

SCHOOL COMPENSATION AGREEMENT

THIS SCHOOL COMPENSATION AGREEMENT ("Agreement") is made and entered into as of this 18 day of May, 2021 by and between:

Jackson Local School District, with its offices located at 7602 Fulton Drive Massillon, Ohio 44646-9393 ("School District"), and

City of Green, Ohio, a Municipal Corporation, with its main offices located at 1755 Town Park Boulevard, P.O. Box 278, Green, Ohio 44232-0278 ("City"),

WITNESSETH

WHEREAS, the City of Green has encouraged the development of real property located in the area(s) designated as a Community Reinvestment Area ("CRA"); and

WHEREAS, the Council of the City of Green, Ohio by Ordinance 2003-02 adopted February 11, 2003 and subsequently amended by Ordinance 2004-11, adopted April 27, 2004; and again amended by Ordinance 2006-01, adopted February 14, 2006; and most recently amended by Ordinance 2009-19, adopted August 11, 2009, designated the area as a "Community Reinvestment Area" pursuant to Chapter 3735 of the Ohio Revised Code; and

WHEREAS, effective April 28, 2003, and most recently reconfirmed effective September 14, 2009, the Director of Development of the State of Ohio, now known as the Director of Development Services Agency, determined that the area designated in Ordinance 2009-19 contains the characteristics set forth in Section 3735.66 of the Ohio Revised Code and confirmed the area as a Community Reinvestment Area in compliance with Chapter 3735; and

WHEREAS, the School District and the City, pursuant to Ohio Revised Code Sections 5709.82 and 3735.671, desire to enter into this Agreement concerning the compensation payable with respect to any CRA Agreements so entered into in consideration for the School District's approval of the percentage and term of the tax abatement under the CRA Agreement.

NOW, THEREFORE, in consideration of the mutual covenants in this Agreement and the benefit to be derived by the Parties from the execution of this Agreement, the Parties agree as follows:

1. Direct Compensation Payment. The Parties hereto agree that a payment shall be made by the Property Owner/Lessee and/or the City directly to the School District ("Direct Compensation Payment") as and in consideration for the School District's approval of the percentage and term of the tax abatement under the CRA Agreement for each year the abatement is in effect ("Exemption Year"). Exemption Year shall mean any calendar year in which the Project would be taxable but for the effectiveness of the CRA Agreement. The Direct Compensation Payment shall be in place of and in full satisfaction of any and all revenue sharing provisions under Ohio Revised Code Section 5705.82 and 3735.671.

2. Calculation of Direct Compensation Payment. The Direct Compensation Payment shall be calculated as follows and in accordance with the Schedules attached hereto:

For 100% Tax Abatements:

Commencing with the first Exemption Year and during each Exemption Year thereafter for which the Property Owner/Lessee receives a real property tax benefit pursuant to the CRA Agreement, the Property Owner/Lessee and/or the City shall accrue a liability equal to sixty-five percent (65%) of the total real estate taxes payable to the School District for each calendar year using the Effective Millage applicable to the respective parcels. For purposes of clarity, it is understood and agreed that, with respect to the Direct Compensation Payment: (i) The "Effective Millage" refers to the total millage applicable to the Exempt Parcels but limited solely to the portion of such millage associated with the School District; and (ii) specifically excludes any and all millage associated with the School District collected for emergency and/or bond levies, i.e. millage still paid to the School District irrespective of the CRA abatement. See schedule I attached hereto and incorporated herein. Schedule I may, from time to time, change and is subject to the county auditor's and treasurer's confirmation.

For any Tax Abatements between 36% and 99%:

Commencing with the first Exemption Year and during each Exemption Year thereafter for which the Property Owner/Lessee receives a real property tax benefit pursuant to the CRA Agreement, the Property Owner/Lessee and/or the City shall accrue a liability equal to sixty-five percent (65%) of the total real estate taxes payable to the School District for each calendar year using the Effective Millage applicable to the respective parcels. For purposes of clarity, it is understood and agreed that, with respect to the Direct Compensation Payment (i) The "Effective Millage" refers to the total millage applicable to the Exempt Parcels but limited solely to the portion of such millage associated with the School District; and (ii) net of County Auditor and Treasurer Fees; and (iii) specifically excludes any and all millage associated with the School District collected for emergency and/or bond levies, i.e., millage still paid to the School District irrespective of the CRA abatement. See Schedule II attached hereto and incorporated herein. Schedule II may, from time to time, change is subject to the county auditor's and treasurer's confirmation.

In no event shall the School District receive less than sixty-five percent (65%) of what they would have received in real estate taxes had there been no abatement in place (less millage associated with emergency and/or bond levies).

