

RESOLUTION APPROVING ENTERPRISE ZONE AGREEMENT WITH HAVE LLC FOR TAX ABATEMENT

WHEREAS, HAVE LLC has submitted the following Enterprise Zone Agreement for the approval of the board, to-wit:

This agreement made and entered into as July 9, 2024 (the "Effective Date") by and between the Board of County Commissioners, Ashtabula County, Ohio, a county, with its main offices located at 25 W. Jefferson Street, Jefferson Ohio (hereinafter referred to as "County") and HAVE LLC (hereinafter referred to as "HAVE LLC"), with its corporate headquarters located at 2101 Aetna Road, Ashtabula, Ohio 44004, WITNESSETH;

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

WHEREAS, HAVE LLC plans for construction of a seven thousand (7,000) square foot facility expansion to permit modernization and expansion of its existing facility and fabrication operations (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; and

WHEREAS, the Board of County Commissioners of Ashtabula County, Ohio, by Resolution Number 89-368 adopted on the 13th day of April 1989, Resolution Number 89-500 adopted on the 15th day of May 1989, and Resolution Number 92-507 adopted on the 7th day of May 1992 designated the area as an "Enterprise Zone" pursuant Chapter 5709 of the Ohio Revised Code; and Resolution Number 97-233 adopted on the 27th day of February 1997.

WHEREAS, effective May 26, 1989, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Resolution Numbers 89-368, 89-500, 92-507, and 97-233 contain 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, Board of Ashtabula County Commissioners having the appropriate authority for the stated type of project is desirous of providing HAVE LLC with incentives available for the development of the PROJECT in said Enterprise Zone under Chapter 5709 of the Ohio Revised Code; and

WHEREAS, HAVE LLC has submitted a proposed agreement application (herein attached as Exhibit A) to the Board of Ashtabula County Commissioners pursuant to Section 5709.63 (B) of the Ohio Revised Code, said application (hereinafter referred to as "APPLICATION"); and

WHEREAS, HAVE LLC 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, HAVE LLC has negotiated with the Ashtabula County Enterprise Zone Manager and developed and agreed to conditions of tax abatement outlined in Section 4 below; and

WHEREAS, The Enterprise Zone Manager of Ashtabula County has investigated the application of HAVE LLC and has recommended the same to the Board of County Commissioners of Ashtabula County on the basis that HAVE LLC is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Enterprise Zone and improve the economic climate of Ashtabula County; and

WHEREAS, the project site as proposed by HAVE LLC is located in Ashtabula Township, Buckeye Local School District and the Ashtabula County Technical and Career Center and all three have been notified in accordance with Section 5709.83 and been given a copy of the APPLICATION; and

WHEREAS, pursuant to Section 5709.63(B) 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. HAVE LLC shall invest a total of seven hundred fifty thousand dollars (\$750,000) in an expansion PROJECT, including four hundred thousand dollars (\$400,000) to construct approximately a seven thousand square foot (7,000 sf) addition to its facility at 2101 Aetna Road, Ashtabula, Ohio 44004, to house additional equipment and staff.

Said facility shall be constructed on all or part of permanent parcel number 030480001400 as the same is known and designed on the Auditors revised list of lots in Ashtabula, Ohio.

The PROJECT will begin on or about July 1, 2024 and all construction and installation is anticipated to be completed on or about December 31, 2024.

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.

- 2. HAVE LLC shall create within a time period not exceeding 36 months after the completion of the project, the equivalent of 7 full-time job(s) opportunities and 0 part-time job opportunities. HAVE LLC will use its best efforts to retain 25 full-time jobs and 0 part-time jobs at the PROJECT site during the term of this agreement. As of the Effective Date, HAVE LLC has 25 full-time permanent employees, 0 part-time permanent employees, 0 full-time temporary employees, and 0 part-time temporary employees at the project site.

This increase in the number of employees will result in approximately five hundred eight thousand (\$508,000) of additional annual payroll for HAVE LLC. The following is an itemization by the type of new jobs created: full-time permanent \$508,000 and part-time permanent \$0. The retention of the existing jobs will maintain the current annual payroll of approximately two million one hundred seventy thousand dollars (\$2,170,000).

