

RECORD OF LEGISLATION

No. 01.05.2026

Passed 1-20, 20 26

AN ORDINANCE GRANTING TO HEALTHCARE LOGISTICS LOCAL JOB CREATION INCOME TAX CREDITS AGAINST THE INCOME TAX OF THE CITY PURSUANT TO THE PROVISIONS OF THE MUNICIPAL INCOME TAX CREDIT PROGRAM AND DECLARING AN EMERGENCY.

WHEREAS, pursuant to the Ohio Revised Code §718.15 and §122.17, the council of the City of Circleville has previously established a Municipal Income Tax Credit Program to grant local job creation income tax credits against the City Income Tax where a taxpayer meets the basic eligibility requirements for such credits in accordance with the policies, procedures and guidelines established under the Ohio Revised Code and the Economic Growth Incentive Program adopted by the City; and

WHEREAS, It has been determined that Healthcare Logistics has met all the terms, conditions, policies, and procedural guidelines necessary to qualify for and be granted local job creation income tax credits against the City Income Tax pursuant to the Economic Growth Incentive Program of the city; and

WHEREAS, Council specifically finds that the Job Creation Project of Healthcare Logistics will create jobs in the State of Ohio and the City of Circleville, is economically sound and will benefit the people of the State and the City of Circleville by increasing opportunities for employment and strengthening the economy of the State and the City and that receiving the tax credit is a critical factor in the decision of Healthcare Logistics to proceed with the project; and

WHEREAS, the granting of the Local Job Creation Income Tax Credit will not be detrimental to the citizens of the City of Circleville and the same ought to be done.

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

SECTION I: That Healthcare Logistics, having met all the terms, conditions, policies and procedural guidelines necessary to qualify for a Local Job Creation Income Tax credit, is hereby granted a credit of 50% for all eligible full-time employees' 2.5% income tax withholdings that are paid to the City of Circleville commencing January 1, 2026 and continuing thereafter for a period of five (5) years.

SECTION II. That as a condition of this grant, Healthcare Logistics must continue to pay at least 175% of the Federal Minimum Wage for all eligible full-time employee positions employed under its Job Creation Project and must invest all grant dollars received by virtue of this tax credit program into local capital investment, workforce development or local infrastructure.

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

SECTION IV. This ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, or safety of the citizens of the City of Circleville and shall be in full force and effective immediately upon its passage.

PASSED: 1-20-2026
DATE

PRESIDENT OF COUNCIL

ATTEST: Melissa J. Smith
CLERK OF COUNCIL

APPROVED: 1-20-2026
DATE

Michael J. Blanton
MAYOR

APPROVED AS FORM: [Signature]

KENDRA C. KINNEY - LAW DIRECTOR

RECORD OF LEGISLATION

	<i>No.</i> _____ <i>Passed</i> _____, 20 ____	

Job Creation Incentive

New Emplc Payroll		Income Tax	Benefit	5 year Benefit
53	\$3,900,000	2.5%	\$48,750	\$243,750

Net Profit Tax Incentive

Empolyee	Taxable Income	Income Tax	Benefit	5 year Benefit
53	\$762,361	2.5%	\$9,530	\$47,648

**CITY OF CIRCLEVILLE
ECONOMIC GROWTH INITIATIVE
Agreement**

The mission of the Economic Growth Initiative is to encourage economic growth in the City of Circleville. The core objective of the program is to promote and expand economic growth and vitality of the City of Circleville. Growth will be achieved by focusing on new growth, through business retention and/or expansion efforts and new business recruitment to the City of Circleville.

The Economic Growth Initiative will consist of two (2) cash based programs for enterprises that are expanding or relocating within the City of Circleville. These initiatives will consist of a "Job Creation Incentive Program" and the "Net Profit Tax Incentive Program".

A. Job Creation Incentive Program:

The mission of the Job Creation Incentive Program is to expand the tax base of the City of Circleville by creating jobs for City residents and making the City competitive within the State of Ohio and the region.

The City of Circleville shall provide yearly payment to an enterprise up to 75% of the employee's 2.5% income tax withholdings that are paid to the City of Circleville. An enterprise must relocate new jobs to the City of Circleville or create "net new jobs". The term of this incentive shall not exceed five (5) years.

Basic Eligibility Requirements:

1. Eligible enterprises include new or existing businesses within the City of Circleville.
2. Enterprise must create or relocate a minimum of ten (10) "net new full-time jobs".
3. "Net new full-time jobs" must be from new or existing enterprises relocating or expanding within the City of Circleville.
4. Applicants must apply for the incentive prior to expanding the business, signing a lease, constructing a new facility, annexing or purchasing a building within the City of Circleville.
5. Only enterprises creating net new full-time jobs paying 175% of the Federal minimum wage are eligible for the credit.
6. Enterprise must invest grant dollars received from the program into local capital investment, workforce development or local infrastructure.

