

ORDINANCE NO. 2024 - 06

AN ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR AND THE HOUSING OFFICER OF THE VILLAGE OF NEW LONDON, OHIO, TO APPROVE THE COMMUNITY REINVESTMENT AREA APPLICATION FOR DEVELOPMENT AND ENTER INTO A COMMUNITY REINVESTMENT AREA AGREEMENT WITH PRIMETALS TECHNOLOGIES, AND DECLARING AN EMERGENCY.

WHEREAS, the Village of New London has encouraged the development of real property and the acquisition of personal property located in the area designated as a Community Reinvestment Area; and

WHEREAS Primetals Technologies is desirous of expanding its production capacity and construction of a 15,960 square foot addition for its steel mill components manufacturing facility hereinafter referred to as the "PROJECT," within the boundaries of the aforementioned Community Reinvestment Area, provided that the appropriate development incentives are available to support the economic viability of said PROJECT; and

WHEREAS, the New London Village Council, New London, Ohio by Ordinance 2016-12 adopted August 22, 2016, designated the area as a "Community Reinvestment Area" pursuant Chapter 3735 of the Ohio Revised Code; and

WHEREAS, effective January 11, 2017, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Ordinance 2016-12 contained the characteristics set forth in Section 3735.66 of the Ohio Revised Code and confirmed said area as a Community Reinvestment Area under said Chapter 3735; and

WHEREAS, New London having the appropriate authority for the stated type of project is desirous of providing Primetals Technologies with incentives available for the development of the PROJECT in said Community Reinvestment Area under Chapter 3735 of the Ohio Revised Code; and

WHEREAS, Primetals Technologies has submitted a proposed agreement application to New London said application (hereinafter referred to as "APPLICATION"); and

WHEREAS, the Mayor, Toby Thomas, of New London and the New London Housing Advisory Council have investigated the application of Primetals Technologies and have recommended the same to the Village Council of New London on the basis that Primetals Technologies is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Community Reinvestment Area and improve the economic climate of New London; and

WHEREAS the project site as proposed by Primetals Technologies is located in the New London Local School District and the EHOVE Career Center and the Board of Education of the New London Local School District and EHOVE Career Center have been notified in accordance with Section 5709.83 and been given a copy of the APPLICATION; Now,

Therefore,

BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF NEW LONDON, HURON COUNTY, OHIO, AS FOLLOWS:

TO APPROVE THE COMMUNITY REINVESTMENT AREA APPLICATION FOR DEVELOPMENT AND ENTER INTO A COMMUNITY REINVESTMENT AREA AGREEMENT

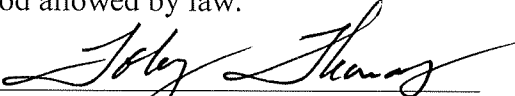
Section 1. This Council hereby approves the Application of Primetals Technologies and the Community Reinvestment Area Agreement between Primary Technologies and the Village of New London. The Housing Officer is hereby authorized to execute and approve the Application; and the Mayor is hereby authorized to execute a Community Reinvestment Area Agreement in substantial conformity with Exhibit "A," attached hereto and incorporated herein as if fully rewritten, according to law.

Section 2. The Village of New London hereby grants Primetals Technologies a tax exemption for real property improvements made to the PROJECT site pursuant to Section 3735.67 of the Ohio Revised Code which shall be in the following amounts: 100% of the assessed value to be exempted for a term of fifteen (15) years. The exemption commences the first year for which the real property would first be taxable were that property not exempted from taxation.

Section 3. The Mayor, Housing Officer, Fiscal Officer, and Economic Development Director are hereby authorized and directed to execute such documents; to file such documents with the Ohio Department of Development and the County Auditor for Huron County as may be necessary; and to take such additional actions as may be necessary for the implementation of the Project and the tax exemption authorized by this Ordinance..

Section 4. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, or safety, and for the welfare of the citizens of the Village, and for the further reason that it is necessary that this measure become effective at the earliest possible time in order to allow this new Project to proceed as soon as possible, and that, provided it receives the majority vote of two-thirds or more of those elected to Council, this Ordinance shall therefore take effect and be in force immediately from and after its passage, and otherwise it shall take effect at the earliest period allowed by law.

