

ENTERPRISE ZONE AGREEMENT

THIS ENTERPRISE ZONE AGREEMENT (the "Agreement"), made and entered into on _____, 2020 (the "Effective Date") by and between the **CITY OF TOLEDO**, an Ohio municipal corporation, Department of Economic Development, One Government Center, Suite 2250, Toledo, Ohio 43604 (hereinafter the "City") and **NIKI TOLEDO I LLC; NIKI TOLEDO II, LLC; STANLEY TOLEDO, LLC c/o THE NIKI GROUP, LLC**, a foreign limited liability company, whose address is 11720 El Camino Real, Suite 250 San Diego, CA 92130 (hereinafter "Niki".)

WITNESSETH:

WHEREAS, by Ordinance No. 94-95, passed on February 28, 1995 and by Ordinance No. 326-85, passed on May 7, 1985, the Toledo City Council designated an area as an "Urban Jobs and Enterprise Zone" pursuant to Chapter 5709 of the Ohio Revised Code ("RC") and declared that incentives for business offered by such zones will enhance efforts to promote the viable and diverse economic activity necessary for rejuvenation of the zone; and

WHEREAS, effective in 1995, the Director of Development of the State of Ohio determined that an area comprising Census Tracts 2, 3, 4, 8, 9, 10, 11, 12.01, 12.02, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24.01, 24.02, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43.01, 43.02, 44, 45.01, 45.03, 46, 47.01, 47.02, 48, 49, 50, 51, 52, 53, 54, 57.02, 57.03, 66, 67, 68, 69, 72.05, 73.01, 73.02, 73.03, 74, 75 and portions of Census Tract 56 located within the City of Toledo, as described in Ordinance Nos. 94-95, 87-01, and 794-01, and located within the City of Toledo, contains the characteristics set forth in Section 5709.61(A) of the Ohio Revised Code, thereby certifying that portion of Toledo as an "Urban Jobs and Enterprise Zone" under RC Chapter 5709 (hereinafter "Toledo Enterprise Zone"); and

WHEREAS, the City is designated as an Impacted City under RC §1728.011; and RC § 5709.61(C) provides that retail facilities located within Impacted City may be eligible for an Enterprise Zone exemption; and

WHEREAS, Niki is the owner of that certain real property located 3311 Secor Rd. Toledo, Ohio, 43606, comprising approximately 8.055 acres (the "Property"), which Property is located within the boundaries of the Toledo Enterprise Zone; and

WHEREAS, the Property has been identified as a "brownfield" site and Niki has identified and disclosed to the City a number of environmental concerns which corroborate the brownfield designation; and

WHEREAS, Niki is desirous of remediating the environmental issues and redeveloping the Property for retail purposes provided that the appropriate incentives are available to support the economic viability of such remediation and redevelopment; and

WHEREAS, the City is willing to providing Niki with incentives available for development in an "Urban Jobs and Enterprise Zone" under RC Chapter 5709 to encourage the remediation and redevelopment of the Property; and

WHEREAS, Niki has submitted an Enterprise Zone Application to the City pursuant to RC § 5709.62(B) of the Ohio Revised Code (hereinafter the "Proposal"); and

WHEREAS, the City Department of Economic Development has investigated the Proposal of Niki and have recommended approval of the same to the Toledo City Council on the basis that Niki is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Enterprise Zone and improve the economic climate of the City; and

WHEREAS, Niki has remitted the required application fee with its Application and the \$750.00 minimum application fee will be forwarded to the Ohio Department of Development with the final agreement; and

WHEREAS, the project site as proposed by Niki is located in the Washington Local School District ("School District") and its Board of Education was notified in accordance with RC § 5709.83, was given a copy of the Proposal, and approved the Enterprise Zone Exemption and the School District Payment Agreement by Resolution 140-1/20 on January 15, 2020; and

WHEREAS, Niki has agreed to make payments in lieu of taxes to the School District in accordance with the School District Resolution and has executed the School District Abatement Payment Agreement with the School District which is attached hereto as Exhibit F; and

WHEREAS, pursuant to Ordinance No. _____, passed on _____, 2020, the Toledo City Council approved the Proposal of Niki, authorized the EZ Exemption and the execution of this Agreement in conformance with the requirements of RC §§ 5709.61, 5709.62, 5709.631 and 5709.632 through 5709.65 as applicable; and

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and the benefit to be derived by the parties from the execution thereof, the parties hereto hereby agree as follows:

1. PROJECT IMPROVEMENTS.

Niki shall remediate and redevelop the retail shopping center (hereinafter "Facility") located on the Property, which is more particularly described in the attached Exhibit A. which is incorporated in and made a part hereof. Niki will complete the remediation of the Property, including the demolition of the existing structures and will construct

approximately 50,000 square feet of retail space. Niki will make an estimated total investment of \$12,272,102.00, including 8,499,160.00 in real property, as identified in the attached Exhibit "B". The demolition, construction and investment as described in this paragraph are also referred to hereinafter as the "Project Improvements" and together with the job and payroll estimates shall constitute the "Project". The current taxable value of the existing site is approximately \$3,000,000.00. The Project will begin in March 2020 and all remediation, construction and installation are anticipated to be completed by January 2021. The total investment to remediate and demolish the Facility shall be greater than ten percent (10%) of the market value of the Facility prior to such expenditures and the total investment to redevelop the remediated Facility shall be greater than two hundred fifty percent (250%) of the market value of the Facility prior to remediation, each as evidenced in Exhibit "C".

2. TAX EXEMPTION.

The City grants Niki tax exemption for Project Improvements described in Section 1 (the "Project Improvements") made to the Property pursuant to Ohio Revised Code Sections 5709.62(C)(2) and 5709.632(C), subject to compliance with the terms of this Agreement, as follows (the "EZ Exemption"):

A. A fifty percent (50%) tax exemption for existing valuation of the Property prior to remediation and demolition is granted under RC § 5709.62(C)(2)(a) (the "Remediation Abatement") commencing March 1, 2020. The exemption shall extend for a period of fifteen (15) years. The Remediation Abatement shall not commence after the 2020 tax year nor extend beyond the 2035 tax year. In addition to other conditions and terms of this Agreement, the Remediation Abatement is subject to the requirement that investment made in the Project Improvements is at least two-hundred-fifty percent (250%) of the true value of the Property prior to remediation (as determined for the purpose of property taxation. For the purpose of this Agreement the true value of the Property prior to remediation is three million dollars (\$3,000,000).

B. A one-hundred percent (100%) tax exemption for new assessed value due to the Project Improvements is granted under RC § 5709.62(C)(b) (the "Improvement Exemption"). The exemption shall extend for a period of fifteen (15) years. The exemption commences the first year for which the real property would first be taxable were that property not exempted from taxation. No exemption shall commence after the 2021 tax year nor extend beyond the 2036 tax year.

3. NON-EXEMPTED TAXES AND TAX FILING.

A. Niki must file the appropriate tax forms (DTE 24) with the County Auditor and (form #913) with the Ohio Department of Taxation to effect and maintain the exemptions covered in this Agreement. The Ohio tax form #913 must be filed annually.

B. Niki shall pay such real property taxes as are not exempted under this Agreement and area charged against such property and shall file all tax reports and return as required by law. If Niki fails to pay such taxes or file such returns and reports, all incentives granted under this Agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.

C. Niki, for itself and for its successors, transferees and assigns, reserves the right to challenge the value of any tax valuations associated with the Project and the Property, as permitted by law.

4. JOB RETENTION AND CREATION.

A. *Jobs.* Niki anticipates that Project will create twenty three (23) full-time and forty (40) part-time permanent jobs. The anticipated types of positions range of hourly wage rates, and schedule of number of jobs created as a result of the Project are identified in the attached Exhibit D.

B. *Payroll.* Niki anticipates that the jobs will provide an estimated annual payroll by the December 31, 2020 of approximately \$1,845,000.00. The itemization of said anticipated payroll is as set forth in Exhibit D.

C. *Existing Employment.* The Project currently has zero (0) full time permanent employees, zero (0) part-time permanent employees, zero (0) full-time temporary employees, mid zero (0) part-time temporary employees at the Project site.

D. Niki shall comply with the employment and hiring requirements in Section 5 of this Agreement.

5. OTHER EMPLOYMENT AND HIRING REQUIREMENTS.

A. *Living Wage.* The City of Toledo Living Wage Requirements, set forth in Toledo Municipal Code §§ 187.36 to 187.40, apply to this Agreement and to all contracts, and subcontracts entered for the performance of this Agreement, including to any tenants or assignees of the Project. Upon notification of a violation of a Living Wage requirement, Niki will have thirty (30) days to bring itself and/or its contractors, subcontractors, tenants into compliance. At the end of the thirty (30) day period, if a violation exists, the City may terminate this Agreement and pursue any other available legal remedies. If a business violates the Living Wage provision a second time, all City contracts with that business shall automatically terminate and no new contracts shall be entered for a five (5) year period. (See Toledo Municipal Code 187.38(c).) Retaliation against any employee claiming violation of the City of Toledo Living Wage provisions is expressly prohibited. Such retaliation shall be grounds for termination of this Agreement.

