

Sub-01

**CLARK COUNTY – SPRINGFIELD TOWNSHIP – CITY OF SPRINGFIELD
COOPERATIVE ECONOMIC DEVELOPMENT AGREEMENT**

PHASE II

This Phase II CEDA (hereinafter the "Phase II CEDA") is entered into this 1st day of December, 2000, by and between THE BOARD OF COUNTY COMMISSIONERS, CLARK COUNTY, OHIO, ("COUNTY"), THE CITY OF SPRINGFIELD, OHIO, ("CITY") and THE BOARD OF TOWNSHIP TRUSTEES OF SPRINGFIELD TOWNSHIP, CLARK COUNTY, OHIO, ("TOWNSHIP").

WHEREAS, COUNTY, TOWNSHIP and CITY are political subdivisions located entirely within the State of Ohio and TOWNSHIP and CITY are contiguous and overlapping political subdivisions located entirely within Clark County, Ohio; and

WHEREAS, COUNTY, TOWNSHIP and CITY 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 Phase II CEDA pertains; and,

WHEREAS, the parties hereto wish to accomplish the purpose of extending the CITY'S municipal powers useful to stimulate economic development (among other municipal powers) to portions of the territories to which this Phase II CEDA pertains and the parties hereto recognize that such an extension of municipal powers will operate to the mutual benefit of COUNTY, TOWNSHIP and CITY and to those businesses and residents who choose to locate within the territories to which this Phase II CEDA pertains; and,

Whereas, COUNTY, TOWNSHIP and CITY have previously entered into a COOPERATIVE ECONOMIC DEVELOPMENT AGREEMENT dated December 8, 1999 (hereinafter the "Phase I CEDA") covering portions of Springfield Township described therein as the Corporate Park Extension Area (sometimes called "Area 1"), the Southern Interceptor Joint Service Area (sometimes called "Area 2") and the West Leffel Lane Transitional Service Area (sometimes called "Area 3"); and,

WHEREAS, COUNTY, TOWNSHIP and CITY wish to extend benefits to the balance of Springfield Township similar to those conferred on Area 2 by the Phase I CEDA, but not creating any obligations on the part of any of the parties hereto to finance, design or construct new infrastructure within the territories governed by this Phase II CEDA, since all discussions of how to provide new infrastructure have been deferred by the parties to the future, when the public will and community resources may make the financing, design and construction of new infrastructure feasible; and,

WHEREAS, COUNTY, TOWNSHIP and CITY wish to cooperate in improving and advancing the welfare of the citizens of Clark County residing within the territories to which this Phase II CEDA pertains, including, but not limited to, making municipal water and sewer services more widely available within such territory; and,

WHEREAS, COUNTY, TOWNSHIP and CITY wish to cooperate in facilitating 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 and CITY, 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 as well as the all municipal powers available to CITY under its municipal charter, 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, 6301.22 and Chapter 6117 of the Ohio Revised Code; and,

WHEREAS, the parties hereto recognize that new economic development within the territories to which this Phase II CEDA pertains will result in increasing the real property and personal property tax bases for the TOWNSHIP; thereby furthering the economic welfare of the people of COUNTY, TOWNSHIP as well as of the CITY and will facilitate the provision of quality education in Clark County; thereby enhancing the availability of appropriately skilled individuals for employment by employers within COUNTY, TOWNSHIP and CITY and consequently furthering the creation and preservation of job and employment opportunities within COUNTY, TOWNSHIP and CITY; and,

WHEREAS, the parties hereto each 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 Phase II CEDA will require funding, wish to share the burdens of designing and constructing public improvements, as described in this Phase II CEDA, 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 and CITY; and,

WHEREAS, the Board of County Commissioners of Clark County, Ohio have passed Resolution No. 1104-00 on November 21, 2000, the Board of Township Trustees of TOWNSHIP have passed Resolution No. 1114-2000 on November 14, 2000 and the City Commission of CITY has enacted Ordinance No. 00-392 on November 14, 2000 which authorize the respective parties to enter into this Phase II CEDA, 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 Phase II CEDA is applicable to the territory described and outlined and crosshatched in blue in **EXHIBIT E**, attached hereto and incorporated herein by this reference, is hereinafter referred to sometimes as the "Springfield Township Remaining Area" and sometimes as "Area 4." The Springfield Township Remaining Area includes all of Springfield Township excluding:

- A) Area 1,
- B) Area 2,
- C) Area 3,
- D) Areas annexed to CITY during 1999 and before,
- E) Territory in Springfield Township between U. S. Route 68 and St. Paris Pike and north of State Route 41, and
- F) The area encompassing parcels numbered 07-00017-300-003, 07-00017-300-005, 07-00017-300-006 and 07-00017-300-007 by the Clark County Auditor.

Section 2. Any of the above territories may be altered by mutual agreement of the TOWNSHIP, the COUNTY and the CITY, but only by means of appropriate legislation authorizing such alteration approved by the legislative authorities of all three 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, CITY shall have the responsibility to acquire the services of a surveyor to perform such survey and TOWNSHIP and CITY shall share the costs of such surveying services equally.

ARTICLE II – ADJUSTMENT OF MUNICIPAL BOUNDARIES

Section 1. TOWNSHIP and CITY agree to cooperate fully and in good faith with each other to achieve the successful annexation to CITY of lands located within Area 4, under the following circumstances and subject to the following limitations:

- A) When a majority of landowners of non-residential lands within an annexation area comprised entirely of non-residential lands petition for annexation to the CITY, such lands shall be annexed.
- B) When all landowners of residential lands within an annexation area comprised entirely of residential lands petition for annexation to the CITY, such lands shall be annexed.

- C) When a majority of landowners of lands within an annexation area petition for annexation to the CITY and the land owners of all residential lands within such annexation area are signatories to the petition, such lands shall be annexed.
- D) The following lands are exempted from this Article II and shall not be required to be annexed to CITY 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).

- E) Nothing in this Phase II CEDA obligates the CITY to accept the annexation of any lands to the CITY and the CITY shall continue to have complete discretion to accept or reject lands sought to be annexed to CITY.

