

Kevin Corcoran, Mayor
Roxann Caserio, Member
Bruce Abens, Ward 3 Council Member
Jacqueline Hudgens, Member
Jennifer Swallow, Member
Frank Toth, Member



April Wilkerson, Director of Finance
Kim Lieber, Planning & Development Director

Community Reinvestment Area (CRA) Housing Council Meeting
CITY HALL COUNCIL CHAMBERS
AGENDA OF JUNE 12, 2024
9:30 AM

REVISED - TIME CHANGE

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

APPROVAL OF MINUTES

CRA Housing Council Meeting Minutes dated April 19, 2023

NEW BUSINESS

Community Reinvestment Area Annual Review

RUF US, Inc. CRA Agreement

ADJOURNMENT

**CITY OF NORTH RIDGEVILLE
HOUSING COUNCIL MEETING
ORGANIZATIONAL
APRIL 19, 2023
2:00 P.M.**

CALL TO ORDER AND PLEDGE OF ALLEGIANCE:

The meeting was called to order by Mayor Corcoran at 2:00 p.m. and led the Pledge of Allegiance.

ROLL CALL:

Present: Chairman Mayor Kevin Corcoran, Member Roxann Ramsey-Caserio, Member Jennifer Swallow, and Councilman Bruce Abens.

Also present: Finance Director April Wilkerson, Planning Economic Development Director Kim Lieber, Law Director Brian Moriarty, and Assistant Clerk of Council Fijabi Gallam.

Excused: Member Jackie Hudgens

{Clerk notes: Due to technical difficulties with the audio equipment the audio did not capture the meeting.}

NEW BUSINESS:

Appointment of Chair/Vice Chair:

Moved by Swallow and seconded by Caserio to appoint Mayor Kevin Corcoran as Chair.

A voice vote was taken and the motion carried.

Yes - 3 No - 0

Moved by Swallow and seconded by Mayor Corcoran to appoint Jennifer Swallow as Vice Chair.

A voice vote was taken and the motion carried.

Yes - 3 No - 0

Appointment of Members:

Moved by Mayor Corcoran and seconded by Caserio to appoint Frank Toth to the Housing Council vacant seat.

A voice vote was taken and the motion carried.

Yes - 3 No - 0

Mayor Corcrans remarked that he is still looking for a second member to appoint.

Review of Community Reinvestment Area Program:

Director Lieber provided background and answered any questions regarding the amended CRA Resolution No. 1576-2022 which was adopted on September 19, 2022, the City-School Agreement under Ordinance No.

5648-2019 which was adopted on June 3, 2019, and the proposed Program Guidelines for Community Reinvestment Area (CRA).

{Clerk notes: Supporting documents that were discussed in the meeting are attached to these minutes.}

Moved by Chairman Mayor Corcoran and seconded by Swallow to adopt the Community Reinvestment Area (CRA) Program Guidelines.

A voice vote was taken and the motion carried.

Yes – 3 No – 0

ADJOURNMENT:

With no further business to address, the meeting was adjourned at 2:29 p.m.

Date Approved:

Fijabi Gallam, MMC
Assistant Clerk of Council

DRAFT

0DATE:	<u>August 15, 2022</u>	1 ST READING:	<u>August 15, 2022</u>
INTRODUCED BY:	<u>Mayor Corcoran</u>	2 ND READING:	<u>September 6, 2022</u>
REFERRED BY:	<u></u>	3 RD READING:	<u>September 19, 2022</u>
TEMPORARY NO:	<u>T 123-2022</u>	ADOPTED:	<u>September 19, 2022</u>

RESOLUTION NO. 1576-2022

A RESOLUTION REVISING COMMUNITY REINVESTMENT AREA REQUIREMENTS BY AMENDING RESOLUTION NO. 768-94.

WHEREAS, pursuant to Ohio Revised Code (“ORC”) Sections 3735.65 et seq., this Council, on June 24, 1994, adopted its Resolution No. 768-94 (the “Original CRA Resolution”), in which it found that certain areas located within the City (described in the Original CRA Resolution and referred to as “Area No. 14,” which was defined as the corporate boundaries of the City of North Ridgeville and all area located within said boundaries) contained housing facilities, or structures of historical significance, wherein new housing construction and repair of existing facilities or structures were being discouraged, and that maintenance and construction of those structures would serve to encourage economic stability, maintain real property values and generate new employment opportunities, and established Area No. 14 coextensive with the boundaries of that area to provide real property tax exemptions for certain improvements to real property within that area; and

WHEREAS, Resolution No. 768-94 established the Community Reinvestment Area No. 14 Housing Council with composition, powers, duties, and functions consistent with the Ohio Revised Code; and

WHEREAS, this Council desires to modify the tax exemptions available within Area No. 14 and to clarify and expand the role of the Housing Council.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NORTH RIDGEVILLE, LORAIN COUNTY, OHIO, THAT:

SECTION 1. Section 3 of the Original CRA Resolution is hereby amended and restated in its entirety to read as follows:

That within Community Reinvestment Area No. 14, tax exemptions for improvements to real property as described in ORC Section 3735.67 may be granted for up to the following periods:

- (a) Five (5) years for the remodeling of every dwelling containing not more than two family units upon which the cost of remodeling is at least ten thousand dollars (\$10,000) as described in ORC Section 3735.67(D)(1).

Resolution No. 1576-2022

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- (b) Twelve (12) years for the remodeling or expansion of every dwelling containing more than two units, and commercial or industrial properties, upon which the cost of remodeling is at least twenty thousand dollars (\$20,000) as described in ORC Section 3735.67(D)(2).
- (c) Fifteen (15) years for the construction of every commercial or industrial structure as described in ORC Section 3735.67(D)(4).

To grant any tax exemption for commercial or industrial structures under the foregoing paragraphs (b) or (c), the City and the owner of the property to be exempted must enter into an agreement. For purposes of ORC Section 3735.66 and this resolution, a structure composed of more than two residential units is classified as commercial property. The percentage of improvement exempted shall be the percentage set forth in the agreement if the structure or remodeling is to be used for commercial or industrial purposes or 100% if the structure or remodeling is to be used for residential purposes. The Housing Officer may require a pre-application for any exemption to ensure compatibility with neighborhood plans, to insure the maintenance of existing development patterns, style, scale, setbacks, and landscaping features compatible with nearby properties, and to coordinate the tax exemptions with other tax exemptions that apply to the property. The tax exemptions granted pursuant to this Resolution are subject and subordinate to tax exemptions granted pursuant to ORC Section 5709.40 or 5709.41 unless a different priority is designated by the Housing Officer in that officer's approval of a pre-application or final application for a tax exemption under this Resolution. Nothing in this Section shall be construed to require the City to approve a pre-application for any property or enter into an abatement agreement and grant the tax exemption provided hereunder for commercial and industrial property.

SECTION 2. Chapter 282 (Tax Abatement Review Board) of the North Ridgeville Codified Ordinances be repealed and that the Housing Council as established in Section 6 of the Original CRA Resolution is hereby authorized to create such policies and guidelines needed to administer the City's Community Reinvestment Area Program, as amended from time to time, including the establishment of application fees.

SECTION 3. Except as amended by Resolution 1415-2017 and as amended hereby, the Original CRA Resolution shall remain in full force and effect. Any agreement entered into prior to the effective date of this Resolution shall continue in accordance with the terms of that agreement.

SECTION 4. A copy of this Resolution will be forwarded to the Lorain County Auditor and the Director of the Ohio Department of Development by the Clerk of Council for information and reference.

SECTION 5. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Resolution were taken in an open meeting of this Council or its committees and that all deliberations of this Council and any of

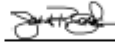
Resolution No. 1576-2022

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its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law including ORC Section 121.22.

SECTION 6. This Resolution shall take effect and be in full force from and after the earliest period allowed by law.

PASSED: September 19, 2022



Jason R. Jacobs
PRESIDENT OF COUNCIL

ATTEST :



Nicholas Ciofani
CLERK OF COUNCIL

APPROVED: Sep 22, 2022



Kevin Corcoran
MAYOR

DRAFT

DATE: May 6, 2019
 INTRODUCED BY: Mayor Gillock
 REFERRED TO: _____
 TEMPORARY NO: T 55-2019

1st READING: May 6, 2019
 2nd READING: May 20, 2019
 3rd READING: June 3, 2019
 ADOPTED: June 3, 2019

ORDINANCE NO. 5648-2019

AN ORDINANCE AUTHORIZING THE MAYOR TO RENEW AN AGREEMENT WITH THE NORTH RIDGEVILLE CITY SCHOOL DISTRICT RELATING TO THE TAX REVENUE EFFECTED BY TAX ABATEMENT AGREEMENTS WHICH PROMOTE THE HEALTH, SAFETY AND WELFARE OF THE CITIZENS OF THE CITY AND THE SCHOOL DISTRICT.

