

CITY OF OBERLIN, OHIO

ORDINANCE No. 24-20 AC CMS

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO AN ENTERPRISE ZONE AGREEMENT FOR REAL PROPERTY TAX ABATEMENT WITH ASCENSION BIOMEDICAL, LLC AND BLAZE, LLC TO GO INTO IMMEDIATE EFFECT

WHEREAS, the Council of the City of Oberlin by Ordinance No. 91-23 adopted on May 6, 1991 and as amended by Ordinance 91-76 adopted September 16, 1991 and as affirmed by the Board of County Commissioners of Lorain County, Ohio by Resolution No. 91-591, designated the entire City as an "Enterprise Zone" pursuant to Chapter 5709 of the Ohio Revised Code; and

WHEREAS, effective September 21, 1991, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Ordinances Nos. 91-23 and 91-76 contained the characteristics set forth in Section 5709.61 (A) of the Ohio Revised Code and certified the City of Oberlin as an Enterprise Zone under said Chapter 5709; and

WHEREAS, the City of Oberlin has continued to encourage development of real property and the acquisition of personal property since the City of Oberlin was designated as an Enterprise Zone; and

WHEREAS, Ascension BioMedical is desirous of expanding its facility in the City's Industrial Park at 200 Artino Street with a 14,150 sq. ft. addition of cultivation/manufacturing space (the Project) provided that the appropriate development incentives are available to support the economic viability of said Project; and

WHEREAS, completion of the Project is necessary for the Company to invest in expansion of its operations which will result in the creation of a minimum of forty (40) new permanent full-time jobs; and

WHEREAS, on April 12, 2024 the City's Tax Incentive Negotiating Committee met and unanimously voted to recommend that an Agreement be approved consistent with the terms enumerated in the Agreement attached to this Ordinance as Exhibit "A"; and

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Oberlin, County of Lorain, State of Ohio, five-sevenths (5/7ths) of all members elected thereto concurring:

SECTION 1. That the City Manager is hereby authorized and directed to enter into an Enterprise Zone Agreement with Ascension BioMedical, LLC and Blaze, LLC for its expansion project with terms specified in the Agreement attached to this Ordinance as Exhibit "A".

SECTION 2. It is hereby found and determined that all formal actions of this Council concerning or relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 3. To facilitate economic development within the City of Oberlin through the execution of an Enterprise Zone Agreement with Ascension BioMedical, LLC and Blaze, LLC for a proposed expansion project, and provided that at least five (5) members of Council determine by motion, this Ordinance shall go into full force and effect immediately after its passage; otherwise, it shall take effect on the earliest date allowed by law.

PASSED: 1st Reading: May 6, 2024

2nd Reading: _____

3rd Reading: _____

ATTEST:



BELINDA B. ANDERSON, MMC
CLERK OF COUNCIL



EBONI A. JOHNSON
PRESIDENT OF COUNCIL

POSTED: 05/07/2024

EFFECTIVE DATE: 05/06/2024



LORAIN COUNTY COMMISSIONERS

Michelle Hung

David J Moore

Jeff Riddell



May 14, 2024

Lynda Mihalik, Director
Ohio Development Services Agency
77 South High Street
Columbus, Ohio 43215

24 JUN 17 PM 1:05

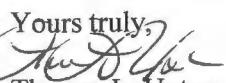
Dear Ms. Mihalik:

Lorain County Board of Commissioners by Resolution No. 24-319 adopted May 10, 2024 approving the Enterprise Zone Tax Abatement Agreement between the City of Oberlin, Ohio, Ascension Biomedical, LLC and Blaze, LLC which calls for a 14,150 square foot addition to its Oberlin facility at a minimum of \$2,000,000.00 and creation of 40 new full time jobs. Abatement will be for ten (10) years on real property at 75% abatement

Enclosed are the following documents;

- 1) City of Oberlin Ordinance No. 24-20 AC CMS, adopted May 6, 2024
- 2) Ohio Enterprise Zone Agreement
- 3) Application
- 4) School notifications to Oberlin and LCJVS
- 5) Check payable to Ohio Treasurer of State, dated May 8, 2024 from Ascension Biomedical LLC ABMS, LLC in the amount of \$750.00

Please advise this office of your approval and contact this office should you have any questions.

Yours truly,

Theresa L. Upton,
Clerk

tl
Enclosure

Cc: Craig Snodgrass, Lorain County Auditor
Nathan Manning, State Senator
Ohio House of Representatives; Gayle Manning, Joseph Miller III and Dick Stein
City of Oberlin, Clerk Belinda Andersop
Rob Duncan, Director, LCCDD
City of Oberlin School District
Lorain County JVS
Ascension Biomedical, LLC and Blaze, LLC
File
CERTIFIED MAIL: 9589 00710 5270 0860 7732 64

Administration Building | 226 Middle Avenue, 4th Floor | Elyria, Ohio 44035 | Office: 440-329-5111 | Fax: 440-323-3357

www.LorainCountyOhio.gov

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RESOLUTION NO. 24-319

In the matter of approving the Enterprise Zone Tax)
Abatement Agreement between the City of Oberlin,))
Ohio, Ascension Biomedical, LLC and Blaze, LLC)
which calls for a 14,150 square foot addition to its)
Oberlin facility at a minimum of \$2,000,000.00)
and creation of 40 new full time jobs. Abatement)
will be for ten (10) years on real property at)
75% abatement)

May 10, 2024

WHEREAS, Ohio Revised Code Section 579.01 through 5709.66 authorized counties with the consent and agreement of affected municipalities, townships and villages therein to designate areas as Enterprise Zones; and

WHEREAS, the Council of City of Oberlin, Ohio entered into an Enterprise Zone Agreement on May 6, 1991, Ordinance No. 91-23 and as amended by Ordinance 91-76, adopted September 16, 1991, and as affirmed by the Board of County Commissioners of Lorain County, Ohio by Resolution No. 91-591, designating the area as an "Enterprise Zone" pursuant to Chapter 5709 of the Ohio Revised Code; and

