

**JACKSON-CANTON JOINT ECONOMIC DEVELOPMENT
DISTRICT 18-001 (COMDOC)
TAX AGREEMENT**

This Jackson-Canton Joint Economic Development District 18-001 Tax Agreement (the "Tax Agreement") is made and entered into by and between the Board of Directors (the "Board") of the Jackson-Canton Joint Economic Development District 18-001 (COMDOC), ("District 18-001") and the City of Canton (the "City") in accordance with the terms and provisions set forth herein.

A. The City and the Board of Trustees of Jackson Township (the "Township"), each authorized and directed by its legislative authority, entered into the Jackson-Canton Joint Economic Development District 18-001 (COMDOC) Contract (the "Contract") to create District 18-001 and to facilitate economic development to create or preserve jobs and employment opportunities and to improve the economic welfare of the people in the District 18-001, the City, the Township, Stark County (the "County"), and the state of Ohio (the "State").

B. Pursuant to Section 715.72 of the Revised Code, and Article 2 (C), 3, 4 (H), 4 (I), and 12 of the provisions of the attached CEDA and Annexation Agreement, the Township and City approved the JEDD and it became effective on November 9, 2018.

C. Section 11 (B) of the Contract provides that the Board shall enter into a Tax Agreement with the City.

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

Section 1. Authority; Purpose. This Tax Agreement is entered into pursuant to Section 11 (B) of the Contract and Ordinance No. 173/2018 adopted by the City Council on August 27, 2018, and Resolution No. 18-197 adopted by the Township on October 9, 2018, for the City Treasurer to administer, collect, and enforce the income tax on behalf of District 18-001 which income tax has been levied in District 18-001 by the Board pursuant to the Contract.

Section 2. Administrator. The Treasurer of the City shall be the Administrator of the income tax of District 18-001 (the "Administrator"), who shall be responsible for the receipt, safekeeping, and investment of the income tax revenues collected within District 18-001. The Administrator may utilize the personnel and facilities of the City's Division of Taxation and others to assist in carrying out the duties of the Administrator under this Tax Agreement. The Administrator may delegate and assign those duties as deemed necessary or advisable.

Section 3. Duties. The Administrator shall assume and perform the following:

- (a) identify all taxpayers within District 18-001;
- (b) notify those taxpayers and employers within District 18-001 concerning District 18-001 income tax;
- (c) create, print, and distribute District 18-001 income tax forms and related documents;
- (d) establish funds or accounts for receipt of the income tax revenues and establish and implement accounting procedures therefor;
- (e) establish a distinct mailing address, which may be a post office box, for receipt of the income tax forms and payments;
- (f) receive, count, verify, record, and deposit into the appropriate account all income tax payments;
- (g) take all necessary action, including legal action if necessary (for which the City's Department of Law may be utilized if determined appropriate by the Administrator and the City's Director of Law), to collect all income taxes in District 18-001;
- (h) conduct correspondence and communication with the City, the Board, taxpayers and others in District 18-001, concerning the income tax;
- (i) make refunds of income tax payments when and where appropriate;
- (j) invest the income tax revenues in accordance with the Contract, the Bylaws of the Board, and the law; and
- (k) do all things and take such other actions as necessary to fulfill the purpose of the Contract and this Tax Agreement.
- (l) prepare and file with the Hinkle Annual Financial Data Reporting System each fiscal year on behalf of JEDD FP a financial report in accordance with ORC Sections 117.01, 715.72, Auditor of State Bulletin 2015-007, and any subsequent authority enacted requiring the same or similar reporting. Any expenses associated with the preparation and filing of said reports shall be an operating expense of District 18-001.

The Administrator shall distribute the income tax revenues as provided in Section 11 (B) of the Contract. In accordance with Board Resolution No. 19-05 the parties can agree to set aside up to \$500.00 for the long term maintenance of the District 18-001 annually without consent of the contracting parties.

The City has passed a tax levy, effective July 1, 2018, that increased the income tax rate to 2.5% per annum. The parties are in agreement that 0.5% of the 2.5% tax collected, for the duration of this agreement, is dedicated to specific purposes by law and shall not be subject to division between the City and Township nor refunded to ComDoc. Inc./Global Imaging Systems Inc. ("Comdoc")

Further and in accordance with Board Resolution No. 19-05, and commencing upon the effective date of this resolution, the parties agree that in regard to the 2.5% taxes collected from within the JEDD, such taxes shall be split with the Township receiving revenue equal to 1.0% of the income and net profits of businesses earned within the JEDD and with the City receiving revenue equal to 1.5% of the income and net profits of businesses earned within the JEDD. In each case the amounts that are to be received by the parties will be reduced by all credits, refunds and any amounts that are to be paid to any business located within the JEDD pursuant to any tax credit or economic growth initiative agreement between the business or businesses and the City.

