

ORDINANCE NO. 2026 - 055

AN ORDINANCE AMENDING ORDINANCE 2025-127 APPROVING AN AGREEMENT WITH PINGREE 2000 REAL ESTATE HOLDINGS, LLC AND CLERAC, LLC (aka ENTERPRISE HOLDINGS, LLC) TO UPDATE REVISIONS TO ITS INITIAL EMPLOYEE RELOCATION PLANS AND DECLARING AN EMERGENCY.

WHEREAS, the General Assembly of the State of Ohio, by the enactment of Ohio Revised Code Sections 3735.65 et seq. the Community Reinvestment Area Program, has heretofore authorized municipal corporations to designate Community Reinvestment Areas within the State in order to provide incentives for new residential, commercial or industrial development and/or rehabilitation in such areas, by making available real property tax exemption for such new development or rehabilitation; and

WHEREAS, pursuant to said Community Reinvestment Area Program, this City Council by Ordinance No. 2005-55, approved the designation of the geographic area described in said Ordinance as Community Reinvestment Area II; and

WHEREAS, Pingree 2000 Real Estate Holdings, LLC, main office located at 8249 Mohawk Drive, Strongsville, Ohio and CLERAC, LLC, aka Enterprise Holdings, LLC, dba Enterprise Rent-A-Car, main office located at 600 Corporate Park Drive, St. Louis, MO, are proposing a real property investment of \$2,276,762 which includes \$650,000 for property acquisition and \$1,626,762 for the renovations to the existing building and site located at 1225 West Main Street; and

WHEREAS, Pingree 2000 Real Estate Holdings, LLC, and CLERAC, LLC, aka Enterprise Holdings, LLC, shall create, within a time period not exceeding thirty-six (36) months after completion of construction and renovation of the facility, one (1) full-time job and forty-nine (49) part-time jobs and retain six (6) full-time jobs and one (1) part-time job at the project site; and

WHEREAS, the Company has submitted an application to the City requesting a real property tax exemption for the Project, and the City desires to enter into a Community Reinvestment Area Agreement (the "Agreement") with the Company; and

WHEREAS, the Project is located in the Kent City School District and the Board of Education of the Kent City School District, has been notified of the proposed Agreement in accordance with Ohio Revised Code Section 5709.83, and for the reasons stated in Section 2 of this Ordinance and Ohio Revised Code Section 3735.671(A)(2), no Board of Education approval is required; and

WHEREAS, the City Council has determined that it will be in the best interests of the City and its citizens to proceed to enter into the Agreement with the Company, and that fulfillment of such Agreement will carry out the purposes of the Community Reinvestment Area Program.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Kent, Portage County, Ohio:

SECTION 1. That this City Council hereby approves the Agreement providing for the Project and for an exemption from real property taxation of 75% of the increase in the assessed valuation of real property resulting from improvements to real property for 12 years. Said Agreement shall be in substantially the form of the Agreement on file with the Clerk of Council, with such revisions as are approved by the Director of Law of the City; and this Council hereby authorizes the City Manager to execute the Agreement on behalf of the City.

SECTION 2. That this Council hereby estimates that for each tax year the real property is exempted from taxation, the amount of any payment by the City to the Kent City School District pursuant to Section 5709.82 of the Ohio Revised Code, together with the amount of taxes charged and payable on any portion of the assessed valuation of the renovation and addition to the property that will not be exempted from taxation under the Agreement, equals or exceeds twenty-five (25%) percent of the amount of taxes that would have been charged and payable that year upon the real property had that property not been exempted from taxation. This Council hereby certifies to the Kent City School District Board of Education that this estimate is made in good faith.

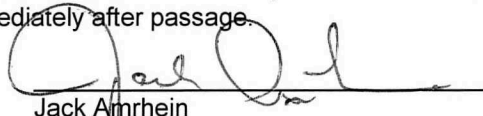
SECTION 3. That this Council hereby authorizes the City Manager, Mayor, Director of Law, Finance Director and Community Development Director to take such additional steps, execute such documents and provide such information and certifications as are necessary and appropriate to carry out and implement the terms and conditions of the aforesaid Agreement and the requirements and policies of the Community Reinvestment Area Program.

SECTION 4. That pursuant to Section 3735.671 of the Ohio Revised Code, the authorized officer is hereby directed to deliver a copy of the Agreement to the Director of the Department of Development of the State of Ohio within fifteen (15) days after the Agreement is entered into. On or before March 31 of each year that the exemption set forth in Section 1 hereof remains in effect, the Mayor or other authorized officer of this City shall prepare and submit to the Director of the Department of Development of the State of Ohio and to the Kent City School District a status report required under Section 3735.672 of the Ohio Revised Code.

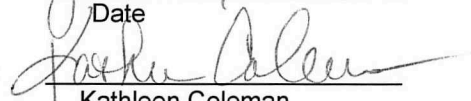
SECTION 5. That it is found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were passed in an open meeting of this Council and that all deliberations of this Council, and of any of its committees that resulted in such formal actions, were in meetings open to the public in compliance with all legal requirements of Section 121.22 of the Ohio Revised Code.

