

# RECORD OF LEGISLATION

No. 11.78.2025

Passed 11-18, 20 25

**AUTHORIZING THE MAYOR TO ENTER INTO A COMMERCIAL COMMUNITY REINVESTMENT AREA AGREEMENT FOR REAL PROPERTY LOCATED WITHIN THE CIRCLEVILLE COMMUNITY REINVESTMENT AREA CONSTITUTING COMMERCIAL OR INDUSTRIAL STRUCTURES; AUTHORIZING AND APPROVING RELATED MATTERS; AND DECLARING AN EMERGENCY.**

**WHEREAS**, the City of Circleville, Ohio (the “City”), has encouraged the development of real property in areas designated as community reinvestment areas (“CRAs,” or singularly, a “CRA”); and

**WHEREAS**, on November 2, 2010, the Council of the City (the “Council”) passed Ordinance No. 11-66-2010 (the “Original CRA Ordinance”), designating certain real property within the City as the Circleville Community Reinvestment Area (the “Circleville CRA Area”) and declared the remodeling of existing commercial and industrial structures as well as the new construction of commercial and industrial structures within the Circleville CRA Area to be a public purpose for which the City may grant certain exemptions from real property taxation pursuant to Ohio Revised Code Sections 3735.65 through 3735.70 (the “CRA Act”) in effect at the time of passage of the Original CRA Ordinance; and

**WHEREAS**, the Ohio Department of Development determined that the Circleville CRA Area contained the characteristics required under Ohio Revised Code Section 3735.66 and subsequently certified the Circleville CRA Area as CRA No. 129-15070-01; and

**WHEREAS**, in order to encourage the further development of real property within the City, this Council amended and restated the Original CRA Ordinance pursuant to this Council’s passage of Ordinance No. 5-43-2025 on May 20, 2025 (the “Amended and Restated CRA Ordinance”), all in order to (i) expand the geographic size of the Circleville CRA Area, (ii) increase the term of certain real property tax exemptions applicable to the Circleville CRA Area, and (iii) amend the eligibility requirements applicable to the receipt of certain real property tax exemptions; and

**WHEREAS**, the Ohio Department of Development determined that the Circleville CRA Area, as amended by the Amended and Restated CRA Ordinance, contained the characteristics required under Ohio Revised Code Section 3735.66 and subsequently certified the Circleville CRA Area, as amended by the Amended and Restated CRA Ordinance, as CRA No. 129-15070-01A; and

**WHEREAS**, LHG Circleville LLC, an Ohio limited liability company (together with its affiliates and permitted successors and assigns, the “Owner”), as fee title holder to the Property (as described more particularly in Exhibit A attached hereto and incorporated herein, the “Property” with each parcel comprising the Property being a “Parcel”), has submitted to the City a proposed Commercial CRA Application (the “Commercial CRA Application”), attached to, and incorporated into, this Ordinance as Exhibit B; and

**WHEREAS**, pursuant to the Commercial CRA Application, the Owner intends to construct a new hotel at the Property consisting of an approximately 60,000 square foot extended stay facility with approximately 96 hotel rooms and together with improvements and appurtenances related thereto (the “Project”), provided that the appropriate development incentives are available to support the economic viability of the Project; and

**WHEREAS**, the Housing Officer (as defined by the Amended and Restated CRA Ordinance), or the Housing Officer’s designee, verified the facts asserted in the Commercial CRA Application, determined that the Owner is qualified to receive a Commercial CRA Exemption (as defined herein), and recommended that this Council approve the Commercial CRA Agreement (as defined herein) in order to provide one or more Commercial CRA Exemptions (as defined herein) for the Project with respect to any structure or any portion of any structure to be used for commercial or industrial activities at the Property, all pursuant to the terms of the CRA Act, the Original CRA Ordinance, the Amended and Restated CRA Ordinance, and the Commercial CRA Agreement (as defined herein); and

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**WHEREAS**, pursuant to Ohio Revised Code Section 3735.67(A) and the Amended and Restated CRA Ordinance, the City and the Owner desire to enter into an agreement (the "Commercial CRA Agreement") setting forth the terms and conditions of the Commercial CRA Exemption (as defined herein) with respect to the Owner and the Property, a form of which such Commercial CRA Agreement is attached to and incorporated into this Ordinance as Exhibit C; and

**WHEREAS**, the Property is located within the Circleville City School District and the Pickaway-Ross Career & Technology Center (the "School Districts") and the City has, in accordance with Ohio Revised Code Section 5709.83, provided a notice, including a copy of the Commercial CRA Agreement, to the Boards of Education of the School Districts not later than fourteen (14) days prior to the date on which this Council formally considered the approval of this Ordinance, which such notice is also a notice provided more than fourteen (14) days in advance of the date on which the Housing Officer shall forward the Commercial CRA Application to the Pickaway County Auditor pursuant to the terms of the Amended and Restated CRA Ordinance; and

**WHEREAS**, pursuant to Ordinance No. 12-75-2013 passed by this Council on December 17, 2013, this Council authorized a one hundred percent (100%) tax increment financing exemption from real property taxation pursuant to Ohio Revised Code Section 5709.40(B) with respect to the Property for a period of up to thirty (30) years (the "TIF Exemption"); and

**WHEREAS**, pursuant to the Final Determination Letter of the Ohio Tax Commissioner dated November 2, 2016 (DTE No. XE 1919), the original DTE-24 application was filed on behalf of the property owners without written consent and that, pursuant to the limitations set forth in Ohio Revised Code Section 5709.911, such that the TIF Exemption with respect to the Property shall be subordinate to any Commercial CRA Exemption authorized with respect to the Property; and

**WHEREAS**, it is the intention of this Council that the priority limitations of Ohio Revised Code Section 5709.911 shall continue to apply such that the TIF Exemption with respect to the Property shall be subordinated to any Commercial CRA Exemption authorized with respect to the Property.

**NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CIRCLEVILLE, COUNTY OF PICKAWAY, STATE OF OHIO AS FOLLOWS:**

**SECTION I: Qualification for Commercial CRA Exemption.** That this Council hereby determines that the Owner is qualified to receive a Commercial CRA Exemption (as defined herein) with respect to the Property, all pursuant to the CRA Act and the Amended and Restated CRA Ordinance.

**SECTION II. Commercial CRA Exemption.** This Council hereby approves the Commercial CRA Agreement attached to this Ordinance substantially in the form of Exhibit C, which such Commercial CRA Agreement shall generally take the form identified by the City as providing a real property tax exemption for the structure or structures to be used for commercial or industrial activities comprising the Property identified in the Commercial CRA Agreement due to the completion of the Project for a period of fifteen (15) years and in an amount equal to seventy five percent (75%) of the increase in the assessed value of the structure or structures to be used for commercial or industrial activities as a result of the completion of the Project.

**SECTION III. Authority to Execute Commercial CRA Agreement.** That the City is hereby authorized, and the Mayor, and the Mayor's designees, are hereby authorized to act on behalf of the City, to execute, deliver, and perform the Commercial CRA Agreement, substantially in the form attached to this Ordinance as Exhibit C, together with such changes as are consistent with this Ordinance and not materially adverse to the City, both of which shall be conclusively evidenced by the signature of the Mayor upon the Commercial CRA Agreement.

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**SECTION IV. Other Contributions.** That pursuant to the Commercial CRA Agreement, the Owner shall have paid to the Pickaway Progress Partnership, an initial contribution of two thousand five hundred dollars and zero cents (\$2,500.00) upon execution of the Commercial CRA Agreement. On each anniversary of the date of the execution of the Commercial CRA Agreement, the Owner shall pay to the Pickaway Progress Partnership, an annual contribution of two thousand five hundred dollars and zero cents (\$2,500.00).

That pursuant to the Commercial CRA Agreement and upon the execution of the Commercial CRA Agreement, the Owner shall have paid to each of the School Districts, an initial contribution of two thousand five hundred dollars and zero cents (\$2,500.00) divided proportionally between the School Districts based upon the proportional real property tax millage levied by each of the School Districts with respect to the Property. On each anniversary of the date of the execution of the Commercial CRA Agreement, the Owner shall pay to each of the School Districts, an annual contribution of two thousand five hundred dollars and zero cents (\$2,500.00) divided proportionally between the School Districts based upon the proportional real property tax millage levied by each of the School Districts with respect to the Property in any given year.

**SECTION V. Open Meetings.** This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law including ORC Section 121.22.

**SECTION VI. Effective Date.** In order to promote expanded commercial development within the City, at the earliest possible date, and for the immediate preservation of public peace, health, welfare and safety of the City and its residents, this Ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor.

PASSED: 11-18-2025  
DATE

Barry D. Kelle  
PRESIDENT OF COUNCIL

ATTEST: [Signature]  
CLERK OF COUNCIL

APPROVED: 11-18-2025  
DATE

Michael J. Blanton  
MAYOR

APPROVED AS FORM:  
[Signature]  
KENDRA C. KINNEY - LAW DIRECTOR

CERTIFICATE

I, Melissa Burns, Clerk of Council of the City of Circleville, Ohio do hereby certify the foregoing to be a true and correct copy of Ordinance No. [11.78.2025]-2025 as passed by Council of said City on the 18th day of November 2025 and as recorded in the Record of Proceedings of said Council.



\_\_\_\_\_  
Melissa Burns, Clerk of Council

Filed with Mayor: 11-18-2025

Published: 11-18-2025

## EXHIBIT A

### DESCRIPTION OF PROPERTY

The Property consists of those Parcels identified in the records of the Pickaway County Auditor as having the permanent parcel identification number noted below as of the date of the passage of the Ordinance to which this Exhibit A is attached. For the avoidance of doubt, the Parcels subject to the Commercial CRA Exemptions authorized pursuant the Ordinance to which this Exhibit A is attached shall consist of, and the authorizations of this Agreement shall apply to, Pickaway County Auditor's Permanent Parcel Identification Number: A05-0-151-00-017-31 comprising the Parcels highlighted below, as such Parcels may be sub-divided, combined, re-combined, re-numbered, or re-platted from time to time, as follows:



EXHIBIT B

COMMERCIAL CRA APPLICATION

[See Attached]

EXHIBIT C

COMMERCIAL CRA AGREEMENT

[See Attached]

## COMMERCIAL COMMUNITY REINVESTMENT AREA AGREEMENT

This **COMMERCIAL COMMUNITY REINVESTMENT AREA AGREEMENT** (the “**Agreement**”) is made and entered into as of this [ ] day of [ ], 2025 (the “**Effective Date**”) by and among the **CITY OF CIRCLEVILLE, OHIO**, an Ohio municipal corporation organized and existing under the Constitution of the State of Ohio and the laws of the State of Ohio with its principal offices at 133 S. Court St., Circleville, Ohio 43313 (the “**City**”) and **LHG Circleville LLC**, an Ohio limited liability company, together with its permitted successors and assigns (the “**Owner**”), together the City and the Owner are collectively referred to herein as the Parties (the “**Parties**”).