- 3. HAVE LLC 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 and 5727.08 of the Ohio Revised Code if requested by the Council.
- 4. Ashtabula County hereby grants HAVE LLC a tax exemption for real property improvements made to the PROJECT site pursuant to Section 5709.62, 5709.63 or 5709.632 of the Ohio Revised Code and shall be in the following amounts:

The exemption commences the first year for which the real property would first be taxable were that property not exempted from taxation. No exemption shall commence after 2025 nor extend beyond 2034.

Year of Tax Exemption	Tax Exemption Amount
2025	50%

2026	50%
2027	50%
2028	50%
2029	50%
2030	50%
2031	50%
2032	50%
2033	50%
2034	50%

Each identified project improvement will receive a ten-year exemption period.

HAVE LLC must file the appropriate tax forms (DTE 23) with the County Auditor to effect and maintain the exemptions covered in the agreement.

5. Each year during the Term, HAVE LLC 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 (\$500); provided, however, that if the value of the incentives exceeds two hundred fifty thousand dollars (\$250,000), the fee shall not exceed two thousand five hundred dollars (\$2,500). The fee shall be made payable to the Ashtabula County Treasurer once per year for each year the agreement is effective on the days and in the following forum: The fee is to be paid to the Enterprise Zone Manager by June 15th each year and made out to the Ashtabula County Treasurer.

This fee shall be deposited by the COUNTY 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 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. HAVE LLC shall pay such real and tangible personal property taxes that are duly owed and not exempted under this agreement and are charged against such property and shall file all tax reports and returns as required by law. If HAVE LLC 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 COUNTY shall perform such acts as are necessary to 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 Ashtabula County revokes the designation of the zone, entitlements granted under this agreement shall be continued for the five-year period specified under this agreement, unless HAVE LLC materially fails to fulfill its obligations under this agreement and Ashtabula County terminates or modifies the exemptions from taxation granted under this agreement.
9. If HAVE LLC materially fails to fulfill its obligations under this agreement, or if the COUNTY determines that the certification as to delinquent taxes required by this agreement is fraudulent, the 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. HAVE LLC hereby certifies that, as of the Effective Date, HAVE LLC 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 HAVE LLC is liable under Chapter 5733, 5735, 5739, 5741, 5743, 5747, or 5753 of the Revised Code, or, if such delinquent taxes are owed, HAVE LLC 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 HAVE LLC. 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. HAVE LLC, and the COUNTY acknowledge that this agreement must be approved by formal action of the legislative authority of Ashtabula County as a condition for the agreement to take effect. This agreement takes effect upon such approval.
12. The COUNTY has developed a policy to ensure recipients of Enterprise Zone tax benefits practice non-discriminating hiring in its operations. By executing this agreement, HAVE LLC 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.
13. Exemptions from taxation granted under this agreement shall be revoked if it is determined that HAVE LLC, any successor enterprise, or any related members (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.
14. In any three-year period during which this agreement is in effect, if the actual number of employee positions created or retained by HAVE LLC is not equal to or greater than seventy-five percent (75%) of the number of employee positions estimated to be created or retained under this agreement during that three-year period, HAVE LLC 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 County may terminate or modify the exemptions from taxation granted under this agreement.
15. This agreement is not transferable or assignable without the express, written approval of Ashtabula County.

**ASHTABULA COUNTY COMMISSIONERS
CERTIFICATION PAGE**

Resolution No. 2024-342

July 09, 2024

**RESOLUTION APPROVING ENTERPRISE ZONE AGREEMENT WITH HAVE, INC.
FOR TAX ABATEMENT**

Upon the motion of Casey R. Kozlowski, seconded by J.P. Ducro IV.

VOTE:

Kathryn L. Whittington

Aye

J.P. Ducro IV

Aye

Casey R. Kozlowski

Aye

CERTIFICATE OF CLERK

IT IS HEREBY CERTIFIED that the foregoing is a true and correct transcript of a resolution acted upon and duly passed by the Board of County Commissioners of Ashtabula County, Ohio, on the date noted above.



