

ORDINANCE NO. 2022-20
Introduced by William Biddlecombe

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO AN ENTERPRISE ZONE AGREEMENT WITH SUNSPORT PROPERTIES, LLC AND BUCKEYE SPORTS CENTER, INC. RELATING TO PROPERTY LOCATED AT 309 LAKE ERIE PARKWAY; AND DECLARING AN EMERGENCY

WHEREAS, the State of Ohio has provided for the establishment of "Enterprise Zones" pursuant to Sections 5709.61 and 5709.632 of the Ohio Revised Code (the "Act"), and for the provision of tax incentives to private enterprise in order to promote and encourage expansion programs by private enterprise in such Enterprise Zones, and the creation and/or preservation of jobs and economic development in connection therewith; and

WHEREAS, the City Council of Huron, Ohio by Resolution No. 1988-28 adopted November 28, 1988, as re-certified by Resolution 1995-25 adopted by the City Council of Huron, Ohio on August 28, 1995, designated the City of Huron as an "Enterprise Zone" pursuant to Chapter 5709 of the Ohio Revised Code; and

WHEREAS, the Erie County Commissioners, by Resolution, designated the geographic area in said Resolution as an Enterprise Zone (the "County Resolution"); and

WHEREAS, the Director of Development of the State of Ohio determined that the aforementioned area designated in Resolution No. 1988-28 contains the characteristics set forth in Section 5709.61(A) of the Ohio Revised Code and certified said area as an Enterprise Zone under said Chapter 5709; and

WHEREAS, Sunsport Properties, LLC, an Ohio limited liability company, is a real estate holding company owning the property located at 309 Lake Erie Parkway, Huron, Ohio 44839 (PPN: 42-02065.000), and leasing to Buckeye Sports Center, Inc., which shares common ownership with Sunsport Properties, LLC; and

WHEREAS, Buckeye Sports Center, Inc., subject to support of the City as described herein, intends to invest over \$9,800,000 in property improvements, including the construction of a 20,000 square foot facility to house its marine showroom and service facility, and a 12,000 square foot facility to be used for marine storage (hereinafter the "Project"), and will create 13 new permanent full-time positions and 5 new permanent part-time positions within three (3) years; and

WHEREAS, the City Council has received an application (the "Application") from Sunsport Properties, LLC and Buckeye Sports, Inc. (hereinafter collectively referred to as the "Company") pursuant to the City's powers and duties as delegated by the County with respect to the Project under Section 5709.632(F) of the Ohio Revised Code, proposing to enter into an Agreement with the City under the Act, which Agreement would provide for establishment of the Project as described in the Application, located in the Enterprise Zone, and pursuant to the aforesaid Ordinance and County Resolution, the City desires to enter into an enterprise zone agreement with the Company, and submit such agreement for County approval; and

WHEREAS, said Application has been reviewed and investigated by the City, and the City Council has determined that it will be in the best interests of the City and its citizens to proceed to enter into an Agreement with the Company providing for the Project described in said Application and for the requested tax exemption therefor, and that such Agreement and Project will carry out the purposes of the Act, and will promote economic welfare of the City and its residents by creating and preserving jobs and employment opportunities; and

WHEREAS, Enterprise Zone #109C is a limited authority zone under the Act, and as such, the City must determine also whether the Company satisfies one or more of the following criteria as set forth in Section 5709.632(B) of the Ohio Revised Code: (i) the Company currently has no operations in this state and, subject to approval of the agreement, intends to establish operations in the zone; (ii) the Company currently has operations in this state and, subject to approval of the agreement, intends to establish operations at a new location in the zone that would not result in a reduction in the number of employee positions at any of the Company's other locations in this state; (iii) the Company, subject to approval of the agreement, intends to relocate operations, currently located in another state, to the zone; (iv) the Company, subject to approval of the agreement, intends to expand operations at an existing site in the zone that the Company currently operates; or (v) the Company, subject to approval of the agreement, intends to relocate operations, currently located in this state, to the zone, and the Director of the Ohio Department of Development has issued a waiver for the enterprise under Section 5709.633(B) of the Ohio Revised Code; and,

WHEREAS, the City has investigated and has determined the Company satisfies such additional criterion, to wit: the Company currently has operations in this state and, subject to approval of the agreement, intends to establish operations at a new location in the zone that would not result in a reduction in the number of employee positions at any of the Company's other locations in this State; and

WHEREAS, the Boards of Education of the Huron City School District and the E-HOVE Career Center (collectively, the "School Districts") have waived the notice requirements set forth in Ohio Revised Code Sections 5709.632(C) and 5709.83 for the Application and the Agreement; and,

WHEREAS, the Boards of Education of the School Districts each have duly approved the Agreement, and each has respectively certified to the City its resolution approving the Agreement subject to the terms of their respective Compensation Agreements by and among each of the School Districts, the City, and Sunsport Properties, LLC (together, the "Compensation Agreements"), which Compensation Agreements provide for the School Districts to receive payments from Sunsport Properties, LLC in an amount equal to the taxes the School Districts would have received, but for the benefits of the Enterprise Zone as provided herein.

