

CHIPPEWA TOWNSHIP-VILLAGE OF DOYLESTOWN
JOINT ECONOMIC DEVELOPMENT
DISTRICT CONTRACT

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Exhibit 1: Map of JEDD Area

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JOINT ECONOMIC DEVELOPMENT
DISTRICT CONTRACT

This Chippewa Township-Village of Doylestown Joint Economic Development District Contract (the "Contract") is made and entered into as of the ___ day of _____, 2007, by and between the Township of Chippewa (the "Township") and the Village of Doylestown (the "Village"), in accordance with the terms and provisions set forth herein.

RECITALS

A. The Village and Township intend to enter into this Contract to create and provide for the operation of the District (defined in Section 1) in accordance with Sections 715.72 et seq. of the Ohio Revised Code for their mutual benefit and for the benefit of their residents and of the State of Ohio (the "State").

B. The legislative authorities of the Village and Township have each authorized and directed the Village and the Township, respectively, to make and enter into this Contract by and through their respective officers in accordance with Ordinance No. 2007- _____, enacted by Village Council on _____, 2007, and Resolution No. _____, adopted by the Board of Township Trustees on _____, 2007.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth in this Contract, the Village and the Township agree and bind themselves, their agents, employees and successors as follows:

Section 1. Creation of District: Name. The Village and Township, by their combined action evidenced by the signing of this Contract, hereby create a joint economic development district in accordance with the terms and provisions of this Contract. The joint economic development district created pursuant to this Contract shall be known as the "Chippewa Township-Village of Doylestown Joint Economic Development District" (the "District"). The Board of Directors (the "Board") of the District may change the name of the District by resolution of the Board.

Section 2. Contracting Parties. The contracting parties to this Contract are the Village of Doylestown, Wayne County, Ohio (hereinafter the "Village"), a municipal corporation existing and operating under the laws of the State of Ohio, and the Township of Chippewa, Wayne County, Ohio (hereinafter the "Township"), a township existing and operating under the laws of the State of Ohio, and their respective successors.

Section 3. Purpose. The Village and Township intend that the creation and operation of the District shall, and it is the purpose of the District to, facilitate economic development to create or preserve jobs and employment opportunities and to improve the economic welfare of the people of the State of Ohio, the Village, the Township and the District.

Section 4. Territory of the District. The territorial boundaries of the District are described in the map marked as Exhibit 1, attached to and made part of

this Contract. The area marked in pink is the current JEDD area; the area outlined in yellow may be added to the JEDD on petition of landowners and petition of then-currently existing businesses in the area to be included in the JEDD by way of petition signed by property owners and business owners, as outlined in Section 5. No property owner may be forced to include their property in the JEDD. The territory of the District (I) is located entirely within the Township and the County of Wayne, and (iii) does not include any "parcel of land" (as defined in Section 715.701 [B] of the Revised Code) that is owned in fee by or is leased to a municipal corporation or a township. No electors reside in the territory of the District and no part of the territory of the District is zoned for residential use.

Section 5. Addition and Removal of Areas from District. This Contract may be amended from time to time to add certain property outlined in yellow on Exhibit 1 within the Township to the territory of the District, upon the filing of a request by the owner of that property, and upon request of the owners of any then-existing businesses located within the territory, with the JEDD Board. Any expansion of the JEDD beyond the area outlined in yellow on Exhibit 1 may only occur as a new JEDD. Upon agreement by the Village and Township, evidenced by Legislative Action of each, this Contract may also be amended from time to time to remove property from the territory of the District. As used in this Contract, the term "Legislative Action" means proper enactment of a resolution or ordinance by the Council of the Village or Board of Trustees of the Township by which resolution

or ordinance becomes effective in accordance with the law. The resolution of the Township and ordinance of the Village Council must be made within 60 days of one another.

Section 6. Term. The initial term of this Contract shall be for 50 years and shall commence on the date hereof and shall terminate December 31, 2057, unless otherwise terminated prior to that date as provided herein. This Contract shall be automatically renewed for additional 50-year periods, unless both parties, by resolution and ordinance, respectively, passed within 90 days of one another, agree not to renew. The provision herein for the initial term and the automatic extension of this Contract recognizes that the accrual of benefits to the parties from this Contract may take decades and that the construction of utility facilities and other possible capital improvements provided for herein is of permanent usefulness and duration.

This Contract may be terminated at any time by mutual consent of the Village and Township, as authorized by the Legislative Action of each. In order for such termination to be effective, the Legislative Action of the parties that terminate this Contract must occur and be effective within a period of ninety (90) days of other.

Upon termination of this Contract in accordance with its terms or by mutual termination by the parties, the Village shall continue to provide water and sewer at twenty Percent (20%) over the then-current in-Village rates. All other agreements

by the parties hereto shall be null and void, and all other services provided by the parties shall terminate, unless the parties agree to continue to provide one or more services in accordance with the terms of this Contract or otherwise.

If there is a final, non-appealable judicial determination at any time for any reason that joint economic development districts cannot be entered into, cannot be implemented, or are held invalid by a court of competent jurisdiction or that the income tax provided for in Section 13 hereof is not legal or valid, or that the District may not levy, collect or distribute that income tax in accordance with this Contract, then:

- A. this Contract may be terminated by the Village;
- B. the Village may cease providing water and sewer lines, or any new connection service to and within the District and cease construction of water and sewer line facilities and other capital improvements provided for herein, and
- C. the Village shall have no further obligation under this Contract.

