

CITY OF FRANKLIN, OHIO
RESOLUTION 2025-21

AUTHORIZING THE EXECUTION AND DELIVERY OF A DEVELOPMENT AGREEMENT BETWEEN THE CITY AND IMMOBILTEC USA, INC; MODULA, INC.; AND APPROVING RELATED MATERIALS

WHEREAS, the City of Franklin, Ohio (the "City") has encouraged the development of commercial and industrial structures within its boundaries, which development would result in the creation and retention of employment opportunities in the City; and

WHEREAS, Immobiltec is the property owner and Modula is the business owner (Immobiltec and Modula, jointly and severally, and together with their successors and permitted assigns, the "Developer") of a manufacturing plant located within the City on approximately 56.8047± acres of real property, consisting of tax year 2023 parcel number 0421400023 (including any subsequent combinations and/or subdivisions of the current parcel number) (the "Project Site"), and develop and construct an approximately 180,000± square foot expansion of its existing manufacturing facility together with necessary appurtenances related thereto (the "Project"); and

WHEREAS, the City and the Developer have determined that the Project will benefit from collaborating on the installation and construction of certain public infrastructure improvements; and

WHEREAS, the City desires to provide a contractual basis for the Developer to add the Project Site into the Franklin New Community Authority as set forth in a development agreement (the "Development Agreement"); and

WHEREAS, the City Council desires to approve the execution of the Development Agreement, substantially in the form attached to this Resolution as Exhibit A, incorporated by reference.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Franklin, Ohio, a majority of members present concurring, that:


Section 1. The Development Agreement between the City and the Developer, substantially in the form attached to this Resolution as Exhibit A, is hereby approved and authorized, with changes or amendments thereto not inconsistent with this Resolution and not substantially adverse to the City, as determined by the City Manager, or his or her designee executing the Development Agreement, and any other documents necessary to implement the Development Agreement, on behalf of the City. The City Manager, or his or her designee, is authorized to implement the Development Agreement on behalf of the City.

Section 2. It is found that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council that resulted in this formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code and the Rules of Council.

Section 3. This Resolution shall become effective immediately upon its passage.

ADOPTED: April 21, 2025

ATTEST:

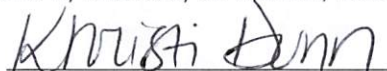

Khristi Dunn, Clerk of Council

APPROVED:


Brent Centers, Mayor

CERTIFICATE

I, the undersigned Clerk of Council for the Franklin City Council, do hereby certify that the foregoing is a true and correct copy of a resolution passed by that body on April 21, 2025.

 Khristi Dunn, Clerk of Council

DEVELOPMENT AGREEMENT

This Development Agreement (the “Agreement”), is entered into as of _____, 2025 (the “Effective Date”) by and among Immobiltec USA, Inc., a Georgia corporation (“Immobiltec”), Modula, Inc., a Maine corporation (“Modula”) (Immobiltec and Modula, jointly and severally, and together with their successors and permitted assigns, the “Developer”), and the City of Franklin, Warren County, an Ohio municipal corporation duly organized and validly existing under the Constitution and the laws of the State of Ohio (the “State”) and its Charter (the “City”). The City and Developer may be referred to hereinafter individually as a “Party” and collectively as the “Parties”. In furtherance of the public purposes outline herein, the Parties enter into this Agreement under the circumstances described in the following recitals:

RECITALS:

WHEREAS, Immobiltec is the property owner and Modula is the business owner of a manufacturing plant located within the City on approximately 56.8047± acres of real property, as more fully described on attached Exhibit A (the “Project Site”), and the Developer intends to develop and construct thereon an approximately 180,000± sq. ft. expansion of the manufacturing plant together with necessary appurtenances related thereto as more fully depicted on attached Exhibit B (the “Project”); and

