

ORDINANCE NO. 47 -05

By: Richard F. Weber

AN ORDINANCE TO APPROVE AND AUTHORIZE THE MAYOR AND THE CITY AUDITOR TO SIGN THE AGREEMENT BETWEEN THE CITY OF BEXLEY AND 2680 EAST MAIN LLC TO PROVIDE INCENTIVES AVAILABLE FOR PROJECT DEVELOPMENT IN THE MAIN STREET RE/DEVELOPMENT COMMUNITY REINVESTMENT AREA.

WHEREAS, the Council of the City of Bexley, Ohio (the "City") by its Ordinance No. 68-02, adopted September 24, 2002 (and amended by Ordinance No. 60-04, adopted September 28, 2004 and Ordinance No. 73-04, adopted October 26, 2004), designated the Main Street Re/Development Reinvestment Area (as depicted on Exhibit A and labeled thereon as the "CRA") which enables the City to offer real property tax exemption on the construction of certain new structures and the remodeling of certain existing structures as described in Ohio Revised Code ("R.C.") Section 3735.67; and

WHEREAS, the Director of the Development of the State of Ohio has determined that the aforementioned area designated in said Ordinances contains the characteristics set forth in R.C. Section 3735.66 and confirmed that area as a community reinvestment area pursuant to R.C. Section 3735.66; and

WHEREAS, the City desires to pursue all reasonable and legitimate incentive measures to assist, encourage and stimulate development in the CRA, which has not enjoyed sufficient reinvestment from remodeling or new construction; and

WHEREAS, the remodeling of existing structures and the construction of new structures in the CRA would serve to encourage economic stability, maintain real property values, and generate new employment opportunities; and

WHEREAS, 2680 East Main LLC (the "Developer") desires to establish a two-story mixed use development with, cumulatively, approximately 13,080 square feet located at 2680 East Main Street in the City (the "Project"), which would encourage economic stability and maintain real property values, and has submitted a Community Reinvestment Area Agreement Application, a copy of which is attached as Exhibit B; and

WHEREAS, the Housing Officer under R.C. Section 3735.65 has reviewed the Application of the Developer and recommends the same on the basis that the Developer is qualified by financial responsibility and business experience to create and preserve employment opportunities in the CRA and improve the economic climate of the City; and

WHEREAS, the Board of Education of the Bexley City School District has been notified in accordance with applicable Ohio law and has, by written resolution certified to the City,

approved the terms of the proposed agreement between the Developer and the City (the "Agreement") substantially in the form attached hereto as Exhibit C and made a part hereof, including but not limited to the five (5) year, 100%-80%-60%-40%-20% property tax exemption provided therein; and

WHEREAS, the City desires to provide the Developer with incentives for development of the Project within the boundaries of the CRA consistent with the terms of R.C. Section 3735.65 et al.;

NOW, THEREFORE, BE ORDAINED BY THE COUNCIL OF THE CITY OF BEXLEY, OHIO:

Section 1. That in consideration of the mutual covenants set forth in the Agreement substantially in the form attached hereto as Exhibit C and made a part hereof, including but not limited to the five (5) year, 100%-80%-60%-40%-20% property tax exemption provided therein, the Agreement hereby is approved and authorized with changes therein not inconsistent with this Ordinance and not substantially adverse to the City, and the Mayor and the City Auditor hereby are authorized to execute the Agreement and directed to take any further actions, and execute and deliver any further agreements, certificates or documents necessary to accomplish the granting of the exemptions described in said Agreement, provided further that the approval of changes thereto by those officials, and their character as not being substantially adverse to the City, shall be evidenced conclusively by the execution thereof.

Section 2. That this Council hereby finds that the Project is commercial property for mixed-use development and that so long as the Project Site (as defined in the Agreement) continues to be used for commercial uses, the exemption described in the Agreement may be granted to the Developer pursuant to the terms of the Agreement.

Section 3. That it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council and that all deliberations of this Council and any decision making bodies of the City of Bexley which resulted in such formal actions were in meetings open to the public or in compliance with all legal requirements of the City of Bexley, Franklin County, Ohio.


Section 4. That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.

