

TEMPORARY RESOLUTION NO. 32-19

PERMANENT RESOLUTION NO. 35-19

A RESOLUTION TO APPROVE AN ENTERPRISE ZONE AGREEMENT WITH BLUE LABEL PACKAGING COMPANY d/b/a BLUE LABEL DIGITAL PRINTING AND ONE WRITE COMPANY

WHEREAS, an application has been submitted by Blue Label Packaging Company d/b/a Blue Label Digital Printing and One Write Company for tax incentives available through the Fairfield County Rural Enterprise Zone Program for a project expansion of their business located within the City of Lancaster; and

WHEREAS, the Fairfield County Rural Enterprise Zone Guidelines and Policies as adopted on November 21, 1991, and so amended on February 18, 1992, require that all agreements shall be negotiated by a negotiating team made up of a representative of the local municipality within which the project is located; a representative of the affected school district within which the project is located; and a representative of the Board of Commissioners of Fairfield County; and

WHEREAS, said negotiating team recommends that the proposed project and incentives as outlined in the application submitted by Blue Label Packaging Company d/b/a Blue Label Digital Printing and One Write Company be approved; and

WHEREAS, the Fairfield County Rural Enterprise Zone Guidelines and Policies also require that all agreements shall be first approved by the legislative body of the governmental unit within which the project is located; and

WHEREAS, City Council of the City of Lancaster has reviewed said application by Blue Label Packaging Company d/b/a Blue Label Digital Printing and One Write Company and finds that the proposed project will be of benefit to the City of Lancaster and has approved the proposed terms and level of tax exemptions;

BE IT RESOLVED BY COUNCIL OF THE CITY OF LANCASTER, STATE OF OHIO

SECTION 1. That the proposed Enterprise Zone Agreement, as proposed in the application submitted by Blue Label Packaging Company d/b/a Blue Label Digital Printing and One Write Company attached hereto as Exhibit A, is hereby approved.

SECTION 2. That the Mayor is authorized to execute the final Enterprise Zone Agreement with Blue Label Packaging Company d/b/a Blue Label Digital Printing and One Write Company.

SECTION 3. That this resolution shall take effect and be in force from and after the earliest period allowed by law.

Passed: 2/25/19 after 2nd reading. Vote: Yeas 8 Nays 0

Date Approved: 2/25/19

Clerk: Jessica Lee Sandy

Offered by: Tom Stuk

Second by: Don H. McVane

Requested by Finance Committee

David C. Lee

President of Council

David Schaffer

Mayor

**FAIRFIELD COUNTY ENTERPRISE ZONE  
APPLICATION**

**PROPOSED AGREEMENT** for Enterprise Zone Tax Incentives between the        City of Lancaster                    located in the County of Fairfield and Blue Label Packaging Company dba Blue Label Digital Printing and One Write Company

The legislative authorities of the affected political subdivision and the Fairfield County Board of Commissioners, upon recommendation by the negotiating team which consist of representatives of the city, township or village and their school board where the project will take place as well as the Fairfield County Commissioners, must find "that the enterprise submitting the proposal is qualified by financial responsibility and business experience to create and preserve employment opportunities in the zone..." according to the Ohio Revised Code section 5709.62 (c). In order to meet these and other obligations, the following documentation is required:

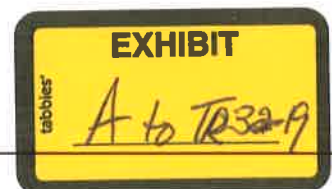
- ✓ Completed application for Enterprise Zone incentive
- ✓ Completed Economic/Workforce Development Incentive Relationship Disclosure
- ✓ Company financial statements for the previous three fiscal years including both profit and loss statements and balance sheets; or three year pro forma projections if a start-up.
- ✓ Brief history of company and description of the business.
- ✓ Brief resumes of principals, officers or owners.
- ✓ Copy of the most recent county or state tangible personal property tax filing.
- ✓ Legal description of property, including taxing district and parcel numbers.

Completed applications may be submitted to the Fairfield County Economic Development Department either via traditional certified mail or via electronic mail. Mailed copies may be sent to:

Fairfield County Economic Development  
Rick Szabrak, Enterprise Zone Manager  
210 E. Main Street, STE 407  
Lancaster, OH 43130

Or via e-mail to Rick Szabrak, [rick.szabrak@fairfieldcountyoio.gov](mailto:rick.szabrak@fairfieldcountyoio.gov)

Please feel free to reach out to our department with any questions or concerns at 740-652-7160.



**I. Business Applicant Information**

Please provide information on the company, it's officers or those owning more than 20%. Copy and use this page if more space is needed.

Company Name	Blue Label Packaging Company
Company Address	3750 Lancaster New Lexington Rd SE
Company Type (LLC, etc.)	Corporation
Contact E-Mail	andrew@bluelabeldigital.com
Contact Phone	740-974-6121
Contact Title (CEO, etc.)	President
Principal owner/officer name & title	Andrew M. Boyd, President
Principal owner/officer name & title	

1. Nature of business (manufacturing, distribution, wholesale, etc.). Retail projects are ineligible for Fairfield County Enterprise Zone incentives:

Manufacture of custom printed packaging.