WHEREAS, the Project Site is located within the City’s “Community Reinvestment Area #4” created by City Resolution 1991-12, passed _____, 1991, and as amended by City Resolutions 1991-49, passed _____, 1991, 1994-42, passed _____, 1994 and 1995-99, passed November 6, 1995 (the “CRA”); and

WHEREAS, the Developer has applied for a tax abatement on the increase of assessed value for the construction of a new commercial or industrial structure, or structures, for fifteen (15) years (the “CRA Exemption”), in accordance with the CRA as described in the attached Exhibit C (the “CRA Application”); and

WHEREAS, the City and the developer have also discussed provisions related to the addition of the Project Site within the City’s Franklin New Community Authority established by City Ordinance 2023-10, passed April 17, 2023 (the “Franklin NCA”); and

WHEREAS, the City Council of the City has authorized the execution and delivery of this Agreement pursuant to Resolution [_____]; and

WHEREAS, the Parties agree that it is in their mutual interest to enter into this Agreement to provide for (i) the Developer’s development of the Project on the Project Site, (ii) the City’s implementation of the CRA Exemption, and (iii) the addition of the Project Site to the Franklin NCA.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements herein contained, the City and the Developer agree as follows:

Section 1. **General Agreement and Term.** For the reasons set forth in the Recitals hereto, which Recitals are incorporated herein by reference as a statement of the public purposes of this Agreement and the intended arrangements between the Parties, the Parties shall cooperate in the manner described herein. This Agreement shall remain effective until such time as the Parties have satisfied all their respective obligations as set forth in this Agreement, unless sooner terminated in accordance with the provisions set forth herein.

Section 2. **Representations and Warranties of the Parties.**

a) City represents and warrants that as of the Effective Date:

(i) It is a municipal corporation duly organized and validly existing under the Constitution and the applicable laws of the State and its Charter.

(ii) It has the power and authority to enter into and perform this Agreement.

(iii) This Agreement has been duly authorized, executed and delivered by City and constitutes the legal, valid and binding obligation of City enforceable in accordance with its terms.

(iv) Neither the entry into nor the performance of and compliance with this Agreement has resulted or will result in any violation of, or a conflict with or a default under, any judgment, decree, order, contract or agreement by which City is bound or any legal requirement applicable to City.

(v) Resolution [____]- [____], passed by City Council on [____], authorizing the execution and delivery of this Agreement, has been duly passed and is in full force and effect as of the Effective Date.

b) Immobiltec represents and warrants, on behalf of itself only, that as of the Effective Date:

(i) It (A) is a corporation duly organized, validly existing and in good standing under the laws in which it was organized and (B) has all requisite power and authority to carry on its business in the State of Ohio as now being conducted and as presently proposed to be conducted.

(ii) This Agreement has been duly authorized, executed and delivered by Immobiltec and constitutes the legal, valid and binding obligation of Immobiltec enforceable in accordance with its terms.

(iii) Immobiltec has legal authority to bind the Project Site according to the terms set forth herein.

(iv) Neither the entry into nor the performance of and compliance with this Agreement has resulted or will result in any violation of, or a conflict with or a default under, the organizational documents of Immobiltec, any judgment, decree, order, contract or agreement by which Immobiltec is bound, or any legal requirement applicable to Immobiltec.

c) Modula represents and warrants, on behalf of itself only, that as of the Effective Date:

(i) It (A) is a corporation duly organized, validly existing and in good standing under the laws in which it was organized and (B) has all requisite power and authority to carry on its business in the State of Ohio as now being conducted and as presently proposed to be conducted.

(ii) This Agreement has been duly authorized, executed and delivered by Modula and constitutes the legal, valid and binding obligation of Modula enforceable in accordance with its terms.

(iii) Neither the entry into nor the performance of and compliance with this Agreement has resulted or will result in any violation of, or a conflict with or a default under, the organizational documents of Modula, any judgment, decree, order, contract or agreement by which Modula is bound, or any legal requirement applicable to Modula.