WHEREAS, the City of Oberlin School District and the Lorain County Joint Vocational School Superintendent have been officially notified of the Enterprise Zone Tax Abatement Agreement; and

WHEREAS, the City of Oberlin, Ohio passed Ordinance No. 20-20 AC CMS on May 6, 2024 approving said Agreement

NOW, THEREFORE BE IT RESOLVED, by the Lorain County Board of Commissioners that after reviewing said agreements between the City of Oberlin, Ohio, Ascension Biomedical, LLC and Blaze, LLC an Ohio Limited Liability Company, we hereby approve the Ohio Enterprise Zone Agreement which reads as follows:

OHIO ENTERPRISE ZONE AGREEMENT

This Agreement (hereinafter "Agreement") is made and entered into by and between the City of Oberlin, Ohio, a municipal corporation, with its main offices located at Oberlin City Hall, 69 South Main Street, Oberlin, Ohio 44074 (hereinafter "Oberlin" or City), and Ascension BioMedical, LLC, an Ohio Limited Liability Company (hereinafter "Company"), with its main offices located at 200 Artino Street, Oberlin, Ohio 44074 and Blaze, LLC an Ohio Limited Liability Company with its primary offices located at 200 Artino Street, Oberlin, Ohio 44074 (hereinafter "Property Owner").

WITNESSETH:

WHEREAS, City of Oberlin, has encouraged development of real property and the acquisition of personal property located in the area designated as an Enterprise Zone; and

WHEREAS, the Company is desirous of building a new business expansion, i.e., construction of a new fourteen thousand one hundred and fifty (14,150) square foot addition to their current facility on land currently owned by the Company and/or Property Owner (Lorain County, Ohio permanent parcel number 09-00-077-101-024) to house its expanding cultivation and manufacturing operation for the medical and recreational marijuana markets (hereinafter "Project" or "Project Site") within the boundaries of the aforementioned Enterprise Zone provided that the appropriate development incentives are available to support the economic viability of said Project; and

WHEREAS, completion of the Project is necessary for the Company to invest in expansion of operations which will result in the creation of a minimum of forty (40) new permanent full-time jobs within the boundaries of the aforementioned Enterprise Zone, provided that the appropriate development incentives are available to support the economic viability of said Project; and

WHEREAS, the Council of the City of Oberlin by Ordinance No. 91-23 adopted on May 6, 1991 and as amended by Ordinance 91-76 adopted September 16, 1991 and as affirmed by the Board of County Commissioners of Lorain County, Ohio by Resolution No. 91-591, designating the area as an "Enterprise Zone" pursuant to Chapter 5709 of the Ohio Revised Code; and

WHEREAS, effective September 21, 1991, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Ordinances Nos. 91-23 and 91-76 contained 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 Oberlin, with the approval of the Board of County Commissioners of Lorain County, Ohio has the appropriate authority for the stated type of project and is desirous of providing the Company and/or Property Owner with incentives available for the development of the Project in said Enterprise Zone under Chapter 5709 of the Ohio Revised Code; and

WHEREAS, the Company has submitted a proposed agreement application to the City of Oberlin/Lorain County, and said application (hereinafter "APPLICATION" and attached as Exhibit A); and

WHEREAS, the Company 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 Oberlin and the Lorain County Community Development Department have investigated the application of the Company and has recommended the same to the Oberlin City Council (and The Board of County Commissioners of Lorain County, Ohio) on the basis that the Company 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 Oberlin and Lorain County; and

WHEREAS, on April 12, 2024 the City's Tax Incentive Negotiating Committee (the "Committee") met and voted to recommend that an Agreement be approved consistent with the terms enumerated below; and

WHEREAS, the Project site as proposed by the Company is located in the Oberlin City School District and Lorain County Joint Vocation District and such Boards of Education of these school districts have been notified (Exhibits "B" and "C") in accordance with Ohio Revised Code Section 5709.83 and been given a copy of the Application; and

WHEREAS, pursuant to Section 5709.62(C), 5709.63(A), or 5709.632 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. The Company and/or Property Owner shall construct and equip a new fourteen thousand one hundred and fifty (14,150) square foot addition to its existing facility located at 200 Artino Street, Oberlin, Ohio 44074.

An estimate of the amount to be invested by the enterprise to expand and equip its expanding manufacturing and distribution facility is as follows::

	<u>Minimum</u>	<u>Maximum</u>
A. Acquisition of Building:		
B. Additions/New Construction:	\$2,000,000	\$4,000,000
C. Improvements to Existing Buildings:	\$500,000	\$1,500,000
D. Machinery and Equipment:	\$2,500,000	\$4,000,000
E. Furniture and Fixtures:	\$3,000,000	\$4,000,000
F. Inventory:		
Total New Project Investment	\$8,000,000	\$13,500,000

The Company and/or Property Owner shall commence the Project on or after May 15, 2024 and all acquisition, construction and installation will be completed by December 31, 2025, or such later date as may be approved by formal resolution of both the Oberlin City Council and the Board of County Commissioners of Lorain County, Ohio and agreed to in writing by all parties as an amendment to this Agreement.

2. The total investment of this Expansion Project shall be greater than 10% of the market value of the facility assets owned at the Project Site prior to such expenditures, as provided in Exhibit A.
3. The Company shall create within a time period not exceeding three (3) years after the commencement of operation the hiring of forty (40) new full-time employees based on the following schedule: in year one (1), three new full-time employees, in year two (2), thirty-seven new full-time employees.

Jobs by Year after construction	New Full-Time Positions	New Temporary/Part-Time Positions
Year 1	3	0
Year 2	37	0
Year 3	0	0

The increase in the number of employees will result in approximately \$1,800,000 of additional annual full-time payroll for the Company. The retention of 15 existing full-time permanent jobs will result in a retained payroll of approximately \$300,000.