Passed: 7/12, 2005




President of Council

Attest:


Clerk of Council

Approved: 6/12, 2005


David H. Madison, Mayor

5-10-05 First Reading
5-24-05 Second Reading
6/14/05 Third Reading - Tabled
7-12-05 Removed from table.
Passed.

EXHIBIT A

[Boundary Description of Main Street Re/Development District CRA]

**AMENDED
MAIN STREET RE/DEVELOPMENT DISTRICT
COMMUNITY REINVESTMENT AREA**

A. Verbal Boundary Description

1 Beginning for reference at the centerline intersection of Bryden Road with S. Parkview Avenue,
2 said point being the true point of beginning for this description; then west with centerline of
3 Bryden Road to centerline of Westland; then south along west property lines of tax parcel 1968
4 and 342 to centerline of Alum Creek also being the Bexley corporation line; then south with the
5 corporation line crossing E. Main Street to south property line of tax parcel 108; then following
6 south property lines of tax parcel 108 and 1322 east to centerline of Sheridan; then north with
7 centerline of S. Sheridan Avenue to centerline of E. Mound Street; then east with centerline of E.
8 Mound Street crossing S. College Avenue and S. Pleasant Ridge Avenue to where roadway
9 intersects with centerline of alley abutting tax parcel 4154, 569 and 4488; then north with
10 centerline of alley to centerline of first alley south of E. Main Street abutting tax parcel 2025 and
11 2763; then east with centerline of alley crossing Euclaire Avenue and S. Cassingham Road to
12 centerline of Montrose Avenue; then south with centerline of Montrose Avenue to centerline of
13 E. Mound Street; then east with centerline of E. Mound Street to centerline of S. Remington
14 Road; then north with centerline of S. Remington Road to centerline of first alley south of E.
15 Main Street abutting tax parcel 2252; then east with centerline of alley crossing S. Vernon Road,
16 S. Roosevelt Avenue, S. Grandon Avenue and Chelsea Avenue to the Bexley corporation line;
17 then north with the corporation line crossing E. Main Street to north property line of tax parcel
18 3979; then west along north property lines of tax parcel 3979, 3978, 3977, 3976, 3975, 3973,
19 4119, 188, 174, 162, 160 and 122 crossing S. Roosevelt Avenue; then west along north property
20 lines of tax parcel 84, 320 and 3509 crossing S. Remington Road; then west with centerline of
21 first alley north of E. Main Street crossing S. Cassingham Road, S. Cassady Avenue and S.
22 Dawson Avenue to where alley terminates at west property line of tax parcel 3457 also being east
23 property line of tax parcel 02; then following north property lines of tax parcel 02, 79, 175 west
24 and north to centerline of Sherwood Road; then west with centerline of Sherwood Road to
25 centerline of S. Drexel Avenue turning south then west to where roadway intersects with north
26 property line of tax parcel 572; then west along north property lines of tax parcel 572, 4381,
27 1825, 1985 and 3002 to east property line of tax parcel 350; then following along east property
28 line of tax parcel 350 north turning west then south and west along north property lines of tax
29 parcel 350 and 836 to west property line of tax parcel 836; then south along west property line
30 of tax parcel 836 to north property line of tax parcel 216; then west along north property
31 line of tax parcel 216 to centerline of S. Parkview Avenue; then north with centerline of S.
32 Parkview Avenue to centerline intersection with Bryden Road, also being the point of beginning.

All references to tax parcels are those in the City of Bexley/Bexley City School District (tax district no. 020) and those recorded on the real estate tax maps of the Franklin County Auditor's office. The amended Main Street Re/Development District Community Reinvestment Area shall include all splits and combinations of tax parcels within the above-described area.

Underline indicates section of boundary that is altered from previous boundary definition.

EXHIBIT B

[CRA Application]

RECEIVED APR 21 2005

Community Reinvestment Area Agreement Application

APPLICATION FOR A PROPOSED AGREEMENT for Community Reinvestment Area (CRA) Tax Incentives between the City of Bexley located in the County of Franklin and

2680 East Main, LLC

(Enterprise)

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

<i>Enterprise Name</i>	<i>Contact Person</i>
2680 East Main, LLC 2715 E. Main St Bexley, OH 43209	Jeff Meyer (614)237-3525
<i>Address</i>	<i>Telephone Number</i>

- B. Project Site:

	<i>Contact Person</i>
2680 E. Main St Bexley, OH 43209	Mark Potts Schmidt (614) 437-8113
<i>Address</i>	<i>Telephone Number</i>

2. A. Nature of business (manufacturing, warehousing, wholesale or retail stores, or other) to be conducted at the site.

Office / Retail

- B. List primary 4 digit Standard Industrial Code (SIC) _5311, 6021, 53**, 52**. Business may list other relevant SIC numbers.