WHEREAS, the City of North Ridgeville ("City") has authority under Ohio law to abate taxes on certain parcels of real estate to promote economic development in the City; and

WHEREAS, the City has granted such tax abatement for certain development projects in the City which are also within the boundary of the North Ridgeville City School District ("School District"); and

WHEREAS, the City recognizes that a quality school system is essential to the health, safety and welfare of the citizens of the City; and

WHEREAS, on or about November 15, 1999, City Council adopted Ordinance No. 3518-99, authorizing the Mayor to enter into an agreement, including its supplement (Ordinance No. 3730-01, passed October 1, 2001), with the School District for the five-year term from January 1, 2000 through December 31, 2004, inclusive, that provided, among other things, for payments by the City to the School District of amounts that may replace, in whole or in part, the possible lost revenue to the School District by virtue of the City's tax abatement of certain real estate parcels and development projects which are instituted to facilitate economic development in the City, improve the quality of the school system serving all of the citizens of the City, enhance property values and City revenues, and improve the quality of the City's services, among other benefits, all of which will promote the health, safety and welfare of the citizens of the City; and

WHEREAS, by Ordinance No. 4078-2004, the agreement was renewed for a five (5) year term from January 1, 2005 through December 31, 2009, then subsequently renewed for a five (5) year term from January 1, 2010 through December 31, 2014, by Ordinance No. 4708-2009, and then subsequently renewed for a five (5) year term from January 1, 2015 through December 31, 2019 by Ordinance No. 5201-2015; and

WHEREAS, it is desirable and beneficial for the City to enter into a renewal of the agreement with the School District regarding the payment of certain sums to replace, in whole or in part, the School District's lost revenues from the City's grant of certain tax abatements.

Ordinance No. 5648-2019

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NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORTH RIDGEVILLE, LORAIN COUNTY, OHIO, THAT:

SECTION 1. The Mayor is hereby authorized to enter into an Agreement, in substantially the form set forth as **Exhibit "A"** attached hereto and incorporated herein by reference, between the City and the School District.

SECTION 2. Council hereby finds and determines that the execution, delivery and performance of the Agreement attached as Exhibit "A" is a proper public purpose for the promotion of the health, safety and welfare of the citizens of the City.

SECTION 3. It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were conducted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action were in meetings open to the public in accordance with all legal requirements, including §121.22 of the Ohio Revised Code.

SECTION 4. This Ordinance shall take effect and be in full force from and after the earliest period allowed by law.

PASSED: June 3, 2019



PRESIDENT OF COUNCIL

ATTEST :



CLERK OF COUNCIL

APPROVED: Jun 4, 2019



MAYOR



Ordinance No. 5648-2019

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Exhibit "A"**AGREEMENT**

THIS AGREEMENT (the "Agreement") is entered into by and between THE CITY OF NORTH RIDGEVILLE, OHIO (the "City") and THE NORTH RIDGEVILLE CITY SCHOOL DISTRICT (the "School District").

RECITALS

A. The City has authority under Ohio law to abate or otherwise exempt certain real estate parcels and development projects from taxes to promote economic development in the City.

B. The City has granted tax abatement for certain real estate parcels and development projects in the City which are within the boundaries of the School District.

C. Tax abatement of real estate parcels and development projects located within the School District deprives the School District of tax revenues the School District would otherwise received.

D. A quality school system is essential to the welfare of the citizens of the City in that such a system, directly and indirectly, promotes the health, safety and welfare of the citizens, attracts businesses and residents, expands the City's tax base thereby enhancing City services for all residents of the City.

PROVISIONS

NOW THEREFORE, in consideration of the foregoing Recitals, the mutual benefits to be obtained by the parties hereto pursuant to the provisions of this Agreement, the promises of each of the parties to be bound by the terms hereof, and other good and valuable considerations, the receipt of which is hereby acknowledged, it is agreed as follows:

1. City Payment Formula. Amounts owing to the School District shall accrue commencing as of January 1, 2020 and continuing thereafter. The City shall pay directly to the School District or cause to be paid to it, the lower of either (a) fifty percent (50%) of the income tax revenues ("Taxes") which the City derives from all business or persons located or residing on parcels for which taxes have been or in the future will be abated for the time period of the abatement ("Abated Properties") or persons who meet the criteria established by the City Income Tax Ordinance and all subsequent amendments thereto for payment of City income taxes at these "Abated Properties," or (b) an amount equal to the portion of property tax revenues the School District would have otherwise annually received from the abated properties but for tax abatement granted by the City. All amounts paid to the School District pursuant to (a) or (b) above shall be net five percent (5%) administrative charge which shall be initiated by the City for its expenses in administering this program. In no event shall payments by the City to the School District in any year exceed the amount of property tax revenue the School District would otherwise have

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derived from the Abated Properties but for the tax abatement granted by the City. Payments under the provisions of this Agreement shall be subject to the annual appropriation procedures of the City. In addition, should the state of Ohio change the funding for school districts in such a way as to financially benefit the North Ridgeville City School beyond its current level of funding (*i.e.*, increase in unvoted millage, direct payments, etc.), then, in that event, the reimbursements paid pursuant to this section shall be modified and adjusted in relation to the change in funding on a dollar for dollar basis.

2. Timing of Payments. The first payment to the School District shall be made as soon as is reasonably possible following prompt determination of the amount owed under this Agreement commencing with the year in which the School District would have received its first real estate property settlement for the abated property. Payment shall be made by the City or by the owner/occupier of the abated parcel in accordance with current or future state law directly to the School District in accordance with a procedure for payment developed and implemented by the City. Additional payments shall be made on the first day of all subsequent calendar quarters, *i.e.*, January 1, April 1, July 1, and October 1 of each year, or as soon thereafter as is reasonably possible. Payments shall be based upon revenues actually received (net of refunds or adjustments), not income tax revenues owed but not yet received.

3. Review of Revenues. The City hereby grants the School District from time to time the right to review the books and records of the City relating to its receipt of income taxes, to verify the amount of taxes received by the City with respect to the abated properties. Nothing in this paragraph shall vest the School District with any greater authority or right to review individual taxpayer records than that right which may already exist under the law and individual taxpayer's rights of confidentiality shall be preserved. In all future tax abatement agreements, the City shall reserve unto North Ridgeville City Schools the right to directly audit payroll and other records to verify the abated company's municipal income tax obligation.

4. Reports. At the time that the City distributes payments to the School District, the Auditor of the City shall provide a report to the School District indicating the amount of taxes received by the City from the abated properties and in addition, such appropriate information as the City may possess relating to quarterly estimated tax payments received by it.

5. Term. The term of this Agreement will commence after the City and School District have signed this Agreement beginning on January 1, 2020 and will continue until December 31, 2024. This Agreement shall apply only to those properties granted abatements after the effective date of Ordinance No. _____ - 2019.

6. Representations, Warranties and Covenants of the City. The City represents, warrants and covenants to the School District that (a) the City is a charter municipality under the Constitution and laws of the state of Ohio; (b) it has the authority to enter into this Agreement; (c) it has taken all actions necessary to authorize the execution, delivery and performance of the provisions of this Agreement; (d) this Agreement serves valid public purposes as described herein; (e) this Agreement does not constitute a "debt" within the meaning of Ohio Constitution Article VIII; (f) the City has and will continue to take all reasonable steps necessary to collect

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the taxes, if any, due and owing from the abated properties; and (g) all tax abatements granted with regard to the abated properties are lawful, valid and enforceable.

7. Representations, Warranties and Covenants of the School District. The School District represents, warrants and covenants to the City that (a) it is duly formed under the laws of the state of Ohio; (b) it has the authority to enter into this Agreement; (c) the execution of this Agreement will be valid, binding and enforceable upon the School District in accordance with its terms; (d) the amounts received by the School District as payments under this Agreement shall be applied by the School District to improve and promote the quality of City public schools to achieve the City public purposes herein described; and (e) that in consideration of the mutual covenants and agreements herein contained, the School District does hereby, during the term of this Agreement, consent to and does hereby recommend all future tax abatement review and comment rights as currently set forth in the Ohio Revised Code (as may, from time to time, be amended during the term of this Agreement). Passage, approval and execution of this Agreement shall fulfill School District tax abatement review rights and requirements of law.

8. Mutual Indemnification. In the event any claim is filed or cause of action arises regarding this Agreement or the rights, duties, obligations and liabilities of either party under this Agreement, each party shall indemnify and hold the other party harmless for fifty percent (50%) of all costs and expenses (including attorney fees) incurred by the parties to this Agreement with respect to any such claim or cause of action.

9. No Guarantee by City. Each party to this Agreement acknowledges and agrees that (a) the City has not guaranteed payments of a certain amount to the School District and that payments may vary from year to year based on the amount of Taxes generated by the Abated Properties, and (b) the amount of the payments to the School District shall not exceed in any year that portion of tax revenues the School District would have otherwise annually received from the abated properties but for tax abatement granted by the City.