Commencing on the effective date of a resolution adopted by the Board levying an income tax, for a period of ten (10) years, an amount equal to one half (0.5%) of 1.0% of income tax revenues received by the City within District 18-001 shall be refunded to ComDoc. on an annual basis, pursuant to the City's Economic Growth Initiative Policy and separate Job Creation Agreement with ComDoc. Commencing, with month one of the eleventh (11th) year and thereafter, of the resolution that levied the income tax, the full income tax revenues received by Canton shall not be subject to a refund to ComDoc. The rate of the income tax shall change from time to time so that it is equal to the rate of the income tax levied by the City. The revenues of that income tax shall be used for the purposes of District 18-001 and the contracting parties pursuant to this Contract.

Section 4. Assistance to the Treasurer. The Treasurer of the City and the City's Income Tax Department as directed by the City Treasurer shall assist the Treasurer of the Board with the duties of that office in accordance with Section 9 of the Contract. The City Treasurer shall assist the Board Treasurer in the estimation of revenues of District 18-001.

Section 5. Tax Code. In accordance with the Contract and Resolution No. 19-05 of the Board, the Board adopts Sections 181.01 through 181.17 of Chapter 181 and Sections 182.01 through 182.99 of Chapter 182 of the Codified Ordinances of the City as amended from time to time, as applicable to District 18-001's income tax. The Administrator shall determine the applicability of the provisions of those Code Sections to District 18-001's income tax and shall use

any third party or parties in a court of law, the City and the Board agree to cooperate with one another and to use their best efforts in defending this Tax Agreement with the object of upholding this Tax Agreement. The City and the Board shall each bear its own costs in any such proceeding challenging this Tax Agreement or any term or provision thereof, provided that the Board shall reimburse the City for such costs to the extent funds of District 18-001 are available and appropriated therefor.

Section 11. Signing Other Documents. The parties agree to cooperate with one another and to use their best efforts in the implementation of this Tax Agreement and to sign or cause to be signed, in a timely fashion, all other necessary instruments and documents, and to take such other actions, in order to effectuate the purposes of this Tax Agreement.

Section 12. Severability. In the event that any section, paragraph or provision of this Tax Agreement, or any covenant, agreement, obligation or action, or part thereof, made, assumed, entered into or taken, or any application thereof, is held to be illegal or invalid for any reason,

(1) that illegality or invalidity shall not affect the remainder hereof or thereof, any other section or provision hereof, or any other covenant, agreement, obligation or action, or part thereof, made, assumed, entered into or taken, all of which shall be construed and enforced as if the illegal or invalid portion were not contained herein or therein;

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

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

Section 13. Governing Law. This Tax Agreement shall be governed exclusively by and construed in accordance with the laws of the State, and as applicable Section 715.72 of the Revised Code. In the event that Section 715.72 of the Revised Code is amended or is supplemented by the enactment of a new section of the Revised Code relating to Joint Economic Development Districts, the parties may agree at the time to follow either the provisions of Section 715.72 existing on the date of this Tax Agreement or the provisions of Sections 715.72 as amended or supplemented, to the extent permitted by law.

Section 14. Captions and Headings. The captions and headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections hereof.

IN WITNESS WHEREOF, the City and the Board of District 18-001 have caused this Tax Agreement to be duly signed in their respective names by their duly authorized officers on the dates reference below.

Signed as to the City
in the presence of:

Wm J. Smith

CITY OF CANTON

Thomas M. Bernabei

Thomas M. Bernabei, Mayor

DATE: 3/12/2019

Signed as to the Board
in the presence of:

Wm J. Smith

JACKSON-CANTON JOINT ECONOMIC
DEVELOPMENT DISTRICT 18-001
(COMDOC) BY ITS BOARD OF
DIRECTORS

Genef Honyak
Chairperson

Michael Keenan

Jim Call
Secretary/Treasurer

DATE: 3/12/19

Approved as to legal form and correctness:

Kristen Bates Aylward
Kristen Bates Aylward, Canton Law Director

STATE OF OHIO :
: SS:
COUNTY OF STARK :

On this 12th day of March, 2019, before me, a Notary Public in and for said County and State, personally appeared Thomas M. Bernabei, Mayor of the City of Canton, Ohio, who acknowledged that with due authorization and as such officer on behalf of the City he did sign said instrument on behalf of the City and who acknowledged that the same is his voluntary act and deed individually as said officer and the voluntary and corporate act and deed of the City.

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

Mary Smith
Mary Smith, Notary Public



MARY SMITH
Notary Public, State of Ohio
My Commission Expires
07-14-2023

STATE OF OHIO :
: SS:
COUNTY OF STARK :

On this 12th day of March, 2019, before me, a Notary Public in and for said County and State, personally appeared Randy Gonzalez, Chairperson and John D. Cundiff, Secretary/Treasurer, for the Board of Directors of the Jackson Township-City of Canton Joint Economic Developmental District 18-001 (COMDOC), who acknowledged that with due authorization and as such officers on behalf of the Board they did sign said instrument on behalf of the Board and who acknowledged that the same is their voluntary act and deed individually as said officers and the voluntary and corporate act and deed of the Board.

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

Mary Smith
Mary Smith, Notary Public



MARY SMITH
Notary Public, State of Ohio
My Commission Expires
07-14-2023