

**BOARD OF EDUCATION OF THE WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**RESOLUTION NO. 18-194**

**A RESOLUTION (1) APPROVING A TAX INCREMENT FINANCING RESOLUTION TO BE PASSED BY THE BOARD OF TRUSTEES OF SHARON TOWNSHIP; (2) APPROVING A COMMUNITY REINVESTMENT AREA AGREEMENT BETWEEN FRANKLIN COUNTY AND CONTINENTAL HILLS, LLC; (3) APPROVING A COMMUNITY REINVESTMENT AREA AGREEMENT BETWEEN FRANKLIN COUNTY AND WORTHINGTON HILLS SENIOR LIVING, LLC; (4) WAIVING STATUTORY NOTICE PERIODS; AND (5) PROVIDING RELATED AUTHORIZATIONS.**

The Board of Education (the "Board") of the Worthington City School District, Franklin County, Ohio (the "School District"), met in regular session on November 14, 2018, at 200 E. Wilson Bridge Road, Worthington, Ohio 43085, with the following members present:

Mr. Shim moved the adoption of the following:

**RESOLUTION**

WHEREAS, Continental Hills, LLC (the "Developer"), the owner of certain real property consisting of the Olentangy Valley Center (the "Property," which is described on Exhibit A attached hereto and incorporated herein by reference) located in Sharon Township (the "Township"), will remodel existing buildings and construct a new building at the Property in multiple phases, including, but not limited to, constructing a new senior assisted/independent living center (the "Senior Living Center") together with related site improvements; and

WHEREAS, the Senior Living Center will ultimately be owned by Worthington Hills Senior Living, LLC ("WHSL"), an affiliate of the Developer, while the Developer is anticipated to continue to own the remainder of the Property (the "Community Center"); and

WHEREAS, the Property is located within the boundaries of the School District; and

WHEREAS, in connection with the development of the Property, the Board of Trustees for the Township (the "Trustees") is expected to pass a resolution pursuant to Ohio Revised Code ("R.C.") Sections 5709.73, 5709.74 and 5709.75 (the "TIF Statutes"), a form of which is attached hereto as Exhibit B and incorporated herein by reference (the "TIF Resolution"); and

WHEREAS, the TIF Resolution will declare that fifty percent (50%) of the increase in the assessed value of the Property after the effective date of this Resolution (which increase in

assessed value is an "Improvement" as defined in R.C. Section 5709.73) shall be a public purpose and shall be exempt from real property taxation for a period of thirty (30) years for each separate parcel located within the Property (the "TIF Exemption"); and

WHEREAS, this Board is required to approve exemptions granted pursuant to R.C. Section 5709.73 of amounts greater than 75% and for a term of greater than 10 years; and

WHEREAS, the TIF Resolution will require the owners of the Property to make service payments in lieu of taxes ("Service Payments") equivalent in amount to the amount of real property taxes that would have been payable if the Improvement had not been exempted from taxation under the TIF Ordinance; and

WHEREAS, the TIF Resolution will require Service Payments to be distributed to the School District in amounts equal to the real property taxes that the School District would have received if the Improvements had not been exempted from real property taxation pursuant to the TIF Resolution; and

WHEREAS, in connection with the development of the Community Center, the Board of County Commissioners (the "Commissioners") for Franklin County (the "County") is expected to enter into an Ohio Community Reinvestment Area Agreement (the "Community Center CRA Agreement") with the Developer, substantially in the form attached hereto as Exhibit C and incorporated herein by this reference; and

WHEREAS, in connection with the development of the Senior Living Center, the Commissioners for the County are expected to enter into an Ohio Community Reinvestment Area Agreement related to the Senior Living Center (the "Senior Living Center CRA Agreement") with WHSL, substantially in the form attached hereto as Exhibit D and incorporated herein by this reference; and

WHEREAS, the CRA Agreements will provide the Developer and WHSL with sixty percent (60%) tax exemptions for the increase in assessed value of the real property constituting the Project Sites (as defined in the CRA Agreements) for fifteen (15) years, with the CRA exemptions taking priority over the TIF exemption during the term of the CRA exemptions (the "CRA Exemptions" and, taken together with the TIF Exemption, the "Exemptions"); and

WHEREAS, this Board has been asked to waive all required notice periods related to the TIF Resolution and CRA Agreements, including but not necessarily limited to the forty-five (45) day notice, the fourteen (14) day notices and the monthly notices required by R.C. Sections 3735.671, 5709.73, 5709.83 and 5715.27 in connection with the Township taking formal action to approve the TIF Resolution and the County taking formal action to approve the CRA Agreements;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE WORTHINGTON CITY SCHOOL DISTRICT, STATE OF OHIO, THAT:

Section 1. This Board hereby waives any notice requirements set forth in R.C. Sections 3735.671, 5709.73, 5709.83 and 5715.27 with respect to the Exemptions, and waives any defects or irregularities relating to the Exemptions.

Section 2. This Board hereby approves and consents to the TIF Resolution in substantially the form attached hereto as Exhibit B, together with such changes as are approved by the President of the Board, the Superintendent and the Treasurer that are not substantially adverse to the School District, and authorizes and directs the President of the Board, the Superintendent and the Treasurer to further evidence such approval and consent by execution of any documents necessary to give effect to the TIF Resolution and the TIF Exemption therein. Such execution on behalf of the Board shall constitute conclusive evidence of this Board's approval of any such documents.

Section 4. This Board hereby approves and consents to the Community Center CRA Agreement substantially in the form attached hereto as Exhibit C, together with such changes as are approved by the President of the Board, the Superintendent and the Treasurer that are not substantially adverse to the School District, and authorizes and directs the President of the Board, the Superintendent and the Treasurer to further evidence such approval and consent by execution of any documents necessary to give effect to the Community Center CRA Agreement and the CRA Exemption therein. Such execution on behalf of the Board shall constitute conclusive evidence of this Board's approval of any such documents.

Section 5. This Board hereby approves and consents to the Senior Living Center CRA Agreement substantially in the form attached hereto as Exhibit D, together with such changes as are approved by the President of the Board, the Superintendent and the Treasurer that are not substantially adverse to the School District, and authorizes and directs the President of the Board, the Superintendent and the Treasurer to further evidence such approval and consent by execution of any documents necessary to give effect to the Senior Living Center CRA Agreement and the CRA Exemption therein. Such execution on behalf of the Board shall constitute conclusive evidence of this Board's approval of any such documents.

Section 6. This Board directs the Treasurer of the Board to certify and deliver true and complete copies of this Resolution, together with the attachments hereto, to the Board of Trustees for Sharon Township and the Board of Commissioners for Franklin County immediately after the passage of this Resolution.

Section 7. This Board finds and determines that all formal actions of the Board concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board and that all deliberations of this Board and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements including R.C. Section 121.22.

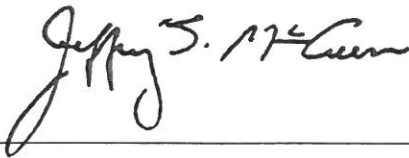
Section 8. This Resolution shall take effect and be in force from and after the earliest period allowed by law.

Mrs. Best seconded the motion and, the roll being called upon the question, the vote resulted as follows:

<u>Mrs. Best</u>	<u>Yea</u> Yea, Nay, Abstain or Not Present
<u>Mrs. Hudson</u>	<u>Nay</u> Yea, Nay, Abstain or Not Present
<u>Mrs. Keegan</u>	<u>Yea</u> Yea, Nay, Abstain or Not Present
<u>Mr. Shim</u>	<u>Yea</u> Yea, Nay, Abstain or Not Present
<u>Mr. Wilson</u>	<u>Nay</u> Yea, Nay, Abstain or Not Present

Passed: November 14, 2018

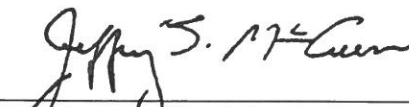
BOARD OF EDUCATION  
WORTHINGTON CITY SCHOOL DISTRICT

Attest:   
Treasurer – Worthington City Schools



CERTIFICATE

The undersigned Treasurer of the Board of Education of the Worthington City School District, Franklin County, State of Ohio, hereby certifies that this is a true and complete copy of the Resolution adopted by a majority of the full membership of the Board of Education of the Worthington City School District at its meeting held on November 14, 2018 as was recorded by me in the official proceedings of said Board.