B. Niki shall comply with the Job Requirements under the City’s Enterprise Zone Policy adopted by Toledo City Council.

a. Job openings related to the Project shall be listed with Ohio Means Jobs Lucas County and job applicants referred thereby shall be given fair consideration.

b. Twenty-five percent (25%) of the qualifying new employees hired as a result of the Agreement must meet at least **one** of the following criteria at the time of hire:

- residents of Lucas County who have been unemployed for at least six months and who have been residents of Lucas County during that period;
- residents of the Enterprise Zone for at least one year;
- residents of Lucas County for at least six months who are recipients of unemployment compensation, Temporary Aid to Needy Families or general relief; or
- Persons with a disability who have been residents of Lucas County for six months.

c. At least 10% of all new employees must, at the time of their employment, be residents of the Hiring Priority Area (see attached map), which is the area bounded by Lagrange Street from the Maumee River north to Central Avenue, Central Avenue west to Cherry Street, North to Haverhill, Haverhill north to Jeep Parkway, Jeep Parkway south to the Ottawa River, the Ottawa River south to Torrey Hill Drive extended, Torrey Hill Drive extended south to Bancroft Street, Bancroft Street west to Parkside Boulevard, Parkside Boulevard south to Hill Avenue, Hill Avenue east to Fearing Boulevard, Fearing Boulevard south to Detroit Avenue, Detroit Avenue south to South Avenue, South Avenue east to its intersection with I- 75, east along a line from the intersection of South Avenue and I-75, across the Maumee River to the intersection of Miami Street and Navarre Avenue, Navarre Avenue east to East Broadway, East Broadway north to Morrison Drive, Morrison Drive north to its intersection with Front Street, north along a line from the intersection of Morrison Drive and Front, across the Maumee River to Lagrange Street.

C. Niki shall not discriminate against any employee or applicant for employment because of race, ancestry, religion, color, sex, age, national origin or disability and Niki shall maintain a program to ensure compliance with this non-discrimination and equal employment opportunity requirement.

6. PAYMENTS TO SCHOOL DISTRICT.

The School District’s approval of the tax exemptions provided for herein is subject to a School District Payment Agreement between Washington Local School District and Niki

which requires Niki to make payments in lieu of taxes (“PILOT”). The School District Payment Agreement is attached as Exhibit F and is hereby incorporated into this Agreement.

A. Niki shall submit an annual PILOT to the School District for the entire term of the tax exemptions in an amount equal to one hundred percent (100%) of what the School District would have otherwise received if it were not for (i) a 50% tax exemption on the assessed valuation of the real property prior to remediation for a period of 15 years and (ii) 100% tax exemption on the increase in assessed valuation of the real property after valuation of the new development for a period of 15 years.

B. In exchange for the Service Payment agreement, the School District waived any and all rights the School District may have pursuant to RC § 5709.82 or otherwise to share in the increased income tax revenue collected by the City resulting from the Project.

7. ANNUAL FEE.

A. Niki shall pay an annual fee equal to the greater of one percent (1%) of the dollar value of incentives offered under the Agreement or five hundred dollars (\$500.00), provided however, that if the value of the incentives exceeds two hundred fifty thousand dollars (\$250,000.00), the fee shall not exceed two thousand five hundred dollars (\$2,500.00).

B. The fee shall be made payable to the City of Toledo once per year for each year the agreement is in effect, as invoiced with the annual monitoring report, in the form of a check payable to the City of Toledo and delivered to the Department of Economic Development, One Government Center, Suite 2250, Toledo, Ohio 43604. The City shall deposit this fee in a special fund created for such purpose and shall be used exclusively for the purpose of complying with Section 5709.68 of the Ohio Revised Code, and by the Tax Incentive Review Council created under section 5709.85 of the Ohio Revised Code exclusively for the purposes of performing the duties prescribed under that section.

8. TIRC REVIEW.

A. The City of Toledo Urban Jobs and Enterprise Zone Tax Incentive Review Council (TIRC), as established by City Ordinance No. 326-85, passed on May 7, 1985, shall annually review this Agreement, as required by RC § 5709.62, to determine whether Niki is in compliance with the terms of this Agreement. In making that determination, the TIRC shall take into consideration fluctuations in the business cycle unique to any enterprise in question. The TIRC shall make any recommendations regarding compliance to City Council.