For purposes of example the Direct Compensation Payment shall be calculated as follows:

If the total real estate taxes payable are \$10,000.00 with no abatement-

A 100% tax abatement under this Agreement will result in a Direct Compensation Payment to the School District of \$6,500.00 or 65% of the \$10,000.00 (less millage associated with emergency and/or bond levies).

A 50% tax abatement under this Agreement will result in the School District receiving \$6,500.00 with \$5,000.00 paid directly from the Summit County Fiscal Office and a

Direct Compensation Payment of \$1,500.00 which represents the difference between \$6,500.00 owed and the \$5,000.00 received from the Summit County Fiscal Office.

3. Invoicing and Timing of the Direct Compensation Payment to the School District. The Property Owner/Lessee and/or the City shall deliver the Direct Compensation Payment as calculated in Section 2 above and verified by the City, to the School District on an annual calendar year basis. If the Direct Compensation Payment is made directly by the Property Owner/Lessee to the School District, the City shall invoice the Property Owner/Lessee at least thirty (45) days prior to the deadline set forth below and the Property Owner/Lessee shall provide written confirmation of the Direct Compensation Payment to the City.

Payment shall commence on or before May 31 of the first year following the first Exemption Year and continuing on the same schedule each year thereafter through and including May 31 of the first year following the final Exemption Year.

For each project granted an exemption, the Direct Compensation Payments provided under this Section shall be tendered by the Property Owner/Lessee and/or the City on or before May 31 of each year following the first exemption year, directly to the School District in all events once receipt of the tax incentives under the CRA Agreement have commenced. The obligation to make the Direct Compensation Payments to the School District is made for the benefit of the School District.

4. Consent of the School District. In consideration of the covenants and agreements of the City, including the Direct Compensation Payments to be provided to the School District under this Agreement, the School District hereby consents to the passage of all Ordinances authorizing the City to enter into CRA Agreements and the exemptions provided for therein with a Property Owner/Lessee. The School District agrees to waive the Statutory Notice that is required under the Ohio Revised Code, including but not limited to Sections 3753.671 and 5709.83, so long as the City provides the School District with at least a thirty (30) day notice prior to the time the City Council intends to take action to formally approve a CRA Agreement. The School District reserves the right to provide any comment in regard to any proposed CRA Agreement but otherwise hereby consents to the City entering into the CRA Agreement and the tax exemptions granted thereunder provided it is not in conflict with this Agreement. In the event the CRA Agreement obligates the Property Owner/Lessee to be primarily responsible for any payments to the School District, the City agrees that it shall require the Property Owner/Lessee to agree to the terms contained herein. The City shall not grant any exemption to a Property Owner/Lessee and enter into a CRA Agreement with a Property Owner/Lessee until such time as the Property Owner/Lessee agrees to the provisions of this Agreement.

5. No Other Compensation. The School District acknowledges and agrees that this Agreement provides for the only compensation to be received by the School District from the Property Owner/Lessee and/or the City in connection with the CRA Agreement. The compensation provided herein is in lieu of any other right to compensation, including but not limited to, any right to share in income tax revenue payable to the City resulting from the Project.

6. City Guarantee. In the event that the Property Owner/Lessee is charged with making the Direct Compensation Payment and fails to make the Direct Compensation Payment in any Exemption Year when due, and after notice of default has been provided by the School District to the Property Owner/Lessee, and the City, and at least fourteen (14) days have elapsed without the Property Owner/Lessee making the Direct Compensation Payment, the City, upon proper verification of the amount then due and owing, shall make the outstanding Direct Compensation Payment to the School District immediately and request that the City's Tax Incentive Review Council terminate the CRA Agreement.

7. Termination. Unless otherwise terminated earlier, the application of this Agreement for each project which has been granted an exemption shall automatically terminate at such time as each individual abatement project and its related CRA Agreement terminates.

8. Enforcement. The obligation to make the Direct Compensation Payment to the School District may be enforced directly against the Property Owner/Lessee by the School District without the requirement of joining the City in any legal action. Provided the School District has provided the Property owner/Lessee and the City with the notice set forth in paragraph six (6) above, the School District may join the City in any legal action. The Property Owner/Lessee shall be liable for any costs and attorney fees incurred by the School District and the City in enforcing its rights under this Agreement.

9. Residential Properties. The City agrees not to grant any CRA exemptions for residential properties (including apartments and condominiums).

10. Clawback/Third Party Beneficiary. If for any reason any Property Owner/Lessee materially fails to fulfill its obligations under any CRA Agreement entered into with the city, the City shall terminate or modify the exemptions from taxation granted under any CRA Agreement. The School District may require the Property Owner/Lessee to repay the amount of taxes that would have been payable to the School District had the property not been exempted from taxation under any CRA Agreement. The City agrees to include this provision in any CRA Agreement entered into after the date of the Agreement and in addition, such CRA Agreement shall identify the School District as a third-party beneficiary to the extent of the terms of such provision. The City shall not grant any CRA exemption to a Property Owner/Lessee and enter into a CRA Agreement with the Property Owner/Lessee until such time as the Property Owner/Lessee agrees to be bound on these provisions in the CRA Agreement.