  
\_\_\_\_\_  
Worthington City Schools Treasurer

## **EXHIBIT A TO RESOLUTION**

### **THE PROPERTY**

#### **Map and Description of Property**

The Property is the real estate situated in the County of Franklin and State of Ohio consisting of the parcel numbers listed below (and including any subsequent combinations and/or subdivisions of the current parcel numbers) and depicted on the map attached hereto:

250-000023-00

250-002393-00

250-006893-00



**EXHIBIT B TO RESOLUTION**  
**PROPOSED TIF RESOLUTION**  
**(Attached)**

**BOARD OF TRUSTEES**  
**SHARON TOWNSHIP, FRANKLIN COUNTY, OHIO**

**RESOLUTION No. \_\_\_\_\_**

**IN THE MATTER OF APPROVING AGREEMENTS AND LEGISLATION IN CONNECTION WITH THE PROPOSED REDEVELOPMENT OF A SHOPPING CENTER IN SHARON TOWNSHIP, FRANKLIN COUNTY, OHIO, INCLUDING APPROVAL OF: (1) TAX INCREMENT FINANCING PURSUANT TO OHIO REVISED CODE SECTIONS 5709.73 THROUGH 5709.75; AND (2) A TAX INCREMENT FINANCING AGREEMENT BETWEEN SHARON TOWNSHIP AND CONTINENTAL HILLS, LLC.**

The Board of Trustees of Sharon Township, Franklin County, Ohio met in a regular meeting on \_\_\_\_\_, 2018 at 95 E. Wilson Bridge Road with the following members present:

Lindsay Duffey, Trustee

Laura A. Kunze, Trustee

John H. Oberle, Trustee

Trustee \_\_\_\_\_ moved the following:

**WHEREAS**, Ohio Revised Code (“R.C.”) Sections 5709.73, 5709.74 and 5709.75 (collectively, the “TIF Statutes”) authorize a board of township trustees, by resolution, to declare the improvement to parcels of real property to be a public purpose and exempt from taxation, require the owner of each parcel to make service payments in lieu of taxes, establish a public improvement tax increment equivalent fund for the deposit of those service payments to be used to make payments to school districts affected by that exemption from taxation or to pay costs of the public infrastructure improvements benefiting the parcels subject to that exemption from taxation, and specify public infrastructure improvements made or to be made or in the process of being made that directly benefit, or that once made will directly benefit, each parcel; and

**WHEREAS**, the real property shown in Exhibit A hereto and incorporated herein by reference (the “Property”) is located in Sharon Township (the “Township”), Franklin County (the “County”), a political subdivision of the State of Ohio, with each parcel of the Property referred to herein as a “Parcel” (whether as presently appearing on County tax duplicates or as subdivided or combined and appearing on future tax duplicates); and

**WHEREAS**, the Property, within the unincorporated area of the Township, is approximately 12 acres in size and is enclosed by a continuous boundary with each current and future owner of the Property referred to herein as an “Owner” and collectively the “Owners”; and

**WHEREAS**, Continental Hills, LLC (the “Developer”) intends to remodel existing buildings and construct a new building at the Property in multiple phases, including, but not limited to, constructing a new senior assisted/independent living center together with related site improvements (collectively, the “Project”), provided that the appropriate development incentives are available to support the Property and its development, as further specified in a tax increment financing district with the Township (the “TIF Agreement”); and

**WHEREAS**, the Township desires to grant a fifty percent (50%) exemption from real property taxation for a period of thirty (30) years (the “TIF Exemption”) for each Improvement (as defined below) pursuant to R.C. Section 5709.73(D); and

**WHEREAS**, this Board has determined that it is necessary and appropriate and in the best interests of the Township to provide for service payments in lieu of real property taxes (“Service Payments,” as further defined below) with respect to the Property pursuant to R.C. Section 5709.74; and

**WHEREAS**, notice of this proposed Resolution has been delivered to the Board of Education of the Worthington City School District (the “Local School District”), or such notice has been waived, in accordance with and within the time period prescribed in R.C. Sections 5709.73 and 5709.83; and

**WHEREAS**, pursuant to Resolution No. \_\_\_\_\_, adopted on \_\_\_\_\_, 2018, the Board of Education of the Local School District has approved the terms of this Resolution and waived the notice requirements of R.C. Sections 5709.73 and 5709.83; and

**WHEREAS**, R.C. Section 5709.85(A) requires the legislative authority of any township granting an exemption from taxation under R.C. Section 5709.73 to create a tax incentive review council (“TIRC”), which is required to perform an annual review of exemptions from taxation granted pursuant to R.C. Section 5709.73; and

**WHEREAS**, it has been requested that this Board approve (i) tax increment financing pursuant to R.C. Sections 5709.73 through 5709.75, and (ii) the TIF Agreement.

---

**NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF TRUSTEES OF SHARON TOWNSHIP, FRANKLIN COUNTY, OHIO, THAT THE FOLLOWING RESOLUTION BE AND HEREBY IS ADOPTED:**

---



**Section 1.** The Board hereby approves the TIF Agreement, and authorizes the Trustees of its Board to execute the TIF Agreement in substantially the form attached hereto as Exhibit B, with such non-material and/or non-adverse changes as may be deemed appropriate by the Board. Such execution on behalf of the Board shall constitute conclusive evidence of this Board's approval of any such changes. This Board further authorizes and directs the appropriate Township officers to take any further actions, and to execute and deliver any further agreements, certificates or documents that are necessary, reasonable or appropriate to carry out the purposes of the TIF Agreement.

**Section 2.** The public infrastructure improvements (the "Public Infrastructure Improvements") intended to be made or caused to be made, as further described in Exhibit C attached hereto, are necessary for the development of the Property, constitute a public purpose, and are hereby designated as public infrastructure improvements that, once made, will directly benefit the Property.

**Section 3.** Fifty percent (50%) of the increase in the assessed value of the Property after the effective date of this Resolution (which 50% is an "Improvement" as defined in R.C. Section 5709.73, but which Improvement shall not include the portion of the assessed value of any structure or increased value exempted under any Community Reinvestment Area ("CRA") Agreement for the period and to the extent that the structure or that increased value is exempt under the CRA Agreement) shall be a public purpose and shall be exempt from real property taxation for a period commencing with the tax year in which the Improvement first appears on the tax list and duplicate of real property and that begins after the effective date of this Resolution (the "Commencement Date") and ending on the earlier of (i) the thirtieth (30<sup>th</sup>) anniversary of such Commencement Date or (ii) the date on which the Township can no longer require service payments in lieu of taxes.

**Section 4.** As provided in R.C. Section 5709.74, the Owner of any Parcel with an Improvement is required hereby to make annual payments in lieu of taxes to the County Treasurer on or before the final dates for payment of real property taxes. Each such payment (including interest and penalties) shall be charged and collected in the same manner and in the same amount as the real property taxes that would have been charged and payable against the Improvement if it were not exempt from taxation (the payments in lieu of tax, including any penalties and interest, the "Service Payments"). No Service Payments are required with respect to portion of the assessed value of any structure or increased value exempted under any CRA Agreement for the period and to the extent that the structure or increased value is exempt under the CRA Agreement. The County Treasurer shall remit all Service Payments to the Township for deposit in the [Sharon Township] Public Improvement Tax Increment Equivalent Fund (the "Fund") established in Section 5 hereof, except for amounts paid directly to the Local School District as provided in Section 6 hereof. This Board hereby authorizes and directs the Board President or other designee of this Board to provide such information and certifications and execute and deliver, or accept delivery of such instruments as are necessary and incidental to collect those Service Payments and to make such arrangements as are necessary and proper for payment of the Service Payments. Any late payments shall be subject to penalty and bear interest at the then current rate established under R.C. Sections 323.121 and 5703.47, as may be amended from time to time, or any successor provisions thereto, as the same may be amended from time to time. The Service Payments shall be allocated and deposited in accordance with Sections 5 and 6 of this Resolution.

No Owner shall, under any circumstances, be required in any tax year to both pay Service Payments with respect to an Improvement and reimburse local taxing authorities for the amount of real property taxes that would have been payable to local taxing authorities had the Improvement not been exempted from taxation pursuant to this Resolution.

**Section 5.** This Board hereby establishes, pursuant to and in accordance with the provisions of R.C. Section 5709.75, the Fund, into which shall be deposited all of the Service Payments distributed to the Township with respect to the Improvement to the Property by or on behalf of the County Treasurer, as provided in

R.C. Section 5709.75 and as described in Section 4 above, except for amounts paid directly to the Local School District as provided in Section 6 hereof, and hereby appropriates all of the moneys deposited in the Fund from time to time to be disbursed from the Fund by the Fiscal Officer or other designee of the Board in the following order:

- (i) First, if the County Treasurer does not distribute the Service Payments to the Local School District in accordance with Section 6 of this Resolution, then to the Local School District for their respective amounts due in accordance with Section 6 of this Resolution;
- (ii) Second, to the Developer, as provided for in the TIF Agreement, for any costs associated with the Public Infrastructure Improvements, including, but not limited to, the "costs of permanent improvements" described in R.C. Section 133.15(B); and
- (iii) Third, to the Township to be utilized at its discretion for any purpose permitted by applicable law.