Upon termination of this Contract, any property, assets and obligations of the District shall be divided equally between the Village and Township, provided that the District shall first use any property or assets to reduce or settle any obligations of the District. Any records or documents of the District shall be placed with the Village and Township for safekeeping, which records and documents shall

be maintained by the Village and Township as are public records of the Village and Township.

Pursuant to Section 715.74(C)(4) and 715.74(D) of the Revised Code, this Contract shall continue in existence throughout its term and shall be binding on the contracting parties and on any entities succeeding such parties, whether by annexation, merger or otherwise. In the event that any portion of the territory of the District shall be included within a municipal corporation by annexation, merger or otherwise, the Village and the Township may, but are not required to, amend this Contract to include that municipal corporation as a party to this Contract in addition to or as a substitute for the Township. The portion of the territory of the District that is included within a municipal corporation by annexation, merger or otherwise after the date of this Contract shall continue to be a part of the District and subject to the terms of this Contract and to the income tax provided for in Section 13 hereof. In the event that any portion of the territory of the Township that is within the territorial boundaries of the District becomes the subject of an annexation or merger into a municipal corporation, or an incorporation as a municipal corporation, the Board of Trustees of the Township shall use its best efforts, including, but not limited to, legal action to oppose and prevent such annexation, merger or incorporation, until and unless (1) the District has been created and the income tax provided for in this Contract has been in effect for one year, and (2) the municipal corporation into which such territory would be annexed

or merged or that is to be incorporated has either become a party to this Contract and has assumed all the obligations and responsibilities of the Township under this Contract in connection with such territory, or has agreed otherwise to recognize and comply with this Contract in a form acceptable to the Village.

Section 7. Contributions to the District. In accordance with Section 715.74(A) and (B) of the Revised Code, the Village and Township each agree to contribute to the development and operation of the District, as provided in Sections 7.1 through 7.4 below.

Section 7.1 General Services. The Village may provide services to assist the District with planning, promotion and related activities to facilitate economic development in the District. The Village shall provide income tax collection and administration, professional services, including, without limitation, engineering review and building inspection in cooperation with Wayne County authorities, secretarial services and other staffing for the District. The Village may provide any or all of such services through the Village administrative staff. The Village may also subcontract tax collection services to a private tax collection agency, such as RITA. The reasonable cost for such services and staffing, or reimbursement to the Village for the allocable share of such costs provided through the Village's administrative staff, including Finance Director's fees for services to the JEDD, shall be paid from the District income tax revenues as an operating

expense of the District, upon written approval of the JEDD Board, by motion and resolution of the JEDD Board after submission of written fee statements.

The Village shall be responsible for the administration, collection and enforcement of the District income tax on behalf of the District, as provided in Section 13.

The Township shall provide the same services within the District that it provides now or in the future within the Township, including providing fire and EMS response; police protection through the Wayne County Sheriff's Office or otherwise, industrial zoning of the areas included in the JEDD, and road maintenance on roads within the JEDD and all Township roads leading to the JEDD which have been developed through JEDD revenues.

All parties shall provide political cooperation to assure the success of the JEDD.

The Village and Township shall prepare, or cause to be prepared, all documents of the Village, Township and District relating to the formation of the District, including, but not limited to, this Contract, instruments describing the District boundaries, petitions, notices, forms of the Village, Township and District legislation and any District income tax election proceedings. Any costs incurred by the Village or Township in preparing such documents may be paid (or reimbursed to the Village or Township for payments made by the Village or Township) from

revenues of the District income tax as an operating expense of the District, upon presentation of bills and a written resolution approving same by the JEDD Board.

Section 7.2. Utility Services - Generally. All or a portion of the Village's contribution to the development and operation of the District may be in providing access to the Village's potable water lines and water services and facilities, and sewage treatment for users within the District under the terms of this Contract or otherwise. The Village may acquire, construct and install water and/or sewer facilities upon petition of users, in a form acceptable to the Village, as provided in Section 7.3 and Section 7.5 below.

The Village and Township agree that developers must pay for the cost of extension of water and sewer lines, and the Village will make the services available within on (1) year. If a developer pays for extension of water and/or sewer lines that exceed the size necessary for the developer's project, or extends beyond the property owned by the developer, the Village shall impose a fee upon additional water/sewer line users to allow the developer to recoup its costs. Such a fee shall be in addition to the tap-in fee the Village collects and shall be proportional to the benefit received by additional water/sewer users.

Section 7.3. Water Service. In order to provide access to the water services and facilities described in 7.2, the Village may acquire, construct and install water service facilities in the District.

The Village shall enter into water service agreements with water service users within the District to provide such water service. The rates for such service shall be as provided in this Section. The Village of Doylestown will invest the funds necessary to construct the water line, through a charge to the developer, in such form and under such arrangements as determined by the Village, so that the developer will pay construction costs and will be reimbursed over time as abutting owners tap in, upon the collection of a special one-time extension fee from abutting property owners, calculated by taking the total construction cost divided by front footage on both sides of each road, which shall be collected upon completion of the extension of the water line, and upon tap in by abutting owners, less any construction or other grants or funds allotted to such project by the JEDD Board. The Village, Township and JEDD Board agree to cooperation to seek grants issued to and other outside funds to offset water line costs.