Section 3. **Community Reinvestment Area.** Developer and City acknowledge that the Project Site is within the CRA and the Immobiltec is entitled to apply for a 100% tax abatement on the increase of assessed value resulting from the construction of a new commercial or industrial structure, or structures, or the increased assessed valuation of an existing structure after remodeling began, for up to fifteen (15) years. Developer and City acknowledge that the Developer has applied to the City for a CRA abatement, and the City shall review the application and determine if construction of the Project complies with the terms of the CRA. If the City determines that the Project complies with the terms of the CRA, the City shall grant the tax abatement of real property taxes in accordance with the terms of the CRA.

Section 4. **New Community Authority.** Developer acknowledges that pursuant to the terms of this Agreement, it is obligated to consent to the inclusion of the Project Site pursuant to Chapter 349 of the Revised Code into a new community authority district (“the Franklin NCA”) and that the petition (the “Petition”) providing for the expansion of the Franklin NCA and related declarations shall provide for the collection of a community development charge (the “CDC”) in an amount not to exceed the amount of real property taxes abated by operation of the CRA abatement (the “Replacement CDC”). The Replacement CDC shall be calculated annually by an authorized representative of the Franklin NCA and approved by the Developer to equal an amount so that (a) the total Replacement CDC payable each calendar year does not exceed 75% of the amount

of real property taxes exempted in such calendar year as a result of the CRA Exemption (i) commencing in the first tax collection year that the amount of real property taxes payable by the Developer with respect to the Project Site are reduced by the CRA Exemption, and (ii) for a period of ten (10) years, and (b) the total Replacement CDC payable each calendar thereafter does not exceed 100% percent of the amount of real property tax exempted in any calendar year as a result of CRA Exemption. The Parties agree that: (a) the Parties will work cooperatively to add the Project Site to the Franklin NCA, (b) the application providing for the addition of the Project Site to the Franklin NCA will provide that a CDC shall be levied in an amount not to exceed the Replacement CDC on all real property within the Project Site located within the Franklin NCA, (c) the board of trustees of the Franklin NCA shall ensure that one or more representatives from businesses within the Franklin NCA are represented on the board pursuant to Ohio law, and (d) if, after the Effective Date, the City annexes real property owned by the Developer into the City ("Annexed Property"), the Developer will reasonably cooperate with City in submitting an application for the addition of the Annexed Property to the Franklin NCA, which application will be in a form reasonably acceptable to the City; provided that in the event the City grants the Annexed Property a tax exemption under Sections 3735.65 through 36735.70 of the Ohio Revised Code (any such new exemption, a "New CRA Exemption"), any such New CRA Exemption shall be in the amount and the term of the CRA Exemption benefitting the Project Site and, correspondingly, any CDC applicable to such Annexed Property shall not exceed the amount and the term of the Replacement CDC applicable to the Project Site.

Section 5. **Assignment.** This Agreement shall be binding on the parties hereto and their respective successors and assigns. The Parties acknowledge that substantial time and effort have been invested in the negotiation of this Agreement, and the City has entered into this Agreement with an understanding of the unique capabilities of the Developer, and, therefore, any assignment of this Agreement by the Developer to parties other than its affiliates shall be subject to the prior written consent of the City, which consent shall be granted in the City's sole discretion and may only be made to a person or entity financially capable of completing the Project. Any such assignment shall expressly provide that the assignee shall comply with all the terms and requirements of this Agreement and receive all of the benefits of this Agreement.

Section 6. **Cancellation or Termination for Convenience.** This Agreement may be cancelled or otherwise terminated by mutual written agreement of the Parties or pursuant to the terms of this Agreement as to conflict in law, impracticality, and/or acts of God. Furthermore, in the event Developer does not acquire any material portion of the Project Site, this Agreement shall terminate, after which neither party shall have any further obligations hereunder except for those responsibilities which are expressly stated to survive.