The Fund shall remain in existence so long as Service Payments are collected and used for the aforesaid purposes, subject to the limits set forth in Section 4 hereof, after which said Fund shall be dissolved in accordance with R.C. Section 5709.75. Upon dissolution, any incidental surplus money remaining in the Fund shall be disposed of as provided in R.C. Section 5709.75.

**Section 6.** The County Treasurer is requested to make payments to the Local School District, solely from the Service Payments, in the amounts equal to the property tax payments that the Local School District would otherwise have received from the Improvement had the Improvement not been exempted pursuant to this Resolution. No such payments to the Local School District shall be made with respect to the portion of the assessed value of any structure or increased value exempted under any CRA Agreement for the period and to the extent that the structure or increased value is exempt under the CRA Agreement. The County Treasurer shall remit all remaining Service Payments to the Township for deposit in the Fund established in Section 5 hereof. If the County Treasurer does not make payments to the Local School District pursuant to this Section 6, the Fiscal Officer or other designee of this Board is hereby authorized and directed to make the payments specified in Section 5 from the Fund.

**Section 7.** This Board authorizes and directs the Board President or other designee of the Board, to provide such information and certifications, and execute and deliver or accept delivery of such instruments, as are necessary and incidental to collect the Service Payments and to take such actions as are necessary or appropriate to implement the transactions contemplated by this Resolution, including the filing of one or more applications for exemption as provided in R.C. Section 5709.911.

**Section 8.** This Board hereby creates the TIRC pursuant to R.C. Section 5709.85(A). The membership of the TIRC shall be in accordance with R.C. Section 5709.85(A)(3). The TIRC shall meet annually to review the exemption granted by this Resolution and determine the increase in the true value of parcels on the Property on which there has been Improvement as a result of the exemption granted by this Resolution, the value of the Improvements exempted pursuant to this Resolution, the number of new employees or employees retained on the site of the Improvement as a result of the exemption granted by this Resolution, and the exemption recipients' compliance with the nondiscriminatory hiring policies developed by the Township. This Board hereby authorizes the Board President or other designee of the Board to take any and all actions necessary to assist in the formation of the TIRC and the appointment of its members, including providing to the appropriate officials of Franklin County and the Local School District with a copy of this Resolution.

**Section 9.** The Township hereby establishes the following nondiscriminatory hiring policies for application to recipients of exemptions granted pursuant to this Resolution and all other past and future tax exemptions granted by the Township pursuant to R.C. Sections 3735.67, and 5709.73:

- a. No tax exemption recipient may deny employment to an individual solely on the basis of race, color, religion, sex, national origin, age, disability, ancestry, or other non-job related criteria.
- b. The TIRC shall review each exemption recipient's compliance with the foregoing nondiscrimination requirement and, if necessary, may submit to the Board written recommendations for enhancing compliance with the nondiscrimination requirement.

**Section 10.** The Board President or other designee of the Board is authorized and directed to sign any other documents, instruments or certificates and to take such actions as are necessary or appropriate to consummate or implement the actions described herein or contemplated by this Resolution.

**Section 11.** Pursuant to R.C. Section 5709.73, the Board President or other designee of the Board is hereby directed to deliver a copy of this Resolution to the Director of the Ohio Development Services Agency within fifteen (15) days after its passage. On or before March 31 of each year that the exemption set forth in Section 3 hereof remains in effect, the Board President or other designee of the Board shall prepare and submit to the Director of the Ohio Development Services Agency the status report required under R.C. Section 5709.73(I).

**Section 12.** This Board hereby finds and determines that all formal actions of this Board concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board and that all deliberations of this Board and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements including R.C. Section 121.22.

\_\_\_\_\_ seconded the Resolution, and the roll being called upon its adoption, the vote resulted as follows:

YEAS: \_\_\_\_\_ \* \_\_\_\_\_ \* \_\_\_\_\_  
 NAYS: \_\_\_\_\_ \* \_\_\_\_\_ \* \_\_\_\_\_

The motion carried and the Resolution was adopted.

Attest: \_\_\_\_\_  
 \_\_\_\_\_, Fiscal Officer

## **Exhibit A to Township Resolution**

### **Map and Description of Property**

The Property is the real estate situated in the County of Franklin and State of Ohio consisting of the parcel numbers listed below (and including any subsequent combinations and/or subdivisions of the current parcel numbers) and depicted on the map attached hereto:

250-000023-00

250-002393-00

250-006893-00



**Exhibit B to Township Resolution**

**Form of TIF Agreement**

(Attached hereto)



## **Exhibit C to Township Resolution**

### **Public Infrastructure Improvements**

The Public Infrastructure Improvements may include, but are not limited to, the following:

Acquisition of land; extension and construction of electric infrastructure necessary to provide electric service for the Property; extension and construction of water utility infrastructure necessary to provide water service for the Property; extension and construction of gas infrastructure necessary to provide gas service for the Property; extension and construction of communications infrastructure necessary to provide communications service for the Property; street lighting; sidewalks; acquisition of land for rights of way; construction of other roads and all related appurtenances; traffic signs and signals; engineering and other professional services secured in connection with the Public Infrastructure Improvements including legal, planning, citizen participation, environmental studies and remediation; streetscape and other improvements including, but not limited to, grading, draining, curbing, paving, resurfacing, constructing or reconstructing storm sewers, sanitary sewers, water mains, sidewalks, driveway approaches and aprons, public parking spaces and structures; electrical lighting; removal and placement of overhead utilities underground; installation of the desired conduit; environmental remediation; stormwater and flood remediation projects; demolition; traffic control devices, including traffic lights, signs and other markings; installing public benches, seating areas and trash receptacles; planting trees, shrubbery and other landscaping materials, together with all other necessary and appropriate appurtenances.

## CERTIFICATE

State of Ohio, Franklin County

I, the undersigned Fiscal Officer of Sharon Township, Franklin County, Ohio, hereby certify that the foregoing Resolution Number \_\_\_\_\_ is a true and complete copy of the Resolution adopted by the unanimous vote of the full membership of the Board of Trustees of Sharon Township at its regular meeting held on \_\_\_\_\_, 2018 as was recorded in the official proceedings of the Board.

\_\_\_\_\_  
\_\_\_\_\_, Fiscal Officer

**EXHIBIT C TO RESOLUTION**  
**PROPOSED COMMUNITY CENTER CRA AGREEMENT**  
**(Attached)**

## COMMUNITY REINVESTMENT AREA AGREEMENT

This Community Reinvestment Area Agreement (this "Agreement") made and entered into by and among the County of Franklin, Ohio (the "County"), a county and political subdivision in and of the State of Ohio ("State") and duly organized and validly existing under the Constitution and laws of the State, with its main offices located at 373 South High Street, Columbus, Ohio 43215, and Continental Hills, LLC, a domestic limited liability company, with offices located at 150 East Broad Street, 8<sup>th</sup> Floor, Columbus, Ohio 43215 (the "Developer").

### WITNESSETH:

**WHEREAS**, the County desires to pursue all reasonable and legitimate incentive measures to assist, encourage and stimulate development in specific areas of the County that have not enjoyed sufficient reinvestment from remodeling or new construction; and

**WHEREAS**, the County, by Resolution No. 0082-18, adopted by the Board of Commissioners (the "Board") on February 6, 2018 (the "Resolution"), designated the area specified in the Resolution as the Olentangy Valley Community Reinvestment Area (the "CRA") pursuant to Ohio Revised Code ("R.C.") Sections 3735.65 through 3735.70 (the "CRA Act"), and authorized a real property tax exemption for the construction of new structures and the remodeling of existing structures in the CRA in accordance with the CRA Act; and

**WHEREAS**, the Developer owns the real property contained within the County (the "Project Site"), and depicted in Exhibit A attached hereto (the "Project Site Map"); and

**WHEREAS**, the Developer has submitted to the County an application for a community reinvestment area agreement (the "Application"), a copy of which is attached hereto as Exhibit B; and

**WHEREAS**, the Developer proposes to remodel and upgrade an existing building located at the Olentangy Valley Centre (the "Shopping Center Building"), together with related site improvements, as described in the Application (collectively, the "Project"), provided that the appropriate development incentives are available to support the economic viability of the Project; and

**WHEREAS**, the Developer may not equip or occupy any portion of the Project Site or hire employees at the Project Site; rather, the Developer may transfer the Project Site to one or more transferees by lease, sale and/or other means of transfer; and