The number of connections to the water systems in the District shall be subject to the following limitations:

- A. All extensions of water lines shall be made only upon petition.
- B. The Village reserves one hundred thousand gallons per day of capacity, above then-current usage, for water users within the Village, and the Village's agreement to extend water service to areas outside the Village is expressly subject to such reservation.
- C. As to the JEDD area, the Village of Doylestown, or its assignee or developer, agrees to commence to construct water lines of adequate size to serve the foreseeable

water needs in this JEDD District within one (1) year from the time a valid purchase option for development is signed.

The parties agree to collaborate politically and economically to obtain sufficient potable water from wells either in the Village or in the Township to satisfy the needs of the Village of Doylestown and the JEDD into the foreseeable future. To this end, the parties agree to share 50-50 the cost of any necessary water studies, any necessary projections of the need for water once the Village and the Township reach a build out, based on current land use planning and zoning codes in the Village and the Township. The parties also agree to assist in the purchase of land necessary for water wells and to share 50-50 the cost of doing so. The parties further agree that Township and Village JEDD water users shall be charged the same monthly fees, plus a 10% surcharge, and shall be charged the same tap-in and other fees as the Village charges its own residents and customers, except as otherwise provided herein. Township residential water users who are adjacent to a JEDD water line shall pay a 25% surcharge over and above the amount charged similarly classed in-Village water users.

Further, the Township agrees to assist the Doylestown Village Council and Board of Public Affairs. The Township further agrees to provide funds, either out of its general fund, out of loans or grants available from state, federal or other agencies, or out of the JEDD proceeds funding to assist in the establishment of necessary water wells.

Section 7.4. Additional Specific Services and Contributions.

In addition,

the parties agree to the following specific services and contributions to be provided:

- A. Zoning and planning considerations in the development of the District shall be at the final discretion of the Township Trustees and zoning officials, subject to the limitations on water service provided in Section 7.3 above and the limitations in zoning and planning provided in Section 14 below. However, the Township Trustees and zoning officials shall consult with the elected Village officials and Village Planning Commission to provide the best watershed control and best industrial and commercial development possible, utilizing the resources of both.
- B. The Township and Village agree that they will consult and cooperate with the Doylestown Mayor and all Chippewa Township zoning authorities on a joint, comprehensive development plan for the District. Further, the Township and Village agree that they will hold planning advisory committee meetings no less frequently than once a year to further this spirit of cooperation.
- C. The Township, Village and JEDD Board will undertake collaborative efforts to apply for, receive and utilize Aid for

Public Improvements awarded by the State of Ohio public Infrastructure capital improvements pursuant to Chapter 164 of the Ohio Revised Code, or other state or federal sources for assistance for infrastructure capital improvements.

- D. As to cooperation between police, fire and EMS, the Village and the Township agree to continue the existing mutual aid contracts between the Village and Chippewa Township for the duration of this JEDD Contract.
- E. The parties agree to work together to encourage only high income tax producing development within the JEDD, including commercial and industrial users. The parties agree to work together to discourage any low income tax producing uses – commercial and industrial – within the JEDD.

Section 7.5. Sewer. The Village may provide sewage treatment to areas of the JEDD at a rate equal to rates charged in-Village customers, plus 10%, and to non-JEDD users 25% (that are adjacent to a JEDD sewer line).

In order to provide access to the sewer services and facilities described in 7.2, the Village may acquire, construct and install sewer service facilities in the District as provided in Section 8 below.

The Village shall enter into sewer service agreements with sewer service users within the District to provide such sewer service. The rates for such service shall be as provided in this Section. The Village of Doylestown will invest the funds necessary to construct the sewer line, through a charge to the developer, in such form and under such arrangements as determined by the Village, so that the developer will pay construction costs and will be reimbursed over time as abutting owners tap in, upon the collection of a special one-time extension fee from abutting property owners, calculated by taking the total construction cost divided by front footage on both sides of each road, which shall be collected upon completion of the extension of the line, and upon tap in by abutting owners, less any construction or other grants or funds allotted to such project by the JEDD Board. The sewer main will be defined as "unavailable" for tap-in per Wayne County Health Code, unless the adjacent property owner requests tap-in. The Village, Township and JEDD Board agree to cooperation to seek grants issued to and other outside funds to offset sewer service line costs.

The number of connections to the sewer service systems (both in the District and in the residential areas adjacent to a JEDD sewer line) shall be subject to the following limitations:

- A. All extensions of sewer lines shall be made only upon petition.
- B. No extension of sewer service shall be required if such extension would reduce the used sewer capacity within the Village below one hundred thousand gallons per day.

- C. As to the JEDD area, the Village of Doylestown, or its assignee or developer, agrees to commence to construct sewer lines of adequate size to serve the foreseeable sewer needs in this JEDD District and the sewer service needs of those Township residential areas adjacent to JEDD sewer lines, within one (1) year from the time a valid purchase option for development is signed.

