

ORDINANCE NO. 2022-1

Introduced by Mark Claus

AN ORDINANCE RATIFYING THE COMMUNITY REINVESTMENT AREA AGREEMENT WITH ARDAGH METAL BEVERAGE USA INC.; AUTHORIZING THE CITY MANAGER TO EXECUTE THE COMMUNITY REINVESTMENT AREA AGREEMENT SUBSTANTIALLY IN THE FORM ATTACHED TO THIS ORDINANCE UPON EXPIRATION OF THE 14-DAY REVIEW PERIOD PROVIDED FOR UNDER SECTION 5709.83 OF THE OHIO REVISED CODE; AND DECLARING AN EMERGENCY

WHEREAS, the Huron City Council ("Council") established a Community Reinvestment Area ("CRA") by the passage of Ordinance No. 2008-10 adopted on May 13, 2008, as repealed and readopted by Ordinance No. 2008-22 adopted July 22, 2008;

WHEREAS, the City has received a request for tax abatement within the CRA for construction of improvements to the existing building, and for construction of an additional attached facility on property acquired by Ardagh Metal Beverage USA Inc. ("Ardagh");

WHEREAS, Ardagh will construct and equip the new facility on their property located in the corporate park with a total investment of approximately \$411,000,000.00;

WHEREAS, the EHOVE Joint Vocational School District and its Board of Education have been notified in accordance with Division (A)(2) of R.C. 3735.671 and R.C. 5709.83 and given a copy of the Application and a draft of the Community Investment Agreement; and

WHEREAS, the Huron City School District and its Board of Education have been notified in accordance with Division (A)(2) of R.C. 3735.671 and R.C. 5709.83 and given a copy of the Application and draft of the Community Reinvestment Agreement; and

WHEREAS, it is deemed necessary in order to provide for the immediate preservation of the public health, safety and general welfare of the citizens of the City and to provide for the economic development of the City by adopting this Ordinance as an emergency measure to assure the beginning of the construction of the aforesaid facility and the timely completion thereof;

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

SECTION 1. That this Council hereby approves the CRA Agreement substantially pursuant to the terms and conditions contained in each, copies of which are on file in the office of the Clerk of Council and attached to this Ordinance as Exhibit "A".

SECTION 2. That upon expiration of the 14-day review period relating to the notifications sent to EHOVE Joint Vocational School District and its Board of Education and the Huron City Schools and its Board of Education, the City Manager be, and he hereby is,

authorized and directed to execute the CRA Agreement with Ardagh, which agreement shall be in substantially the form of Exhibit "A".

SECTION 3. That, if any section, phrase, sentence or portion of this Ordinance is, for any reason, held invalid or unconstitutional by a Court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions hereof.

SECTION 4. That this Council finds and determines that all formal actions of this Council concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council and that all deliberations of this Council and of any of its committees that resulted in those formal actions were in meetings open to the public in compliance with the law, including ORC Sec. 121.22.

SECTION 5. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the health, safety and general welfare of the citizens of Huron and for the further reason that it is necessary to enhance the economic development of the City by allowing work on the project described herein to commence without delay; **wherefore**, this Ordinance shall be in full force and effect from and immediately after its adoption.

ATTEST:


Clerk of Council


Monty Tapp, Mayor

ADOPTED: 11 JAN 2022

COMMUNITY REINVESTMENT AREA AGREEMENT

THIS COMMUNITY REINVESTMENT AREA AGREEMENT is made and entered into this [_____] day of [_____] 20[____] by and between the CITY OF HURON, OHIO, an Ohio municipal corporation with a Council-Manager form of government, with its main offices located at 417 Main Street, Huron, Ohio 44839 (the "City"), and ARDAGH METAL BEVERAGE USA INC., a Delaware corporation having a legal address of 8770 W. Bryn Mawr Ave., Suite 175, Chicago, Illinois 60631-3515 (the "Company", and with the City, each may be referred to herein as a "Party" or collectively as the "Parties").

