

COMMUNITY REINVESTMENT AREA #3 AGREEMENT

This Agreement (the "Agreement") is made and entered into on November 15, 2021, by and between the City of Gahanna, Ohio ("Gahanna"), an Ohio Municipal Corporation, with offices located at 200 S. Hamilton Road, Gahanna, OH 43230 and SCIENCE ONE, LLC, an Ohio limited liability company ("Developer") with its offices located at 8400 Industrial Parkway, Plain City, Ohio 43064. Gahanna and Developer are collectively referred to herein as the "Parties."

WITNESSETH:

WHEREAS, Gahanna City Council by Substitute Resolution No. 29-92, 17-95, Resolution 980129 and SR-0003-2005 designated a certain area of the city as Community Reinvestment Area #3 ("CRA3") pursuant to Sections 3735.65 through 3735.70 of the Ohio Revised Code; and

WHEREAS, Gahanna has encouraged the development of real property and the acquisition of personal property located in CRA3; and

WHEREAS, Developer is desirous of constructing a 178,000 (+/-) office/warehouse facility, hereinafter referred to as the "Project" within the boundaries of CRA3, provided that the appropriate development incentives are available to support the economic viability of said Project; and

WHEREAS, Gahanna, having the appropriate authority for the type of project contemplated by Developer, is desirous of providing Developer with incentives available for the development of the Project in CRA3 pursuant to R.C. 3735.65 et. seq. of the Ohio Revised Code; and

WHEREAS, Developer has submitted a proposed agreement application, herein attached as Exhibit A, to Gahanna, said application hereinafter referred to as the "Application"; and

WHEREAS, the Director of Economic Development of Gahanna has investigated the Application of Developer and has recommended the same to Gahanna City Council on the basis that Developer is qualified by financial responsibility and business experience to create and preserve employment opportunities in CRA3 and improve the economic climate of Gahanna; and

WHEREAS, all required notices to school districts have been delivered in accordance with Section 5709.83 of the Ohio Revised Code and the terms of the "Compensation Agreement" dated June 2, 2000, by and between Gahanna and the Gahanna-Jefferson Public School District; and

WHEREAS, Developer has remitted the required municipal application fee of \$250.00 to the City of Gahanna and the state application fee of \$750.00 to the Ohio Development Services Agency, with each application fee to be forwarded to the respective agency with a copy of this Agreement; and

WHEREAS, pursuant to Section 3735.67(A) and in conformance with the format required under Section 3735.671(B) of the Ohio Revised Code, the parties hereto desire to set forth their agreement with respect to matters hereinafter contained.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and the benefit to be derived by the parties from the execution hereof, the parties herein agree as follows:

SECTION 1. LOCATION BY CORPORATION

1. Developer shall purchase the 9.23 acres of vacant land (Parcels: 027-000113) located at the northeast corner of Science Boulevard & Tech Center Drive, Gahanna, OH, hereinafter referred to as the "Project Site" for \$830,700, that is to be paid to Gahanna in one lump sum.
2. Developer shall undertake the Project consisting of the construction of a new 178,000 (+/-) square foot building on the Project Site. The Project will involve a total investment by Developer of approximately \$24,000,000 as described in the Application. Developer reserves the right to add buildings and square footage on the Project Site subject to the Tax Incentives provided in this agreement.
3. The Project will begin promptly upon the closing of the Project Site, and Developer shall take all reasonable efforts to ensure that all acquisition, construction and installation will be substantially complete within 18 months.

SECTION 2. EMPLOYMENT AND PAYROLL

1. Developer shall assist the operating business tenant(s), as identified on the CRA Application, attached hereto as Exhibit A, at the Project Site to retain 204 full-time jobs with a total existing payroll of \$12,300,000 (average annual salary of \$60,295) during the first year on the Project Site, hereinafter referred to as "Retained Jobs".
2. Developer shall assist the proposed expansion business tenant(s), as identified on the CRA Application attached hereto as Exhibit A, at the Project Site to create 25 full-time jobs over a three-year period on the Project Site with an estimated payroll of \$2,937,500 (average annual salary of \$117,500), hereinafter referred to as "Created Jobs".

SECTION 3. PROGRAM COMPLIANCE

1. Developer shall provide to the proper Tax Incentive Review Council any information reasonably required by the Council and annual reports to Gahanna to evaluate the Developer's (and any subsequent property owner's) compliance with this Agreement, including returns filed pursuant to Section 5711.02 of the Ohio Revised Code.

