

NORTH GATE ALLIANCE

COOPERATIVE ECONOMIC DEVELOPMENT AGREEMENT

This Agreement is entered into this _____, 2004, by and between THE BOARD OF COUNTY COMMISSIONERS, PICKAWAY COUNTY, OHIO, ("COUNTY"), THE VILLAGE OF ASHVILLE, OHIO ("ASHVILLE") SOUTH BLOOMFIELD, OHIO ("SOUTH BLOOMFIELD") (hereinafter also referred to individually also referred to individually as 'VILLAGE" and collectively as the 'VILLAGES"), and THE BOARD OF TOWNSHIP TRUSTEES OF HARRISON TOWNSHIP, PICKAWAY COUNTY, OHIO, ("TOWNSHIP").

WHEREAS, COUNTY, TOWNSHIP, ASHVILLE and SOUTH BLOOMFIELD are political subdivisions located entirely within the State of Ohio and are contiguous and/or overlapping political subdivisions; and

WHEREAS, COUNTY, TOWNSHIP, ASHVILLE and SOUTH BLOOMFIELD wish to cooperate in creating and preserving jobs and employment opportunities and to cooperate in inducing and fostering economic development within the State of Ohio, and more particularly within the territories to which this Agreement pertains; and,

WHEREAS, COUNTY, TOWNSHIP, ASHVILLE and SOUTH BLOOMFIELD wish to cooperate in improving and advancing the welfare of the citizens of Pickaway County residing within the territories to which this Agreement pertains, including but not limited to making water and sewer services more widely available within such territory and promoting economic development and uniform planning standards; and,

WHEREAS, COUNTY, TOWNSHIP, ASHVILLE and SOUTH BLOOMFIELD wish to cooperate in facilitating responsible development within the territory of TOWNSHIP while also preserving the geographic integrity of TOWNSHIP, to the extent consistent with the wishes of TOWNSHIP'S landowners; and,

WHEREAS, COUNTY, TOWNSHIP, ASHVILLE and SOUTH BLOOMFIELD, in pursuing the above mentioned public purposes, intend to avail themselves of all powers available under the Constitution of the State of Ohio, of the laws adopted by the Ohio General Assembly, including but not limited to Section 13 of Article VIII and all sections of Article XVIII of the Ohio Constitution and Sections 307.15, 307.74, 701.07, 6103.21, 6103.22 and Chapter 6117 of the Ohio Revised Code; and,

WHEREAS, the parties hereto recognize that new economic development within the territories to which this Agreement pertains will result in increasing the real property and personal property tax bases for each entity, thereby furthering the economic welfare of the people of COUNTY, TOWNSHIP, ASHVILLE and SOUTH BLOOMFIELD and facilitating the provision of quality education in Pickaway County; thereby enhancing the availability of appropriately skilled individuals for employment by employers within COUNTY, TOWNSHIP, ASHVILLE and SOUTH BLOOMFIELD and consequently furthering the creation and preservation of job and employment opportunities within COUNTY, TOWNSHIP, ASHVILLE and SOUTH BLOOMFIELD; and,

WHEREAS, the parties hereto wish to extend full and good faith cooperation to each other in accomplishing the foregoing objectives and further, recognizing that certain of the public improvements described in this Agreement will require funding, wish to share the burdens of designing and constructing public improvements, as described in this Agreement, which the parties hereto recognize will benefit all of their respective residents and businesses and will operate to preserve and protect the public health, safety and welfare of the citizens of COUNTY, TOWNSHIP, ASHVILLE and SOUTH BLOOMFIELD; and,

WHEREAS, the Board of County Commissioners of Pickaway County, Ohio has passed a resolution on _____, 2004, the Board of Township Trustees of TOWNSHIP has passed a resolution on _____, 2004; the Village Council of ASHVILLE has enacted Ordinance No. _____ effective on _____, 2004; and the Village Council of SOUTH BLOOMFIELD has enacted Ordinance No. _____, effective on _____, 2004; which authorize the respective parties to enter into this Agreement, all in accordance with Section 701.07 of the Ohio Revised Code.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I – DESIGNATION OF TERRITORIES

Section 1. This Agreement is applicable to the following territory located within the boundaries of TOWNSHIP:

The territory outlined in brown on the map attached hereto as Exhibit A and incorporated herein by reference (hereinafter referred to as “CEDA Territory”). The CEDA Territory generally includes that portion of unincorporated Harrison Township described as follows: bordered on the north by the Franklin County Line and the southernmost limits of the current Rickenbacker International Airport facility; on the east by a line following the western side of Lockbourne Eastern Road north to the Rickenbacker Airport and south to St. Paul Road, then following St. Paul and the Township boundary east in a straight line to Walnut Creek, and then southwest along Walnut Creek to the incorporated limits of ASHVILLE; on the south by the current incorporation limits of ASHVILLE and SOUTH BLOOMFIELD; and on the west by the east side of the Scioto River. Also included in the CEDA Territory is that portion of unincorporated Harrison Township south of State Route 316, east of U.S. Rt. 23 and bounded by Walnut Creek to the east.

For the purposes of determining future annexations to ASHVILLE or SOUTH BLOOMFIELD, the CEDA Territory shall be divided into two (2) areas. These two future annexation areas are shown on the map attached hereto as Exhibit A, and the division between the two areas generally may be described as the abandoned Ohio-Erie Canal up to the property just south of Weigand Road and then following a series of parcel lines in close proximity to the Township Section line north to the Franklin County line. The future annexation areas shall be described as follows:

- A) The territory described and identified as a light yellow shaded area on EXHIBIT A, attached hereto and incorporated herein by this reference, is hereinafter referred to sometimes as “Area 1.” Area 1 is generally that

portion of the CEDA Territory west of the above-described division and is the future annexation area for SOUTH BLOOMFIELD.