11. Amendments. This Agreement may be amended or modified by the Parties hereto, only in writing, signed by all Parties to the Agreement.

12. Waiver. No waiver by the School District of the performance of any of the terms or provisions hereof shall constitute, or be construed as, a waiver of performance of the same or any other term or provision hereof.

13. Notices. All payments, notices, statements, acknowledgements, consents, approvals, certificates, and/or requests desired under this Agreement shall be made in writing

and shall be either personally delivered, electronically delivered, or mailed via Certified, Registered Mail or Overnight Mail, return receipt requested, and addressed as follows:

If to the School District:

**Jackson Local School District
Attention: Treasurer
Attention: Superintendent
7602 Fulton Dr.
Massillon, OH 44646
E-mail:
Phone:**

If to City of Green:

**Attention: Christopher J. Hardesty, Community Development Administrator
City of Green Planning Department
1755 Town Park Boulevard
PO Box 278
Green, Ohio 44232-0278
E-Mail: chardesty@cityofgreen.org
Phone: 330.896.6614**

**Attention: Director of Law
City of Green Law Department
1755 Town Park Boulevard
PO Box 278
Green, Ohio 44232-0278
E-mail: law@cityofgreen.org
Phone: 330.896.6615**

Any party may change its contact or address by giving written notice of such change to the other Parties.

14. Binding Nature. This Agreement shall inure to the benefit of and shall be binding upon the Parties hereto and their respective successors and assigns. The Parties hereto represent and warrant that they have full authority to execute this Agreement on behalf of the party for which they execute.

15. Transfer and Assignment. This Agreement is not transferable or assignable without the express written assignment of the Parties hereto. The Parties acknowledge that it would be unreasonable to withhold such consent in the event of a proposed transfer or assignment to any parent, subsidiary, or affiliate of the Property Owner or the Lessee, so long as with respect to all or any part of such proposed transfers or assignments, the proposed transferee or assignee adequately and sufficiently demonstrates to the City and the School District, to the

City and the School District's reasonable satisfaction, its financial ability, business experience and intention to continue to meet the obligations set forth in this Agreement.

16. Governing Law. This Agreement shall be governed by the laws of the State of Ohio as to all matters including, but not limited to, its validity, construction, effect and performance.

17. Severability of Provisions. The invalidity of any provision of this Agreement shall not affect the other provisions of this Agreement, and this Agreement shall be construed in all respects as if any invalid provision were omitted.

18. Extent of Covenants; Binding Effect; No Personal Liability. All covenants, stipulations, obligations and agreements of the Parties contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. Each provision of the Agreement is binding upon the officer(s) or other person(s) and any political body or bodies as may from time to time have the authority under the law to take the actions as may be necessary to perform all or any part of the duty required by a given provision of this Agreement. Each duty of the City and its bodies, officers and employees, undertaken pursuant to this Agreement, is established as a duty with the City and of each such officer, employee or body having authority to perform such duty. No such covenant, stipulation, obligation or agreement shall be deemed a covenant, stipulation, obligation or agreement of any present or future member, officer, agent, or employee of any of the Parties in their individual capacity.

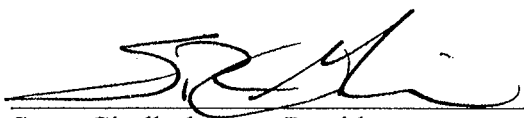
19. Entire Agreement. This Agreement, together with the CRA Agreement, sets forth the entire agreement and understanding between the Parties as to the subject matter contained herein and merges and supersedes all prior discussions, agreements and undertakings of every kind of nature between the Parties with respect to the subject matter of this Agreement.

20. Counterparts. This Agreement may be executed in any number of multiple counterparts, all of which together shall be considered a single instrument.

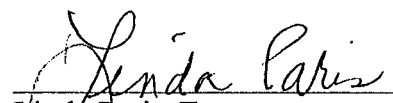
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IN WITNESS WHEREOF, the Parties have caused this instrument to be executed and effective as of the date signed by the Mayor of the City of Green.