**WHEREAS**, the Developer has remitted or shall remit with the Application the required State of Ohio application fee of \$750.00, made payable to the Ohio Development Services Agency, to be forwarded with this Agreement; and

**WHEREAS**, pursuant to R.C. Section 3735.67(A) and in conformance with the format required under R.C. Section 3735.671(B), the County and the Developer desire to formalize their agreement with respect to matters hereinafter contained; and

**WHEREAS**, the Project Area is located in the Worthington City School District (the “Local School District”), and the board of education of the Local School District has been notified of the proposed approval of this Agreement in accordance with R.C. Sections 3735.671 and 5709.83, and has been given a copy of the Application and a draft of this Agreement; and

**WHEREAS**, the board of education of the Local School District has approved this Agreement, including, but not limited to, the 60% exemption set forth herein, and has waived the statutory notice requirements; and

**WHEREAS**, the Board, by Resolution No. \_\_\_\_\_, adopted on \_\_\_\_\_, 2018, has approved the terms of this Agreement and authorized its execution on behalf of the County; and

**WHEREAS**, the parties recognize that the exact legal and financing structure used by the Developer in developing, equipping and operating the Project may include additional legal entities and may evolve prior to and during the operation of the Project;

**NOW, THEREFORE**, in consideration of the mutual covenants hereinafter contained and the benefit to be derived by the parties from the execution hereof, the receipt and sufficiency of which are hereby acknowledged, the parties herein agree as follows:

**1. Project.** The cost of the investments to be made in connection with the Project by the Developer is estimated to be approximately four million dollars (\$4,000,000), but not less than three million dollars (\$3,000,000) for the remodeling of the Shopping Center Building, exclusive of any amounts for acquisition of machinery and equipment, furniture and fixtures, and inventory, containing approximately thirty thousand (30,000) square feet. The parties recognize that costs do not necessarily equal otherwise taxable value.

**2. Values of Personal Property.** The value of the non-inventory personal property of the Developer that is located at another location in Ohio prior to the execution of this Agreement and that is to be relocated from that location to the Project Site is \$0. The value of the non-inventory personal property of the Developer located at the Project Site prior to the execution of this Agreement is approximately \$0. The average value of the inventory of the Developer held at another location in Ohio prior to the execution of this Agreement and to be relocated from that location to the Project Site is \$0. The average value of the inventory of the Developer at the Project Site prior to the execution of this Agreement is approximately \$0.

**3. Project Schedule.** The scheduled estimated starting month for the Project investments to made in building, machinery, equipment, furniture, fixtures and/or inventory is approximately April, 2019; and the scheduled estimated completion month for such investments is no later than approximately December 2022. The estimates provided in this Section are good faith estimates provided pursuant to R.C. Section 3735.671(B) and shall not be construed in a manner that would

limit the amount or term of the tax exemptions provided in this Agreement, other than as those tax exemptions are limited in Sections 7 of this Agreement.

#### **4. Employee Positions.**

- A.** The Developer shall cause to be created at the Project Site approximately eight (8) new Full-Time Equivalent Jobs.
- B.** “Full-Time Equivalent Job” means: (i) individuals employed for consideration by an enterprise for at least thirty-five hours a week, or who renders any other standard of service generally accepted by custom or specified by contract as full-time employment; and (ii) a combination of two individuals, each of whom individually is not treated as a full-time employee because he or she is employed for consideration by an enterprise for less than thirty-five hours a week, or who renders any other standard of service generally accepted by custom or specified by contract as part-time employment.
- C.** For further clarification related to the classification of employees of any tenants occupying space at the Project Site, a new job is one filled by a new employee which shall mean any employee first employed within the County at the Project Site by that tenant following the commencement of the Project as described in Section 1 hereof. An employee who is (i) employed at the Project Site prior to commencement of the Project, or (ii) relocated to the Project Site from another tenant operation located in the State of Ohio after the commencement of the Project shall not be considered a new Full-Time Equivalent Job. The total number of tenant employees under (i) and/or (ii) above at the time a tenant locates at the Project Site will become the baseline number of employees for that tenant and only jobs created over and above that baseline number will be considered to be a new Full-Time Equivalent Job.
- D.** The following is a schedule of the anticipated hiring of employment positions for each year in which the Agreement is in effect and jobs are created as a result of the Project:

Year following completion of the Project	Cumulative New Full-Time Equivalent Jobs Created
Year 1	3
Year 2	6
Year 3	8
<b>TOTAL</b>	<b>8</b>



The creation of these jobs will result in the approximate total of two hundred forty thousand dollars (\$240,000) of payroll at the Project Site.

**5. Provision of Information, TIRC.** The Developer shall provide to the proper tax incentive review council (the "TIRC") any information reasonably required by the TIRC to evaluate the compliance of the Developer with the Agreement, including returns or annual reports of the Developer filed pursuant to R.C. Section 5711.02 if requested by the TIRC.

**6. Provision of Information, Tenant Lease.** The Developer shall provide to the County upon written request from the County the identity of each tenant that is occupying space at the Project Site. The Developer agrees to use commercially reasonable efforts to provide to the County upon written request from the County information on employment and payroll of any tenant employees relocated to the Project Site from another tenant operation in the State of Ohio after the completion of the Project in order to establish the baseline number of employees for that tenant as described in Section 4(C) hereof. The Developer shall be responsible for including language, as necessary in its leases with tenants that are new to the Shopping Center Building as of the commencement of the Project, to ensure that tenants provide such information to the Developer for the County.

**7. Real Property Tax Exemption.** The County hereby grants a fifteen (15) year, sixty percent (60%) real property tax exemption pursuant to R.C. Section 3735.67 for the increased assessed value of the Shopping Center Building after remodeling begins. The exemption shall commence the first year the remodeling would first be taxable were that property not hereby exempted from taxation. No exemption shall commence after tax year 2023 (i.e., tax lien date January 1, 2023) nor extend beyond tax year 2037 (i.e., tax lien date January 1, 2037). The exemption set forth in this Section shall apply irrespective of whether the real property is owned by the Developer, or, in accordance with Section 18 of this Agreement, Section 21 of this Agreement, or both Sections 18 and 21 of this Agreement, by another entity or other entities.

**8. Application for Exemption.** The Developer acknowledges that the tax exemption with respect to the Shopping Center Building is subject to the filing of a real property tax exemption application with the Housing Officer designated by the County for the CRA, following the completion of the remodeling of the Shopping Center Building. The County agrees that upon receipt of the real property tax exemption application, the Housing Officer shall verify the cost of the remodeling of the existing structure and the facts asserted in the application. If the remodeling is determined to meet the requirements for exemption, the Housing Officer shall certify the tax exemption to the Franklin County Auditor.

**9. Payment of Non-Exempt Taxes.** The Developer shall pay such taxes and real property taxes as are not exempted under this Agreement or otherwise exempted and are charged against such property and shall file all tax reports and returns as required by law in connection therewith. If the Developer fails to pay such taxes or file such returns and reports, and such failure is not corrected within sixty (60) days of written notice thereof to the Developer, all exemptions from taxation granted under this Agreement are rescinded beginning with the year for which such unpaid taxes are charged or such unfilled reports or returns are required to be filed and thereafter.

**10. Cooperation of the County.** The County shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve, and maintain the 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. In addition, the County acknowledges that the Developer has not yet identified a viable option for the northern portion of the Project Site, acknowledges that the Developer may conclude that a CRA exemption is necessary to develop that portion of the Project Site, and agrees to consider in good faith a future proposal from the Developer to provide a similar CRA exemption for that portion of the Project Site.

**11. Revocation of CRA.** If for any reason the County revokes or purports to revoke the designation of the CRA, or the Director of the Ohio Development Services Agency revokes certification of the CRA, entitlements granted under this Agreement shall continue for the number of years specified in this Agreement, unless the Developer materially fails to fulfill its obligations under this Agreement and such failure is not corrected within sixty (60) days of written notice thereof to the Developer, and consequently, the County terminates or modifies the exemptions from taxation granted in this Agreement.

**12. Certification as to No Delinquent Taxes.** The Developer hereby certifies for itself that at the time this Agreement is executed, (i) it does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State and does not owe delinquent taxes for which it is liable under Chapter 5733, 5735, 5739, 5741, 5743, 5747, or 5753 of the Revised Code, or, if such delinquent taxes are owed, it is currently paying the delinquent taxes pursuant to an undertaking enforceable by the State or an agent or instrumentality thereof, (ii) it has not filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., and (iii) no such petition has been filed against it. For the purposes of this certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Ohio Revised Code governing payment of those taxes.