As used in this Article II, the term "annexation area" means an area described in a petition seeking annexation of the described area to the CITY.

Section 2. Throughout the time COUNTY and TOWNSHIP maintain compliance with the provisions of this Article II, CITY shall not exclude lands annexed to CITY, which are included in Area 4 and are annexed through implementation of this Phase II CEDA, 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 CITY which are included in Area 4 and are annexed through implementation of this Phase II CEDA, and the CITY agrees to cooperate fully and in good faith with the TOWNSHIP'S efforts to resist such change to the TOWNSHIP'S boundary.

Section 3. TOWNSHIP and CITY recognize, agree and each of their governing bodies have adopted findings in the legislation mentioned in the recitals to this Phase II CEDA that, within Area 4, annexation of any portion of such territories will be for the general good of the territory sought to be annexed when subject to the terms of this Phase II CEDA.

Section 4. TOWNSHIP and CITY recognize, agree and each of their governing bodies have adopted findings in the legislation mentioned in the recitals to this Phase II CEDA that, within Area 4, annexation of any portion of such territories will be for the good of the CITY and TOWNSHIP individually and as a whole.

Section 5. TOWNSHIP and CITY recognize, agree and each of their governing bodies have adopted findings in the legislation mentioned in the recitals to this Phase II CEDA that, within Area 4, annexation of any portion of such territories that results in:

- A) an island or islands of TOWNSHIP territory being located within CITY and/or
- B) an island or islands of CITY territory 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 and CITY recognize as being especially true when territory annexed to CITY 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 CITY.

Section 6. TOWNSHIP and CITY recognize, agree and each of their governing bodies have adopted findings in the legislation mentioned in the recitals to this Phase II CEDA that, within Area 4, the annexation of territory to CITY not customarily recognized as contiguous to the corporate boundary of CITY [whether due to the smallness of the area of geometric coincidence between the annexation area and the corporate boundary of CITY or the contiguity of the annexation area and the corporate boundary of the CITY being by a long and narrow strip of land] will not, in any meaningful way, be detrimental to the unity of CITY or of TOWNSHIP and should not and will not prevent the annexation of such territory to CITY.

Section 7. TOWNSHIP and CITY recognize, agree and each of their governing bodies have adopted findings in the legislation mentioned in the recitals to this Phase II CEDA that no annexation area sought to be annexed to CITY in accordance with this Phase II CEDA can possibly be unreasonably large, regardless of its size and regardless of its configuration; provided it is within Area 4.

Section 8. The parties hereto recognize that COUNTY now is and may hereafter be charged with statutory responsibilities as a quasi-judicial body under Ohio laws governing annexation procedures and since COUNTY can not contractually limit its discretion and powers in performing its quasi-judicial function, COUNTY has not been included as a contractual participant in Sections 1 through 7 of this Article II.

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 CITY which will contribute to the success of the annexation of lands to CITY and

refraining from acts which would be detrimental to the success of the annexation of lands to CITY 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 Phase II CEDA which may be challenged, for any reason, with such defense to be continued throughout any and all appeals;
- D) Requesting the Clark County Engineer to fully cooperate with and assist the CITY and landowners to facilitate the presentation of an accurate annexation map to the Clark County Commissioners (recognizing that the primary responsibility for preparing a suitable map is the landowner's);
- E) Requesting that the Clark County Prosecutor facilitate and defend any annexation pursued in accordance with this Phase II CEDA;
- F) To support and provide 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 Phase II CEDA or would further the purposes of this Phase II CEDA;
- G) To oppose and provide 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 Phase II CEDA or would frustrate the purposes of this Phase II CEDA;
- H) TOWNSHIP and CITY agree to vigorously resist, in both administrative and judicial forums, actions by third party political subdivisions to annex, merge or consolidate any portion of Area 4 into any third party political subdivision; and
- I) Each party shall bear its own costs in any legal proceedings.

Section 10. Full and good faith cooperation by CITY, 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 CITY, which are included in Area 4 and are annexed through implementation of this Phase II CEDA, 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 CITY, which are included in Area 4 and are annexed through implementation of this Phase II CEDA, 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 forgoing, shall include, but not be limited to the CITY:

- (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 503 of the Ohio Revised Code to exclude lands annexed to CITY which are included in Area 4 and are annexed through implementation of this Phase II CEDA, such litigation continuing throughout any and all appeals;
- (D) Requesting the Clark County Engineer to cooperate with and assist the TOWNSHIP and CITY to facilitate the presentation of an accurate map to the Clark County Commissioners of the area covered by this Phase II CEDA which is not to be subject to a change in TOWNSHIP'S boundaries pursuant to 503 of the Ohio Revised Code;
- (E) Joining with the TOWNSHIP to request the Clark County Prosecutor to defend against any effort to change the TOWNSHIP'S boundary pursuant to 503 of the Ohio Revised Code to exclude lands annexed to CITY which are included in Area 4 and are annexed through implementation of this Phase II CEDA;
- (F) To support and provide 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 Phase II CEDA or would further the purposes of this Phase II CEDA;
- (G) To oppose and provide 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 Phase II CEDA or would frustrate the purposes of this Phase II CEDA;
- (H) The TOWNSHIP and CITY agree to vigorously resist, in both administrative and judicial forums, any action by any third party to change the TOWNSHIP'S boundary pursuant to 503 of the Ohio Revised Code to exclude lands annexed to CITY, which are included in Area 4 and are annexed through implementation of this Phase II CEDA, from the TOWNSHIP; and

- (l) Each party shall bear its own costs in any legal proceedings that are required by this Section.

Section 11. The terms "residential property" and "non-residential property" have the same meaning in this Article II as the meaning given to those terms in Article IV.

Section 12. The parties agree that, during the term of this Phase II CEDA, 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 Area 4 arises during the term of this Phase II CEDA, 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 13. 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 Area 4 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 Area 4 but would be prejudiced by such tax assessments or evaluations or re-evaluations of property located in Area 4, 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 14. 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 or 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 & CITY 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 CITY, this Phase II CEDA shall have no effect on the obligations of TOWNSHIP to provide services and CITY shall continue to have no obligation at all to provide services or products. With respect to territory located within the boundaries of CITY but which is not a part of TOWNSHIP, this Phase II CEDA shall

have no effect on the obligations of CITY to provide services or products and TOWNSHIP shall continue to have no obligation at all to provide services.