10. Delivery of Documents. On or before the effective date of this Agreement (a) the City will provide to the School District a copy of the Ordinance passed by the City granting the City the right to enter into this Agreement and make payments pursuant to the terms of this Agreement, and (b) the School District will provide to the City a copy of the Resolution passed by the School District authorizing it to enter into this Agreement with the City.

11. Use of Funds. The parties further agree that the School District shall place the funds received from the City into its General Fund and designate it for use within said fund for uses other than direct labor or retirement cost.

12. Miscellaneous Provisions.

(a) **Further Acts.** Upon the request of either party to this Agreement, the other party shall do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged, and delivered, all such further acts, documents and instruments as may be reasonably required to effect any of the actions by either party required by this Agreement.

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(b) **Amendments.** The terms of this Agreement shall not be modified, terminated, canceled or amended in any manner except in writing, signed by both parties to this Agreement.

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

(d) **Successors and Assigns.** This Agreement and the rights, duties and obligations described under this Agreement shall be binding upon and shall inure to the benefit of the parties to this Agreement and their respective successors and assigns.

(e) **Notices.** All reports, certificates and other notices which are required to or may be given pursuant to the provisions of this Agreement shall be in writing and shall be sent by United States ordinary mail, postage prepaid, and shall be deemed to have been given or delivered when so mailed to the following addresses:

If to the City: North Ridgeville City Hall
7307 Avon Belden Road
North Ridgeville, Ohio 44039
Attention: MAYOR

If to the School District: North Ridgeville City Schools
5490 Mills Creek Road
North Ridgeville, Ohio 44039
Attention: SUPERINTENDENT

Either party may change its address for receiving notices and reports by giving written notice of such change to the other party.

(f) **Severability of Provisions.** The invalidity of any provision of this Agreement shall not affect the other provisions of this Agreement, and this Agreement shall be construed in all respects as if any invalid provisions were omitted.

(g) **Counterparts.** This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any party to this Agreement may execute this Agreement by signing any such counterpart.

(h) **Governing Law.** This Agreement shall be interpreted under the law of the state of Ohio.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed this ____ day of _____, 20__.

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CITY OF NORTH RIDGEVILLE, OHIO

By: _____
Mayor G. David Gillock

**THE NORTH RIDGEVILLE CITY OHIO
SCHOOL DISTRICT**

By: _____
Title

FISCAL OFFICER'S CERTIFICATE

The undersigned, fiscal officer of the City of North Ridgeville, Ohio, hereby certifies that the monies required to meet the obligations of such City during the year _____ under the Agreement dated _____, 20__ between such City and The North Ridgeville City School District have been lawfully appropriated by the Council of such City for such purposes and are in the treasury of such City or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Sections 5705.41 and 5705.44 of the Ohio Revised Code.

Dated: _____
Fiscal Officer

SUPPLEMENT TO AGREEMENT

This Supplement to Agreement (the "Supplement") is entered into by and between the city of North Ridgeville, Ohio (the "City"), and the North Ridgeville City School District (the "School District"), and supplements the Agreement dated _____ between the City and the School District (the "Original Agreement") in connection with tax abatement matters (all capitalized terms not defined in this Supplement, being used as defined in the Original Agreement).

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RECITALS

A. Under the Original Agreement the City has agreed to pay the School District a portion of the income tax revenues which the City derives from businesses or persons which have received tax abatement.

B. Pursuant to Ordinance No. 3730-2001, passed by City Council on October 1, 2001; Ordinance No. 4078-2004 passed by City Council on November 15, 2004; and Ordinance No. 4708-2009 passed by City Council on December 21, 2009; and pursuant to School District Resolution No. 01:8-154, adopted August 28, 2001, the City and School District have agreed to amend or supplement the Original Agreement to provide that its terms apply to tax increment financing programs, as well as to tax abatement programs.

C. The City and the School District by this document seek to renew the terms of the Original Agreement.

PROVISIONS

NOW THEREFORE, in consideration of the foregoing recitals, the mutual benefits to be obtained by the parties hereto pursuant to provisions of the Original Agreement as supplemented by this Supplement, the promises of each of the parties to be bound by the terms hereof and other good and valuable considerations, the receipt of which is hereby acknowledged, it is agreed as follows:

1. The terms "Abated Properties", "abated parcel(s)" and "abated property" as used in the Original Agreement shall include those properties which have been exempted pursuant to Ohio Revised Code Sections 5709.40 through 5709.43 or Ohio Revised Code Chapter 725 (the "Tax Increment Financing Programs").

2. The term "tax abatement" as used in the Original Agreement shall include tax exemptions pursuant to the Tax Increment Financing Programs.

3. The parties hereby confirm that all other provisions of the Original Agreement shall remain in full force and effect, as amended by this Supplement.

IN WITNESS WHEREOF, the parties have caused this Supplement to be executed this _____ day of _____, 20__.

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CITY OF NORTH RIDGEVILLE, OHIO

By: _____
Mayor G. David Gillock

**THE NORTH RIDGEVILLE CITY OHIO
SCHOOL DISTRICT**

By: _____
Title

DRAFT

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FISCAL OFFICER'S CERTIFICATE

The undersigned, fiscal officer of the City of North Ridgeville, Ohio, hereby certifies that the monies required to meet the obligations of such City during the year _____ under the Agreement dated _____, 20__ between such City and the North Ridgeville City School District have been lawfully appropriated by the Council of such City for such purposes and are in the treasury of such City or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Sections 5705.41 and 5705.44 of the Ohio Revised Code.

Dated: _____

Fiscal Officer

DRAFT

**Community Reinvestment Area
PROGRAM GUIDELINES**



INTRODUCTION

- A. **Intent.** The City of North Ridgeville (City) sets out in these guidelines the policies and procedures applicable to the City’s Community Reinvestment Area Program. These guidelines will be adopted by the City’s Housing Council and may be amended from time to time based on actual experience with specific projects.
- B. **Pre-1994 CRA.** The City’s Community Reinvestment Area (CRA) was established by Resolution 768-94 adopted on June 24, 1994. As such, the City’s CRA is a pre-1994 or “grandfathered” CRA.
- C. **Boundaries.** Resolution 768-94 established Community Reinvestment Area No. 14, the boundaries of which are coterminous with the corporate boundaries of the City of North Ridgeville, and all area located within said boundaries.
- D. **Amendments.** The City’s CRA Resolution has been amended twice. The first amendment, Resolution 1415-2017, was adopted on December 4, 2017. The second amendment, Resolution 1576-2022, was adopted on September 19, 2022.

RESIDENTIAL PROJECTS

- A. **Eligible Projects.** The City’s Residential CRA Program is aimed at improving property values and stimulating reinvestment in the City’s existing housing stock by abating taxes on increases in assessed valuation associated with rehabilitation. New residential construction is not considered for abatement. Residential projects meeting the minimum requirements will be processed for the abatement percentage and duration listed in the table below.

Type	Minimum Cost of Improvements	Abatement of Increased Value	Duration
Residential Rehabilitation (one or two units)	\$10,000	100%	5 Years
Residential Rehabilitation (over two units)	\$20,000	100%	12 Years

- B. **Procedure.** No pre-construction application or agreement is necessary for residential rehabilitation projects. The following procedures will be followed:
 1. Owner or contractor pulls a building permit at the North Ridgeville Building Department.
 2. Rehabilitation project is undertaken with all required inspections during construction.
 3. Upon completion of work, the owner obtains a Certificate of Occupancy or final inspection approval from the Building Department.
 4. Owner completes the Residential Tax Abatement Application and submits to the Housing Officer, who reviews the application for completeness.
 5. The Housing Officer provides notice to any impacted school districts a minimum of 14 days prior to forwarding the complete application to the Lorain County Auditor’s Office.
 6. The Lorain County Auditor conducts a field inspection and verifies completion of the project. The County Auditor makes a final determination on the actual increase in taxable value generated by the project. The Auditor then applies the approved abatement to future tax bills.

- C. **Termination.** The Housing Officer may revoke the tax abatement any time after the first year if the property has building code violations or if delinquent taxes are owed on the property. If a property owner appeals the market value of the residential property during the abatement period, the abatement will be immediately terminated.
- D. **Appeals.** Any person denied tax abatement by the Housing Officer may appeal in writing to the Housing Council. Appeals from a decision of the Housing Council may be taken to the Court of Common Pleas.

