

RESOLUTION NO. 60-17  
CITY OF CENTERVILLE, OHIO

SPONSORED BY COUNCILMEMBER Joanne Rau ON THE 13<sup>th</sup> DAY OF November, 2017.

A RESOLUTION RATIFYING THE ACTION OF THE CITY MANAGER, ON BEHALF OF THE CITY OF CENTERVILLE, IN SUBMITTING AN ECONOMIC DEVELOPMENT/GOVERNMENT EQUITY (ED/GE) APPLICATION TO MONTGOMERY COUNTY FOR THE AEROSEAL EXPANSION PROJECT.

WHEREAS, the City of Centerville entered into an agreement with Montgomery County to participate in the ED/GE program through 2020 (Resolution 51-10); and

WHEREAS, the City has identified that the Aeroseal Expansion Project is an economic development project that the ED/GE program can assist; and

WHEREAS, the submittal deadline for fall 2017 applications was November 1, 2017, which date was prior to the next scheduled City Council meeting; and

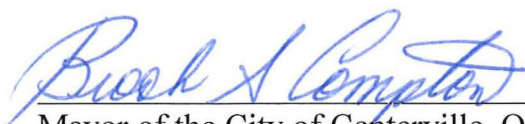
WHEREAS, a copy of the submitted application is attached to this resolution and is identified as Exhibit "A."

NOW, THEREFORE, THE MUNICIPALITY OF CENTERVILLE HEREBY RESOLVES:

Section 1. That the City Council hereby agrees to the submittal of the application attached hereto as Exhibit "A" and that the actions of the City Manager to execute said application is hereby ratified, thus approving the action of the City Manager in submitting an ED/GE application for the Aeroseal Expansion Project.

Section 2. This resolution becomes effective on the earliest date allowed by law.

PASSED this 13<sup>th</sup> day of November, 2017.

  
\_\_\_\_\_  
Mayor of the City of Centerville, Ohio

ATTEST:

Carin R. Andrews  
Clerk of Council, City of Centerville, Ohio

CERTIFICATE

The undersigned, Clerk of the Council of the City of Centerville, Ohio hereby certifies that the foregoing is a true and correct copy of Resolution Number 60-17 passed by the Council of the City of Centerville, Ohio on the 13<sup>th</sup> day of November, 2017.

Carin R. Andrew  
Clerk of Council

Approved as to form, consistency  
with existing Ordinances, the  
Charter and Constitutional Provisions.

Department of Law  
Scott A. Liberman  
Municipal Attorney



Montgomery County ED/GE Program Application

**Section 1. Project Information**

Jurisdiction:  Jurisdictional Contact:

Company/Project Name:  NAICS:

Project/Company Address:  City:  Zip:

Parcel ID:  Map Attached:  YES  NO

Company is Current on All Taxes:  YES  NO PLEASE NOTE: Company MUST BE current on taxes to be eligible for ED/GE assistance.

Joint Application:  Other Applicant(s):

Priority:  of  (e.g. 1 of 2 projects submitted)

**Project Summary:** Provide a summary of the proposed project. Be sure to address (1) physical description (i.e. size and scope of physical improvements, infrastructure, infill, acreage, etc.), (2) how the jurisdiction will benefit, and (3) why ED/GE funds are necessary for the project's success.

The project would repurpose the 7.5 acre site of a dormant 40,000 sq. ft. car dealership to facilitate its purchase by Aeroseal LLC, an existing Centerville business that is searching for a new location. Aeroseal's current facility leases are expiring in near future. Due to the growth in its business it has reached capacity and needs a larger building to facilitate continuity of its current operations and to allow for future business growth.

The site is the old Planet Ford dealership and has been vacant for many years. Aeroseal would purchase the property and convert the facility into corporate offices, a training center for its worldwide network of technology licensees, and R&D/warehouse space. ED/GE support of the project will benefit the City of Centerville by retaining an existing company in the community and allowing it to grow its payroll and increase employment.

Since the existing facility has been vacant for some time, significant repairs and upgrades to the building are necessary to allow Aeroseal to utilize the site. ED/GE funds will help fill the financing gap and enable Aeroseal to rapidly relocate to the property.

**Application Certification:** The applicant certifies that, to the best of his/her knowledge, the data in this application are true and correct, and that he/she will comply with all applicable federal, state and local regulations if awarded ED/GE funds. (Chief elected official or administrator should sign below.)