**13. Termination, Suspension or Modification Upon Default.** If the Developer materially fails to fulfill its obligations under this Agreement, other than with respect to the number of new Full-Time Equivalent Jobs estimated to be created under this Agreement, and such failure is not corrected within sixty (60) days of written notice thereof to the Developer, or if the County determines that the certification as to delinquent taxes required by this Agreement is fraudulent, the County may terminate, suspend or modify the exemptions from taxation granted under this Agreement and may require the repayment of some or all of the amount of taxes that would have been payable had the property not been exempted from taxation under this Agreement.

**14. Job Creation/Retention Remedy.** In any consecutive three-year period during which this Agreement is in effect, if the actual number of new Full-Time Equivalent Jobs created is not equal to or greater than seventy-five percent (75%) of the number estimated to be created under this Agreement during each year of that three-year period, the County may terminate, suspend or modify the exemptions from taxation granted under this Agreement and may require the repayment of some or all of the amount of taxes that would have been payable had the property not been exempted from taxation under this Agreement.

**15. Approval by the County.** The Developer and the County acknowledge that this Agreement must be approved by formal actions of the legislative authority of the County as a condition for this Agreement to take effect. This Agreement takes effect upon such approval. Because this Agreement was approved by Resolution No. \_\_\_\_\_ of the Board on \_\_\_\_\_, 2018, this Agreement shall be effective immediately upon its execution.

**16. Non-Discriminatory Hiring.** By executing this Agreement, the Developer are committing to following non-discriminating hiring practices, acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, sexual orientation, gender identity, marital status, age, disability, color, national origin, veteran status, or ancestry.

**17. Revocation of Exemptions.** Exemptions from taxation granted under this Agreement shall be revoked if it is determined that the Developer, any successor property owner, 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 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.

**18. Transfer and/or Assignment.** This Agreement is not transferable or assignable without the express written approval of the County; provided, however that the County agrees not to withhold its approval of such transferee or assignee so long as such transferee or assignee files with the County an assumption agreement wherein such transferee or assignee (i) assumes all obligations of the Developer under this Agreement with respect to the Project, (ii) certifies to the validity of the representations, warranties and covenants contained herein as to such transferee or assignee, and (iii) pays to the County a Transfer fee of Two Thousand Five Hundred Dollars (\$2500.00). Upon the receipt by the County of such assumption agreement, the transferee or assignee shall have all entitlements and rights as to the Project as if it had been the signatory to this Agreement.

**19. Counterparts.** This Agreement may be signed in one or more counterparts or duplicate signature pages with the same force and effect as if all required signatures were contained in a single original instrument. Any one or more of such counterparts or duplicate signature pages may be removed from any one or more original copies of this Agreement and annexed to other counterparts or duplicate signature pages to form a completely executed original instrument.

**20. Severability; Construction; Headings.** If any provision of this Agreement or the application of any such provision to any such person or any circumstance shall be determined to be invalid or unenforceable, then such determination shall not affect any other provision of this Agreement or the application of such provision to any other person or circumstance, all of which other provisions shall remain in full force and effect. If any provision of this Agreement is capable of two constructions one of which would render the provision valid, then such provision shall have the meaning which renders it valid. The captions and headings in this Agreement are for convenience only and in no way define, limit, prescribe or modify the meaning, scope or intent of any provisions hereof.

**21. Modifications.** If, notwithstanding Section 18 of this Agreement, it becomes necessary to modify the terms of this Agreement to reflect the exact legal and financing structure used by the Developer in developing, equipping and operating the Project, the Developer shall request an amendment to this Agreement.

**22. Notices.** Any notices, statements, acknowledgements, consents, approvals, certificates or requests required to be given on behalf of any party to this Agreement shall be made in writing addressed as follows and sent by (i) registered or certified mail, return receipt requested, and shall be deemed delivered when the return receipt is signed, refused or unclaimed, (ii) by nationally recognized overnight delivery courier service and shall be deemed delivered the next business day after acceptance by the courier service with instructions for next-business-day delivery, or (iii) by facsimile transmission and shall be deemed delivered upon receipt of confirmation of transmission:

If to the County, to:

Franklin County Economic Development and Planning  
150 South Front Street, FSL Suite 10  
Columbus, OH 43215  
Attention: Director Schimmer

If to the Developer, to:

Continental Hills LLC  
150 East Broad Street, 8<sup>th</sup> Floor  
Columbus, Ohio 43215  
Attention: Karl Schneider

And to:

Vorys, Sater, Seymour and Pease LLP  
52 East Gay Street  
Columbus, OH 43215  
Attention: Scott J. Ziance

or to any such other addresses as may be specified by any party, from time to time, by prior written notification.

**23. R.C. Section 9.66 Covenants.** The Developer affirmatively covenants that it has made no false statements to the State or any local political subdivision in the process of obtaining approval of the CRA tax exemptions; and that it does not owe: (i) any delinquent taxes to the State or a political subdivision of the State; (ii) any moneys to the State or a State agency for the administration or enforcement of any environmental laws of the State; and (3) 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. If any representative of the Developer has knowingly made a false statement to the State or any local political subdivision to obtain the CRA tax exemptions, the Developer shall be required to immediately return all benefits received by it under this Agreement pursuant to R.C. Section 9.66(C)(2) and the Developer shall be

ineligible for any future economic development assistance from the State, any State agency or a political subdivision pursuant to R.C. 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 R.C. Section 2921.13(D)(1), which is punishable by a fine of not more than one thousand dollars (\$1,000) and/or a term of imprisonment of not more than six (6) months.

**24. Annual Fee.** The Developer shall pay an initial fee to the Ohio Development Services Agency equal to Seven Hundred and Fifty Dollars (\$750.00), and the Developer shall pay an annual fee equal to the greater of one percent (1%) of the amount of taxes exempted under this Agreement or five hundred dollars (\$500); provided, however, that if the value of the incentives exceeds two hundred fifty thousand dollars (\$250,000), the fee shall not exceed two thousand five hundred dollars (\$2,500) as permitted under R.C. Section 3735.671(D). The fee shall be in the form of a check made payable to the "Franklin County Board of Commissioners" once per year for each year this Agreement is effective on March 31<sup>st</sup> of each such year.

**25. Estoppel Certificate.** Upon request of the Developer, the County shall execute and deliver to the Developer or any proposed purchaser, mortgagee or lessee a certificate stating: (a) that the Agreement is in full force and effect, if the same is true; (b) that the Developer is not in default under any of the terms, covenants or conditions of the Agreement, or if the Developer is in default, specifying same; and (c) such other matters as the Developer reasonably requests.

**26. Entire Agreement.** This Agreement and the Resolution constitute the entire agreement between the Developer and the County pertaining to the subject matter contained herein and therein and supersede all other prior or contemporaneous agreements or understandings between the Developer and the County in connection with such subject matter.

[Remainder of this Page Intentionally Left Blank.]

**IN WITNESS WHEREOF**, the parties hereto hereby set their hands and seals this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

Continental Hills, LLC, a domestic limited liability corporation

Franklin County Board of Commissioners

\_\_\_\_\_  
Karl Schneider  
150 East Broad Street, 8<sup>th</sup> Floor  
Columbus, Ohio 43215

\_\_\_\_\_  
KEVIN L. BOYCE, PRESIDENT

\_\_\_\_\_  
MARILYN BROWN

\_\_\_\_\_  
JOHN O'GRADY

Approved as to form:  
Ron O'Brien  
Franklin County Prosecuting Attorney

Approved:  
Franklin County Economic Development  
and Planning Department

By: \_\_\_\_\_  
Assistant Prosecuting Attorney

By: \_\_\_\_\_  
James Schimmer, Director

Date:

Date:



*Note: A copy of this Agreement must be forwarded to the Ohio Development Services Agency by the County within fifteen (15) days of execution.*

**EXHIBIT A**

**TO COMMUNITY REINVESTMENT AREA AGREEMENT**

**Project Site Map**

(attached hereto)



**EXHIBIT B**

**TO COMMUNITY REINVESTMENT AREA AGREEMENT**

**Application for Community Reinvestment Area Agreement**

(attached hereto)

**PROPOSED AGREEMENT** for Community Reinvestment Area Tax Incentives between the Franklin County and Continental Hills, LLC.

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

Continental Hills, LLC	David Royer
Enterprise Name	Contact Person

150 East Broad Street, 8 <sup>th</sup> Floor, Columbus, OH 43215 614-883-1038	
Address	Telephone Number

- b. Project site:

The Olentangy Valley Center

---

David Royer  
Contact Person

7870 Olentangy River Rd, Columbus, OH 43235	614-883-1038
Address	Telephone Number

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

Retail stores

- b. List primary 6 digit North American Industry Classification System (NAICS) # 531120

Business may list other relevant SIC numbers.

