

AMENDED AND RESTATED COMMUNITY REINVESTMENT AREA AGREEMENT

This Amended and Restated Community Reinvestment Area agreement (the "SECOND AMENDMENT") is made and entered into by and between the City of Gahanna, Ohio, a municipal government, with its main offices located at 200 South Hamilton Road, Gahanna, Ohio, hereinafter referred to as Gahanna and **DUFF WAREHOUSES INC.** with its main offices located at 6851 Clum Road, Harrod, Ohio, hereinafter referred to as **Duff**, WITNESSETH;

WHEREAS, Gahanna has encouraged the development of real property and the acquisition of personal property located in the area designated as a Community Reinvestment Area (the "CRA"); and

WHEREAS, the Gahanna City Council by Ordinance No. 52-92 adopted 12/15/92 and amended 3/17/95 and 4/17/00, designated the area as CRA #4 pursuant Chapter 3735 of the Ohio Revised Code; and

WHEREAS, in 2000, Morrison Taylor III, Ltd. constructed a 48,500 square foot building for (the "PROJECT") for commercial office use on Parcel 025-003923 (the "PROJECT SITE") which is within the boundaries of the aforementioned CRA #4; and

WHEREAS, Morrison Taylor III, Ltd. submitted to Gahanna a CRA Program application (the "APPLICATION"), herein attached as Exhibit A, that was approved by Gahanna City Council in 2002; and

WHEREAS, Morrison Taylor III, Ltd. and Gahanna entered into a CRA Agreement (the "CRA AGREEMENT") dated April 24, 2002, a copy of which is herein attached as Exhibit B, which CRA AGREEMENT provided Morrison Taylor III, Ltd. with a twelve (12) year, 80 percent CRA real property tax abatement for the assessed value of the new structure and remodeling at the PROJECT SITE; and

WHEREAS, **Duff** purchased the building and land located on Parcel 025-003923 in 2003 from Morrison Taylor III, Ltd. and succeeded to the economic incentives granted by Gahanna to Morrison Taylor III, Ltd.; and

WHEREAS, **Duff** and Gahanna entered into an amended and restated CRA Agreement (the "FIRST AMENDMENT") in 2009 which reduced the number of job opportunities from 163 as required in the AGREEMENT to 100 job opportunities as required by the FIRST AMENDMENT.

WHEREAS, because of changes in the number of employees working at the PROJECT SITE and other economic factors, it has been determined that the CRA AGREEMENT, as amended by the FIRST AMENDMENT, should be amended and restated; and

WHEREAS, in 2010, the Tax Incentive Review Council recommend that the CRA AGREEMENT, as amended by the FIRST AGREEMENT, with **Duff** be amended and restated to account for the changes in employment levels at the PROJECT SITE and other economic factors affecting the PROJECT; and

WHEREAS, Gahanna having the appropriate authority for the stated type of PROJECT is desirous of continuing to provide **Duff** with incentives available for the development of the PROJECT in said CRA under Chapter 3735 of the Ohio Revised Code (O.R.C.); and

WHEREAS, the Director of Planning & Development of Gahanna has reviewed the operations of **Duff** and has recommended the same to the Gahanna City Council on the basis that **Duff** is qualified by financial responsibility and business experience to create and preserve employment opportunities in said CRA and improve the economic climate of Gahanna; and

WHEREAS, the PROJECT SITE as owned by **Duff** is located in the Gahanna-Jefferson School District (the "SCHOOL DISTRICT") and has been notified in accordance with the City of Gahanna/Gahanna-Jefferson School Compensation Agreement and O.R.C. Section 5709.83 and been given access to the APPLICATION; and

WHEREAS, pursuant to O.R.C. Section 3735.67(A) and in conformance with the format required under O.R.C. 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. Amendment and Restatement

1. The terms of the CRA AGREEMENT, as amended by the FIRST AMENDMENT, are hereby deleted and restated with the terms of this SECOND AMENDMENT.