Section 7. **Default; Remedies.**

a) **Default.** The failure of either party (the “Defaulting Party”) to perform or observe any obligation, duty, or responsibility under this Agreement, and failure by Defaulting Party to correct such failure within thirty (30) days after the Defaulting Party’s receipt of written notice thereof from the non-Defaulting Party; provided, however, that if the nature of the default is such that it cannot reasonably be cured within thirty days, the Defaulting Party shall not be in default so long as Defaulting Party commences to cure the default within such thirty (30) day period and thereafter diligently completes such cure within ninety (90) days after Defaulting Party’s receipt of the non-Defaulting Party’s initial notice of default.

b) **Remedies.** Upon the occurrence of an event of default, the non-Defaulting Party, at its option, may, but shall not be obligated to, enforce, or avail itself of, any remedies available at law or in equity. The failure of either party to insist upon the strict performance of any covenant or duty, or to pursue any remedy, under this Agreement shall not constitute a waiver of the breach of such covenant or of such remedy.

Section 8. **Counterparts.** This Agreement may be executed in counterpart, and in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same Agreement. Delivery of an executed counterpart of the signature page to this Assignment by facsimile or other electronic means (including .pdf format) shall be effective as delivery of a manually executed counterpart of this Assignment.

Section 9. **Governing Law; Venue.** This Agreement shall be governed exclusively by and construed in accordance with the laws of the State, without regard to its conflict of law provisions that would cause the application of the laws of another jurisdiction. Each party hereto (i) irrevocably consents to the exclusive jurisdiction of any state court located within Warren County, Ohio, in connection with any matter based upon or arising out of this Agreement, (ii) agrees that process may be served upon them in any manner authorized by the laws of the State and (iii) waives and covenants not to assert or plead any objection which they might otherwise have under such jurisdiction or such process.

Section 10. **Language.** The language in all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning and not strictly for or against the City or the Developer. Section headings in this Agreement are for convenience only and are not to be construed as a part of this Agreement or in any way defining, limiting, or amplifying the provisions hereof.

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IN WITNESS WHEREOF, the City and the Developer each has caused this Agreement to be executed by its respective duly authorized officer, as of the day and year first above written.

CITY OF FRANKLIN, OHIO

By: _____
Jonathan Westendorf
City Manager

IMMOBILTEC, USA INC.
As “Developer”

By: _____
Name: _____
Title: _____

MODULA, INC.
As “Developer”

By: _____
Name: _____
Title: _____

FISCAL OFFICER'S CERTIFICATE

The undersigned, Finance Director of the City of Franklin, Warren County, Ohio, hereby certifies that the moneys required to meet the obligations, if any, of the City during the year 2025 under the foregoing Agreement have been lawfully appropriated by the City Council of the City for such purpose and are in the treasury of the City or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Sections 5705.41 and 5705.44, Ohio Revised Code.

Jenna Trice
Finance Director
City of Franklin, Ohio

Dated: _____, 2025

[Certificate of Fiscal Officer to Development Agreement]

EXHIBIT A

Project Site

The Project Site is the real property located in the City of Franklin, County of Warren, consisting of tax year 2023 parcel number 0421400023 (including any subsequent combinations and/or subdivisions of the current parcel number) and depicted on the below map:



EXHIBIT B

Project Depiction.



1 SCHEMATIC DESIGN - BUILDING & SITE LAYOUT - OPTION 4
1" = 250'-0"



Schematic Site Plan
Modula - Building Addition
SITE OPTION 4
Scale: 1" = 250'-0"
5.6.22

App
Architecture
creative focused design

B-1

18196685v1
19377121v7

EXHIBIT C

CRA Application

[See Attached]



City of Franklin, Ohio
Community Reinvestment Act
Property Tax Exemption Application

Applicant Information:

(please print or type)

Property Owner: Immobiltec USA, Inc
(Individual or Business Name)

Address: C/o Funaro 350 5th Avenue Suite 4100, New York, New York 10118
(Tax Mailing or Corporate Address)

Contact Person: EMILY ZW? [^W Phone: 5') Ž % Ž' ()

Contact Person: 3` fa` [a BSYS` a Phone: 207- 440 -5100

Does the applicant owe any delinquent property taxes/assessments to any County, City, Village or other political subdivision in Ohio?

