

**Administrative Services Committee  
Meeting Minutes  
January 25<sup>th</sup>, 2017**

Ed Brady called the meeting to order at 5:00pm.

Committee Members Present: Ted Haskins, Lisa Evans  
Staff: Michael Doss, Pam Holbrook, Dan Burke, Lori Pegg

**Software Solutions Upgrade**

Dan Burke presented a software upgrade quote for VIP accounting software from Software Solutions in the amount of \$64,000. The current software that is used for financial management, utility billing and payroll has not been upgraded for at least 12 years. The purchase of this software was approved in the budget meetings.

This new version of software will utilize FM, Utilities and Inventory, we will not be using the payroll module since we switched to Paycor. Software Solutions released this new version several years ago and the three phases we need are up and running and working properly and have been tested. This upgrade will last many years and give us better financial reporting ability

The committee asked about the process to transfer over to the new software and Mr. Burke noted that it will be an easy transfer since it is the same company we are used to. They will begin testing it mid year and run it along side the existing software for several months and then do the final data transfer by the end of the year. There is an annual user license and maintenance fee similar to that which we have been paying yearly with the existing software. Mr. Burke said that this new software will make the department more efficient and allow employees to submit requisitions electronically and move them through the approval process more efficiently. The software is secure and will be protected by the same procedures we have in place internally as far as the servers are concerned.

**The Committee agreed to draft an ordinance to make a motion to draft an ordinance authorizing \$64,000 for the software solutions VIP software upgrade.**

**Comprehensive Plan**

Ms. Holbrook presented a proposal from Kleinger's to facilitate the process of creating a comprehensive plan. A comprehensive plan is a long term look at the City and the identification of 10-12 key strategies to focus on for the future. The last time a comprehensive plan was created was 1994. Some states actually require a comprehensive plan, but Ohio does not. It is nice to have to create a focus for the City going forward and to make the City more competitive when applying for grant monies. Mr. Brady asked what the difference is between the strategic planning the Mr. Doss has discussed with Council the past, and the strategic plan. Mr. Doss stated that the strategic plan is more for short term goals, improvements and aesthetics, but there would be some overlap.

Ms. Holbrook described the plan as outlining these 10-12 key strategies and then drilling down into action items for the future. Mr. Doss added that we intend to make this a living document that is followed and referred to when planning projects. The planning process will take about eight months and include a committee of representatives from City staff, business owners, residents, non-profits and members of the planning commission. This group will meet monthly with a final plan presented to

Council for approval in October. If approved by Council, the first meeting will be held on March 8<sup>th</sup> at 6:00pm and should be a good start to the process. Pam Holbrook is asking for volunteers to serve on the committee. If you would like to be included contact her at [pholbrook@milfordohio.org](mailto:pholbrook@milfordohio.org) or at 831-4192. There will also be several public input sessions throughout the process.

The committee agrees that the price is reasonable for the product offered. The process will be facilitated by Jay Stewart from Kleingers who is a planner as well as an attorney and well-skilled in this process. They would like to see a diverse mix of volunteers, including some of the newer families and businesses in the City.

**The Committee agreed to make a motion to draft an ordinance authorizing an agreement in the amount of \$15,750 for creation of a comprehensive plan by Kleingers.**

### **ECONOMIC DEVELOPMENT INCENTIVES**

Mr. Doss presented several new economic development incentives for consideration. The purpose of the economic development incentive draft is to provide an incentive for the attraction of new commercial or industrial business in Milford and key industry sectors. These programs may be used in conjunction with other financing and incentive programs available through the City of Milford as well as the federal government and the State of Ohio. Commercial or Industrial businesses can participate in the incentive program or continue in the program as long as the qualified business continues to pay all local, state and federal taxes, utilities and any other fees/charges associated with the City of Milford.

The First Incentive Mr. Doss presented was the **Milford Property Tax Rebate Incentive Program**. This program will allow any new or industrial business relocating or establishing operations in the City of Milford to receive an annual rebate of up to one hundred percent (100%) for five years for the City property tax collected.

Qualifications: To qualify for this incentive, an enterprise must meet one of the following criteria:

- Total capital investment including construction is equal or greater than \$500,000
- The enterprise relocates from another area outside the City of Milford
- The existing enterprise located within the corporate limits of Milford expands their existing facility by equal or greater the 5,000 sq.ft. Only the expanded portion as a percentage of the entire facility is eligible for the annual rebate.
- Any enterprise classified in the following key industry sector shall be considered eligible for an additional five years of annual rebate of one hundred percent (100%) for city property tax collected:
  1. Green Technology
  2. Health Care
  3. Higher Education
  4. Advanced Materials and Manufacturing
  5. Agri-Business Research and Development

Capital investment includes the sum total cost for both a combination of tangible real and personal property for the commercial or industrial business. Capital investment is an investment in property, facility and/or equipment.

Note: the annual rebate will be dispersed to the qualifying enterprise once the City of Milford has verification from Clermont County that the entity's property tax is current and has been paid in full. The City of Milford will refund property taxes by March 1<sup>st</sup> of the following year. This incentive is not available for properties/businesses located in the Community Reinvestment Area (CRA) of Milford.

Eligibility: To qualify for the economic development incentive program draft, a commercial or industrial business must locate to the City and fit within one of the industry sectors:

- Advanced Materials and Manufacturing
- Health Care
- Restaurant
- Retail
- Hospitality (hotel, conference center)
- Green Technology
- Higher Education
- Agri-Business Research and Development
- Telecommunications and Nano-Technology

Mr. Doss reiterated that the rebate is only for City of Milford tax portion. The school and county will still get their normal property tax amounts. He also noted that this is a unique opportunity to make Milford even more business friendly and attractive to new businesses that may be looking at a location that is not located in the CRA, such as the location for the new Little Miami Brewing Company and a significant portion of the Milford Parkway. This would be another tool in the toolbox that we can offer new businesses that don't fall into any of our other incentive programs.