Section 2. Location by Corporation

1. Morrison Taylor III, Ltd. constructed a 48,500 square foot facility at 690 TAYLOR ROAD in Gahanna, Ohio. The PROJECT involved a total investment by Morrison Taylor III, Ltd. of \$3,750,000. Description of the PROJECT is outlined in Exhibit A.
2. The PROJECT began in 2000 and all acquisition, construction and installation have been completed.

Section 3. Employment and Payroll

1. **Duff** shall create an employment base of approximately 50 FULL TIME EQUIVALENT job opportunities.

Section 4. Program Compliance

1. **Duff** shall provide to the proper Tax Incentive Review Council any information reasonably required by the Council and annual reports to the City of Gahanna to evaluate the property

owner's compliance with the CRA AGREEMENT, as amended by the SECOND AMENDMENT, including returns filed pursuant to O.R.C. Section 5711.02.

2. **Duff** shall maintain a current membership in the Gahanna Area Chamber of Commerce.
3. Gahanna hereby grants **Duff** a tax abatement for real property improvements made at the PROJECT SITE, pursuant to O.R.C. Section 3735.67, of the following amounts:

Tax Exemption Amount: 50%

Year Term Began: 2002

Amended Term of Tax Abatement: A total of twelve (12) years, with three (3) years remaining from the date of the SECOND AMENDMENT (tax year 2011-2013)

4. The identified PROJECT will receive 50% abatement for the amended **three (3)** year abatement term. No abatement shall extend beyond December 31, 2013.
5. **Duff** will comply with the tax abatement annual fee provisions pursuant to O.R.C. Section 3735.671 (D) of the Ohio Revised Code. **Duff** 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 the agreement by the thirty-first of January post the year of abatement.
6. **Duff** agrees to pay additional compensation to Gahanna to meet the requirements of the Gahanna School Compensation Agreement; in the event the fifty percent of the exempted property taxes for this site for the Gahanna-Jefferson School District exceeds the fifty percent of the collected payroll tax from **Duff**, **Duff** agrees to pay the difference to Gahanna. If necessary, this fee shall be paid once per year for each effective year of the CRA AGREEMENT, as amended by the SECOND AMENDMENT, by the fifteenth of June post the year of abatement.
7. **Duff** shall pay such real and tangible personal property taxes as are not exempted under the CRA AGREEMENT, as amended by the SECOND AMENDMENT, and are charged against such property and shall file all tax reports and returns as required by law. If **Duff** fails to pay such taxes or file such returns and reports, all incentives granted under this CRA AGREEMENT, as amended by the SECOND AMENDMENT, are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.
8. **Duff** shall perform such acts as are reasonably necessary or appropriate to affect, claim, reserve and maintain abatements from taxation granted under this CRA AGREEMENT, as amended by the SECOND AMENDMENT, including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.

9. If for any reason the Community Reinvestment Area designation expires or is rescinded by the City of Gahanna, entitlements granted under this CRA AGREEMENT, as amended by

the SECOND AGREEMENT, shall continue for the number of years specified under this CRA AGREEMENT, as amended by the SECOND AMENDMENT, unless **Duff** materially fails to fulfill its obligations under this CRA AGREEMENT, as amended by the SECOND AMENDMENT, and Gahanna terminates or modifies the abatement from taxation granted under this CRA AGREEMENT, as amended by the SECOND AMENDMENT.

10. If **Duff** materially fails to fulfill its obligations under this agreement, or if Gahanna determines that the certification as to the delinquent taxes required by agreement 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.
11. **Duff** hereby certifies that at the time this SECOND AMENDMENT is executed, **Duff** 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 **Duff** is liable under Chapter 5733., 5735., 5739., 5741., 5743., 5747., 5753. Of the Ohio Revised Code, or, if such delinquent taxes are owed, **Duff** 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 **Duff**. 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.
12. **Duff** affirmatively covenants that it has made no false statements to the State or City of Gahanna in the process of obtaining approval for Community Reinvestment Area incentives. If any representative of **Duff** has knowingly made a false statement to the State or City of Gahanna to obtain Community Reinvestment Area incentives, **Duff** shall be required immediately to return all benefits received under the AGREEMENT, as amended by the SECOND AMENDMENT, pursuant to O.R.C. 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 O.R.C. Section 9.66 (D)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to O.R.C. Section 2921.13 (D)(1), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.
13. Exemptions from taxation granted under this AGREEMENT, as amended by the SECOND AMENDMENT, shall be revoked if it is determined that **Duff**, any successor to that person, or any related member (as those terms are defined in division (E) of section 3735.671 of the O.R.C.) 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 O.R.C. prior to the time prescribed by that division or either of those sections.
14. **Duff** and City of Gahanna acknowledge that this SECOND AMENDMENT must be approved by formal action of the legislative authority of City of Gahanna as a condition for

