

COMMUNITY REINVESTMENT AREA #3 AGREEMENT

This Agreement (the "Agreement") is made and entered into on _____, 2025, 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 **Velocis Gahanna JV, LP** ("Company"), with its facility to be located on Franklin County Auditor parcel numbers 027-000110, 025-013634 on **Tech Center Drive** (Gahanna and Company are together referred to herein as the "Parties").

WITNESSETH:

WHEREAS, Gahanna City Council by Substitute Resolution No. 29-92, 17-95, SR-0003-2005, SR-0003-2012, and SR-0002-2018 designated the area as Community Reinvestment Area #3 pursuant to Chapters 3735.65 to 3735.70 of the Ohio Revised Code; and

WHEREAS, Gahanna has encouraged the development and improvement of real property and the acquisition of personal property located in the area designated as Community Reinvestment Area #3; and

WHEREAS, the Company is desirous of constructing a new industrial facility, hereinafter referred to as the "Project", within the boundaries of the forementioned Community Reinvestment Area, 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 stated type of project is desirous of providing the Company 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 Company 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 for Gahanna has investigated the Application of the Company and has recommended the same to Gahanna City Council on the basis that the Company 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, all required notices to school districts pursuant to Section 5709.83 of the Ohio Revised Code have been waived in accordance with the Compensation Agreement dated June 2, 2000, (the "Compensation Agreement") by and between Gahanna and the Gahanna-Jefferson Public School District (the "School District"); and

WHEREAS, the Company has remitted the required municipal application fee of \$250.00 made payable to the City of Gahanna; and

WHEREAS, pursuant to Section 3735.67(A) 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. Upon issuance of the necessary entitlements and approvals, the Company shall cause improvements to be made on the real property owned by Company (Parcel: 027-000110, 025-013634) located on Tech Center Drive, Gahanna, OH, hereinafter referred to as the "Project Site" which is estimated to cost approximately \$19,052,309.
2. The Project shall be constructed in substantial accordance with a development plan that has been approved by the Gahanna Planning Commission as part of Application Number [_____], as may be amended in the future.
3. It is estimated that the Project will begin construction on approximately August 1, 2025, and will be completed on approximately May 1, 2026, subject to force majeure.

SECTION 2. EMPLOYMENT AND PAYROLL

1. The Company shall create and maintain 37 new Jobs in Gahanna with a minimum \$1,835,622 payroll, within seven (7) years after completion of construction of the Project in accordance with the hiring and payroll schedule attached as **Exhibit B**. The foregoing determination of new Jobs and minimum payroll shall be calculated based upon the aggregate total Jobs and payroll of the Company together with all tenants of the Project Site.

SECTION 3. PROGRAM COMPLIANCE

1. The Company shall provide to the proper Tax Incentive Review Council any non-confidential information reasonably required by the Tax Incentive Review Council and annual reports to Gahanna to evaluate the Company's compliance with this Agreement, including returns filed pursuant to Section 5711.02 of the Ohio Revised Code.
2. Gahanna hereby grants the Company a tax exemption for only the 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:

Tax Exemption Amount:	80%
Initial Term of Tax Abatement:	12 years

3. The minimum annual income tax withholding holding revenues set forth in Exhibit B shall hereinafter be referred to as the "Revenue Threshold." If there are disagreements among the Parties regarding the employees and payroll credited to the Revenue Threshold for the Project Site, the Parties shall (i) meet and confer with one another, and (ii) work together cooperatively to resolve their differences, provided, however, the Company acknowledges that only jobs and

payroll reported by Company and the tenants of the Project Site to Gahanna and verified by Gahanna's income tax administrator will be counted when determining whether the Revenue Threshold has been achieved.

The Company will endeavor to procure all such reasonably necessary information from the tenants occupying space at the Project Site as requested by Gahanna to verify that the Company has maintained or is causing to be maintained the Revenue Threshold.

The Company shall be responsible for providing to Gahanna or causing to be provided to Gahanna all tenant employee payroll and withholding information necessary to demonstrate achievement of the Revenue Threshold. If the Company (together with the tenants of the Project Site) fails to maintain or cause to be maintained the Revenue Threshold, the Company shall make a payment in lieu of taxes to Gahanna in the amount equal to the difference between the Revenue Threshold and the actual income tax withholding revenue generated at the Project Site. However, the foregoing payment in lieu of taxes shall apply only for years where the Revenue Threshold has not been satisfied. For years where the Revenue Threshold has been satisfied no payments in lieu of taxes shall be due. The Revenue Threshold set forth in this Section is established on the assumption that the City income tax rate is two- and one-half percent (2.5%). If such rate is increased or decreased at any time before or after the commencement of the exemption period, the Revenue Threshold shall be proportionately increased or decreased. Any payments in lieu of taxes shall be due by March 1st of the year following the year in which the Revenue Threshold is not satisfied. Notwithstanding anything in this Agreement to the contrary, any failure of the Company to achieve the Revenue Threshold in any given year shall not be considered a failure of the Company to fulfill its obligations under this Agreement provided that Company pays the payment in lieu of taxes described in this Section prior to delinquency.