- B) The territory described and identified as a light green shaded area on EXHIBIT A, attached hereto and incorporated herein by this reference, is hereinafter referred to sometimes as "Area 2." Area 2 is generally that portion of the CEDA Territory east of the above-described division and is the future annexation area for ASHVILLE.

Section 2. Any of the above territories may be altered by mutual agreement of TOWNSHIP, COUNTY, ASHVILLE and SOUTH BLOOMFIELD, but only by means of appropriate legislation authorizing such alteration approved by the legislative authorities of all four of the parties hereto. Such alteration, in order to be effective, must be authorized by appropriate legislation passed by each of the parties hereto within a 90 day period.

Section 3. Should any alteration of the above mentioned territories require a survey to be made, the party requesting such alteration shall have the responsibility to acquire the services of a surveyor to perform such survey and shall pay the costs of such surveying services.

Section 4. SOUTH BLOOMFIELD agrees that it will take no action to initiate, approve, or support in any manner a merger with TOWNSHIP, pursuant to Section 709.43 through 709.46 inclusive of the Ohio Revised Code or any revision or amendment thereto. All efforts by SOUTH BLOOMFIELD to increase its geographic boundaries within TOWNSHIP shall be through the annexation procedure. SOUTH BLOOMFIELD agrees that it will not initiate, approve, or support in any manner annexation to SOUTH BLOOMFIELD of properties located within the CEDA Territory outside of Area 1.

Section 5. ASHVILLE agrees that it will take no action to initiate, approve, or support in any manner a merger with TOWNSHIP, pursuant to Section 709.43 through 709.46 inclusive of the Ohio Revised Code or any revision or amendment thereto. All efforts by ASHVILLE to increase its geographic boundaries within TOWNSHIP shall be through the annexation procedure. ASHVILLE agrees that it will not initiate, approve, or support in any manner annexation to ASHVILLE of properties located within the CEDA Territory outside of Area 2.

ARTICLE II – ADJUSTMENT OF MUNICIPAL BOUNDARIES

Section 1. With respect to each VILLAGE's respective future annexation area, TOWNSHIP and EACH VILLAGE agree to cooperate fully and in good faith with each other to achieve the successful annexation to SOUTH BLOOMFIELD of lands located within Area 1 and the successful annexation to ASHVILLE of lands located within Area 2, under the following circumstances and subject to the following limitations:

- (A) When an annexation petition does not propose involuntary annexation of residential property and the annexation petition contains the signatures of landowners representing both (i) at least 75% of the total number of landowners within an annexation area and (ii) the owners of at least 75% of the total acreage within an annexation area, such lands shall be annexed. TOWNSHIP agrees to submit legislation and/or affidavits supporting any

such annexation, and COUNTY agrees to grant the petition for any such annexation.

- (B) When an annexation petition proposes involuntary annexation of residential property such lands shall not be annexed. COUNTY agrees to deny the petition for any such annexation, and each VILLAGE agrees to deny acceptance of any such annexation (including without limitation defeating any associated annexation acceptance legislation).
- (C) The following lands are exempted from this Article II and shall not be required to be annexed to a VILLAGE under the terms of this Article:
 - (i.) Lands owned by TOWNSHIP, while such lands are maintained in a use directly performing township functions,
 - (ii.) Lands owned by COUNTY, while such lands are maintained in a use directly performing county functions, and
 - (iii.) Lands owned by a church [as defined in Subsection 5709.07(C) of the Ohio Revised Code] while such lands are maintained in a use qualifying such lands for exemption from property taxes under Subsection 5709.07(A)(2) of the Ohio Revised Code.

However, if any of such lands are converted to a different use than as set forth in items i, ii, and iii, above, then such converted land shall be thereafter subject to the provisions of this Article II, and shall not be included in the exemption contained in this Subsection 1(D).

- (D) Nothing in this Agreement obligates the applicable VILLAGE to accept the annexation of any lands to such VILLAGE and such VILLAGE shall continue to have complete discretion to accept or reject lands sought to be annexed to such VILLAGE.

As used in this Article II, the term “annexation area” means an area described in a petition seeking annexation of the described area to a VILLAGE, and the term “residential property” means a tax parcel that is used, in whole or in part, for purposes of an owner-occupied residence on the date of filing of a petition for annexation of such property, as opposed to vacant land, land used for non-residential purposes, and/or land used for residential rental property. The determination of whether property is “residential property” shall be made on a tax parcel by tax parcel basis.

Section 2. Throughout the time the Agreement is in effect, SOUTH BLOOMFIELD and ASHVILLE shall not exclude lands annexed to either VILLAGE, which are included in the CEDA Territory and are annexed through implementation of this Agreement, by initiating a change to TOWNSHIP'S boundary under Chapter 503 of the Ohio Revised Code to exclude such annexed lands from TOWNSHIP. The TOWNSHIP will further discourage and deny any petitions from landowners who seek to initiate a change to the TOWNSHIP'S boundary to exclude lands annexed to either VILLAGE which are included in the CEDA Territory and are annexed through implementation of this Agreement, and SOUTH BLOOMFIELD and ASHVILLE respectively agree to cooperate

fully and in good faith with the TOWNSHIP'S efforts to resist such change to the TOWNSHIP'S boundary.

Section 3. COUNTY, TOWNSHIP, SOUTH BLOOMFIELD and ASHVILLE recognize, agree and each of their governing bodies have adopted findings in the legislation mentioned in the recitals to this Agreement that, within the CEDA Territory, annexation of any portion of Area 1 to SOUTH BLOOMFIELD and annexation of any portion of Area 2 to ASHVILLE will be for the general good of the territory sought to be annexed when subject to the terms of this Agreement.