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

Section 1. That the City Council hereby finds and determines that the Company is qualified by financial responsibility and business experience to create and preserve employment

opportunities in the Enterprise Zone, and to improve the economic climate of the City, and hereby finds and determines that the aforesaid Application complies with the requirements of the Act and is satisfactory to the City, and which Application is hereby approved.

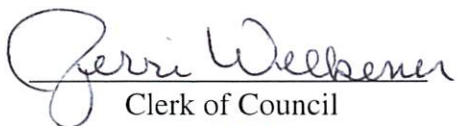
Section 2. That this City Council hereby finds and determines that the real property and personal property tax exemptions with the Company for said Project meet the requirements of the Act, and the City Council hereby approves the tax exemptions as set forth in the Agreement, a copy of which is attached hereto and made a part hereof. This Council further hereby authorizes and directs the City Manager to execute the Agreement on behalf of the City and with the Company providing for the Project, and for the granting by the City of the aforesaid real property and personal property tax exemptions. Said Agreement shall be in substantially the form of Exhibit A attached hereto and on file with the Clerk of this Council and marked with the same number as this Ordinance, and with such additional provisions as may be required and as are consistent with the requirements of the Act and are approved by the Director of Law. A copy of said Agreement shall be forwarded to the Erie County Commissioners for their approval. The Clerk of the Board of County Commissioners shall submit a copy of this Agreement to the Ohio Department of Development and to the Ohio Tax Commissioner within fifteen (15) days after the Agreement is executed by the City, Erie County, and the Company.

Section 3. This Council hereby authorizes and directs the City Manager, Director of Law and Director of Finance to take such additional steps, execute such documents and provide such information and certifications, as are necessary and appropriate to carry out and implement the terms and conditions of the aforesaid Agreement and the requirements and policies of the Act, including but not limited to the Compensation Agreements.

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 open meetings of this Council and that all deliberations of this Council and of any of its committees that resulted in those formal actions were taken in meetings open to the public in accordance with law.

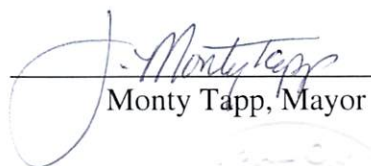
Section 5. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the City, and for the further reason that the immediate effectiveness of this Ordinance is required in order to authorize execution of the aforesaid Agreement with the Company in order to provide for the creation and preservation of jobs and economic opportunities in the Enterprise Zone which are vitally needed in order to enhance job opportunities, to enhance vitally needed income tax and other revenues for the City, and to improve the economic welfare of the people; **wherefore**, this Ordinance shall be in full force and effect immediately upon its passage.

ATTEST:


Clerk of Council

ADOPTED:

22 MAR 2022


Monty Tapp, Mayor

OHIO ENTERPRISE ZONE AGREEMENT

THIS AGREEMENT made and entered into by and between the City of Huron, a municipal corporation having its main offices located at 417 Main Street, Huron, OH 44839 (hereinafter referred to as "City of Huron"), the Erie County Ohio Board of Commissioners, with its main offices located at 2900 Columbus Avenue, Sandusky, OH 44870 (hereinafter referred to as "Erie County"), Sunsport Properties, LLC, an Ohio limited liability company, with its main office located at 3169 Silver Lake Boulevard, Silver Lake, OH 44224 and Buckeye Sports Center, Inc., an Ohio corporation with its main offices located at 4610 State Road, Peninsula, OH 44264 (Sunsport Properties, LLC and Buckeye Sports Center, Inc. are hereinafter collectively referred herein as "Buckeye Sports"),

W I T N E S S E T H:

WHEREAS, the City of Huron and Erie County have encouraged the development of real property and the acquisition of personal property located in the area designated as an Enterprise Zone; and

WHEREAS, Buckeye Sports is desirous of construction of a new (20,000 sf) twenty-thousand square foot main building for state-of-the-art marine sales, service and storage, and an additional new (12,000 sf) twelve-thousand square foot storage building, with additional storage buildings added in the future, as needed (hereinafter referred to as the "Project") within the boundaries of the aforementioned Enterprise Zone, provided that the appropriate development incentives are available to support the economic viability of said Project, which Project will create employment opportunities; and

WHEREAS, the City Council of Huron, Ohio by Resolution No. 1988-28 adopted November 28, 1988, as re-certified by Resolution 1995-25 adopted by the City Council of Huron, Ohio on August 28, 1995, designated the City of Huron as an "Enterprise Zone" pursuant to Chapter 5709 of the Ohio Revised Code; and

WHEREAS, the Board of Commissioners of the Erie County, Ohio by Resolution No. 88-314, as re-certified by Resolution 95-285 adopted by the Board of Commissioners of Erie County, Ohio designated the City of Huron as an "Enterprise Zone" pursuant to Chapter 5709 of the Ohio Revised Code; and

