

SUMMIT COUNTY ENTERPRISE ZONE AGREEMENT

This agreement made and entered into by and between _____, [insert name of City / Township], Ohio, with its main offices located at the following address _____, (hereinafter referred to as the "_____") [Insert "City" or "Township"], the County of Summit, Ohio, 175 S. Main Street, Akron, Ohio 44308 (hereinafter referred to as the "County") and _____ [insert name of enterprise], an _____ [Ohio] Corporation with its main offices located at the following address _____ (hereinafter referred to as "_____"). [insert name of enterprise]

WITNESSETH:

WHEREAS, _____ [insert City / Township] and the County have encouraged the development of real property and the acquisition of personal property located in the area designated as an Enterprise Zone; and

WHEREAS, _____ [insert name of enterprise] is desirous of

[insert general description of project]

(hereinafter referred to as the "PROJECT") within the boundaries of the aforementioned Enterprise Zone, provided that the appropriate development incentives are available to support the economic viability of said PROJECT; and

WHEREAS, the Council of _____ [insert City / Township], Ohio by Resolution [or insert Ordinance] No. _____ adopted _____ [insert date] and the County by Resolution No. 88-185 adopted April 8, 1988, designated the area as an "Enterprise Zone" pursuant Chapter 5709 of the Ohio Revised Code; and

WHEREAS, effective April 8, 1988, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Resolution No. 88-185 contains the characteristics set forth in Section 5709.61(A) of the Ohio Revised Code and certified said area as an Enterprise Zone under said Chapter 5709; and

WHEREAS, _____ [insert City / Township] and the County having the appropriate authority for the stated type of project is desirous of providing _____ [insert name of enterprise] with incentives available for the development of the PROJECT in said Enterprise Zone under Chapter 5709 of the Ohio Revised Code; and

WHEREAS, _____ [insert name of enterprise] has submitted a proposed agreement application (herein attached as Exhibit A) to _____ [insert City / Township] and County said application (hereinafter referred to as "APPLICATION"); and

WHEREAS, _____ [insert name of enterprise] has remitted the required state application fee of \$750.00 made payable to the Ohio Department of Development with the application to be forwarded with the final agreement; and

WHEREAS, the authorized representative of the _____ [insert City / Township] and County has investigated the application of _____ [insert name of enterprise] and has recommended the same to the Councils of _____ (insert City / Township) and County on the basis that _____ [insert name of enterprise] is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Enterprise Zone and improve the economic climate of _____ [insert City / Township] and County; and

WHEREAS, the project site as proposed by _____ [insert name of enterprise] is located in the _____ [insert name of school district] School District and the _____ [insert name of applicable joint vocational school] and the Board of Education of the _____ [insert name of each applicable school district] has/have been notified in accordance with Section 5709.83 and been given a copy of the APPLICATION; and

WHEREAS, pursuant to Section 5709.62(C), 5709.63(A) or 5709.632 and in conformance with the format required under Section 5709.631 of the Ohio Revised Code, the parties hereto desire to set forth their agreement with respect to matters hereinafter contained;

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

1. _____ [insert name of enterprise] shall

[insert specific description of project and location address]

In addition, _____ [insert name of enterprise] will purchase and install new machinery and equipment including but not limited to

[insert personal property descriptions]

The PROJECT will involve a total investment by _____ [insert name of enterprise] of (\$ _____) _____ [insert written amount]

dollars at the _____ [insert location address] site. Included in this investment are (\$ _____) [insert written amount] dollars for construction of the facility, (\$ _____) [insert written amount] dollars to purchase first used machinery and equipment _____ [insert if applicable: furniture and fixtures] and (\$ _____) [insert written amount] dollars for new inventory.

The PROJECT will begin _____ [insert specific date] and all acquisition, construction and installation will be completed by _____ [insert date]. Any changes to the beginning and completion dates must be agreed to by formal resolution and an amended agreement signed by all parties.

[Insert if applicable:]

[The total investment of this EXPANSION project is greater than 10% of the market value of the facility assets already owned at the site prior to such expenditures as evidenced in Exhibit A.]

RENOVATION projects must exceed 50% and OCCUPYING a vacant facility must exceed 20%. Projects establishing a new facility must represent a "significant" new investment.

2. _____ [insert name of enterprise] shall create within a time period not exceeding 36 months after the commencement of construction of the aforesaid facility, the equivalent of _____ [insert number of jobs] new full-time permanent job opportunities, _____ [insert number of jobs] new part-time permanent job opportunities, _____ [insert number of jobs] full-time temporary job opportunities and _____ [insert number of jobs] part-time temporary job opportunities. _____ [insert name of enterprise] will retain _____ [insert number of jobs] existing full-time permanent equivalent jobs at the _____ [insert location] facility during the years the tax exemptions are provided hereunder.