Section 4. COUNTY, TOWNSHIP, SOUTH BLOOMFIELD and ASHVILLE recognize, agree and each of their governing bodies have adopted findings in the legislation mentioned in the recitals to this Agreement that, within the CEDA Territory, annexation of any portion of Area 1 to SOUTH BLOOMFIELD and annexation of any portion of Area 2 to ASHVILLE will be for the good of the respective VILLAGE and TOWNSHIP individually and as a whole.

Section 5. COUNTY, TOWNSHIP, SOUTH BLOOMFIELD and ASHVILLE recognize, agree and each of their governing bodies have adopted findings in the legislation mentioned in the recitals to this Agreement that, with regard to annexation of any portion of Area 1 to SOUTH BLOOMFIELD and any portion of Area 2 to ASHVILLE, the benefits to any territory proposed to be annexed and the surrounding area will outweigh the detriments to the territory proposed to be annexed and the surrounding area if the annexation petition is granted. As used in the paragraph, "surrounding area" means the territory within the unincorporated area of TOWNSHIP located one-half mile or less from any of the territory proposed to be annexed.

Section 6. COUNTY, TOWNSHIP, SOUTH BLOOMFIELD and ASHVILLE recognize, agree and each of their governing bodies have adopted findings in the legislation mentioned in the recitals to this Agreement that, within the CEDA Territory, annexation of any portion of such territory that results in:

- A) an island or islands of TOWNSHIP territory being located within a VILLAGE and/or
- B) an island or islands of a VILLAGE being located within TOWNSHIP

will not be detrimental to the provision of government services or sewer and water utility services provided to residents and businesses located within such islands [which TOWNSHIP, SOUTH BLOOMFIELD and ASHVILLE recognize as being especially true when territory annexed to a VILLAGE will not be excluded from TOWNSHIP] and the creation of such island or islands is neither unreasonable nor arbitrary and should not and will not prevent the annexation of territory to a VILLAGE.

Section 7. COUNTY, TOWNSHIP, SOUTH BLOOMFIELD and ASHVILLE recognize, agree and each of their governing bodies have adopted findings in the legislation mentioned in the recitals to this Agreement that, within the CEDA Territory, the annexation of territory to a VILLAGE not customarily recognized as contiguous to the corporate boundary of such VILLAGE (whether due to the smallness of the area of geometric coincidence between the annexation area and the corporate boundary of such VILLAGE or the contiguity of the annexation area and the corporate boundary of such

VILLAGE being by a long and narrow strip of land) will not, in any meaningful way, be detrimental to the unity of such VILLAGE or of TOWNSHIP and should not and will not prevent the annexation of such territory to such VILLAGE.

Section 8. COUNTY, TOWNSHIP, SOUTH BLOOMFIELD and ASHVILLE recognize, agree and each of their governing bodies have adopted findings in the legislation mentioned in the recitals to this Agreement that no annexation area sought to be annexed to a VILLAGE in accordance with this Agreement can possibly be unreasonably large, regardless of its size and regardless of its configuration; provided it is within the CEDA Territory.

Section 9. Full and good faith cooperation by TOWNSHIP, as mentioned in Section 1 of this Article II, means undertaking such actions as may be requested by SOUTH BLOOMFIELD or ASHVILLE which will contribute to the success of the annexation of lands to the applicable VILLAGE and refraining from acts which would be detrimental to the success of the annexation of lands to the applicable VILLAGE and, with the intent not to limit the broad meaning of the foregoing clause but to emphasize certain acts and refraining from acts encompassed in the foregoing, shall include, but not be limited to the TOWNSHIP:

- A) Signing and providing affidavits and furnishing representatives to provide factual testimony at annexation hearings which would favor annexation;
- B) Refraining from encouraging opposition to annexations;
- C) Participating as a party litigant, to the extent such party would have standing to do so, in vigorously defending any annexation covered by this Agreement which may be challenged, for any reason, with such defense to be continued throughout any and all appeals;
- D) Requesting the Pickaway County Engineer to fully cooperate with and assist the applicable VILLAGE and landowners to facilitate the presentation of an accurate annexation map to the Pickaway County Commissioners (recognizing that the primary responsibility for preparing a suitable map is the landowner's);
- E) Requesting that the Pickaway County Prosecutor facilitate and defend any annexation pursued in accordance with this Agreement;
- F) Supporting and providing testimony in favor of any legislation which may now, or in the future be pending before the Ohio General Assembly which would be beneficial to the enforcement of this Agreement or would further the purposes of this Agreement;
- G) Opposing and providing testimony in opposition to any legislation which may now, or in the future be pending before the Ohio General Assembly which would be detrimental to the enforcement of this Agreement or would frustrate the purposes of this Agreement;
- H) In cooperation with SOUTH BLOOMFIELD and ASHVILLE, vigorously resisting, in both administrative and judicial forums, actions by third party

political subdivisions to annex, merge or consolidate any portion of the CEDA Territory into any third party political subdivision; and

- l) Bearing its own costs in any legal proceedings.

