

FOSTORIA

ECONOMIC DEVELOPMENT CORPORATION



Local Incentives

ABOUT FEDC

The Fostoria Economic Development Corporation (FEDC) is a non-profit 501(c)4 organization that is dedicated to facilitating the growth and development of local businesses and companies; the FEDC also works to attract new business and industry to the community in an effort to diversify the local economy and provide quality jobs. The Fostoria Economic Development Corporation will continuously strive to maintain a competitive position in the global marketplace by providing innovative and comprehensive services that address our clients' needs.

.There are more than 200 public sector and nonprofit programs to help businesses. If your company is looking at any type of local project, please call the office and let us know. We will assist you in any way that we can.

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LOCAL BUSINESS INCENTIVES

COMMUNITY REINVESTMENT AREA (CRA)

CRA's provides local real property tax incentives for businesses that invest in designated areas in Ohio. The program provides up to a 100% exemption of the improved real property tax valuation for up to 15 years, depending on the project. Rates and terms are established by local legislative authorities and in some cases local school board approval is required. Incentives are available for residential, commercial, and industrial projects that involve renovation or new construction.

FOSTORIA REVOLVING LOAN FUND(S)

A local source of fixed asset financing, available to small and medium size businesses. The objective is to provide reduced interest, fixed rate loans to qualified companies to create additional employment opportunities and to encourage new capital investment. It was designed to help growing companies expand or locate within the City of Fostoria. This financing program is typically used for two reasons: 1) to make a project financially feasible through lower total loan payments; or 2) to fill a 'gap' in total funding after equity and bank financing are exhausted.



ENTERPRISE ZONE

The Enterprise Zone provides real property tax incentives for businesses that expand or relocate in Ohio. To secure benefits, businesses must apply to the local community.

TAX INCREMENT FINANCING (TIF)

A TIF is an economic mechanism available to local governments in Ohio to finance public infrastructure improvements. A TIF works by locking in the taxable worth of real property at the value it holds at the time the authorizing legislation was approved. Payments derived from the increased assessed value of any improvement to real property beyond that amount are directed towards a separate fund to finance the construction of public infrastructure defined within the TIF legislation.

MUNICIPAL JOB CREATION TAX CREDIT (MJCTC)

The goal of the MJCTC is to create jobs and increase the tax base. The MJCTC authorizes the City of Fostoria, through the Mayor and City Council, to grant credits to businesses, by ordinance, against municipal income taxes (payroll taxes) or business net profits based upon new municipal income tax revenues generated from new jobs.

STATE BUSINESS INCENTIVES

JOB CREATION TAX CREDIT (JCTC)

The JCTC is a refundable tax credit to companies generally creating at least 10 jobs (within 3 years) with a minimum annual payroll of \$660,000 that pays at least 150 percent of the federal minimum wage.

The tax credit is measured as a percentage of the state income tax withholdings for all new employees hired under the program, and is applied toward the company's commercial activity tax liability. A business must apply for the credit before committing to the project. Applicants must be approved through the Ohio Tax Credit Authority before hiring begins.

OHIO INCUMBENT WORKFORCE VOUCHER PROGRAM

The Ohio Incumbent Workforce Voucher Program will reimburse employers for up to 50 percent of the eligible employee training costs, up to \$4,000 per employee, after the employer pays the full cost of the training, and the employee successfully completes the training. The Program is designed to allow employers to retain and grow their existing Ohio workforce and create a statewide workforce that can meet the present and future demands in an ever changing economy.



REGIONAL 166 DIRECT LOAN

The Regional 166 Direct Loan provides low interest loans for land and building acquisition, construction, expansion or renovation, and equipment purchases for eligible businesses. The program is administered by local economic development agencies. Eligible projects include those related to industry, commerce, and distribution or research activities.

ROADWORK DEVELOPMENT (629)

These funds are available for public roadway improvements, including engineering and design costs. These funds are used on projects primarily involving manufacturing, research and development, high technology, corporate headquarters, and distribution activity. Projects must create or retain jobs..

OHIO NEW MARKETS TAX CREDIT PROGRAM

The Ohio New Markets Tax Credit Program helps to finance business investments in low-income communities by providing investors with state tax credits in exchange for delivering below market-rate investment options to Ohio businesses. Investors receive a 39% tax credit spread over seven years if they make an investment in a qualified low-income community business. Community Development Entities (CDEs) apply to the program for allocation authority, and work with investors to make qualified low-income community investments. The attractiveness of the tax credit helps to spark revitalization in communities of all types and sizes.