The parties agree to collaborate politically and economically to assure sufficient sewer treatment capacity to satisfy the needs of the Village of Doylestown and Chippewa Township into the foreseeable future. To this end, the parties agree to share 50-50 the cost of any necessary sewer capacity studies, any necessary projections of the need for sewer once the Village and Township reach a build-out, based on current land use planning and zoning codes in the Village and the Township. The parties further agree that Township and Village JEDD sewer users shall be charged the same monthly fees, plus a 10% surcharge, and shall be charged the same tap-in and other fees as the Village charges its own residents and customers, except as otherwise provided herein. Township residential sewer users who are adjacent to a JEDD sewer line shall pay a 25% surcharge over and above the amount charged similarly classed in-Village sewer users. Further, the Township agrees to assist the Doylestown Village Council and Board of Public Affairs. The Township further agrees to provide funds, either out of its General Fund, out of loans or grants available from the State, Federal or other agencies, or out of the JEDD proceeds at the discretion of the Trustees, to assist in the establishment of necessary additional sewer capacity sufficient to provide service to the JEDD area.

Section 8. Utilities. As used in this Contract, the term "Doylestown Rate" shall mean the users' rate for water or sewer service paid by utility customers located within the Village, as established by the Village Council of Doylestown and as the same may be amended from time to time by the Council.

- A. New Residential users within the Township and directly adjacent to a JEDD water and/or sewer line shall pay a water and/or sewer rate equal to 25% above the current Doylestown Rate.
- B. Commercial and industrial users within the District shall pay a water and sewer rate equal to the Doylestown Rate, plus 10%.
- C. The Village may provide in any user agreements or rate schedules that, in the event this Contract is terminated, the rate charged for service to users within the Township or District shall be automatically revised as provided in that user agreement or rate schedule, but such rates shall be reasonably raised to the cost of providing the service and shall not exceed a 10% increase.

Section 9. Ownership of Facilities. All sanitary sewer and/or water service facilities that are acquired, constructed or installed by the Village pursuant to this Contract shall be owned, operated and maintained by the Village, unless otherwise determined by the Village.

Section 10. Board of Directors. Pursuant hereto, a Board of Directors is established to govern the District. The Board shall consist of five (5) members, two (2) each from the Village and the Township. The Township members of the Board shall be appointed by the Township Trustees. The Village members shall be appointed by the Mayor and confirmed by members of Council. The members of the Board shall serve as provided for in Ohio Revised Code 715.72(A).

The Township members of the Board shall be (1) a Township Trustee who shall serve for a period of two years, and (2) a representative of owners of businesses within the District who is a Township resident, if there are businesses located within the District, who shall serve for a period of three years. If there are no businesses located within the District, then a landowner who is a resident of the Township in the JEDD area shall serve on the Board for a period of three years. The Village members shall be (a) the Mayor or his designee who shall serve for a period of one year, and (b) a representative of persons working within the District who lives in the Village, if any exist; if none exist, a Doylestown resident who shall serve for a period of four years. The fifth member, who shall be the chairman, shall be selected by the four members described above, and shall serve for a period of four years. The fifth member shall alternate between a Village and Township resident.

Notwithstanding the foregoing, at all times, no fewer than two (2) of the foregoing representatives shall be residents of Chippewa Township, and no fewer than two (2) shall be residents of the Village of Doylestown.

In the event that the Township shall cease to exist or the territory of the District shall be included within a municipal corporation, but prior to such event, the Board shall establish a procedure for the appointment of members of the Board from the political subdivision or entity succeeding to the Township or being added as a party to this Contract in accordance with Section 715.78 of the Ohio Revised Code.

The members of the Board shall serve without compensation as such members. Necessary and authorized expenses incurred by members on behalf of the District shall be reimbursed from District funds in accordance with procedures established by the Board.

The Board shall elect the following officers (who shall constitute the Officers of the Board) from among its members: a Chairman, a Vice Chairman, a Secretary and a Treasurer, provided that the Secretary and the Treasurer may be the same person. The Officers shall be elected at the first meeting of the Board and thereafter every other year for two-year terms, and shall serve until their respective successors take office. The Board shall establish a procedure for conducting those elections. The Officers shall perform such duties as provided herein and such additional duties as may be provided from time to time by the Board.

Section 11. Powers, Duties, and Functions of the Board. The Board shall meet at least once each calendar year on a date determined by the Board, provided that the first meeting of the Board shall occur within 30 days of the effective date of this Contract. The Board shall adopt procedures for holding and conducting regular and special meetings. Meetings may be held at the offices of the Village or the Township. The principal office and mailing address of the District and the Board shall be determined by the Board at its first meeting and may be changed by the Board from time to time. The Board may maintain an office within the District. A minimum of a majority of members shall constitute a quorum for

Board meeting purposes. The Board shall act through resolutions adopted by the Board. A resolution must receive the affirmative vote of at least three (3) members of the Board to be adopted. A resolution adopted by the Board shall be immediately effective unless otherwise provided in that resolution or by Section 715.70 or 715.71 of the Revised Code. A resolution affecting any of the following shall require an affirmative vote of at least four members: (a) extension of the JEDD area; (b) adoption of a budget; (c) employing legal counsel and auditors; (d) purchase of any real property; (e) any expenditure over Ten Thousand Dollars (\$10,000.00), and (f) paying for water and sewer line extensions out of the 50/50 income tax split of net JEDD revenue. In addition, any of the above issues must be approved by resolution of the Township Trustees and resolution of the Village.