The Company and/or Property Owner shall create within a time period not exceeding 36 months after the commencement of construction of the aforesaid facility, the equivalent of forty (40) new full-time permanent job opportunities, 0 new part-time permanent job opportunities, 0 full-time temporary job opportunities and 0 part-time temporary job opportunities. And the Company and/or Property Owner will use its best efforts to retain its current staff of 15 full-time permanent jobs at their Oberlin facility.

The Company and/or Property Owner's schedule for hiring is as follows: create - 0 - new jobs during construction; 3 new full-time permanent job in the first year after project completion; 37 new full-time permanent job in year two after project completion; and 0 new full-time permanent job in year three after project completion. The job creation period begins not later than January 1, 2025 and all jobs will be in place by December 31, 2027.

The Company currently has 15 full-time permanent employees at the project site. In total, the Company has 15 full-time permanent employees in the State of Ohio.

4. The Company shall provide to the proper Tax Incentive Review Council any information reasonably required by the Council to evaluate the Company's compliance with this Agreement, including returns filed pursuant to section 5711.02 of the Ohio

Revised Code, employment records or any other records that may be reasonably requested by the Council or its designated representative(s).

5. The Company and/or Property Owner agrees to deliver to the City annually, but not later than sixty (60) days after the end of each calendar (fiscal) year for which abatement is claimed, a certificate listing all Project elements, their estimated costs and states of completion as well as actual or estimated capitalization dates for each project element.

This provision expires and no further reporting shall be required upon presentation of a final capitalization report being delivered to the City of Oberlin showing all project costs through project completion.

For purposes of this Section an internal project capitalization report from the Company is an acceptable reporting format.

6. Subject to compliance by the Company and Property Owner in all material respects with its obligations under this Agreement the City of Oberlin hereby grants to the Company and/or Property Owner a tax exemption for eligible real property improvements made to the Project Site pursuant to Sections 5709.62, 5709.63 or 5709.632 of the Ohio Revised Code for the increased appraised valuation of property improved as a result of construction and completion of the Project as follows:

<u>Year of Tax Exemption</u>	<u>Tax Exemption Amount</u>
Year 1	75%
Year 2	75%
Year 3	75%
Year 4	75%
Year 5	75%
Year 6	75%
Year 7	75%
Year 8	75%
Year 9	75%
Year 10	75%

The exemption commences the first year for which the real property would first be taxable were that property not exempted from taxation. Each appraisable improvement will receive a ten (10) year exemption period.

7. It is the responsibility of the Company or Property Owner to file, as appropriate, tax form DTE 24 or any other appropriate tax forms with the Lorain County Auditor to effect and maintain the real property exemption granted under this Agreement.
8. The Company and/or Property Owner hereby agrees to pay Lorain County, Ohio an annual fee equal to the greater of 1% of the dollar value of the tax exemption

approved under this Agreement or five hundred dollars (\$500), and further agrees that in any year in which the value of the approved tax exemption exceeds two hundred fifty thousand dollars (\$250,000), the fee paid to the Lorain County shall not exceed two thousand five hundred dollars (\$2,500). The fee shall be made payable to Lorain County once per year for each year the Agreement is effective on the day and in the form of a Company check. This fee shall be deposited in a special fund created for such purpose and shall be used exclusively for the purpose of complying with O.R.C. Section 5709.68 and by the Council created under O.R.C. Section 5709.85 exclusively for the purposes of performing the duties prescribed under that Section.

9. The Company and/or Property Owner 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 are required by law. If the Company and/or Property Owner fails to pay such taxes or file such reports and returns, 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.
10. The City of Oberlin 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.
11. If for any reason the Enterprise Zone designation expires, the Director of the Ohio Development Services Agency revokes certification of the zone; or City of Oberlin revokes the designation of the zone, entitlements granted under this Agreement shall continue for the number of years specified under the Agreement, unless Company and or Property Owner materially fails to fulfill its obligations under this Agreement or City of Oberlin terminates or modifies the exemptions from taxation granted under this Agreement.
12. If the Company and or Property Owner materially fails to fulfill its obligations under this Agreement, or if the City of Oberlin determines that the certification as to delinquent taxes required by this Agreement is fraudulent, the City of Oberlin may terminate or modify all 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.

The Company and/or Property Owner will be found in default of its obligations under this agreement if it does not substantially meet its investment and job creation/retention goals and remain in operation at those levels at the Project Site for a minimum of five years from the date of this Agreement. The penalty for facility

closing or substantial reduction in investment and/or employment will be a finding of default 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.

13. In any three-year period during which this agreement is in effect, if the actual number of employee positions created or retained by the Company and/or Property Owner is not equal to or greater than seventy-five percent of the number of employee positions estimated to be created or retained under this agreement during that three-year period, the Company and or Property Owner shall repay the amount of taxes 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 of Oberlin may terminate or modify the exemptions from taxation granted under this agreement.
14. The Company and Property Owner hereby certifies that at the time this Agreement is executed, Company and Property Owner do not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio, does not owe delinquent taxes for which the Company and or Property Owner is liable under Chapters 5733, 5735, 5739, 5741, 5743, 5747 or 5753 of the Revised Code, or, if such delinquent taxes are owed, the Company and or Property Owner currently is paying all 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 Company and or Property Owner. 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 Ohio Revised Code governing payment of those taxes.
15. The Company and or Property Owner affirmatively covenants that it does not owe:
(1) any delinquent taxes to the State of Ohio or a political subdivision of the state; (2) any monies to the state or a state agency for the administration or enforcement of any environmental laws of the state; and (3) any other monies to the state or 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.
16. The Company and Property Owner and the City of Oberlin acknowledge that this Agreement must be approved by formal action of the legislative authority of the City of Oberlin and Lorain County as well as final approval by the State of Ohio as a condition for the Agreement to take effect. This Agreement takes effect upon such approvals.
17. The City of Oberlin and Lorain County has developed a policy to ensure that recipients of Enterprise Zone tax benefits practice non-discriminating hiring in its operations. By executing this Agreement, the Company and or Property Owner 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.