☒ No ☐ Yes, to _____

Does the applicant owe any delinquent sale taxes to the State of Ohio?

☒ No ☐ Yes

Does the applicant owe any delinquent income taxes to the State of Ohio or any City, Village or other political subdivision?

☒ No ☐ Yes, to _____

Does the applicant owe any delinquent commercial activity taxes to the State of Ohio?

☒ No ☐ Yes

Does the applicant owe any fines/penalties/monies to the State of Ohio or any agency thereof for the administration or enforcement of any administrative or court order relating to environmental protection, prevailing wages, unemployment compensation, workers' compensation, etc.?

☒ No ☐ Yes, to _____

Project Information:

Project Site (address): 5000 Commere Center Drive, Franklin, Ohio

Parcel/Sidwell No.: _____ Tax Account No.: _____

Proposed Improvements Are:

☐ Residential

☐ Single Family

☐ Two-Family

☐ Multi-Family

☐ New Construction

☐ Remodeling (any change for purpose of making it more structurally sound, more habitable or to improve its appearance)

Description: _____

(e.g., new single-family home; remodeling apartment complex, etc.)

Start date and completion date: ___/___/20___ to ___/___/20___

Cost of Improvements: \$ _____

Is this ☐ Estimated Cost (Require submittal of documentation of actual costs upon completion of improvements)

☐ Actual Cost (Attach documentation verifying costs to application)

Applicant is requesting a CRA tax exemption for: _____ years

*Remodeling 1- & 2-Family with +\$2,500 investment - up to 10 yrs.

*Remodeling Multi-Family with +\$5,000 investment - up to 12 yrs.

*New Construction/Addition - up to 2 yrs.

☒ Commercial ☐ Industrial

☒ New Construction

☐ Remodeling (any change for purpose of making it more structurally sound, more habitable or to improve its appearance)

Description: approximately 170,000 sq. ft. building

(e.g., 60,000 sq. ft. addition, new 100,000 sq. ft. building, etc.)

Nature of proposed Activity: _____

Manufacturing and Warehouse space

(e.g., warehousing, manufacturing, retail store, etc)

Start date and completion date: ___/___/20___ to ___/___/20___

Cost of Improvements: \$ 24,000,000 (building only)

Is this ☒ Estimated Cost (Require submittal of documentation of actual costs upon completion of improvements)

☐ Actual Cost (Attach documentation verifying costs to application)

Applicant is requesting a CRA tax exemption for: 15 years

*Remodeling w/ +\$5,000 investment - up to 12 yrs.

*New Construction/Addition - up to 15 yrs.

Commercial/Industrial:

Will the Applicant be conducting the business on the project site? ☐ Yes ☒ No

If no, who will be conducting the business? Modula Inc

Will applicant be ☐ selling ☒ leasing this property to the above?

*If leasing, attach copy of lease to application.

*If selling, attach copy of sales contract to application.

Current Number of Employees in Franklin:

117 Full-Time Part-Time Payroll: \$ 7,424,840 (yearly) **Wages only/no benefits**

Total Number of Jobs Project will create at Site:

60 Full-Time Part-Time Total will be created by Year: 2028

Estimated Total Number of Jobs & Future Annual Payroll by Year: **Added per year, not cumulative**