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 of the City, by Ordinance No. 2008-10 adopted June 10, 2008 (the "Ordinance"), designated the area specified in the Ordinance as the Huron City Community Reinvestment Area (the "CRA") pursuant to Ohio Revised Code Section ("R.C.") 3735.65 through R.C. 3735.70 (the "CRA Act"), and authorized a real property tax exemption for the construction of new structures and the remodeling of existing structures in the CRA in accordance with the CRA Act; and,

WHEREAS, effective August 18, 2008, the Director of Development of the State of Ohio determined that the CRA contains the characteristics set forth in R.C. 3735.66 and certified the CRA as No. 043-37016-01 under the CRA Act; and,

WHEREAS, the Company has acquired or will acquire the real property contained within the City and the CRA, 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 desires to make improvements to and expand the Project Site by adding in excess of 200,000 sq. ft. of new space to the existing building to accommodate material handling and distribution operations on the approximately 70.771 acres (the "Project") (such remodeling, with its related site improvements, may be referred to hereinafter from time to time as the "real property improvement" and/or the "Building"), provided that the appropriate development incentives are available to support the economic viability of the Project; and,

WHEREAS, the Company has remitted or shall remit with the Application the required State of Ohio application fee of \$750.00, made payable to the Ohio Department of Development, to be forwarded with this Agreement, and has paid any applicable local fees; and,

WHEREAS, pursuant to Division (A) of R.C. 3735.67 and in conformance with the format required under Division (B) of R.C. 3735.671, 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 territory of the Huron City School District (the "City Schools") and the EHOVE Joint Vocational School District ("EHOVE", which together with the City Schools, may be referred to as the "School Districts"), and each of the respective boards of education of the School Districts (the "Boards of Education") has been notified of the proposed approval of this Agreement in accordance with Division (A)(2) of R.C. 3735.671 and R.C. 5709.83, and each has been given a copy of the Application and a draft of this Agreement; and,

WHEREAS, the Council, by Ordinance No. [____], adopted on [____], 20[____], has approved the terms of this Agreement and authorized its execution on behalf of the City.

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. Project. The cost of the investments to be made in connection with the Project by the Company is estimated to be approximately sixty million dollars (\$60,000,000.00) for remodeling and expanding the Building (exclusive of any amounts for acquisition of machinery and equipment, furniture and fixtures, and inventory) (the "**Minimum Investment**"). The Parties recognize that costs do not necessarily equal otherwise taxable value. The Parties further recognize and agree that Company's failure to make the Minimum Investment at the Project Site will be considered a material failure of Company to fulfill its obligations under this Agreement, which material failure may result in termination, suspension, or modification of the exemption from real property taxation granted under this Agreement, pursuant to Section 13 below.

2. Values of Personal Property. The value for Ohio personal property tax purposes of the non-inventory personal property of the Company that is located at another location in Ohio prior to the execution of this Agreement and that is to be relocated from that location to the Project Site is zero dollars (\$0.00). The value for Ohio personal property tax purposes of the non-inventory personal property of the Company located at the Project Site prior to the execution of this Agreement is zero dollars (\$0.00). 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 zero dollars (\$0.00). 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 zero dollars (\$0.00).

3. Minimum Valuation of Real Property. Notwithstanding the Minimum Fully Taxable Value, defined herein, the Parties acknowledge and agree no exemption hereunder is applicable to the then-current valuation for real estate tax purposes of the Project Site for tax year 2021 (i.e., tax lien date January 1, 2021). Further, the Parties agree, and shall work collaboratively in pursuit as such, that during the term of this Agreement, the Project Site is to have a minimum fully taxable value of nine million five hundred five-thousand six hundred-sixty dollars (\$9,505,660.00) (the

"Minimum Fully Taxable Value"). For absolute clarity as to the immediately preceding sentence, the Parties agree the Minimum Fully Taxable Value and efforts related thereto have no effect beyond the term of this Agreement.