Guidelines for Rate and Term of Credit:

1. Creating 10-25 "net new jobs"; 25% for three (3) years.
2. Creating 26-75 "net new jobs"; 50% for five (5) years.
3. Creating more than 75 "net new jobs"; 75% for five (5) years.

B. Net Profit Tax Incentive Program:

The mission of the Net Profit Tax Incentive Program is to expand the City's tax base by recruiting new businesses to the City. Any enterprise that relocates to the City of Circleville will be eligible for a yearly payment up to 75% of the "net profits tax" that are paid to the City of Circleville. The term of this incentive shall not exceed five (5) years.

Basic Eligibility Requirements:

1. Only enterprises that are relocating to the City of Circleville are eligible for this program.
2. The program shall be limited to employers that are subject to the City of Circleville's 2.5% net profit income tax.
3. Enterprise must relocate a minimum of ten (10) new full-time jobs to the City of Circleville.
4. Applicants must apply for the incentive prior to signing a lease, constructing a new facility, annexing or purchasing a building within the City of Circleville.
5. Only enterprises creating new net jobs paying 175% of the Federal minimum wage are eligible for the credit.
6. Enterprise must invest grant dollars received from this program into the local capital investment, workforce development or local infrastructure.

Guidelines for Rate and Term of Credit:

1. Creating 10-25 "net new jobs"; 25% for three (3) years.
2. Creating 26-75 "net new jobs"; 50% for five (5) years.
3. Creating more than 75 "net new jobs"; 75% for five (5) years.

TERMS & CONDITIONS ECONOMIC GROWTH INITIATIVE POLICIES AND PROCEDURES

Term & Payment:

1. An enterprise must be in the EGI program for one full year prior to any payment being made.
2. The term & payment for "new jobs", "net new jobs" created or on net profits shall begin January 1 of the next calendar year.
 - a. Job Creation Incentive Program- Payment shall be made by June 1 of each year on paid withholding taxes net of refunds.
 - b. Net Profit Tax Incentive Program-Payment shall be made by June 1 of each year or 45 days after filing a City of Circleville net profits tax return, on paid net profit taxes.

Example- If an enterprise is granted an EGI incentive in January 1, 2009, the first payment shall be June 1, 2010.

3. All taxes that are due must be paid prior to an enterprise receiving payment.

“Net New Job” Definition:

For the purposes of these programs a "net new job" means a full-time employee first employed by an enterprise after the enterprise enters the Job Creation Incentive program.

"Net new job" does not include an employee if, immediately prior to being employed by the enterprise, the employee was employed by another enterprise that is a related member or predecessor enterprise of that enterprise.

"Net new job" does not include an employee who was previously employed by the enterprise within the last two years. This means an employee who was laid off will not be considered a "net new job".

Retention & Expansion by Existing City of Circleville Enterprises:

Expansion projects must show a significant capital investment to qualify. Expansion projects may qualify for the job creation incentive based on retaining their current level of employment at time the application is approved. Only "net new jobs" will qualify for this incentive.

Application Process:

1. Prior to expanding a business, signing a lease or purchasing a building in the City of Circleville an interested company must submit a completed City of Circleville Job Creation Incentive Program application.
2. All enterprises shall provide along with the application a complete employee roster dated the same as the application that will be submitted.
3. If the project is considered "new business recruitment" the enterprise shall as a part of the application process provide current information as to the number of employees employed by the organization that reside in the City of Circleville prior to relocation.
4. The Pickaway Progress Partnership (P3) will review the application and make recommendation to City Council for Approval.
5. Circleville City Council will have the authority to approve each project.
6. Once Circleville City Council approves the application, the applicant will need to sign a lease or complete the purchase of a building to validate the agreement.

Verification & Progress Reports:

Required information to verify employment data:

1. An annual progress report documenting the number of employees and payroll at the incentive site as well as citywide signed by the employer's Chief Financial Officer.
2. A copy of the enterprise's municipal tax return shall be provided.
3. This information shall be compared to base year figures and projected new employment and payroll from the original contract to verify performance and determine the incentive amount for that year.
4. The City of Circleville reserves the right to require an independent audit of the employer's employment, payroll and tax records to verify reported figures at the employer's expense.
5. Information must be sent to the City of Circleville's Auditor.

Program Oversight:

1. The Incentive Advisory Board consists of a Pickaway Progress Partnership (P3) representative, a representative from City Council, Mayor's Office, the Auditor's Office and the Chamber of Commerce shall meet annually and review all enterprises that are in the program and make a recommendation accordingly.
2. At this annual meeting the Pickaway Progress Partnership (P3) shall present an annual progress report to the committee and to City Council.