SECTION 6. That this Ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety and welfare of the residents of this City and for the further reason that this Ordinance is required to be immediately effective in order to authorize the execution of the Agreement, in order to provide for creation of jobs and economic opportunities in such area, which are vitally needed in order to enhance revenues for the City, and to improve the economic welfare of the people, for which reasons and other reasons manifest to this Council this Ordinance is hereby declared to be an emergency measure and shall take effect and be in force immediately after passage.

PASSED: June 17, 2026
Date


Jack Amrhein
Mayor and President of Council

EFFECTIVE: June 17, 2026
Date

ATTEST: 
Kathleen Coleman
Clerk of Council

I, KATHLEEN COLEMAN, CLERK OF COUNCIL FOR THE CITY OF KENT, COUNTY OF PORTAGE, AND STATE OF OHIO, AND
IN WHOSE CUSTODY THE ORIGINAL FILES AND RECORDS OF SAID COUNCIL ARE REQUIRED TO BE KEPT BY THE LAWS
OF THE STATE OF OHIO, HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND EXACT COPY OF ORDINANCE No.
2026-55, ADOPTED BY THE COUNCIL OF THE CITY OF KENT ON June 17, 2026.

(SEAL)


KATHLEEN COLEMAN
CLERK OF COUNCIL

CITY OF KENT

COMMUNITY REINVESTMENT AREA (CRA) AGREEMENT

This agreement made and entered into as of _____, 2026 by and between the City of Kent, Ohio, a municipal corporation, with its main offices located at 319 South Water Street, Kent, Ohio 44240 (hereinafter referred to as "Kent" or "the City") and Pingree 2000 Real Estate Holdings, LLC, a real estate holding company with its main office located at 8249 Mohawk Drive, Strongsville, Ohio 44136, (hereinafter referred to as "Pingree") and CLERAC, LLC,, also known as Enterprise Holdings, LLC, an operating company with its main office located at 600 Corporate Park Drive, Saint Louis, Missouri 63105, (hereinafter referred to as "Enterprise"). WITNESSETH;

WHEREAS, the City has encouraged the acquisition and redevelopment of real property located in the area described in Exhibit A attached hereto and designated as Community Reinvestment Area II; and

WHEREAS Pingree and Enterprise are desirous to renovate the existing building at 1225 West Main Street, Kent, Ohio 44240, hereinafter referred to as the "PROJECT," within the boundaries of the aforementioned Community Reinvestment Area, provided that the appropriate development incentives are available to support the economic viability of said PROJECT; and

WHEREAS, the Council of the City of Kent, Ohio, by Ordinance No 2005-55, passed June 15, 2005, designated the area as a "Community Reinvestment Area," pursuant to Chapter 3735 of the Ohio Revised Code; and

WHEREAS, effective July 12, 2005, the Director of the State of Ohio Department of Development determined that the aforementioned area designated as Community Reinvestment Area II in said Ordinance No. 2005-55 contained the characteristics set forth in Section 3735.66 of the Ohio Revised Code and confirmed said area as a Community Reinvestment Area under said Chapter 3735; and

WHEREAS, the City, having appropriate authority for the stated type of project, is desirous of providing the Company with incentives available for the development of the PROJECT in Community Reinvestment Area II under Chapter 3735 of the Ohio Revised Code; and

WHEREAS, Pingree and Enterprise have submitted a proposed agreement application to the City, a copy of which is attached hereto as Exhibit B (the "APPLICATION"); and

WHEREAS, the Director of Community Development of the City has investigated the application of Pingree and Enterprise and has recommended the same to the Council of the City on the basis that Pingree and Enterprise are qualified by financial responsibility and business experience to create and preserve employment opportunities in said Community Reinvestment Area and improve the economic climate of the City; and

WHEREAS, the project site as proposed by Pingree and Enterprise, is located in the Kent City School District and the Board of Education of the Kent City School District has been notified in accordance with Section 5709.83 and been given a copy of the Application, and, pursuant to Section 3735.671(A)(2), no approval is required; and

WHEREAS, pursuant to Section 3735.67(A), and in conformance with the format required under Section 3735.671, of the Ohio Revised Code, the parties hereto desire to set forth an agreement with respect to matters hereinafter contained;

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

1. Pingree and Enterprise shall renovate the existing building at **1225 West Main Street, Kent, Ohio 44240 (PROJECT)**. The PROJECT will involve a total investment by Pingree and Enterprise of approximately fourteen million, four hundred and six thousand, seven hundred and sixty-two dollars (\$14,406,762.00), plus or minus 10% at the project site. Included in this investment are six hundred fifty thousand dollars (\$650,000) for the acquisition of the land and the building, approximately one million, six hundred and twenty-six thousand, seven hundred and sixty-two dollars (\$1,626,762.00) for the existing building renovations, approximately forty thousand dollars (\$40,000.00) for machinery and equipment, approximately ninety thousand dollars (\$90,000.00) for the acquisition of furniture and fixtures and twelve million dollars (\$12,000,000.00) of vehicle inventory.

The improvements are to be made on the property listed as **Permanent Parcel Numbers 17-028-20-00-121-001** on the real property list of the Portage County Auditor.