2. Primary 4 digit Standard Industrial Code (SIC) #  
2759

3. State the enterprise's current employment levels at the proposed project site and in Ohio. Information on new/retained jobs will be covered later in the application.

	Full – Time	Part – Time	Temporary / Seasonal
Project Site	70	3	
In Ohio			

4. Will the project involve the relocation of employment positions or assets from one Ohio location to another? Note that relocation projects may affect the granting of the incentive but will be reviewed on a case-by-case basis with the assistance of the Ohio Department of Development.

Yes \_\_\_\_\_ No  X

If yes, state the locations from which employment positions or assets will be relocated and the location to where the employment positions or assets will be located:

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If yes, state the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets:

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If yes, what is the projected impact of the relocation, detailing the number and type of employees and/or assets to be relocated?

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5. To qualify for the Enterprise Zone incentive, the company must be current on its tax and other monetary responsibilities to the government. Does the company owe:

a. Any delinquent taxes to the State of Ohio or its political subdivisions?  
Yes \_\_\_\_\_ No  X

b. Any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State?  
Yes \_\_\_\_\_ No  X

c. Any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not.  
Yes \_\_\_\_\_ No  X

## II. Project Information

Please provide information on the project that the company is seeking an Enterprise Zone incentive for. This information will be presented to the parties that evaluate if the granting of the incentive is necessary and proper.

1. Project description:

We would like to add a 20,000 square foot warehouse that will allow us more production space to expand out production capacity to meet demand. In addition to to further capacity, it will also allow Blue Label Packaging Co to expand into other packaging products, like shrink sleeves.

2. Business's reasons for requesting tax incentives (be quantitatively specific as possible):

As we are growing our business organically, we have to build capacity before we have the business for it. Any financial help in the near term allows us to invest more in our employees and equipment as we expand the business. The tax incentive makes Lancaster a clear choice for our expansion as we continue to grow.

3. Please list any additional information, such as internships or other agreements, your company intends to offer to the school system if seeking a term longer than ten years or an exemption greater than 60% if the project occurs within a township or greater than 75% if within a municipality:

We currently employ two interns year-round (one in high school and one at the college level). We'd like to expand this program and offer hands on technical training, both in graphic design and marketing, to qualified students. We are also open to the idea of providing used computers and graphic design hardware to the school system if appropriate.

4. Project location:

a. Address: 3750 Lancaster New Lexington Rd SE

b. City, State, Zip: Lancaster, Ohio 43130

c. Parcel number(s): 053-50119-82, 027-00610-00

5. Market value of existing facility (as determined for local property tax):  
\$1,425,930

6. Estimate the amount to be invested by the company to establish, expand, renovate or occupy the project by expense category:

Type	Amount
Land	\$
Acquisition of building(s):	\$
Facility Renovation:	\$200,000
New Construction:	\$800,000
Machinery & Equipment:	\$500,000
Furniture & Fixtures:	\$
Inventory:	\$
<b>TOTAL PROJECT INVESTMENT</b>	<b>\$1,500,000</b>

7. The project anticipates breaking ground/starting construction on May 1<sup>st</sup>, 2019 and estimates completing the project on October 30, 2019, provided a tax exemption is granted.

8. Estimate the business's new and retained positions that will occur as a result of this project if the tax exemption is granted:

	Full – Time	Part – Time	Temporary / Seasonal
Newly Created:	30	2	
Jobs to be Retained at Project Site:	70	2	

9. Estimate and itemize the new annual payroll that will be created if the tax exemption is granted:

	Full – Time	Part – Time	Temporary / Seasonal
Newly Created Jobs Payroll:	1,700,000	40,000	
Jobs to be Retained	3,052,000	40,000	

at Project Site Payroll:			
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10. State the time frame of the projected hiring: 3 years.

**III. Additional Requirements**

Please initial on the following lines to demonstrate that you understand the following conditions of the Enterprise Zone tax incentive should your application be considered for tax abatement. This is intended to be an exhaustive or all-encompassing list of terms and other terms and conditions may be present in the final contract.