The Board may adopt by-laws for the regulation of its affairs and the conduct of its business consistent with this Contract.

The Chairperson shall preside over and conduct the meetings of the Board in accordance with its by-laws or other procedures adopted by the Board. The Chairman may call special meetings of the Board by giving 24-hour written notice of such meeting to each member delivered to his or her residence or place of business. Any three members of the Board may also call a special meeting by providing the same notice.

The Vice Chairman shall act as Chairman in the temporary absence of the Chairman.

The Secretary shall be responsible for the records of the Board, including, but not limited to, correspondence and minutes of the meetings of the Board.

The Treasurer shall be the fiscal officer of the Board and shall be responsible for all fiscal matters of the Board, including, but not limited to, the preparation of the budget and the appropriations resolution, paying or providing for the receipt, safekeeping and investment of funds of the Board, and maintaining or providing for the maintenance of accurate accounts of all receipts, expenditures, assets and obligations of the Board. The Board may provide in the Tax Agreement (as defined in Section 13 hereof) that the Village shall assist the Treasurer with the duties of that office.

The Board shall designate by resolution, or in its by-laws, those Officers who may sign documents on behalf of the Board.

The Board shall adopt an annual budget for the District. The fiscal year of the District shall be the same as the fiscal year of the Village. The budget shall estimate the revenues of the District and expenses of the operation of the District. The Board shall establish an appropriations procedure to provide for payment of the operating expenses of the District and the distribution of income tax revenues in accordance with Section 13 hereof.

The Board is authorized to take such necessary and appropriate actions or establish such programs to facilitate economic development in the District in accordance with the purpose of this Contract.

The Board, on behalf of the District, may:

- (1) purchase, receive, hold, lease or otherwise acquire and sell, convey, transfer, lease, sublease or otherwise dispose of real and personal property, together with such rights and privileges as may be incidental and appurtenant thereto and the use thereof, including, but not limited to, any real or personal property acquired by the District from time to time in the satisfaction of debts or enforcement of obligations, or otherwise;
- (2) acquire, purchase, construct, reconstruct, enlarge, furnish, equip, maintain, repair, sell, exchange, lease or rent to others, lease or rent from others, or operate facilities for the District;
- (3) make available the use or services of any District facility to one or more persons, one or more governmental agencies, or any combination thereof;
- (4) establish and maintain such funds or accounts as it deems necessary, either of its own or in conjunction with or through the Village or the Township;
- (5) promote, advertise and publicize the District and its facilities, provide information relating to the District and promote the interest and economic development of the District, the Village, the Township, the County and the State;
- (6) make and enter into all contracts and agreements and authorize one or more officers to sign all instruments necessary or incidental to the performance of its duties and the execution of its powers under this Contract;
- (7) employ managers and other employees and retain or contract with consulting engineers, financial consultants, accounting experts, architects, attorneys and such other consultants and independent contractors as are necessary in its judgment to carry out the purposes of this Contract, and fix the compensation thereof, which shall be payable from any available funds of the District;

- (8) receive and accept from any federal agency, state agency or other person, grants for or in aid of the construction, maintenance or operation of any District facility, for research and development with respect to District facilities or for programs or other projects of the District, and receive and accept aid or contributions from any source of money, property, labor or other things of value, to be held, used and applied only for the purposes for which such grants, aid or contributions are made, and
- (9) purchase fire and extended coverage and liability insurance for any District facility and for the office of the District, insurance protecting the District and its Board, Officers and employees against liability for damage to property or injury to or death of persons arising from its operations, and any other insurance that the Board may determine to be reasonably necessary.

This Contract grants to the Board the power and authority to levy an income tax within the District in accordance with Section 715.74(C) of the Ohio Revised Code and Section 13 hereof.

The Board is authorized to do all acts and things necessary or convenient to carry out the powers granted in this Contract.

The Village and the Township may exercise all of the powers and may perform all of the functions and duties set forth in Section 715.81 of the Ohio Revised Code.

Section 12. Income Tax. The Board, at its first meeting, pursuant to Ohio Revised Code 715.74(C), shall by resolution levy an income tax at a rate equal to, but not to exceed, the highest rate levied by the Village on all applicable entities and employees located within the area of the JEDD following the formation

of the JEDD. The income tax shall go into effect on the first day of the quarter immediately following the effective date of the JEDD. The income tax will be collected and shared as follows:

- (1) For the first 20 years, up to 20% of the income tax shall be allocated to a maintenance and infrastructure fund.
- (2) The net income tax shall be split Fifty Percent (50%) to the Village and Fifty Percent (50%) to the Township.

The Board shall adopt, by resolution, all of the provisions of the Village's income tax legislation, as it may be amended from time to time. The rate of the income tax shall change from time to time so that it is equal to the rate of the municipal income tax levied by the Village. The income tax levied by the Board, pursuant to this Contract and the Ohio Revised Code, shall apply in the entire District throughout the term of this Contract, notwithstanding that all or a portion of the District becomes subject to annexation, merger or incorporation.