2. Gahanna hereby grants Developer a tax exemption for real property improvements made to the Project Site pursuant to Section 3735.67 of the Ohio Revised Code in the following amounts:

Tax Exemption Amount:	100%
Term of Tax Abatement:	15 years

3. The exemption commences the first year for which the real property would first be taxable if the property were not exempted from taxation after improvements are completed and fully assessed.
4. Developer will comply with the tax abatement annual fee provisions pursuant to Section 3735.671(D) of the Ohio Revised Code. Developer is required to pay an annual fee equal to that contained in the Development Fee Schedule as authorized in Chapter 148 of the Codified Ordinances of Gahanna. This fee shall be paid once per year for each effective year of this Agreement by the first of March beginning the first year of abatement.
5. Developer shall pay such real and tangible personal property taxes as are not exempted under this Agreement and are charged against such property, including assessed values captured during the construction period, and shall file all tax reports and returns as required by law. If Developer fails to pay such taxes or file such returns and reports, all incentives granted under this Agreement shall be rescinded beginning, with the year in which taxes were charged and unpaid or the year in which such reports or returns were required to be filed (as the case may be).
6. Developer and/or the operating business tenant(s) at the Project Site, shall maintain a current membership in the Gahanna Area Chamber of Commerce.
7. Gahanna shall perform such acts as are reasonably necessary or appropriate to ensure that the Developer may claim, reserve, and maintain exemptions from taxation granted under this Agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.
8. If for any reason the Community Reinvestment Area designation expires or is revoked by Gahanna, entitlements granted under this Agreement shall continue for the number of years specified under this Agreement, unless Developer materially fails to fulfill its obligations under this Agreement and Gahanna terminates or modifies the exemptions from taxation granted under this Agreement.
9. If Developer materially fails to fulfill its obligations under this Agreement, or if Gahanna determines that the certification as to the delinquent taxes set forth in Section 10 below is fraudulent, Gahanna may terminate or modify the exemptions from taxation granted under this Agreement and may require the repayment of the amount of taxes that would have been payable had the property not been exempted from taxation under this Agreement. Developer, at Gahanna's request, agrees to record this Agreement as a covenant running with the land

prior to any liens or encumbrances affecting the Project Site or the Project except those approved by Gahanna.

10. Developer hereby certifies that at the time this Agreement is executed, Developer 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 Developer is liable under Chapter 5733, 5735, 5739, 5741, 5743, 5747 or 5753 of the Ohio Revised Code or, if such delinquent taxes are owed, Developer is currently paying the delinquent taxes pursuant to an undertaking 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 it.) 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.
11. Developer affirmatively covenants that it has made no false statements to the State or Gahanna in the process of obtaining approval for Community Reinvestment Area incentives. If any representative of Developer has knowingly made a false statement to the State or Gahanna to obtain Community Reinvestment Area incentives, Developer shall be required immediately to return all benefits received under this Agreement pursuant to Ohio Revised Code Section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the State, any state agency or a political subdivision pursuant to Ohio Revised Code Section 9.66(C)(1).
12. Exemptions from taxation granted under this Agreement shall be revoked if it is determined that Developer, any "successor" to Developer, or any "related member" (as those terms are defined in Division (E) of Section 3735.671 of the Ohio Revised Code) has violated the prohibition against entering into this Agreement under Division (E) of Section 3735.671 or Section 5709.62 or 5709.63 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.
13. This Agreement is not transferable or assignable without the express, written approval of Gahanna.
14. Developer and Gahanna acknowledge that this Agreement must be approved by formal action of Gahanna City Council as a condition for this Agreement to take effect.
15. This Agreement may be executed in one or more counterparts, each of which constitutes an original agreement and all of which constitute one and the same original agreement.
16. If any provision of this Agreement is held to be illegal, invalid or unenforceable, said provision is fully severable. This Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement and the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement.

17. This Agreement sets forth the entire agreement and understanding between the parties as to the subject matter hereof and merges and supersedes all prior discussions, agreements, undertakings of every kind and nature between the parties with respect to the subject matter of this Agreement.


IN WITNESS WHEREOF, the City of Gahanna, Ohio, by Nathan A. Strum, Housing Officer, and pursuant to Substitute Resolution No. 29-92, 17-95, Resolution 980129 and SR-0003-2005, and Ordinance No. 0062-2021, has caused this instrument to be executed this 11 day of November, 2021 and Developer, by its duly authorized signor, has caused this instrument to be executed on this 15 day of November, 2021.