WHEREAS, the Director of Development of the State of Ohio determined that the aforementioned area designated in Resolution No. 1988-28 contains the characteristics set forth in Section 5709.61(A) of the Ohio Revised Code and certified said area as an Enterprise Zone under said Chapter 5709; and

WHEREAS, the City of Huron and Erie County, having the appropriate authority for the stated type of project, are desirous of providing Buckeye Sports with incentives available for the development of the Project in said Enterprise Zone under Chapter 5709 of the Ohio Revised Code; and

WHEREAS, Buckeye Sports has submitted a proposed agreement application (herein attached as Exhibit A) to the City of Huron (said application hereinafter referred to as "Application"); and

WHEREAS, Buckeye Sports has remitted the required state application fee of \$750.00 made payable to the Ohio Department of Development with the Application to be forwarded with the final agreement; and

WHEREAS, the City Manager of the City of Huron has investigated the Application of Buckeye Sports and has recommended the same to the City Council of Huron, Ohio and Board of Commissioners of Erie County, Ohio on the basis that Buckeye Sports is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Enterprise Zone and improve the economic climate of the City of Huron and Erie County, Ohio and that Buckeye Sports has operations in the State of Ohio and, subject to approval of the agreement, intends to establish operations at a new location in the Enterprise Zone that would not result in a reduction in the number of employee positions at any of Buckeye Sports' other locations in the State of Ohio; and

WHEREAS, the Project site as proposed by Buckeye Sports is located in the Huron City School District and the Board of Education of the Huron City School District has waived the notice requirement set forth in Section 5709.83 of the Ohio Revised Code, has approved this Agreement pursuant to Section 5709.62(D)(3) of the Ohio Revised Code, and has waived the exclusion of retail facilities pursuant to Section 5709.634 of the Ohio Revised Code; and

WHEREAS, the Project site as proposed by Buckeye Sports is located in the EHOVE Career Center School District, and the Board of Education of the EHOVE Career Center School District has waived the notice requirement set forth in Section 5709.83 of the Ohio Revised Code, has approved this Agreement pursuant to Section 5709.62(D)(3) of the Ohio Revised Code, and has waived the exclusion of retail facilities pursuant to Section 5709.634 of the Ohio Revised Code; and

WHEREAS, pursuant to Sections 5709.62 and 5709.632 of the Ohio Revised Code and in conformance with the format required under Section 5709.631 of the Ohio Revised Code, the parties hereto desire to set forth their agreement with respect to matters hereinafter contained;

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

1. Buckeye Sports shall construct a new twenty-thousand square foot facility at 309 Lake Erie Parkway, Huron, OH 44839 (Erie County, Ohio PPN: 42-02065.000 – legal description attached hereto as Exhibit B, hereinafter the "Project Site"), to house its marine showroom and service facility, with an additional new twelve-thousand square foot facility to be used for marine storage. Additional storage buildings will be added in the future, as needed. An estimate of the amount to be invested by Buckeye Sports to establish the new facility is as follows:

A. Acquisition of Land:	\$ 515,000
B. New Construction	4,600,000
C. Improvements to Existing Bldg.	0
D. New Machinery/Equipment (no machinery & equipment relocated)	200,000
E. Furniture & Fixtures (no furniture & fixtures relocated)	100,000
F. New Inventory (no inventory relocated)	5,000,000

Total New Project Investment:	\$ 10,415,000

The total investment of this Expansion project is greater than 10% of the market value of the facility assets already owned at the site prior to such expenditures as evidenced in Exhibit A.

The Project will begin in April of 2022 and all acquisition, construction and installation will be completed by October 31, 2022.

2. Buckeye Sports shall create within a time period not exceeding twelve (12) months after the commencement of construction of the aforesaid facility, the equivalent of eleven (11) new full-time permanent job opportunities and three (3) new part-time permanent job opportunities.

Buckeye Sports' schedule for hiring is as follows: create eleven (11) new full-time permanent jobs and three (3) part-time permanent jobs in year one. The job creation period begins at the commencement of construction and all jobs will be in place by within twelve months after the commencement of construction.

Buckeye Sports currently has zero (0) full-time permanent employees and zero (0) part-time employees at the project site. In total, Buckeye Sports has twenty-seven (27) full-time permanent employees, six (6) part-time permanent employees, zero (0) full-time temporary employees, and zero (0) part-time temporary employees in the State of Ohio. None of the currently existing employees will be relocating to this Project, which will have all new staff.

This increase in the number of employees will result in approximately Seven Hundred Thirty Thousand Dollars (\$730,000.00) of additional annual payroll for Buckeye Sports. The following is an itemization by the type of new jobs created: full-time permanent \$700,000.00, part-time permanent \$30,000.00.

3. Buckeye Sports shall provide to the proper Tax Incentive Review Council any information reasonably required by the council to evaluate the enterprise's compliance with the agreement, including returns filed pursuant to section 5711.02 of the Ohio Revised Code if requested by the council."