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

N/A

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

Limited Liability Corporation

3. Name of principal owner(s) or officers of the business (attach list if necessary).

David Belford, Murray Davis, Jeffrey Meyer, Michael Schiff, Mark Pottschmidt, P. Jon Meyer

4. Is the business seasonal in nature Yes [] No [x]

5. A. State the enterprise's current full-time and part-time employment level at the proposed project site:

24 (Estimate) Note: Enterprise is a real estate holding company. 3 separate entities will serve as tenants at this location. Tenants include Stanbery Development 8, The First Bank of Bexley, 9.5 and to be named retail 6.5. The basement could potentially house an additional 10 employees not included here. Also note that Stanbery Development expects to expand to 11 employees with 1 year given its larger space. The company has additional expansion plans thereafter as the new building doubles its current space.

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

Yes [x] 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:

Stanbery Development From: 250 E. Broad St. Columbus, OH 43215
To: 2680 E. Main St. Bexley, OH 43209

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

N/A (real estate holding company)

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

N/A (real estate holding company)

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

G.

Stanbery Development to relocate 8 employees (expanding to 11-15)– professional full time real estate development firm Note: Not employees of 2680 East Main LLC, but will use facility provided by this entity.

A. Has the enterprise previously entered into an Enterprise Zone or CRA Agreement with the local legislative authorities at any site where the employment or assets will be relocated as result of this proposal?

Yes []

No [x]

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

7. Does the Enterprise 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 political subdivision of the State for the administration or enforcement of any environmental laws?

Yes []

No [x]

C. Any other moneys 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 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 (attach additional pages if necessary).

8. Project Description (attach additional pages if necessary):

Two story mixed use development consisting of a 2,400 square foot bank and a 1,300 retail location on the first floor. The entire second floor (4,300 feet of office space) will be occupied by Stanbery Development for its corporate headquarters. The facility will also contain a lower level that we expect to lease

9. Project is proposed to begin July, 2005 and estimated to be completed January, 2006 provided a tax exemption is provide

A. Estimate the number of new employees the business intends to hire at the facility that is the project site (job creation projection must be itemized by full and part-time and permanent and temporary):

AS per question 5F above, the entity will not have employees, however three entities will be housed in the facility which will employ approximately 24 individuals. This is made up as follows 1) 8 employees – professional full time real estate development firm 2) 9.5 Employees – professional banking institution 3) 6.5 employees retail location full and part time 4) Potential employees for the basement space are not included here, but could add an additional 10 employees.

B. State the time frame of this projected hiring: 0-1 year.

C. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees):

Full time – Current – May 2006

Temporary – January 2006 – May 2006

11. A. Estimate the amount of annual payroll such new employees will add \$1,165,000 (new annual payroll must be itemized by full and part-time and permanent and temporary new employees):

Full time employees \$1,100,000 (Stanbery Development \$435,000, Bank \$550,000, Retail \$115,000)

Part time employees \$65,000 (Bank \$20,000 / Retail \$45,000).

Also note that no payroll is contemplated for potential employees in basement space

B. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project \$ 435,000 (Stanbery Development)

12. Market value of the existing facility as determined for local property taxation:

\$ 262,500

13. A. Business's total current investment in the facility as of the proposal's submission:

\$ 466,000

B. State the business's value of on-site inventory required to be listed in the personal property tax return of the enterprise in the return for the tax year (stated in average \$ value per most recent 12 month period) in which the Agreement is entered into (baseline inventory):

\$ 0

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

A. Acquisition of Building(s): \$ 466,000

B. Additions/New Construction:	\$ 1,121,203 _____
C. Improvements to Existing Building(s):	\$ _____
D. Machinery & Equipment:	\$ _____
E. Furniture & Fixtures:	\$ _____
F. Inventory:	\$ _____

Total New Project Investment: \$ 1,587,203 _____

15. A. Business requests the following tax exemption incentives: 100 % (burning down 20% per year) for 5 years covering real property described above. Be specific as to type of assets, rate, and term.