B. Niki shall provide to the Tax Incentive Review Council any information

reasonably required by the Council to evaluate its compliance with the Agreement. Niki hereby further authorizes the release, on a confidential basis as required by and to the fullest extent permitted by Ohio Law, of any state, county and city tax records to the City and the TIRC for the purpose of verification of compliance reporting information.

9. COOPERATION.

A. The City shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve, and maintain the exemptions from taxation granted under this Agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.

B. Niki shall perform such acts as are reasonably necessary or appropriate to affect, claim, reserve, and maintain exemptions from taxation granted under this Agreement, including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.

10. LOSS OF ENTERPRISE ZONE DESIGNATION.

If for any reason the Enterprise Zone designation expires, the Director of the Ohio Development Services Agency revokes certification of the zone, or the City revokes the designation of the zone, entitlements granted under this Agreement shall continue for the number of years specified under this Agreement, unless Niki materially fails to fulfill its obligations hereunder and the City terminates or modifies the exemptions from taxation granted under this Agreement.

11. REPRESENTATIONS OF APPLICANT.

A. Niki certifies that at the time this Agreement is executed, it does not owe any delinquent property taxes to any taxing authority of the State of Ohio, and does not owe delinquent taxes for which it is liable under Chapter 5733, 5735, 5739, 5741, 5743, 5747, or 5753 of the Ohio Revised Code, or, if such delinquent taxes are owed, Niki is currently 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 Niki. For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Ohio Revised Code governing payment of those taxes.

B. The City has developed a policy to ensure that recipients of Enterprise Zone tax benefits practice non-discriminating hiring in its operations. By executing this Agreement, Niki hereby commits to follow non-discriminatory hiring practices, acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, disability,

color, national origin, or ancestry.

C. Niki affirmatively covenants that it has made no false statements to the City in the process of obtaining approval for the Enterprise Zone incentives. If any representative of Niki has knowingly made a false statement to the City to obtain the Enterprise Zone incentives, Niki 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 City pursuant to Ohio Revised Code Section 9.66(C)(1).

12. PENALTY AND REIMBURSEMENT PROVISIONS.

A. If Niki materially fails to keep any covenant made herein or fails to fulfill its obligations under this Agreement, other than with respect to the number of employee positions estimated to be created or retained under this Agreement, or if the City determines that the certification as to delinquent taxes required by this Agreement is fraudulent, the City may terminate or modify the exemptions from taxation granted herein.

B. Exemptions from taxation granted under this Agreement shall be revoked if it is determined that Niki, any successor enterprise, or any related member (as those terms are defined in Section 5709.61 of the Ohio Revised Code) has violated the prohibition against entering into this Agreement RC § 5709.62 or 5709.632 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.

C. In any three (3) year period during which this Agreement is in effect, if the actual number of employee positions created or retained by Niki is not equal to or greater than seventy-five percent (75%) of the number of employee positions estimated to be created or retained under this Agreement during that three (3) year period, Niki shall repay the amount of taxes on property that would have been payable had the property not been exempted from taxation under this Agreement during that three (3) year period. In addition, the City may terminate or modify the exemptions from taxation granted under this Agreement.

D. An Agreement that grants tax benefits will automatically terminate for failure to pay obligations to the school district, as set forth in the Agreement.

E. In addition to the above, the Agreement may be modified or terminated by the City upon any of the following conditions

- a. Failure to comply with requests for monitoring data necessary to allow the TIRC to evaluate compliance with the terms of the Agreement;
- b. Significant and final adjudicated violations of criminal, labor or environmental laws; or

c. Failure to pay the monitoring fee pursuant to paragraph 7.

13. ASSIGNMENT OR TRANSFER.

This Agreement is not transferable or assignable without the express, written approval of the City. This Agreement shall be assignable by the City to new owners only upon the new owner's written acceptance of all the terms and conditions of this Agreement.

14. PRIOR COUNCIL APPROVAL.

Niki and the City acknowledge that this Agreement must be approved by formal action of the legislative authority of the City as a condition for the Agreement to take effect and it shall take effect upon such approval and signature by the parties. The effective date of this Agreement shall be the date this Agreement is signed by the Mayor of the City or his authorized designee.