Section 2. With respect to any portion of Area 4 which becomes annexed to CITY and which also continues to be included within TOWNSHIP, CITY 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 CITY provides these services throughout its jurisdiction in general:

- A) Fire protection services,
- B) Emergency medical services,
- C) Rescue services
- D) Municipal police services,
- E) Maintenance of traffic control devices (i.e. signs and signals, other than at railroad crossings),
- F) Arrange for the supply of energy to street lights in existence on the date first above written or which are thereafter required by the CITY,
- G) Enforcement of CITY'S Codified Ordinances (e.g. Building Code, Fire Code),
- H) The CITY and TOWNSHIP shall develop subdivision, zoning and other development standards to their mutual satisfaction.

Section 3. With respect to any portion of Area 4 which becomes annexed to CITY 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 CITY specifically agree that this provision is both authorized and necessary under Ohio Revised Code Section 701.07.

Section 4. Notwithstanding the provisions of Section 2 of this Article III, CITY and TOWNSHIP agree that this Phase II CEDA shall not affect the continuation of mutual aid arrangements and agreements for fire protection in effect on the date first above written. This section is not intended to limit the ability of CITY and TOWNSHIP to negotiate mutual aid arrangements in the future as they shall find mutually advantageous.

Section 5. With respect to any portion of Area 4 which becomes annexed to CITY and which also continues to be included within TOWNSHIP, TOWNSHIP shall be responsible to arrange for and bear the cost of necessary road reconstruction work on the public roadways. For purposes of this Phase II CEDA, 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. Notwithstanding the foregoing, CITY will reimburse TOWNSHIP for fifty percent (50%) of the total construction contract amount of TOWNSHIP'S costs for such reconstruction project; provided, TOWNSHIP has informed CITY, in writing, of its intent to engage in such road reconstruction and has provided an engineer's estimate of the construction costs on or before June 1 of the year preceding the intended reconstruction.

Section 6. It is not the intent of this Phase II CEDA to limit or to restrict the ability or jurisdiction of other governmental authorities, not a party to this Phase II CEDA, to provide their services within Area 4 or to have any other effect on such governmental authorities whatsoever.

Section 7. In consideration of the services provided by TOWNSHIP in territory located within CITY, CITY agrees to pay to TOWNSHIP an Annual Services Fee computed as 12.5% of "Fee Calculation Income Taxes" collected by the CITY from industrial and commercial taxpayers, located within both the CITY and within Area 4, during the service year [i.e. the calendar year in which services were provided] for which the Annual Services Fee is being made. The Annual Services Fee for a service year is due and payable on or before April 1 of the year following the service year to which such payment is attributable. The term "Fee Calculation Income Taxes" shall mean the net sum of income taxes collected by the CITY in a calendar year from the net profit, as allocated to the CITY as provided in Ohio Revised Code Section 718.02, attributable to business conducted by industrial and commercial taxpayers, located both within the CITY and within Area 4, by permanent resident businesses located

therein, and net income taxes collected by the CITY in a calendar year from all salaries, wages, commissions, or other compensation earned by employees who are employees of permanent, resident industrial and commercial employers for work performed within the said defined area. Agriculture is not considered to be an industrial or commercial activity. The term "net sum of income taxes" means taxes collected less refunds and less costs of collection directly related to collection of delinquent taxes which are Fee Calculation Income Taxes. The parties hereto agree that municipal income taxes collected from individuals residing in territory which is in both the CITY and the TOWNSHIP and is within Area 4 shall not be included in the term "Fee Calculation Income Taxes," with the exception that net municipal income taxes attributable to net profit earned by and collected from a sole proprietorship whose principal place of business is located in territory which is in both the CITY and the TOWNSHIP and is within Area 4 shall be included in the term "Fee Calculation Income Taxes."

Section 8. Payments made by CITY to TOWNSHIP as described in this Article III are in lieu of any payments which would be required to be made by CITY to TOWNSHIP under Sections 709.12 and 709.19 of the Ohio Revised Code or under any laws of similar effect.

Section 9. CITY agrees to indemnify and save TOWNSHIP harmless from liability which may result to TOWNSHIP as a result of CITY failing to properly maintain traffic control devices [see Subsection 2(E), above] and thereby creating a nuisance in the public right-of-way within the TOWNSHIP. TOWNSHIP agrees to indemnify and save CITY harmless from liability which may result to CITY as a result of TOWNSHIP failing to properly maintain public road pavement and right-of-way [see Subsection 3(C & D), above] and thereby creating a nuisance in the public right-of-way within the CITY.

ARTICLE IV – WATER AND SEWER UTILITY SERVICES

Section 1. Following the effective date of this Phase II CEDA, COUNTY and CITY shall enter into negotiations to design a utility supply agreement wherein CITY would supply certain sewer and water services to county sewer district(s) or subdistricts established under Chapter 6117 and Sections 307.15, 307.74, 6103.21 6103.22 of the Ohio Revised Code. The said county sewer district(s) and subdistrict(s) shall be established and, if necessary the existing sewer district shall be redefined as to boundaries, so as to both comply with applicable law and to comply with the terms of this Phase II CEDA; and further so as to allow compliance with the terms of this Phase II CEDA and with the customary provisions placed in bond indentures and other bond security arrangements [said sewer district(s) and subdistrict(s) so structured are hereinafter referred to as the "Clark County Sewer District Structure"]. There is no obligation on the part of COUNTY or of CITY to form such Clark County Sewer District Structure or to enter into such utility supply agreement; unless both COUNTY and CITY determine it to be in their mutual best interests.