4. 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 December 30, 2021; and the scheduled estimated completion month for such investments is no later than approximately June 30, 2023. The estimates provided in this Section 4 are good faith estimates provided pursuant to Division (B)(3) of R.C. 3735.671 and are not to be construed in a manner that would limit the amount or term of the tax exemptions provided in this Agreement, other than as those tax exemptions are limited in Section 7 of this Agreement.

5. Employee Positions. The Company estimates that there will be created at the Project Site approximately two hundred-eleven (211) full-time permanent employee positions with an aggregate annual payroll of approximately \$16,642,991 within thirty-six (36) months of the date on which the certificate of occupancy is issued for the Project, and zero (0) part-time or temporary positions. Hiring of such employees is estimated to commence and to continue incrementally during that thirty-six (36) month period. At the time of this Agreement's execution, the Company has [] ([]) part-time employees and [] ([]) full-time employees at the Project Site and it intends to retain said employee positions in connection with the Project. Further, at the time of this Agreement's execution, the Company has two hundred forty-five employees at other locations in Ohio. The estimates provided in this Section 5 are good faith estimates provided pursuant to Division (B) of R.C. 3735.671 and are not to be construed in a manner that would limit the amount or term of the tax exemptions provided in this Agreement. The Parties recognize that the employment and payroll estimates associated with the Project may increase or decrease. The Parties also recognize that it is anticipated that all employees at the Project Site will be hired by the Company.

6. Provision of Information. Company shall provide to the proper tax incentive review council (the **"TIRC"**) and community reinvestment area housing council (**"Housing Council"**) any information reasonably required by the TIRC and/or the Housing Council to evaluate the compliance of the Company with the Agreement, including returns or annual reports of the Company filed pursuant to R.C. 5711.02 (if any) as may be requested by the TIRC and/or the Housing Council.

7. Real Property Tax Exemption. The City hereby grants to Company a tax exemption pursuant R.C. 3735.67 in the amount of One Hundred Percent (100.00%) for a term of fifteen (15) consecutive years (the **"Exemption"**) for the assessed value of any remodeling of and construction at the Project Site. The exemption commences the first year such real property improvement would first be taxable were that property not hereby exempted from taxation. No exemption shall commence after tax year 2024 (i.e., tax lien date January 1, 2024) nor extend beyond tax year 2038 (i.e., tax lien date January 1, 2038).

8. Application for Exemption. Company acknowledges that the tax exemption with respect to the real property improvement is subject to Company's 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 that real property improvement. The City agrees that upon receipt

of the real property tax exemption application, the Housing Officer shall certify the tax exemption to the Erie County Auditor.

9. Payment of Non-Exempt Taxes. Company shall pay such taxes and real property taxes as are not exempted under this Agreement or otherwise exempted and are charged against the Company's property 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 (30) days of written notice thereof to 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. Further, if the Company fails to pay such taxes or file such returns and reports, and such failure is not corrected within thirty (30) days of written notice thereof to Company, the Company must pay back all real property taxes that would have been charged against Company's property in absence of the exemption granted under this Agreement. For purposes of this Section 9, "taxes" means all real property taxes, annual service payments in lieu of taxes, general and special assessments, and any other governmental charges validly levied or assessed against any parcel of real property located within the Project Site.

10. 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. The City shall give its fullest cooperation in the development of the Project, including, but not limited to: (i) the review, processing and approval of all building, zoning, or other permits, and (ii) all other activities related to the Project.

11. Revocation of CRA. If for any reason the City revokes or purports to revoke the designation of the CRA, entitlements granted under this Agreement are to continue for the number of years specified in this Agreement, unless the Company materially fails to fulfill its obligations under this Agreement and such failure is not corrected within thirty (30) days of written notice thereof to such Company, and consequently, the City terminates or modifies the exemptions from taxation granted in this Agreement with respect to property of such Company from the date of the material failure. Except for any amendment, revocation, modification, suspension, or termination otherwise permitted under this Agreement, the City agrees that it will not amend or revoke the CRA designation as to the Project Site, or modify the incentives available under that designation for the Project Site, prior to tax year 2038.