Lisa Hawkins, Clerk of the Board
Board of County Commissioners
Ashtabula County, Ohio

ENTERPRISE ZONE AGREEMENT

This agreement made and entered into as of July 9th, 2024 (the “Effective Date”) by and between the Board of County Commissioners, Ashtabula County, Ohio, a county, with its main offices located at 25 W. Jefferson Street, Jefferson Ohio (hereinafter referred to as “County”) and **HAVE LLC (hereinafter referred to as “HAVE”)**, with its corporate headquarters located at **2101 Aetna Road, Ashtabula, Ohio 44004.**

WITNESSETH:

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

WHEREAS, **HAVE** plans for construction of a seven thousand (7,000) square foot facility expansion to permit modernization and expansion of its existing facility and fabrication operations (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; and

WHEREAS, the Board of County Commissioners of Ashtabula County, Ohio, by Resolution Number 89-368 adopted on the 13th day of April 1989, Resolution Number 89-500 adopted on the 15th day of May 1989, and Resolution Number 92-507 adopted on the 7th day of May 1992 designated the area as an “Enterprise Zone” pursuant Chapter 5709 of the Ohio Revised Code; and Resolution Number 97-233 adopted on the 27th day of February 1997.

WHEREAS, effective May 26, 1989, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Resolution Numbers 89-368, 89-500, 92-507, and 97-233 contain 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, Board of Ashtabula County Commissioners having the appropriate authority for the stated type of project is desirous of providing **HAVE** with incentives available for the

development of the PROJECT in said Enterprise Zone under Chapter 5709 of the Ohio Revised Code; and

WHEREAS, HAVE has submitted a proposed agreement application (herein attached as Exhibit A) to the Board of Ashtabula County Commissioners pursuant to Section 5709.63 (B) of the Ohio Revised Code, said application (hereinafter referred to as “APPLICATION”); and

WHEREAS, HAVE has remitted the required state application fee of \$750.00 made payable to the Ohio Development Service Agency with the application to be forwarded with the final agreement; and

WHEREAS, HAVE has negotiated with the Ashtabula County Enterprise Zone Manager and developed and agreed to conditions of tax abatement outlined in Section 4 below; and

WHEREAS, The Enterprise Zone Manager of Ashtabula County has investigated the application of **HAVE** and has recommended the same to the Board of County Commissioners of Ashtabula County on the basis that **HAVE** is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Enterprise Zone and improve the economic climate of Ashtabula County; and

WHEREAS, the project site as proposed by HAVE is located in the Buckeye Local School District and the Ashtabula County Technical and Career Center and all three have been notified in accordance with Section 5709.83 and been given a copy of the APPLICATION; and

WHEREAS, pursuant to Section 5709.63(B) 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:

HAVE shall invest in an expansion PROJECT, including renovations to its existing facility as well as construction of approximately a seven thousand (7,000) square foot addition to its facility at 2101 Aetna Road, Ashtabula, Ohio 44004, to increase shop, fabrication, warehouse, and office space. Said facility shall be constructed on all or part of Lot 03-048-00-014-00 as the same is known and designed on the Auditors revised list of lots in Ashtabula, Ohio. 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. In addition, HAVE will purchase and install new machinery and equipment at the Project Site to modernize its manufacturing processes.

1. The PROJECT will begin on or about July 1, 2024 and all construction and installation is anticipated to be completed on or about December 31, 2024.
2. **HAVE** shall create within a time period not exceeding 36 months after the completion of the project, the equivalent of 7 full-time job(s) opportunities and 0 part-time job opportunities. **HAVE** will use its best efforts to retain 25 full-time jobs and 0 part-time jobs at the PROJECT site during the term of this agreement. As of the Effective Date, **HAVE** has 25 full-time permanent employees, 0 part-time permanent employees, 0 full-time temporary employees, and 0 part-time temporary employees at the project site.

This retention in the number of employees will result in approximately Five Hundred Eight Thousand dollars (\$508,771.00) of annual payroll for **HAVE**.