4. The City of Huron and Erie County hereby grant Buckeye Sports a tax exemption for real property improvements made to the Project site pursuant to Section 5709.632 of the Ohio Revised Code. The exemption commences the first year for which the real property would first be

taxable were that property not exempted from taxation. Each identified project improvement will receive a 15-year exemption period. 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).

Buckeye Sports must file the appropriate tax forms (DTE 23) with the County Auditor and (#913) with the State Department of Taxation to effect and maintain the exemptions covered in the agreement. The #913 Ohio tax form **must** be filed annually.

The tax exemption granted for real property improvements made to the Project Site shall be in the following amounts:

<u>Year of Tax Exemption</u>	<u>Tax Exemption Amount</u>
<u>YR 1</u>	<u>100%</u>
<u>YR 2</u>	<u>100%</u>
<u>YR 3</u>	<u>100%</u>
<u>YR 4</u>	<u>100%</u>
<u>YR 5</u>	<u>100%</u>
<u>YR 6</u>	<u>100%</u>
<u>YR 7</u>	<u>100%</u>
<u>YR 8</u>	<u>100%</u>
<u>YR 9</u>	<u>100%</u>
<u>YR 10</u>	<u>100%</u>
<u>YR 11</u>	<u>100%</u>
<u>YR 12</u>	<u>100%</u>
<u>YR 13</u>	<u>100%</u>
<u>YR 14</u>	<u>100%</u>
<u>YR 15</u>	<u>100%</u>

5. Buckeye Sports shall pay an annual fee equal to the greater of one percent of the dollar value of incentives offered under the agreement or five hundred dollars; provided, however, that if the value of the incentives exceeds two hundred fifty thousand dollars, the fee shall not exceed two thousand five hundred dollars.

The fee shall be invoiced by and made payable to the Erie County Regional Planning Commission, once per year for each year the agreement is effective and is payable as follows: The fee is to be paid in cash or by check to the Erie County Regional Planning Commission by April 15 following each year the Agreement is in effect or at such later date as may be approved in writing by the City of Huron.

This fee shall be deposited in a special fund created for such purpose and shall be used exclusively for the purpose of complying with section 5709.68 of the revised code and by the tax incentive review council created under section 5709.85 of the revised code exclusively for the purposes of performing the duties prescribed under that section.

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

7. The City of Huron and Erie County shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve, and maintain exemptions from taxation granted under this agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.

8. If for any reason the Enterprise Zone designation expires, the Director of the Ohio Department of Development revokes certification of the zone, or the City of Huron or Erie County revokes the designation of the zone, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless Buckeye Sports materially fails to fulfill its obligations under this agreement and the City of Huron or Erie County terminates or modifies the exemptions from taxation granted under this agreement.

9. If Buckeye Sports materially fails to fulfill its obligations under this agreement, other than with respect to the number of employee positions estimated to be created or retained under this agreement, or if the City of Huron or Erie County determines that the certification as to delinquent taxes required by this agreement is fraudulent, the City of Huron or Erie County may terminate or modify the exemptions from taxation granted under this agreement, and may require the repayment of the amount of taxes that would have been payable had the property not been exempted from taxation under this agreement.

10. Buckeye Sports hereby certifies that at the time this agreement is executed, Buckeye Sports 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 Buckeye Sports is liable under Chapter 5733., 5735., 5739., 5741., 5743., 5747., or 5753. of the Revised Code, or, if such delinquent taxes are owed, Buckeye Sports currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against Buckeye Sports. For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised Code governing payment of those taxes.

11. Buckeye Sports affirmatively covenants that it does not owe: (1) any delinquent taxes to the State of Ohio or a political subdivision of the State; (2) any 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.

12. Buckeye Sports, the City of Huron and Erie County acknowledge that this agreement must be approved by formal action of the legislative authority of the City of Huron and

the Erie County as a condition for the agreement to take effect. This agreement takes effect upon such approval.

13. The City of Huron and Erie County have developed a policy to ensure recipients of Enterprise Zone tax benefits practice non-discriminating hiring in its operations. By executing this agreement, Buckeye Sports is committing to following 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.

14. Exemptions from taxation granted under this agreement shall be revoked if it is determined that Buckeye Sports, any successor enterprise, or any related member (as those terms are defined in Section 5709.61 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, 5709.63, or 5709.632 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.”

15. Buckeye Sports affirmatively covenants that it has made no false statements to the State or local political subdivision in the process of obtaining approval for the Enterprise Zone incentives. If any representative of Buckeye Sports has knowingly made a false statement to the State or local political subdivision to obtain the Enterprise Zone incentives, Buckeye Sports shall be required to immediately return all benefits received under the Enterprise Zone Agreement pursuant to ORC Section 9.66 (C)(2) and shall be ineligible for any future economic development assistance from the State, any state agency or a political subdivision pursuant to ORC 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 ORC 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.

16. This agreement is not transferrable or assignable without the express, written approval of the City of Huron and Erie County. This agreement may be executed in several counterparts, each of which shall constitute an executed original hereof.