### WITNESSETH:

**WHEREAS**, The City has encouraged the development of real property in designated community reinvestment areas within the City (“**CRAs**,” or singularly, a “**CRA**”); and

**WHEREAS**, On November 2, 2010, the Council of the City (the “**Council**”) passed Ordinance No. 11-66-2010 (the “**Original CRA Ordinance**”), designating certain real property within the City as the Circleville Community Reinvestment Area (the “**Circleville CRA Area**”) and declared the remodeling of existing commercial and industrial structures as well as the new construction of commercial and industrial structures within the Circleville CRA Area to be a public purpose for which the City may grant certain exemptions from real property taxation pursuant to Ohio Revised Code Sections 3735.65 through 3735.70 (the “**CRA Act**”) in effect at the time of passage of the Original CRA Ordinance; and

**WHEREAS**, The Ohio Department of Development determined that the Circleville CRA Area contained the characteristics required under Ohio Revised Code Section 3735.66 and subsequently certified the Circleville CRA Area as CRA No. 129-15070-01; and

**WHEREAS**, In order to encourage the further development of real property within the City, the Council amended and restated the Original CRA Ordinance pursuant to Council’s passage of Ordinance No. 05-43-2025 on May 20, 2025 (the “**Amended and Restated CRA Ordinance**”), all in order to (i) expand the geographic size of the Circleville CRA Area, (ii) increase the term of certain real property tax exemptions applicable to the Circleville CRA Area, and (iii) amend the eligibility requirements applicable to the receipt of certain real property tax exemptions; and

**WHEREAS**, The Ohio Department of Development determined that the Circleville CRA Area, as amended by the Amended and Restated CRA Ordinance, contained the characteristics required under Ohio Revised Code Section 3735.66 and subsequently certified the Circleville CRA Area, as amended by the Amended and Restated CRA Ordinance, as CRA No. 129-15070-01A; and

**WHEREAS**, The Owner, as fee title holder to the Property (as described more particularly in **Exhibit A** attached to and incorporated into this Agreement, the “**Property**” with each parcel comprising the Property being a “**Parcel**”), has submitted to the City a proposed Commercial CRA

Application (the “**Commercial CRA Application**”), attached to, and incorporated into, this Agreement as **Exhibit B**; and

**WHEREAS**, Pursuant to the Commercial CRA Application, the Owner intends to construct a new hotel at the Property consisting of an approximately 60,000 square foot extended stay facility with approximately 96 hotel rooms and together with improvements and appurtenances related thereto (the “**Project**”), provided that the appropriate development incentives are available to support the economic viability of the Project; and

**WHEREAS**, The Housing Officer (as defined by the Amended and Restated CRA Ordinance), or the Housing Officer’s designee, verified the facts asserted in the Commercial CRA Application, determined that the Owner is qualified to receive a Commercial CRA Exemption (as defined herein), and recommended that the Council approve this Agreement in order to provide one or more Commercial CRA Exemptions (as defined herein) for the Project with respect to any structure or any portion of any structure to be used for commercial or industrial activities at the Property (with each separately identifiable structure with respect to the Project and applicable appurtenances thereto being known as a “**Building**”), all pursuant to the terms of the CRA Act, the Original CRA Ordinance, the Amended and Restated CRA Ordinance, and this Agreement; and

**WHEREAS**, The Property is located within the Circleville City School District and the Pickaway-Ross Career & Technology Center (the “**School Districts**”) and the City has, in accordance with Ohio Revised Code Sections 3735.671(A)(2) and 5709.83, provided a notice, including a copy of this Agreement, to the Boards of Education of the School Districts not later than fourteen (14) days prior to the date on which the Council formally considered the approval of the Commercial CRA Agreement Approval Ordinance (as defined herein), which such notice is also a notice provided more than fourteen (14) days in advance of the date on which the Housing Officer shall forward the Commercial CRA Application to the Pickaway County Auditor pursuant to the terms of the Amended and Restated CRA Ordinance; and

**WHEREAS**, Pursuant to Ordinance No. [ 11-78 ]-2025 passed by the Council of the City on November 18, 2025, as may be amended from time to time (the “**Commercial CRA Agreement Approval Ordinance**”), the Council of the City formally approved this Agreement and authorized the Commercial CRA Exemptions (as defined herein) with respect to each of the newly constructed Buildings at the Property as a result of the Project; and

**WHEREAS**, Pursuant to Ordinance No. 12-75-2013 passed by the Council of the City on December 17, 2013, the Council of the City authorized a one hundred percent (100%) tax increment financing exemption from real property taxation pursuant to Ohio Revised Code Section 5709.40(B) with respect to the Property for a period of up to thirty (30) years (the “**TIF Exemption**”); and

**WHEREAS**, Pursuant to the Final Determination Letter of the Ohio Tax Commissioner dated November 2, 2016 (DTE No. XE 1919), the original DTE-24 application was filed on behalf of the property owners without written consent and that, pursuant to the limitations set forth in Ohio Revised Code Section 5709.911, such that the TIF Exemption with respect to the Property shall be subordinate to any Commercial CRA Exemption authorized with respect to the Property;

and

**WHEREAS**, It is the intention of the City that the priority limitations of Ohio Revised Code Section 5709.911 shall continue to apply such that the TIF Exemption with respect to the Property shall be subordinated to any Commercial CRA Exemption authorized with respect to the Property.

**NOW, THEREFORE**, in consideration of the mutual covenants hereinafter contained and the benefit to be derived by the City and the Owner from the execution hereof, the receipt and sufficiency of which are hereby acknowledged, the Parties herein agree as follows:

**Section 1. Project.** The cost of the investments to be made in connection with the Project by the Owner are estimated to cumulatively exceed Eight Million Five Hundred Thousand Dollars and Zero Cents (\$8,500,000.00) (exclusive of any amounts for the acquisition of machinery and equipment, furniture and fixtures and inventory) commencing in November of 2025 with an expected completion date of November of 2027. The Parties agree and acknowledge that the estimates provided in this Section 1 are good faith estimates and shall not be construed in a manner that would limit the amount or term of any Commercial CRA Exemptions (as defined herein) granted pursuant to the terms of this Agreement. The Parties recognize that the costs associated with the Project may increase or decrease and that costs do not necessarily equal otherwise taxable value.