4. The exemption will have no impact upon the existing tax valuations of the property as they appear on the 2025 tax year information provided by Franklin County, OH. The exemption on improvements commences the first year for which the real property would first be taxable if the improvements were not exempted from taxation.
5. The Company 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 the Company 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.
6. The Company, or the operating business tenants at the Project Site, shall maintain a current membership in the Gahanna Chamber of Commerce.
7. For the Company to remain eligible for any benefit to be derived from the terms of this Agreement, all operating business tenants at the Project Site shall, for the length of the incentive term, file Annual Municipal Net Profit Returns with Gahanna, or its designee, in order for Gahanna to verify the information provided therein.

8. Should the Company, and/or operating business tenants at the Project Site, file the Annual Municipal Net Profit Returns through the Ohio Business Gateway or through some other means directed by the Ohio Tax Commissioner pursuant to Ohio Regulation 5703-41-1, rather than directly with Gahanna, the Company will forfeit eligibility to receive the property tax abatement incentive benefit for that Reporting Year if the City and the proper Tax Incentive Review Council (at its next regularly scheduled meeting) determine that said filing resulted in the inability to properly and timely verify the Project's compliance with the job and payroll withholding requirements of this Agreement, and for the avoidance of doubt, if the property tax abatement incentive is forfeited pursuant to this Section then Company shall have no obligation to make any payment in lieu of taxes described in Section 3 above.
9. Gahanna 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.
10. If for any reason the Community Reinvestment Area designation expires or is revoked by Gahanna, entitlements (including the taxation exemption) granted under this Agreement shall continue for the number of years specified under this Agreement, unless the Company materially fails to fulfill its obligations under this Agreement beyond all applicable notice and cure periods and Gahanna terminates or modifies the exemptions from taxation granted under this Agreement.
11. If the Company materially fails to fulfill its obligations under this Agreement and such failure continues for thirty (30) days following written notice of such failure, or if Gahanna determines that the certification as to the delinquent taxes set forth in Section 12 of this Agreement 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.
12. The Company hereby certifies that at the time this Agreement is executed, the Company 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 the Company is liable under Chapter 5733, 5735, 5739, 5741, 5743, 5747 or 5753 of the Ohio Revised Code, or, if such delinquent taxes are owed, the Company 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 the Company. 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.
13. The Company 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 the Company has knowingly made a false statement to the State or Gahanna to obtain Community Reinvestment Area incentives, the Company 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 Gahanna,

any state agency or a political subdivision pursuant to Ohio Revised Code 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 Ohio Revised Code 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.

14. Exemptions from taxation granted under this Agreement shall be revoked if it is determined that the Company, 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 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.
15. This Agreement is transferable or assignable by Company with the written approval of Gahanna, which shall not be unreasonably withheld; provided, however, Company may assign this Agreement to any person that is a successor in interest with respect to ownership of the Project Site without Gahanna's written approval so long as the assignee assumes in writing all obligations of the Company under this Agreement. In the event of such a transfer or assignment, Company shall promptly provide Gahanna with written notice the same which shall include the name of the transferee or assignee and its contact information. Gahanna agrees on not less than 30 days prior notice from Company to execute, acknowledge and deliver to Company a statement in writing (a) certifying that this Agreement has not been modified and is in full force and effect (or, if there have been modifications, that the same is in full force and effect as modified and specifying the modifications), (b) certifying whether or not to the best knowledge of the signer of such certificate any default under this Agreement exists and, if so, specifying each default of which the signer may have knowledge, and (c) containing such other information as Company may reasonably request to effectuate the transfer or assignment.
16. The Company 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.
17. 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.
18. 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.

IN WITNESS WHEREOF, the City of Gahanna, Ohio by Jeffrey Gottke, Housing Officer, and pursuant to Substitute Resolution No. 29-92, 17-95, SR-0003-2005, SR-0003-2012, and SR-0002-2018, and Ordinance No. _____-2025, has caused this instrument to be executed this _____ day of _____, 2025 and VELOCIS GAHANNA JV, LP, by its duly authorized signor, has caused this instrument to be executed on this _____ day of _____, 2025.

VELOCIS GAHANNA JV, LP

City of Gahanna, Ohio

By: Velocis Industrial Gahanna JV GP, LLC,
General Partner

By: _____
Laurie Jadwin, Mayor

By: _____
Paul R. Smith, Vice President

Approved as to form:

Priya Tamilarasan, City Attorney

EXHIBIT A

CRA APPLICATION

EXHIBIT B

JOB CREATION & PAYROLL SCHEDULE