N/A

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

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

Limited liability company

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

Frank Kass, Chairman; Karl Schneider, Principal

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

Zero

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

N/A

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

Zero

- e. State the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets:

N/A

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

N/A

5. Does the Property Owner owe:

- a. Any delinquent taxes to the State of Ohio or a political subdivision of the state?  
Yes \_\_\_ No X
  - b. Any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State? Yes \_\_\_ No X
  - 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 X
  - 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).
6. Project Description: Continental Hills, LLC will redevelop and upgrade a retail shopping building at the Olentangy Valley Center in Sharon Township.
  7. Project will begin approximately April, 2019 and be completed approximately December, 2022 provided a tax exemption is provided.
  8. 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):  
  
The developer estimates 8 jobs will be created at the project site as a part of the redevelopment; however, employees at the project site will be will be hired by entities other than the developer.  
  
b. State the time frame of this projected hiring: three yrs.  
  
c. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees):  
  
All positions are expected to be full-time positions. Hiring is projected to commence approximately Q4 2022 and continue incrementally through approximately Q4 2025.
  9. a. Estimate the amount of annual payroll such new employees will add \$ 240,000\* (new annual payroll must be itemized by full and part-time and permanent and temporary new employees). \*Please note: Annual payroll will be created by entities other than the developer.  
  
b. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project: \$ Zero



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

A. Acquisition of Buildings:	\$ _____
B. Additions/New Construction:	\$ _____
C. Improvements to existing buildings:	\$ <u>4,000,000</u>
D. Machinery & Equipment:	\$ _____
E. Furniture & Fixtures:	\$ _____
F. Inventory:	\$ _____
<b>Total New Project Investment:</b>	<b>\$<u>4,000,000</u></b>

11. a. Business requests the following tax exemption incentives: 60 % for 15 years covering real property as described above. Be specific as to the rate, and term.

- b. Business's reasons for requesting tax incentives (be quantitatively specific as possible)

The requested incentives are necessary to redevelop the Olentangy Valley Center, which has suffered a significant decline in the condition of the property and has experienced a significant decrease in tenancy rates. The site now suffers from widespread vacancy, deteriorating buildings with outdated roofs and mechanical systems, broken asphalt, crumbling sidewalks and failing facades. The incentives will assist in the financing of the project, and assist in offsetting some of the recurring costs, thus potentially increasing the long-term viability of the project. The investment in the project, aided by the incentives, will also directly benefit the existing tenants in the shopping center.

Submission of this application expressly authorizes Franklin County 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.

Continental Hills, LLC  
Name of Property Owner

November 8, 2018  
Date

  
Signature

David Royer, Authorized Agent  
Typed Name and Title

\* A copy of this proposal must be forwarded by the local governments to the affected Board of Education along with notice of the meeting date on which the local government will review the proposal. Notice must be given a minimum of fourteen (14) days prior to the scheduled meeting to permit the Board of Education to appear and/or comment before the legislative authorities considering the request.

\*\* Attach to Final Community Reinvestment Area Agreement as Exhibit A

Please note that copies of this proposal must be included in the finalized Community Reinvestment Area Agreement and be forwarded to the Ohio Development Services Agency within fifteen (15) days of final approval.



**EXHIBIT D TO RESOLUTION**  
**PROPOSED SENIOR LIVING CENTER CRA AGREEMENT**  
**(Attached)**

## **COMMUNITY REINVESTMENT AREA AGREEMENT**

This Community Reinvestment Area Agreement (this “Agreement”) made and entered into by and among the County of Franklin, Ohio (the “County”), a county and political subdivision in and of the State of Ohio (“State”) and duly organized and validly existing under the Constitution and laws of the State, with its main offices located at 373 South High Street, Columbus, Ohio 43215, and Worthington Hills Senior Living, LLC, a domestic limited liability company, with offices located at 150 East Broad Street, 8<sup>th</sup> Floor, Columbus, Ohio 43215 (the “Developer”).

### **WITNESSETH:**

**WHEREAS**, the County desires to pursue all reasonable and legitimate incentive measures to assist, encourage and stimulate development in specific areas of the County that have not enjoyed sufficient reinvestment from remodeling or new construction; and

**WHEREAS**, the County, by Resolution No. 0082-18, adopted by the Board of Commissioners (the “Board”) on February 6, 2018 (the “Resolution”), designated the area specified in the Resolution as the Olentangy Valley Community Reinvestment Area (the “CRA”) pursuant to Ohio Revised Code (“R.C.”) Sections 3735.65 through 3735.70 (the “CRA Act”), and authorized a real property tax exemption for the construction of new structures and the remodeling of existing structures in the CRA in accordance with the CRA Act; and

**WHEREAS**, the Developer owns the real property contained within the County, (the “Project Site”), and depicted in Exhibit A attached hereto (the “Project Site Map”); and

**WHEREAS**, the Developer has submitted to the County an application for a community reinvestment area agreement (the “Application”), a copy of which is attached hereto as Exhibit B; and

**WHEREAS**, the Developer proposes to demolish an existing building at the Project Site and construct a new senior assisted/independent living center (the “Senior Living Building”) together with related site improvements, as described in the Application (collectively, the “Project”), provided that the appropriate development incentives are available to support the economic viability of the Project; and

**WHEREAS**, the Developer may not equip or occupy any portion of the Project Site or hire employees at the Project Site; rather, the Developer may transfer the Project Site to one or more transferees by lease, sale and/or other means of transfer; and

**WHEREAS**, the Developer has remitted or shall remit with the Application the required State of Ohio application fee of \$750.00, made payable to the Ohio Development Services Agency, to be forwarded with this Agreement, and has paid the required County application fee of \$2500.00; and

**WHEREAS**, pursuant to R.C. Section 3735.67(A) and in conformance with the format required under R.C. Section 3735.671(B), the County and the Developer desire to formalize their agreement with respect to matters hereinafter contained; and

**WHEREAS**, the Project Area is located in the Worthington City School District (the "Local School District"), and the board of education of the Local School District has been notified of the proposed approval of this Agreement in accordance with R.C. Sections 3735.671 and 5709.83, and has been given a copy of the Application and a draft of this Agreement; and

**WHEREAS**, the board of education of the Local School District has approved this Agreement, including, but not limited to, the 60% exemption set forth herein, and has waived the statutory notice requirements; and

**WHEREAS**, the Board, by Resolution No. \_\_\_\_\_, adopted on \_\_\_\_\_, 2018, has approved the terms of this Agreement and authorized its execution on behalf of the County; and

**WHEREAS**, the parties recognize that the exact legal and financing structure used by the Developer in developing, equipping and operating the Project may include additional legal entities and may evolve prior to and during the operation of the Project;

**NOW, THEREFORE**, in consideration of the mutual covenants hereinafter contained and the benefit to be derived by the parties from the execution hereof, the receipt and sufficiency of which are hereby acknowledged, the parties herein agree as follows:

**1. Project.** The cost of the investments to be made in connection with the Project by the Developer is estimated to be approximately fifteen million dollars (\$15,000,000), but not less than thirteen million dollars (\$13,000,000), for the construction of a new Senior Living Building (exclusive of any amounts for acquisition of machinery and equipment, furniture and fixtures, and inventory). The Senior Living Building will consist of a senior assisted/independent living center containing approximately 100 units, some of which will be independent living units and some of which will be assisted living units, with approximately seventy-five thousand (75,000) square feet. The parties recognize that costs do not necessarily equal otherwise taxable value.

**2. Values of Personal Property.** The value of the non-inventory personal property of the Developer that is located at another location in Ohio prior to the execution of this Agreement and that is to be relocated from that location to the Project Site is \$0. The value of the non-inventory personal property of the Developer located at the Project Site prior to the execution of this Agreement is approximately \$0. The average value of the inventory of the Developer held at another location in Ohio prior to the execution of this Agreement and to be relocated from that location to the Project Site is \$0. The average value of the inventory of the Developer at the Project Site prior to the execution of this Agreement is approximately \$0.

**3. Project Schedule.** The scheduled estimated starting month for the Project investments to made in building, machinery, equipment, furniture, fixtures and/or inventory is approximately December, 2018; and the scheduled estimated completion month for such investments is no later

than approximately December 2021. The estimates provided in this Section are good faith estimates provided pursuant to R.C. Section 3735.671(B) and shall not be construed in a manner that would limit the amount or term of the tax exemptions provided in this Agreement, other than as those tax exemptions are limited in Sections 7 of this Agreement.