The Board shall enter into an agreement with the Village to administer, collect and enforce the income tax on behalf of the District (the "Tax Agreement"). The Tax Agreement shall provide that the Clerk of the Village shall be the Administrator of the income tax of the District (the "Administrator"), who shall be responsible for the receipt, safekeeping and investment of the income tax revenues collected within the District.

For the first 20 years of the term of this Contract, up to 20% of the income tax shall constitute the maintenance and infrastructure fund to be used to pay operating expenses of the District, including, but not limited to, the following:

- A. Costs of planning, promotion and related activities to facilitate economic development in the District and secretarial services and other staffing for the District, as provided in this Contract.
- B. Costs incurred by the Village and Township in preparation of documents of the Village, Township and the District relating to the formation of the District as provided in this Contract.
- C. The cost of constructing and maintaining infrastructure in the District, including, without limitation, roads, lighting, water, sewer, storm water facilities, and other infrastructure. This section allows, but does not commit, either the Township or the Village to expend funds for such infrastructure. Maintenance and infrastructure funds shall be expended only for projects agreed to by both the Village and Township, by ordinance or resolution, respectively, passed within 90 days of one another. If the Township or Village advance funds to pay for infrastructure costs, then the Township or Village shall be reimbursed, dollar for dollar, for such expenses from the maintenance and infrastructure fund, over a period of years, as approved by the Village and Township, by ordinance or resolution, respectively, passed within 60 days of one another. Every five (5) years, the Village and Township shall review the maintenance and infrastructure fund, and may allocate unused and uncommitted maintenance and infrastructure funds to be divided 50/50 between the Village and Township.

On each January 30 and July 30, the Administrator shall provide the District with an amount sufficient to pay the outstanding or expected expenses of the

District for the following six months, as provided above, in accordance with the budget and appropriations resolution, as amended from time to time, of the Board and as approved by the Doylestown Village Council and the Chippewa Township Trustees. Income tax revenues in excess of those provided to the District shall be paid or credited by the Administrator to the Village and the Township on each January 30 and July 30 without need of further action by the Treasurer or the Board, in accordance with the budget and the appropriations resolution, as amended from time to time, of the Board, and this Contract. The income tax revenues so paid or credited may be used by the parties to this Contract to encourage and promote economic development, including, but not limited to, maintaining and improving the infrastructure facilities of the Village, the Township and the District (including paying debt charges related thereto), providing for economic development projects of the Village, the Township and the District, providing safety and health services within the Village, the Township and the District, providing urban development planning, counseling and financing services for the Village, the Township and the District, generally improving the environment for those working and residing in the Village, the Township and the District, and for other purposes as permitted by law.

All other tax revenues generated within the District, including, but not limited to, all property taxes, personal property taxes, estate taxes, road and bridge taxes, and real estate taxes, shall remain revenue of the Township.

The Tax Agreement shall provide that the Administrator shall make an annual report to the Board regarding the receipt and distribution of the income tax of the District.

The Village and Township recognize that state law regarding taxes may change from time to time, and that some current taxes may be eliminated and new ones created. The parties agree to meet and discuss and use their best efforts to equitably and fairly share such new taxes as may be created in the future.

The Village and Township agree that the JEDD is not to be considered a taxing district for purposes of the Local Government Fund Distribution formula in Wayne County.

Section 13. Annexation; Zoning; Protection of Residential Areas; Effect of any Future Merger of Village and Township.

The Village agrees that the Village will not annex land nor pass a resolution or ordinance of services, nor pass an ordinance accepting an annexation by petitioners for any land within the JEDD during the term of this JEDD Contract, without prior approval of the Board of Trustees. The Village agrees to use its best efforts to oppose the annexation, merger or consolidation of any property located in the Township by any other municipal corporation. Neither the Village nor the Township is or will be divested of its rights and obligations under this Contract because of annexation, merger or succession of interests. The Village agrees not to succeed from the Township for the duration of the JEDD Contract, and shall not

pass any ordinance approving any succession from the Township, and will actively oppose any attempt to succeed from the Township for the duration of the JEDD.

The Township agrees to maintain zoning of the property appropriate to industrial and commercial uses within the JEDD District. For purposes hereof, and to the extent permitted by law, "zoning" shall include "conditional zoning", grant of any variance or other form of permit to use, and otherwise prescribing the use to which property may be put. The Township will establish land use configuration and buffers zones in accordance with the Chippewa Township zoning standards, and will consult with the Village not less than once per year regarding these issues.

The Village and Township shall work together to establish land use, land configuration and landscaping to maximize protection of residential areas, including:

1. appropriate landscaping, land configuration and land use to prevent undue noise pollution, light pollution or unsightly vistas;
2. Set back of any industrial or commercial buildings or outside storage of at least 150 feet from a residential property line.

In the event that, in the future, the Township and Village are merged into one entity, then this JEDD shall terminate on the effective date of such merger.

Section 14. Tax Incentives/Tax Abatements. If an enterprise zone is established in the JEDD area, Wayne County rules and regulations of enterprise zones and state law shall apply.

Nothing in this Contract shall effect C.A.U.V. tax on agricultural land. No assessments shall be imposed for water or sewer lines on land used for agricultural purposes, so long as it continues to be used agriculturally (until the owner of the land taps into the water and/or sewer line).