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

13. Termination, Suspension or Modification upon Default. If Company materially fails to fulfill its obligations under this Agreement and such failure is not corrected within thirty (30) days of written notice thereof to Company (provided, however, that such opportunity to cure such default will not, under any circumstance, and notwithstanding anything to the contrary in this Agreement, toll or otherwise suspend any obligation of the Company to pay any non-exempt taxes, real property taxes, or municipal income taxes), or if the City determines that the certification as to delinquent taxes required by this Agreement is fraudulent, the City may terminate, suspend, or modify the exemptions from taxation granted under this Agreement with respect to property of the Company, from the date of the material failure.

14. Approval by the City. Company and the City acknowledge that this Agreement must be approved by formal actions of the legislative authority of the City as a condition for this Agreement to take effect. This Agreement takes effect upon such approval.

15. Non-Discriminatory Hiring. By executing this Agreement, Company will follow the City's non-discriminatory hiring practices policy and commits that no individual may be denied employment solely on the basis of race, religion, sex, disability, color, national origin, or ancestry.

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

17. Transfer and/or Assignment; Release from Liability. This Agreement is not transferable or assignable without the express, written approval of the Huron City Council.

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

19. Severability; Construction; Headings. If any provision of this Agreement or the application of any such provision to any such person or any circumstance is to be determined to be invalid or unenforceable, then such determination will 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 are to 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 is to have the meaning which renders it valid. The captions and headings in this Agreement are for convenience only and in no way define, limit, prescribe, or modify the meaning, scope, or intent of any provisions hereof.

20. Validity. Company covenants and agrees that Company is prohibited from challenging the validity of this Agreement or the CRA. In that regard, Company waives any defects in any proceedings related to the CRA or this Agreement. If the validity of the CRA or this Agreement

is challenged by any entity or individual, whether private or public, Company shall advocate diligently and in good faith in support of the validity of the CRA and this Agreement.

21. Intentionally Omitted.

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

If to the City, to:

Erie County Regional Planning
Attention: Enterprise Zone Manager
2900 Columbus Avenue
Sandusky, Ohio 44870

With copy to:

Huron City Council
Attention: City Manager
417 Main Street
Huron, Ohio 44839

If to the Company, to:

Ardagh Metal Beverage USA Inc.
877 W. Bryn Mawr Avenue, Suite 175
Chicago, Illinois 60631

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

23. Ohio Revised Code Section 9.66 Covenants. 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 (iii) 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, Company shall be required to immediately return all benefits received by it under this Agreement pursuant to Division (C)(2) of R.C. 9.66 and Company shall be ineligible for any future economic development assistance from the State, any State agency or

a political subdivision pursuant to Division (C)(1) of R.C. 9.66. 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. 2921.13, which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six (6) months.

24. Force Majeure. Neither the City nor Company are to be considered in default of their respective obligations hereunder in the event of delay in performance of such obligations due to causes beyond their control without its fault or negligence, including but not restricted to acts of God, acts of the Federal or State government, acts of the other party, fires, floods, strikes, freight embargoes or unusually severe weather; it being the purpose and intent of this provision that in the event of the occurrence of any such delay, the time for performance of the obligations by the Parties hereto is to be extended for the period of the delay.

25. Annual Monitoring Fee. Company shall pay to the City an annual fee equal to the greater of one percent (1%) of the amount of taxes exempted under this Agreement, less any taxes or fees paid under School Compensation Agreements related to this agreement, or five hundred dollars (\$500.00), provided however that if the value of the incentives exceeds two hundred fifty thousand dollars (\$250,000.00), the fee is not to exceed two thousand five hundred dollars (\$2,500.00) (the "Annual Monitoring Fee"). The Annual Monitoring Fee is due and payable, via cash or check, on or before March 31 of each year during the term of this Agreement, irrespective whether the exemption has commenced under Section 7 herein. The fee shall be invoiced by and be payable to the Erie County Regional Planning Commission. The Annual Monitoring Fee is to be deposited in a special fund created for such purpose and shall be used exclusively for the purpose of complying with Division (D) of R.C. 3735.671 and evaluating with the TIRC the Company's compliance with the terms, covenants, or conditions of this Agreement.