18. Exemptions from taxation granted under this Agreement shall be revoked if it is determined that the Company and or Property Owner, 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 Sections 5709.62, 5709.63 or 5709.623 of the Ohio Revised Code prior to the time prescribed by that division or either of those Sections.
19. The Company and/or Property Owner 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 the Company and/or Property Owner has knowingly made a false statement to the state or local political subdivision to obtain the Enterprise Zone incentives, the Company and/or Property Owner shall be required to immediately return all benefits received under the Enterprise Zone Agreement pursuant to O.R.C. Section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the state, any state agency or political subdivision pursuant to O.R.C. Section 9.66(C)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to O.R.C. Section 2921.13(D)(I), which is punishable by a fine of not more than \$1,000.00 and/or a term of imprisonment of not more than six months.
20. This Agreement is not transferable or assignable without the express written approval of the City of Oberlin and Lorain County.
21. Any notices, statements, acknowledgments, consents, approvals, certificates or requests on behalf of either party shall be made in writing and addressed as follows:

AS TO ASCENSION BIOMEDICAL, LLC AND BLAZE, LLC:

Ascension BioMedical, LLC
Attention: Fadi Boumitri
200 Artino Street
Oberlin, Ohio 44074

AS TO THE CITY OF OBERLIN:

The City of Oberlin, Ohio
Attention: City Manager
69 South Main Street
Oberlin, Ohio 44074

WITH COPY TO:

The City of Oberlin, Ohio
Attention: Director of Development
69 South Main Street
Oberlin, Ohio 44074

AS TO LORAIN COUNTY:

Lorain County Community Development
Attention: Director of Community Development
226 Middle Avenue — 5th Floor
Elyria, Ohio 44035

or to such other contact or address as may be specified by such notice from time to time in writing.

IN WITNESS WHEREOF, the City of Oberlin by Robert Hillard, its City Manager pursuant to Resolution No. 24-319, and Ascension BioMedical, LLC by Fadi Boumitri, its Managing Member, and Blaze, LLC by Fadi Boumitri, its Managing Member, have caused this agreement to be executed on this 10 day of May, 2024.

THE CITY OF OBERLIN, OHIO

By: [Signature]
Robert Hillard, City Manager

ASCENSION BIOMEDICAL, LLC

By: [Signature]
Fadi Boumitri, Managing Member

BLAZE, LLC

By: [Signature]
Fadi Boumitri, Managing Member

Consent of Lorain County: Subject to the conditions set forth above, and pursuant to Resolution number 24-319 adopted by the Lorain County Commissioners on May 10, 2024 the County hereby consents to the Agreement

THE BOARD OF COUNTY
COMMISSIONERS OF LORAIN COUNTY
OHIO

By: [Signature]

APPROVED AS TO FORM:

[Signature]
Jon Clark, Law Director

Motion by Moore, seconded by Riddell to adopt Resolution. Upon roll call the vote taken thereon, resulted as: Ayes; Moore, Riddell & Hung / Nays: None

Motion carried. _____ (discussion was held on the above)

I, Theresa L. Upton, Clerk to the Lorain County Board of Commissioners do hereby certify that the above Resolution 24-319 is a true copy as it appears in Journal No. 24 on May 10, 2024.

[Signature]
Theresa L. Upton, Clerk



CERTIFIED COPY

I Belinda B. Anderson, the duly appointed, qualified and acting Clerk of Council, for said City of Oberlin of Lorain County, Ohio, do hereby certify that attached is a true and correct copy of Ordinance No. 24-20 AC CMS and its attachments as adopted on May 6, 2024.

ORDINANCE NO. 24-20 AC CMS:

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO AN ENTERPRISE ZONE AGREEMENT FOR REAL PROPERTY TAX ABATEMENT WITH ASCENSION BIOMEDICAL, LLC AND BLAZE, LLC AND TO GO INTO IMMEDIATE EFFECT

Witness my hand and Official Seal at Oberlin, Ohio this 8th day of May 2024.

(Seal)


Clerk of Oberlin City Council

CITY OF OBERLIN, OHIO

ORDINANCE No. 24-20 AC CMS

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO AN ENTERPRISE ZONE AGREEMENT FOR REAL PROPERTY TAX ABATEMENT WITH ASCENSION BIOMEDICAL, LLC AND BLAZE, LLC TO GO INTO IMMEDIATE EFFECT

WHEREAS, the Council of the City of Oberlin by Ordinance No. 91-23 adopted on May 6, 1991 and as amended by Ordinance 91-76 adopted September 16, 1991 and as affirmed by the Board of County Commissioners of Lorain County, Ohio by Resolution No. 91-591, designated the entire City as an "Enterprise Zone" pursuant to Chapter 5709 of the Ohio Revised Code; and

WHEREAS, effective September 21, 1991, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Ordinances Nos. 91-23 and 91-76 contained the characteristics set forth in Section 5709.61 (A) of the Ohio Revised Code and certified the City of Oberlin as an Enterprise Zone under said Chapter 5709; and

WHEREAS, the City of Oberlin has continued to encourage development of real property and the acquisition of personal property since the City of Oberlin was designated as an Enterprise Zone; and

WHEREAS, Ascension BioMedical is desirous of expanding its facility in the City's Industrial Park at 200 Artino Street with a 14,150 sq. ft. addition of cultivation/manufacturing space (the Project) provided that the appropriate development incentives are available to support the economic viability of said Project; and

WHEREAS, completion of the Project is necessary for the Company to invest in expansion of its operations which will result in the creation of a minimum of forty (40) new permanent full-time jobs; and

WHEREAS, on April 12, 2024 the City's Tax Incentive Negotiating Committee met and unanimously voted to recommend that an Agreement be approved consistent with the terms enumerated in the Agreement attached to this Ordinance as Exhibit "A"; and

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Oberlin, County of Lorain, State of Ohio, five-sevenths (5/7ths) of all members elected thereto concurring:

SECTION 1. That the City Manager is hereby authorized and directed to enter into an Enterprise Zone Agreement with Ascension BioMedical, LLC and Blaze, LLC for its expansion project with terms specified in the Agreement attached to this Ordinance as Exhibit "A".