**Section 2. Project Schedule.** The Owner has zero (0) employees at the Property. The Owner currently estimates that the Project will result in approximately ten (10) full-time equivalent employment opportunities and up to fifteen (15) part-time employment opportunities, with hiring estimated to occur over an eighteen (18) month period beginning in May of 2027 and ending in 2028. The Owner currently estimates that the employment of full-time equivalent employees and temporary full-time equivalent employees at the Property will result in approximately Seven Hundred Thousand Dollars and Zero Cents (\$700,000.00) of total payroll (\$600,000.00 for full-time equivalents and \$100,000.00 for part-time equivalents) beginning in May of 2027. Currently, the Owner has zero (0) employees at the Property; therefore, no employment opportunities will be retained by the Owner in connection with the Project. The Parties agree and acknowledge that the estimates provided in this Section 2 are good faith estimates and shall not be construed in a manner that would limit the amount or term of any Commercial CRA Exemption (as defined herein) granted pursuant to the terms of this Agreement. The Parties recognize that the employment and payroll estimates associated with the Project may increase or decrease and that the Owner presently anticipates that all employees at the Property as a result of the Project will be hired by the Owner, future Third-Party Transferees (as further defined herein), or other third-party operators.

**Section 3. Commercial CRA Exemption.** Pursuant to the CRA Act, the Amended and Restated CRA Ordinance, and the Commercial CRA Agreement Approval Ordinance, and subject to the terms and conditions of this Agreement, the Council of the City has authorized a real property tax exemption with respect to the Project for a period of fifteen (15) years in an amount equal to seventy-five percent (75%) of the increase in the assessed value attributable to the newly constructed Buildings or portions of Buildings to be used for commercial or industrial activities comprising the Property (the "**Commercial CRA Exemption**"). The Housing Officer (as defined

pursuant to the Amended and Restated CRA Ordinance), or the Housing Officer's designee, shall, upon completion of the Project as evidenced by the issuance of one or more certificates of occupancy issued by the City with respect to the Building or portion of any Building for which a Commercial CRA Exemption is sought, forward to the Pickaway County Auditor (i) a copy of the Owner's initial Commercial CRA Application and (ii) a certification of the eligibility of such construction attributable to the Buildings or portions of Buildings at the Property to be placed on the tax list and duplicate by the Pickaway County Auditor as exempt property as required by Ohio Revised Code Section 3735.67(C).

For each separately identifiable Building or portion of any Building used for commercial or industrial purposes, the applicable Commercial CRA Exemption shall first apply, except as provided by Ohio Revised Code Section 3735.67(F), for the tax year in which the construction or remodeling would first be taxable but for the Commercial CRA Exemption, all pursuant to Ohio Revised Code Section 3735.67(D) and the Amended and Restated CRA Ordinance. For purposes of clarity, however, no Commercial CRA Exemption shall commence after tax year 2029 for taxes payable in calendar year 2030 (i.e., tax lien date January 1, 2029) nor extend beyond tax year 2043 for taxes payable in calendar year 2044 (i.e., tax lien date January 1, 2043).

**Section 4. Payment of Non-Exempt Taxes.** For purposes of this Section 4, "taxes" means all real property taxes, service payments in lieu of taxes, general and special assessments, and any other governmental charges, including community development charges levied pursuant to Ohio Revised Code Chapter 349 by the Circleville New Community Authority (as defined herein) with respect to the Property, validly levied or assessed against a Parcel or any portion of any Parcel (including as may be levied against any Building or portion of any Building from time to time) at the Property. The Owner shall pay such taxes as are not exempted under this Agreement and charged against such Owner's Property (including Buildings if applicable) and shall file all tax reports and returns as required by law in connection therewith. If an Owner fails to pay such taxes or file such returns and reports, and such failure is not corrected for a period of more than twelve (12) months, the Owner must provide evidence to the Housing Officer that the Pickaway County Treasurer has approved a payment arrangement with respect to such delinquent taxes and other charges. If such taxes remain delinquent for a period of more than twelve (12) months and the Owner cannot provide evidence of a payment arrangement with the Pickaway County Treasurer or the Owner defaults in making payments under a payment arrangement with the Pickaway County Treasurer's Office, the Housing Officer may rescind all Commercial CRA Exemptions granted under this Agreement with respect to that applicable Owner beginning with the tax year for which such unpaid taxes are charged or such unfiled reports or returns are required to be filed and thereafter. Any such rescission, as provided in this Section 4, shall have no effect on Commercial CRA Exemptions granted under this Agreement with respect to any other Owner other than that applicable, defaulting Owner.

**Section 5. Certification as to No Delinquent Taxes.** The Owner hereby certifies that at the time this Agreement is executed, the Owner 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 the Owner is liable under Ohio Revised Code Chapters 5733, 5735, 5739, 5741, 5743, 5747, or 5753, or, if such delinquent taxes are owed, the Owner 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 the Owner. For the purposes of this 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.

**Section 6. Cooperation of the City.** The City shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve, and maintain the Commercial CRA Exemptions granted under this Agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such Commercial CRA Exemptions.

**Section 7. Revocation of Circleville CRA Area Designation.** If for any reason the City revokes its designation of the Circleville CRA Area containing the Property, or the Director of the Ohio Department of Development revokes certification of the Circleville CRA Area containing the Property, all as amended by the Amended and Restated CRA Ordinance, the Commercial CRA Exemptions granted under this Agreement shall continue for the number of years specified under this Agreement unless the Owner materially fails to fulfill its obligations under this Agreement and the City terminates or modifies the Commercial CRA Exemptions granted pursuant to the Amended and Restated CRA Ordinance and this Agreement with respect to the Property.