Section 2. Upon establishment of a Clark County Sewer District Structure and consummation of a utility supply agreement between COUNTY and CITY, residential property located within both Area 4 and a county sewer district may obtain available utility services without entering into any kind of agreement with the CITY containing a promise to cooperate with annexation of such property to CITY. The term "residential property" as used in this section means property for which a certificate of occupancy for a dwelling on such property was issued on or before the date first above written or property which the owner is able to prove by other means that such property contained an occupied dwelling on the date first above written or for which a Building Permit was issued on or before June 8, 1999. The purpose of the foregoing sentence is to prevent property owners owning dwellings occupied on June 8, 1999 CEDA and located within Area 4 from being required to annex such dwelling into CITY in order to obtain sewer or water utility services; while allowing the CITY to require that new residential development subsequent to June 8, 1999 be either annexed to the CITY or be made subject to a Development Incentive Agreement with CITY [the Development Incentive Agreement will be in the form customarily used by CITY at the time the property owner seeks to obtain sewer or water services from CITY] in order to begin to receive or to continue to receive sewer and/or water utility services. The parties hereto anticipate that there may be one or more lots or small clusters of lots which do not fit the description of residential property, but are both substantially surrounded by lots which are residential property and will also be developed as residences (hereinafter referred to as "residential pockets"). The CITY intends to make a determination, on a case by case basis, as to whether it is practical and in the CITY'S best interests to require annexation of the residential pocket and provide municipal governmental services and water and sewer services within such residential pocket. If the CITY determines that it is either not practical or not in the CITY'S best interests to require annexation of the residential pocket and to provide municipal governmental services and water and sewer services within such residential pocket; then the CITY intends to not require annexation of the residential pocket and to allow the residential pocket to be included in and to receive such utility services as may be available from a county sewer district. Occupants of residential property covered by this Section will not be required to pay municipal income taxes to CITY as a condition in order to receive utility services for such property, as described in this Phase II CEDA.

Section 3. Non-residential property [i.e. property that does not qualify as residential property as defined in Section 2, above] located within Area 4 shall not be included in any county sewer district and shall be required to be annexed to CITY prior to receiving sewer and/or water utility services or shall be required to enter into a Development Incentive Agreement with CITY [the Development Incentive Agreement will be in the form customarily used by CITY at the time the property owner seeks to obtain sewer or water services from CITY]. The term "non-residential property" includes property which is non-residential property on June 8, 1999 and property which is converted to non-residential property after June 8, 1999. Property receiving sewer or water utility service on the date it is converted to non-residential property may continue to receive sewer and/or water services only upon entering into a Development

Incentive Agreement with CITY [the Development Incentive Agreement will be in the form customarily used by CITY at the time the property was converted to non-residential property]. Property located in Area 4 and also included within a county sewer district, which is converted to non-residential property shall be excluded from the county sewer district upon the written request of CITY.

Section 4. The following properties are excepted from the operation of Section 3 of this Article IV:

- A) Lands owned by TOWNSHIP, while such lands are maintained in a use directly performing township functions,
- B) Lands owned by COUNTY, while such lands are maintained in a use directly performing county functions, and
- C) 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 above, then such converted land shall be thereafter subject to the provisions of this Article IV, other than Section 10.

Section 5. In the event a residential property is situated on a parcel of land which exceeds five acres, the CITY shall define an area around the dwelling on such property which defined area will constitute the residential property for the purposes of Section 2 of this Article IV and the balance of the parcel of property will be considered non-residential property. In the event a residential property of five acres or less is subdivided, the CITY shall define an area around the original dwelling on such property, which defined area will constitute the residential property for the purposes of Section 2 of this Article IV and the balance of the parcel of property will be considered non-residential property which will be subject to Section 3 of this Article IV.

Section 6. Upon establishment of a Clark County Sewer District Structure and consummation of a utility supply agreement between COUNTY and CITY, the COUNTY may arrange to have a water main(s) designed and constructed to connect the CITY'S water system to the said county sewer district(s). Upon the conveyance of the water main(s) and related rights in real property to CITY, at no cost to CITY, and after acceptance of same by CITY, water services will be available to customers pursuant to the utility supply agreement between COUNTY and CITY and pursuant to the terms of this Phase II CEDA. All such water main(s) shall be fully compliant with CITY'S specifications and other requirements before they will be accepted by CITY.

Section 7. Upon establishment of a Clark County Sewer District Structure and consummation of a utility supply agreement between COUNTY and CITY, the COUNTY may arrange to have sewer line(s) designed and constructed to connect the CITY'S sewer system to the said county sewer district(s). Upon the conveyance of the sewer

line(s) and related rights in real property to CITY, at no cost to CITY, and after acceptance of same by CITY, sewer services will be available to customers pursuant to the utility supply agreement between COUNTY and CITY and pursuant to the terms of this Phase II CEDA. All such sewer line(s) shall be fully compliant with CITY'S specifications and other requirements before they will be accepted by CITY.

Section 8. COUNTY hereby agrees to provide for all costs and expenses of construction and installation of all water and sewer facilities within the county sewer district(s) established in Area 4 and shall construct, maintain and repair all such water and sewer facilities within such county sewer district(s) to the applicable standards established by the Water Environment Federation and to specifications established by CITY, all without risk or cost to CITY. This section is not intended to preclude COUNTY from providing for such costs of construction and maintenance of water and sewer facilities through assessments, debt financing, seeking funding from benefited landowners or developers or through any other lawful means. This section is not intended to preclude COUNTY and CITY from reallocating responsibility for construction, installation and maintenance of water and sewer utility infrastructure in county sewer districts in future utility supply agreements between COUNTY and CITY. COUNTY shall obtain from the Ohio EPA any and all approvals required for the construction or reconstruction of sewer facilities within the county sewer districts. The parties hereto recognize that assessments imposed by the COUNTY on lands within Area 4 to fund water and sewer infrastructure will continue to be assessments collected for the benefit of the COUNTY after such lands have been annexed into the CITY.

Section 9. Should CITY require construction of water mains or sewer pipes larger than needed to service a county sewer district and require conveyance of the ownership of such water main and/or sewer pipe to CITY, then CITY shall pay to COUNTY the proportionate share of the cost of construction of such water main or sewer pipe, as applicable, as can be attributed to the additional costs to COUNTY to construct the larger sized water main or sewer pipe, as applicable. The CITY shall be responsible for the maintenance of such water mains and sewer pipes conveyed to CITY.