3. **HAVE** 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 and 5727.08 of the Ohio Revised Code if requested by the Council.
4. Ashtabula County hereby grants **HAVE** a property tax exemption for improvements made to the PROJECT site pursuant to Section 5709.62, 5709.63 or 5709.632 of the Ohio Revised Code and shall be in the following amounts:

The exemption commences the first year for which the Project would first be taxable were that property not exempted from taxation. No exemption shall commence before 2024 nor extend beyond 2034.

<u>Year of Tax Exemption</u>	<u>Tax Exemption Amount</u>
<u>2025</u>	<u>50%</u>
<u>2026</u>	<u>50%</u>
<u>2027</u>	<u>50%</u>
<u>2028</u>	<u>50%</u>
<u>2029</u>	<u>50%</u>
<u>2030</u>	<u>50%</u>
<u>2031</u>	<u>50%</u>
<u>2032</u>	<u>50%</u>
<u>2033</u>	<u>50%</u>
<u>2034</u>	<u>50%</u>

The entirety of the Project and associated improvements will receive a ten-year property tax exemption per the above.

5. **HAVE** 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.
6. Each year during the Term, **HAVE** 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 (\$500): provided, however, that if the value of the incentives exceeds two hundred fifty thousand dollars (\$250,000), the fee shall not exceed two thousand five hundred dollars (\$2,500). The fee shall be made payable to the Ashtabula County Treasurer once per year for each year the agreement is effective on the days and in the following forum: The fee is to be paid to the Enterprise Zone Manager by June 15th each year and made out to the Ashtabula County Treasurer.

This fee shall be deposited by the COUNTY 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 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. **HAVE** shall pay such real and tangible personal property taxes that are duly owed and not exempted under this agreement and are charged against such property and shall file all tax reports and returns as required by law. If **HAVE** 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 **COUNTY** shall perform such acts as are necessary to 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 Ashtabula County revokes the designation of the zone, entitlements granted under this agreement shall be continued for the ten year period specified under this agreement, unless **HAVE** materially fails to fulfill its obligations under this agreement and Ashtabula County terminates or modifies the exemptions from taxation granted under this agreement.
9. If **HAVE** materially fails to fulfill its obligations under this agreement, or if the **COUNTY** determines that the certification as to delinquent taxes required by this agreement is fraudulent, the **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. **HAVE** hereby certifies that, as of the Effective Date, **HAVE** 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 **HAVE** is liable under Chapter 5733, 5735, 5739, 5741,

5743, 5747, or 5753 of the Revised Code, or, if such delinquent taxes are owed, **HAVE** 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 **HAVE**. 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. **HAVE**, and the COUNTY acknowledge that this agreement must be approved by formal action of the legislative authority of Ashtabula County as a condition for the agreement to take effect. This agreement takes effect upon such approval.
12. The COUNTY has developed a policy to ensure recipients of Enterprise Zone tax benefits practice non-discriminating hiring in its operations. By executing this agreement, **HAVE** 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.
13. Exemptions from taxation granted under this agreement shall be revoked if it is determined that **HAVE**, any successor enterprise, or any related members (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.
14. In any three-year period during which this agreement is in effect, if the actual number of employee positions created or retained by **HAVE** 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, **HAVE** 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 County may terminate or modify the exemptions from taxation granted under this agreement.

15. This agreement is not transferable or assignable without the express, written approval of Ashtabula County.

IN WITNESS WHEREOF, the Board of Ashtabula County Commissioners, and pursuant to Resolution Number 2024-342 has caused this instrument to be executed this 9th day of July, 2024 and _____, its _____, has caused this instrument to be executed on this _____ day of _____, 2024.

ASHTABULA COUNTY BOARD OF COMMISSIONERS

BY:  _____
Kathryn Whittington, President

7/9/2024

Witness /Date

 _____
JP Ducro IV, Vice President

7/9/2024

Witness/Date

Casey Kozlowski, County Commissioner

Witness/Date

HAVE LLC

Witness/Date

**Enterprise Zone Agreement between Ashtabula County Commissioners and
HAVE LLC**

Approved as to legal form:

Colleen M. O'Toole, Esq. – Ashtabula County Prosecuting Attorney

Exhibit A

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