SECTION 2. It is hereby found and determined that all formal actions of this Council concerning or relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 3. To facilitate economic development within the City of Oberlin through the execution of an Enterprise Zone Agreement with Ascension BioMedical, LLC and Blaze, LLC for a proposed expansion project, and provided that at least five (5) members of Council determine by motion, this Ordinance shall go into full force and effect immediately after its passage; otherwise, it shall take effect on the earliest date allowed by law.

PASSED: 1st Reading: May 6, 2024

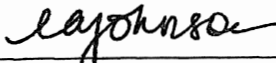
2nd Reading: _____

3rd Reading: _____

ATTEST:



BELINDA B. ANDERSON, MMC
CLERK OF COUNCIL



EBONI A. JOHNSON
PRESIDENT OF COUNCIL

POSTED: 05/07/2024

EFFECTIVE DATE: 05/06/2024

OHIO ENTERPRISE ZONE AGREEMENT

This Agreement (hereinafter "Agreement") is made and entered into by and between the City of Oberlin, Ohio, a municipal corporation, with its main offices located at Oberlin City Hall, 69 South Main Street, Oberlin, Ohio 44074 (hereinafter "Oberlin" or City), and Ascension BioMedical, LLC, an Ohio Limited Liability Company (hereinafter "Company"), with its main offices located at 200 Artino Street, Oberlin, Ohio 44074 and Blaze, LLC an Ohio Limited Liability Company with its primary offices located at 200 Artino Street, Oberlin, Ohio 44074 (hereinafter "Property Owner").

WITNESSETH:

WHEREAS, City of Oberlin, has encouraged development of real property and the acquisition of personal property located in the area designated as an Enterprise Zone; and

WHEREAS, the Company is desirous of building a new business expansion, i.e., construction of a new fourteen thousand one hundred and fifty (14,150) square foot addition to their current facility on land currently owned by the Company and/or Property Owner (Lorain County, Ohio permanent parcel number 09-00-077-101-024) to house its expanding cultivation and manufacturing operation for the medical and recreational marijuana markets (hereinafter "Project" or "Project Site") within the boundaries of the aforementioned Enterprise Zone provided that the appropriate development incentives are available to support the economic viability of said Project; and

WHEREAS, completion of the Project is necessary for the Company to invest in expansion of operations which will result in the creation of a minimum of forty (40) new permanent full-time jobs within the boundaries of the aforementioned Enterprise Zone, provided that the appropriate development incentives are available to support the economic viability of said Project; and

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WHEREAS, the Company has submitted a proposed agreement application to the City of Oberlin/Lorain County, and said application (hereinafter "APPLICATION" and attached as Exhibit A); and

WHEREAS, the Company 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 Oberlin and the Lorain County Community Development Department have investigated the application of the Company and has recommended the same to the Oberlin City Council (and The Board of County Commissioners of Lorain County, Ohio) on the basis that the Company 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 Oberlin and Lorain County; and

WHEREAS, on April 12, 2024 the City's Tax Incentive Negotiating Committee (the "Committee") met and voted to recommend that an Agreement be approved consistent with the terms enumerated below; and

WHEREAS, the Project site as proposed by the Company is located in the Oberlin City School District and Lorain County Joint Vocation District and such Boards of Education of these school districts have been notified (Exhibits "B" and "C") in accordance with Ohio Revised Code Section 5709.83 and been given a copy of the Application; and

WHEREAS, pursuant to Section 5709.62(C), 5709.63(A), or 5709.632 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. The Company and/or Property Owner shall construct and equip a new fourteen thousand one hundred and fifty (14,150) square foot addition to its existing facility located at 200 Artino Street, Oberlin, Ohio 44074.

An estimate of the amount to be invested by the enterprise to expand and equip its expanding manufacturing and distribution facility is as follows::

	<u>Minimum</u>	<u>Maximum</u>
A. Acquisition of Building:		
B. Additions/New Construction:	\$2,000,000	\$4,000,000
C. Improvements to Existing Buildings:	\$500,000	\$1,500,000
D. Machinery and Equipment:	\$2,500,000	\$4,000,000
E. Furniture and Fixtures:	\$3,000,000	\$4,000,000
F. Inventory:		
Total New Project Investment	\$8,000,000	\$13,500,000

The Company and/or Property Owner shall commence the Project on or after May 15, 2024 and all acquisition, construction and installation will be completed by December 31, 2025, or such later date as may be approved by formal resolution of both the Oberlin City Council and the Board of County Commissioners of Lorain County, Ohio and agreed to in writing by all parties as an amendment to this Agreement.

2. The total investment of this Expansion Project shall be greater than 10% of the market value of the facility assets owned at the Project Site prior to such expenditures, as provided in Exhibit A.
3. The Company shall create within a time period not exceeding three (3) years after the commencement of operation the hiring of forty (40) new full-time employees based on the following schedule: in year one (1), three new full-time employees, in year two (2), thirty-seven new full-time employees.

Jobs by Year after construction	New Full-Time Positions	New Temporary/Part-Time Positions
Year 1	3	0
Year 2	37	0
Year 3	0	0

The increase in the number of employees will result in approximately \$1,800,000 of additional annual full-time payroll for the Company. The retention of 15 existing full-time permanent jobs will result in a retained payroll of approximately \$300,000.

The Company and/or Property Owner shall create within a time period not exceeding 36 months after the commencement of construction of the aforesaid facility, the equivalent of forty (40) new full-time permanent job opportunities, 0 new part-time permanent job opportunities, 0 full-time temporary job opportunities and 0 part-time temporary job opportunities. And the Company and/or Property Owner will use its best efforts to retain its current staff of 15 full-time permanent jobs at their Oberlin facility.

The Company and/or Property Owner's schedule for hiring is as follows: create - 0 - new jobs during construction; 3 new full-time permanent job in the first year after project completion; 37 new full-time permanent job in year two after project completion; and 0 new full-time permanent job in year three after project completion. The job creation period begins not later than January 1, 2025 and all jobs will be in place by December 31, 2027.