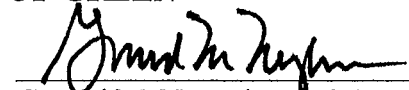
JACKSON LOCAL SCHOOL DISTRICT

By:  _____
Scott Gindlesberger, President Date

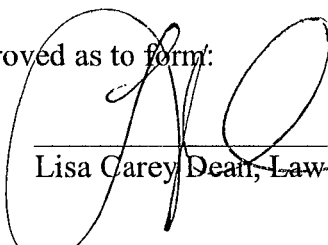
By:  5-18-21
Chris Diloroto, Superintendent Date

By:  5-18-21
Linda Paris, Treasurer Date

CITY OF GREEN

By:  5.20.2021
Gerard M. Neugebauer, Mayor Date

Approved as to form:

By:  5-27-21
Lisa Carey Dean, Law Director Date

3-26-2021

CITY FISCAL OFFICER'S CERTIFICATE

The undersigned, Director of Finance for the City of Green, hereby certifies that the monies, if any, required to meet the obligations of the City during the year 2021 under the foregoing Agreement have been lawfully appropriated by the City Council of such City for such purposes and are in the Treasury of the City or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances.

Dated: _____, 2021

Director of Finance
City of Green, Ohio

Sample JLSD CRA 100%

Exemption Year	Tax Year	Collection Year	Total Value of Real Property Improvements affected by the CRA Agreement	Taxable Percent	Taxable Value	Total Other Effective Millage Rate	LSD Total Effective Millage Rate*	LSD Millage Minus Bonds/Emergency Levies	Abated Percent	Money to Schools minus Bonds/Emergencies	65% of Money to GLS Minus Bonds/Emergencies
A	B	C	D	E	F	G	H	I	J	K	L
D*E										F*I	K*65%
1	2022	2023	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	100.0%	\$ 36,750	\$ 23,888
2	2023	2024	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	100.0%	\$ 36,750	\$ 23,888
3	2024	2025	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	100.0%	\$ 36,750	\$ 23,888
4	2025	2026	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	100.0%	\$ 36,750	\$ 23,888
5	2026	2027	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	100.0%	\$ 36,750	\$ 23,888
6	2027	2028	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	100.0%	\$ 36,750	\$ 23,888
7	2028	2029	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	100.0%	\$ 36,750	\$ 23,888
8	2029	2030	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	100.0%	\$ 36,750	\$ 23,888
9	2030	2031	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	100.0%	\$ 36,750	\$ 23,888
10	2031	2032	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	100.0%	\$ 36,750	\$ 23,888
11	2032	2033	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	100.0%	\$ 36,750	\$ 23,888
12	2033	2034	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	100.0%	\$ 36,750	\$ 23,888
13	2034	2035	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	100.0%	\$ 36,750	\$ 23,888
14	2035	2036	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	100.0%	\$ 36,750	\$ 23,888
15	2036	2037	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	100.0%	\$ 36,750	\$ 23,888

Sample JLSD CRA < 100%

Exemption Year	Tax Year	Collection Year	Total Value of Real Property Improvements affected by the CRA Agreement	Taxable Percent	Taxable Value	Total Other Effective Millage Rate	LSD Total Millage Rate*	LSD Millage Minus Bonds/Emer gency Levies	Abated Percent	Money to Schools Minus Bonds/Emer gencies at 100%	Money Paid to LSD by SC Fiscal Office	65% of Total School Minus Bonds and Emergencies	Money Owed to LSD (Remaining Money * 65% Based on Comp Agreement)
A	B	C	D	E	F	G	H	I	J	K	L	M	N
D*E					F*I					K*J			
										k*65%			
										L*65%			
1	2022	2023	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	35.0%	\$ 36,750.03	\$ 23,887.52	\$ 23,887.52	\$ -
2	2023	2024	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	50.0%	\$ 36,750.03	\$ 18,375.01	\$ 23,887.52	\$ 5,513
3	2024	2025	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	50.0%	\$ 36,750.03	\$ 18,375.01	\$ 23,887.52	\$ 5,513
4	2025	2026	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	50.0%	\$ 36,750.03	\$ 18,375.01	\$ 23,887.52	\$ 5,513
5	2026	2027	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	50.0%	\$ 36,750.03	\$ 18,375.01	\$ 23,887.52	\$ 5,513
6	2027	2028	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	50.0%	\$ 36,750.03	\$ 18,375.01	\$ 23,887.52	\$ 5,513
7	2028	2029	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	75.0%	\$ 36,750.03	\$ 9,187.51	\$ 23,887.52	\$ 14,700
8	2029	2030	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	75.0%	\$ 36,750.03	\$ 9,187.51	\$ 23,887.52	\$ 14,700
9	2030	2031	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	75.0%	\$ 36,750.03	\$ 9,187.51	\$ 23,887.52	\$ 14,700
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11	2032	2033	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	75.0%	\$ 36,750.03	\$ 9,187.51	\$ 23,887.52	\$ 14,700
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14	2035	2036	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	75.0%	\$ 36,750.03	\$ 9,187.51	\$ 23,887.52	\$ 14,700
15	2036	2037	\$5,000,000	35%	\$1,750,000	0.05012	0.03190	0.021000	75.0%	\$ 36,750.03	\$ 9,187.51	\$ 23,887.52	\$ 14,700