the agreement to take effect. This SECOND AMENDMENT takes effect upon such approval.

15. The AGREEMENT, as amended by the SECOND AMENDMENT, is not transferable or assignable without the express, written approval of the City of Gahanna.

IN WITNESS WHEREOF, the City of Gahanna, Ohio, by _____, Housing Officer, and pursuant to Ordinance No. _____, has caused this instrument to be executed this _____ day of _____, _____ and **Duff** by _____ has caused this instrument to be executed on this _____ day of _____, _____.

DUFF WAREHOUSES INC.

City of Gahanna Housing Officer

By _____

By _____

Approved as to form:

Thomas L. Weber, City Attorney

AMENDED AND RESTATED COMMUNITY REINVESTMENT AREA #4 AGREEMENT

This Amended and Restated CRA Agreement (this "FIRST AMENDMENT") is made and entered into by and between the City of Gahanna, Ohio, a municipal government, with its main offices located at 200 South Hamilton Road, Gahanna, Ohio, hereinafter referred to as Gahanna and **DUFF WAREHOUSES, INC.** with its main offices located at 956 South Broadway, Lima, Ohio, hereinafter referred to as **DUFF**, WITNESSETH;

WHEREAS, Gahanna has encouraged the development of real property and the acquisition of personal property located in the area designated as a Community Reinvestment Area; and

WHEREAS, the Gahanna City Council by Ordinance No. 52-92 adopted 12/15/92 and amended 3/17/95 and 4/17/00, designated the area as Community Reinvestment Area #4 (the "CRA") pursuant Chapter 3735 of the Ohio Revised Code; and

WHEREAS, in 2000, Morrison Taylor III, Ltd constructed a 48,500 square foot building for commercial office use (the "PROJECT") on Parcel 025-003923 (the "PROJECT SITE"), which PROJECT SITE is located within the boundaries of the CRA; and

WHEREAS, Morrison Taylor III, Ltd. submitted to Gahanna an agreement application, attached hereto as Exhibit A and hereinafter referred to as "APPLICATION", that was approved by Gahanna City Council in 2002; and

WHEREAS, Morrison Taylor III, Ltd. and Gahanna entered into a CRA Agreement (the "CRA AGREEMENT") dated April 24, 2002, a copy of which is attached hereto as Exhibit B, which CRA AGREEMENT provided Morrison Taylor III, Ltd. with 12 year, 80% CRA real property tax exemptions for the assessed value of new structures and remodeling at the PROJECT SITE; and

WHEREAS, **DUFF** purchased the building and land located on Parcel 025-003923 in 2003 from Morrison Taylor III, Ltd. and succeeded to the economic incentives granted by Gahanna to Morrison Taylor III, Ltd.; and

WHEREAS, because of changes in the number of employees working at the PROJECT SITE and other economic factors, it has been determined that the CRA AGREEMENT should be amended and restated; and

WHEREAS, in 2008, the Tax Incentive Review Committee recommended that the CRA AGREEMENT with **DUFF** be amended and restated to account for the changes in employment levels at the PROJECT SITE and other economic factors affecting the PROJECT; and

WHEREAS, Gahanna having the appropriate authority for the stated type of PROJECT is desirous of continuing to provide **DUFF** with incentives available for the development of the PROJECT in said Community Reinvestment Area under Chapter 3735 of the Ohio Revised Code; and