COMMERCIAL AND INDUSTRIAL PROJECTS

Part One: Applications

- A. **General Terms.** North Ridgeville considers tax abatement applications for new construction or rehabilitation of commercial or industrial properties that lead directly to job creation and/or retention within the City. Abatement periods for rehabilitation projects may be up to 12 years and for new construction projects up to 15 years. Abatement amounts are tied directly to the expected performance of the building occupant and can be for up to 100%, depending on the economic factors specific to the project.
- B. **Application Required.** All property owners seeking an abatement for new development or rehabilitation of a building must complete an application. While the entire City is within CRA No. 14, no commercial or industrial project automatically qualifies for an abatement. Each abatement is considered on its own merits, with primary consideration given for jobs and payroll created or retained.
- C. **Timing of Application.** Applications for incentives must be submitted and negotiations with the City must be initiated before a development plan application is submitted to Planning Commission for consideration, or in cases where development plan approval is not required, before any building permits are issued for the project.
- D. **Appraisal for Rehabilitation Projects.** For rehabilitation projects, applicants are required to submit an appraisal documenting the anticipated increase in market value of the property based on the proposed improvements. The appraisal must be prepared by an independent real estate appraiser, certified to conduct commercial appraisals. Proof of qualifications will be submitted with the appraisal report.
- E. **Application Fee.** Applications for tax abatement must be accompanied by a \$500 non-refundable application fee.
- F. **Review of Applications.** Completed applications will be negotiated by the Mayor and/or his designee and reviewed by the Housing Council. If recommended for approval, the terms of the abatement will be written into an agreement which must be approved by Council. The agreement will outline the responsibilities of all parties and the applicant's required performance measures, which may change from project to project.
- G. **Notification Requirements.** The City will provide required notice to any impacted school district a minimum of 14 days before any legislation is considered that would approve property tax abatement.

- H. **Public Records.** All information on an application presented for approval by Council will be subject to public review.

Part Two: Review Factors and Requirements

- A. **Total Economic Impact.** The City considers each abatement application on a case-by-case basis, depending on the facts and circumstances of each project. Factors may include, but are not limited to, the following:
1. Overall desirability of the project including its appropriateness for the given location, quality materials and design, zoning compatibility and/or competitive market conditions;
 2. Ratio of new tax dollars created for each tax dollar abated;
 3. Financial impact to local school districts; and
 4. For projects located within a TIF district, the impact of abating new property taxes on expected revenue streams.
- B. **Job Creation.** Attracting new companies and new jobs to the community is the primary function of CRA incentives. It is highly desirable for new companies to locate to North Ridgeville, occupying their own buildings, demonstrating a long-term commitment to the community. Evaluation criteria include:
1. Number of new jobs;
 2. Amount of new payroll;
 3. Type of employment and its relevance to the current workforce needs of the community;
 4. Financial stability and history of the company;
 5. Ability of the company to generate income taxes and make donations in lieu of taxes to the school district in excess of the incentive amount; and
 6. Potential for long-term success in the community.
- C. **Job Retention and Expansion.** Although CRA incentives are a primary tool to attract new companies to the City, it is possible for companies relocating from one location to another in North Ridgeville to apply for an abatement. Abatements for relocating companies will take into account the likelihood the company would move out of the City if an incentive were not granted and whether the vacated property in North Ridgeville is placed at a competitive disadvantage. Evaluation criteria include:
1. Number of new jobs to be created, not simply moved from another location in the City;
 2. Amount of new payroll, not including increases in wages or salaries of existing employees;
 3. Number of retained jobs and corresponding payroll;
 4. Type of employment and relevance to the current workforce needs of the community;
 5. Financial stability and history of the employer;
 6. Ability of the company to generate income taxes and make donations in lieu of taxes in excess of the incentive amount; and
 7. Potential for long-term success in the community.
- D. **Basis of Calculation.** Abatement recipients will be given two years to ramp up to a minimum employment level. The third year employment estimates will be used to calculate the incentive amount. If any abatement recipient does not meet its year-three projections (or does not meet projections in any year thereafter), the incentive agreement may be modified or terminated.
- E. **School District Donation.** Abatement agreements may include requirements that the company make annual donations to the North Ridgeville City School District in lieu of taxes to offset revenues lost as

a result of the abatement. These donations will be paid by the company directly to the school district.

- F. **Property Owner is Party to Agreement.** Abatements are designated to the owner of the property of record according to the Lorain County Auditor's office. The property owner assumes all responsibility and liability for the generation of tax revenues or donations to the school district as specified in the agreement, regardless if the owner occupies the building and/or leases the building to another entity.
- G. **Non-Discrimination Policy.** Abatement recipients are required to commit to non-discriminating hiring practices acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, disability, color, national origin or familial status.
- H. **Annual Report Required.** Annually, the abatement recipient will complete a CRA Compliance Report documenting an abated building's occupant(s), level of employment, payroll, investment and other information for the previous tax year. This report must be completed by the deadline established in the agreement or the abatement may be terminated. The City may require the property owner to attend a meeting or provide opportunity for a site visit as part of the compliance report filing.

Part Three: Modification and Termination of Agreements

- A. **Review of Agreements.** The following scenarios will result in automatic review of an existing abatement agreement by the Housing Council and may result in modification or termination of the agreement:
 1. If the economic performance of the occupant(s) in the building fall significantly below projections or if the building becomes vacant;
 2. If the abatement recipient fails to make required donations to the school district as stated in the abatement agreement;
 3. If the City determines that the delinquent tax certification required in the abatement agreement was fraudulent;
 4. If a property becomes tax delinquent during the term of the agreement; or
 5. If a property owner appeals the market value of the subject property during the abatement period.
- B. **Modification/Termination Procedure.** If a property owner fails to meet the terms of their agreement, the Housing Council may recommend a modification in the term or level of benefits of the abatement or may recommend termination of the agreement. Prior to any meeting where the Housing Council may take action to recommend modification or termination of an agreement, the impacted property owner shall be notified a minimum of ten (10) days in advance. Any modification or termination of an existing agreement must be approved by Council.
- C. **No Reapplication.** If an abatement agreement is terminated, it will be lost permanently. No new abatements or re-application of abatements will be permitted for existing buildings.
- D. **Appeals.** Appeals from a decision of Council may be taken to the Court of Common Pleas.

**City of North Ridgeville
Tax Incentive Agreements
As of December 31, 2023**

<u>Active Community Reinvestment Area (CRA)</u>	<u>School Donation</u>	<u>Last Tax Effective Year</u>	<u>Agreement Term</u>	<u>Notes</u>
Rhenium Alloys, Inc	-	2026	2012 / 15 yrs	100% abatement through 2021 / 20% reduction annually beginning 2022 / 2026 0%
Arc Terra	\$2,500 thru 2024 \$10,000 thru 2026 /	2029	2020 / 10 yrs	100% abatement through 2024 / 20% reduction annually beginning 2025 / 2029 0%
Bright Path Kid's / Previously Young Explorer's Montessorri	\$5,000 2027	2031	2022 / 10 yrs	100% abatement through 2026 / 20% reduction annually beginning 2027 to 80% / 2031 0%
Rudolph Libbe Group	-	2033	2019 / 15 yrs	100% abatement through 2028 / 20% reduction annually beginning 2029 / 2033 0%
Lemmon & Lemmon - Danbury Senior Living	50% of school tax	2034	2020 / 15 yrs	100% abatement through 2029 / 20% reduction annually beginning 2030 / 2034 0%
Progressive N. Ridgeville/Avenue at North Ridgeville	50% of school tax \$40,000 thru 2031 /	2034	2020 / 15 yrs	Abatement 100% through 2034
Isomer Group / Discount Drug Mart	\$25,000 thru 2033	2036	2022 / 15 yrs	Abatement 100% through 2036

<u>Upcoming Community Reinvestment Area (CRA)</u>	<u>School Donation</u>	<u>Last Tax Effective Year</u>	<u>Agreement Term</u>	<u>Notes</u>
RUF US Inc. - Anticipated project completion 12/31/2025	\$10,000	2036	2026 / 10 yrs	75% abatement through 2036

<u>Active Increment Financing Agreement (TIF)</u>	<u>School Donation</u>	<u>Last Tax Effective Year</u>	<u>Final Debt Service</u>	<u>Notes</u>
Riddell, Inc.	50% Income Tax Share	2034	2034	25 year tax exemption

**City of North Ridgeville
Tax Incentive Agreement Performance Update
As of December 31, 2023**

<u>Active Community Reinvestment Area (CRA)</u>	<u>Per Agreement</u>	<u>As Reported for 12/31/2023</u>	
	Number of Employees	Number of Employees	Meeting Expectations
Rhenium Alloys, Inc	50	54	Yes
Arc Terra	10	20	Yes
Bright Path Kids (Previously Young Explorer's)	26	16/12	Yes
Rudolph Libbe Group	50	64	Yes
Lemmon & Lemmon - Danbury Senior Living	50	47/17	Yes
Progressive N. Ridgeville/Avenue at North Ridgeville	100	217/84	Yes
Isomer Group / Discount Drug Mart	53/8	12/38	No

COMMUNITY REINVESTMENT AREA AGREEMENT

THIS AGREEMENT is made and entered into by and between the City of North Ridgeville, Lorain County, Ohio, a municipal corporation, with its main offices located at 7307 Avon Belden Road, North Ridgeville, Ohio (hereinafter referred to as “the City”), and RUF US Inc. with their main office presently located at 771 Sugar Lane, Elyria, Ohio 44035 (hereinafter referred to as “RUF”), which shall occupy the parcel to which the tax exemption shall apply.