**Section 8. Termination, Suspension, or Modification Upon Default.** If the Owner does not comply with the terms of this Agreement and such noncompliance is documented by the proper Tax Incentive Review Council's recommendation to the City to terminate, suspend, or modify any of the Commercial CRA Exemptions granted by this Agreement under Ohio Revised Code Section 5709.85, or if the City determines that the certifications as to delinquent taxes required by this Agreement are fraudulent, the City may terminate, suspend, or modify the Commercial CRA Exemptions granted under this Agreement with respect to the applicable Owner in default. Any such termination, suspension, or modification, as provided in this Section 8, shall have no effect on Commercial CRA Exemptions granted under this Agreement with respect to an Owner other than the applicable, defaulting Owner. All Commercial CRA Exemptions granted under this Agreement with respect to any Building or any portion of any Building at the Property with respect to an applicable Owner may be rescinded beginning with the tax year for which such unpaid taxes are charged or such unfiled reports or returns are required to be filed and thereafter, subject to reinstatement as set forth below. Any such rescission, as provided in this Section 8, shall have no effect on Commercial CRA Exemptions granted under this Agreement with respect to any Building or any portion of any Building at the Property occupied by the Owner other than such applicable, defaulting Owner. If any Building or any portion of any Building at the Property is owned by more than one Owner, any Commercial CRA Exemption rescinded pursuant to this Section 8 may only be rescinded for that portion of any Building or any portion of any Building at the Property owned by such applicable, defaulting Owner ("**Partial Rescission**"). The remaining portion of any Building or any portion of any Building at the Property occupied by any other Owner other than that applicable, defaulting Owner, shall continue to receive any such Commercial CRA Exemption granted pursuant to this Agreement. This Partial Rescission may be effectuated pursuant to Ohio Revised Code Section 5713.04, which permits Parcels to be split-listed when only a portion is exempt from real property tax (as may be otherwise approved by the

City and the Pickaway County Auditor from time to time) or otherwise as may be implemented by the Pickaway County Auditor. Where an applicable Owner has defaulted under this Agreement, such applicable, defaulting Owner may apply for reinstatement of the Commercial CRA Exemption with respect to any Building or any portion of any Building at the Property upon the expiration of the Owner's right to occupy or regularly use that Building or any portion of any Building at the Property, which such reinstatement shall not be unreasonably denied, delayed, or conditioned by the City.

The City may require any defaulting Owner, upon any such termination, suspension, or modification, to reimburse to each taxing authority any already-received benefits of the applicable Commercial CRA Exemption as taxes due to each taxing authority. The City may secure repayment of the amount of such already-received Commercial CRA Exemption benefits that are to be repaid by a lien on the Building or portion of the Building subject to the applicable Commercial CRA Exemption. Such lien may 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. In the event that (A) a mortgage lien is unable to be perfected or enforced against the applicable real property, or (B) the Owner fails to pay any such installment within sixty (60) days after the due date thereof, the City may either enforce its mortgage lien or may (i) accelerate payment of all of the unpaid installments by giving notice thereof to the Owner, as applicable, and, if not already done in accordance with the terms of this Agreement, direct the Pickaway County Auditor to strike the Parcel or portion of the Parcel from the exempt list in accordance with Section 5713.08 of the Ohio Revised Code, and (ii) direct the Pickaway County Auditor to certify, as an additional charge on the property, the amount of the unpaid installments to the Pickaway County Treasurer as delinquent taxes and the Pickaway County Treasurer shall collect such amount in the manner prescribed by law for the collection of delinquent taxes.

**Section 9. Further Obligations of Owner.**

- (i) The Owner shall provide to the proper Tax Incentive Review Council any information reasonably required by that Tax Incentive Review Council to evaluate the Owner's compliance with this Agreement, including returns filed pursuant to Ohio Revised Code Section 5711.02 if requested by the Tax Incentive Review Council.
- (ii) The Owner shall, and all Buildings associated with the Project shall, comply at all times with all applicable City planning and zoning codes, as the same may be amended from time to time.
- (iii) Each Owner of any Building or any portion of any Building at the Property subject to a Commercial CRA Exemption shall: (i) provide such information, in such content, detail, and format as shall be reasonably determined by the City, that may be required by the City to enforce its municipal income tax laws, including the City's obligations to account for and share income tax revenue with any other entity, (ii) execute, and deliver in favor of the City an applicable authorization for the release of tax records to the Regional Income Tax Authority in order for the City to evaluate compliance with this Agreement, and (iii) prior to March 31st of each year for which a Commercial CRA

Exemption is in effect, cooperate with the Housing Officer (as defined by the Amended and Restated CRA Ordinance) to file the annual reports required pursuant to Ohio Revised Code Section 3735.672.

- (iv) Each Owner of any Building or any portion of any Building at the Property subject to a Commercial CRA Exemption shall: (i) pursuant to Section 11(c)(I) of the Amended and Restated CRA Ordinance, petition or otherwise consent to the addition of the Property to the territory of the Circleville New Community Authority established by the City pursuant to Ordinance No. 03-19-2023 on March 7, 2023 (the “**Circleville New Community Authority**”) and the filing of one or more Supplemental Declarations upon the Property to effect the same and (ii) pay all “community development charges” that may be levied by the Circleville New Community Authority upon the Property from time to time during the time in which the Owner, and its permitted successors and assigns, are the fee owner of any portion of the Property.
- (v) The Owner acknowledges and agrees that the CRA Exemptions contemplated herein may be subject to the municipal income tax sharing provisions of Ohio Revised Code Section 5709.82, and that in any year such provisions apply with respect to the CRA Exemption, the Owner shall directly pay to the applicable School Districts any obligation of the City otherwise due under Ohio Revised Code Section 5709.82 from time to time.

**Section 10. Transfer or Assignment; Release from Liability.** This Agreement is not transferable or assignable without the express written approval of the City. The City shall retain the right to consider the approval of the transfer or assignment of this Agreement and the benefits and obligations hereof, which approval shall not be unreasonably withheld or delayed, to any person or entity other than the Owner, which is a transferee by sale or other means of transfer of all or any portion of the Property (a “**Third-Party Transferee**” and such transferred property, the “**Transferred Property**”). Provided, that as a condition to the right to receive Commercial CRA Exemptions as set forth in this Agreement, each Third-Party Transferee shall execute and deliver to the City a Partial Assignment and Assumption Agreement in substantially the form attached hereto as **Exhibit C**, as may be amended from time to time (the “**Partial Assignment and Assumption Agreement**”). Pursuant to the applicable Partial Assignment and Assumption Agreement, the applicable Third-Party Transferee shall (a) assume all obligations of the Owner under this Agreement with respect to the Transferred Property and (b) certify as to the validity, as to the Third-Party Transferee, of the representations, warranties, and covenants contained herein and in the applicable Partial Assignment and Assumption Agreement as to such Third-Party Transferee. The City agrees to consider approval of each Partial Assignment and Assumption Agreement properly executed by a Third-Party Transferee and the City agrees to execute and deliver an original thereof to the Third-Party Transferee if the City has approved the applicable Partial Assignment and Assumption Agreement. The Owner or the applicable Third-Party Transferee shall pay to the City’s designated legal counsel, Bricker Graydon LLP or other designated legal counsel from time to time, its reasonable fees and expenses for costs incurred with respect to the preparation and authorization of any such Partial Assignment and Assumption Agreement. The payment shall be due within thirty (30) business days after complete execution and delivery by the City of any such Partial Assignment and Assumption Agreement. Upon

