

THE SNOW HOUSE PARTNERSHIP

634 High Street, Worthington, Ohio 43085

October 21, 2021

Worthington City Council
6550 N. High Street
Worthington, OH 43085

Dear Members of Council,

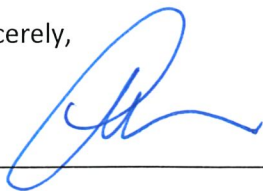
We would like to respectfully request the boundary of the Worthington Community Reinvestment Area (CRA) be expanded to include 41 W. New England Ave. (parcel # 100-000312-00). This property is currently referred to as the Snow House. The current CRA boundary stops at the parcel immediately to the east, which is 25 W. New England Ave. (parcel # 100-000167-00).

The purpose of our request is to enable the development of The Worthington Inn into a 55-room boutique hotel on the 41 W. New England site. In addition to building a new hotel on the site, we also intend to redevelop the lower level and first floor of the Worthington Inn located at 649 High Street (owned by 649 High LLC, an affiliated entity). The Worthington Inn restaurant space will be renovated to provide the food and beverage component for the newly built hotel.

Due to the elevated costs of construction, need to develop underground parking and operating expenses associated with operating a boutique hotel, the return on investment for such a development is not commensurate with the risk, absent a real property tax abatement. Furthermore, it is our understanding that the minimum qualifying criteria for a tax exemption under Worthington's CRA legislation include: \$1,000,000 of construction, either 25 employees or \$1,000,000 of new payroll and either commercial or industrial use. We believe our project qualifies for such tax abatement as the construction costs significantly exceed \$1,000,000, new payroll amount is estimated to be greater than \$1,500,000 and hotel and restaurants are considered commercial uses. We estimate additional direct economic benefits to the city to be around \$150,000/year in new bed taxes and \$16,000/year in new incremental property taxes. We believe our project meets the intent of the CRA in furthering economic development in Worthington.

We would appreciate City Council placing our CRA boundary expansion request on the November 1, 2021, City Council meeting agenda for consideration. Please let me know if you have any questions or would like to discuss the project further. Thank you in advance for the consideration.

Sincerely,



The Snow House Partnership

By: Kevin M. Showe, Managing Member