WITNESSETH THAT:

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

WHEREAS, RUF is desirous of establishing an office, distribution and manufacturing facility (hereinafter referred to as the “Project”) at 38778 Taylor Parkway, within the boundaries of the aforementioned Community Reinvestment Area, provided that the appropriate development incentives are available to support the economic viability of said Project; and

WHEREAS, the Council of the City of North Ridgeville, Ohio, by Resolution No. 768.94 adopted June 20, 1994 and amended in Resolution No. 1415-2017, adopted December 4, 2017, has designated the area defined by the corporate boundaries of the City of North Ridgeville as a “Community Reinvestment Area” pursuant to Chapter 3735 of the Ohio Revised Code; and

WHEREAS, the Director of Development of the State of Ohio determined that the aforementioned area designated in Resolution Nos. 768-94 and 1415-2017 contained the characteristics set forth in Section 3735.66 of the Ohio Revised Code and confirmed said area as a Community Reinvestment Area under said Chapter 3735 of the Ohio Revised Code; and

WHEREAS, the City of North Ridgeville, having the appropriate authority for the stated type of said Project, is desirous of providing RUF with incentives available for the development of the Project in said Community Reinvestment Area under Chapter 3735 of the Ohio Revised Code; and

WHEREAS, RUF, by and through its designated agent, has submitted a Community Reinvestment Area application to the City of North Ridgeville (hereinafter referred to as “Application” and attached as Exhibit A); and

WHEREAS, the Mayor of the City of North Ridgeville has investigated RUF’s Application and has recommended the same to Council on the basis that RUF is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Community Reinvestment Area, to establish a business that will be beneficial to the residents of the City, and to improve the economic climate of the City of North Ridgeville; and

WHEREAS, having considered the Mayor’s recommendation, Council adopted Resolution No. 2024-32 on March 18, 2024, approving and ratifying RUF’s application for tax abatement; and

WHEREAS, the project site is located in the North Ridgeville School District, the Lorain County Joint Vocational School District, and the Board of Education of the City of North

Ridgeville and have been notified in accordance with Section 5709.83 of the Ohio Revised Code or have otherwise agreed by separately executed contract to consent to the City's execution of the Abatement Agreement; and

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

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

1. RUF shall construct a new 25,000 square foot facility, which can be expanded to approximately 100,000 square feet. The Project will contain assembly, warehousing and administrative functions. The Project will be constructed on Permanent Parcel Number 07-00-047-000-096 located at 38778 Taylor Parkway in the City of North Ridgeville.

The Project will involve an initial total investment by RUF of \$5,019,000, plus or minus ten percent, as detailed in paragraph 12 of Exhibit A in new construction, machinery and equipment and furniture and fixtures. The Project will begin on or about June 1, 2024 and all acquisition, construction and installation activities are anticipated to be completed by December 31, 2025.

In Year 1 of the Project, RUF shall introduce 17 full time permanent employees and 1 part time employee at the site for a total estimated annual payroll of \$1,315,000. Growth in employment and payroll over the ten-year term of the Agreement shall follow the schedule as set forth in Exhibit A. By Year 10, RUF shall maintain 50 full time permanent employees for a total estimated annual payroll of \$5,000,000.

RUF shall provide to the North Ridgeville Housing Council any information reasonable required by Council to evaluate RUF's compliance with the Agreement, including returns filed pursuant to section 5711.02 of the Ohio Revised Code, if requested by Council.

2. The City hereby grants RUF a tax abatement for the real property improvements in the form of new construction of commercial structures made to the project site pursuant to Section 3735.67 of the Ohio Revised Code and shall be in the following amount: 75% of the increase in real property taxes for ten (10) years after commencement of the exemption. The exemption commences the first year for which improvements to the real property would first be taxable were that property not exempted from taxation.

RUF must file the appropriate tax forms with the County Auditor to effect and maintain the exemptions covered in the Agreement.

RUF shall pay all such real and tangible property taxes which are not exempted under this Agreement and are charged against such property, and shall file all Tax reports and returns as required by law. If RUF fails to pay such taxes or fails to file such returns and reports, all incentives granted under this Agreement are rescinded beginning with the year for which the taxes are charged or such reports or returns are required to be filed and thereafter.

The City of North Ridgeville shall perform such acts as are reasonably necessary and 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.

If for any reason the Community Reinvestment Area designation expires, the Director of the Ohio Department of Development revokes certification of the zone, or the City of North Ridgeville revokes the designation of the zone, entitlements granted under this Agreement shall continue for the number of years specified under this Agreement, unless RUF and/or its assignees materially fail to fulfill its obligations under this Agreement and the City terminates or modifies the exemptions from taxation granted under this Agreement.

If RUF materially fails to fulfill its obligations under this Agreement, to include maintaining the job creation and payroll commitments referenced in Section 1, or if the City determines that the certification as to delinquent taxes required by this agreement are false or fraudulent, the City 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.

3. RUF hereby certifies that at the time this Agreement is executed, RUF 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 RUF is liable under Chapters 5733, 5735, 5739, 5741, 5743, 5747, or 5753 of the Ohio Revised Code, or, if such delinquent taxes are owed, RUF currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof has filed a petition of bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against RUF. For the purposes of 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.

RUF affirmatively covenants that it does not owe: (1) any delinquent taxes to the State of Ohio or a political subdivision of the State; (2) any monies to the State or a State agency for the administration or enforcement of any environmental laws of the State; and (3) any other monies to the State, a State agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not.

RUF and the City of North Ridgeville acknowledge that this Agreement has been approved by formal action of the legislative authority of the City.

The City has developed a policy to ensure recipients of Community Reinvestment Area tax benefits practice non-discriminating hiring in its operation. By execution of this Agreement, RUF is committing to following non-discriminatory hiring practices acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, disability, color, national origin or ancestry.

Exemptions from taxation granted under this Agreement shall be revoked if it is determined that RUF, any successor to RUF, or any related member (as those terms are defined in 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 Section 5709.63 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.

4. RUF affirmatively covenants that it has made no false statements to the State or local political subdivision in the process of obtaining approval of the Community Reinvestment Area incentives. If any representative of RUF has knowingly made a false statement to the State or local political subdivision to obtain the Community Reinvestment Area incentives, RUF shall be required to immediately return all benefits received under the Community Reinvestment Area Agreement pursuant to O.R.C. Section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the State, any State Agency, or a political subdivision pursuant to O.R.C. Section 9.66(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 O.R.C. Section 2921.13(D)(1) which is punishable by a fine of not more than \$1,000.00 and/or a term of imprisonment of not more than six months.

This Agreement is not transferrable or assignable without the express, written approval of the City.

5. In consideration of the City's agreement to abate property taxes as authorized by State law, RUF shall annually, on or before March 31, pay the North Ridgeville City School District an amount equal to Ten Thousand Dollars (\$10,000.00) for the ten-year term of this Agreement. The amount of the annual payment shall be calculated from information derived and maintained by the Office of the Lorain County Auditor. RUF shall also make this annual payment in equal quarterly payments, if so requested by the North Ridgeville City Schools.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed on this 1st day of May 2024.

CITY OF NORTH RIDGEVILLE

By: _____

Mayor Kevin Corcoran

RUF US, INC.

By: _____

Jim Weist, President

APPROVED AS TO FORM:

By: _____

Brian Moriarty, Director of Law, City of North Ridgeville

SECTION 2. The Clerk of Council is hereby directed immediately to transmit a certified copy of this Resolution, along with the Abatement Application, to the Lorain County Auditor and other appropriate state and local officials including without limitation the North Ridgeville City School District.

SECTION 3. The Mayor is hereby authorized to enter into an agreement establishing the CRA Tax Abatement in substantially the same form and terms as attached hereto to this Resolution and labeled **Exhibit A**.

SECTION 4. It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were conducted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action were in meetings open to the public in accordance with all legal requirements, including §121.22 of the Ohio Revised Code.

SECTION 5. This Resolution shall take effect and be in full force from and after the earliest period allowed by law.

PASSED: March 18, 2024



Jason R. Jacobs
PRESIDENT OF COUNCIL

ATTEST :



Nicholas Ciofani
CLERK OF COUNCIL

APPROVED: Mar 22, 2024



Kevin Corcoran
MAYOR

EXHIBIT A**COMMUNITY REINVESTMENT AREA AGREEMENT**

THIS AGREEMENT is made and entered into by and between the City of North Ridgeville, Lorain County, Ohio, a municipal corporation, with its main offices located at 7307 Avon Belden Road, North Ridgeville, Ohio (hereinafter referred to as "the City"), and RUF US Inc. with their main office presently located at 771 Sugar Lane, Elyria, Ohio 44035 (hereinafter referred to as "RUF"), which shall occupy the parcel to which the tax exemption shall apply.