execution by the City of any such Partial Assignment and Assumption Agreement with respect to the Transferred Property, the Third-Party Transferee shall have all entitlements and rights to the Commercial CRA Exemptions and obligations with like effect as if the Third-Party Transferee had been the original Owner and a Party to this Agreement.

**Section 11. Related Member Requirements.** Commercial CRA Exemptions from real property taxation granted under this Agreement shall be revoked with respect to the Property if it is determined that the Owner, any successor to the Owner or any related member (as those terms are defined in Ohio Revised Code Section 3735.671(C) have violated the prohibition against entering into this Agreement under Ohio Revised Code Sections 3735.671(C), 5709.62 or 5709.63 prior to the time prescribed by those sections.

**Section 12. Approval of the City.** The City and the Owner acknowledge that this Agreement must be approved by formal action of the Council of the City as a condition for the Agreement to take effect and that the Council of the City has approved this Agreement pursuant to the Commercial CRA Agreement Approval Ordinance. This Agreement shall take effect upon the expiration of any applicable waiting period with respect to the Commercial CRA Agreement Approval Ordinance and the City's execution of this Agreement thereafter.

**Section 13. Other Contributions.** The Owner shall have paid to the Pickaway Progress Partnership, an initial contribution of two thousand five hundred dollars and zero cents (\$2,500.00) upon execution of this Agreement. On each anniversary of the date of the execution of this Agreement, the Owner shall pay to the Pickaway Progress Partnership, an annual contribution of two thousand five hundred dollars and zero cents (\$2,500.00).

Upon the execution of this Agreement, the Owner shall have paid to each of the School Districts, an initial contribution of two thousand five hundred dollars and zero cents (\$2,500.00) divided proportionally between the School Districts based upon the proportional real property tax millage levied by each of the School Districts with respect to the Property. On each anniversary of the date of the execution of this Agreement, the Owner shall pay to each of the School Districts, an annual contribution of two thousand five hundred dollars and zero cents (\$2,500.00) divided proportionally between the School Districts based upon the proportional real property tax millage levied by each of the School Districts with respect to the Property in any given year.

For the avoidance of doubt, each of the School Districts and the Pickaway Progress Partnership shall each be a third-party beneficiary of the representations, warranties and covenants of this Section 13 of this Agreement, entitled to enforce the terms of this Section 13 of this Agreement as if they were original parties hereto. The Owner further agrees that it shall pay to the City an amount not to exceed twenty-five thousand dollars and zero cents (\$25,000.00) to reimburse the City for legal and professional costs incurred with respect to the preparation and authorization of the Commercial CRA Exemptions with respect to the Project, including but not limited to, the preparation and authorization of the Commercial CRA Agreement Approval Ordinance, this Agreement, and related documentation with respect to the same, within thirty (30) days of receipt.

**Section 14. Non-Discriminatory Hiring.** The Owner agrees to follow non-discriminatory hiring practices and acknowledges that no individual may be denied employment solely based on race, religion, sex, disability, color, national origin, or ancestry or any other classification that is now or may become a classification protected by generally applicable law.

**Section 15. No False Statements.** The Owner affirmatively represents and agrees it has made no false statements to the State of Ohio or the City or any other local political subdivisions in the process of obtaining approval of the Commercial CRA Exemptions applicable to the Project under this Agreement. If any representative of the Owner has knowingly made a false statement to the State of Ohio or a local political subdivision to obtain the Commercial CRA Exemptions contemplated hereunder, the Owner shall be required to immediately return all benefits received under this Agreement pursuant to Ohio Revised Code Section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the State of Ohio, any State of Ohio agency or a political subdivision pursuant to Ohio Revised Code 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 Ohio Revised Code Section 2921.13(D)(1), which is punishable by a fine of not more than one thousand dollars (\$1,000) or a term of imprisonment of not more than six (6) months.

**Section 16. Counterparts.** This Agreement may be signed in one or more counterparts or duplicate signature pages with the same force and effect as if all required signatures were contained in a single, original instrument. Any one or more of such counterparts or duplicate signature pages may be removed from any one or more original copies of this Agreement and annexed to other counterparts or duplicate signature pages to form a completely executed, original instrument.

**Section 17. Severability; Construction; Headings.** If any provision of this Agreement or the application of any such provision to any such person or any circumstance shall be determined to be invalid or unenforceable, then such determination shall not affect any other provision of this Agreement or the application of such provision to any other person or circumstance, all of which other provisions shall remain in full force and effect. If any provision of this Agreement is capable of two (2) constructions one (1) of which would render the provision valid, then such provision shall have the meaning which renders it valid. The captions and headings in this Agreement are for convenience only and in no way define, limit, prescribe or modify the meaning, scope, or intent of any provisions hereof.

**Section 18. Validity.** The Owner covenants and agrees that they are prohibited from challenging the validity of this Agreement, the Circleville CRA Area, and any Commercial CRA Exemptions authorized by the Amended and Restated CRA Ordinance and the Commercial CRA Agreement Approval Ordinance. In that regard, the Owner waives any defects in any proceedings related to the Circleville CRA Area, this Agreement, and any Commercial CRA Exemptions authorized by the Amended and Restated CRA Ordinance and the Commercial CRA Agreement Approval Ordinance.