#### 4. Employee Positions.

- A. The Developer shall cause to be created at the Project Site approximately twenty (20) new Full-Time Equivalent Jobs.
- B. "Full-Time Equivalent Job" means: (i) individuals employed for consideration by an enterprise for at least thirty-five hours a week, or who renders any other standard of service generally accepted by custom or specified by contract as full-time employment; and (ii) a combination of two individuals, each of whom individually is not treated as a full-time employee because he or she is employed for consideration by an enterprise for less than thirty-five hours a week, or who renders any other standard of service generally accepted by custom or specified by contract as part-time employment.
- C. For further clarification related to the classification of employees of any tenants occupying space at the Project Site, a new job is one filled by a new employee which shall mean any employee first employed within the County at the Project Site by that tenant following the commencement of the Project as described in Section 1 hereof. An employee who is (i) employed at the Project Site prior to commencement of the Project, or (ii) relocated to the Project Site from another tenant operation located in the State of Ohio after the commencement of the Project shall not be considered a new Full-Time Equivalent Job. The total number of tenant employees under (i) and/or (ii) above at the time a tenant locates at the Project Site will become the baseline number of employees for that tenant and only jobs created over and above that baseline number will be considered to be a new Full-Time Equivalent Job.
- D. The following is a schedule of the anticipated hiring of employment positions for each year in which the Agreement is in effect and jobs are created as a result of the Project:

Year following completion of the Project	Cumulative New Full-Time Equivalent Jobs Created
Year 1	6
Year 2	13
Year 3	20
<b>TOTAL</b>	<b>20</b>



The creation of these jobs will result in the approximate total of six hundred fifty thousand dollars (\$650,000) of payroll at the Project Site.

**5. Provision of Information, TIRC.** The Developer shall provide to the proper tax incentive review council (the "TIRC") any information reasonably required by the TIRC to evaluate the compliance of the Developer with the Agreement, including returns or annual reports of the Developer filed pursuant to R.C. Section 5711.02 if requested by the TIRC.

**6. Real Property Tax Exemption.** The County hereby grants a fifteen (15) year, sixty percent (60%) real property tax exemption pursuant to R.C. Section 3735.67 for the assessed value of the Project. The exemption shall commence the first year the real property would first be taxable were that property not hereby exempted from taxation. No exemption shall commence after tax year 2023 (i.e., tax lien date January 1, 2023) nor extend beyond tax year 2037 (i.e., tax lien date January 1, 2037). The exemption set forth in this Section shall apply irrespective of whether the real property is owned by the Developer, or, in accordance with Section 17 of this Agreement, Section 20 of this Agreement, or both Sections 17 and 20 of this Agreement, by another entity or other entities.

**7. Application for Exemption.** The Developer acknowledges that the tax exemption with respect to the Senior Living Building is subject to the filing of a real property tax exemption application with the Housing Officer designated by the County for the CRA, following the completion of construction of the Senior Living Building. The County agrees that upon receipt of the real property tax exemption application, the Housing Officer shall verify the construction of the new structure and the facts asserted in the application. If the construction is determined to meet the requirements for exemption, the Housing Officer shall certify the tax exemption to the Franklin County Auditor.

**8. Payment of Non-Exempt Taxes.** The Developer shall pay such taxes and real property taxes as are not exempted under this Agreement or otherwise exempted and are charged against such property and shall file all tax reports and returns as required by law in connection therewith. If the Developer fails to pay such taxes or file such returns and reports, and such failure is not corrected within sixty (60) days of written notice thereof to the Developer, all exemptions from taxation granted under this Agreement are rescinded beginning with the year for which such unpaid taxes are charged or such unfiled reports or returns are required to be filed and thereafter.

**9. Cooperation of the County.** The County shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve, and maintain the 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. Revocation of CRA.** If for any reason the County revokes or purports to revoke the designation of the CRA, or the Director of the Ohio Development Services Agency revokes certification of the CRA, entitlements granted under this Agreement shall continue for the number of years specified in this Agreement, unless the Developer materially fails to fulfill its obligations under this Agreement and such failure is not corrected within sixty (60) days of written notice

thereof to the Developer, and consequently, the County terminates or modifies the exemptions from taxation granted in this Agreement.

**11. Certification as to No Delinquent Taxes.** The Developer hereby certifies for itself that at the time this Agreement is executed, (i) it does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State and does not owe delinquent taxes for which it is liable under Chapter 5733, 5735, 5739, 5741, 5743, 5747, or 5753 of the Revised Code, or, if such delinquent taxes are owed, it is currently paying the delinquent taxes pursuant to an undertaking enforceable by the State or an agent or instrumentality thereof, (ii) it has not filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., and (iii) no such petition has been filed against it. For the purposes of this certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Ohio Revised Code governing payment of those taxes.

**12. Termination, Suspension or Modification Upon Default.** If the Developer materially fails to fulfill its obligations under this Agreement, other than with respect to the number of new Full-Time Equivalent Jobs estimated to be created under this Agreement, and such failure is not corrected within sixty (60) days of written notice thereof to the Developer, or if the County determines that the certification as to delinquent taxes required by this Agreement is fraudulent, the County may terminate, suspend or modify the exemptions from taxation granted under this Agreement and may require the repayment of some or all of the amount of taxes that would have been payable had the property not been exempted from taxation under this Agreement.

**13. Job Creation/Retention Remedy.** In any consecutive three-year period during which this Agreement is in effect, if the actual number of new Full-Time Equivalent Jobs created is not equal to or greater than seventy-five percent (75%) of the number estimated to be created under this Agreement during each year of that three-year period, the County may terminate, suspend or modify the exemptions from taxation granted under this Agreement and may require the repayment of some or all of the amount of taxes that would have been payable had the property not been exempted from taxation under this Agreement.

**14. Approval by the County.** The Developer and the County acknowledge that this Agreement must be approved by formal actions of the legislative authority of the County as a condition for this Agreement to take effect. This Agreement takes effect upon such approval. Because this Agreement was approved by Resolution No. \_\_\_\_\_ of the Board on \_\_\_\_\_, 2018, this Agreement shall be effective immediately upon its execution.

**15. Non-Discriminatory Hiring.** By executing this Agreement, the Developer are committing to following non-discriminating hiring practices, acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, sexual orientation, gender identity, marital status, age, disability, color, national origin, veteran status, or ancestry.

**16. Revocation of Exemptions.** Exemptions from taxation granted under this Agreement shall be revoked if it is determined that the Developer, any successor property owner, 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 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.

**17. Transfer and/or Assignment.** This Agreement is not transferable or assignable without the express written approval of the County; provided, however that the County agrees not to withhold its approval of such transferee or assignee so long as such transferee or assignee files with the County an assumption agreement wherein such transferee or assignee (i) assumes all obligations of the Developer under this Agreement with respect to the Project, (ii) certifies to the validity of the representations, warranties and covenants contained herein as to such transferee or assignee, and (iii) pays to the County a Transfer fee of Two Thousand Five Hundred Dollars (\$2500.00). Upon the receipt by the County of such assumption agreement, the transferee or assignee shall have all entitlements and rights as to the Project as if it had been the signatory to this Agreement.

**18. Counterparts.** This Agreement may be signed in one or more counterparts or duplicate signature pages with the same force and effect as if all required signatures were contained in a single original instrument. Any one or more of such counterparts or duplicate signature pages may be removed from any one or more original copies of this Agreement and annexed to other counterparts or duplicate signature pages to form a completely executed original instrument.

**19. Severability; Construction; Headings.** If any provision of this Agreement or the application of any such provision to any such person or any circumstance shall be determined to be invalid or unenforceable, then such determination shall not affect any other provision of this Agreement or the application of such provision to any other person or circumstance, all of which other provisions shall remain in full force and effect. If any provision of this Agreement is capable of two constructions one of which would render the provision valid, then such provision shall have the meaning which renders it valid. The captions and headings in this Agreement are for convenience only and in no way define, limit, prescribe or modify the meaning, scope or intent of any provisions hereof.

**20. Modifications.** If, notwithstanding Section 17 of this Agreement, it becomes necessary to modify the terms of this Agreement to reflect the exact legal and financing structure used by the Developer in developing, equipping and operating the Project, the Developer shall request an amendment to this Agreement.