WITNESSETH THAT:

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

WHEREAS, RUF is desirous of establishing an office, distribution and manufacturing facility (hereinafter referred to as the "Project"), within the boundaries of the aforementioned Community Reinvestment Area, provided that the appropriate development incentives are available to support the economic viability of said Project; and

WHEREAS, the Council of the City of North Ridgeville, Ohio, by Resolution No. 768.94 adopted June 20, 1994 and amended in Resolution No. 1415-2017, adopted December 4, 2017, has designated the area defined by the corporate boundaries of the City of North Ridgeville as a "Community Reinvestment Area" pursuant to Chapter 3735 of the Ohio Revised Code; and

WHEREAS, the Director of Development of the State of Ohio determined that the aforementioned area designated in Resolution Nos. 768-94 and 1415-2017 contained the characteristics set forth in Section 3735.66 of the Ohio Revised Code and confirmed said area as a Community Reinvestment Area under said Chapter 3735 of the Ohio Revised Code; and

WHEREAS, the City of North Ridgeville, having the appropriate authority for the stated type of said Project, is desirous of providing RUF with incentives available for the development of the Project in said Community Reinvestment Area under Chapter 3735 of the Ohio Revised Code; and

WHEREAS, RUF, by and through its designated agent, has submitted a proposed agreement application to the City of North Ridgeville (hereinafter referred to as "Application" and attached as Exhibit A); and

WHEREAS, the Mayor of the City of North Ridgeville has investigated the Application of RUF and has recommended the same to Council on the basis that RUF is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Community Reinvestment Area, to establish a business that will be beneficial to the residents of the City, and to improve the economic climate of the City of North Ridgeville; and

WHEREAS, the project site, as proposed by RUF, is located in the North Ridgeville School District, the Lorain County Joint Vocational School District, and the Board of Education of the City of North Ridgeville and have been notified in accordance with Section 5709.83 of the Ohio Revised Code or have otherwise agreed by separately executed contract to consent to the City's execution of the Abatement Agreement; and

EXHIBIT A

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

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

1. RUF shall construct a new 25,000 square foot facility, which can be expanded to approximately 100,000 square feet. The Project will contain assembly, warehousing and administrative functions. The Project will be constructed on Permanent Parcel Number 07-00-047-000-096 located on Taylor Parkway in the City of North Ridgeville.

The Project will involve an initial total investment by RUF of \$5,019,000, plus or minus ten percent, as detailed in paragraph 12 of Exhibit A in new construction, machinery and equipment and furniture and fixtures. The Project will begin on or about April 1, 2024 and all acquisition, construction and installation will be completed by March 31, 2025.

In Year 1 of the Project, RUF shall introduce 17 full time permanent employees and 1 part time employee at the site for a total estimated annual payroll of \$1,315,000. Growth in employment and payroll over the ten-year term of the Agreement shall follow the schedule as set forth in Exhibit A. By Year 10, RUF shall maintain 50 full time permanent employees for a total estimated annual payroll of \$5,000,000.

RUF shall provide to the North Ridgeville Housing Council any information reasonable required by Council to evaluate RUF's compliance with the Agreement, including returns filed pursuant to section 5711.02 of the Ohio Revised Code, if requested by Council.

2. The City hereby grants RUF a tax abatement for the real property improvements in the form of new construction of commercial structures made to the project site pursuant to Section 3735.67 of the Ohio Revised Code and shall be in the following amount: 75% of the increase in real property taxes for ten (10) years after commencement of the exemption. The exemption commences the first year for which improvements to the real property would first be taxable were that property not exempted from taxation.

RUF must file the appropriate tax forms with the County Auditor to effect and maintain the exemptions covered in the Agreement.

RUF shall pay all such real and tangible property taxes which are not exempted under this Agreement and are charged against such property, and shall file all Tax reports and returns as required by law. If RUF fails to pay such taxes or fails to file such returns and reports, all incentives granted under this Agreement are rescinded beginning with the year for which the taxes are charged or such reports or returns are required to be filed and thereafter.

The City of North Ridgeville shall perform such acts as are reasonably necessary and 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.

EXHIBIT A

If for any reason the Community Reinvestment Area designation expires, the Director of the Ohio Department of Development revokes certification of the zone, or the City of North Ridgeville revokes the designation of the zone, entitlements granted under this Agreement shall continue for the number of years specified under this Agreement, unless the RUF and/or its assignees materially fail to fulfill its obligations under this Agreement and the City terminates or modifies the exemptions from taxation granted under this Agreement.

If RUF materially fails to fulfill its obligations under this Agreement, or if the City determines that the certification as to delinquent taxes required by this agreement are false or fraudulent, the City 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.

3. RUF hereby certifies that at the time this Agreement is executed, RUF 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 RUF is liable under Chapters 5733, 5735, 5739, 5741, 5743, 5747, or 5753 of the Ohio Revised Code, or, if such delinquent taxes are owed, RUF currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof has filed a petition of bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against RUF. For the purposes of 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.

RUF affirmatively covenants that it does not owe: (1) any delinquent taxes to the State of Ohio or a political subdivision of the State; (2) any monies to the State or a State agency for the administration or enforcement of any environmental laws of the State; and (3) any other monies to the State, a State agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not.

RUF and the City of North Ridgeville acknowledge that this Agreement has been approved by formal action of the legislative authority of the City.

The City has developed a policy to ensure recipients of Community Reinvestment Area tax benefits practice non-discriminating hiring in its operation. By execution of this Agreement, RUF is committing to following non-discriminatory hiring practices acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, disability, color, national origin or ancestry.

Exemptions from taxation granted under this Agreement shall be revoked if it is determined that RUF, any successor RUF, or any related member (as those terms are defined in 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 Section 5709.63 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.

4. RUF affirmatively covenants that it has made no false statements to the State or local political subdivision in the process of obtaining approval of the Community Reinvestment Area incentives. If any representative of RUF has knowingly made a false statement to the State or

EXHIBIT A

local political subdivision to obtain the Community Reinvestment Area incentives, RUF shall be required to immediately return all benefits received under the Community Reinvestment Area Agreement pursuant to O.R.C. Section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the State, any State Agency, or a political subdivision pursuant to O.R.C. Section 9.66(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 O.R.C. Section 2921.13(D)(1) which is punishable by a fine of not more than \$1,000.00 and/or a term of imprisonment of not more than six months.

This Agreement is not transferrable or assignable without the express, written approval of the City.

- 5. In consideration of the City’s agreement to abate property taxes as authorized by State law, RUF shall annually, on or before March 31, pay the North Ridgeville City School District an amount equal to Ten Thousand Dollars (\$10,000.00) for the ten-year term of this Agreement. The amount of the annual payment shall be calculated from information derived and maintained by the Office of the Lorain County Auditor. RUF shall also make this annual payment in equal quarterly payments, if so requested by the North Ridgeville City Schools.

IN WITNESS WHEREOF, the City of North Ridgeville, Ohio, by its Mayor, and pursuant to Resolution No. _____, has caused this instrument to be executed this ____ day of _____ 2024, and RUF by Jim Weist, President of RUF US Inc., have caused this instrument to be executed on this ____ day of _____ 2024.

CITY OF NORTH RIDGVILLE

By: _____
Mayor Kevin Corcoran

-and-

RUF US, INC.

By: _____
Jim Weist, President

APPROVED AS TO FORM:

By: _____
Brian Moriarty, Director of Law
City of North Ridgeville

Community Reinvestment Area
COMMERCIAL AND INDUSTRIAL ABATEMENT APPLICATION



INSTRUCTIONS

Complete all fields in the application, and attach additional documentation as necessary. The City of North Ridgeville's Community Reinvestment Area Program Guidelines are available for review at www.nridgeville.org. Applicants are strongly encouraged to read program guidelines prior to submittal.

Please note that applications for incentives must be submitted and negotiations with the City must be initiated before a development plan application is submitted to the City, or in cases where development plan approval is not required, before any building permits are issued for the project.