The Company currently has 15 full-time permanent employees at the project site. In total, the Company has 15 full-time permanent employees in the State of Ohio.

4. The Company shall provide to the proper Tax Incentive Review Council any information reasonably required by the Council to evaluate the Company's compliance with this Agreement, including returns filed pursuant to section 5711.02 of the Ohio

Revised Code, employment records or any other records that may be reasonably requested by the Council or its designated representative(s).

5. The Company and/or Property Owner agrees to deliver to the City annually, but not later than sixty (60) days after the end of each calendar (fiscal) year for which abatement is claimed, a certificate listing all Project elements, their estimated costs and states of completion as well as actual or estimated capitalization dates for each project element.

This provision expires and no further reporting shall be required upon presentation of a final capitalization report being delivered to the City of Oberlin showing all project costs through project completion.

For purposes of this Section an internal project capitalization report from the Company is an acceptable reporting format.

6. Subject to compliance by the Company and Property Owner in all material respects with its obligations under this Agreement the City of Oberlin hereby grants to the Company and/or Property Owner a tax exemption for eligible real property improvements made to the Project Site pursuant to Sections 5709.62, 5709.63 or 5709.632 of the Ohio Revised Code for the increased appraised valuation of property improved as a result of construction and completion of the Project as follows:

<u>Year of Tax Exemption</u>	<u>Tax Exemption Amount</u>
Year 1	75%
Year 2	75%
Year 3	75%
Year 4	75%
Year 5	75%
Year 6	75%
Year 7	75%
Year 8	75%
Year 9	75%
Year 10	75%

The exemption commences the first year for which the real property would first be taxable were that property not exempted from taxation. Each appraisable improvement will receive a ten (10) year exemption period.

7. It is the responsibility of the Company or Property Owner to file, as appropriate, tax form DTE 24 or any other appropriate tax forms with the Lorain County Auditor to effect and maintain the real property exemption granted under this Agreement.
8. The Company and/or Property Owner hereby agrees to pay Lorain County, Ohio an annual fee equal to the greater of 1% of the dollar value of the tax exemption

approved under this Agreement or five hundred dollars (\$500), and further agrees that in any year in which the value of the approved tax exemption exceeds two hundred fifty thousand dollars (\$250,000), the fee paid to the Lorain County shall not exceed two thousand five hundred dollars (\$2,500). The fee shall be made payable to Lorain County once per year for each year the Agreement is effective on the day and in the form of a Company check. This fee shall be deposited in a special fund created for such purpose and shall be used exclusively for the purpose of complying with O.R.C. Section 5709.68 and by the Council created under O.R.C. Section 5709.85 exclusively for the purposes of performing the duties prescribed under that Section.

9. The Company and/or Property Owner 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 are required by law. If the Company and/or Property Owner fails to pay such taxes or file such reports and returns, 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.
10. The City of Oberlin 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.
11. If for any reason the Enterprise Zone designation expires, the Director of the Ohio Development Services Agency revokes certification of the zone; or City of Oberlin revokes the designation of the zone, entitlements granted under this Agreement shall continue for the number of years specified under the Agreement, unless Company and or Property Owner materially fails to fulfill its obligations under this Agreement or City of Oberlin terminates or modifies the exemptions from taxation granted under this Agreement.
12. If the Company and or Property Owner materially fails to fulfill its obligations under this Agreement, or if the City of Oberlin determines that the certification as to delinquent taxes required by this Agreement is fraudulent, the City of Oberlin may terminate or modify all 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.

The Company and/or Property Owner will be found in default of its obligations under this agreement if it does not substantially meet its investment and job creation/retention goals and remain in operation at those levels at the Project Site for a minimum of five years from the date of this Agreement. The penalty for facility

closing or substantial reduction in investment and/or employment will be a finding of default 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.

13. In any three-year period during which this agreement is in effect, if the actual number of employee positions created or retained by the Company and/or Property Owner is not equal to or greater than seventy-five percent of the number of employee positions estimated to be created or retained under this agreement during that three-year year period, the Company and or Property Owner shall repay the amount of taxes 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 of Oberlin may terminate or modify the exemptions from taxation granted under this agreement.
14. The Company and Property Owner hereby certifies that at the time this Agreement is executed, Company and Property Owner do not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio, does not owe delinquent taxes for which the Company and or Property Owner is liable under Chapters 5733, 5735, 5739, 5741, 5743, 5747 or 5753 of the Revised Code, or, if such delinquent taxes are owed, the Company and or Property Owner currently is paying all 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 Company and or Property Owner. 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 Ohio Revised Code governing payment of those taxes.
15. The Company and or Property Owner affirmatively covenants that it does not owe:
(1) any delinquent taxes to the State of Ohio or a political subdivision of the state; (2) any monies to the state or a state agency for the administration or enforcement of any environmental laws of the state; and (3) any other monies to the state or 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.
16. The Company and Property Owner and the City of Oberlin acknowledge that this Agreement must be approved by formal action of the legislative authority of the City of Oberlin and Lorain County as well as final approval by the State of Ohio as a condition for the Agreement to take effect. This Agreement takes effect upon such approvals.
17. The City of Oberlin and Lorain County has developed a policy to ensure that recipients of Enterprise Zone tax benefits practice non-discriminating hiring in its operations. By executing this Agreement, the Company and or Property Owner 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.