_____ [insert name of enterprise] schedule for hiring is as follows: create - 0 - new jobs in year one (construction); 50 new full-time permanent jobs in year two; 25 new full-time permanent jobs in year three; and 10 new part-time permanent jobs in year three. The job creation period begins _____ [insert specific date] and all jobs will be in place by _____ [insert specific date] which is the "Job Creation Deadline".

_____ [insert name of enterprise] currently has _____ full-time permanent employees, _____ part-time permanent employees, _____ full-time temporary employees, and _____ part-time temporary employees at the project site. In total,

_____ [insert name of enterprise] has _____ full-time permanent employees, _____ part-time permanent employees, _____ full-time temporary employees, and _____ part-time temporary employees in the State of Ohio.

On the Job Creation Deadline date, _____ [insert name of enterprise] will have _____ full-time permanent employees and _____ part-time permanent employees at the project site. The number of full-time permanent and part-time permanent employees as of the Job Creation Deadline date will be maintained during the years the tax exemptions are provided hereunder.

This increase in the number of employees will result in approximately (\$ _____) _____ [insert written amount] dollars of additional annual payroll for _____ [insert name of enterprise]. The following is an itemization by the type of new jobs created: full-time permanent \$ _____, full-time temporary \$ _____, part-time permanent \$ _____, and part-time temporary \$ _____. The retention of the existing jobs will maintain the current annual payroll of (\$ _____) _____ [insert written amount] dollars. On the Job Creation Deadline date, the total annual payroll for newly created jobs and the existing jobs will be at least \$ _____ and that payroll amount will be maintained during the years the tax exemptions are provided hereunder.

3. _____ [insert name of enterprise] shall provide to the proper Tax Incentive Review Council any information reasonably required by the council to evaluate the enterprise's compliance with the agreement, including returns filed pursuant to Sections 5711.02 and 5727.08 of the Ohio Revised Code if requested by the council.

Enterprises receiving personal property tax incentives shall be required to supply a copy of the Ohio Department of Taxation State Tax Return Form 913 to the Tax Incentive Review Council for each year the agreement is in effect or required to be reviewed.

4. The employer will use the County of Summit's Family Workforce Development Program and Workforce Investment Program as a source of recruitment, referral and placement of employees. In order for the Family Workforce Development Program and Workforce Investment Program to provide the employer with potential employees, the employer will notify the Family Workforce Development Program and Workforce Investment Program of job openings along with job descriptions. Notification shall also include the number of employees needed by job title, rates of pay, hours of work, anticipated duration of employment and work to be performed. The employer shall also notify the Family Workforce Development Program and Workforce Investment Program of the date by which the Family Workforce Development Program and Workforce Investment Program must refer qualified applicants to the employer. The employer shall not be bound to hire from these referrals. _____ [insert name of Enterprise] shall make every attempt to give preference to residents of the Enterprise Zone within which the agreement applies.

5. _____ [insert City / Township] and the County hereby grant a tax exemption pursuant Sections 5709.62, 5709.63 or 5709.632 of the Ohio Revised Code for eligible new tangible personal property acquired in conjunction with the PROJECT and described as:

_____ % on all machinery, equipment and inventory acquired as part of the PROJECT. Each identified project improvement will receive a _____ year exemption period. The minimum investment for tangible personal property to qualify for the exemption is \$ _____ (insert dollar amount) to purchase machinery and equipment first used in business at the facility as a result of the project, \$ _____ (insert dollar amount) for furniture and fixtures and other non inventory personal property first used in business at the facility as a result of the project, and \$ _____ (insert dollar amount) for new inventory. The maximum investment for tangible personal property to qualify for the exemption is \$ _____ (insert dollar amount) to purchase machinery and equipment first used in business at the facility as a result of the project, \$ _____ (insert dollar amount) for furniture and fixtures and other non inventory personal property first used in business at the facility as a result of the project, and \$ _____ (insert dollar amount) for new inventory. The exemption commences the first year for which the tangible personal property would first be taxable were that property not exempted from taxation. No exemption shall commence after tax return year 20 _____, [insert year] nor extend beyond tax return year 20 _____. [insert year] In no instance shall any tangible personal property be exempted from taxation for more than ten return years unless under division (D)(2) of section 5709.62 or under division (C)(1)(b) of section 5709.63 of the Revised Code, the board of education approves exemption for a number of years in excess of ten, in which case the tangible personal property may be exempted from taxation for that number of years, not to exceed fifteen return years. No exemption shall be allowed for any type of tangible personal property if the total investment is less than the minimum dollar amount specified for that type of property.