Developer


City of Gahanna, Ohio

SCIENCE ONE, LLC

By: 
Robert J. Biondi, Manager

By: 
Nathan A. Strum, Housing Officer

Approved as to form:


Ray Mularski, City Attorney



Community Reinvestment Area Incentive Application
City of Gahanna Planning & Development Department
200 S. Hamilton Road, Gahanna, OH 43230 Phone: (614) 342-4015

Date Received: _____

CRA #: 3

Applicant Information:

Science One, LLC

Company Name

8400 Industrial Parkway, Plain City, OH 43064

Address

614.975.5629

Phone

David Poe

Contact Name

Member

Contact Title

dpoe@mccabecompanies.com

Email

Project Information:

SE & SW corners of Tech Center & Science Blvd

Project Address

Office, light manufacturing, warehouse

Type of Business (Manufacturing, warehouse, retail sales, etc.)

027-000113, 027-000110, 025-013636

Parcel Number (Required)

Primary Standard Industrial Code # (May also list other relevant SIC numbers)

N/A. The new building will accommodate the expansion of an existing Gahanna business

If a consolidation, what are the components? (Itemize the locations, assets and employment positions to be transferred.)

Ohio limited liability company

Form of business or enterprise (Corporation, partnership, proprietorship or franchise.)

Where is your business currently located? In State Out of State Central Ohio Gahanna

The building will accommodate the expansion of an existing Gahanna business

Why are you locating your business in Gahanna?

Robert J. Biondi

Name of principal owner(s) or officers of the business

0

Current employment level at the proposed project site

Will the project involve the relocation of employment positions or assets from one Ohio location to another?

Yes No

n/a

If yes, state the locations from which employment positions and assets will be relocated from/to.

204 FTE

Company's current employment level in Ohio (itemize by full-time, part-time, permanent and temporary employees)

n/a

List current employment level for each facility to be affected by the relocation of employment positions or assets

This project will facilitate the expansion of the business and retention/expansion of their workforce.

Projected impact of the relocation, detailing the number and type of employees and/or assets to be relocated

Does the Applicant owe any of the following:

- Delinquent taxes to the State of Ohio or a political subdivision of the state? Yes No
- Any monies to the State or a state agency for the administration or enforcement of any environmental laws of the state? Yes No
- Any other monies 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

N/A

If yes to any of the above, please provide complete details of each instance including the location, amounts and/or case numbers.

Development and expansion of a new 178,886 sf R&D, manufacturing, and warehousing facility.

Project description

Fall 2021

Fall / Winter 2022

Date project will begin

Date project will be completed

25

Estimated number of NEW employees the Applicant will cause to be created at the facility that is the project site. (Separate job creation projection by the name of the employer and itemize by full-time, part-time, permanent and temporary employees.)

3 years (36 months)

Time frame for projected hiring (number of years)

0 (2022); 20 (2023); 5 (2024) - all jobs are expected to be FTE

Proposed schedule for hiring (itemize by full-time, part-time, permanent and temporary employees.)

\$2,937,500 (all FTE)

Estimate the amount of annual payroll NEW employees will add. (New annual payroll must be itemized by full-time, part-time, permanent and temporary employees.)

\$22,500,000 (204 FTEs)

Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project.

Estimate the amount to be invested by the Applicant to establish, expand, renovate or occupy a facility:

Acquisition of buildings	\$
Additions/new construction	\$ 20,000,000
Improvements to existing buildings	\$
Machinery & equipment	\$
Furniture & fixtures	\$ 2,500,000
Inventory	\$
Other	\$ 1,500,000
Total New Project Investment:	\$ 24,000,000

Applicant requests the following tax exemption incentive: 100 % for 15 years

But for this incentive, ADB Safegate's planned expansion is not economical within the City of Gahanna.

Reasons for requesting tax incentive (Be as specific as possible and attach any supporting documentation.)

I certify that a tax incentive is necessary for location and/or expansion of my business in Gahanna.

Yes No

Submission of this application expressly authorized the City of Gahanna 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 Applicant may also be required to directly request from the Ohio Department of Taxation, or complete a waiver form allowing the Department of Taxation to release specific tax records to the City of Gahanna. The Applicant 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 Ohio Revised Code Section 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 assistant benefits as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

David E. Poe, Member, Science One LLC

10/05/21

Applicant Name & Title

Date

David E. Poe

Digitally signed by David E. Poe
Date: 2021.10.05 11:41:08 -04'00'

Signature

The City of Gahanna will assume responsibility for notification to the affected Board of Education.

This application will be attached to the Community Reinvestment Area Agreement as Exhibit A.

CITY OF GAHANNA, OHIO

Nathan A. Strum, Director

Name & Title



Signature