WHEREAS, the Director of Development of Gahanna has reviewed the operations of **DUFF** and has recommended the same to the Council of Gahanna on the basis **DUFF** is qualified by financial

responsibility and business experience to continue to create and preserve employment opportunities in the CRA and improve the economic climate of Gahanna; and

WHEREAS, the PROJECT SITE is located in the Gahanna-Jefferson School District (the "SCHOOL DISTRICT"), and the Board of Education of the SCHOOL DISTRICT has been notified of the terms of this FIRST AMENDMENT in accordance with the City of Gahanna/Gahanna-Jefferson School Compensation Agreement and Ohio Revised Code Section 5709.83, and been given access to the APPLICATION; 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. Amendment and Restatement

1. The terms of the CRA AGREEMENT and hereby all deleted and restated with the terms of this FIRST AMENDMENT.

Section 2. Location by Corporation

2. Morrison Taylor III, Ltd. has constructed a new 48,500 square foot facility at 690 TAYLOR ROAD, Gahanna, Ohio. The PROJECT involved a total investment by Morrison Taylor III, Ltd. of \$3,750,000. A description of the PROJECT is outlined in Exhibit A to the CRA AGREEMENT.
3. The PROJECT began in 2000 and all acquisition, construction and installation have been completed.

Section 3. Employment and Payroll

1. DUFF shall create and maintain an employment base of approximately [100] FULL TIME EQUIVALENT job opportunities with an annual payroll of approximately \$4,200,000.

Section 4. Program Compliance

1. DUFF shall provide to the proper Tax Incentive Review Council any information reasonably required by the Council and annual reports to the City of Gahanna to evaluate the property owner's compliance with the CRA AGREEMENT, as amended by the FIRST AMENDMENT, including returns filed pursuant to section 5711.02 of the Ohio Revised Code.
2. DUFF shall maintain a current membership in the Gahanna Area Chamber of Commerce and participate in the Industrial Roundtable.

3. Gahanna hereby grants **DUFF** a tax exemption for assessed value of new construction or remodeling at the PROJECT SITE pursuant to Section 3735.67 of the Ohio Revised Code, which exemption shall be as follows:

Tax Exemption Amount: **80%**

Term of Tax Exemption: **A total of 12 years, with 5 years remaining from the date of the FIRST AMENDMENT (tax year 2009-2013)**

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 after tax year 2002 nor extend beyond tax year 2013.

4. Gahanna and DUFF recognize that this PROJECT was developed on a speculative basis to bring employment to Gahanna and that the building will most likely have multiple tenants with lease terms which are shorter than the exemption period. Therefore, it is likely at certain points in time during the exemption period (such as when tenants with expiring leases move out and before replacement tenants are found and move in), that the payroll level may drop below the projected additional payroll described in Section 3. If after 2009 and prior to the end of the exemption period, the annual payroll drops below 70% of the estimated payroll identified in Section 3 in two consecutive calendar years, Gahanna shall have the right to terminate or modify the exemption. Gahanna will notify DUFF of its intent to terminate or modify and give DUFF sixty (60) days to file a position paper with Gahanna outlining the current prospects to increase the annual payroll. Upon review of the position paper, Gahanna may, at its sole discretion, determine that the project will not be able to substantially fulfill the obligations of the CRA AGREEMENT, as amended by the FIRST AMENDMENT, and may modify or terminate the exemption.
5. **DUFF** will comply with the tax abatement annual fee provisions pursuant to Section 3735.671 (D) of the Ohio Revised Code. **DUFF** 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 the CRA AGREEMENT by the thirty-first of January post the year of abatement.
6. **DUFF** shall pay such real and tangible personal property taxes as are not exempted under the CRA AGREEMENT, as amended by the FIRST AMENDMENT, and are charged against such property and shall file all tax reports and returns as required by law. If **DUFF** fails to pay such taxes or file such returns and reports, all incentives granted under the CRA AGREEMENT, as amended by the FIRST AMENDMENT are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.
7. **DUFF** agrees to pay additional compensation to Gahanna to meet the requirements of the Gahanna School Compensation Agreement; in the event the fifty percent of the exempted property taxes for this site for the Gahanna-Jefferson School District exceeds the fifty percent of the collected payroll tax from the **DUFF**, **DUFF** agrees to pay the difference to Gahanna. For this additional compensation to be assessed to **DUFF**, Gahanna must demonstrate that the