6. _____ [insert City / Township] and the County hereby grant _____ [insert name of enterprise] a tax exemption for real property improvements made to the PROJECT site pursuant to Section 5709.62, 5709.63 or 5709.632 of the Ohio Revised Code and shall be in the following amounts:

The percentage of the assessed value to be exempted for _____ years at _____ %. The exemption commences the first year for which the real property would first be taxable were that property not exempted from taxation. No exemption shall commence after tax return year _____, 20____ [insert date] nor extend beyond tax return year _____, 20____ [insert date].

_____ [insert name of enterprise] must file the appropriate tax forms (DTE 23) with the County Fiscal Officer and (#913) with the State Department of Taxation to effect and maintain the exemptions covered in the agreement. The #913 Ohio tax form **must** be filed annually.

7. Continuation of this agreement is subject to the validity of the circumstances upon which _____ [insert name of enterprise] applied for, and the Director of the Ohio Department of Development issued, the waiver pursuant to Section 5709.633 of the Ohio Revised Code. If, after formal approval of this agreement the _____ [insert City / Township] and County or the Director of the Ohio Department of Development, discovers that such a circumstance did not exist, _____ [insert name of enterprise] shall be deemed to have materially failed to comply with this agreement.

The formal waiver document shall be incorporated as an exhibit to this agreement and must state the specific conditions enumerated in Section 5709.633 of the Ohio Revised Code upon which the waiver was issued.

8. _____ [insert name of enterprise] shall pay an annual fee equal to the greater of one percent of the dollar value of incentives offered under the agreement or five hundred dollars; provided, however, that if the value of the incentives exceeds two hundred fifty thousand dollars, the fee shall not exceed two thousand five hundred dollars.

The fee shall be made payable to the County once per year for each year the agreement is in effect. The fee is to be paid to the County of Summit's Fiscal Officer and made out to the County of Summit. This fee shall be deposited in a special fund created for such purpose and shall be used exclusively for the purpose of complying with Section 5709.68 of the Ohio Revised Code and by the tax incentive review council created under Section 5709.85 of the Ohio Revised Code exclusively for the purposes of performing the duties prescribed under that section.

9. _____ [insert name of enterprise] shall pay such real and tangible personal property taxes that are not exempted under this agreement and are charged against such property and shall file all tax reports and returns as required by law. If _____ [insert name of enterprise] fails to pay such taxes or file such returns and reports, it will be deemed a material failure to comply with this agreement and all incentives granted under this agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.

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

11. If for any reason the Enterprise Zone designation expires, the Director of the Ohio Department of Development revokes certification of the zone, or the _____ [insert City / Township] or County revokes the designation of the Enterprise Zone, entitlements granted under this agreement shall continue for the

number of years specified under this agreement, unless _____ [insert name of enterprise] materially fails to fulfill its obligations under this agreement and the _____ [insert name City / Township] and the County terminates or modifies the exemptions from taxation granted under this agreement.

12. If _____ [insert name of enterprise] materially fails to fulfill its obligations under this agreement, other than with respect to the number of employee positions estimated to be created or retained under this agreement as stated in Paragraph 18 herein, or if _____ [insert City / Township] and the County determine that the certification as to delinquent taxes required by this agreement is fraudulent, then the _____ [insert City / Township] and the County may terminate or modify the exemptions from taxation granted under this agreement and will require upon demand the repayment of the amount of taxes for personal property and/or real estate property that would have been owed if the property had not been exempted from taxation under this agreement (the "Abated Taxes").

A "material failure" includes but is not limited to the _____ [insert name of enterprise] failure to meet the committed levels of investment, employment/job retention amounts and payroll retention amounts as required in this agreement.

Any waiver of a material failure or any modification of this agreement made by _____ [insert City / Township] or the County will not be a waiver of the right to require and demand that _____ [insert name of enterprise] will repay the Abated Taxes.

_____ [insert name of enterprise] shall have the right to terminate this agreement upon notice if it is unable to meet the requirements set forth in Paragraph 1, and/ or Paragraph 2 herein and _____ [insert name of enterprise] will be required to repay the total amount of the Abated Taxes as of the date of such termination.