18. Exemptions from taxation granted under this Agreement shall be revoked if it is determined that the Company and or Property Owner, 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 Sections 5709.62, 5709.63 or 5709.623 of the Ohio Revised Code prior to the time prescribed by that division or either of those Sections.
19. The Company and/or Property Owner 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 the Company and/or Property Owner has knowingly made a false statement to the state or local political subdivision to obtain the Enterprise Zone incentives, the Company and/or Property Owner shall be required to immediately return all benefits received under the Enterprise Zone Agreement pursuant to O.R.C. Section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the state, any state agency or political subdivision pursuant to O.R.C. Section 9.66(C)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to O.R.C. Section 2921.13(D)(I), which is punishable by a fine of not more than \$1,000.00 and/or a term of imprisonment of not more than six months.
20. This Agreement is not transferable or assignable without the express written approval of the City of Oberlin and Lorain County.
21. Any notices, statements, acknowledgments, consents, approvals, certificates or requests on behalf of either party shall be made in writing and addressed as follows:

AS TO ASCENSION BIOMEDICAL, LLC AND BLAZE, LLC:

Ascension BioMedical, LLC
Attention: Fadi Boumitri
200 Artino Street
Oberlin, Ohio 44074

AS TO THE CITY OF OBERLIN:

WITH COPY TO:

The City of Oberlin, Ohio
Attention: City Manager
69 South Main Street
Oberlin, Ohio 44074

The City of Oberlin, Ohio
Attention: Director of Development
69 South Main Street
Oberlin, Ohio 44074

AS TO LORAIN COUNTY:

Lorain County Community Development
Attention: Director of Community Development
226 Middle Avenue – 5th Floor
Elyria, Ohio 44035

or to such other contact or address as may be specified by such notice from time to time in writing.

IN WITNESS WHEREOF, the City of Oberlin by Robert Hillard, it's City Manager pursuant to Resolution No. 24-20, and Ascension BioMedical, LLC by Fadi Boumitri, its Managing Member, and Blaze, LLC by Fadi Boumitri, its Managing Member, have caused this agreement to be executed on this 8th day of May, 2024.

THE CITY OF OBERLIN, OHIO

By: Robert Hillard
Robert Hillard, City Manager

ASCENSION BIOMEDICAL, LLC

By: Fadi Boumitri
Fadi Boumitri, Managing Member

BLAZE, LLC

By: Fadi Boumitri
Fadi Boumitri, Managing Member

Consent of Lorain County: Subject to the conditions set forth above, and pursuant to Resolution number 24-319 adopted by the Lorain County Commissioners on MAY 10, 2024 the County hereby consents to the Agreement

**THE BOARD OF COUNTY
COMMISSIONERS OF LORAIN COUNTY
OHIO**

By: 

APPROVED AS TO FORM:



Jon Clark, Law Director

OHIO DEVELOPMENT SERVICES AGENCY
OHIO ENTERPRISE ZONE PROGRAM

PROPOSED AGREEMENT for Enterprise Zone Tax Incentives between _____
the City of Oberlin _____ located in the County of Lorain and
Ascension BioMedical LLC.

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

Ascension BioMedical LLC
enterprise name

Fadi G. Boumitri
contact person

440-596-6004
telephone number

200 Artino St., Oberlin, Ohio 44074
address

- 1b. Project site:

Fadi G. Boumitri
contact person

440-596-6004
telephone number

200 Artino St., Oberlin, Ohio 44074
address

- 2a. Nature of business (manufacturing, distribution, wholesale or other).

Cultivation/manufacturing

- 2b. List primary 6 digit NAICS # 111998 .
Business may list other relevant SIC numbers.

- 2c. If a consolidation, what are the components of the consolidation? (must itemize the location, assets, and employment positions to be transferred)
- N/A
-
- 2d. Form of business of enterprise (corporation, partnership, proprietorship, or other).
- limited liability company
-
3. Name of principal owner(s) or officers of the business (attach list if necessary).
- Fadi G. Boumitri
-
4. Is business seasonal in nature? Yes___ No x
- 5a. State the enterprise's current employment level at the proposed project site:
- 15 employees
-
- 5b. Will the project involve the relocation of employment positions or assets from one Ohio location to another? Note that relocation projects are restricted in non-distress based Ohio Enterprise Zones. A waiver from the Director of the Ohio Department of Development is available for special limited circumstances. The business and local jurisdiction should contact ODOD early in the discussions.
- Yes___ No x
- 5c. 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
-
- 5d. State the enterprise's current employment level in Ohio (itemized for full and part-time and permanent and temporary employees):
- 15 employees (all full-time)
-
- 5e. State the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets: N/A
- 5f. What is the projected impact of the relocation, detailing the number and type of employees and/or assets to be relocated? N/A
- 6a. Has the Enterprise previously entered into an Enterprise Zone Agreement with the local

legislative authorities at any site where the employment or assets will be relocated as a result of this proposal? Yes ___ No x

6b. If yes, list the local legislative authorities, date, and term of the incentives for each Enterprise Zone Agreement:

7. Does the Enterprise owe :

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

• Yes ___ No x

b. Any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State? Yes ___ No x

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.

Yes ___ No x

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

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

Building an addition onto the facility at 200 Artino St, Oberlin, Ohio that will increase our current production capacity, our energy efficiency, and our labor efficiency.

9. Project will begin May-July, 20 24 and be completed January-March 2025 provided a tax exemption is provided.

10a. Estimate the number of new employees the business intends to hire at the facility that is the project site (job creation projection must be itemized by full and part-time and permanent and temporary): approximately 40 full-time employees

10b. State the time frame of this projected hiring: 1-2 years

10c. State proposed schedule for hiring (itemize by full and part-time and permanent and

temporary employees): 1-3 FT employees in May-July 2024, with another 47 FT employees early 2025

- 11a. Estimate the amount of annual payroll such new employees will add \$ 1,800,000 FT (new annual payroll must be itemized by full and part-time and permanent and temporary new employees).
- 11b. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project: \$ 300,000
12. Market value of the existing facility as determined for local property taxation.
\$ 1,142,840
- 13a. Business's total current investment in the facility as of the proposal's submission.
\$ 1,500,000
- 13b. State the businesses' value of on-site inventory required to be listed in the personal property tax return of the enterprise in the return for the tax year (stated in average \$ value per most recent 12 month period) in which the agreement is entered into (baseline inventory):
\$ N/A
14. An estimate of the amount to be invested by the enterprise to establish, expand, renovate or occupy a facility:

	<u>Minimum</u>	<u>Maximum</u>
A.Acquisition of Buildings:	\$	\$
B.Additions/New Construction:	\$ 2,000,000	\$ 4,000,000
C.Improvements to existing buildings:	\$ 500,000	\$ 1,500,000
D.Machinery & Equipment:	\$ 2,500,000	\$ 4,000,000
E.Furniture & Fixtures:	\$ 3,000,000	\$ 4,000,000
F.Inventory:	\$	\$
Total New Project Investment:	\$ 8,000,000	\$ 13,500,000

15. a. Business requests the following tax exemption incentives: 75 % for 10 years covering real _____ and/or personal property including inventory _____ as described above. Be specific as to type of assets, rate, and term.