Section 10. Full and good faith cooperation by SOUTH BLOOMFIELD and ASHVILLE, as mentioned in Section 2 of this Article II, means undertaking such actions as may be requested by TOWNSHIP which will be detrimental to the success of changing the TOWNSHIP'S boundary under the procedures described in Chapter 503 of the Ohio Revised Code to exclude lands annexed to a VILLAGE, which are included in the CEDA Territory and are annexed through implementation of this Agreement, from TOWNSHIP, and refraining from acts which would contribute to the success of changing the TOWNSHIP'S boundary under the procedures described in Chapter 503 of the Ohio Revised Code to exclude lands annexed to a VILLAGE, which are included in the CEDA Territory and are annexed through implementation of this Agreement, from TOWNSHIP, and, with the intent not to limit the broad meaning of the foregoing clause but to emphasize certain acts and refraining from acts encompassed in the foregoing, shall include, but not be limited to SOUTH BLOOMFIELD and ASHVILLE:

- (A) Signing and providing affidavits and furnishing representatives to provide factual testimony at any hearings to oppose such change in TOWNSHIP'S boundaries;
- (B) Refraining from encouraging any effort to change TOWNSHIP'S boundaries by any party;
- (C) Participating as a party litigant, to the extent such party would have standing to do so, in vigorously opposing any effort to change the TOWNSHIP'S boundary pursuant to Chapter 503 of the Ohio Revised Code to exclude lands annexed to a VILLAGE which are included in the CEDA Territory described in Article I and are annexed through implementation of this Agreement, such litigation continuing throughout any and all appeals;
- (D) Requesting the Pickaway County Engineer to cooperate with and assist the TOWNSHIP and the applicable VILLAGE to facilitate the presentation of an accurate map to the Pickaway County Commissioners of the area covered by this Agreement which is not to be subject to a change in TOWNSHIP'S boundaries pursuant to Chapter 503 of the Ohio Revised Code;
- (E) Joining with the TOWNSHIP to request the Pickaway County Prosecutor to defend against any effort to change the TOWNSHIP'S boundary pursuant to Chapter 503 of the Ohio Revised Code to exclude lands annexed to a VILLAGE which are included in the CEDA Territory and are annexed through implementation of this Agreement;
- (F) Supporting and providing testimony in favor of any legislation which may now or in the future be pending before the Ohio General Assembly which would be beneficial to the enforcement of this Agreement or would further the purposes of this Agreement;

- (G) Opposing and providing testimony in opposition to any legislation which may now or in the future be pending before the Ohio General Assembly which would be detrimental to the enforcement of this Agreement or would frustrate the purposes of this Agreement;
- (H) In cooperation with the TOWNSHIP, vigorously resisting, in both administrative and judicial forums, any action by any third party to change the TOWNSHIP'S boundary pursuant to Chapter 503 of the Ohio Revised Code to exclude lands annexed to a VILLAGE, which are included in the CEDA Territory and are annexed through implementation of this Agreement, from the TOWNSHIP; and
- (I) Bearing its own costs in any legal proceedings that are required by this Section.

Section 11. The parties agree that, during the term of this Agreement, new taxes may be authorized by the Ohio General Assembly and some current taxes may be reduced or eliminated by the Ohio General Assembly. The parties, therefore, agree to meet and discuss if any new tax involving the lands described in Article I arises during the term of this Agreement, or if local government or other current tax forms change. The parties will use their best efforts to cooperate for their mutual benefit in the event of such changed circumstances regarding Ohio law governing sources of tax revenues available to Ohio political subdivisions.

Section 12. The parties hereto agree that any one or more of them may object to the tax assessments or evaluations or re-evaluations of property located in the territory described in Article I from time to time. In the event a party which does not have standing to object to the tax assessments or evaluations or re-evaluations of property located in the territory described in Article I would be prejudiced by such tax assessments or evaluations or re-evaluations of property located in the territory described in Article I, then the other parties hereto shall cooperate with each other such that the party or parties with the legal standing to challenge such assessments or evaluations or re-evaluations shall use their good faith best efforts to pursue those challenges on behalf of such challenging parties to the mutual benefit of all parties hereto.

Section 13. Each section and each part of each section of this Article II is hereby declared to be an interdependent section or part of a section of this Article II and it is hereby agreed and declared to be the controlling intent of the parties hereto that if any such section or part of a section of this Article II, or any provision thereof, or the application thereof to any entity or circumstances, is held to be invalid or unenforceable, then the remaining sections or parts of sections in this Article II and the application of such provisions shall also no longer be enforceable, all such provisions being given in exchange for each other and being therefore interdependent and either all being binding upon the parties hereto or none being binding upon the parties hereto.

ARTICLE III – TOWNSHIP VILLAGE GOVERNMENTAL SERVICES AND PAYMENTS TO TOWNSHIP

Section 1. With respect to territory located within the boundaries of TOWNSHIP but which is not a part of either SOUTH BLOOMFIELD or ASHVILLE, this Agreement shall

have no effect on the obligations of TOWNSHIP to provide services and the VILLAGES shall continue to have no obligation at all to provide services or products. With respect to territory located within the boundaries of SOUTH BLOOMFIELD or ASHVILLE but which is not a part of TOWNSHIP, this Agreement shall have no effect on the obligations of the applicable VILLAGE to provide services or products and TOWNSHIP shall continue to have no obligation at all to provide services.

Section 2. With respect to territory within Area 1 which becomes annexed to SOUTH BLOOMFIELD (and which also continues to be included within TOWNSHIP), and with respect to territory within Area 2 which becomes annexed to ASHVILLE (and which also continues to be included within TOWNSHIP), the applicable VILLAGE shall be the primary provider and, to the extent feasible, first responder in providing the following governmental services to the same extent and in the same quality as such VILLAGE provides these services throughout its jurisdiction in general:

- (A) Sanitary sewer services, except as described in Article IV of this Agreement.
- (B) Water services, except as described in Article IV of this Agreement.
- (C) Municipal police services.
- (D) Energy for street lighting required by the applicable VILLAGE.
- (E) Enforcement of the applicable VILLAGE's Codified Ordinances, including zoning ordinances, subdivision code ordinances, and building code ordinances, and provision of any related inspection services.
- (F) Maintenance of traffic control devices (i.e., signs and signals other than at railroad crossings).