Section 10. COUNTY agrees that all water lines and all sewers, laterals, connections and appurtenances which are hereafter constructed within the said county sewer district(s) shall be designed and constructed according to specifications established by CITY. Within thirty (30) days after any such improvements have been constructed, the COUNTY will file with the CITY, at no cost to the CITY, a complete set of "as built" plans for the improvements constructed. The COUNTY hereby agrees that it shall prevent any extension, connection or tapping into any sewer line connected to the Southern Interceptor or into any water lines supplied with CITY'S water service for the purpose of serving any property located outside of a county sewer district established as described in Section 1, above. COUNTY further agrees not to sell, lease or give any interest in or right of privilege to utilize the Southern Interceptor to any individual, association, partnership or incorporated entity, a portion of whose

premises are located outside the territorial limits of a county sewer district established as described in Section 1, above.

Section 11. Should lands included within a county sewer district be later annexed into CITY, upon the effective date of such annexation the annexed lands shall be excluded from such county sewer district and any related utility supply agreement shall thereafter no longer be applicable to such annexed land. Should CITY determine it is necessary for CITY to assume ownership and control of any water or sewer infrastructure belonging to COUNTY so that such annexed lands may be properly served by CITY, upon CITY'S request COUNTY shall convey such infrastructure to CITY, free and clear of encumbrances, and CITY shall pay to COUNTY the depreciated fair value of such infrastructure. The COUNTY and CITY acknowledge that it will be necessary for the CITY to own all water and sewer infrastructure and related rights-of-way within the territories included within the corporate boundaries of CITY as well as the water and sewer infrastructure and related rights-of-way which the CITY would use as water transmission lines and sewer collector lines extending through areas served by a county sewer district to serve direct customers of the CITY beyond the areas served by the county sewer district. The CITY and COUNTY do not anticipate that it will be necessary for the CITY to become the owner of local water distribution lines used to serve customers of a county sewer district which branch off of the above mentioned infrastructure used by CITY as a water transmission line. The CITY and COUNTY do not anticipate that it will be necessary for the CITY to become the owner of local sewer service lines used to serve customers of a county sewer district which branch off of the above mentioned infrastructure used by CITY as a sewer collector line. Should unanticipated circumstances arise regarding such local water distribution lines or local sewer service lines, COUNTY and CITY intend to meet together and engage in good faith negotiations to determine a mutually advantageous way of dealing with the unanticipated circumstances.

Section 12. In circumstances where:

- A) lands formerly served by the CITY as a direct CITY customer become included within a county sewer district with the consent of the CITY and
- B) which are served by CITY owned local water distribution lines which will serve county sewer district customers only and/or which are served by local sewer service lines which will serve county sewer district customers only;

should CITY determine that CITY has no need to own such water and sewer infrastructure and that COUNTY should assume ownership and control of such local water distribution lines and local sewer service lines; then, if COUNTY consents in writing, the CITY may convey such infrastructure to COUNTY, free and clear of encumbrances, and COUNTY shall pay to CITY the depreciated fair value of such infrastructure. The COUNTY and CITY acknowledge that it will be necessary for the CITY to own all water and sewer infrastructure and related rights-of-way which the CITY would use as water transmission lines and sewer collector lines extending

through areas served by a county sewer district to serve future, potential direct customers of the CITY beyond the areas served by the county sewer district. The CITY and COUNTY do not anticipate that it may be necessary for the CITY to continue as the owner of local water distribution lines and local sewer collection lines used to serve customers of a county sewer district which will not be needed in the future to serve direct CITY customers beyond the county sewer district. Should unanticipated circumstances arise regarding such local water distribution lines or local sewer service lines, COUNTY and CITY intend to meet together and engage in good faith negotiations to determine a mutually advantageous way of dealing with the unanticipated circumstances.

Section 13. With regard to properties located within the TOWNSHIP and Area 4, but outside the CITY, the CITY will not initiate complaints to health or environmental regulatory agencies with the intent of having such properties required to connect to public sewer lines. This section is not intended to preclude the CITY from pursuing other remedies to protect the public health and safety or to in any way prevent the CITY from exercising its police powers to protect the public welfare.

Section 14. The parties hereto agree that the above mentioned utility supply agreement, when negotiated, will provide for minimum utility service rates to be charged to the end users of the utility services which will be One Hundred Twenty percent (120%) of the CITY'S normal utility service rates charged to end users of the utility services. For purposes of this Section, a county sewer district is not the end user of utility services it delivers to its customers.

Section 15. Should the CITY construct sewer facilities that will discharge into any sewer infrastructure of a county sewer district, the CITY shall construct such sewer facilities in conformance with applicable minimum standards established by the Water Environment Federation and CITY shall allow COUNTY an opportunity to review the plans for such sewer facilities to verify compliance with this Section.

ARTICLE V – HOTEL/MOTEL AND VARIOUS OTHER TAXES

Section 1. In the event a portion of Area 4 is annexed to CITY and the CITY 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); then, of the taxes imposed pursuant to Sections 5739.02 and 5739.024 of the Ohio Revised Code collected by CITY from such hotel(s) or motel(s), the CITY will make the required payments to the required separate fund from which contributions are made to convention or visitor's bureaus operating within Clark County, Ohio and, of the remaining balance, CITY shall pay 50% to TOWNSHIP and retain 50% for CITY.

Section 2. TOWNSHIP and CITY 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 CITY 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 – COUNTY SERVICES

Section 1. COUNTY, through direction given to the Clark County Engineer and by providing sufficient funding, shall cooperate with CITY to accomplish the practical and efficient maintenance of roadways located within Area 4 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 Area 4 but in which the CITY 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 Clark County Engineer with respect to Area 4 which are in addition to those duties imposed upon county engineers by the Ohio Revised Code.