B. Business's reasons for requesting tax incentives (be quantitatively specific as possible):
Attracting new tenants to the area
Offset relocation costs of anchor tenant

FEES:

This application must be accompanied by a non-refundable processing/monitoring fee of **Two-hundred fifty dollars (\$250)**. This fee is payable through a check or money order, made payable to the **City of Bexley**.

A separate one-time fee of **Seven-hundred fifty dollars (\$750)** will be charged by the State and collected by the City with this application. This fee is payable through a separate check or money order, made payable to the **Ohio Department of Development**.

In addition, the City requires each applicant to pay for the required newspaper publication of public notice. The cost of publication will be determined and due at the time of City Council approval.

Any CRA application submitted without the required fees will be returned to the applicant.

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.

Submission of this application expressly authorizes the City of Bexley to contact the Ohio Environmental Protection Agency to confirm statements contained within this application and to review applicable confidential records. As part of this application, the business may also be required to directly request from the Ohio Department of Taxation, or complete a waiver form allowing the Ohio Department of Taxation to release specific tax records to the City of Bexley.

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 2931.13 (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.

U.S.C. Title 18, Sec. 1001, provides: "*Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies... or makes any false, fictitious or fraudulent statements of representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement of entry, shall be fined not more than \$10,000 or imprisoned not more than five years, or both.*"

Enterprise Name

2680 East Main, LLC

Signature

4/20/05

Date

P. Jon Meyer, Manager

P.

Typed Name and Title

Please submit the application and attachments, with the required fees, to:

**City of Bexley
Development Office
2242 E. Main Street
Bexley, Ohio 43209
(614) 235-8694**

EXHIBIT C

[CRA Agreement]

**MAIN STREET RE/DEVELOPMENT
COMMUNITY REINVESTMENT AREA AGREEMENT**

This Community Reinvestment Area Agreement (this "Agreement") made and entered into by and between the City of Bexley, Ohio (the "City"), a municipal corporation duly organized and validly existing under the Constitution and laws of the State of Ohio and its Charter, located at 2242 East Main Street in the City, and 2680 East Main LLC, an Ohio limited liability company, with its main offices in Ohio located at 2715 East Main Street, Bexley, Ohio 43209 (the "Company").

WITNESSETH:

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

WHEREAS, the City Council by its Ordinance No. 68-02 adopted September 24, 2002 (and amended by Ordinance No. 60-04, adopted September 28, 2004, and Ordinance No. 73-04 adopted October 26, 2004) (the "Ordinance") created the Main Street Re/Development District Community Reinvestment Area (the "CRA") pursuant to Ohio Revised Code ("R.C.") Sections 3735.65 through 3735.70 (the "CRA Act"), and authorized 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, in accordance with R.C. Section 3735.66, the Ohio Director of Development has forwarded to the City the Director's determinations, dated November 19, 2002 and December 10, 2004, that the findings contained in the Ordinance are valid, and that the CRA qualifies as a community reinvestment area under the CRA Act; and

WHEREAS, the Company has acquired the real property contained within the City and the CRA (the "Land"), described in Exhibit A attached hereto (the "Project Site"); and

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

WHEREAS, the Company proposes to establish at the Project Site a two-story mixed use development with, cumulatively, approximately 13,080 square feet, including the first floor of 2,736 square feet to be used for financial services space and 1,624 square feet to be used as retail space, and the entire second floor of 4,360 square feet to be used as office space, together with related site improvements, all as more particularly 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 Company does not anticipate that it will equip the Project Site or hire employees at the Project Site; rather, the Company intends to lease portions of the Project Site

to lessees (the Company and such lessees, together with any successors and assigns, collectively or singly, as the context requires, may be referred to hereinafter from time to time as an "Occupant" or the "Occupants"); and

WHEREAS, the Company has remitted with the Application a non-refundable processing/monitoring fee of \$250.00 payable to the City of Bexley and the required state application fee of \$750.00, made payable to the Ohio Department of Development, to be forwarded with the executed 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 City and the Company desire to formalize their agreement with respect to matters hereinafter contained; and

