

## **RESOLUTION 20-10-03**

### **COMMUNITY REINVESTMENT AREA AGREEMENT BETWEEN the VILLAGE OF SHERWOOD, OHIO and SCHWARZBEK INVESTMENTS, LTD.**

This agreement made and entered into by and between the **Village of Sherwood, Ohio**, a municipality, with its main offices located at 200 N. Harrison, Sherwood, Ohio and **Schwarzbek Investments, Ltd.**, an Ohio Corporation with its main offices located at 101 N. Harrison St, Sherwood, Ohio 43556, WITNESSETH;

WHEREAS, the Village of Sherwood 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, Schwarzbek Investments, Ltd. is desirous of remodeling a former automotive dealership and converting it into a restaurant (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 Council of the Village of Sherwood, Ohio by Resolution No. 02-03-00 adopted March 25, 2002 designated the area as an "Community Reinvestment Area" pursuant Chapter 3735 of the Ohio Revised Code; and

WHEREAS, effective May 15, 2002 the Director of Development of the State of Ohio determined that the aforementioned area designated in said village Resolution No. 02-03-00 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, the Village of Sherwood, having the appropriate authority for the stated type of project, is desirous of providing Schwarzbek Investments, Ltd. with incentives available for the development of the PROJECT in said Community Reinvestment Area under Chapter 3735 of the Ohio Revised Code; and

WHEREAS, Schwarzbek Investments, Ltd. submitted a proposed agreement application (herein attached as Exhibit A) to the Village of Sherwood, (said application hereinafter referred to as "APPLICATION"); and

WHEREAS, Schwarzbek Investments, Ltd. has remitted the required state application fee of \$750.00 made payable to the Ohio Development Services Agency with the application to be forwarded to said department with a copy of the final agreement; and

WHEREAS, the Housing Officer of the Village of Sherwood has investigated the application of Schwarzbek Investments, Ltd. and has recommended the same to the Council of the Village of Sherwood on the basis that Schwarzbek Investments, Ltd. 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 the Village of Sherwood; and

WHEREAS, the project site as proposed by Schwarzbek Investments, Ltd. is located in the

Central Local School District and the Four County Career Center vocational school district and the Boards of Education of the Central Local and Four County Career Center school districts have been notified in accordance with Section 5709.83 and been given a copy of the APPLICATION; and

WHEREAS, pursuant to Section 3735.67 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. Schwarzbek Investments, Ltd. will convert this existing building into a restaurant. The PROJECT will involve a total investment by Schwarzbek Investments, Ltd. of six hundred seven five thousand dollars, plus or minus 10%, at the Sherwood site. All of this investment is for the remodeling of the building. The PROJECT will begin October 1<sup>st</sup>, 2020 and all acquisition, construction and installation will be completed by August 31, 2021.
- 2. Schwarzbek Investments, Ltd. shall create five full-time jobs by December 31, 2021. This increase in the number of employees will result in approximately Eighty thousand dollars (\$80,000.00) of additional annual payroll for Schwarzbek Investments, Ltd.
- 3 – a. Schwarzbek Investments, Ltd. shall provide to the Defiance County Tax Incentive Review Council any information reasonably required by the council to evaluate the property owner's compliance with the agreement, including returns filed pursuant to section 5711.02 of the Ohio Revised Code if requested by the council.
- b. Schwarzbek Investments, Ltd. shall give preference to residents of the zone within which the agreement applies relative to residents of this state who do not reside in the zone when hiring new employees under the agreement.
- d. Property Owner shall maintain a business membership in the Defiance County Community Improvement Corporation for the duration of this agreement.
- 4. The Village of Sherwood hereby grants Schwarzbek Investments, Ltd. 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:

<u>Exemption Term</u>	<u>Percentage of Exemption</u>
12 Years	100%



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. Schwarzbek Investments, Ltd. 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. Schwarzbek Investments, Ltd. and the Village of Sherwood acknowledge that this agreement must be approved by formal action of the legislative authority of the Village of Sherwood as a condition for the agreement to take effect. This agreement takes effect upon such approval.
13. The Village of Sherwood has developed a policy to ensure recipients of Community Reinvestment Area tax benefits practice non-discriminating hiring in its operations. By executing this agreement, Schwarzbek Investments, Ltd. 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 Schwarzbek Investments, Ltd., 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 of the Ohio Revised Code.
15. Schwarzbek Investments, Ltd. 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 Schwarzbek Investments, Ltd. has knowingly made a false statement to the State or local political subdivision to obtain the Community Reinvestment Area incentives, Schwarzbek Investments, Ltd. 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 2921.13(D)(1), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.
16. This agreement is not transferable or assignable without the express, written approval of the Village of Sherwood, Ohio.

Each identified project improvement shall receive a 12-year exemption period. The exemption commences the first year for which the real property would first be taxable were that property not exempted from taxation.

Schwarzbek Investments, Ltd. must file the appropriate tax forms with the County Auditor to effect and maintain the exemptions covered in the agreement.