15. MISCELLANEOUS

A. *Notice.* All notices or other communications required or permitted under this Agreement shall be in writing and shall be sent either: 1) through the United States Postal Service, designated as registered or certified mail, and bearing adequate postage; 2) by means of an express delivery service if it obtains a written receipt to confirm delivery; or 3) by hand delivery to the address of the recipient set forth below. Each such notice shall be effective upon the receipt thereof by the addressee. By giving the other parties hereto at least seven (7) days' notice, a party shall have the right from time to time and at any time while this Agreement is in effect to change its address and to specify as its address any other address within the continental United States of America. Notices shall be sent to the City and Niki as set forth below (or as subsequently specified pursuant to written notice to the other party):

As to the City:
City of Toledo
Department of Economic Development
One Government Center, Suite 2250
Toledo, OH 43604
Attn.: Commissioner of Development
With a copy to:
City of Toledo
Law Department
One Government Center, Suite 2250
Toledo, OH 43604
Attn.: Law Director

As to Niki:

Niki Toledo I LLC; Niki Toledo II, LLC; Stanley Toledo, LLC
c/o The Niki Group, LLC
11720 El Camino Real, Suite 250
San Diego, CA
Attn.: Genevieve Hedrick

With a copy to:

Reed Hauptman, Attorney
Shumaker, Loop & Kendrick, LLP
1000 Jackson Street
Toledo, Ohio 43604

B. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio. Any legal action will be brought in a court of competent jurisdiction in Lucas County, Ohio.

C. Validity/Severability. The validity of any section, subsection, clause, or provision of this Agreement shall not affect the validity of the remaining sections, subsections, clauses, or provisions of this Agreement; provided, however, that if any section, subsection, clause, or provision of this Agreement is determined by a court of law to be invalid, the City or Niki may, upon thirty (30) days' notice, terminate this Agreement.

D. No Third Party Beneficiary. Nothing in this Agreement shall be deemed to create any right in a person or entity not a party hereto, and this Agreement shall not be construed in any respect to be a contract in whole or in part for the benefit of any third party. This Agreement is not intended, nor shall it be deemed or construed, to amend, alter, or affect any labor agreement to which Niki is a party.

E. Entire Agreement. This Agreement constitutes the complete understanding of the parties and merges and supersedes any and all other discussions, agreements, and understandings, either oral or written, between the parties with respect to the subject matter hereof. No promises, agreements, or representations have been made in connection with this Agreement, nor have any promises, agreements, or representations been relied upon by the City and Niki in executing this Agreement except for the undertakings and agreements as specifically set forth in this Agreement, including all attachments. Either party may at any time during the term of this Agreement request amendments or modifications. No amendment or modification to this Agreement shall be effective unless agreed upon in writing by the City and Niki.

F. Force Majeure. Niki shall not be considered to be in default in the performance of its obligations under this Agreement as a result of any cause beyond its reasonable control, including but not limited to severe and unusual weather, acts of God,

explosion, riot, acts of civil disobedience or sabotage, productivity or technological changes, power failures or shortages, restraint by court order or order of public authority, action or omission by any government agency, or labor strikes or other labor disturbances.

G. Captions. Captions in this Agreement are included for convenience of reference only, are not a part of this Agreement, will not be used

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IN WITNESS WHEREOF, the parties hereto intending to be legally bound, have each caused this Agreement to be executed by their duly authorized representatives as of the Effective Date first above written.

Niki Toledo I LLC

Niki Toledo II LLC

Stanley Toledo LLC

City of Toledo

By: _____

APPROVED AS TO CONTENT:

APPROVED AS TO FORM:

Dept. of Economic Development

Law Department

ACKNOWLEDGED AND AGREED TO:

The undersigned hereby acknowledges, confirms and agrees to the terms, conditions and representations set forth in Section 6 of the Enterprise Zone Agreement.

Washington Local School District

By: _____

Name: _____

Title: _____

LIST OF EXHIBITS

Exhibit A: Legal Description

Exhibit B: Project Investment Detail and Existing Values

Exhibit C: Satisfaction of Investment Requirements

Exhibit D: Schedule of Job Retention and Creation and Projected Employment

Exhibit E: Hiring Priority Area Map

Exhibit F: School District Agreement

EXHIBIT A

LEGAL DESCRIPTION

Located at 3311 Secor Road, Toledo, Ohio 43606 tax parcel identification: 22-16648
(collectively, the "Property")

Tax parcels 22-16648

7 9 19 SE 1/4 IRREG 7.426 AC PCE LYING W OF SECOR RD in the City of Toledo,
Lucas County, Ohio,

EXHIBIT B

PROJECT INVESTMENT DETAIL

	<u>Estimated Cost</u>
Acquisition of Land/Buildings	\$3,000,000
New Construction	\$8,499,160
Demolition	\$222,075
Asbestos Remediation	\$1,025,325
TOTAL INVESTMENT AMOUNT	\$12,272,102