WHEREAS, the Project Site is located in the Bexley City School District (the "School District"), and the board of education of such district has been notified of the proposed approval of this Agreement in accordance with R.C. Sections 3735.671 and 5709.83, or has waived such notice, and has been given a copy of the Application and a draft of this Agreement; and

WHEREAS, by its Ordinance ___ - ____, adopted _____, 2005, the Council of the City approved this Agreement and authorized the execution of this Agreement; and

WHEREAS, pursuant to R.C. Section 3735.671, the Board of Education of the School District has approved the terms of this Agreement, and consented to the approval and execution of this Agreement; and

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 Company shall complete the Project. The cost of the investments to be made in connection with the Project by the Occupants is estimated as (i) approximately \$466,000 for acquisition of buildings; (ii) approximately \$1,121,203 for construction of real property improvements; (iii) approximately \$175,000 for acquisition of machinery and equipment; (iv) approximately \$90,000 for acquisition of furniture and fixtures; and (v) approximately \$0 for acquisition of inventory at the Project Site. There is an existing building at the Project Site that has a fair market value of \$138,200, according to the Franklin County Auditor.

2. Values of Personal Property. The value for Ohio personal property tax purposes of the personal property of the Company, including, but not limited to, machinery, equipment, furniture, and fixtures, located at another location in Ohio prior to the execution of this Agreement and relocated or to be relocated from that location to the Project Site, is \$0. The value for Ohio personal property tax purposes of the personal property of the Company, including, but not limited to, machinery, equipment, furniture, and fixtures, at the Project Site prior to the execution of this Agreement is \$0. The average value for Ohio personal property tax purposes of the inventory of the Company 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 for Ohio personal property tax purposes of the inventory of the Company at the Project Site prior to the execution of this Agreement is \$0.

3. Project Schedule. The scheduled estimated starting month for the Project investments to be made in building, machinery, equipment, furniture, fixtures and/or inventory is approximately July 2005; and the scheduled estimated completion month for such investments is no later than approximately January 2006.

4. Employee Positions. The Company shall create and/or facilitate the creation at the Project Site of, cumulatively, approximately 24 employees, including (i) approximately [20] full-time permanent employee positions with a total annual payroll of approximately \$1,100,000, (ii) approximately [-0-] full-time temporary employee positions with a total annual payroll of approximately [\$0], (iii) approximately [4] part-time permanent employee positions with a total annual payroll of approximately [\$65,000] and (iv) approximately [-0-] part-time temporary employee positions with a total annual payroll of approximately [\$0]. Hiring of permanent employees is estimated to commence immediately and to be completed in approximately May 2006, and the hiring of temporary employees is estimated to commence approximately January 2006 and to be completed in approximately May 2006. Currently, the Company has no employees at the Project Site or anywhere in Ohio. The parties recognize that it is anticipated that all employees at the Project Site will be hired by Occupants other than the Company.

5. Provision of Information. Within thirty (30) days after written request from the City, each Occupant shall provide (i) to the proper tax incentive review council (the "Council") any information reasonably required by the Council to evaluate the compliance of the Company with the Agreement, including returns or annual reports of each Occupant filed pursuant to R.C. Section 5711.02 if requested by the Council, and (ii) to the City any information necessary for the City to comply with any other applicable legal requirements, including the municipal income tax sharing requirement set forth in R.C. Section 5709.82. Failure by any Occupant to comply with the requirements in this Section may be cause for termination of this Agreement.

6. Real Property Tax Exemption. The City hereby grants for the new structure on the Project Site (the "Exempted Structure") a real property tax exemption pursuant to R.C. Section 3735.67 on the below-specified percentage of the assessed valuation in excess of the Minimum Fully Taxable Value (hereinafter defined) for that year for a period of five (5) years based upon the following schedule:

<u>Year</u>	<u>Exemption Percentage</u>
1	100%
2	80%
3	60%
4	40%
5	20%

The Minimum Fully Taxable Value shall be the difference between \$91,875 (the tax year 2004 taxable value – i.e., the 35% value – of parcel no. 020-000122-00) and the taxable value of the Land as established by the Franklin County Auditor for the tax year of the exemption, but in no

event shall the Minimum Fully Taxable Value be a negative number. The exemption commences the first year the Exempted Structure would first be taxable were that property not hereby exempted from taxation. No exemption shall commence after tax year 2007 (i.e., tax lien date January 1, 2007). No exemption shall extend beyond tax year 2011 (i.e., tax lien date January 1, 2011).