26. Intentionally Omitted.

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

28. Entire Agreement. Notwithstanding the School Compensation Agreement, defined below in this Section 28, this Agreement and the Ordinance constitute the entire agreement between Company and the City pertaining to the subject matter contained herein and therein and supersede all other prior or contemporaneous agreements or understandings between Company and the City in connection with such subject matter. The Parties acknowledge their mutual desire to contemporaneously enter into a school compensation agreement with each of the School Districts in order to compensate the School Districts for the amount of taxes that would have been charged and payable each year during the term of this Agreement upon the property had the Project Site not been exempted from taxation.

[Signature Page Follows]

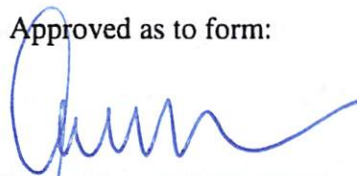
IN WITNESS WHEREOF, the Parties have caused this instrument to be executed effective as of the date set forth herein.

THE CITY OF HURON, OHIO



Matthew Lasko
City Manager

Approved as to form:



Todd Schrader, Law Director

ARDAGH METAL BEVERAGE USA INC.

By: _____
Its: _____

EXHIBIT A

PROJECT SITE

The Project Site to be exempt under the foregoing Agreement consists of the following parcel(s) of real property, situated in the City of Huron, County of Erie, State of Ohio that is identified by the County Auditor of Erie County, Ohio as having the following tax parcel identification number(s), as that real property may be subdivided, combined, and/or designated by different tax parcel numbers from time-to-time:

42-02021.000

42-02021.002

For ease of reference, the following map of the Project Site and adjoining property is provided:

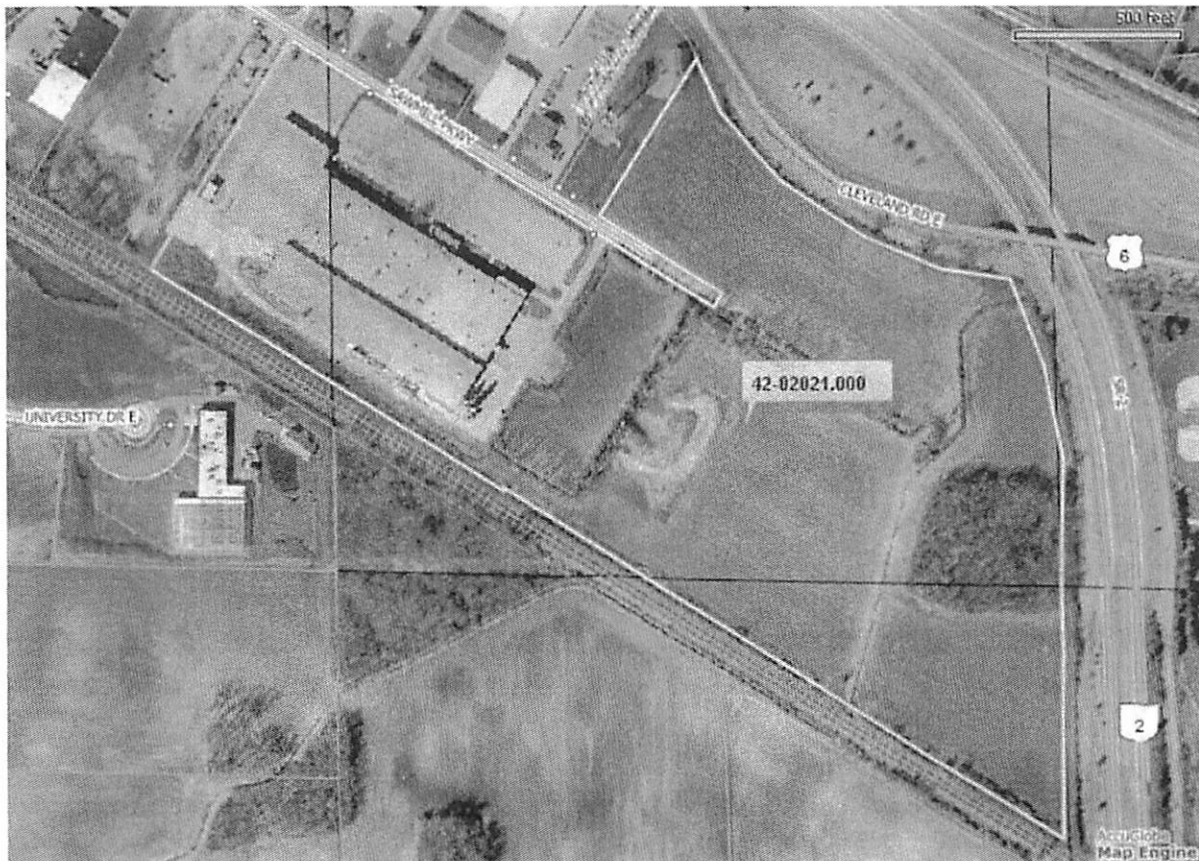


EXHIBIT B

APPLICATION FOR COMMUNITY REINVESTMENT AREA AGREEMENT

[See Attached.]

PROPOSED AGREEMENT for Community Reinvestment Area Tax Incentives between the
CITY OF HURON located in the County of Erie and Ardagh Metal Beverage USA Inc.

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

Address

Telephone:

8770 W Bryn Mawr Ave
Suite 175
Chicago, IL, 60631-3515

773-339-3000

b. Project site:

Contact Person:

1608 Sawmill Parkway
Huron, OH

Joshua Markus

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

b. List primary 6-digit North American Industry Classification System (NAICS) #
Business may list other relevant SIC numbers. 332431

c. If a consolidation, what are the components of the consolidation? (must itemize the location, assets, and employment positions to be transferred: None

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

C Corp.

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

Ardagh Group SA

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

Currently zero employee at proposed site

b. Will the project involve the relocation of employment positions or assets from one Ohio location to another? Indicate yes or no

No

c. If yes, state the locations from which employment positions or assets will be relocated and the location to where the employment positions or assets will be located:

N/A

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

This is a new facility for Ohio with no employment overlap with any location either in or outside of Ohio. However, currently there are 245 employees in 2 facilities in other cities in Ohio.

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

N/A

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

All assets and employment are net new to the company and Ohio.

5. Does the Property Owner owe:

a. Any delinquent taxes to the State of Ohio or a political subdivision of the state?

No

b. Any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State?

No

c. Any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not?

No

d. If yes to any of the above, please provide details of each instance including but not limited to the location, amounts and/or case identification numbers (add additional sheets).

N/A

6. Project Description:

The Company acquired a facility and excess land for the purpose of creating a new beverage container manufacturing facility. The existing building will undergo several million dollars' worth of upgrades to make the building suitable for manufacturing. An addition to the existing building will begin in the middle of 2021 to add more than 200,000 square feet of space for material handling and distribution. Employee hiring will begin in Q2 of 2021 and should reach three hundred (300) or more by the end of 2022.

7. Project will begin: Spring of 2021 as it relates to existing facility improvements and be completed for initial production by approximately October of 2021; expansion construction is planned to end in late 2022 or early 2023.

8. a. Estimate the number of new employees the property owner will cause to be created at the facility that is the project site (job creation projection must be itemized by the name of the employer, full and part-time and permanent and temporary):

Ardagh Metal Beverage USA will be creating minimally 211 new employment positions at the site

- b. State the time frame of this projected hiring:

Spring of 2022

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

211 new employment positions by Spring of 2022

9. a. Estimate the amount of annual payroll such new employees will add \$ (new annual payroll must be itemized by full and part-time and permanent and temporary new employees).