Section 3. COUNTY agrees to indemnify and save TOWNSHIP and CITY harmless from liability which may result to TOWNSHIP and/or CITY as a result of COUNTY failing to properly maintain bridges, roadways and drainage and watercourses, thereby creating a nuisance. TOWNSHIP agrees to indemnify and save COUNTY harmless from liability which may result to COUNTY as a result of TOWNSHIP failing to properly maintain public road pavement and right-of-way on or around a bridge and thereby creating a nuisance in the public right-of-way on or around a bridge within the TOWNSHIP. CITY agrees to indemnify and save COUNTY harmless from liability which may result to COUNTY as a result of CITY failing to properly maintain traffic control devices on or around a bridge and thereby creating a nuisance in the public right-of-way on or around a bridge within the CITY.

ARTICLE VII – GENERAL PROVISIONS

Section 1. Term. The initial term of this Phase II CEDA shall commence on the date hereof and shall terminate December 31, 2050 (unless otherwise terminated prior to that date as provided herein). At the expiration of the initial term of this Phase II CEDA, 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 the CITY, the COUNTY and the TOWNSHIP each affirmatively act to terminate this Phase II CEDA. In order for any such termination to be effective, legislative action of one party to terminate this Phase II CEDA must occur and be effective within a period of 90 days from the date of legislative action of the other parties terminating this Phase II CEDA. The provision herein for automatic extension of this Phase II CEDA except upon legislative action by each of the parties hereto terminating this Phase II CEDA recognizes that the accrual of benefits to the parties from this Phase II CEDA 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 Phase II CEDA may be terminated at any time by mutual consent of the TOWNSHIP and the CITY as authorized by their respective legislative authorities. In order for any such termination to be effective, legislative action of one party to terminate this Phase II CEDA must occur and be effective within a period of 90 days from the date of legislative action of the other party terminating this Phase II CEDA.

Section 3. Support of Agreement. In the event that this Phase II CEDA, 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 Phase II CEDA with the object of upholding this Phase II CEDA. Each party shall bear its own costs in any such proceeding challenging this Phase II CEDA 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 Phase II CEDA 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 Phase II CEDA.

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 Area 4 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 Area 4.

Section 6. Mediation. In the event the parties have a dispute as to any of the terms or applicability of this Phase II CEDA, 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 Phase II CEDA 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 Phase II CEDA 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 Phase II CEDA or for damages or both; or may pursue such other remedies as may be available.

Section 8. Amendments.

- A) This Phase II CEDA may be amended by the COUNTY, TOWNSHIP and the CITY only in a writing approved by the legislative authorities of all three 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 three 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 and CITY may meet together to determine whether any amendments to the remaining provisions of this Phase II CEDA can be negotiated to their mutual benefit. In the event Article II ceases to be binding on the parties hereto, the TOWNSHIP and CITY shall each have the right to terminate this Phase II CEDA, unilaterally, at their discretion.

Section 9. Immunities Preserved. By entering into this Phase II CEDA, neither the COUNTY, the CITY nor the TOWNSHIP 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 Phase II CEDA 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 CITY'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 Phase II CEDA shall inure to the benefit of and shall be binding upon the COUNTY, TOWNSHIP, and the CITY and their respective successors; subject, however, to the specific provisions hereof. This Phase II CEDA shall not inure to the benefit of anyone other than as provided in the immediately preceding sentence. This Phase II CEDA 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 Phase II CEDA.

Section 12. Severability. Except as otherwise provided in Article II, Section 15 hereof, in the event that any section or provision of this Phase II CEDA, 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 Phase II CEDA is to be interpreted as the sharing of the proceeds of any tax levy by and between the CITY and the TOWNSHIP. All language within this Phase II CEDA 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 Phase II CEDA 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 Phase II CEDA 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. Merger. This Phase II CEDA, 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 Phase II CEDA. It is not intended that any utility supply agreement entered into between COUNTY and CITY or that any mutual aid agreement between CITY and TOWNSHIP or that any roadway maintenance

cooperation agreement between CITY and COUNTY be merged with this Phase II CEDA. There are no Exhibits A, B, C, or D to this Phase II CEDA. Nothing in this Phase II CEDA is intended to affect the rights and obligations of the parties hereto under their Phase I CEDA.

Section 15. 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 Phase II CEDA shall be liberally construed in order to facilitate the desire of each of the parties to carry out this Phase II CEDA 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 the CITY, 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 Phase II CEDA shall be construed and interpreted so as to permit maximum advantage to the parties allowed by Ohio Revised Code Section 701.07.

Section 16. 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.

ARTICLE VIII – TEMPORARY TRANSITIONAL PROVISIONS

Section 1. Annexation Corridors. Upon the signing of this Phase II CEDA, CITY will assist 1) property owners in the portion of Springfield Township described and designated in yellow on **EXHIBIT F**, attached hereto and incorporated herein by this reference, which is hereinafter referred to sometimes as the "Eastern Annexation Corridor" and sometimes called "Area 5" and 2) property owners in the portion of Springfield Township described and designated in yellow on **EXHIBIT G**, attached hereto and incorporated herein by this reference, which is hereinafter referred to sometimes as the "Western Annexation Corridor" and sometimes as "Area 6" in pursuing annexation of their property into The City of Springfield, Ohio. In providing assistance to such property owners, the CITY will:

- A) prepare the necessary annexation petitions,
- B) tender the petitions to property owners for signatures,
- C) prepare necessary maps
- D) assist property owners in filing their annexation petitions and
- E) assist property owners in preparing notices required under applicable statutes.

All of the parties to this Phase II CEDA shall cooperate to obtain the support of State of Ohio and the support of other political subdivisions, included within Areas 5 and 6, to the subject annexations (i.e obtain their signatures to the annexation petitions). All of

the parties to this Phase II CEDA shall cooperate to expedite subject annexation processes. Should either annexation of the Eastern Annexation Corridor or of the Western Annexation Corridor or both prove impractical or unsuccessful, then the parties to this Phase II CEDA shall cooperate with each other in designing an alternate corridor or alternate corridors to successfully accomplish annexation of both 1) at least five acres of privately owned lands in Springfield Township immediately west of the Forest Hills Subdivision and 2) at least five acres of privately owned lands in Springfield Township in the vicinity (i.e. within 200 yards) of the intersection of Bird Road and State Route 40 within the corporate limits of The City of Springfield, Ohio.