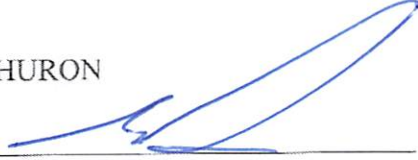
17. In any three-year period during which this agreement is in effect, if the actual number of employee positions created or retained by Buckeye Sports is not equal to or greater than seventy-five per cent of the number of employee positions estimated to be created or retained under this agreement during that three-year period, Buckeye Sports shall repay the amount of taxes on property that would have been payable had the property not been exempted from taxation under this agreement during that three-year period. In addition, the City or County may terminate or modify the exemptions from taxation granted under this agreement.

18. Throughout the term of this agreement, Buckeye Sports shall make such payments as are required to the Huron City School District and the EHOVE Career Center School District by the separate written School District Compensation Agreements of even date herewith respect to the Enterprise Zone.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the City of Huron, by Matthew Lasko, its City Manager, and pursuant to Resolution No. 2022-20 has caused this instrument to be executed this 6th day of April, 2022; and Erie County, by _____, County Commissioner, and pursuant to Resolution No. _____ has caused this instrument to be executed this ____ day of _____, 2022; and Sunsport Properties, LLC, by James R. Armington III, its President, has caused this instrument to be executed on this 6th day of April, 2022; and Buckeye Sports Center, Inc., by James R. Armington, III, its President, has caused this instrument to be executed on this 6th day of April, 2022.

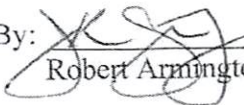
CITY OF HURON

By: 
Matthew Lasko, City Manager

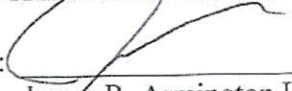
ERIE COUNTY

By: _____
_____, County Commissioner

SUNSPORT PROPERTIES LLC

By: 
Robert Armington, Member

BUCKEYE SPORTS CENTER, INC.

By: 
James R. Armington III, President

Approved as to form:

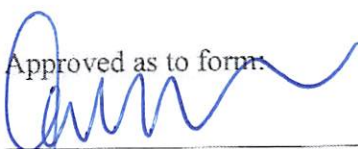

Todd A. Schrader, Law Director, City of Huron

EXHIBIT A
APPLICATION FOR ENTERPRISE ZONE TAX INCENTIVES

PROPOSED AGREEMENT for Community Reinvestment Area Tax Incentives between the
CITY OF HURON located in the County of Erie and **Buckeye Sports Center, 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:

Sunsport Properties, LLC

Bob Armington

330-929-3366

4610 State Rd

Peninsula Ohio 44264

b. Project site:

Contact Person:

Lake Erie Pkwy

Huron, Ohio 44202

Jim Armington

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

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

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

James R. Armington Jr

James R. Armington III

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

none

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):

27 Full Time 6 Part-time

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?

None

5. Does the Property Owner owe:

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

Yes 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:

To create a state-of-the-art marine sales, service and storage facility. Build a 20,000sf main building with showroom and service facility with a 12,000 storage building initially and add additional storage buildings as need.

7. Project will begin Jan 1, , 2022_ and be completed , July 31 2022_
provided a tax exemption is provided.

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

11 Full-time 3 Part-time

b. State the time frame of this projected hiring: 1yrs. +2 ea yr for 3yrs

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

11 Full-time 3 Part-time All hired by opening July 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).

\$700,000 Full-time \$30,000 Part-time

b. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project: \$ **All new staff**

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

A. Acquisition of Land: \$515,000

B. Additions/New Construction: \$4,100,000

C. Improvements to existing buildings: \$

D. Machinery & Equipment: \$200,000

E. Furniture & Fixtures: \$

5F. Inventory: \$5,000,000

Total New Project Investment: \$9,815,000

11. a. Business requests the following tax exemption incentives: 75 % for 10 years covering real as described above. Be specific as to the rate, and term.

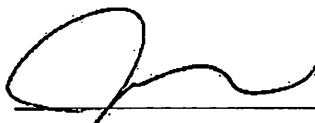
b. Business's reasons for requesting tax incentives (be quantitatively specific as possible).

Because we are starting a new business in a new market, we will be operating at a loss for the first few years. In order for us to move forward with this project we need to minimize that loss and make sure we have re-couped it after 7-10 years of operation. We look forward to a good partnership with the community and the City of Huron.

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

8/21/21

Date

James R Armington III Pres

Typed Name and Title



Signature

8/21/21

Date

James R Armington Jr. Treas

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.