EXISTING TAX VALUES PRIOR TO EXECUTION OF THIS AGREEMENT

Land Value	\$1,401,400
Building Value	\$1,598,600
TOTAL EXISTING TAX VALUE	\$3,000,000

EXHIBIT C

SATISFACTION OF INVESTMENT REQUIREMENTS

1. The cost to remediate the environmental hazards and to demolish the site buildings exceeds 10% of current market value. The projected costs are 14.55% of the current market value. See explanatory schedule below:

	<u>Estimated Cost</u>
Demolition	\$222,075
Asbestos Remediation	\$1,025,325
TOTAL COST TO REMEDIATE & DEMOLISH EXISTING BUILDINGS	\$1,247,400

Tax Parcel	Address	Land	Building
22-16648	3311 Secor Rd.	\$1,401,400	\$1,598,600

Total Assessed Value	\$3,000,000
Ohio Ratio Of Assessed Value to Market Value	35.00%
Market Value (Assessed Value Divided By Ratio)	\$8,571,428
Remediation and Demolition Costs	\$1,247,400
Remediation and Demolition Costs as Percentage of Current Assessed Value	14.55%

2. The project's post redevelopment market value will exceed 250% of the current market value. The projected post redevelopment market value is 283.30% of the current market value. See explanatory schedule below:

Assessed Values

Tax Parcel	Address	Land	Building
22-16648	3311 Secor	\$1,401,400	\$1,598,600

Total Assessed Value	<u>\$3,000,000</u>
Ohio Ratio Of Assessed Value to Market Value	35.00%
Market Value (Assessed Value Divided By Ratio) by appraisal	\$3,000,000
Projected Post Redevelopment Market Value	\$8,499,160
Projected Market Value as Percentage Of Current Market Value	283.30%

EXHIBIT D

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SCHEDULE OF JOB RETENTION

Types of Positions Retained	Salary/Range of Hourly Wage Rates	Jobs Retained	2020	2021	2022
Manager	\$0	0	0	0	0
Supervisors	\$0	0	0	0	0
Other - Salary	\$0	0	0	0	0
Other - Hourly	\$0	0	0	0	0
TOTAL	N/A	0	0	0	0

PROJECTED PAYROLL OF RETAINED EMPLOYEES

Type of Position	Annual Payroll
Manager	\$0
Maintenance	\$0
Other - Salary	\$0
Other - Hourly	\$0
TOTAL	\$0

EXHIBIT D

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SCHEDULE OF JOB CREATION

Position	2020 Year 1	2021 Year 2	2022 Year 3	2023 Year 4	2024 Year 5
Salaried Managers, Supervisors, Other					
Permanent					
Full Time	23	23	23	23	23
Part Time	0	0	0	0	0
Temporary					
Full Time	0	0	0	0	0
Part Time	0	0	0	0	0
Hourly Employees					
Other					
Permanent					
Full Time	0	0	0	0	0
Part Time	40	40	40	40	40
Temporary					
Full Time	0	0	0	0	0
Part Time	0	0	0	0	0

EXHIBIT D

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SALARY/RANGE OF HOURLY WAGE RATES

Type of Position	Salary/Range of Hourly Wage Rates
Managers	\$110,000
Supervisors	\$60,000 - \$80,000
Other - Salaried	\$45,000
Other - Hourly	\$14.00-18.00

PROJECTED PAYROLL OF NEW EMPLOYEES

Type of Position	Annual Payroll
Managers - Salaried	\$220,000
Supervisors - Salaried	\$360,000
Other – Salaried	\$675,000
Other – Hourly	\$590,000
TOTAL	\$1,845,000.00