Year: <u>2026</u>	<u>11</u> Full-Time	<u> </u> Part-Time	Payroll: \$ <u>715,000</u>
Year: <u>2027</u>	<u>20</u> Full-Time	<u> </u> Part-Time	Payroll: \$ <u>1,300,300</u>
Year: <u>2028</u>	<u>29</u> Full-Time	<u> </u> Part-Time	Payroll: \$ <u>1,885,000</u>
Year: <u> </u>	<u> </u> Full-Time	<u> </u> Part-Time	Payroll: \$ <u> </u>
Year: <u> </u>	<u> </u> Full-Time	<u> </u> Part-Time	Payroll: \$ <u> </u>
Year: <u> </u>	<u> </u> Full-Time	<u> </u> Part-Time	Payroll: \$ <u> </u>
Year: <u> </u>	<u> </u> Full-Time	<u> </u> Part-Time	Payroll: \$ <u> </u>

Applicant hereby agrees that:

1. Submission of this application expressly authorizes the City of Franklin to contact third-parties and other governmental agencies to confirm statements made on this application. The applicant may be required to sign a waiver or otherwise authorize the City of Franklin to access certain confidential records, including specific tax records. Any such information obtained as a result of such a waiver or authorization will be kept confidential.
2. The applicant may be requested to supply additional or supporting information. Failure to provide such requested information may result in the denial of this application.
3. A CRA exemption cannot be granted until the completion of the improvements. It is the responsibility of the applicant to notify the City's Housing Officer when the improvements are complete, and the applicant must submit documentation verifying the cost of the improvements.
4. The information provided in this application and any supporting documentation is correct and true to the best of the applicant's knowledge. The applicant acknowledges that providing false information in this application, or in connection with this application, could subject the applicant to criminal charges for falsification under ORC 2921.13, and could result in the forfeiture of all current or future economic development assistance or tax exemptions.

Signed this 12th day of July, 2024.

By: Stephen Miller

Print Name: Stephen Miller

Title: Treasurer

End of Application - Next page for City use Only
HOUSING OFFICER'S CERTIFICATION TO
THE WARREN COUNTY AUDITOR

The undersigned, as designated Housing Officer, for Community Reinvestment Area #____ in the City of Franklin, Ohio, hereby certifies that the improvements described in the attached application qualify for a CRA tax exemption for the following:

Improvements:	For a Period of:	Pursuant to ORC Section: (pre-1994)
<input type="checkbox"/> <u>Remodeling of:</u>		
<input type="checkbox"/> One/Two-Family Dwelling Unit	_____ years (not to exceed 10)	3735.67(D)(1)
<input type="checkbox"/> Multi-Family Dwelling Unit	_____ years (not to exceed 12)	3735.67(D)(2)
<input type="checkbox"/> Commercial/Industrial Structure	_____ years (not to exceed 12)	3735.67(D)(2)
<input type="checkbox"/> <u>Construction of:</u>		
<input type="checkbox"/> One/Two-Family Dwelling Unit	_____ years (not to exceed 2)	3735.67(D)(3)
<input type="checkbox"/> Multi-Family Dwelling Unit	_____ years (not to exceed 2)	3735.67(D)(3)
<input type="checkbox"/> Commercial/Industrial Structure	_____ years (not to exceed 15)	3735.67(D)(3)

I have verified the cost of the improvements at \$ _____

The improvements lie within the City of Franklin Community Reinvestment Area:

- | | |
|--|---|
| <input type="checkbox"/> #1 created by Resolution 1994-42 | <input type="checkbox"/> #3 created by Resolution 1998-20 |
| <input type="checkbox"/> #2 created by Resolution 1995-100 | <input type="checkbox"/> #4 created by Resolution 1995-99 |

The length of the exemption granted:

- ☐ does not require Council approval
- ☐ does require Council approval, which was granted by Resolution _____

Owner of Record/Applicant: _____

Project Address: _____

Tax Account No.: _____ Parcel/Sidwell No.: _____

Exemption Period: Tax year _____ to Tax Year _____
(Exemption shall first apply in the year following the calendar year of certification)

Date of Certification: _____

Sonny Lewis, Housing Officer