The PROJECT will begin after the date hereof and all renovation and construction will be complete by August 2026.

2. Pingree and Enterprise shall relocate to the City, within a time period not exceeding thirty-six (36) months after the completion of construction and renovation of the aforesaid facility, ~~three (3) one (1) full-time jobs and seventy-seven (77) forty-nine (49) part-time jobs and retain nine (9) six (6) full-time jobs and one (1) part-time job~~ at the project site.

Pingree and Enterprise currently have five hundred ninety-four (594) full-time permanent employees and three hundred five (305) part-time permanent employees in the State of Ohio.

The relocation of ~~three (3)~~ one (1) new full-time employees and ~~seventy-seven (77)~~ forty-nine (49) new part-time employees in Kent will result in approximately ~~one million three hundred ninety-one thousand eight hundred twenty-two dollars (\$1,391,822)~~ eight hundred and twenty-four thousand, six hundred and sixty-two dollars (\$824,662) of additional annual payroll in the City for Pingree and Enterprise. The retention of the existing jobs in the State of Ohio will assist Pingree and Enterprise in maintaining ~~one million, seven hundred and thirty-eight thousand, eighteen dollars (\$1,738,018)~~ one million, one hundred and sixteen thousand, eight hundred and forty-eight dollars (\$1,116,848) of existing payroll of its current annual payroll of forty-one million, fifty thousand, nine hundred and fifty-five dollars (\$41,050,955) in the State of Ohio. Total payroll in the State of Ohio expected after the period of job creation ends is forty-one million, one hundred and three thousand, ninety-six dollars (\$41,103,096).

3. Pingree and Enterprise shall provide to the City of Kent Tax Incentive Review Council any information reasonably required by the Council to evaluate the property owners' compliance with the agreement, including returns filed pursuant to Section 5711.02 of the Ohio Revised Code, if requested by the Council.

4. The City hereby grants Pingree and Enterprise an **exemption from real property taxation of 75%** of the increase in the assessed valuation resulting from improvements to the real property described in Exhibit B hereto that is completed after the date hereof pursuant to Section 3735.67 of the Ohio Revised Code for **a period of twelve (12) 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 December 31, 2026 nor extend beyond December 31, 2038.

Pingree and Enterprise must file the appropriate tax forms with the Portage County Auditor to effect and maintain the exemptions covered by this agreement.

5. Pingree and Enterprise shall pay such real property taxes as are not exempted under this agreement and are charged against Permanent Parcel Number 17-028-20-00-121-001 and shall file all tax reports and returns as required by law. If Pingree and Enterprise fail to pay such taxes or file such returns and reports, the exemptions from taxation granted under this agreement may be rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.

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

7. If for any reason the Community Reinvestment Area designation expires, the Director of the State of Ohio Department of Development revokes certification of the area, or the City revokes the designation of the area, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless Pingree and Enterprise materially fail to fulfill their obligations under this agreement and the City terminates or modifies the exemptions from taxation granted under this agreement.

8. If Pingree and Enterprise materially fail to fulfill their obligations under this agreement, or if the City reasonably determines that the certification as to delinquent taxes required by this agreement is fraudulent, the City may thereafter terminate or modify the exemptions from taxation granted under this agreement, and may require the repayment of the amount of taxes that would have been payable had the property not been exempted from taxation under this agreement.

9. Pingree and Enterprise hereby certify that at the time this agreement is executed, they do not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio, and do 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, Pingree and Enterprise currently are 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 it. 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.

10. Pingree and Enterprise 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. This agreement takes effect upon such approval.

11. Exemptions from taxation granted under this agreement shall be revoked if it is determined that Pingree and Enterprise, any successor property owner, or any related member (as those terms are defined in Section 3735.671 of the Ohio Revised Code) has violated the prohibition against entering into this agreement under Division (E) of Section 3735.671 or Section 5709.62 or 5709.63 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.

12. Pingree and Enterprise affirmatively covenant that they have not knowingly made any false statements to the State of Ohio or the City of Kent in the process of obtaining approval of the Community Reinvestment Area incentives. If Pingree and Enterprise have knowingly made a false statement to the State or City to obtain the Community Reinvestment Area incentives, the party making such false statement shall be required to immediately return any monies 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, any state agency or a political subdivision, pursuant to Ohio Revised Code Section 9.66(C)(1). Any person who knowingly makes 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(A)(4), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six (6) months.

13. This agreement is not transferable or assignable without the express, written approval of the City.

14. This agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.

15. This agreement may be executed in multiple counterparts, each of which, when so executed, shall be deemed an original, and all of which shall together constitute one and the same document, and shall be binding on the signatories; and the signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

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IN WITNESS WHEREOF, the aforementioned parties have caused this instrument to be executed as of the date set forth on the first page hereof.

CITY OF KENT, OHIO

By: _____
Dave Ruller, City Manager, City of Kent

Approved as to form:

Hope Jones, Director of Law, City of Kent

Pingree 2000, LLC

By: _____

Name: _____

Title: _____

CLERAC, LLC

By: _____

Name: _____

Title: _____

