income taxes previously lost by the move of Lake East Hospital. Expansion of water services to the area.
Possibility of expansion of other utilities or services to the area.

Taxing Rate: Only employees who work within area of the proposed JEDD would be taxed at a proposed rate of 1.75% for personal income tax.

Sharing of Taxes: Concord Township would receive 75% of taxes collected and the City of Painesville would receive 25%.

Projected Revenue: It is very difficult at this time to project the amount of revenue that could be collected through this proposed JEDD. Further information will be forthcoming once discussions with all of the entities within the proposed JEDD are informed of the plan and provide access to employment statistics and salaries. This said, it is understood that parties wish to know, at least a best guess, and this “guess,” at a very conservative amount, would be approximately \$600,000 of total tax revenue generated per year.

2. Process: Both communities’ elected bodies will be briefed on the proposed agreement. There will be a formal public hearing process with at least 30 days notice given of the hearing. The process is governed by Ohio Revised Code: 715.70 – 718.16. Following the public hearing, there will be a vote by each community’s legislative body.

3. Public Officials’ Comments:

Concord Township: “The Township Trustees consider it their responsibility to consider all means of revenue generation to operate the community on a business-level. With the added expenses that will occur initially, in-part because of the addition of Lake Hospital’s Tripoint facility and the University Hospital facility, the Township Trustees felt it necessary to pursue this form of limited revenue generation. The Township considered various amounts of income tax, and felt the 1.75% was a reasonable amount for the needs of the community, but was not the maximum amount that could be taxed [per Ohio Revised Code, a JEDD may tax up to the same amount as the incorporated community partnered in the JEDD, in this case 2%]. The Township considered other partners to this agreement but felt the most natural should be the City of Painesville, especially in lieu of the moving of Lake East Hospital from Painesville,” Chris A. Galloway.

City of Painesville: “The City of Painesville is excited about this opportunity to work cooperatively with neighboring Concord Township. We are pleased with the collaboration and consideration the Township exhibited toward the City in this effort. Not only will the JEDD provide a source of revenue to the city but it will enhance the economic development environment in Lake County. This is a great opportunity to work cooperatively for the good of the region. ” Joseph Hada, President of Council

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4. For further information contact:

Concord Township:

Paul R. Malchesky, Chairman, Trustee

Caroline "Connie" N. Luhta, Vice Chairman, Trustee

Chris A. Galloway, Trustee

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Jack J. Nettis, Jr., Administrator

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City of Painesville:

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