Section 2. State Route 40 Obligations. The parties to this Phase II CEDA shall cooperate and jointly pursue new state legislation and/or other effective legal measures or processes which will effectively insulate CITY from any obligation to construct, reconstruct or maintain state highways running through territory subject to the jurisdiction of both the CITY and the TOWNSHIP and which are located within Areas 1, 2, 3 or 4.

Section 3. Temporary status of Area 4. The provisions of Articles III, IV, V, VI and VII of this Phase II CEDA are temporarily suspended with respect to benefits to Area 4, pending successful completion of the annexations described in Section 1 of this Article and accomplishment of the objective stated in Section 2 of this Article (hereinafter the "Temporary Suspension Period"). Notwithstanding the foregoing, CITY and COUNTY intend to proceed with discussions on utility a supply agreement(s) and the design/designation of county sewer district areas. During the Temporary Suspension Period, the following restrictions and limitations shall be observed by the parties to this Phase II CEDA, unless subsequently modified by mutual agreement of all parties to this Phase II CEDA adopted by each of them in appropriate legislation:

- A) There will be no transfer of CITY, direct water or sewer customers to a county sewer district so as to become a COUNTY utility customer,
- B) New residential utility customers [i.e. customers requesting service after 6/8/99] not currently within CITY'S corporate boundaries and not within a defined county sewer district must sign a Development Incentive Agreement with the CITY, in the form customarily used by CITY at the time the property owner seeks to obtain sewer or water services from CITY,
- C) New commercial and industrial utility customers [i.e. customers requesting service after 6/8/99] not currently within CITY'S corporate boundaries and not in a defined county sewer district must sign a Development Incentive Agreement with the CITY, in the form customarily used by CITY at the time the property owner seeks to obtain sewer or water services from CITY, even if such new customer may ultimately be permanently included in a county sewer district and not annexed to the CITY.

The parties to this Phase II CEDA understand and agree that the CITY will collect and retain all revenue generated under existing and new Development Incentive Agreements entered into between property owners and the CITY and such revenues are recognized to be the property of CITY.

Section 4. Annexed Territory not to be removed from the Township. TOWNSHIP and CITY agree that the provisions of Article II will apply to portions of Area 4 which may be annexed to the CITY while this Article VIII is operative (i.e. during the Temporary Suspension Period) and the provisions of Article II will continue to be binding with respect to any portion of Area 4 which was annexed to the CITY during the operative period of Article VIII (i.e. the annexation petition was filed with COUNTY during the Temporary Suspension Period), even if this agreement is terminated under Article VIII, Section 5.

Section 5. Unsuccessful Annexation of an Annexation Corridor. The parties to this Phase II CEDA recognize that in the event the annexation of Area 5 or Area 6 or both of them is unsuccessful that, notwithstanding their efforts to design alternate annexation corridors, no alternate annexation corridor may be feasible or practical. In the event the CITY determines that no alternate annexation corridor, as described in Section 1 of this Article, is feasible and practical, the CITY may, but is not required to, unilaterally terminate this Phase II CEDA. If the CITY terminates this Phase II CEDA under this section, the parties agree to meet to discuss and negotiate over other possible methods of accomplishing the spirit of the 1999 Memorandum Of Intent in Area 4.

Section 6. Termination of Article VIII. After both the Eastern Annexation Corridor and the Western Annexation Corridor (or their alternate corridors should alternate corridors have been necessary) have been successfully annexed to The City of Springfield, Ohio and the annexation of such areas are secure by operation of ORC §709.21 and after the new state legislation effectively insulating CITY from any obligation to construct, reconstruct or maintain state highways running through territory subject to the jurisdiction of both the CITY and the TOWNSHIP and which are located within Areas 1, 2, 3 or 4 has been signed by the Governor of the State of Ohio and is effective (or the other effective legal measures or processes intended to effectively insulate CITY from any obligation to construct, reconstruct or maintain state highways running through territory subject to the jurisdiction of both the CITY and the TOWNSHIP and which are located within Areas 1, 2, 3 or 4 have been successfully completed to CITY'S satisfaction) then:

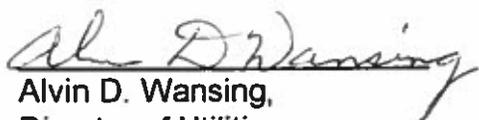
- A) CITY will consent to mutual, prospective termination of the new residential Development Incentive Agreements referred to in Subsection 3(B) of this Article; provided, however, that the CITY will collect all revenue due under those Development Incentive Agreements and revenue not yet due under those Development Incentive Agreements will be excused,

- B) For new commercial/industrial customers [as referred to in Subsection 3(C) of this Article] which the CITY is willing to permit to be included in a county sewer district, CITY will consent to mutual, prospective termination of such new commercial/industrial customer's Development Incentive Agreement upon such customer being permanently included in a county sewer district and not annexed to the CITY; provided, however, that the CITY will collect all revenue due under those Development Incentive Agreements and revenue not yet due under those Development Incentive Agreements will be excused,
- C) The Development Incentive Agreements of all other new commercial/industrial customers [as referred to in Subsection 3(C) of this Article] shall continue in effect; however when practical, the CITY will require that such other new commercial/industrial customers commence and prosecute proceedings to annex their property to The City of Springfield, Ohio; provided, however, that the CITY will collect all revenue due under those Development Incentive Agreements through the date the subject annexation becomes effective and revenue not yet due under those Development Incentive Agreements on such effective date will be excused, and
- D) This Article VIII will terminate and cease to be effective prospectively.

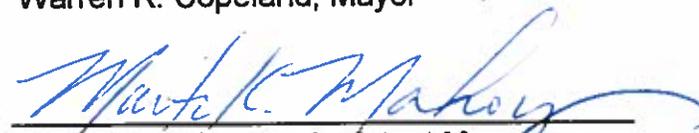
IN WITNESS WHEREOF, the COUNTY, TOWNSHIP and the CITY have caused this Phase II CEDA to be duly signed in their respective names by their duly authorized officers as of the date first above written.