COMPANY INFORMATION

1. Name of business, home or main office address, contact person and telephone number:

RUF US Inc.	
<small>Business Name</small>	
771 Sugar Lane	Elyria, OH. 44035-6313
<small>Street Address</small>	<small>City, State, Zip</small>
Jim Weist	Folker Hemmann
<small>Applicant Name</small>	<small>Finance/Payroll Officer</small>
jweist@ruf-briquetter.com	folker@gadc.com
<small>Applicant E-mail</small>	<small>Finance/Payroll Officer Email</small>
937-206-4578	937-206-1945
<small>Applicant Telephone</small>	<small>Finance/Payroll Officer Telephone</small>

2. Project site:

07-00-047-000-096	38700 Taylor Parkway
<small>Parcel ID</small>	<small>Street Address</small>
Mldway TW LLC	Bob Graham
<small>Current Property Owner</small>	<small>Property Owner Contact Person</small>
logosrealtyco@windstream.net	4402252211
<small>Property Owner Email</small>	<small>Property Owner Telephone</small>

3. Nature of business (office, manufacturing, distribution, wholesale, etc.):

Office, Distribution and Manufacturing

4. Form of business (corporation, partnership, proprietorship or other):

Corporation

5. Name and location of parent company and affiliated companies:

Ruf Trading 1 GmbH & Co. KG Germany, Affiliated companies RUF US

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

The shares of the company are owned by Ruf trading 1 GmbH & Co. Roland Ruf and Wolfmann Ruf

7. Company description including markets served, primary customers, history and business outlook.

RUF is the global leader in manufacturing and selling of Briquetteing Machines. Our machines are designed and built in Germany and in Elyria we sell and service the North American market.

PROJECT INFORMATION

8. Project Type: New Construction Rehabilitation/Remodeling*

*For rehabilitation/remodeling projects, applicants are required to submit an appraisal documenting the anticipated increase in market value of the property based on the proposed improvements. The appraisal must be prepared by an independent real estate appraiser, certified to conduct commercial appraisals. Proof of qualifications must be submitted with the appraisal report.

9. Project Description:

The project will begin with the construction of a new 25k SF facility which can be expanded to approximately 100k Sf facility. The project will contain functions for assembly, warehousing, and administrative.

10. Project Construction Schedule:

Start Date: Q1 24 End Date: Q1 25

11. Current market value of the project site as determined for local property taxation:

Land: \$ 73 k / Acre (\$769k) Existing Buildings: \$

12. Estimated investment by the business to establish, expand, renovate or occupy the project site:

Acquisition of Buildings:	\$
New Construction:	\$3,750,000
Additions/Renovations to Existing Buildings:	\$0
Machinery and Equipment:	\$300,000
Furniture and Fixtures:	\$100,000
Other Fees and Expenses:	\$100,000
Total Project Investment:	\$5,019,000

13. Will the project involve a consolidation of locations? Yes No

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

14. Will the project involve the relocation of employment positions within Ohio? Yes No

a. If yes, list location(s) from which employment positions will be relocated. Provide detailed impact of the relocation, including the number of jobs, associated payroll, assets, etc.

Elyria, Ohio only change employment location, we will not have to relocate any of then 10 employees. \$ 900,000.00 in Assets.

b. Has the business previously entered into an Enterprise Zone or CRA Agreement with the local legislative authorities at any site from which employment will be relocated? Yes No

c. If yes, list the local legislative authorities, date and term of the incentives for each Agreement.

City of Elyria, 3/27/2015, starting 1/1/2016 55% for 10 years

15. Provide information regarding existing employment based on the most recent completed fiscal year.

	Project Site		Ohio	
	# of Employees	Annual Payroll	# of Employees	Annual Payroll
Full Time			8	642,451.00
Part Time				
Temporary				
Total	0	0	8	642,451.00

16. Provide cumulative total employment at the project site over the next five years. Jobs and associated payroll must be located within the City of North Ridgeville. Offsite or remote employment will not be considered for the purpose of incentives.

Year	Number of Employees			Annual Payroll (\$)		
	Full Time	Part Time	Temp	Full Time	Part Time	Temp
1	17	1	0	1,275,000.00	40,000.00	0
2	5	0	0	375,000.00	0	0
3	5	1	0	375,000.00	40,000.00	0
4	3	0	0	225,000.00	0	0
5	5	0	0	375,000.00	0	0
Total	35	2	0	2,625,000.00	80,000.00	0

17. Provide requested abatement rate and term:

Rate (%): Term (# years):

18. Describe in detail why local financial assistance is necessary for the project to go forward in North Ridgeville.

Post Pandemic pricing is making the development and growth for small business extremely difficult. The request for incentives is directly linked to the commitment Ruf is working to make in the community in both jobs and physical footprint. With the cost of construction, and challenges in the capital markets with financing, Ruf is still

DELINQUENCIES AND LEGAL PROCEEDINGS

19. Provide responses regarding any delinquencies or legal proceedings. If yes to any of the below, please attach documentation of each instance.

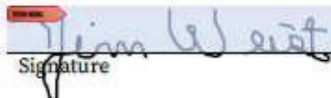
- a. Does the applicant or its affiliates owe any delinquent taxes to the State of Ohio or a political subdivision of the State? Yes No
- b. Does the applicant owe any remuneration to the State or a political subdivision of the State arising from the administration or enforcement of any environmental laws? Yes No
- c. Does the applicant or its affiliates owe other monies to the State or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law? Yes No
- d. Has the applicant, its officers or affiliates been subject to a felony conviction? Yes No
- e. Is the applicant, its officers or affiliates subject to any ongoing criminal or civil litigation? Yes No

APPLICANT'S CERTIFICATION

The applicant certifies that all information in this application, and all information furnished in support of this application, is true and complete to the best of the applicant's knowledge and belief. Information supplied with intent to mislead may lead to rejection of the application or if abatement is granted, later termination of the abatement. The applicant agrees to supply additional information upon request. As part of the review process, the applicant may also be required to directly request from the Ohio Department of Taxation, or complete a waiver form allowing the Department of Taxation to release specific tax records to the City of North Ridgeville.

Jim Weist President

Name and Title (print)

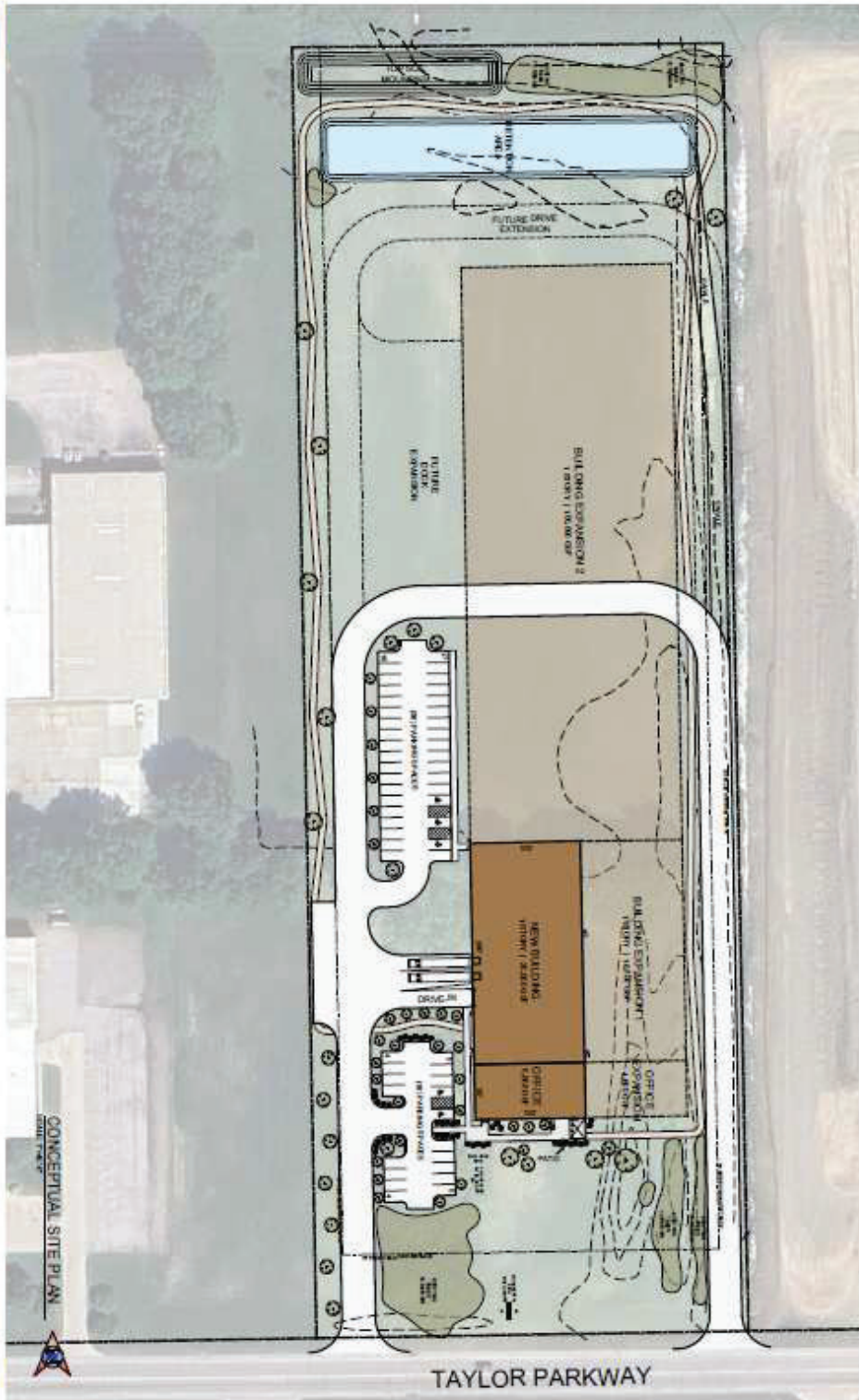

Signature

11/8/2023

Date

Submit completed applications with all supporting documentation along with the \$500 application fee to the address below. Make checks payable to *City of North Ridgeville*.