Section 3. With respect to territory within Area 1 which becomes annexed to SOUTH BLOOMFIELD (and which also continues to be included within TOWNSHIP), and with respect to territory within Area 2 which becomes annexed to ASHVILLE (and which also continues to be included within TOWNSHIP), TOWNSHIP shall be the primary provider of the following governmental services to the same extent and in the same quality as TOWNSHIP provides these services throughout its jurisdiction in general:

- (A) Clearing snow and ice from streets and roads.
- (B) Salting or in some other way deicing streets and roads.
- (C) Pavement maintenance -- including berm and shoulder repair, street sweeping, crack sealing, pothole repair, resurfacing (defined as replacing two inches or less of surface pavement), chip and seal resurfacing or its equivalent, striping, setting reflective safety devices in pavement (when required by state guidelines) and any other fixing of pavement generally regarded by political subdivisions (including the Ohio Department of Transportation) as pavement maintenance.
- (D) Road right-of-way maintenance -- including repairing or replacing turf, mowing grass, cleaning up trash and litter, cleaning and fixing road drainage ditches and storm water retention areas, repairing and replacing guardrails

and any other cleaning and fixing of road right-of-way generally regarded by political subdivisions (including the Ohio Department of Transportation) as road right-of-way maintenance.

- (E) All roads that, absent annexation, would have been considered and maintained as TOWNSHIP'S roads shall count as TOWNSHIP'S roads for road tax purposes and gas tax distribution due to the TOWNSHIP'S obligation to maintain those roadways; further, TOWNSHIP and EACH VILLAGE specifically agree that this provision is both authorized and necessary under Ohio Revised Code Section 701.07.
- (F) Fire protection and emergency medical services.

Section 4. Notwithstanding the provisions of Sections 2 and 3 of this Article III, SOUTH BLOOMFIELD, ASHVILLE and TOWNSHIP agree that this Agreement shall not affect the continuation of mutual aid arrangements and agreements for fire protection or police services in effect on the date first above written. This section is not intended to limit the ability of either VILLAGE and/or TOWNSHIP to negotiate mutual aid arrangements in the future as they shall find mutually advantageous.

Section 5. With respect to territory within Area 1 which becomes annexed to SOUTH BLOOMFIELD (and which also continues to be included within TOWNSHIP), and with respect to territory within Area 2 which becomes annexed to ASHVILLE (and which also continues to be included within TOWNSHIP), TOWNSHIP, COUNTY, SOUTH BLOOMFIELD and ASHVILLE shall be jointly responsible to arrange for and bear the cost of necessary road construction or reconstruction work on the public roadways. For purposes of this Agreement, the term "reconstruction" means an asphalt overlay of more than two (2) inches and also includes reconstruction of the road base and road drainage facilities. The parties agree to enter into good faith negotiations with respect to each road construction or reconstruction project and negotiate a project-specific agreement with regard to performance of the work and cost-sharing.

Section 6. It is not the intent of this Agreement to limit or to restrict the ability or jurisdiction of other governmental authorities, not a party to this Agreement, to provide their services within the territory described in Article I or to have any other effect on such governmental authorities whatsoever.

Section 7. In consideration of the mutual provision of services and improvements within the CEDA Territory by and among TOWNSHIP, SOUTH BLOOMFIELD and ASHVILLE, SOUTH BLOOMFIELD agrees to pay to both TOWNSHIP and ASHVILLE an Annual Services and Improvements Fee in the amount of 33.3% each of the "Net Total Income Tax" collected by SOUTH BLOOMFIELD from industrial and commercial taxpayers located within Area 1 during each calendar year, and ASHVILLE agrees to pay to both TOWNSHIP and SOUTH BLOOMFIELD an Annual Services and Improvements Fee in the amount of 33.3% each of the "Net Total Income Tax" collected by ASHVILLE from industrial and commercial taxpayers located within Area 2 during each calendar year. The Annual

Services and Improvements Fee for each calendar year is due and payable on or before April 1 of the year following the calendar year to which such payment is attributable. "Net Total Income Tax" shall mean taxes collected (i) less refunds, (ii) less costs of collection directly related to collection of delinquent taxes, and (iii) less any school district compensation payments in connection with real and/or personal property tax exemptions. In conformance therewith, the calculation of Net Total Income Tax shall be based, *inter alia*, upon the net sum of income taxes collected by a VILLAGE in a calendar year from the net profit by permanent resident businesses located in the CEDA Territory, and net income taxes collected by a VILLAGE in a calendar year from all salaries, wages, commissions, or other compensation earned by employees or officers of permanent, resident industrial and commercial employers for work performed within the CEDA Territory. Agriculture is not considered to be an industrial or commercial activity.

Section 8. Payments made by each VILLAGE to TOWNSHIP as described in this Article III are in lieu of any payments which would be required to be made by each VILLAGE to TOWNSHIP under Sections 709.12 and 709.19 of the Ohio Revised Code, or any future requirements of the Ohio Revised Code similar thereto.

ARTICLE IV – WATER AND SEWER UTILITY SERVICES

COUNTY, TOWNSHIP, ASHVILLE and SOUTH BLOOMFIELD agree to meet and negotiate in good faith with respect to the formation of a regional water and sewer district pursuant to Chapter 6119 of the Ohio Revised Code to provide sewer services within the CEDA Territory. It is the intent of the parties that the wastewater service to be provided by such regional water and sewer district will be as generally described in Section 7.2 and accompanying Exhibit 7.2 of the report entitled "Northgate Alliance Infrastructure Study," dated November 1, 2004 and prepared by MS Consultants, Inc.