loss experienced by Gahanna pursuant to the Gahanna School Compensation Agreement is directly attributable to the PROJECT SITE. If Gahanna cannot make that determination, no amounts shall be due from **DUFF** pursuant to this Section. If necessary, this amount shall be paid once per year for each year in which Gahanna experiences a loss directly attributable to the PROJECT SITE pursuant to the Gahanna School Compensation Agreement, due no later than the fifteenth of June in the calendar year after such a loss is experienced by Gahanna.

8. **Gahanna** shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve and maintain exemptions from taxation granted under the CRA AGREEMENT, as amended by the FIRST AMENDMENT, including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.
9. If for any reason the Community Reinvestment Area designation expires or is rescinded by the City of Gahanna, entitlements granted under the CRA AGREEMENT, as amended by the FIRST AMENDMENT, shall continue for the number of years specified under the CRA AGREEMENT, as amended by the FIRST AMENDMENT, unless **DUFF** materially fails to fulfill its obligations under the CRA AGREEMENT, as amended by the FIRST AMENDMENT, and Gahanna terminates or modifies the exemptions from taxation granted under the CRA AGREEMENT, as amended by the FIRST AMENDMENT.
10. If **DUFF** materially fails to fulfill its obligations under this CRA AGREEMENT, as amended by the FIRST AMENDMENT, or if Gahanna determines that the certification as to the delinquent taxes required by the CRA AGREEMENT, as amended by the FIRST AMENDMENT is fraudulent, Gahanna may terminate or modify the exemptions from taxation granted under the CRA AGREEMENT, as amended by the FIRST AMENDMENT, and may require the repayment of the amount of taxes that would have been payable had the property not been exempted from taxation under the CRA AGREEMENT, as amended by the FIRST AMENDMENT.
11. **DUFF** hereby certifies that at the time this FIRST AMENDMENT is executed, **DUFF** 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 **DUFF** is liable under Chapter 5733., 5735., 5739., 5741., 5743., 5747., 5753. Of the Ohio Revised Code, or, if such delinquent taxes are owed, **DUFF** 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 **DUFF**. 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.
12. **DUFF** affirmatively covenants that it has made no false statements to the State or City of Gahanna in the process of obtaining approval for Community Reinvestment Area incentives. If any representative of **DUFF** has knowingly made a false statement to the State or City of Gahanna to obtain Community Reinvestment Area incentives, **DUFF** shall be required immediately to return all benefits received under the CRA AGREEMENT, as amended by the

FIRST AMENDMENT, pursuant to ORC 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 ORC Section 9.66 (c)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to ORC Section 2921.13 (D)(1), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

13. Exemptions from taxation granted under the CRA AGREEMENT, as amended by the FIRST AMENDMENT, shall be revoked if it is determined that **DUFF**, any successor to that person, 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 the CRA 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.
14. **DUFF** and City of Gahanna acknowledge that the FIRST AMENDMENT must be approved by formal action of the legislative authority of City of Gahanna as a condition for the agreement to take effect. This FIRST AMENDMENT takes effect upon such approval.
15. The CRA AGREEMENT, as amended by the FIRST AMENDMENT, is not transferable or assignable without the express, written approval of the City of Gahanna, which approval shall not be unreasonably withheld.

IN WITNESS WHEREOF, the City of Gahanna, Ohio, by Sadicka White, Housing Officer, and pursuant to Resolution No. _____, has caused this instrument to be executed this ____ day of _____, _____ and **DUFF WAREHOUSES, INC.** by **Nancy Winslow** has caused this instrument to be executed on this _____ day of _____, _____.

DUFF WAREHOUSES, INC.

