

ADDENDUM TO THE REPORT OF THE SUPERINTENDENT

15. APPROVE ENTERPRISE ZONE COMPENSATION AGREEMENT WITH LLOYD REBAR COMPANY, LLC/SHELBY IRON WORKS PROPERTIES, LLC AND CITY OF SHELBY AND PIONEER CAREER AND TECHNOLOGY CENTER

Recommendation of Superintendent Gregory D. Nickoli that a, Enterprise Zone School District Compensation Agreement as shown below be approved:

ENTERPRISE ZONE COMPENSATION AGREEMENT

THIS AGREEMENT (the Agreement) between THE CITY OF SHELBY, OHIO, a municipal corporation with its offices at 43 West Main Street, Shelby, Ohio 44875 and the PIONEER CAREER & TECHNOLOGY CENTER, a joint vocational school district with its principal offices at 27 Ryan Road, Shelby, Ohio 44875 and ***Lloyd Rebar Company, LLC/Shelby Iron Works Properties, LLC***, a corporation with its principal offices located at 139 Technology Parkway, Shelby, Ohio 44875 specifies the manner and procedure to be used pursuant to Ohio Revised Code (ORC) 5709.82 authorizing general compensation and income tax revenue sharing on new municipal income tax revenues related to the ***Lloyd Rebar Company, LLC/Shelby Iron Works Properties, LLC***. Enterprise Zone project.

WHEREAS, the Ohio Enterprise Zone Program, pursuant to ORC 5709.61 through 5709.69 authorizes municipalities to grant real and/or personal property tax exemptions on eligible new investments, and

WHEREAS, THE CITY OF SHELBY, OHIO by Ordinance **# 4-2006** adopted **March 20, 2006** designated the area within which ***Lloyd Rebar Company, LLC/Shelby Iron Works Properties, LLC*** is located as an Enterprise Zone, pursuant to ORC 5709.61 through 5709.69, and

WHEREAS, effective **July 25, 2006**, the Director of the Ohio Department of Development determined the area designated by the municipality within **Ordinance 4-2006** contains the characteristics set forth in ORC 5709.61(A) and certified the area as an Enterprise Zone, and

WHEREAS, the municipality provided the PIONEER CAREER & TECHNOLOGY CENTER Board of Education notice of the project prior to formal action as required with ORC 5709.83, and

WHEREAS, the municipality has acted pursuant to ORC 5709.62 within **Resolution#** adopted **June 1, 2020**, to grant a tax exemption to ***Lloyd Rebar Company, LLC/Shelby Iron Works Properties, LLC*** and entered into a formal Enterprise Zone Agreement on **DATE**

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises, covenants and agreements hereinafter set forth the company, municipality and Board of Education agree to the following provisions of the Enterprise Zone Compensation Agreement:

Section 1. Definitions, as used in this Agreement, the following shall have the meanings set forth below:

“Contributions” shall mean the amount paid directly by the company to the Board of Education under Section 2 of this Agreement.

“Exemption Year” shall mean any calendar year in which the Project would be taxable but for the municipal authorization and finalization of an Enterprise Zone Agreement, ORC 5709.62, 5709.63 or 5709.632.

“New Employee” shall include all employees who are first employed at the project site and who have not been subject to THE CITY OF SHELBY, OHIO municipal income tax within the previous two years on income derived from employment from ***Lloyd Rebar Company***,

LLC/Shelby Iron Works Properties, LLC. prior to being employed at the project site. "New employee" does not include persons employed in the construction of real and/or personal property related to the Enterprise Zone Agreement.

"Base Employment" shall be the number of employees located at the project site immediately prior to the finalization of the Enterprise Zone Agreement.

"Base Payroll" shall be the annualized salary of all employees located at the project site immediately prior to the finalization of the Enterprise Zone Agreement.

Section 2. Contributions. **Lloyd Rebar Company, LLC/Shelby Iron Works Properties, LLC** shall make an annual cash contribution of \$583.00

Year Ending December 31, 2021
Year Ending December 31, 2022
Year Ending December 31, 2023
Year Ending December 31, 2024
Year Ending December 31, 2025
Year Ending December 31, 2026
Year Ending December 31, 2027
Year Ending December 31, 2028
Year Ending December 31, 2029
Year Ending December 31, 2030
Year Ending December 31, 2031
Year Ending December 31, 2032
Year Ending December 31, 2034
Year Ending December 31, 2035
Year Ending December 31, 2036

to the Pioneer Career and Technology Center School District, by December 31 of each year indicated in schedule of payment in which the business received a real property tax incentive benefit. The annual payment is based upon an investment of \$1,500,000.00 in real property. In the event this investment is less, such payment shall be reduced to a prorata amount. Failure to make annual cash contributions as set forth herein shall be grounds for termination of the underlying Enterprise Zone Agreement entered into between the City of Shelby and **Lloyd Rebar Company, LLC/Shelby Iron Works Properties, LLC**

Section 3. Approval of this Agreement by the PIONEER CAREER AND TECHNOLOGY CENTER Board of Education removes the 5709.82 requirement on revenue sharing. This Agreement serves as the full complete compensation to the PIONEER CAREER & TECHNOLOGY CENTER Board of Education.

Section 4. Entire Agreement. This Agreement sets for the entire agreement and understanding between the parties as to the subject matter contained herein 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.

Section 5. Notices. All payments, certificates, reports and notices which are required to or may be given pursuant to the provisions of this Agreement shall be sent by regular mail, postage prepaid, and shall be deemed to have been given or delivered when so mailed to the following addresses:

CITY OF SHELBY, OHIO
Mayor Steven L. Schag
43 West Main Street
Shelby, Ohio 44875

PIONEER CAREER & TECHNOLOGY CENTER
Board of Education
27 Ryan Road
Shelby, Ohio 44875

Lloyd Rebar Company, LLC/Shelby Iron Works Properties, LLC

Jared Mawhorr, President

139 Technology Parkway

Shelby, OH 44875

Any party may change its contact or address for receiving notices and reports by giving written notice of such changes to the other parties.

Section 6. Severability of Provisions. The invalidity of any provisions 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 portions were omitted.

IN WITNESS THEREOF, the parties have caused this Agreement to be executed as on this _____ day of _____, 2020.

WITNESSES:

LLOYD REBAR COMPANY,
LLC/SHELBY IRON WORKS
PROPERTIES, LLC

By _____
Jared Mawhorr, President

PIONEER CAREER &
TECHNOLOGY CENTER
Board of Education

By _____
Doug Theaker, President

By _____
Gregory Nickoli, Superintendent

CITY OF SHELBY, OHIO

By _____
Steven L. Schag, Mayor
Director of Public Service and Safety

APPROVED AS TO FORM:

Gordon M. Eyster
City of Shelby Law Director