**Section 19. Modification.** If, notwithstanding Section 10 of this Agreement, it becomes necessary to modify the terms of this Agreement to reflect the exact legal and financing

structure utilized by the Owner in developing, equipping, and operating the Project, the Owner shall request an amendment to this Agreement. Any modification shall only be effective if in a writing agreed to by the City, in its reasonable discretion.

**Section 22. Notices.** Any notices, statements, acknowledgements, consents, approvals, certificates or requests required to be given on behalf of any Party to this Agreement shall be made in writing addressed as follows and sent by (i) registered or certified mail, return receipt requested, and shall be deemed delivered when the return receipt is signed, refused or unclaimed, (ii) by nationally recognized overnight delivery courier service and shall be deemed delivered the next business day after acceptance by the courier service with instructions for next-business-day delivery, or (iii) by facsimile transmission and shall be deemed delivered upon receipt of confirmation of transmission, or to any such other addresses as may be specified by any Party, from time to time, by prior written notification, as follows:

If to the City:	City of Circleville 130 South Court Street Circleville, Ohio 43313 Attention: Housing Officer
With a Copy To:	Pickaway Progress Partnership 1360 Lancaster Pike, Suite 111 Circleville, Ohio 43113 Attention: Assistant Director
With a Copy To:	Robert F. McCarthy, Esq. Bricker Graydon, LLP 100 S. Third Street Columbus, Ohio 43215-4291 rmccarthy@brickergraydon.com
If to the Owner:	Lucid Hotel Group 121 Raydo Circle Springfield, Ohio 45506 Attention: Chief Executive Officer

**Section 23. Entire Agreement.** This Agreement constitutes the entire agreement between the Owner and the City pertaining to the subject matter contained herein and therein and supersedes all other prior or contemporaneous agreements or understandings between the Owner and the City in connection with the subject matter hereof.

**Section 24. Ohio Revised Code Sections.** All references to provisions of the Ohio Revised Code shall include those provisions as may be amended or supplemented from time to time by the Ohio General Assembly; provided, that no amendment, modification, revision, supplement, or superseding section, provision, or chapter shall be applicable solely by reason of this paragraph if it constitutes in any way an impairment of the rights or obligations of the Parties hereunder.

**Section 25. Governing Law and Choice of Forum.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Ohio. All claims, counterclaims, disputes, and other matters in question among the City and the Owner, and the Owner's employees, contractors, subcontractors, and agents arising out of or relating to this Agreement or its breach will be decided in a court of competent jurisdiction within Pickaway County, Ohio.

**Section 26. Effective Date.** Notwithstanding anything to the contrary herein, this Agreement shall take effect upon the expiration of any applicable waiting period with respect to the Commercial CRA Agreement Approval Ordinance and the City's execution of this Agreement.

[Signature Page Follows]





## EXHIBIT A

### DESCRIPTION OF THE PROPERTY

The Property consists of those Parcels identified in the records of the Pickaway County Auditor as having the permanent parcel identification number noted below as of the date of the passage of the Commercial CRA Agreement Approval Ordinance. For the avoidance of doubt, the Parcels subject to the Commercial CRA Exemptions authorized pursuant the Commercial CRA Agreement Approval Ordinance shall consist of, and the authorizations of this Agreement shall apply to, Pickaway County Auditor's Permanent Parcel Identification Number: A05-0-151-00-017-31 comprising the Parcels highlighted below, as such Parcels may be sub-divided, combined, re-combined, re-numbered, or re-platted from time to time, as follows:



**EXHIBIT B**

**COMMERCIAL CRA APPLICATION**

[See Attached]

**EXHIBIT C**

**FORM OF PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT**

**PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT**

This **PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT** (the “**Agreement**”) is made and entered into as of [\_\_\_\_\_] [\_\_\_\_], [\_\_\_\_] (the “**Effective Date**”) by and among the City of Circleville, Ohio (the “**City**”), a political subdivision of the State of Ohio, through the Council of the City (the “**Council**”); [\_\_\_\_\_] a [\_\_\_\_\_] together with its permitted successors and assigns (the “**Owner**”), and [\_\_\_\_\_] a [\_\_\_\_\_] (the “**Successor**” and together with the City and the Owner the “**Parties**”). Except as otherwise provided, capitalized terms used herein shall have the same meanings as in the Commercial CRA Agreement (as defined herein) between the City and LHG Circleville LLC, an Ohio limited liability company, together with its permitted successors and assign (the “**Owner**”), made effective [\_\_\_\_\_] [\_\_\_\_], 2025, as may be amended from time to time (the “**Commercial CRA Agreement**”), a copy of which is attached hereto as **Exhibit A**.

**WITNESSETH:**

**WHEREAS**, The Council passed the Amended and Restated CRA Ordinance designating certain real property within the City as the Circleville CRA Area and declaring the remodeling of existing commercial, and industrial structures as well as the construction of new commercial, and industrial structures within the Circleville CRA Area to be a public purpose for which the City may grant exemptions from real property taxation pursuant to the CRA Act; and

**WHEREAS**, The City and the Owner entered into the Commercial CRA Agreement, as approved by the Council pursuant to the Commercial CRA Agreement Approval Ordinance, all to provide appropriate development incentives to support the economic viability of the Project; and

**WHEREAS**, By virtue of that certain [\_\_\_\_\_] dated as of [\_\_\_\_\_] [\_\_\_\_], [\_\_\_\_] and known by Instrument No. [\_\_\_\_\_] in the records of the Pickaway County Recorder (the “**Transfer Instrument**”), a copy of which is attached hereto as **Exhibit B** and incorporated herein by reference, the Successor has succeeded on [\_\_\_\_\_] [\_\_\_\_], [\_\_\_\_] (the “**Transfer Date**”) to the interest of the Owner in the Transferred Property, which such Transferred Property acquired by the Successor is identified by the Transfer Instrument; and

**WHEREAS**, Pursuant to the Commercial CRA Agreement, the City retained the right to consider the approval of the transfer or assignment of the Commercial CRA

Agreement and the benefits and obligations thereof, which such approval shall not be unreasonably withheld or delayed, to any Third-Party Transferee of all or any portion of any Transferred Property Parcel; provided, however, that each Third-Party Transferee execute and deliver this Agreement to the City.