If the County pursues collection for the repayment of the Abated Taxes, the amount recovered by the County will be allocated as follows: (a) 40% of the collected amount of the Abated Taxes will first paid into the County's General Fund as reimbursement of its costs; (b) the remaining 60% of the collected amount of the Abated Taxes will then be allocated in the same manner as real estate property taxes and personal property taxes are usually allocated.

13. _____ [insert name of enterprise] hereby certifies that at the time this agreement is executed, _____ [insert name of enterprise] does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio, and does not owe delinquent taxes for which _____ [insert name of enterprise] is liable under Chapters 5733, 5735, 5739, 5741, 5743, 5747, or 5753 of the Ohio Revised Code, or, if such delinquent taxes are owed, _____ [insert name of enterprise] currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C.A. 101, et

seq., or such a petition has been filed against _____ [insert name of enterprise]. For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised Code governing payment of those taxes.

14. _____ [insert name of enterprise] affirmatively covenants that it does not owe: (1) any delinquent taxes to the State of Ohio or a political subdivision of the State; (2) any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State; and (3) any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not.

15. _____ [insert name of enterprise], _____ [insert City / Township] and the County acknowledge that this agreement must be approved by formal action of the legislative authority of _____ [insert City / Township] and this agreement takes effect as of the date signed by the County Executive.

16. _____ [insert City / Township] and the County have developed a policy to ensure recipients of Enterprise Zone tax benefits practice non-discriminating hiring in its operations. By executing this agreement, _____ [insert name of enterprise] is committing to following non-discriminating hiring practices acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, disability, color, national origin, or ancestry.

17. Exemptions from taxation granted under this agreement shall be revoked if it is determined that _____ [insert name of enterprise], any successor enterprise, or any related member (as those terms are defined in Section 5709.61 of the Ohio Revised Code) has violated the prohibition against entering into this agreement under Division (E) of Section 3735.671 or Sections 5709.62, 5709.63, or 5709.632 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.

18. In any three-year period during which this agreement is in effect, if the actual number of employee positions created or retained by _____ [insert name of enterprise] is not equal to or greater than seventy-five per cent of the number of employee positions estimated to be created or retained under this agreement during that three-year period, _____ [insert name of enterprise] shall repay the amount of taxes on property that would have been payable had the property not been exempted from taxation under this agreement during that three-year period. In addition, the _____ [insert name of municipal corporation or county] may terminate or modify the exemptions from taxation granted under this agreement upon legislative approval. The County and _____ [insert City/Township] do not waive any right to demand payment for any reimbursement of any Abated Taxes if this agreement is terminated because of any material failure to comply by _____ [insert name of enterprise].

19. _____ [insert name of enterprise] affirmatively covenants that it has made no false statements to the State, County or _____ [insert City/Township] in the process of obtaining approval for the Enterprise Zone incentives. If any representative of _____ [insert name of enterprise] has knowingly made a false statement to the State, _____ [insert City / Township] or the County to obtain the Enterprise Zone incentives, _____ [insert name of enterprise] shall be required to immediately return all benefits received under the Enterprise Zone Agreement pursuant to Section 9.66 (C)(2) of the Ohio Revised Code and shall be ineligible for any future economic development assistance from the State, any state agency or a political subdivision pursuant to Section 9.66(C)(1) of the Ohio Revised Code. Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to Section 2921.13(D)(1) of the Ohio Revised Code, which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

20. This agreement is not transferable or assignable without the express, written approval of _____ [insert City / Township] and the County.

21. Notices: Any notices, statements, acknowledgements, consents, approvals, certificate and/or request desired to be give on behalf of the _____ [insert name of enterprise], _____ [insert name of City / Township] and/or the County shall be made in writing and shall be either personally delivered or mailed by certified or registered mail, return receipt requested, addressed as follows:

If to Summit County:	Enterprise Zone Manager Department of Development 175 South Main Street, 2nd Floor Akron, Ohio 44308
----------------------	---

If to the [City / Township]	[Insert address]
-----------------------------	------------------

If to the [Enterprise]	[Insert address]
------------------------	------------------

IN WITNESS WHEREOF, the parties have caused this instrument to be executed and effective as of the date signed by the County Executive.

(Insert City / Township)

Approved as to form:

By: _____
Printed Name: _____
Title: _____

By: _____
Law Director

COUNTY OF SUMMIT, OHIO

By: _____
James B. McCarthy, Executive Dated

Approved as to form:

By: _____
Karen Doty, Director, Law Department

(Insert Enterprise)

By: _____
Printed Name: _____
Title: _____