Signature:  Title:  Date:



**Section 2: Project Budget and Implementation**

Estimated Total Project Cost:

ED/GE Request:

ED/GE Percentage:

**Type of Project:** Indicate the type of project for the choices listed below. Check all that apply.

- |   |   |
|---|---|
| <input type="checkbox"/> New Building Construction  | <input type="checkbox"/> Road Construction/Rehab/Upgrade      |
| <input type="checkbox"/> Building Expansion/Renovation<br>Size (SF): <input type="text"/>             | <input type="checkbox"/> Water/Sewer Construction/Upgrade     |
| <input type="checkbox"/> Building Demolition  | <input type="checkbox"/> Utility Service Installation/Upgrade |
| <input checked="" type="checkbox"/> Other: <input type="text" value="Building repurpose/renovation"/> | <input type="checkbox"/> Study/Research Project               |

**Project Budget:** Outline all major sources of revenue and uses of the funds for the proposed project. Use the checkboxes to identify ED/GE uses of funds. Include commitment letters for all leveraged funds.

Sources:	ED/GE	Amount:	Letter
	<input type="checkbox"/>	\$250,000	<input type="checkbox"/>
	<input checked="" type="checkbox"/>	\$2,440,000	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>	\$30,000	<input checked="" type="checkbox"/>
	<input type="checkbox"/>		<input type="checkbox"/>
	<input type="checkbox"/>		<input type="checkbox"/>
		<b>Total:</b> \$2,720,000	

Uses/Expenses:	ED/GE	Amount:
<input checked="" type="checkbox"/> Land and Building Acquisition	<input checked="" type="checkbox"/>	\$1,650,000
<input checked="" type="checkbox"/> Repurpose Construction	<input checked="" type="checkbox"/>	\$690,000
<input type="checkbox"/> HVAC Equipment/Roof Repair	<input type="checkbox"/>	\$190,000
<input type="checkbox"/> Build-out of Training Center	<input type="checkbox"/>	\$50,000
<input type="checkbox"/> Other Improvements	<input type="checkbox"/>	\$140,000
		<b>Total:</b> \$2,720,000

**Jurisdictional Leverage:** Applicants are strongly encouraged to commit local resources to assist ED/GE projects. Identify the sources and total commitment to the project. This may include expenditures spent within two years prior to this application (e.g. road improvements, previous incentives, etc.).

The project will be provided a 12-year, 100% property tax abatement under the City's pre-1994 CRA program. (Tax savings to firm estimated at \$350,000) The City also has an existing incentive grant with Aroseal estimated at \$30,000 based on growth of payroll.

**Project Implementation Timeline:** Identify project tasks and projected beginning and completion dates. Projects should be under contract within six months of award date and completed within 24 months.

Project Tasks:	Start Date:	End Date:
Purchase the property	8-1-17	2-1-18
Select contractors for repurpose/renovation work	1-1-18	2-15-18
Begin construction	3-1-18	9-1-18
Move into new facility	9-1-18	9-30-18

**Section 3A: Economic Impact- Job Creation**

**Job Creation:** Indicate the number of new jobs created as a direct result of this project. Attach a letter from the end user(s) indicating the total number of new jobs, and anticipated timetable for job creation, the average salary, and benefit information.

Estimated Number of Jobs Created:  Payroll:  Letter:

Average Salary:  Does Company provide Health Care?  YES  NO

Does Company provide Retirement Plan?  YES  NO

**Job Retention:** Indicate the number of jobs retained as a direct result of this project. Attach a letter from the end user(s) indicating the total number of retained jobs, the average salary, and benefit information.

Estimated Number of Jobs Retained:  Payroll:  Letter:

Average Salary:  Does Company provide Health Care?  YES  NO

\$ 61,300

Does Company provide Retirement Plan?  YES  NO

**Strategic Economic Investment Goals:** Use checkboxes to indicate if the project meets any investment goals.

- A high number of jobs (300+) are created or retained. Letter:
- A tax base is significantly enhanced or an existing tax base is preserved.
- Project has significant community impact.
- Project supports a fast growing company.

**High Growth Potential:** Identify whether the project end users are involved in any "high growth" sectors.

- Advanced Materials and Manufacturing Letter:
- Aerospace R&D or Supports Aerospace Hub of Innovation and Opportunity
- Healthcare and Human Sciences
- IT/Data Management
- Logistics and Distribution
- Other

**Section 3B: Economic Impact- Speculative Development**

If this application does not have a committed end user, but provides basic infrastructure (roadway, water, sewer, utilities, rail, etc.) to make a property developable, describe the investment and anticipated results of development.

**Section 4: Inter-jurisdictional Relocation (If Applicable)**

If the proposed project results in an inter-jurisdictional business relocation the applicant must identify the company's present location and a letter from the current jurisdiction.

Company's Present Location:

Jurisdiction Letter:

Inter-jurisdictional business relocations are discouraged. If a business relocates from one County jurisdiction to another as a result of a project funded by ED/GE, the relocation must be done because of one of the following (check all that apply) and a tax sharing agreement is encouraged.