**21. Notices.** Any notices, statements, acknowledgements, consents, approvals, certificates or requests required to be given on behalf of any party to this Agreement shall be made in writing addressed as follows and sent by (i) registered or certified mail, return receipt requested, and shall be deemed delivered when the return receipt is signed, refused or unclaimed, (ii) by nationally recognized overnight delivery courier service and shall be deemed delivered the next business day after acceptance by the courier service with instructions for next-business-day delivery, or (iii) by facsimile transmission and shall be deemed delivered upon receipt of confirmation of transmission:

If to the County, to:

Franklin County Economic Development and Planning

150 South Front Street, FSL Suite 10  
Columbus, OH 43215  
Attention: Director Schimmer

If to the Developer, to:

Worthington Hills Senior Living, LLC  
150 East Broad Street, 8<sup>th</sup> Floor  
Columbus, Ohio 43215  
Attention: Karl Schneider

And to:

Vorys, Sater, Seymour and Pease LLP  
52 East Gay Street  
Columbus, OH 43215  
Attention: Scott J. Ziance

or to any such other addresses as may be specified by any party, from time to time, by prior written notification.

**22. R.C. Section 9.66 Covenants.** The Developer affirmatively covenants that it has made no false statements to the State or any local political subdivision in the process of obtaining approval of the CRA tax exemptions; and that it does not owe: (i) any delinquent taxes to the State or a political subdivision of the State; (ii) any moneys to the State or a State agency for the administration or enforcement of any environmental laws of the State; and (3) 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. If any representative of the Developer has knowingly made a false statement to the State or any local political subdivision to obtain the CRA tax exemptions, the Developer shall be required to immediately return all benefits received by it under this Agreement pursuant to R.C. Section 9.66(C)(2) and the Developer shall be ineligible for any future economic development assistance from the State, any State agency or a political subdivision pursuant to R.C. 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 R.C. Section 2921.13(D)(1), which is punishable by a fine of not more than one thousand dollars (\$1,000) and/or a term of imprisonment of not more than six (6) months.

**23. Restrictive Covenant.** A restrictive covenant shall be recorded upon or prior to completion of the Senior Living Building that requires, for a period of fifteen (15) years following completion of the Senior Living Building, (i) at least five (5) units remain occupied by and affordable to households at eighty percent (80%) of the area median income for Sharon Township ("AMI"), and (ii) at least seven (7) units remain occupied by and affordable to households at one hundred percent (100%) of the AMI. AMI refers to the maximum household income limits as published by the Department of Housing and Urban Development for Sharon Township and is based on the actual number of persons residing in each residential unit. Household income of each residential unit shall be determined at the time of occupancy by the Developer.

**24. Annual Fee.** The Developer shall pay an initial fee to the Ohio Development Services Agency equal to Seven Hundred and Fifty Dollars (\$750.00), and the Developer shall pay an initial application fee to the County equal to Two Thousand and Five Hundred Dollars (\$2500.00) and the Developer shall pay an annual fee equal to the greater of one percent (1%) of the amount of taxes exempted under this Agreement or five hundred dollars (\$500); provided, however, that if the value of the incentives exceeds two hundred fifty thousand dollars (\$250,000), the fee shall not exceed two thousand five hundred dollars (\$2,500) as permitted under R.C. Section 3735.671(D). The fee shall be in the form of a check made payable to the "Franklin County Board of Commissioners" once per year for each year this Agreement is effective on March 31<sup>st</sup> of each such year.

**25. Estoppel Certificate.** Upon request of the Developer, the County shall execute and deliver to the Developer or any proposed purchaser, mortgagee or lessee a certificate stating: (a) that the Agreement is in full force and effect, if the same is true; (b) that the Developer is not in default under any of the terms, covenants or conditions of the Agreement, or if the Developer is in default, specifying same; and (c) such other matters as the Developer reasonably requests.

**26. Entire Agreement.** This Agreement and the Resolution constitute the entire agreement between the Developer and the County pertaining to the subject matter contained herein and therein and supersede all other prior or contemporaneous agreements or understandings between the Developer and the County in connection with such subject matter.

[Remainder of this Page Intentionally Left Blank.]

**IN WITNESS WHEREOF**, the parties hereto hereby set their hands and seals this \_\_\_\_\_  
day of \_\_\_\_\_ 2018.

Worthington Hills Senior Living, LLC, a  
domestic limited liability corporation

Franklin County Board of Commissioners

\_\_\_\_\_  
Karl Schneider  
150 East Broad Street, 8<sup>th</sup> Floor  
Columbus, Ohio 43215

\_\_\_\_\_  
KEVIN L. BOYCE, PRESIDENT

\_\_\_\_\_  
MARILYN BROWN

\_\_\_\_\_  
JOHN O'GRADY

Approved as to form:  
Ron O'Brien  
Franklin County Prosecuting Attorney

Approved:  
Franklin County Economic Development  
and Planning Department

By: \_\_\_\_\_  
Assistant Prosecuting Attorney

By: \_\_\_\_\_  
James Schimmer, Director

Date:

Date:

*Note: A copy of this Agreement must be forwarded to the Ohio Development Services Agency by the County within fifteen (15) days of execution.*



**EXHIBIT A**

**TO COMMUNITY REINVESTMENT AREA AGREEMENT**

**Project Site Map**

(attached hereto)



**EXHIBIT B**

**TO COMMUNITY REINVESTMENT AREA AGREEMENT**

**Application for Community Reinvestment Area Agreement**

(attached hereto)

**PROPOSED AGREEMENT** for Community Reinvestment Area Tax Incentives between the  
Franklin County and Worthington Hills Senior Living, LLC.

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

Worthington Hills Senior Living, LLC David Royer  
Enterprise Name Contact Person

150 East Broad Street, 8<sup>th</sup> Floor, Columbus, OH 43215 614-883-1038  
Address Telephone Number

- b. Project site:

The Olentangy Valley Center  
David Royer  
Contact Person

7870 Olentangy River Rd, Columbus, OH 43235 614-883-1038  
Address Telephone Number

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

Assisted living

- b. List primary 6 digit North American Industry Classification System (NAICS) # 623311

Business may list other relevant SIC numbers.

N/A

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

\_\_\_\_\_  
\_\_\_\_\_

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

Limited liability company

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

Frank Kass, Chairman; Karl Schneider, Principal

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

Zero

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

N/A

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

Zero

e. State the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets:

N/A

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

N/A

5. Does the Property Owner owe:

- a. Any delinquent taxes to the State of Ohio or a political subdivision of the state?  
Yes \_\_\_ No X
  - b. Any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State? Yes \_\_\_ No X
  - 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 X
  - 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).
6. Project Description: Redevelopment of the Olentangy Valley Center in Sharon Township, which includes demolition of certain existing retail and office buildings, and the construction of an approximately 75,000 square foot senior assisted living/independent living facility.
  7. Project will begin approximately November, 2018 and be completed approximately December, 2021 provided a tax exemption is provided.
  8. 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):  
  
The developer estimates 20 jobs will be created at the project site as a part of the redevelopment; however, employees at the project site will be hired by entities other than the developer.  
  
b. State the time frame of this projected hiring: three yrs.  
  
c. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees):  
  
All positions are expected to be full-time positions. Hiring is projected to commence approximately Q4 2021 and continue incrementally through approximately Q4 2024.
  9. a. Estimate the amount of annual payroll such new employees will add \$ 650,000\* (new annual payroll must be itemized by full and part-time and permanent and temporary new employees). \*Please note: Annual payroll will be created by entities other than the developer.



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

11. a. Business requests the following tax exemption incentives: 60 % for 15 years covering real property as described above. Be specific as to the rate, and term.

The requested incentives are necessary to redevelop the Olentangy Valley Center, which has suffered a significant decline in the condition of the property and has experienced a significant decrease in tenancy rates. The site now suffers from widespread vacancy, deteriorating buildings with outdated roofs and mechanical systems, broken asphalt, crumbling sidewalks and failing facades. The incentives will assist in the financing of the project, and assist in offsetting some of the recurring costs, thus potentially increasing the long-term viability of the project.

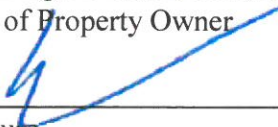
The Applicant agrees to supply additional information upon request.



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.

Worthington Hills Senior Living, LLC  
Name of Property Owner

November 8, 2018  
Date

  
Signature

David Royer, Authorized Agent  
Typed Name and Title

\* A copy of this proposal must be forwarded by the local governments to the affected Board of Education along with notice of the meeting date on which the local government will review the proposal. Notice must be given a minimum of fourteen (14) days prior to the scheduled meeting to permit the Board of Education to appear and/or comment before the legislative authorities considering the request.

\*\* Attach to Final Community Reinvestment Area Agreement as Exhibit A

Please note that copies of this proposal must be included in the finalized Community Reinvestment Area Agreement and be forwarded to the Ohio Development Services Agency within fifteen (15) days of final approval.

