

**VILLAGE OF YELLOW SPRINGS  
RESOLUTION 2018-14**

**CREATING AN ECONOMIC DEVELOPMENT INCENTIVE POLICY**

**WHEREAS**, Incentives need to be given to businesses and organizations intentionally, with clear benefits to citizens, and in a consistent and un-arbitrary manner

**WHEREAS**, the Council of the Village of Yellow Springs, firmly believes that economic development is essential to the continued financial health and well-being of the Village; and

**WHEREAS**, incentives related to economic development are extremely helpful in not only attracting new businesses, but also in assisting existing businesses to expand and develop; and

**WHEREAS**, incentives have been offered by the Village in the past in order to attract and assist business development; and

**WHEREAS**, the Village of Yellow Springs wishes to revive that practice under new guidelines that are in concurrence with the stated Village Values,

**NOW, THEREFORE, BE IT RESOLVED** by the Council for the Village of Yellow Springs that

Section 1. The Economic Development Incentive Policy attached as Exhibit A is hereby adopted.

Section 2. The Village Manager is instructed to implement the Economic Development Incentive Policy.

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Signed: Brian Housh, President of Council

Passed: 5-21-18

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Attest: Patti Bates, Deputy Clerk of Council

Housh   Y  

MacQueen   Y  

Hempfling   Y  

Stokes   Y  

Kreeger   Y



*The Economic Sustainability Commission provides information and makes recommendations to Council regarding economic development for the Village of Yellow Springs, identifying primary opportunities for economic development in the Village and strategies to support these efforts and facilitating a forum for incubating ideas and networking among diverse groups working on economic development in the Village.*

## **VILLAGE OF YELLOW SPRINGS INCENTIVE POLICIES**

The Village of Yellow Springs encourages investment in the community by for profit and non-profit entities. That investment can take many forms such as commercial expansion; new housing construction; activity that supports business, job, or tax base growth and retention, or projects that contribute to improving the quality of life in the community by supporting Village Values and Goals.

### **VILLAGE VALUES**

The Yellow Springs Village Council strongly believes in the following values around which annual goals are written and policy decisions are made:

Value #1 - Deepen decision-making processes with active citizen participation and effective representative governance.

Value #2 - Be a model employer actively practicing diversity hiring and retention and a provider of services within a responsible and sustainable fiscal framework.

Value #3 - Be a welcoming community of opportunity for all persons regardless of race, age, sexual orientation, gender identity, ethnicity, economic status, ability or religious affiliation.

Value #4 - Pursue a strong economy that provides diverse employment, creates a stable tax base and supports the values of the community, particularly affordability.

Value #5 - Seek, in all decisions and actions, to reduce the community's carbon footprint, encourage sound ecological practices and provide careful, creative & cooperative stewardship of land resources.

Value #6 - Intentionally promote anti-racism, inclusion, equity and accessibility through all policies, procedures and processes.

### **INCENTIVE OPPORTUNITIES**

Incentive requests that support Village Values include but are not limited to the following:

- Low interest loans or grants
- Abatement/credit of income or property tax
- Land sale or swap
- Utility easements or extensions
- Other Infrastructure
- Fee waivers
- Other as deemed appropriate

### **QUALIFYING PROCESS**

- Submit application to the Village Manager
- Manager reviews and prepares a recommendation to Council based on the scoring sheet
- Granting of the incentive requires a majority vote of Council

### **QUALIFYING CRITERIA**

Applicant must identify and support how their project will achieve one or more of the following:

## Exhibit A Resolution 2018-14

- Job creation/retention with a good faith effort to hire Yellow Springs/Miami Township residents
- Construction of new or expanded facilities, equipment or residential units
- Expanded operations with a focus on innovation
- Generation of additional property and/or income tax
- Meeting a community goal within the guidelines of the Village Values
- Leveraging of additional resources by incentive award

(Refer to attached check sheet for scoring criteria)

### **AWARDING OF INCENTIVES**

Following is the process and requirements to be awarded an incentive:

Cost/Benefit Analysis: Applicants must provide a cost/benefit analysis addresses all the factors of the project, both tangible and intangible. It is a general policy to expect a positive cost/benefit analysis.

Review of the Request: The project proposal and cost/benefit analysis will be presented to the appropriate entity for review and recommendation to Council who will then make the final decision on awarding an incentive.

Project Success: The applicant must demonstrate that they have the necessary experience and capacity to complete a successful project.

Regulatory Compliance: Every proposed project shall be in compliance with zoning/building/health/fire codes, air quality codes, plus any other applicable statute and regulation. The applicant will not have other outstanding findings and orders that would threaten the success of the proposed project.

Outstanding Fines and Bills: There shall be no outstanding, unpaid environmental fines, orders, taxes (including income, payroll and property taxes), Village utility bills or fines, for the applicant either at this project's location or at other locations.

Prohibited Costs for Funding: Local incentive programs will not be used to provide funds for operating funds, refinancing, or lobbying and political donations.

Prior Incentives Awarded: The request for the incentive will include a statement regarding the terms and project outcome of any past awards of incentives to ensure equitable distribution of incentives and successful project completion.

### **INCENTIVE COMPLIANCE REQUIREMENTS**

Entities that are awarded an incentive must adhere to the compliance requirements following:

Terms: Incentives granted should have a general term of no more than five (5) years unless there are circumstances demonstrated by the cost/benefit analysis.

Annual Reporting: Any project awarded an incentive will report within 30 days of project completion or annually during the term of the incentive to the appropriate entity with a statement of the factors for which the applicant's incentive was awarded, for example a report of the jobs created and retained by position, a report of the building project or investments, an accounting of payments. The project and its accomplishments will be reviewed and a report made to Council with final recommendations regarding continuation or compliance concerns.

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Accountability: The applicant will be legally held accountable for compliance with the terms of an incentive. Typically, the applicant benefiting from the incentive must be the same firm that commits the investments, creates/retains jobs, etc.; a third party cannot comply except under circumstances that are agreed upon at the time of the award.

Penalties: An applicant could be subject to a payback of the incentive if it is partially or completely non-compliant to all the promises agreed to as part of the incentive, or at a minimum, suspension of the incentive could be recommended, subject to review and action by Village Council.