1. The exemption commences the first year for which the real property would first be taxable were that property not exempted from taxation. No exemption shall commence before the start of construction or other approved activities nor extend beyond the term of the agreement. Initials: AMS
2. The applicant shall pay such real and tangible personal property taxes as are not exempted under this agreement and are charged against such property and shall file all tax reports and returns as required by law. If applicant fails to pay such taxes or file such returns and reports, all incentives granted under the agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter. Initials: AMS
3. The applicant hereby certifies that at the time of this application that the company requesting the Enterprise Zone incentive does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio, and does not owe delinquent taxes for which the company is liable under Chapter 5727., 5733., 5735., 5739., 5741., 5743., 5747., or 5753. of the Revised Code, or, if such delinquent taxes are owed, the company is currently paying the delinquent taxes pursuant to a delinquent tax contract enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against the company. For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised Code governing payment of those taxes. Initials: AMS
4. If the application for tax exemption is approved but the company materially fails to fulfill its obligations outlined in this application, other than with respect to the number of employee positions estimated to be created or retained under this agreement, or if the Fairfield County Commissioners determines that the certification as to delinquent taxes required by this agreement is fraudulent, the Fairfield County Commissioners may terminate or modify the exemptions from taxation. Initials: AMS
5. That the company shall meet with the Tax Incentive Review Council annually and



shall provide to the Tax Incentive Review Council any information reasonably required by the council to evaluate the company's compliance with the agreement, including returns or annual reports filed pursuant to section 5711.02 or 5727.08 of the Ohio Revised Code if requested by the council.

Initials: AMB

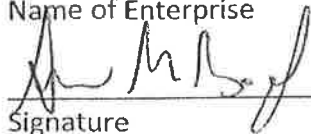
6. That the number of employee positions created or retained by the applicant is not equal to or greater than 75% of the number of employee positions estimated to be created or retained under this agreement during a three-year period, that the Fairfield County Commissioners have the right to request that the company repay the amount of taxes on property that would have been payable had the property not been exempted from taxation under this agreement during that three-year period. In addition, the Fairfield County Commissioners may terminate or modify the exemptions from taxation granted under this agreement. Initials: AMB
- The company understands that if granted the incentive that the business will remit a monitoring fee of 1% of the benefit received of the incentive (minimum of \$500/max of \$2,500) yearly and will provide the Ohio Development Services Agency with a one-time application fee of \$750. Initials: AMB

Submission of this application expressly authorizes the Fairfield County Commissioners, or its agents, to contact the Ohio Environmental Protection Agency to confirm statements contained within this application and to review applicable confidential records. As part of this application, the business may also be required to directly request from the Ohio Department of Taxation or complete a waiver form allowing the Ohio Department of Taxation to release specific tax records to the local jurisdictions considering the incentive request. The applicant further agrees to supply additional information upon request.

The applicant affirmatively covenants that the information contained in and submitted with this application is complete and correct and is aware of the ORC Sections 9.66(C)(1) and 2921.13(D)(1) penalties for falsification which could result in the forfeiture of all current and future economic development assistance benefit as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

Blue Label Packaging Company

Name of Enterprise



Signature

2-4-19

Date

Andrew M. Boyd, President

Typed Name and Title

\* A copy of this proposal must be forwarded by the local governments to the affected

Board of Education along with notice of the meeting date on which the local government will review the proposal.

Please note that copies of this proposal must be included in the finalized Enterprise Zone Agreement and be forwarded to the Ohio Department of Taxation and the Ohio Department of Development within fifteen (15) days of final approval.

## ECONOMIC/WORKFORCE DEVELOPMENT INCENTIVES DISCLOSURE

In an effort to ensure that there is public transparency and an arm's length transaction for economic development or workforce development incentives offered to a potential or existing company that is considering locating or expanding within Fairfield County, the Fairfield County Commissioners require applicants to complete an Economic/Workforce Development Incentive Disclosure. The disclosure assists the Fairfield County Commissioners in assessing if there are potential conflicts of interest that must be reviewed prior to the offering of an incentive(s) and/or if the conflict is of such a nature to prevent the offering of the proposed incentive

### DEFINITIONS:

<b>Family Member</b>	Includes parents, step parents, spouse, domestic partner, children, step-children, foster children, siblings, grandchildren, grandparents. This definition also includes any immediate relatives by blood or marriage (i.e. in-laws, cousins, nieces, nephews, aunts and uncles, etc.) who are also household members to the applicant.
<b>Personal Relationship</b>	Consists of the applicant's prior and/or present social interactions and/or business dealings with stakeholders of the economic or workforce development systems that would give a reasonable observer cause to believe that the applicant's access to the services would be based upon this relationship, as opposed to a demonstrated need.
<b>Stakeholders</b>	Individuals not related but have direct or indirect management or responsibility for managing the economic or workforce development system including employees of the Fairfield County government, local elected officials, stakeholders or boards (e.g. Columbus 2020, Fairfield County Port Authority Board, Revolving Loan Fund Loan Review Committee, Workforce Development Board), etc.

Please indicate if you have a family, personal or stakeholder relationship with any individual who may meet the above definitions as it pertains to your request for economic/workforce development services.

No  \_\_\_\_\_  
individual)

Yes \_\_\_\_\_ (If yes, please list name and relationship of

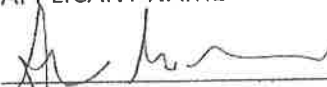
NAME AND RELATIONSHIP

Andrew M. Boyd

APPLICANT NAME

President

APPLICANT TITLE



APPLICANT SIGNATURE

2-4-19

DATE