7. Application for Exemption. The Company acknowledges that the tax exemption with respect to the Exempted Structure is subject to the filing of a real property tax exemption application with the Housing Officer designated by the City for the CRA, following the completion of construction of the Exempted Structure. The City agrees that (i) upon receipt of the real property tax exemption application, the Housing Officer shall verify and investigate the facts and circumstances necessary to determine whether the Exempted Structure is eligible for a tax exemption pursuant to this Agreement; and (ii) if the Housing Officer determines that the Exempted Structure is eligible for a tax exemption, the Housing Officer shall certify the tax exemption to the Franklin County Auditor and shall perform such other acts as are reasonable, necessary or appropriate to effect, claim, reserve, and maintain the tax exemption described in this Agreement, including, without limitation, joining in the execution of all documents and providing any necessary certificates required in connection with such tax exemption.

8. Payment of Non-Exempt Taxes. The Company shall pay such real property taxes as are not exempted under this Agreement or otherwise exempted and are charged against the Project Site and shall file all tax reports and returns as required by law in connection therewith. If the Company fails to pay such taxes or file such returns and reports, and such failure is not corrected within thirty days of written notice thereof to the Company, all exemptions from taxation granted under this Agreement with respect to property of the Company 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 City. The City shall perform such acts as are reasonably necessary or appropriate to approve, effect, claim, reserve, preserve 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 City revokes or purports to revoke the designation of the CRA, entitlements granted under this Agreement shall continue for the number of years specified in this Agreement, unless an Occupant materially fails to fulfill its obligations under this Agreement and such failure is not corrected within thirty days of written notice thereof to the Company, and consequently, the City terminates or modifies the exemptions from taxation granted in this Agreement from the date of the material failure.

11. Certification as to No Delinquent Taxes. The Company hereby certifies 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 of Ohio and does not owe delinquent taxes for which it is liable under Chapter 5733, 5735, 5739, 5741, 5743, 5747, or 5753 of the Ohio Revised Code, or, if such delinquent taxes are owed, the Company currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio 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 the Company. 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 or Modification Upon Default. If an Occupant materially fails to fulfill its obligations under this Agreement, and such failure is not corrected within thirty days of written notice thereof to the Company, or if the City determines that the certification as to delinquent taxes required by this Agreement is fraudulent, the City may terminate or modify the exemptions from taxation granted under the Agreement from the date of the material failure.

13. Approval by the City. The Company and the City acknowledge that this Agreement must be approved by formal action of City Council as a condition for this Agreement to take effect. This Agreement takes effect upon such approval. Because this Agreement was approved by Ordinance No. __-__ of the Council of the City on _____, 2005, this Agreement shall be effective immediately upon its execution.

14. Non-Discriminatory Hiring. The Occupants shall follow 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 ancestry.

15. Revocation of Exemptions. Exemptions from taxation granted under this Agreement shall be revoked if it is determined that the Company, any successor enterprise to or any related member of the Company (as those terms are defined in division (E) of Section 3735.671 of the Ohio Revised Code), has violated the prohibition against entering into this Agreement under Division (E) of Section 3735.671 or Section 5709.62 or 5709.63 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.

16. Transfer and/or Assignment; Release from Liability. This Agreement and the benefits and obligations thereof are not transferable or assignable without the express, written approval of the City, which approval shall not be unreasonably withheld or delayed.

17. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same Agreement.

18. 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.

19. 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, or (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:

If to the City, to:

Daniel J. Lorek
Development Director
City of Bexley
2242 East Main Street
Bexley, Ohio 43209

With a copy to:

Scott J. Ziance, Esq.
Vorys, Sater, Seymour and Pease LLP
52 East Gay Street, P.O. Box 1008
Columbus, Ohio 43216-1008

If to the Company, to:

P. Jon Meyer
2715 East Main Street
Bexley, Ohio 43209

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

20. R.C. Section 9.66 Covenants. The Company 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 Company has knowingly made a false statement to the State or any local political subdivision to obtain the CRA tax exemptions, the Company 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 Company 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 \$1,000 and/or a term of imprisonment of not more than six months.