EXHIBIT B
LEGAL DESCRIPTION

Permanent Parcel No. 42-02065.000

RN: 202110160

Property Address: 309 Lake Erie Parkway, Huron, OH 44839

Being situated in the State of Ohio, County of Erie, Huron Township, Section 2, Part Original Lot 31, now in the City of Huron and being more definitely described as follows:

Commencing at a 1/2-inch iron pin found, marking the intersection of the East right-of-way line of Lake Erie Parkway with the South right-of-way line of Cleveland Road West;

Thence South 19 deg. 04' 02" East, along the East right-of-way line of Lake Erie Parkway, a distance of 249.99 feet to a 1/2-inch iron pipe, found, marking the Southwest corner of a parcel owned by Park & Fun Limited Partnership (RN 200311806) and the point of beginning;

(1) Thence North 64 deg. 49' 52" East, along the South line of said Park & Fun parcel, a distance of 242.88 feet to a 1/2-inch iron pipe, found on the West line of a parcel owned by 1920 Cleveland Road West, LLC (RN 200600557);

(2) Thence South 01 deg. 14' 25" East, along the West line of said 1920 Cleveland Road West, LLC Parcel, a distance of 1109.53 feet to a 1/2-inch iron pin & cap, set on the East right-of-way line of Lake Erie Parkway;

(3) Thence North 63 deg. 42' 29" West, along the East right-of-way line of Lake Erie Parkway, a distance of 137.89 feet to a point;

(4) Thence northerly continuing along the East right-of-way line of Lake Erie Parkway, a long an arc of a curve to the right, having a radius of 317.00 feet, a delta of 74 deg. 38' 27", a chord bearing of North 26 deg. 23' 16" West, a chord distance of 384.38 feet, an arc length of 412.96 feet to a point;

(5) Thence North 10 deg. 55' 58" East, continuing along said East right-of-way line, a distance of 385.46 feet to a point;

(6) Thence northerly continuing along said East right-of-way line, along an arc of a curve to the left, having a radius of 383.00 feet, a delta of 30 deg. 00' 00", a chord bearing of North 04 deg. 04' 02" West, a chord distance of 198.26 feet, an arc length of 200.54 feet to a point;


(7) Thence North 19 deg. 04' 02" West, continuing along said East right-of-way line, a distance of 25.77 feet to the point of beginning, containing 5.5131 acres, more or less, but being subject to all legal highways, easements and restrictions of record.

The above description was prepared from an actual survey by Daniel E. Hartung, Jr., Professional Surveyor No. 5667 in March 2016. The bearings were assumed only for the purposes of indicating angles.

CERTIFICATION

I, Terri S. Welkener, Clerk of the Council of the City of Huron, Ohio, do hereby certify that the attached is a true and correct copy of Ordinance No. 2022-20 adopted at a regular meeting of the Council of the City of Huron, Erie County, Ohio which was held on March 22, 2022.

Given under my hand and seal this 21st day of April, 2022.



Terri S. Welkener
Clerk of Council



ORDINANCE NO. 2022-20
Introduced by William Biddlecombe

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO AN ENTERPRISE ZONE AGREEMENT WITH SUNSPORT PROPERTIES, LLC AND BUCKEYE SPORTS CENTER, INC. RELATING TO PROPERTY LOCATED AT 309 LAKE ERIE PARKWAY; AND DECLARING AN EMERGENCY

WHEREAS, the State of Ohio has provided for the establishment of "Enterprise Zones" pursuant to Sections 5709.61 and 5709.632 of the Ohio Revised Code (the "Act"), and for the provision of tax incentives to private enterprise in order to promote and encourage expansion programs by private enterprise in such Enterprise Zones, and the creation and/or preservation of jobs and economic development in connection therewith; and

WHEREAS, the City Council of Huron, Ohio by Resolution No. 1988-28 adopted November 28, 1988, as re-certified by Resolution 1995-25 adopted by the City Council of Huron, Ohio on August 28, 1995, designated the City of Huron as an "Enterprise Zone" pursuant to Chapter 5709 of the Ohio Revised Code; and

WHEREAS, the Erie County Commissioners, by Resolution, designated the geographic area in said Resolution as an Enterprise Zone (the "County Resolution"); and

WHEREAS, the Director of Development of the State of Ohio determined that the aforementioned area designated in Resolution No. 1988-28 contains the characteristics set forth in Section 5709.61(A) of the Ohio Revised Code and certified said area as an Enterprise Zone under said Chapter 5709; and

WHEREAS, Sunsport Properties, LLC, an Ohio limited liability company, is a real estate holding company owning the property located at 309 Lake Erie Parkway, Huron, Ohio 44839 (PPN: 42-02065.000), and leasing to Buckeye Sports Center, Inc., which shares common ownership with Sunsport Properties, LLC; and

WHEREAS, Buckeye Sports Center, Inc., subject to support of the City as described herein, intends to invest over \$9,800,000 in property improvements, including the construction of a 20,000 square foot facility to house its marine showroom and service facility, and a 12,000 square foot facility to be used for marine storage (hereinafter the "Project"), and will create 13 new permanent full-time positions and 5 new permanent part-time positions within three (3) years; and

WHEREAS, the City Council has received an application (the "Application") from Sunsport Properties, LLC and Buckeye Sports, Inc. (hereinafter collectively referred to as the "Company") pursuant to the City's powers and duties as delegated by the County with respect to the Project under Section 5709.632(F) of the Ohio Revised Code, proposing to enter into an Agreement with the City under the Act, which Agreement would provide for establishment of the Project as described in the Application, located in the Enterprise Zone, and pursuant to the aforesaid Ordinance and County Resolution, the City desires to enter into an enterprise zone agreement with the Company, and submit such agreement for County approval; and