\$16,642,991 in annual payroll for the 211 employees.

- b. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project:

\$0

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

A. Acquisition of Buildings: \$ 13,000,000
B. Additions/New Construction: \$ 60,000,000
C. Improvements to existing buildings: \$ 0
D. Machinery & Equipment: \$ 335,000,000
E. Furniture/Fixtures: \$ 0
F. Inventory: \$0
Total New Project Investment: **\$ 411,000,000**

11. a. Business requests the following tax exemption incentives: 75% for 15 years covering real as described above. Be specific as to the rate, and term.

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

Tax incentives being requested are needed to offset the immense costs of new construction necessary to make the site competitive with other, ready to go sites in competing states and cities. The company will be spending approximately \$60,000,000 to improve and expand the Sawmill Parkway site to accommodate their manufacturing requirements. The new site will accommodate more than 200 new employees in the City of Huron with annual payroll of \$16 million. Over the course of the incentive requested, Ardagh will be spending over \$651 million in the City in payroll and improvements.

Submission of this application expressly authorizes the City of Huron to contact the Ohio Environmental Protection Agency to confirm statements contained within this application including item # 5 and to review applicable confidential records. As part of this application, the property owner may also be required to directly request from the Ohio Department of Taxation or complete a waiver form allowing the Department of Taxation to release specific tax records to the local jurisdiction considering the request.

The Applicant agrees to supply additional information upon request.

The Applicant affirmatively covenants that the information contained in and submitted with this application is complete and correct and is aware of the ORC Sections 9.66(C)(1) and 2921.13(D)(1) penalties for falsification which could result in the forfeiture of all current and

future economic development assistance benefits as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.



Signature

MICHAEL MACGREGOR
CFD

Typed Name and Title

3/17/2021

Date

Signature

Date

Typed Name and Title

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

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

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



December 1, 2021

John Ruf, Interim Superintendent
Huron City Schools
712 Cleveland Road East
Huron, Ohio 44839

Re: Ardagh Metal Beverage USA Inc.
Notification of Company's Request for CRA Tax Abatement

Dear Mr. Ruf:

The City of Huron has received a request for tax abatement from Ardagh Metal Beverage USA Inc. ("Ardagh") under the Community Reinvestment Area (CRA) abatement program, a copy of which is enclosed. Ardagh intends to remodel the existing building and construct a new addition to house its material handling and distribution business in excess of 200,000 SF. The proposed location includes approximately 70.771 acres located at 1608 Sawmill Parkway (the "Project Site"). The proposed new construction represents an estimated new project investment of \$411,000,000 (see breakdown in enclosed agreement) and will result in a facility comprised of approximately 500,000 SF. Ardagh estimates that there will be created approximately 211 full-time permanent employee positions with an aggregate payroll of approximately \$16,642,991.

The City recommends and Ardagh has accepted the following abatement terms and conditions:

1. Abatement of real estate taxes for improvements made at the Project Site at 100% for 15 consecutive years for the assessed value of any remodeling of and construction at the project site.
2. Pursuant to R.C. Sections 3735.671 and 5709.82(B), Ardagh, the City, and the School District desire to enter into a School Compensation Agreement to make the School District whole in connection with the exemption from taxation granted. Pursuant to a School Compensation Agreement to be negotiated between the parties, Ardagh shall pay to the School District, commencing on the first year in which the tax exemption applies under the CRA, an amount equal to 100% of the amount of taxes that would have been payable as if no exemption had been granted.
3. Assuming a post construction valuation of between \$10,000,000-\$20,000,000, the City estimates the annual benefit to the Huron School District to be between approximately \$150,000-\$300,000 in addition to what is being currently received. ***It should be noted, the***

John Ruf, Interim Superintendent
Huron City Schools
December 1, 2021
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ultimate post-construction valuation is determined solely by the County Auditor's office and therefore, the estimates provided are subject to change.