Housing Officer

By _____
Nancy Winslow

By _____
Sadicka White, Director of Development
City of Gahanna

Approved as to form:

Thomas L. Weber, City Attorney

EXHIBIT A

Approved - 12 years @ 80%
2002

Date: 5-9-02
File Number: _____
CRA Area: 4

CITY OF GAHANNA

APPLICATION FOR THE COMMUNITY REINVESTMENT AREA PROGRAM

This application for Community Reinvestment Area Tax Incentives between the City of Gahanna located in the County of Franklin and Morrison Taylor III, Ltd.

1. a. Name of property owner, home or main office address, contact person, and telephone number (attach additional pages if multiple enterprise participants).

Morrison Taylor III, Ltd.
Enterprise Name

Todd Sloan

Contact Person

1533 Lake Shore Drive
Address

614-488-4424

Telephone Number

Columbus, OH 43204

- b. Project site:

025-3923

Parcel Number (Required)

Todd Sloan

Contact Person

690 Taylor Road

Address

614-488-4424

Telephone Number / Email

Gahanna, Ohio 43230

614-488-0603

Fax number

2. a. Nature of commercial/industrial activity (manufacturing, warehousing, wholesale or retail stores, or other) to be conducted at the site.

Typical Office Operations

- b. List primary 4 digit Standard Industrial Code (SIC) # T.B.D.

Business may list other relevant SIC numbers. _____

- c. If a consolidation, what are the components of the consolidation? (must itemize the location, assets, and employment positions to be transferred _____)

T.B.D. Please see cover letter

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

T.B.D.

3. a. Where is your business currently located?

☐ In State
☐ Out of State

☐ Central Ohio

☐ Gahanna

b. Why are you locating your business in Gahanna?

T.B.D.

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

T.B.D.

5. a. State the enterprise's current employment level at the proposed project site:

T.B.D.

b. Will the project involve the relocation of employment positions or assets from one Ohio location to another? T.B.D.

Yes ___ No ___

c. 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:

d. State the enterprise's current employment level in Ohio (itemized for full and part-time and permanent and temporary employees):

e. State the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets: T.B.D.

f. What is the projected impact of the relocation, detailing the number and type of employees and/or assets to be relocated? T.B.D.

6. Does the Property Owner owe: Not expected

a. Any delinquent taxes to the State of Ohio or a political subdivision of the state?
Yes ☐ No ☐

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

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 ☐

d. If yes to any of the above, please provide details of each instance including but not limited to the location, amounts and/or case identification numbers (add additional sheets if necessary).

7. Project Description: Please see attached cover letter

8. Project will begin: Fall, 2000 and be completed
Fall, 2001 provided a tax exemption is provided.

9. a. Estimate the number of new employees the property owner will cause to be created at the facility that is the project site (job creation projection must be itemized by the name of the employer, full and part-time and permanent and temporary):

b. State the time frame of this projected hiring: 3 yrs.

c. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees): 325 full time jobs
163

10. a. Estimate the amount of annual payroll new employees will add \$11,375,000 (new annual payroll must be itemized by full and part-time and permanent and temporary new employees). 5,687,500 saw

b. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project: \$ T.B.D.

11. An estimate of the amount to be invested by the enterprise to establish, expand, renovate or occupy a facility:

A. Acquisition of Buildings: Land	\$ <u>650,000</u>
B. Additions/New Construction:	\$ <u>3,100,000</u>
C. Improvements to existing buildings:	\$ <u></u>
D. Machinery & Equipment:	\$ <u>T.B.D.</u>
E. Furniture & Fixtures:	\$ <u>T.B.D.</u>
F. Inventory:	\$ <u>T.B.D.</u>
G. Other:	\$ <u></u>

Total New Project Investment: \$ 3,750,000

12. a. Business requests the following tax exemption incentives: 80 % for 12 years covering real as described above. Be specific as to the rate, and term.

b. Business's reasons for requesting tax incentives (be quantitatively specific as possible; attach any supporting documents)

Please see cover letter

13. 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 authorizes The City of Gahanna to contact the Ohio Environmental Protection Agency to confirm statements contained within this application including item # 5 and to review applicable confidential records. As part of this application, the property owner 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 local jurisdiction considering the request.
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 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 benefits as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