City of North Ridgeville
Attn.: Kim Lieber, Director of Planning & Economic Development
7307 Avon Belden Road
North Ridgeville, OH 44039



RUF BRICQUETTING SYSTEMS
TAYLOR PKWY, NORTH RIDGEVILLE, OH

SITE & GROUND FLOOR PLAN

CONCEPTUAL SITE PLAN





RENDERS

RUE BRIQUETTING SYSTEMS
TAYLOR PKWY, NORTH RIDGEVILLE, OH

COMMUNITY REINVESTMENT AREA AGREEMENT

THIS AGREEMENT is made and entered into by and between the City of North Ridgeville, Lorain County, Ohio, a municipal corporation, with its main offices located at 7307 Avon Belden Road, North Ridgeville, Ohio (hereinafter referred to as “the City”), and RUF US Inc. with their main office presently located at 771 Sugar Lane, Elyria, Ohio 44035 (hereinafter referred to as “RUF”), which shall occupy the parcel to which the tax exemption shall apply.

WITNESSETH THAT:

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

WHEREAS, RUF is desirous of establishing an office, distribution and manufacturing facility (hereinafter referred to as the “Project”) at 38778 Taylor Parkway, within the boundaries of the aforementioned Community Reinvestment Area, provided that the appropriate development incentives are available to support the economic viability of said Project; and

WHEREAS, the Council of the City of North Ridgeville, Ohio, by Resolution No. 768.94 adopted June 20, 1994 and amended in Resolution No. 1415-2017, adopted December 4, 2017, has designated the area defined by the corporate boundaries of the City of North Ridgeville as a “Community Reinvestment Area” pursuant to Chapter 3735 of the Ohio Revised Code; and

WHEREAS, the Director of Development of the State of Ohio determined that the aforementioned area designated in Resolution Nos. 768-94 and 1415-2017 contained the characteristics set forth in Section 3735.66 of the Ohio Revised Code and confirmed said area as a Community Reinvestment Area under said Chapter 3735 of the Ohio Revised Code; and

WHEREAS, the City of North Ridgeville, having the appropriate authority for the stated type of said Project, is desirous of providing RUF with incentives available for the development of the Project in said Community Reinvestment Area under Chapter 3735 of the Ohio Revised Code; and

WHEREAS, RUF, by and through its designated agent, has submitted a Community Reinvestment Area application to the City of North Ridgeville (hereinafter referred to as “Application” and attached as Exhibit A); and

WHEREAS, the Mayor of the City of North Ridgeville has investigated RUF’s Application and has recommended the same to Council on the basis that RUF is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Community Reinvestment Area, to establish a business that will be beneficial to the residents of the City, and to improve the economic climate of the City of North Ridgeville; and

WHEREAS, having considered the Mayor’s recommendation, Council adopted Resolution No. 2024-32 on March 18, 2024, approving and ratifying RUF’s application for tax abatement; and

WHEREAS, the project site is located in the North Ridgeville School District, the Lorain County Joint Vocational School District, and the Board of Education of the City of North

Ridgeville and have been notified in accordance with Section 5709.83 of the Ohio Revised Code or have otherwise agreed by separately executed contract to consent to the City's execution of the Abatement Agreement; and

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

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

1. RUF shall construct a new 25,000 square foot facility, which can be expanded to approximately 100,000 square feet. The Project will contain assembly, warehousing and administrative functions. The Project will be constructed on Permanent Parcel Number 07-00-047-000-096 located at 38778 Taylor Parkway in the City of North Ridgeville.

The Project will involve an initial total investment by RUF of \$5,019,000, plus or minus ten percent, as detailed in paragraph 12 of Exhibit A in new construction, machinery and equipment and furniture and fixtures. The Project will begin on or about June 1, 2024 and all acquisition, construction and installation activities are anticipated to be completed by December 31, 2025.

In Year 1 of the Project, RUF shall introduce 17 full time permanent employees and 1 part time employee at the site for a total estimated annual payroll of \$1,315,000. Growth in employment and payroll over the ten-year term of the Agreement shall follow the schedule as set forth in Exhibit A. By Year 10, RUF shall maintain 50 full time permanent employees for a total estimated annual payroll of \$5,000,000.

RUF shall provide to the North Ridgeville Housing Council any information reasonable required by Council to evaluate RUF's compliance with the Agreement, including returns filed pursuant to section 5711.02 of the Ohio Revised Code, if requested by Council.

2. The City hereby grants RUF a tax abatement for the real property improvements in the form of new construction of commercial structures made to the project site pursuant to Section 3735.67 of the Ohio Revised Code and shall be in the following amount: 75% of the increase in real property taxes for ten (10) years after commencement of the exemption. The exemption commences the first year for which improvements to the real property would first be taxable were that property not exempted from taxation.

RUF must file the appropriate tax forms with the County Auditor to effect and maintain the exemptions covered in the Agreement.

RUF shall pay all such real and tangible property taxes which are not exempted under this Agreement and are charged against such property, and shall file all Tax reports and returns as required by law. If RUF fails to pay such taxes or fails to file such returns and reports, all incentives granted under this Agreement are rescinded beginning with the year for which the taxes are charged or such reports or returns are required to be filed and thereafter.

The City of North Ridgeville shall perform such acts as are reasonably necessary and 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.

If for any reason the Community Reinvestment Area designation expires, the Director of the Ohio Department of Development revokes certification of the zone, or the City of North Ridgeville revokes the designation of the zone, entitlements granted under this Agreement shall continue for the number of years specified under this Agreement, unless RUF and/or its assignees materially fail to fulfill its obligations under this Agreement and the City terminates or modifies the exemptions from taxation granted under this Agreement.

If RUF materially fails to fulfill its obligations under this Agreement, to include maintaining the job creation and payroll commitments referenced in Section 1, or if the City determines that the certification as to delinquent taxes required by this agreement are false or fraudulent, the City 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.

3. RUF hereby certifies that at the time this Agreement is executed, RUF 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 RUF is liable under Chapters 5733, 5735, 5739, 5741, 5743, 5747, or 5753 of the Ohio Revised Code, or, if such delinquent taxes are owed, RUF currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof has filed a petition of bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against RUF. For the purposes of 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.

RUF affirmatively covenants that it does not owe: (1) any delinquent taxes to the State of Ohio or a political subdivision of the State; (2) any monies to the State or a State agency for the administration or enforcement of any environmental laws of the State; and (3) any other monies to the State, a State agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not.

RUF and the City of North Ridgeville acknowledge that this Agreement has been approved by formal action of the legislative authority of the City.

The City has developed a policy to ensure recipients of Community Reinvestment Area tax benefits practice non-discriminating hiring in its operation. By execution of this Agreement, RUF is committing to following non-discriminatory hiring practices acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, disability, color, national origin or ancestry.

Exemptions from taxation granted under this Agreement shall be revoked if it is determined that RUF, any successor to RUF, or any related member (as those terms are defined in 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 Section 5709.63 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.

4. RUF affirmatively covenants that it has made no false statements to the State or local political subdivision in the process of obtaining approval of the Community Reinvestment Area incentives. If any representative of RUF has knowingly made a false statement to the State or local political subdivision to obtain the Community Reinvestment Area incentives, RUF shall be required to immediately return all benefits received under the Community Reinvestment Area Agreement pursuant to O.R.C. Section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the State, any State Agency, or a political subdivision pursuant to O.R.C. Section 9.66(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 O.R.C. Section 2921.13(D)(1) which is punishable by a fine of not more than \$1,000.00 and/or a term of imprisonment of not more than six months.

This Agreement is not transferrable or assignable without the express, written approval of the City.

5. In consideration of the City's agreement to abate property taxes as authorized by State law, RUF shall annually, on or before March 31, pay the North Ridgeville City School District an amount equal to Ten Thousand Dollars (\$10,000.00) for the ten-year term of this Agreement. The amount of the annual payment shall be calculated from information derived and maintained by the Office of the Lorain County Auditor. RUF shall also make this annual payment in equal quarterly payments, if so requested by the North Ridgeville City Schools.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed on this 1st day of May 2024.

CITY OF NORTH RIDGEVILLE

By: _____

Mayor Kevin Corcoran

RUF US, INC.

By: _____

Jim Weist, President

APPROVED AS TO FORM:

By: _____

Brian Moriarty, Director of Law, City of North Ridgeville