More specifically, the following is intended to be an outline of the potential framework for an agreement to be taken into account in the negotiations with regard to a formation of a regional water and sewer district:

1. Negotiations shall commence within 60 days of the effective date of the CEDA Agreement. Appropriate representatives of COUNTY, TOWNSHIP, ASHVILLE and SOUTH BLOOMFIELD will meet with the intent that negotiations will conclude and the district will be formed within a two-year time period.
2. The board of the district will consist of representatives of EACH VILLAGE, as well as a representative of TOWNSHIP and COUNTY.
3. Consideration will be given as to acquisition by the regional water and sewer district of the existing and planned wastewater facilities owned by EACH VILLAGE.
4. The regional water and sewer district will negotiate with COUNTY to acquire the interim wastewater facilities described in the paragraph below.

5. The parties will cooperatively and jointly seek available state and federal grant funding opportunities to fund acquisition and construction of wastewater facilities.

In addition, the parties agree to cooperate with respect to an interim solution to provide sewer service with respect to the northern industrial area described in the aforementioned infrastructure study, pending formation of a regional water and sewer district and construction of wastewater treatment facilities. Specifically, COUNTY, TOWNSHIP and ASHVILLE acknowledge that SOUTH BLOOMFIELD has awarded a contract to design an expanded wastewater treatment plant with a capacity of 320,000 gallons per day. Once construction is complete, the SOUTH BLOOMFIELD wastewater treatment plant will have an excess capacity of approximately 100,000 gallons per day. The parties understand and agree that if a sewer line is necessary to provide sewer service to a particular development within the northern industrial area prior to formation of the regional water and sewer district and construction of district facilities, COUNTY is agreeable (subject to appropriation of available funds) to constructing the 14-inch force main, crossing of U.S. 23 and lift station described in Section 7.2 of the infrastructure study (as well as any other facilities necessary to provide sewer service to such particular development) at COUNTY's cost, and COUNTY will enter into a sewer service agreement with SOUTH BLOOMFIELD whereby (a) SOUTH BLOOMFIELD will dedicate the necessary portion of the wastewater treatment's excess capacity to serve such particular development within the this northern industrial area on an interim basis, and (b) COUNTY will pay a negotiated rate to SOUTH BLOOMFIELD for such sewer service.

Upon formation of the regional water and sewer district, COUNTY will enter into good faith negotiations with the district for the purchase or grant of the lift station and force mains to the district. Ultimately, it is the intention of the parties that the regional water and sewer district will provide sewer service to SOUTH BLOOMFIELD and ASHVILLE, as well as the northern industrial area and may provide sewer service to other developed areas within Harrison Township.

With regard to water service within the CEDA Territory, it is the intent of the parties that (a) water service be provided in the ASHVILLE service area by the Village of ASHVILLE as generally described in Section 5.4 and accompanying Exhibit 5.0 in the infrastructure study; (b) water service be provided within the SOUTH BLOOMFIELD service area by the Village of SOUTH BLOOMFIELD as generally described in Section 4.4 and accompanying Exhibit 4.4 of the infrastructure study; and (c) water service in the northern industrial area be provided by the Earnhart Hill Regional Water and Sewer District as generally described in Section 6.1.2 and accompanying Exhibit 6.1.2 of the infrastructure study.

ARTICLE V – HOTEL/MOTEL AND VARIOUS OTHER TAXES

Section 1. In the event a portion of the CEDA Territory is annexed to a VILLAGE and such VILLAGE after such annexation collects taxes imposed pursuant to Sections 5739.02 and 5739.024 of the Ohio Revised Code from a hotel(s) or motel(s), such

VILLAGE (i) shall make the required payments to the required separate fund from which contributions are made to convention or visitor's bureaus operating within Pickaway County, Ohio, and (ii) of the remaining balance, such VILLAGE shall pay 50% to TOWNSHIP and retain 50% for the VILLAGE.

Section 2. TOWNSHIP and each VILLAGE recognize that there may be opportunities to cooperate together to more efficiently provide various services to their residents and businesses and that revenues may be available to fund providing such services in a cooperative manner from various tax sources such as, by way of example only and not by way of limitation, Ohio estate taxes and various property tax levies, as well as from other types of revenues such as, by way of example only and not by way of limitation, service fees; therefore, TOWNSHIP and each VILLAGE agree to meet, by their designated representatives, at mutually acceptable times to negotiate concerning cooperation on providing services and designating the revenues to fund such services.

ARTICLE VI – ANNUAL REVIEW

The parties agree to meet and discuss the progress of this CEDA agreement annually during the month of November each year. Further, either the Mayor of a VILLAGE or the Chairman of the TOWNSHIP Board of Trustees may call an emergency meeting at such other time as he or she may deem necessary, upon three (3) days' written notice to each VILLAGE, TOWNSHIP and COUNTY.

ARTICLE VII – TIF/TAX ABATEMENTS

Tax abatements may be granted by a VILLAGE for real property improvements in accordance with applicable provisions of the Ohio Revised Code. Tax abatements shall not be granted on personal property or land value. COUNTY may grant tax abatements for real property improvements and/or personal property in accordance with applicable provisions of the Ohio Revised Code.

The parties agree to enter into good faith negotiations with respect to any request by TOWNSHIP, SOUTH BLOOMFIELD or ASHVILLE to create a tax increment financing district, incentive district or any other similar TIF-type mechanism, and to negotiate a district-specific agreement with regard to any required consents and/or necessary revenue sharing.

ARTICLE VIII – LAND USE

The respective Planning and Zoning Commissions of SOUTH BLOOMFIELD and ASHVILLE and the Zoning Commission of TOWNSHIP shall hold a joint meeting at least annually to discuss development and zoning (or the lack thereof) in the CEDA Territory, to ensure that it is consistent with any Comprehensive Plan of either VILLAGE or TOWNSHIP or any land use plan for the CEDA Territory jointly prepared by the parties to this Agreement, to discuss the necessity for preparation of any CEDA Territory land use plan, and to discuss any other land use and zoning issues. The parties will endeavor to create a joint North Gate Alliance planning and zoning board comprised of representatives of TOWNSHIP, ASHVILLE and SOUTH BLOOMFIELD. Duties of the joint planning and zoning board shall include review of applications for zoning and/or subdivision approvals within the CEDA Territory and forwarding of recommendations with regard to such

applications to the appropriate planning and zoning commissions or boards. Each VILLAGE shall amend its zoning code to require applicants within the CEDA Territory to seek a recommendation from the joint planning and zoning board prior to consideration of the application by the Village Planning and Zoning Board.