21. Annual Fee. The Company or any combination of the Occupants (collectively) shall pay an annual fee equal to the greater of one percent of the amount of taxes exempted under this Agreement or five hundred dollars; provided, however, that if the value of the exemption exceeds two hundred fifty thousand dollars, the fee shall not exceed two thousand five hundred dollars. The fee shall be paid to the City once per year, on or after July 1st of each year this Agreement is in effect, within thirty (30) days of receipt of an invoice from the City. This fee shall be deposited in a special fund created for such purpose and shall be used exclusively for the purpose of complying with R.C. Section 3735.672 and by the Council created under R.C. Section 5709.85 exclusively for the purposes of performing the duties prescribed under that Section.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives to be effective as of July __, 2005.

CITY OF BEXLEY, OHIO

By: _____
David H. Madison
Mayor

By: _____
Gary W. Qualmann
City Auditor

2680 East Main LLC, an Ohio limited liability company

By: _____

Print Name: _____

Title: _____

APPROVED AS TO FORM:

By: _____
James H. Gross
City Attorney

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

EXHIBIT A

[Legal Description]

Exhibit A

Legal Description

File Number: HTAC-19545

Situated in the County of Franklin, in the State of Ohio, and in the City of Bexley:

Being Lot Number Four (4) and Five (5) of Bexley Highlands Amended, as the same are numbered and delineated upon the recorded plat thereof, of record in Plat Book 18, Page 54, Recorder's Office, Franklin County, Ohio.

Parcel No. 020-000122

Also known as: 2680 East Main Street, Bexley, Ohio 43209

End Of Legal Description

EXHIBIT B

[CRA Exemption Application]

RECEIVED APR 21 2005

Community Reinvestment Area Agreement Application

APPLICATION FOR A PROPOSED AGREEMENT for Community Reinvestment Area (CRA) Tax Incentives between the City of Bexley located in the County of Franklin and

2680 East Main, LLC

(Enterprise)

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

<hr/> <i>Enterprise Name</i>	<hr/> <i>Contact Person</i>
<hr/> 2680 East Main, LLC 2715 E. Main St Bexley, OH 43209	<hr/> Jeff Meyer (614)237-3525
<hr/> <i>Address</i>	<hr/> <i>Telephone Number</i>

- B. Project Site:

<hr/>	<hr/> <i>Contact Person</i>
<hr/> 2680 E. Main St Bexley, OH 43209	<hr/> Mark Pottschmidt (614) 437-8113
<hr/> <i>Address</i>	<hr/> <i>Telephone Number</i>

2. A. Nature of business (manufacturing, warehousing, wholesale or retail stores, or other) to be conducted at the site.

Office / Retail

- B. List primary 4 digit Standard Industrial Code (SIC) _5311, 6021, 53**, 52**. Business may list other relevant SIC numbers.

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

N/A

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

Limited Liability Corporation

3. Name of principal owner(s) or officers of the business (attach list if necessary).

David Belford, Murray Davis, Jeffrey Meyer, Michael Schiff, Mark Pottschmidt, P. Jon Meyer

4. Is the business seasonal in nature Yes [] No [x]

5. A. State the enterprise's current full-time and part-time employment level at the proposed project site:

24 (Estimate) Note: Enterprise is a real estate holding company. 3 separate entities will serve as tenants at this location. Tenants include Stanbery Development 8, The First Bank of Bexley, 9.5 and to be named retail 6.5. The basement could potentially house an additional 10 employees not included here. Also note that Stanbery Development expects to expand to 11 employees with 1 year given its larger space. The company has additional expansion plans thereafter as the new building doubles its current space.

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

Yes [x] 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:

Stanbery Development From: 250 E. Broad St. Columbus, OH 43215
To: 2680 E. Main St. Bexley, OH 43209

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

N/A (real estate holding company)

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

N/A (real estate holding company)

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

G.

Stanbery Development to relocate 8 employees (expanding to 11-15)– professional full time real estate development firm Note: Not employees of 2680 East Main LLC, but will use facility provided by this entity.

A. Has the enterprise previously entered into an Enterprise Zone or CRA Agreement with the local legislative authorities at any site where the employment or assets will be relocated as result of this proposal?