Conditions to the Agreement:

Prior to the end of the agreement period, if the company relinquishes its site and therefore is no longer located in Circleville, then the City shall require the Company to repay 100% of all the incentive payments received from the City of Circleville.

Application Signature: Valerie Drake Date: 11/24/25

Applicant Printed Name: Valerie Drake

City Auditor Mark C Bidwell

1/20/26

City Signature: Michelle L. Blanton Date: 1/20/26

City Printed Name: Michelle L. Blanton Title: Mayor

City Auditor printed: Mark C Bidwell Auditor

CITY OF CIRCLEVILLE

Pickaway County, Ohio

MUNICIPAL JOB CREATION TAX CREDIT APPLICATION

Important: Final city approval is necessary before the project can begin. Please allow six weeks for processing.

A. GENERAL INFORMATION

1. Name of Applicant Firm: Health Care Logistics
2. Current Address: 450 Town Street Circleville
3. Contact Person Valerie Drake Telephone 614-203-2388
4. Proposed Address (if different than above): 156 Circle Lane Circleville
5. Type of Business Organization (corporation, partnership, etc.) Corp In the State of Ohio
6. Names(s) of principal owner(s) or Officer(s) Bethany Reid, Kyle Sharpe, Gary Sharpe
Presidents
7. Is the new business seasonal in nature? ____ Yes ☒ No
8. Present number of employees; _____ Payroll \$ _____
9. Proposed number of new or directly retained jobs at the project site:
New: 36 Retained: N/A
10. Estimated annual payroll generated from the new employees, or payroll saved for retained employees: \$ 2,522,773
11. Pre-project MARKET VALUES, as determined for local property taxation of:

- a) The existing facility, site, tangible personal property, and inventory (for on-site expansion projects) : Or,
b) The proposed facility, site, and relocated tangible personal property and inventory (for startup projects of those involving relocation).

Real Property _____\$ Personal Property _____.\$ Inventory _____

B. PROJECT INFORMATION

12. An estimate of the amounts to be invested:

A. Purchase of Land/Building	\$ <u>N/A</u>
B. New Building Construction	\$ <u>N/A</u>
C. Building Additions	\$ <u>N/A</u>
D. Improvements to Existing Buildings	\$ <u>5,479,069</u>
E. Machinery and Equipment	\$ <u>8,256,728</u>
F. Furniture and Fixtures	\$ <u>1,940,040</u>
G. Inventory	\$ <u>4,047,843</u>

13. Total investment amount: \$ 19,723,681

14. Total investment eligible for abatement (Note: Leased tangible personal property is not eligible for abatement, as determined by the Ohio Department of Taxation).
\$ _____ from line 12.

15. For the total personal property investment indicated on lines 12 E and F, show the projected dollar value in each depreciation schedule.

I. 7 year-\$ 10,196,769

II. 10 year-\$ φ

III. 12year-\$, 0

IV. 16 year - \$ 0

V. 18year-\$, 0

VI. 20 year - \$ 0

16. Present investment in the facility:\$ _____

17. Standard Industrial Classification (SIC Code) Number(s) 5047

18. Reasons for requesting tax incentives _____

19. Project Completion Schedule: Show pre-project MARKET VALUES under Pre-project column and values of INCREASES or IMPROVEMENTS over each previous year (Not cumulatively) for columns one (1) through five (5) as appropriate for your situation. Project only as far as you are comfortable with investment and job creation estimates. The projected first year for startup of commercial operations resulting from this investment in 200__.

December 31, Project Year

	Pre-project	One	Two	Three	Four	Five
	200-	200-	200-	200-	200-	200-
Real Property						
Personal Property						
Inventory						
Employment						
Payroll						

CERTIFICATION

1. The applicant believes the information contained hereon and submitted herewith is correct to the best of his/her knowledge and belief.
2. The applicant understands that the start of the project prior to receiving final City Council approval will jeopardize that approval.
3. The applicant understands that, if approved, the information contained on this application will serve as the basis for a signed agreement between the firm and the city. State law and local policy REQUIRE annual monitoring for conformance to that agreement. Failure to comply may result in LOSS OF INCENTIVES.
4. The applicant hereby certifies that the firm is current in all tax obligations to both Pickaway County and the City of Circleville.
5. The applicant hereby certifies that the company is in compliance with minimum compensation levels for their employees in accordance with ORD. 577-00, TMC Sec. 187.37-.40.

Printed Name and Title Valerie Drake, CFO

Signature: Valerie Drake

Date: 11/13/2025