5. The Village of Sherwood hereby waives the collection of an annual fee from Schwarzbek Investments, Ltd. on this community reinvestment agreement per the provisions of O.R.C. section 3735.671.
6. Schwarzbek Investments, Ltd. shall pay such real and tangible personal property taxes as are not exempted under this agreement and are charged against such property and shall file all tax reports and returns as required by law. If Schwarzbek Investments, Ltd. 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 Village of Sherwood 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 Development Services Agency revokes certification of the zone, or the Village of Sherwood revokes the designation of the zone, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless Schwarzbek Investments, Ltd. materially fails to fulfill its obligations under this agreement and the Village of Sherwood terminates or modifies the exemptions from taxation granted under this agreement.
9. If Schwarzbek Investments, Ltd. materially fails to fulfill its obligations under this agreement, or if the Village of Sherwood determines that the certification as to delinquent taxes required by this agreement is fraudulent, the Village of Sherwood 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. Schwarzbek Investments, Ltd. hereby certifies that at the time this agreement is executed, Schwarzbek Investments, Ltd. 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 Schwarzbek Investments, Ltd. is liable under Chapter 5733., 5735., 5739., 5741., 5743., 5747., or 5753. of the Revised Code, or, if such delinquent taxes are owed, Schwarzbek Investments, Ltd. 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 Schwarzbek Investments, Ltd.. For the purposes of the certification,



# Schwarzbek Investments, Ltd DBA Iron Horse Brews

Real property tax projections for an CRA agreement in Sherwood, OH

14-Sep-20

Taxable real improvements	Current \$ 506,625	(75%) of cost
35% taxable value	\$ 177,319	
Effective millage C18	47.862753	
Gross R/E tax with no exemption (may turn out to be lower depending on market value appraisal of building)	\$ 8,487	
Yearly exemption amount at 100% >>>	\$ 8,487	

Project breakdown 101 N. Harrison Sherwood, OH Remodeling and renovations plus equipment	5 new jobs 3 plus manure
Equipment	\$ 245,000
Building remodeling	\$ 675,500

Total \$ 920,500

Proposed 12 year term per Sherwood Village Council resolution

Central Local Schools	24.98064 mills	\$ 4,429.54
Four County Career Center	3.654537 mills	\$ 648.02

**Community Reinvestment Area Tax Exemption Program**  
Village of Sherwood Resolution No. 02-03-01 (March 25, 2002)

Complete top portion and forward to: Sherwood Community Reinvestment Area  
C/O Defiance County CIC  
197 A Island Park Avenue  
Defiance, Ohio 43512

Name of Real Property Owner : SCHWARZBEK INVESTMENTS, LTD

Address of Subject Property: 101 N. HARRISON ST, SHERWOOD, OH 43556

Exemption sought for: New Structure         
Remodeling   X  

Date of project completion: DECEMBER 4, 2 019

Does this involve a Structure of historical or architectural significance? Yes        No   X  

If yes, attach written certification of such by the designating agency or authorized agent.

Date: December 31, 2 019  MEMBER  
Signature of Property Owner

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FOR OFFICIAL USE ONLY

Legal Description of Property Location: Parcel C18-0002-0-161-00

Verification of Construction Cost: New structure \$                     

Remodeling \$ 675,500

Project meets requirements for an exemption under Resolution No. 02-03-01, Section 5:

- a.        100% for ten years
- b.   X   100% for twelve years
- c.        100% for fifteen years

Project involves structure of historical or architectural significance: Yes        No       

If yes, has written certification of appropriateness of the remodeling been submitted by the designating agency or authorized agent: Yes        No       

Period of Exemption for this improvement:                     , 2         
through                     , 2       

I certify that the project described herein meets the necessary requirements for the Community Reinvestment Area Program in the Village of Sherwood, Ohio.

\_\_\_\_\_  
Signature of Housing Officer

\_\_\_\_\_, 2 \_\_\_\_\_

(To be filed with the County Auditor)

## WAIVER OF NOTICE PERIOD FOR OHIO COMMUNITY REINVESTMENT AREA AGREEMENT

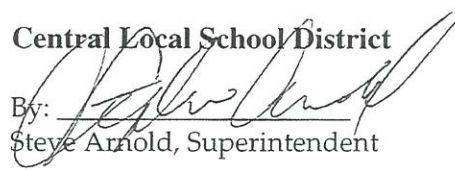
**Central Local School District** hereby acknowledges receipt of notice of application from, **Schwarzbek Investments, Ltd.**, Sherwood, Ohio, for property tax abatement through a Community Reinvestment Area under Section 3735.66 et al of the Ohio Revised Code this date.

**Central Local School District** also hereby waives their right of 14-day notice of this Community Reinvestment Area agreement.

The abatement being applied for by **Schwarzbek Investments, Ltd.**, is 100% abatement of real property taxes for a period of 12 years.

Date: 9-21-2026

**Central Local School District**

By:   
Steve Arnold, Superintendent

IN WITNESS WHEREOF, the Village of Sherwood, Ohio, by Jack Stantz, its Mayor, and pursuant to Resolution No. 20-10-03 has caused this instrument to be executed this 19th day of October 2020. And Schwarzbek Investments, Ltd. by Mickey Schwarzbek, Member, has caused this instrument to be executed on this 19th day of October 2020.

Village of Sherwood, Ohio

By: Jackie D. Stantz  
Mayor

Schwarzbek Investments, Ltd.

By: Mickey Schwarzbek  
Member

Approved as to form:

(Legal counsel for municipal corporation or county)