- Inadequate expansion space for the relocating business
- Inadequate infrastructure exists to support the needs of the relocating business
- Existing location has become inappropriate for the relocating business
  
- Check here if the jurisdictions have entered into a tax sharing agreement. Include a copy of the tax-sharing agreement with the application.

**Section 5: Map**

Insert a map identifying the project location into the space provided below (Directions: Select Cell "A163" and then click "Insert Tab," "Pictures," and your desired map). If your map is too big or you have trouble inserting below, include a map as a separate page. You may have to crop or resize the image so it fits in the space.

PLEASE NOTE: The PDF version of the application will not allow communities to imbed images. Please include include your map as a separate Attachment.



Aeroseal, LLC  
a JMD, Inc Company  
7989 S. Suburban Road  
Centerville, OH 45458

**AEROSEAL.**

Certified Duct Diagnostics & Sealing

October 31, 2017

Nathan E. Cahall  
Economic Development Administrator  
City of Centerville  
Centerville, Ohio

Ref: Building Repurpose – ED/GE Application

Dear Nathan,

Please let this letter serve to supplement the ED/GE application for the following sections:

**Project Budget**

Aeroseal's financial health is such it is able to obtain external bank financing for a portion of the project costs. We have a working relationship with Huntington Bank and expect to leverage a Small Business Administration (SBA) 504 loan program which is a specific to owner-occupied real estate financing for small businesses.

**Job Creation**

It is Aeroseal's intent to expand its employee base as a result of our continued growth and the purchase the old Planet Ford building located at 2601 E. Alex-Bell Road. Our business is growing due to 1) further market penetration with our core product offering and 2) expansion of our target market with a newly developed product, AirBarrier, that is also a patented technology. With these initiatives our business plan calls for the following job creation which will include medical and retirement benefits:

*\$ in thousands*

	2018	2019	2020	2021	2022
New Hires**	12	17	19	19	19
Payroll**	\$481	\$977	\$1,098	\$1,159	\$1,192
Ave. Salary	\$40	\$57	\$58	\$61	\$63

*\*\*Cummulative totals*

### **Job Retention**

It is Aeroseal's intent to retain its employee base in Centerville. As a result of our continued growth and the purchase the old Planet Ford building located at 2601 E. Alex-Bell Road, Aeroseal will be able to expand operations reinvesting our profits to further strengthen the core business.

Our current workforce is offered both medical and retirement benefits and encompasses the following:

Number of jobs:	44
Total Payroll:	\$2,700,000
Avg. Wage	\$61,000

If you have any questions, please let me know.

Sincerely,



Daniel J. Crowe  
Chief Financial Officer





*Brooks A. Compton, Mayor  
Wayne S. Davis, City Manager*

November 1, 2017

To: Montgomery County ED/GE Review Committee

**Re: Aeroseal, LLC Redevelopment Project**

Dear Committee Members:

This letter is being enclosed with the submitted ED/GE grant application to address items 2 (project budget) and 3A (strategic economic investment goals and high growth potential) of the application. Aeroseal, LLC, an existing business in Centerville is the identified end user for the application project. Aeroseal is a fast-growing firm with almost 40 employees located in Centerville today. The company has developed patented technologies that utilize advanced materials and manufacturing processes to internally encapsulate HVAC systems which eliminate air loss in those systems which result in less energy usage, business cost savings, and a reduced impact on the environment.

Aeroseal has now developed another technology that seals the entire building envelope during construction of new homes. This technology allows home builders to achieve required energy efficiency standards using less time and labor. Aeroseal is currently in a growth mode, and as part of its expansion/relocation plans, will be establishing a training center at its new headquarters to train other industry professionals on its technologies under various dealer license and/or franchise arrangements. The development of this new technology is expected to further drive the company's growth.

**Item 2 Response:**

The City of Centerville has awarded the company a property investment reimbursement grant (PIR) to assist the firm's growth. As indicated in the application, the grant benefit to the company is estimated at \$30,000. The grant funds provided can be used by the company to cover costs related to recruiting and training new employees, purchasing machinery and equipment, and other items.

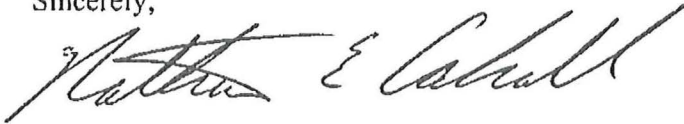
**Item 3A Response:**

Aeroseal has demonstrated steady job growth since its move to Centerville. The development and sale of its new technology is poised to assist the firm in maintaining that same growth trajectory. The company also operates in a high growth industry.