ARTICLE IX – COUNTY SERVICES

Section 1. COUNTY, through direction given to the Pickaway County Engineer and by providing sufficient funding, may cooperate with TOWNSHIP, SOUTH BLOOMFIELD and/or ASHVILLE to accomplish the practical and efficient maintenance of roadways located within the CEDA Territory through the negotiation of responsibility and equitable cost sharing arrangements for the maintenance of such roadways. By this Section the parties particularly wish to provide for situations in which it would be most practical and efficient for COUNTY to provide the maintenance of roads within the CEDA Territory, but in which TOWNSHIP or a VILLAGE would be the recipient of road funds commonly used to fund the maintenance of such roads.

Section 2. It is not the intent of this Article to impose any duties upon the Pickaway County Engineer with respect to the CEDA Territory which are in addition to those duties imposed upon county engineers by the Ohio Revised Code.

ARTICLE X – GENERAL PROVISIONS

Section 1. Term. The initial term of this Agreement shall commence on the date hereof and shall terminate _____, 2054 (unless otherwise terminated prior to that date as provided herein). At the expiration of the initial term of this Agreement, the Agreement shall automatically be renewed for a period of 50 years, and the Agreement shall continue to be automatically renewed thereafter for similar 50-year periods at the end of each renewal period with no limit upon the number of such renewals; unless the legislative authorities of SOUTH BLOOMFIELD, ASHVILLE, the COUNTY and the TOWNSHIP each affirmatively act to terminate this Agreement. In order for any such termination to be effective, legislative action of one party to terminate this Agreement must occur and be effective within a period of 90 days from the date of legislative action of the other parties terminating this Agreement. The provision herein for automatic extension of this Agreement except upon legislative action by each of the parties hereto terminating this Agreement recognizes that the accrual of benefits to the parties from this Agreement may take decades and that the construction of water and sanitary sewer service facilities and public roadways along with other possible capital improvements provided for herein is of permanent usefulness and duration.

Section 2. Early Termination. This Agreement may be terminated at any time by mutual consent of the TOWNSHIP, the COUNTY, SOUTH BLOOMFIELD and ASHVILLE as authorized by their respective legislative authorities. In order for any such termination to be effective, legislative action of one party to terminate this Agreement must occur and be effective within a period of 90 days from the date of legislative action of the other party terminating this Agreement.

Section 3. Support of Agreement. In the event that this Agreement, 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 Agreement with the object of upholding this Agreement. Each party shall bear its own costs in any such proceeding challenging this Agreement or any term or provisions thereof.

Section 4. Signing Other Documents. The parties agree to cooperate with one another and to use their best efforts in the implementation of this Agreement and to sign or cause to be signed, in a timely fashion, all other necessary instruments, legislation, petitions and similar documents, and to take such other actions in order to effectuate the purposes of this Agreement.

Section 5. Cooperation in Pursuing Grants. The parties hereto agree to cooperate with each other in contributing to the success of applications to obtain grants of funding to perform projects in the territory described in Article I which would be to the mutual benefit of the parties hereto. This Section is not intended to obligate any party hereto to contribute matching funds or to apply any other form of such party's economic resources in contributing to the success of applications to obtain grants of funding to perform projects in the territory described in Article I.

Section 6. Mediation. In the event the parties have a dispute as to any of the terms or applicability of this Agreement, the parties agree to use their best efforts to resolve the dispute through a mutually acceptable mediation process prior to any party filing a lawsuit. Each party participating in mediation shall pay its own costs of mediation, including their proportionate share of the compensation and administrative expenses required by the mediator and by the mediation services provider selected by the parties. If a mediator has not been selected by the parties within sixty (60) days after one of the parties has requested that a dispute arising under this Agreement be mediated, then any of the parties may commence a lawsuit or commence such other method of pursuing such remedies as may be available to any of the parties.

Section 7. Defaults. A failure to comply with the terms of this Agreement shall constitute a default hereunder. The party in default shall have ninety (90) days, after receiving written notice from the other party of the event of default, to cure that default. If the default is not cured within that time period, the non-defaulting party may sue the defaulting party for specific performance under this Agreement or for damages or both; or may pursue such other remedies as may be available.

Section 8. Amendments.

- A) This Agreement may be amended by the COUNTY, TOWNSHIP, SOUTH BLOOMFIELD and ASHVILLE only in a writing approved by the legislative authorities of all four parties by means of appropriate legislation authorizing such amendment. Such amendment, in order to be effective, must be authorized by appropriate legislation authorizing such amendment(s) approved by the legislative authorities of all four of the parties hereto. Such amendment(s), in order to be effective, must be authorized by appropriate legislation passed by each of the parties hereto within a 90 day period.
- B) In the event Article II ceases to be binding on the parties hereto, the TOWNSHIP, SOUTH BLOOMFIELD and ASHVILLE may meet together to determine whether any amendments to the remaining provisions of this Agreement can be negotiated to their mutual benefit. In the event Article II

ceases to be binding on the parties hereto, the TOWNSHIP, SOUTH BLOOMFIELD and ASHVILLE shall each have the right to terminate this Agreement, unilaterally, at their discretion.