The committee asked how new businesses that lease space from a property owner can take advantage of this incentive. Mr. Doss stated that the property owner would realize the rebate and it is between them and the business as to how it is distributed. Any business that applies would need authorization from the property owner to receive it.

All three of these Incentive Programs will abide by the same terms and conditions that apply to our existing incentive programs which are:

Commercial or industrial businesses can participate in the incentive program or continue in the program as long as the qualified business continues to pay all local, state and federal taxes, utilities and any other fees/charges associated with the City of Milford.

Commercial or industrial businesses agree to pay all applicable real and tangible personal property taxes and all municipal earnings tax amounts including payroll withholding owed by the business in a timely manner. If the business should become tax delinquent during the time period following the signing of the agreement, the business will have thirty (30) days to become current on taxes, or the entire amount of the incentive shall be reimbursed to the City.

Commercial or industrial businesses agree to pay all applicable water, sewer and stormwater charges to the City of Milford Utility Department in a timely manner. If the company should become delinquent on utility charges during the time period following the signing of the agreement, the business shall have

thirty (30) days to become current on utility charges or the entire amount of the incentive shall be reimbursed to the City.

In the event that the commercial or industrial business ceases its Milford operation and/or relocates its corporate headquarters to another community outside of the City of Milford, the business will be subject to the following repayment schedule: If the commercial or industrial business ceases its Milford operations or relocates its corporate headquarters out of the City five years after receiving the final incentive, the business shall return to the City fifty percent (50%) of the entire rebate tax incentive owed to the City for the entire length of the original agreement.

**The committee agreed to draft an ordinance authorizing a Milford Property Tax Incentive Program....**

The second incentive Mr. Doss presented for consideration is the **Milford Public Utility Discount and Tap Fee Reimbursement Incentive Program**. This program will make any new commercial or industrial business relocating or establishing operations in the City of Milford eligible to receive a twenty percent (20%) utility discount for water and sewer utility services. This discount applies to each bi-monthly utility billing cycle. This utility discount applies for a period of up to ten years for a business consuming over 500,000 gallons in a bi-monthly utility billing cycle. In order to qualify and receive this utility incentive, a business shall be in existence for a period of one year prior to the discount being applied by the City of Milford Utility Department. In addition, the business shall have and maintain an annual payroll earnings minimum of \$500,000.

For Example: A business consuming 500,000 gallons bi-monthly

Bi-monthly utility (water/sewer) bill estimate \$4729.55 est. bi-monthly before discount

Bi-monthly utility (water/sewer) bill estimate \$3783.64 est. bi-monthly after discount

*Note: Bi-monthly billing cycle is defined as billed every two months*

As an alternative to the utility discount incentive, a qualified new commercial or industrial business relocating or establishing operations in the City of Milford can elect to receive a full reimbursement on tap fees. In order to qualify and receive this utility incentive, a business shall be in existence for a period of one year prior to the full reimbursement being applied by the City of Milford Utility Department. In addition, the business shall maintain an annual payroll earnings minimum of \$500,000 for the one year period. This alternative shall not be combined in any way with the utility discount incentive.

Mr. Doss noted that this is a unique incentive that not many communities offer. Only about three businesses currently exceed 500,000 gallons of usage per cycle in the City. These incentives are all job creation and capital investment driven. This incentive will cut out overhead for the tap fee which could be upwards of 40-50k for large industrial type businesses.

The committee asked if a business could move into town and receive both of these incentives? Mr Doss said they can and it is really job creation that is the most important thing. They can also qualify for the third incentive that is being offered as well.

**The committee agreed to draft an ordinance authorizing the creation of Milford Public Utility Discount and Tap Fee Reimbursement Incentive Program.**

The third incentive Mr. Doss presented was a **Milford Building and Zoning Permit Discount Incentive Program**. This incentive would offer a new commercial or industrial business relocating or establishing

operations in the City of Milford a ten percent (10%) discount for all City of Milford building and zoning permits. This discount applies to a new business relocating or establishing operations in the City of Milford as well as an existing business expanding in the City. This discount shall apply to any expense associated with obtaining building permits, zoning applications and City inspections. In order to qualify for the ten percent (10%) discount the following criteria must be present.

Eligibility:

- A new commercial or industrial business relocating or establishing operations in the City of Milford must have a total capital investment including construction equal or greater than \$1,000,000
- An existing commercial or industrial business expanding operations in the City of Milford must have a total capital investment including construction equal or greater than \$250,000. This applies only to the new construction of the business.

Capital investment includes the sum total cost for both a combination of tangible real and personal property for the commercial or industrial business. Capital investment is an investment in property, facility and/or equipment.

Mr. Doss stated that we would be giving away our 10% that we receive back from NIC who receives 90% of the fees, but it is a nice option for us to offer when we have new businesses. Mr. Brady also noted that this will also go along with our small business incentive program that was recently updated to include some interior permits.

**The committee agreed to make a recommendation to draft an ordinance authorizing the creation of a Milford Building and Zoning Permit Discount Incentive.**

There being no other business the committee adjourned at 6:05pm.

**PUBLIC NOTICE**

**MILFORD CITY COUNCIL  
ADMINISTRATIVE SERVICES COMMITTEE MEETING  
Wednesday, January 25 at 5:00 p.m.  
Harry Hodges Room, 745 Center Street**

**TENTATIVE AGENDA**

- Economic Development Incentives
- Comprehensive Plan
- Software Solutions software upgrade