EXHIBIT E

HIRING PRIORITY AREA

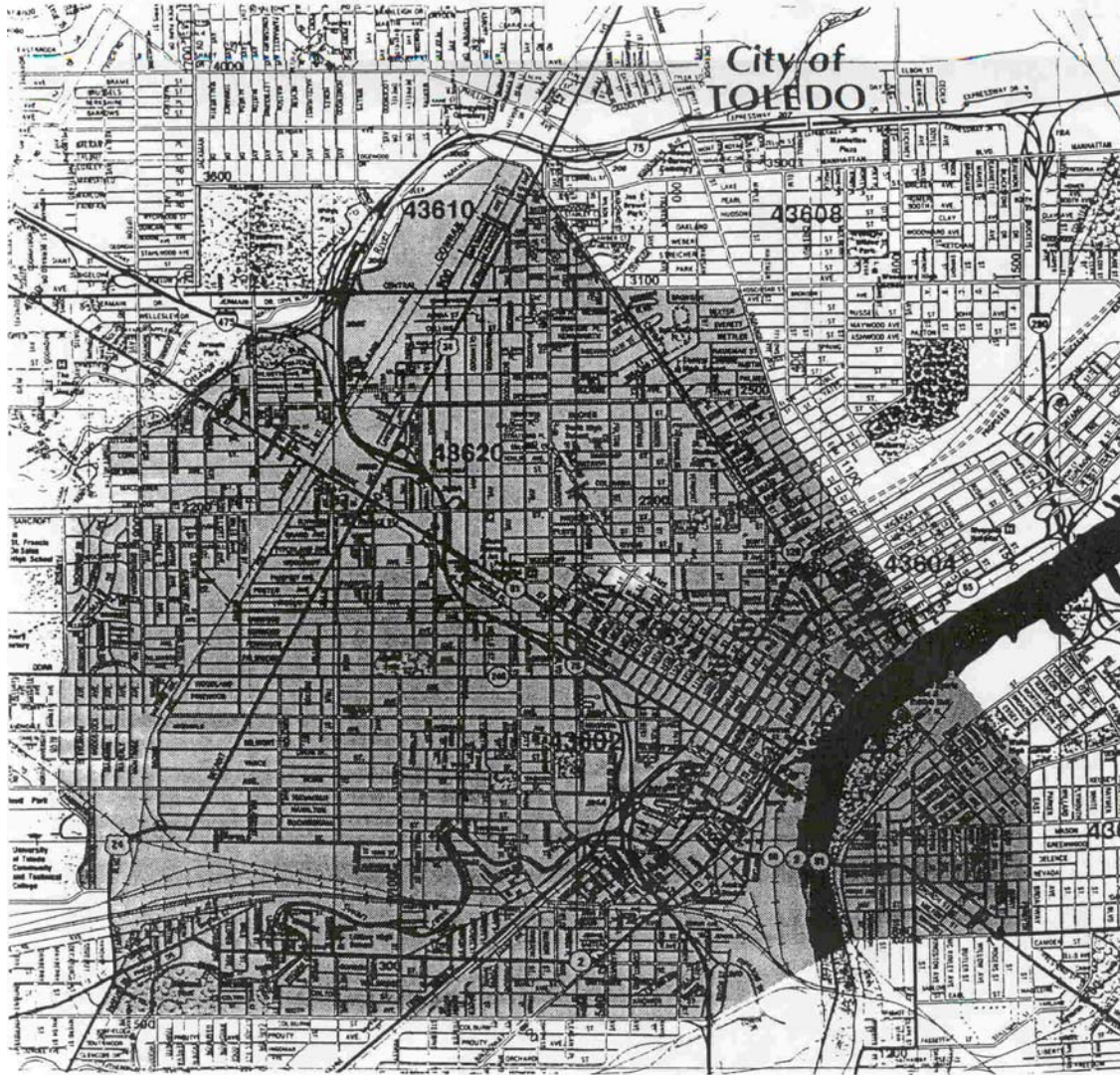


EXHIBIT F
SCHOOL DISTRICT PAYMENT AGREEMENT

WASHINGTON LOCAL SCHOOL DISTRICT ABATEMENT PAYMENT AGREEMENT
Attachment to City of Toledo Agreement for
Enterprise Zones (EZ's), Community Reinvestment Areas (CRA's)
and Tax Incremental Financings (TIF's)

This agreement (the "AGREEMENT") is made and entered into this 15th day of January, 2020 by and between Niki Toledo I, LLC; Niki Toledo II, LLC; and Stanley Toledo, LLC, (collectively the "COMPANY"), and the Washington Local School District (the "DISTRICT").

WHEREAS, pursuant to Sections 3736.671 & 5709.82 of the Ohio Revised Code and all applicable provisions of Ohio law, the City of Toledo (the "CITY") has proposed to enter into an Economic Development Agreement (to which this School District Payment Agreement will be attached heretofore as an Exhibit), under which the CITY approves a real and/or where applicable, a personal property tax exemption of 100% for fifteen (15) years for eligible new construction of non-residential property ("PROJECT") to be undertaken by the COMPANY as described in Exhibit A attached hereto; and

WHEREAS, to ensure that the DISTRICT will benefit from the PROJECT to be undertaken by the COMPANY, the CITY has requested and the COMPANY has agreed to make certain payments as discussed below to the DISTRICT; and