PASSED: February 26, 2024

  
MAYOR

ATTEST:

  
FISCAL OFFICER



## COMMUNITY REINVESTMENT AREA AGREEMENT

This agreement made and entered into by and between the Village of New London, Ohio, a municipal corporation, with its main offices located at 115 East Main Street, New London, Ohio 44851, hereinafter referred to as "New London" and Primetals Technologies, USA LLC., a Corporation with its main offices located at 5895 Windwood Pkwy, 2<sup>nd</sup> Floor, Alpharetta Georgia 3005, hereinafter referred to as Primetals Technologies, WITNESSETH;

WHEREAS, New London has encouraged the development of real property and the acquisition of personal property located in the area designated as a Community Reinvestment Area; and

WHEREAS Primetals Technologies is desirous of expanding its production capacity and construction of a 15,960 square foot addition for its steel mill components manufacturing facility hereinafter referred to as the "PROJECT", within the boundaries of the aforementioned Community Reinvestment Area, provided that the appropriate development incentives are available to support the economic viability of said PROJECT; and

WHEREAS, the New London Village Council, New London, Ohio by Ordinance 2016-12 adopted August 22, 2016, designated the area as a "Community Reinvestment Area" pursuant Chapter 3735 of the Ohio Revised Code; and

WHEREAS, effective January 11, 2017, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Ordinance 2016-12 contained the characteristics set forth in Section 3735.66 of the Ohio Revised Code and confirmed said area as a Community Reinvestment Area under said Chapter 3735; and

WHEREAS, New London having the appropriate authority for the stated type of project is desirous of providing Primetals Technologies with incentives available for the development of the PROJECT in said Community Reinvestment Area under Chapter 3735 of the Ohio Revised Code; and

WHEREAS, Primetals Technologies has submitted a proposed agreement application (herein attached as Exhibit A) to New London said application (hereinafter referred to as "APPLICATION"); and

WHEREAS, the Mayor, Toby Thomas, of New London and the New London Housing Advisory Council have investigated the application of Primetals Technologies and have recommended the

same to the Village Council of New London on the basis that Primetals Technologies is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Community Reinvestment Area and improve the economic climate of New London; and

WHEREAS the project site as proposed by Primetals Technologies is located in the New London Local School District and the EHOVE Career Center and the Board of Education of the New London Local School District and EHOVE Career Center have been notified in accordance with Section 5709.83 and been given a copy of the APPLICATION; and

WHEREAS, pursuant to Section 3735.67(A) and in conformance with the format required under Section 3735.671(B) 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. Primetals Technologies shall construct a 15,960 square foot addition at 81 East Washburn, New London, Ohio 44851. Said facilities shall be constructed on parcel number 26019a040010100 that is on the list of the Huron County Auditors list of parcels in New London, Ohio.

The PROJECT will involve a total investment by Primetals Technologies of four million, four hundred ninety seven thousand two hundred sixty two dollars (\$4,497,262.00), plus or minus 10% at the 81 East Washburn Street site. Included in this investment are two million nine hundred thirty-five thousand six hundred twelve dollars (\$2,935,612.00) for construction of the new addition.

The PROJECT will begin March, 2024 and all acquisition, construction and installation will be completed by December, 2024.

2. Primetals Technologies shall create within a time period not exceeding 12 months after the commencement of construction of the aforesaid facility, equivalent of 9 new full-time permanent job opportunities.

Primetals Technologies currently has 62 full-time permanent employees, 1 temporary employee and 2 full-time remote employees at their present site. In total, Primetals Technologies has 64 full-time permanent employees and 1 temporary at the New London site located in the State of Ohio.

The estimated annual payroll for new employees will be an additional \$1,030,000.00.