Yes []

No [x]

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

7. Does the Enterprise 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 political subdivision of the State for the administration or enforcement of any environmental laws?

Yes []

No [x]

C. Any other moneys 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 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 (attach additional pages if necessary).

8. Project Description (attach additional pages if necessary):

Two story mixed use development consisting of a 2,400 square foot bank and a 1,300 retail location on the first floor. The entire second floor (4,300 feet of office space) will be occupied by Stanbery Development for its corporate headquarters. The facility will also contain a lower level that we expect to lease

9. Project is proposed to begin July, 2005 and estimated to be completed January, 2006_ provided a tax exemption is provide

A. Estimate the number of new employees the business intends to hire at the facility that is the project site (job creation projection must be itemized by full and part-time and permanent and temporary):

AS per question 5F above, the entity will not have employees, however three entities will be housed in the facility which will employ approximately 24 individuals. This is made up as follows 1) 8 employees – professional full time real estate development firm 2) 9.5 Employees – professional banking institution 3) 6.5 employees retail location full and part time 4) Potential employees for the basement space are not included here, but could add an additional 10 employees.

B. State the time frame of this projected hiring: 0-1 year.

C. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees):

Full time – Current – May 2006

Temporary – January 2006 – May 2006

11. A. Estimate the amount of annual payroll such new employees will add \$1,165,000 (new annual payroll must be itemized by full and part-time and permanent and temporary new employees):

Full time employees \$1,100,000 (Stanbery Development \$435,000, Bank \$550,000, Retail \$115,000

Part time employees \$65,000 (Bank \$20,000 / Retail \$45,000).

Also note that no payroll is contemplated for potential employees in basement space

B. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project \$ 435,000 (Stanbery Development)

12. Market value of the existing facility as determined for local property taxation:

\$ 262,500.

13. A. Business's total current investment in the facility as of the proposal's submission:

\$ 466,000.

B. State the business's value of on-site inventory required to be listed in the personal property tax return of the enterprise in the return for the tax year (stated in average \$ value per most recent 12 month period) in which the Agreement is entered into (baseline inventory):

\$ 0.

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

A. Acquisition of Building(s): \$ 466,000

B. Additions/New Construction:	\$ 1,121,203 _____
C. Improvements to Existing Building(s):	\$ _____
D. Machinery & Equipment:	\$ _____
E. Furniture & Fixtures:	\$ _____
F. Inventory:	\$ _____

Total New Project Investment: \$ 1,587,203 _____

15. A. Business requests the following tax exemption incentives: 100 % (burning down 20% per year) for 5 years covering real property described above. Be specific as to type of assets, rate, and term.

B. Business's reasons for requesting tax incentives (be quantitatively specific as possible):
Attracting new tenants to the area
Offset relocation costs of anchor tenant

FEES:

This application must be accompanied by a non-refundable processing/monitoring fee of **Two-hundred fifty dollars (\$250)**. This fee is payable through a check or money order, made payable to the **City of Bexley**.

A separate one-time fee of **Seven-hundred fifty dollars (\$750)** will be charged by the State and collected by the City with this application. This fee is payable through a separate check or money order, made payable to the **Ohio Department of Development**.

In addition, the City requires each applicant to pay for the required newspaper publication of public notice. The cost of publication will be determined and due at the time of City Council approval.

Any CRA application submitted without the required fees will be returned to the applicant.

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.

Submission of this application expressly authorizes the City of Bexley to contact the Ohio Environmental Protection Agency to confirm statements contained within this application and to review applicable confidential records. As part of this application, the business may also be required to directly request from the Ohio Department of Taxation, or complete a waiver form allowing the Ohio Department of Taxation to release specific tax records to the City of Bexley.

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 2931.13 (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.

U.S.C. Title 18, Sec. 1001, provides: "*Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies... or makes any false, fictitious or fraudulent statements of representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement of entry, shall be fined not more than \$10,000 or imprisoned not more than five years, or both.*"

Enterprise Name

 2680 East Main, LLC

Signature

4/20/05

Date

 P. Jon Meyer, Manager

Typed Name and Title

Please submit the application and attachments, with the required fees, to:

**City of Bexley
Development Office
2242 E. Main Street
Bexley, Ohio 43209
(614) 235-8694**