**NOW, THEREFORE,** in consideration of the mutual covenants hereinafter contained, including the covenants contained in the Commercial CRA Agreement, and the benefits to be derived by the Parties from the execution hereof, the receipt and sufficiency of which are hereby acknowledged, the Parties herein agree as follows:

**Section 1. Assignment and Assumption.** From and after the Transfer Date, the Owner hereby assigns (a) all of the obligations, agreements, covenants, and restrictions set forth in the Commercial CRA Agreement to be performed and observed by the Owner with respect to the Transferred Property, and (b) all of the benefits of the Commercial CRA Agreement with respect to the Transferred Property. From and after the Transfer Date, the Successor hereby (i) agrees to be bound by, assume and perform, or ensure the performance of, all of the obligations, agreements, covenants, and restrictions set forth in the Commercial CRA Agreement to be performed and observed by the Owner with respect to the Transferred Property; and (ii) certifies to the validity, as to the Successor as of the date of this Agreement, of all of the representations, warranties, and covenants made by or required of the Owner that are contained in the Commercial CRA Agreement.

**Section 2. City Acknowledgement.** The City acknowledges through the Transfer Date that the Commercial CRA Agreement is in full force and effect and confirms that the Owner has complied with the terms of the Commercial CRA Agreement with regard to the Transferred Property and releases the Owner from any liability accruing after the Transfer Date with regard only to the Transferred Property.

**Section 3. Successor Certification.** The Successor further certifies that, as required by Ohio Revised Code Section 3735.671(C), (i) the Successor is not a party to a prior agreement granting an exemption from taxation with respect to a structure or any portion of any structure in the State of Ohio, at which such structure or portion of any structure the Successor has discontinued operations prior to the expiration of the term of that prior agreement and within the three (3) years immediately prior to the date of this Agreement, (ii) nor is Successor a “successor” to, nor “related member” of, a party as described in the foregoing clause (i). As used in this paragraph, the terms “successor” and “related member” have the meaning as prescribed in Ohio Revised Code Section 3735.671(C).

**Section 4. Entitlement of Successor.** The City agrees that, as to the Transferred Property, the Successor has and shall have all entitlements and rights to the Commercial CRA Exemption, and obligations with like effect as if the Successor had been an original Owner to the Commercial CRA Agreement.

**Section 5. Certification as to No Delinquent Taxes.** The Successor hereby certifies that at the time this Agreement is executed, (i) it 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 it is liable under Ohio Revised Code Chapters 5733, 5735, 5739, 5741, 5743, 5747, or 5753 and does not owe any delinquent community development charges levied by the Circleville New Community Authority, or, if such delinquent taxes or community development charges are owed, it is currently paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof and it has disclosed such undertaking to the City prior to the execution of this Agreement, (ii) it has not filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., and (iii) no such petition has been filed against it. For the purposes of this certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the applicable chapter of the Ohio Revised Code governing payment of those taxes.

**Section 6. Notices.** Notices to the Successor with respect to the Commercial CRA Agreement shall be given as stated in Section 22 of the Commercial CRA Agreement, addressed as follows:

\_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_

**Section 7. Ohio Revised Code Sections.** All references to provisions of the Ohio Revised Code shall include those provisions as may be amended or supplemented from time to time by the Ohio General Assembly; provided, that no amendment, modification, revision, supplement, or superseding section, provision, or chapter shall be applicable solely by reason of this paragraph if it constitutes in any way an impairment of the rights or obligations of the Parties hereunder.

[Signature Pages Follow]



**OWNER**

\_\_\_\_\_, a \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF [\_\_\_\_\_] )

) SS:

COUNTY OF [\_\_\_\_\_] )

The foregoing instrument was acknowledged before me this [\_\_\_\_\_] day of [\_\_\_\_\_] 20[\_\_\_\_], by [\_\_\_\_\_] the [\_\_\_\_\_] of [\_\_\_\_\_] a [\_\_\_\_\_] on behalf of [\_\_\_\_\_]. This is an acknowledgement. No oath or affirmation was administered to the signer with regard to this notarial act.

\_\_\_\_\_  
Notary Public

**SUCCESSOR**

\_\_\_\_\_, a \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF [\_\_\_\_\_] )

) SS:

COUNTY OF [\_\_\_\_\_] )

The foregoing instrument was acknowledged before me this [\_\_\_\_\_] day of [\_\_\_\_\_] 20[\_\_\_\_], by [\_\_\_\_\_] the [\_\_\_\_\_] of [\_\_\_\_\_] a [\_\_\_\_\_] on behalf of [\_\_\_\_\_]. This is an acknowledgement. No oath or affirmation was administered to the signer with regard to this notarial act.

\_\_\_\_\_  
Notary Public

**ACKNOWLEDGMENT OF OWNER**

The Owner (as further defined in the Commercial CRA Agreement) hereby confirms its obligations under the Commercial CRA Agreement and hereby agrees to be bound by, assume and perform, or ensure the performance of, all of the obligations, agreements, covenants, and restrictions set forth in the Commercial CRA Agreement to be performed and observed by the Owner (except to the extent to which such obligations, agreements, covenants, and restrictions are expressly assumed by the Successor and related to any Transferred Property).

**OWNER**

\_\_\_\_\_, a \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A**  
**TO PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT**

**Copy of Commercial CRA Agreement**

[See Attached]

**EXHIBIT B**  
**TO PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT**

**Copy of Transfer Instrument**

[See Attached]