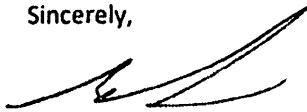
4. At no point during the duration of the abatement can the valuation of the real property drop below \$9,505,660.
5. The Company will pay an annual monitoring fee in the amount of \$2,500.00.
6. All other standard abatement terms and conditions apply.

In accordance with Division (A)(2) of R.C. 3735.671 and R.C. 5709.83, Huron City Schools is hereby notified of the proposed Community Reinvestment Area Agreement with the Company. Huron City Schools has fourteen (14) days under statute to review and take action on this request.

The City's approval of the CRA Agreement is dependent on the School District Board of Education passing a resolution approving a School Compensation Agreement to be negotiated between the School District and the City.

Please feel free to call the undersigned at (419) 433-5000 with any questions or comments.

Sincerely,



Matthew Lasko
City Manager

ML:tw
Enclosures



December 1, 2021

Chris McCully, Superintendent
EHOVE Career Center
316 Mason Road
Milan, Ohio 44846

Re: Ardagh Metal Beverage USA Inc.
Notification of Company's Request for CRA Tax Abatement

Dear Mr. McCully:

The City of Huron has received a request for tax abatement from Ardagh Metal Beverage USA Inc. (the "Company") under the Community Reinvestment Area (CRA) abatement program, a copy of which is enclosed. The Company intends to remodel the existing building and construct a new addition to house its material handling and distribution business in excess of 200,000 SF. The proposed location includes approximately 70.771 acres located at 1608 Sawmill Parkway (the "Project Site"). The proposed new construction represents an estimated new project investment of \$411,000,000 (see breakdown in enclosed agreement) and will result in a facility comprised of approximately 500,000 SF. The Company estimates that there will be created approximately 211 full-time permanent employee positions with an aggregate payroll of approximately \$16,642,991.

The City recommends and the Company has accepted the following abatement terms and conditions:

1. Abatement of real estate taxes for improvements made at the Project Site at 100% for 15 consecutive years for the assessed value of any remodeling of and construction at the project site.
2. Pursuant to R.C. Sections 3735.671 and 5709.82(B), Ardagh, the City, and the School District desire to enter into a School Compensation Agreement to make the School District whole in connection with the exemption from taxation granted. Pursuant to a School Compensation Agreement to be negotiated between the parties, Ardagh shall pay to EHOVE, commencing on the first year in which the tax exemption applies under the CRA, an amount equal to 100% of the amount of taxes that would have been payable as if no exemption had been granted.
3. Assuming a post construction valuation of between \$10,000,000-\$20,000,000, the City estimates the annual benefit to EHOVE to be between approximately \$11,000-\$22,000 in addition to what is currently being received. ***It should be noted, the ultimate post-construction valuation is determined solely by the County Auditor's office and therefore, the estimates provided are subject to change.***

Chris McCully, Superintendent
EHOVE Career Center
December 1, 2021
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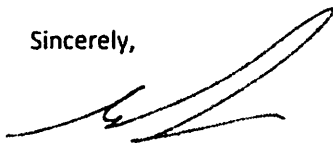
4. At no point during the duration of the abatement can the valuation of the real property drop below \$9,505,660.
5. The Company will pay an annual monitoring fee in the amount of \$2,500.00.
6. All other standard abatement terms and conditions apply.

In accordance with Division (A)(2) of R.C. 3735.671 and R.C. 5709.83, EHOVE is hereby notified of the proposed Community Reinvestment Area Agreement with the Company. EHOVE has fourteen (14) days under statute to review and take action on this request.

The City's approval of the CRA Agreement is dependent on EHOVE's board passing a resolution approving a School Compensation Agreement to be negotiated between the EHOVE and the City.

Please feel free to call the undersigned at (419) 433-5000 with any questions or comments.

Sincerely,



Matthew Lasko
City Manager

ML:tw
Enclosures