WHEREAS, said Application has been reviewed and investigated by the City, and the City Council has determined that it will be in the best interests of the City and its citizens to proceed to enter into an Agreement with the Company providing for the Project described in said Application and for the requested tax exemption therefor, and that such Agreement and Project will carry out the purposes of the Act, and will promote economic welfare of the City and its residents by creating and preserving jobs and employment opportunities; and

WHEREAS, Enterprise Zone #109C is a limited authority zone under the Act, and as such, the City must determine also whether the Company satisfies one or more of the following criteria as set forth in Section 5709.632(B) of the Ohio Revised Code: (i) the Company currently has no operations in this state and, subject to approval of the agreement, intends to establish operations in the zone; (ii) the Company currently has operations in this state and, subject to approval of the agreement, intends to establish operations at a new location in the zone that would not result in a reduction in the number of employee positions at any of the Company's other locations in this state; (iii) the Company, subject to approval of the agreement, intends to relocate operations, currently located in another state, to the zone; (iv) the Company, subject to approval of the agreement, intends to expand operations at an existing site in the zone that the Company currently operates; or (v) the Company, subject to approval of the agreement, intends to relocate operations, currently located in this state, to the zone, and the Director of the Ohio Department of Development has issued a waiver for the enterprise under Section 5709.633(B) of the Ohio Revised Code; and,

WHEREAS, the City has investigated and has determined the Company satisfies such additional criterion, to wit: the Company currently has operations in this state and, subject to approval of the agreement, intends to establish operations at a new location in the zone that would not result in a reduction in the number of employee positions at any of the Company's other locations in this State; and

WHEREAS, the Boards of Education of the Huron City School District and the E-HOVE Career Center (collectively, the "School Districts") have waived the notice requirements set forth in Ohio Revised Code Sections 5709.632(C) and 5709.83 for the Application and the Agreement; and,

WHEREAS, the Boards of Education of the School Districts each have duly approved the Agreement, and each has respectively certified to the City its resolution approving the Agreement subject to the terms of their respective Compensation Agreements by and among each of the School Districts, the City, and Sunsport Properties, LLC (together, the "Compensation Agreements"), which Compensation Agreements provide for the School Districts to receive payments from Sunsport Properties, LLC in an amount equal to the taxes the School Districts would have received, but for the benefits of the Enterprise Zone as provided herein.

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

Section 1. That the City Council hereby finds and determines that the Company is qualified by financial responsibility and business experience to create and preserve employment

opportunities in the Enterprise Zone, and to improve the economic climate of the City, and hereby finds and determines that the aforesaid Application complies with the requirements of the Act and is satisfactory to the City, and which Application is hereby approved.

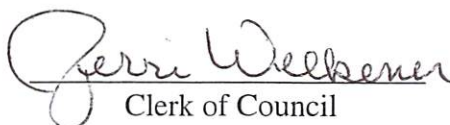
Section 2. That this City Council hereby finds and determines that the real property and personal property tax exemptions with the Company for said Project meet the requirements of the Act, and the City Council hereby approves the tax exemptions as set forth in the Agreement, a copy of which is attached hereto and made a part hereof. This Council further hereby authorizes and directs the City Manager to execute the Agreement on behalf of the City and with the Company providing for the Project, and for the granting by the City of the aforesaid real property and personal property tax exemptions. Said Agreement shall be in substantially the form of Exhibit A attached hereto and on file with the Clerk of this Council and marked with the same number as this Ordinance, and with such additional provisions as may be required and as are consistent with the requirements of the Act and are approved by the Director of Law. A copy of said Agreement shall be forwarded to the Erie County Commissioners for their approval. The Clerk of the Board of County Commissioners shall submit a copy of this Agreement to the Ohio Department of Development and to the Ohio Tax Commissioner within fifteen (15) days after the Agreement is executed by the City, Erie County, and the Company.

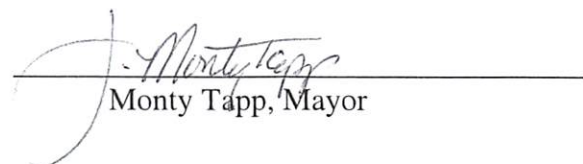
Section 3. This Council hereby authorizes and directs the City Manager, Director of Law and Director of Finance to take such additional steps, execute such documents and provide such information and certifications, as are necessary and appropriate to carry out and implement the terms and conditions of the aforesaid Agreement and the requirements and policies of the Act, including but not limited to the Compensation Agreements.

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 open meetings of this Council and that all deliberations of this Council and of any of its committees that resulted in those formal actions were taken in meetings open to the public in accordance with law.

Section 5. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the City, and for the further reason that the immediate effectiveness of this Ordinance is required in order to authorize execution of the aforesaid Agreement with the Company in order to provide for the creation and preservation of jobs and economic opportunities in the Enterprise Zone which are vitally needed in order to enhance job opportunities, to enhance vitally needed income tax and other revenues for the City, and to improve the economic welfare of the people; **wherefore**, this Ordinance shall be in full force and effect immediately upon its passage.