The building itself will be an insulated metal panel building. We will be adding HVAC specifically designed for indoor cultivation, as well as interior walls suited for indoor cultivation, LED lights, and an irrigation system to minimize water runoff (waste).

b. Business's reasons for requesting tax incentives (be quantitatively specific as possible)
The company has not been profitable in 5 years in operation, and this expansion will be the

difference between continuing to operate at a loss or thriving. It will help us increase

production capacity, but more importantly it will help us increase the quality of our

products while reducing our operating costs and increasing our economies of scale.

Submission of this application expressly authorizes the City of Oberlin and/of Lorain County to contact the Ohio Environmental Protection Agency to confirm statements contained within this application including item #7 and to review applicable confidential records. As part of this application, the business may also be required to directly request from the Ohio Department of Taxation or complete a waiver form allowing the Ohio Department of Taxation to release specific tax records to the local jurisdictions considering the incentive request.

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 benefit as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

Ascension BioMedical LLC

3/21/2024

Name of Enterprise

Date



Fadi G. Boumitri, CEO

Signature

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 Enterprise Zone Agreement as Exhibit A

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



April 15, 2024

FILE COPY

Mr. Cory Thompson
Treasurer
Lorain County Joint Vocational School District
15181 State Route 58
Oberlin, Ohio 44074

Dear Mr. Thompson: **RE: Application for Enterprise Zone Tax Abatement
Proposed Expansion Project for Ascension Biomedical, LLC
200 Artino Street
City of Oberlin, Ohio**

The City of Oberlin has received a request for Enterprise Zone tax abatement from Ascension Biomedical, LLC for 75% tax abatement for 10 years for a proposed expansion project at 200 Artino Street in Oberlin's Industrial Park. The proposed expansion project includes a 14,150 sq. ft. building addition for additional cultivation/manufacturing space and the hiring of forty (40) additional employees over the next three (3) years. A copy of the Enterprise Zone application is attached.

The City's Tax Incentive Negotiating Committee met on April 12th, 2024, to review this request. The following abatement terms were unanimously recommended by the Committee and have been accepted by the property owner/company:

- 1) A 75% real estate tax abatement applied to new real property improvements for a period of ten (10) years is recommended.
- 2) The company will be granted abatement on new real property improvements to be completed at an estimated cost of \$2,500,000 to \$5,500,000 with abatement based upon the Lorain County Auditor's appraisal of those improvements.
- 3) There will be no School Compensation Agreement associated with this abatement.
- 4) The company will maintain its current staff of 15 full-time equivalent employees and will use its best efforts to add forty (40) new full-time permanent jobs within thirty-six (36) months of the completion of their new addition.
- 5) The company will pay an annual monitoring fee equal to 1% of the net benefit received under the agreement subject to a minimum fee of \$500 and a maximum fee of \$2,500.

Pursuant to Section 5709.83 of the Ohio Revised Code, Lorain County Joint Vocational School District is hereby notified of the proposed Enterprise Zone Agreement with Ascension Biomedical, LLC. Lorain County JVS has fourteen (14) days under statute to review and comment on this request.

It is noted that Oberlin City Council will be considering the approval of Ascension Biomedical's Enterprise Zone Agreement during the course of its regular meeting on May 6th, 2024.

Please do not hesitate to contact me should you have any questions regarding this application or if you require any additional information.

Sincerely,

A handwritten signature in black ink that reads "Carrie R. Porter". The signature is fluid and cursive, with the first name "Carrie" and last name "Porter" clearly distinguishable.

Carrie R. Porter
Enterprise Zone Manager
Director of Planning and Development
City of Oberlin
69 S. Main Street
Oberlin, Ohio 44074
440-775-7250
cporter@cityofoberlin.com

Carrie Porter

From: Carrie Porter
Sent: Wednesday, March 27, 2024 2:43 PM
To: rrinehart@oberlinschools.net; Dr. David Hall
Subject: Enterprise Zone Tax Abatement Application - Ascension Biomedical
Attachments: Ascension - Enterprise Zone Application (executed).pdf

Hi Dr. Hall and Bob –

The City has just received an Enterprise Zone Application for a proposed expansion of Ascension Biomedical at 200 Artino Street in the Industrial Park. The expansion would be about 14,150 sq. ft. and would result in the creation of forty (40) new full time jobs over the next three (3) years. In order to process this application, we need to reconstitute the City's Tax Incentive Negotiating Committee (TINC) in order to negotiate the Enterprise Zone Agreement with Ascension Biomedical. Per City ordinance, the TINC consists of the Chairperson of City Council (now Eboni Johnson), the City Manager (Rob Hillard), the President of the Oberlin Community Improvement Corporation (Jill Sawyer) and two (2) members appointed by the Oberlin Board of Education.

In this regard, we need the names of the two (2) people that are appointed by the Board to serve on the TINC so we can schedule a meeting as soon as possible. I sent this to you both because normally the School Treasurer and the Superintendent are the people on the TINC for the Schools.

I have attached the application from Ascension Biomedical so you can review the proposed expansion project and projected investment, employment and payroll.

Please do not hesitate to contact me should you have any questions or require any additional information.

Thanks,

Carrie

Carrie R. Porter
Director of Planning and Development
City of Oberlin
69 South Main Street
Oberlin, Ohio 44074
440-775-7250
cporter@cityofoberlin.com