The parties agree that it is possible that economic incentives in the form of tax abatements will be necessary to encourage economic development of the property within the JEDD. The Township agrees to permit a tax abatement up to 40% of real or personal property taxes without contribution from the Village. The Township also recognizes that on occasion the Village will feel a more substantial tax abatement is necessary. In that case, the parties shall meet and discuss a larger tax abatement and discuss the terms and conditions of a tax abatement which shall be granted if the Township and the Village agree. Any discussions of abatements in excess of 40% will include a representative of the school district and any agreement for abatement in excess of 75% will require board of education approval and may provide for a payment in lieu of taxes (PILOT) to the school district. If, after a good faith effort to agree as to the terms, conditions and rate of tax abatement, the parties cannot reach an agreement, then the Township shall permit a larger abatement so long as the Village reimburses to the Township any tax abatement in excess of the agreed upon amount for real and personal property taxes. The Village may use any Village funds for that purpose, including the Village's share of JEDD income tax revenue. Further, the Township shall use its best efforts to treat the JEDD area,

for purposes of tax abatement and incentives, as good as or better than the remainder of the Township, at least equal to any other JEDD created within Chippewa Township.

Section 15. Defaults and Remedies.

- A. Any and all disputes which arise under this Contract, except with respect to the termination of this Contract pursuant to Section 6 hereof, whether regarding an alleged breach of the obligations set forth in this Contract or otherwise arising out of its subject matter or matters related to it, may be resolved by the use of mediation or arbitration. If such a dispute arises, and the parties agree to arbitration, then the aggrieved party shall give notice to the other party that the aggrieved party has a claim against the other party (the date that notice is delivered shall be called the "Notice Date"). If said dispute cannot be settled through negotiation or by correction of any alleged breach within at least 60 calendar days after the Notice Date, then the Village and Township agree to engage a mediator to assist them in the good faith negotiation of a settlement of that dispute prior to resorting to arbitration. If after three days of mediation with the mediator the dispute is not settled, or if the mediator declares an impasse prior to the end of the three-day period, then the aggrieved party may submit the dispute to binding arbitration. Arbitration

hearings shall commence (which commencement shall be deemed to occur on the date an arbitrator is appointed to hear the dispute) no later than 80 days after the Notice Date. Arbitration of the dispute shall be completed within 140 days after commencement of the arbitration.

- B. The parties, upon mutual agreement, may choose to arbitrate differences or disputes regarding this JEDD Contract. However, the parties reserve the right to seek their legal remedies in court on major issues. If the parties agree to arbitrate, the following procedures shall be used. The Village and Township shall each choose one arbitrator. Those two (2) arbitrators shall name a third who shall be chairperson of the panel. If the Village and Township cannot agree on rules, then the Village and Township shall use the then-current arbitration rules of the American Arbitration Association (the "Provider") to choose the mediator or arbitrator or to set rules of the mediation or arbitration, as required. The mediator may not serve as an arbitrator. Any and all necessary mediation and arbitration hearings shall be held in Wayne County, Ohio, unless the Village and Township agree otherwise. Mediation and arbitration effected pursuant to this Contract shall be governed by and the terms of this Section shall be construed in accordance with the laws of Ohio. In the event that arbitration is used

by the parties, the arbitrator's award shall be limited to specific performance, or money damages, or both. Judgment upon the award rendered may be entered in any court of competent jurisdiction.

- C. The mediation and arbitration shall be compromise negotiations and all offers, promises, conduct and statements, whether oral or written, made in the course of the mediation or arbitration by any of the parties, their agents, employees, experts and attorneys, or by the mediator or arbitrator, shall be confidential, privileged and inadmissible for any purpose, including impeachment Under Rule 408 of the Federal Rules of Evidence and any applicable federal or state statute, rule or common law provisions, and in any judicial or arbitration proceeding.
- D. Other than as provided in Section 6 hereof, this Contract may not be canceled or terminated because of a default, unless the Village and Township agree to such cancellation or termination.

Section 16. Modifications. This Contract may be modified by the Village and the Township only in writing approved by the legislative authorities of both parties by appropriate Legislation Action authorizing that modification. Such modification, in order to be effective, must be authorized by appropriate Legislative Action passed by the Council of the Village within 90 days of the appropriate Legislative Action passed by the Board of Trustees.

Section 17. Binding Effect. This Contract shall inure to the benefit of and shall be binding upon the District, the Village and the Township, and their

respective permitted successors, subject however, to the specific provisions hereof. This Contract shall not inure to the benefit of anyone other than as provided in the immediately preceding sentence.

Section 18. Support of Contract. In the event that this Contract, or any of its terms, conditions or provisions, is challenged by any third party or parties in a court of law, the parties agree to cooperate with one another and to use their best efforts in defending this Contract with the object of upholding this Contract. Each party shall bear its own costs in any such proceeding challenging this Contract or any term or provision thereof.

Section 19. Signing Other Documents. The parties agree to cooperate with one another and to use their best efforts in the implementation of this Contract and to sign or cause to be signed, in a timely manner, all other necessary instruments, petitions and similar documents, and to take such other actions, in order to effectuate the purposes of this Contract.