3. Primetals Technologies shall provide to the proper Tax Incentive Review Council any information reasonably required by the council to evaluate Primetals Technologies's compliance with the agreement, including returns filed pursuant to section 5711.02 of the Ohio Revised Code if requested by the council.
4. New London hereby grants Primetals Technologies a tax exemption for real property improvements made to the PROJECT site pursuant to Section 3735.67 of the Ohio Revised Code and shall be in the following amounts: 100% of the assessed value to be exempted for a term of fifteen (15) years. The exemption commences the first year for which the real property would first be taxable were that property not exempted from taxation.

Primetals Technologies must file the appropriate DTE-24 tax forms with the Huron County Auditor to effect and maintain the exemptions covered in the agreement.

5. The Village of New London waives the annual fee associated with this CRA agreement.
6. Primetals Technologies shall pay such real and other 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 Primetals Technologies 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. Primetals Technologies 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 Community Reinvestment Area designation expires, the Director of the Ohio Department of Development revokes certification of the zone, or New London revokes the designation of the zone, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless Primetals Technologies materially fails to fulfill its obligations under this agreement and New London terminates or modifies the exemptions from taxation granted under this agreement.
9. If Primetals Technologies materially fails to fulfill its obligations under this agreement, or if New London determines that the certification as to delinquent taxes required by this agreement is fraudulent, New London 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." In such case, the Village Council may secure repayment of such taxes by a lien on the exempted property in the amount required to be repaid; and such a lien shall attach, and may be perfected, collected, and enforced, in the same manner as a mortgage lien on real property, and shall otherwise have the same force and effect as a mortgage lien on real property, all as

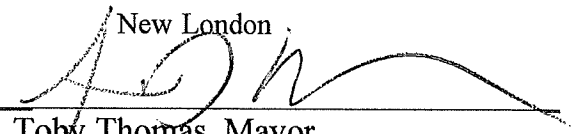
provided in Ohio Revised Code Section 3735.671(C).

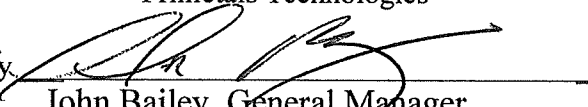
10. Primetals Technologies hereby certifies that at the time this agreement is executed, Primetals Technologies does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio, and does not owe delinquent taxes for which Primetals Technologies is liable under Chapter 5733, 5735, 5739, 5741, 5743, 5747, or 5753 of the Revised Code, or, if such delinquent taxes are owed, Primetals Technologies 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 Primetals Technologies. 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. Primetals Technologies 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. Primetals Technologies and New London acknowledges that this agreement must be approved by formal action of the legislative authority of New London as a condition for the agreement to take effect. This agreement takes effect upon such approval.
13. New London has developed a policy to ensure recipients of Community Reinvestment Area tax benefits practice non-discriminating hiring in its operations. By executing this agreement, Primetals Technologies 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 Primetals Technologies, any successor property owner, or any related member (as those terms are defined in Section 3735.671 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 or 5709.63 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.
15. Primetals Technologies affirmatively covenants that it has made no false statements to the State or local political subdivisions in the process of obtaining approval of the Community Reinvestment Area incentives. If any representative of Primetals Technologies has knowingly made a false statement to the State or local political subdivision to obtain the Community Reinvestment Area incentives, Primetals Technologies shall be required to immediately return all benefits received under the Community Reinvestment Area Agreement pursuant 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 Section 2921.B (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.

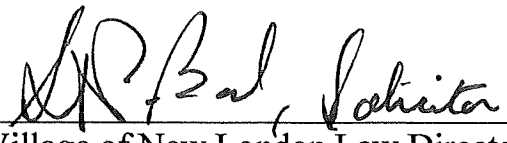
16. This agreement is not transferable or assignable without the express, written approval of the Village of New London.

IN WITNESS WHEREOF, New London, by Toby Thomas, its Mayor, and pursuant to Ordinance 2024-06 has caused this instrument to be executed this \_\_\_ day of February, 2024 and Primetals Technologies by John Bailey its general manager has caused this instrument to be executed on this 16 day of Feb, 2024

New London  
By   
Toby Thomas, Mayor

Primetals Technologies  
By   
John Bailey, General Manager

Approved as to form:

By:   
Village of New London Law Director