Section 9. Immunities Preserved. By entering into this Agreement, neither the COUNTY, nor the TOWNSHIP, nor SOUTH BLOOMFIELD, nor ASHVILLE intend to relinquish or waive any of the immunities they now have or may hereafter be accorded under state and/or federal laws, including, without the limitation of any such immunities, all those immunities accorded to governmental entities and their officers and employees under Chapter 2744 of the Ohio Revised Code.

Section 10. Powers Preserved. This Agreement is not intended to be in derogation of the powers granted to municipal corporations by Article XVIII, Ohio Constitution, or any other provisions of the Ohio Constitution or of either VILLAGE'S municipal charter or of the Ohio Revised Code; nor is it intended to be in derogation of the powers granted to townships under any provisions of the Ohio Constitution or of the Ohio Revised Code; nor is it intended to be in derogation of the powers granted to boards of county commissioners under any provisions of the Ohio Constitution or of the Ohio Revised Code.

Section 11. Beneficiaries. This Agreement shall inure to the benefit of and shall be binding upon the COUNTY, TOWNSHIP, and EACH VILLAGE and their respective successors; subject, however, to the specific provisions hereof. This Agreement shall not inure to the benefit of anyone other than as provided in the immediately preceding sentence. This Agreement is not intended to and does not create rights or benefits of any kind for any persons or entities which are not a party to this Agreement.

Section 12. Severability. Except as otherwise provided in Article X, Section 8.B. hereof, in the event that any section or provision of this Agreement, 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:

- A) 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,
- B) the illegality or invalidity of any application hereof or thereof shall not affect any legal and valid application hereof or thereof, and
- C) each section, 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 13. Character of Payments. Nothing in this Agreement is to be interpreted as the sharing of the proceeds of any tax levy by and between a VILLAGE and the TOWNSHIP. All language within this Agreement which employs an amount of any tax to be collected as part of a calculation for determining a sum to be paid by one party to another of the parties to this Agreement is intended, and therefore to be interpreted, as a reasonable, practical and convenient mechanism which the parties have agreed to use to

compute, in a less controversial manner, the payments to be made by one party to another for services and other items of value to be received by the paying party. No payments to be made under this Agreement are intended to be a sharing of proceeds of any tax levy proscribed by Subsection 701.07(D) of the Ohio Revised Code. The parties do not consider estate taxes to be a tax levy.

Section 14. Other Potential Parties. COUNTY, TOWNSHIP, ASHVILLE and SOUTH BLOOMFIELD sincerely believe that this Agreement will be beneficial to not only the parties to this Agreement, but to other potential governmental subdivisions and jurisdictions in Pickaway County as well. As a result, the parties agree to engage in good faith negotiations with other potential parties in Pickaway County which are authorized to be a party to a CEDA agreement under existing or future statutory laws, should such a potential party determine it is in such party's best interest to become a party to this Agreement.

Section 15. Merger. This Agreement, which includes the recitals hereto, constitutes the entire understanding of the parties hereto and shall not be altered, changed, modified, or amended, except by similar instruments in writing, executed by the parties hereto as provided in this Agreement. It is not intended that any utility supply agreement entered into between COUNTY and either VILLAGE or that any mutual aid agreement between either VILLAGE and TOWNSHIP or that any roadway maintenance cooperation agreement between either VILLAGE and COUNTY be merged with this Agreement.

Section 16. Liberal Construction. The parties agree that just as Ohio Revised Code Section 701.07 is to be liberally construed to allow parties to enter into Cooperative Economic Development Agreements, the parties further agree that this Agreement shall be liberally construed in order to facilitate the desire of each of the parties to carry out this Agreement by providing government improvements and facilities and services, by promoting and supporting economic development, by creating and preserving employment opportunities, and by allowing for the sharing by SOUTH BLOOMFIELD, ASHVILLE, TOWNSHIP, COUNTY and the State of Ohio, in the benefits of economic development, even if the economic development does not occur in an unincorporated area. Each provision of this Agreement shall be construed and interpreted so as to permit maximum advantage to the parties allowed by Ohio Revised Code Section 701.07.

Section 17. 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.

IN WITNESS WHEREOF, the COUNTY, TOWNSHIP, SOUTH BLOOMFIELD and ASHVILLE have caused this Agreement to be duly signed in their respective names by their duly authorized officers as of the date first above written.

ATTEST:

THE VILLAGE OF SOUTH BLOOMFIELD, OHIO

Michael E. Cline,
Board of Public Affairs, Utilities

By: _____
Albert Junior Roesse, Mayor

Paul Roulette,
Board of Public Affairs, Utilities

William Carl,
Board of Public Affairs, Utilities

APPROVED AS TO FORM
AND CORRECTNESS:

, Solicitor

Resolution No. _____

ATTEST:

THE VILLAGE OF ASHVILLE, OHIO

Franklin Christman,
Village Administrator, Utilities
Representative

By: _____
Charles Wise, Mayor

APPROVED AS TO FORM
AND CORRECTNESS:

Mark Landes, Solicitor

Resolution No. _____

ATTEST:

**THE BOARD OF TOWNSHIP TRUSTEES OF
HARRISON TOWNSHIP, PICKAWAY COUNTY,
OHIO**

Dorothy Green
Township Clerk

By: _____
James S. Kuhlwein, Township Trustee

APPROVED AS TO FORM
AND CORRECTNESS:

By: _____
Keith Peters, Township Trustee

Attorney for TOWNSHIP

By: _____
Paul Welsh, Township Trustee

ATTEST:

**THE BOARD OF COUNTY COMMISSIONERS OF
PICKAWAY COUNTY, OHIO**

Director of Utilities

By: _____
John A. Stevenson,
County Commissioner

APPROVED AS TO FORM
AND CORRECTNESS:

By: _____
Ula Jean Metzler, County Commissioner

County ATTORNEY

By: _____
Robert H. Huffer, County Commissioner

Resolution No. _____