Morrison Taylor III, Ltd.
Name of Property Owner

October 26, 2000
Date


Signature

Robert C. White
President
Typed Name and Title

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

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

City of Gahanna

Exhibit B

City of Gahanna
Department of Development
CRA Agreement
Page 1 of 5

COMMUNITY REINVESTMENT AREA AGREEMENT

This agreement made and entered into by and between the City of Gahanna, Ohio, a municipal government, with its main offices located at 200 South Hamilton Road, Gahanna, Ohio, hereinafter referred to as Gahanna and MORRISON TAYLOR III, LTD. with its main offices located at 1533 LAKE SHORE DRIVE, COLUMBUS, OHIO 43204 hereinafter referred to as MORRISON TAYLOR III, LTD., WITNESSETH;

WHEREAS, Gahanna has encouraged the development of real property and the acquisition of personal property located in the area designated as a Community Reinvestment Area; and

WHEREAS, MORRISON TAYLOR III, LTD is desirous of construction of 48,500 square foot speculative building for office/warehouse space, hereinafter referred to as the "PROJECT" within the boundaries of the aforementioned Community Reinvestment Area, provided that the appropriate development incentives are available to support the economic viability of said PROJECT; and

WHEREAS, the Gahanna City Council by Ordinance No. 52-92 adopted 12/15/92 and amended 3/17/95 and 4/17/00, designated the area as Community Reinvestment Area #4 pursuant Chapter 3735 of the Ohio Revised Code; and

WHEREAS, Gahanna having the appropriate authority for the stated type of project is desirous of providing MORRISON TAYLOR III, LTD with incentives available for the development of the PROJECT in said Community Reinvestment Area under Chapter 3735 of the Ohio Revised Code; and

WHEREAS, MORRISON TAYLOR III, LTD has submitted a proposed agreement application, herein attached as Exhibit A, to Gahanna said application hereinafter referred to as "APPLICATION"; and

WHEREAS, the Director of Development of Gahanna has investigated the application of MORRISON TAYLOR III, LTD and has recommended the same to the Council of Gahanna on the basis that MORRISON TAYLOR III, LTD is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Community Reinvestment Area and improve the economic climate of Gahanna; and

WHEREAS, the project site as proposed by MORRISON TAYLOR III, LTD is located in the Gahanna-Jefferson School District and has been notified in accordance with Section 5709.83 and been given access to the APPLICATION; 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. MORRISON TAYLOR III, LTD shall construct a new 48,500 square foot facility at 690 TAYLOR ROAD, Gahanna, Ohio. The PROJECT will involve a total investment by MORRISON TAYLOR III, LTD of \$3,750,000.
2. The PROJECT will begin in 2000 and all acquisition, construction and installation will be completed by Fall 2001, except for tenant improvements which may be completed after 2001.

Section 2 Employment and Payroll

1. MORRISON TAYLOR III, LTD shall cause to be located within a time period not extending beyond December 31, 2004, the equivalent of ONE HUNDRED SIXTY THREE (163) full time job opportunities. The following is a schedule of the anticipated average employment positions and an itemization by the type of jobs.

By Year Ending	FULL- TIME		PART -TIME		TOTAL
	Permanent	Temporary	Permanent	Temporary	
2002	50	0	0	0	50
2003	50	0	0	0	50
2004	63	0	0		63
TOTAL	163	0	0	0	163

2. MORRISON TAYLOR III, LTD currently has NONE (0) full time employees, NONE (0) part time employees at the project site.
3. This increase in the number of employees will result in approximately \$5,687,500 of additional annual payroll.