Section 20. Severability. In the event that any section, paragraph or provision of this Contract, or any covenant, agreement, obligation or action, or part thereof, made, assumed, entered into or taken, or any application thereof, is held to be illegal or invalid for any reason:

(1) that illegality or invalidity shall not affect the remainder hereof or thereof, any other section or provision hereof, or any other covenant, agreement, obligation or action, or part thereof, made, assumed, entered into or taken, all of

which shall be construed and enforced as if the illegal or invalid portion were not contained herein or therein;

(2) the illegality or invalidity of any application hereof or thereof shall not affect any legal and valid application hereof or thereof, and

(3) each section, paragraph, provision, covenant, agreement, obligation or action, or part thereof, shall be deemed to be effective, operative, made, assumed, entered into or taken in the manner and to the full extent permitted by law.

Section 21. Governing Law and Venue. This Contract shall be governed exclusively by and construed in accordance with the laws of the State of Ohio, and in particular Section 715.72 to 715.81 of the Revised Code, and venue for all issues involving this Contract shall be in Wayne County, Ohio.

Section 22. Captions and Headings. The captions and headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections hereof.

Section 23. Land Use Planning; Storm Water Drainage and Urban Development.

Chippewa Township and the Village of Doylestown agree that any matters not covered under this Agreement will be handled as they have always been handled in Chippewa Township and Wayne County as to land use planning, development, storm water drainage and urban planning. Chippewa Township and the Village of Doylestown agree, however, to work together to improve the manner in which the Township and Wayne County handle urban land use planning and

development. Specifically, the parties agree to work with and together to assure that development has no undue environmental impacts upon adjoining property owners. Specifically, the parties agree to work together to assure that storm water drainage is managed in a way so as to minimize its impact upon adjoining or adjacent property owners. The parties agree to work together such that any developer must submit storm water drainage plans to Wayne County and Doylestown officials in order to assure that storm water management is handled in the best possible manner.

Section 24. Effective Date. This Contract shall not be effective earlier than 31 days after its approval, pursuant to ORC 715.77(A)(4).

IN WITNESS WHEREOF, the Village and Township have caused this Contract to be duly signed in their respective names by their duly authorized officers as of the date hereinbefore written.

Signed as to the Village
in the presence of:

Printed Name: _____

Printed Name: _____
(Witnesses as to the Village)

ATTEST:

Ann Youngblood, Clerk-Treasurer
Village of Doylestown

VILLAGE OF DOYLESTOWN

Terry L. Lindeman, Mayor

Approved as to legal form and
correctness:

By: _____
Bruce Conrad, Solicitor
Village of Doylestown

Signed as to the Township
in the presence of:

Printed Name: _____

Printed Name: _____

Printed Name: _____

Printed Name: _____

Printed Name: _____

Printed Name: _____
(Witnesses as to the Township)

ATTEST:

Lauretta Farlow, Fiscal Officer
Chippewa Township

TOWNSHIP OF CHIPPEWA

By: _____
Lenny Broome, Trustee
Chippewa Township

By: _____
Jeff Prebish, Trustee
Chippewa Township

By: _____
Earl Kerr, Trustee
Chippewa Township

Approved as to legal form and
correctness:

By: _____
Alfred E. Schrader
Legal Counsel to
Chippewa Township

FISCAL OFFICER'S CERTIFICATE

The undersigned, clerk-treasurer of the Village of Doylestown, hereby certifies that the monies required to meeting the obligations of the Village during the year 2007 under the Contract have been lawfully appropriated by the Village for such purposes and are in the treasury of the Village 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.

Dated: Jan. 18, 2007

Ann Youngblood
Clerk-Treasurer
Village of Doylestown, Ohio

FISCAL OFFICER'S CERTIFICATE

The undersigned, fiscal officer of Chippewa Township, hereby certifies that the monies required to meeting the obligations of the Township during the year 2007 under the Contract have been lawfully appropriated by the Township for such purposes and are in the treasury of the Township 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.

Dated: Jan. 18, 2007

Lauretta Farlow, Fiscal Officer
Chippewa Township, Ohio

STATE OF OHIO)
) ss:
WAYNE COUNTY)

On this 18 day of January _____, 2007 before me, a Notary Public in and for said County and State, personally appeared Terry L. Lindeman, Mayor of the Village of Doylestown, Ohio, who acknowledged that with due authorization and as such officer on behalf of the Village, he did sign said instrument on behalf of the Village and who acknowledged that the same is his voluntary act and deed, individually as said officer and the voluntary and corporate act and deed of the Village.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

(seal)

NOTARY PUBLIC

STATE OF OHIO)
) ss:
WAYNE COUNTY)

On this 18 day of January, 2007, before me, a Notary Public in and for said County and State, personally appeared Lenny Broome, Jeff Prebish and Earl Kerr, Trustees of the Township of Chippewa, who acknowledged that with due authorization and as such officers on behalf of the Township, they did sign said instrument on behalf of the Township and who acknowledged that the same is their voluntary act and deed, individually as said officers and the voluntary and corporate act and deed of the Township.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

(seal)

NOTARY PUBLIC

**Note: Could not scan JEDD contract with signatures
See JEDD contract at the twp office for signatures**