Aeroseal's products utilize advanced materials and processes in a growing commercial application.

The City of Centerville hopes that through the granting of an ED/GE award, it can retain this fast-growing company and further increase employment in the community and the county.

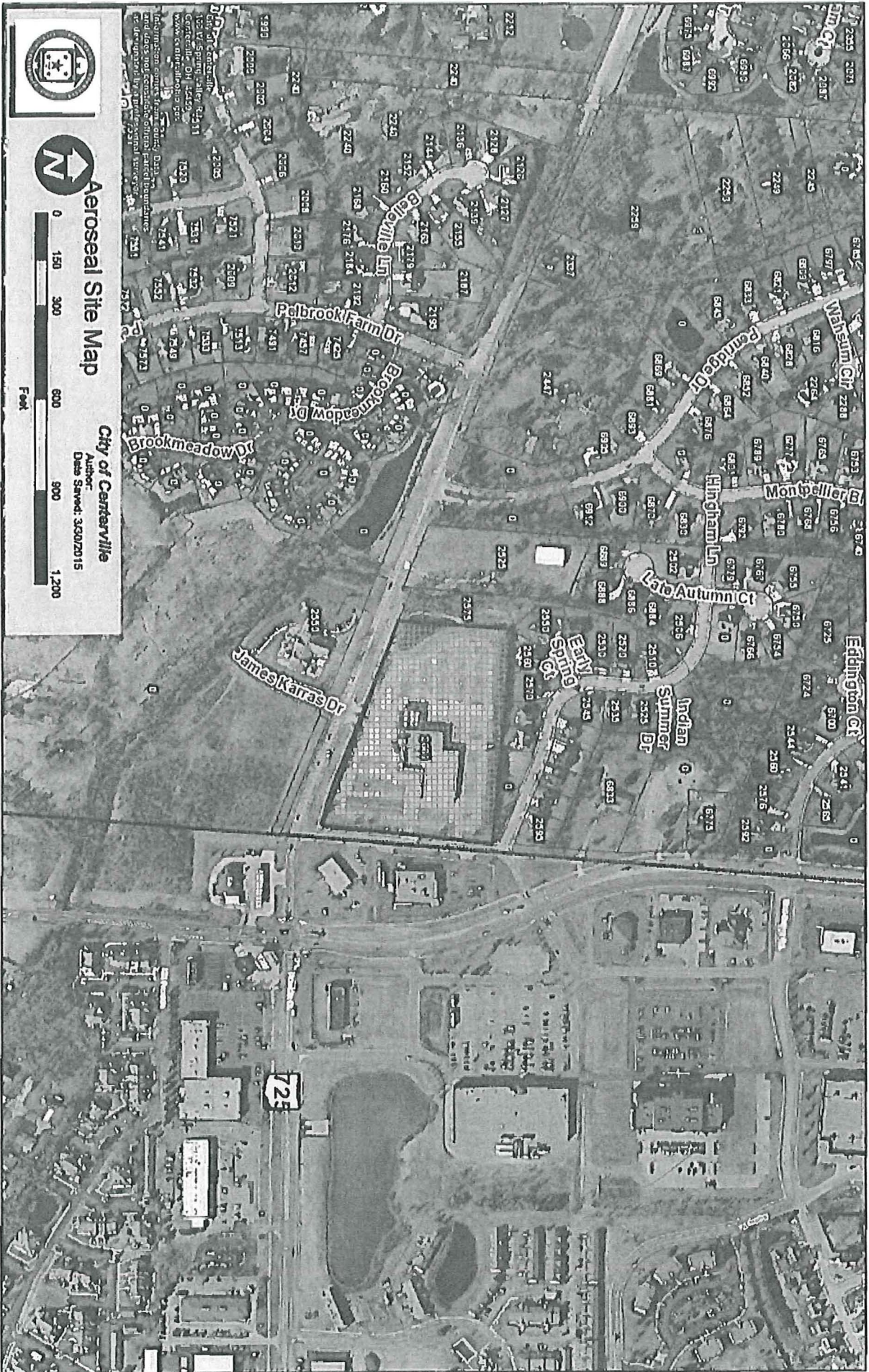
Sincerely,

A handwritten signature in black ink, appearing to read "Nathan E. Cahall". The signature is fluid and cursive, with the first name "Nathan" being more prominent and the last name "Cahall" following in a similar style.

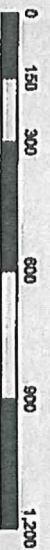
Nathan E. Cahall  
Economic Development Administrator

Cc      File





### Aerospace Site Map



City of Centerville

Author:  
Date Saved: 3/20/2015

Information on this map is derived from data and does not constitute official parcel boundaries as determined by a qualified surveyor.