Section 3 Program Compliance

1. MORRISON TAYLOR III, LTD shall provide to the proper Tax Incentive Review Council any information reasonably required by the Council and annual reports to the City of Gahanna to evaluate the property owner's compliance with the agreement, including returns filed pursuant to section 5711.02 of the Ohio Revised Code.
2. MORRISON TAYLOR III, LTD or THE DAIMLER GROUP, INC. shall maintain a current membership in the Gahanna Area Chamber of Commerce and participate in the Industrial Roundtable.
3. Gahanna hereby grants MORRISON TAYLOR III, LTD a tax exemption for real property improvements made to the PROJECT site pursuant to Section 3735.67 of the Ohio Revised Code and shall be in the following amounts:

First Year of Tax Exemption: 2002
Tax Exemption Amount: 80%
Term of Tax Abatement: 12 years

Gahanna hereby grants MORRISON TAYLOR III, LTD (or its approved successors) the tax exemption for a TWELVE (12) year period. Gahanna and MORRISON TAYLOR III, LTD recognize that this project is being developed on a speculative basis to bring employment to Gahanna and that the building will most likely have multiple tenants with lease terms which are shorter than the exemption period. Therefore, it is likely at certain points in time during the exemption period (such as when tenants with expiring leases move out and before replacement tenants are found and move in), that the payroll level may drop below the projected additional payroll described in Section 2, Paragraph 3. If, after 2004 and prior to the end of the exemption period, the annual payroll drops below 70% of the estimated payroll identified in Section 2, Paragraph 3 in two consecutive calendar years, Gahanna shall have the right to terminate or modify the exemption. Gahanna will notify MORRISON TAYLOR III, LTD of its intent to terminate or modify and give MORRISON TAYLOR III, LTD sixty (60) days to file a position paper with Gahanna outlining the current prospects to increase the annual payroll. Upon review of the position paper Gahanna may, at its sole discretion, determine that the project will not be able to substantially fulfill the obligations of this agreement and may modify or terminate the exemption.

4. The identified PROJECT improvement will receive a twelve (12) year exemption period. The exemption commences the first year for which the real property exemption would first be taxable were that property not exempted from taxation. No exemption shall extend beyond December 31, 2013 (twelve year time period).
5. MORRISON TAYLOR III, LTD must file the appropriate forms to effect and maintain the exemptions covered in the agreement.

6. MORRISON TAYLOR III, LTD 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 MORRISON TAYLOR III, LTD fails to pay such taxes or file such returns and reports, all incentives granted under this 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.
7. MORRISON TAYLOR III, LTD shall perform such acts as are reasonably necessary or appropriate to effect, 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 rescinded by the City of Gahanna, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless MORRISON TAYLOR III, LTD materially fails to fulfill its obligations under this agreement and Gahanna terminates or modifies the exemptions from taxation granted under this agreement.
9. If Gahanna determines that the certification as to the delinquent taxes required by this agreement 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.
10. MORRISON TAYLOR III, LTD hereby certifies that at the time this agreement is executed, MORRISON TAYLOR III, LTD 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 MORRISON TAYLOR III, LTD is liable under Chapter 5733., 5735., 5739., 5741., 5743., 5747., 5753. Of the Ohio Revised Code, or, if such delinquent taxes are owed, MORRISON TAYLOR III, LTD 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 MORRISON TAYLOR III, LTD. 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. MORRISON TAYLOR III, LTD affirmatively covenants that it has made no false statements to the State or City of Gahanna in the process of obtaining approval for Community Reinvestment Area incentives. If any representative of MORRISON TAYLOR III, LTD has knowingly made a false statement to the State or City of Gahanna to obtain Community Reinvestment Area incentives, MORRISON TAYLOR III, LTD shall be required immediately to return all benefits received under the Community Reinvestment Area Agreement pursuant to ORC 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 ORC Section 9.66 (c)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to ORC Section 2921.13 (D)(1), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.
12. This agreement is not transferable or assignable without the express, written approval of the City of Gahanna, which approval shall not be unreasonably withheld.

IN WITNESS WHEREOF, the City of Gahanna, Ohio, by Sadicka White, Housing Officer, and pursuant to Resolution No. 52-92, has caused this instrument to be executed this ____ day of _____, _____ and MORRISON TAYLOR III, LTD by Robert C. Whiteits President has caused this instrument to be executed on this 24th day of APRIL, 2002.

City of Gahanna

By Sadicka White
Sadicka White, Director of Development
Housing Officer

MORRISON TAYLOR III, LTD

By Robert C. White

Approved as to form:

Thomas L. Weber
Thomas L. Weber, City Attorney