ATTEST:

THE CITY OF SPRINGFIELD, OHIO

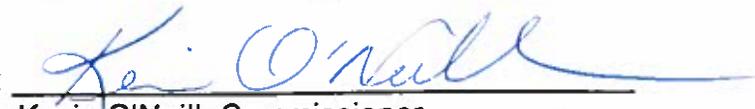

 Alvin D. Wansing,
 Director of Utilities

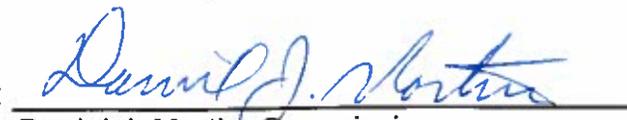
By: 
 Warren R. Copeland, Mayor

By: 
 Martin K. Mahoney, Assistant Mayor

APPROVED AS TO FORM
 AND CORRECTNESS:


 Deputy Law Director

By: 
 Kevin O'Neill, Commissioner

By: 
 Daniel J. Martin, Commissioner

By: Joyce A. Beverly Casey
Joyce A. Beverly Casey, Commissioner

By: Matthew J. Kridler
Matthew J. Kridler, City Manager

**THE BOARD OF TOWNSHIP TRUSTEES OF
SPRINGFIELD TOWNSHIP, CLARK COUNTY,
OHIO**

ATTEST:
Herb Greer
Herb Greer,
Township Clerk

By: Ron Lowe
Ron Lowe, Township Trustee

By: U. Timothy Juergens
U. Timothy Juergens, Township Trustee

By: Douglas Smith
Doug Smith, Township Trustee

APPROVED AS TO FORM
AND CORRECTNESS:
Alfred E. Schrader
Alfred E. Schrader, Esq.
Attorney for TOWNSHIP

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

ATTEST:
Alice Godsey
Alice Godsey,
Director of Utilities

By: James E. Sheehan
James E. Sheehan,
President, County Commission

By: W. Darrell Howard
W. Darrell Howard,
County Administrator

APPROVED AS TO FORM
AND CORRECTNESS:
Stephen L. Krumholz
W. Thomas E. George
County Prosecutor

Resolution No. 1104-00

EXHIBIT E

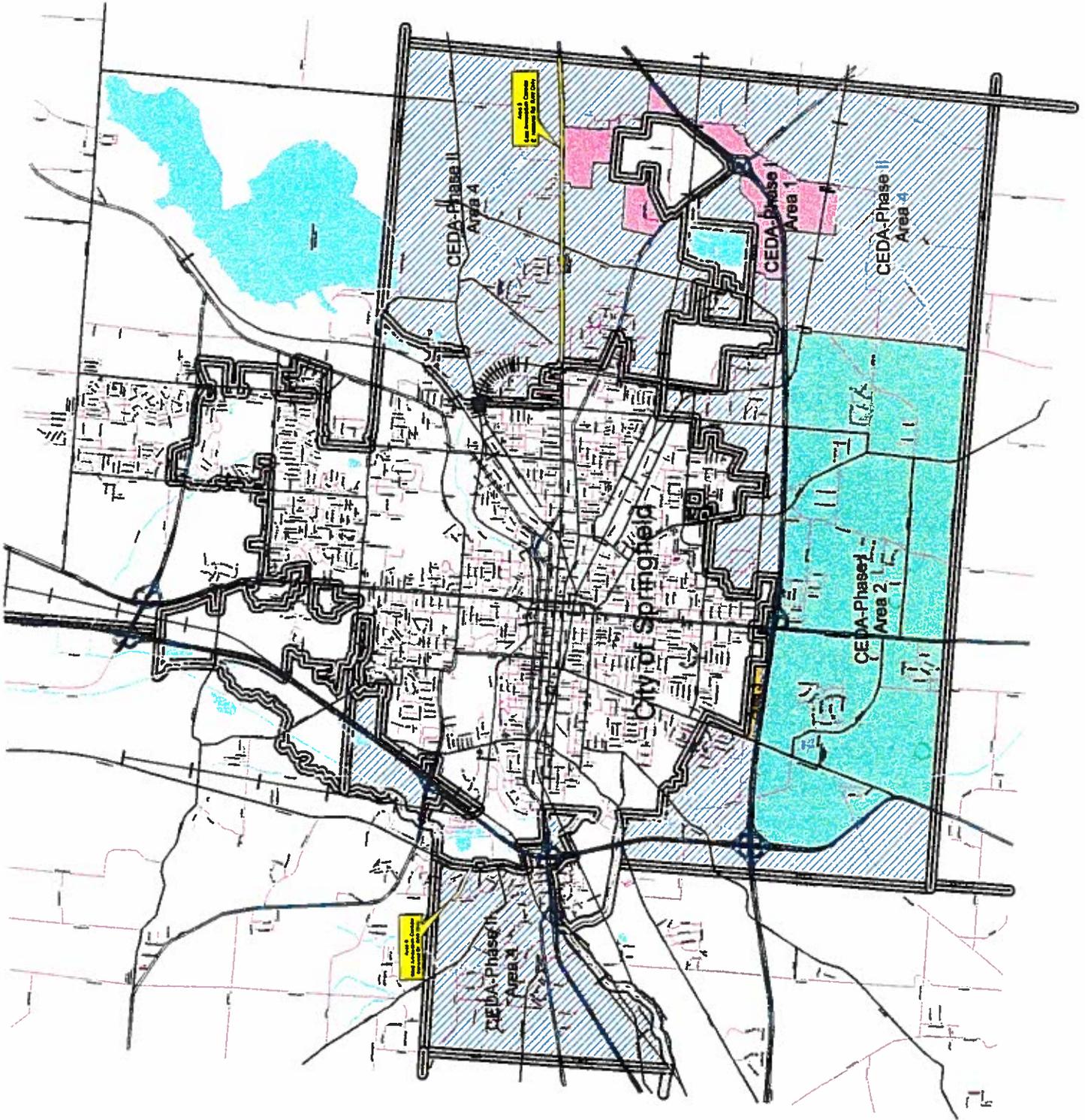


EXHIBIT G

Area 6 West Annexation Corridor Ironwood Dr. R/W Only