ATTEST:


Clerk of Council


Monty Tapp, Mayor

ADOPTED:

22 MAR 2022

RESOLUTION NO. 22-136

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ERIE COUNTY, OHIO, FOR THE PURPOSE OF AUTHORIZING THE EXECUTION OF AN ENTERPRISE ZONE AGREEMENT WITH SUNSPORT PROPERTIES, LLC AND BUCKEYE SPORTS CENTER, INC., MAKING CERTAIN FINDINGS, AND AUTHORIZING THE APPOINTMENT OF A TAX INCENTIVE REVIEW COUNCIL WITH RESPECT TO THE ENTERPRISE ZONE AGREEMENT

The Board of County Commissioners of Erie County, Ohio, met this 13th day of April, 2022, in regular session with the following members present:

Patrick J. Shenigo, Mathew R. Old, and Stephen L. Shoffner

Mr. Shoffner introduced the following resolution and moved its adoption.

WHEREAS, on December 1, 1988, under Resolution No. 88-314, the Board of County Commissioners of Erie County, Ohio, adopted a resolution establishing the City of Huron Enterprise Zone (the "Zone") which consists within the perimeter limits of the City of Huron and petitioned the Director of Development of the State of Ohio to certify such area; and

WHEREAS, the Director of Development approved and certified such area effective December 17, 1988; and

WHEREAS, on September 14, 1995, under Resolution No. 95-285, the Board adopted a resolution to amend Resolution No. 88-314 and re-certify the Zone in the City of Huron; and

WHEREAS, Sunsport Properties, LLC, 3169 Silver Lake Boulevard, Silver Lake, Ohio 44224 and Buckeye Sports Center, Inc., 4610 State Road, Peninsula, Ohio 44264, have submitted to this Board an Enterprise Zone Agreement for a facility in the Zone pursuant to Section 5709.632 of the Ohio Revised Code for approval; and

WHEREAS, the Board of Education of the Huron City School District approved a School Compensation Agreement dated April 16, 2021 that waived notice requirements, approval rights and the retail exclusion; and

WHEREAS, the Board of Education of EHOVE Career Center approved a School Compensation Agreement dated April 16, 2021 that waived notice requirements and the retail exclusion; and

WHEREAS, the City Council of Huron, Ohio approved the Enterprise Zone Agreement by adoption of Ordinance 2022-20 on March 22, 2022, **NOW, THEREFORE**

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ERIE COUNTY, OHIO:

THAT, this Board hereby finds and determines that Sunsport Properties, LLC and Buckeye Sports Center, Inc. are qualified by financial responsibility and business experience to create and preserve employment opportunities in the Zone and to improve the economic climate of the City of Huron, Erie County, Ohio; and

THAT, this Board hereby finds that Sunsport Properties, LLC and Buckeye Sports Center, Inc. have operations in the state and intend to establish operations at a new location in the zone that would not result in the reduction of employee positions at the other locations; and

THAT, pursuant to Section 5709.632(C)(1), this Board hereby approves, and authorizes the President of the County Commission, Patrick J. Shenigo, to sign the Enterprise Zone Agreement with Sunsport Properties, LLC, Buckeye Sports Center, Inc. and the City of Huron, attached hereto and made a part hereof; and

THAT, this Board hereby directs the Clerk of this Board to send a certified copy of this resolution to City Manager of the City of Huron, Treasurer of the Huron City School District, Finance Director of the EHOVE Career Center, Erie County Auditor, and Director of the Erie County Regional Planning Commission, forthwith; and

THAT, this Board hereby authorizes the creation of a Tax Incentive Review Council pursuant to Ohio Revised Code Section 5709.85(A)(2) to annually review the Enterprise Zone Agreement; and

THAT, this Board of County Commissioners hereby finds and determines that all formal actions relative to the adoption of this resolution were taken in an open meeting of this Board; and that all deliberations of this Board and of its committees, if any, which resulted in formal action, were taken in meetings open to the public in full compliance with applicable legal requirements, including Section 121.22 of the Revised Code.

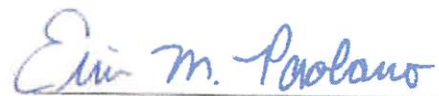
Mr. Old seconded the motion for the adoption of said resolution; and the roll being called upon its adoption, the vote resulted as follows:

Roll Call: Mr. Shoffner, Aye; Mr. Old, Aye; Mr. Shenigo, Aye

Adopted: April 13, 2022

CERTIFICATE

I, Erin M. Paolano, Clerk of the Board of County Commissioners of Erie County, Ohio, hereby do certify that the above is a true and correct copy of resolution adopted by said Board under said date, and as same appears in Commissioners' Journal Volume #230.

 Clerk
Board of County Commissioners
of Erie County, Ohio

Approved by County Administrator


Hank S. Solowiej, CPA