NOW, THEREFORE in consideration of the premises and covenants contained herein, the parties agree as follows:

Section 1. The COMPANY hereby agrees to make fifteen (15) annual payments to the DISTRICT in an amount equal to:

An amount calculated each year in January based on (i) a value equal to the prior calendar year's taxable value of the PROJECT as established by the Lucas County Auditor's Office, provided, however, that in no event (except only events of casualty and condemnation) shall such value be less than the value established by the Lucas County Auditor's Office at the time the PROJECT was 100% completed; (ii) the amount of tax dollars that the DISTRICT would have received as a result of this PROJECT if the exemption were not granted, calculated using the School District's current calendar year's millage rate as established by the Lucas County Auditor's Office; and (iii) calculated as if the DISTRICT were a non-guaranteed district, regardless of its status. The payment amount will be calculated annually and invoiced to the COMPANY. Payment of invoices (billed in arrears) shall be due on or before February 28th of each year.

The COMPANY shall provide to the DISTRICT a copy of any real property exemption form filed with County Auditor promptly following the filing thereof. Copies of reports shall also be sent to the appropriate parties at the City of Toledo.

The first payment, calculated in January following the calendar year in which the parcel is first exempted by the Lucas County Auditor's Office, is due on or before February 28th. Any late payments under this Agreement shall bear interest at the rate of 10% per annum until such payments are made. In addition, an amount equal to 10% of the past due amount as a late payment penalty will be made.

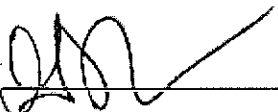
Section 2. This AGREEMENT shall run with the land and inure to the benefit of and shall be binding in accordance with its term upon the DISTRICT and the COMPANY and their respective permitted successors and assigns. This AGREEMENT may not be assigned by the COMPANY without the prior written consent of the DISTRICT, except to any successor entity as a result of a consolidation or merger, which consent will not be unreasonably withheld.

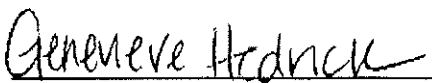
Section 3. This AGREEMENT as an attachment to the Enterprise Zone (EZ) and/or Community Reinvestment (CRA) and/or Tax Increment Financing Agreement required by the CITY sets forth the ENTIRE AGREEMENT and understanding between the parties as to the subject matter hereof and merges and supersedes all prior discussions, agreements, undertakings of every kind and nature between the parties with respect to the subject matter of this AGREEMENT. If the CITY does not approve the COMPANY's Tax Exemption Application, then the COMPANY will not be obligated to make the annual tax payments as set forth in Section 1.

Section 4. This AGREEMENT may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any party to this Agreement may execute this AGREEMENT by signing any such counterpart.

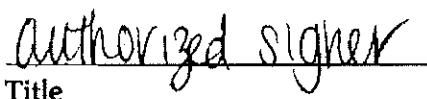
IN WITNESSETH WHEREOF, the parties hereto have caused this AGREEMENT to be executed as of the date set forth.

COMPANY
Niki Toledo I, LLC; Niki Toledo II, LLC;
and Stanley Toledo, LLC

By:  _____



Printed Name


 _____

Title

DISTRICT
Washington Local School District

By:  _____
Title: Superintendent

By:  _____
Title: Treasurer

By:  _____
Title: President of the Board

Date: _____

Date: 1/15/20

EXHIBIT A

(Renovation of Existing Industrial Facility)

Company: Niki Toledo I, LLC; Niki Toledo II, LLC; and Stanley Toledo, LLC

Company Contact: Genevieve Hedrick, Chief Operating Officer

Contact Phone Number: (858) 546-1561

Contact Email Address: N/A

Company Address: 11720 El Camino Real, Suite 250
San Diego, CA 92130

Parcel Number(s) 22-16648

Real Property Improvements: \$9,746,560.00

New Machinery & Equipment: \$ _____

Inventory, Furniture & Fixtures: \$ _____

Total Improvements: \$ _____

New Construction OR **15 Years**

Renovations to Existing Property **12 Years**

Term of Abatement: 15 Years

Percentage Abated: 100%

Payment to School Percentage: 100% of school taxes otherwise collected:
Calculated at School District total millage

Payment Amount: \$ TBD per year

Type: _____ Community Reinvestment Area (CRA)
X Enterprise Zone (EZ)
_____ Tax Increment Financing (TIF)

If CRA - Which Zone: _____

Comment/Project Description: Asbestos remediation / demolition of existing structure and construction of new buildings.