

**JACKSON TOWNSHIP-CITY OF CANTON
JOINT ECONOMIC DEVELOPMENT DISTRICT 19-001
TAX AGREEMENT**

This Jackson Township-City of Canton Joint Economic Development District Tax Agreement (the "Tax Agreement") is made and entered into by and between the Board of Directors (the "Board") of the Jackson Township-City of Canton Joint Economic Development District 19-001 (the "District"), and the City of Canton (the "City") in accordance with the terms and provisions set forth herein.

A. The City and the Township of Jackson (the "Township"), each authorized and directed by its legislative authority, entered into the Jackson-Canton Joint Economic Development District 19-001 Contract (the "Contract") to create the District 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, the City, the Township, Stark County (the "County") and the state of Ohio (the "State").

B. Pursuant to Section 715.72 of the Ohio Revised Code ("ORC"), and Article 2 (C), 3, 4 (H), 4 (I) and 12 and of the provisions of the attached CEDA and Annexation Agreement, the Township and City approved the JEDD May 23, 2019, and it became effective on June 23, 2019.

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. 268/2018 adopted by the City Council on December 10, 2018, and Resolution No. 19-118 adopted by the Township on May 14, 2019, for the City Treasurer to administer, collect and enforce the income tax on behalf of the District which income tax has been levied in the District by the Board pursuant to the Contract.

Section 2. Administrator. The Treasurer of the City shall be the Administrator of the income tax of the District (the "Administrator"), who shall be responsible for the receipt, safekeeping and investment of the income tax revenues collected within the District. 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 the District;
- (b) notify those taxpayers and employers within the District concerning the District income tax;
- (c) create, print and distribute District 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 the District;
- (h) conduct correspondence and communication with the City, the Board, taxpayers and others in the District, concerning the income tax;
- (i) make refunds of income tax payments when and where appropriate;
- (j) invest the income tax revenues over \$100.00 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 the District, 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 the District.

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 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 Contract, is dedicated to specific purposes by law, shall be retained by Canton, and shall not be subject to division between the City and Township, nor refunded to TSG Resources, Inc. / Renaissance Enterprise Leasing, Inc. (collectively "TSG").

The parties agree that in regard to the 2.5% taxes collected from within the District, such taxes shall be split with the Township receiving revenue equal to one and one-half percent (1.5%) of the payroll and net profits of businesses earned within District 19-001, and with the City receiving revenue equal to one percent (1.0%) of the income and net profits of businesses earned within District 19-001, except for any obligation the City may have under the City's Economic Growth Initiative Policy and separate Job Creation Agreement with TSG, until such the City has reimbursed the Township in full for the expanded sewer infrastructure as described in Exhibit B.

Upon full payment by the City to the Township for the expanded infrastructure, such taxes shall be split with the Township receiving revenue equal to one percent (1.0%) of the payroll and net profits of businesses earned within the District, and with the City receiving revenue equal to and one-half percent (1.5%) of the income and net profits of businesses earned within the District, for the remainder of the term of the agreement, except for any obligation the City may have under the City's Economic Growth Initiative Policy and separate Job Creation Agreement with TSG.

Commencing on the first payroll of TSG in the District, ("Effective Date"), for a period of one hundred and twenty (120) months, an amount equal to one-half of one percent (0.5%) of income tax revenues received by the City from the payroll of TSG employees within the District shall be refunded to TSG on an annual basis, pursuant to the City's Economic Growth Initiative Policy and separate Job Creation Agreement with TSG. Commencing, with month one hundred and twenty-one (121) from the Effective date and thereafter, of the resolution that levied the income tax, the full income tax revenues received by the City shall not be subject to a refund to TSG. 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 the District and the contracting parties pursuant to this Contract.

To the extent that the District's expenditures authorized hereunder for any fiscal quarter exceed the District's share of revenues of the District income tax, such excess expenditures shall be paid for in equal shares by the City and the Township.

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 the District.

Section 5. Tax Code. In accordance with the Contract and Resolution No. 19-06 of the Board, the Board adopts 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 the District's income tax. The Administrator shall determine the applicability of the provisions of those Code Sections to the District income tax and shall use those Code Sections as a guide in the administration of the District income tax. It is the intent of the Board that the adoption and use of these provisions will provide for the most efficient and cost effective administration of the District income tax. The Administrator may adjust or modify those provisions as deemed necessary to apply to the District income tax. If deemed advisable by the Administrator, the Administrator may prepare more specific rules and regulations for the administration of the District income tax.

Section 6. Quarterly Report. The Administrator shall make a quarterly report to the Board regarding the receipt and distribution of the income tax of the District.

Section 7. Term. The initial term of the Tax Agreement shall commence on the date hereof and shall terminate December 31, 2069, unless otherwise terminated prior to that date as provided herein. This Agreement will be renewed for an additional fifty (50) year term unless either party, by official legislative action, gives written notice to the other party of its intent not to renew on or before ninety (90) days prior to the extension of the initial term.

This Tax Agreement may be terminated at any time by mutual consent of the City and the Board as authorized by the Council of the City and the Board as provided herein. In order for such termination to be effective, the legislative actions of the parties that terminate this Tax Agreement must occur and be effective within a period of 90 days of each other.

This Tax Agreement also shall be terminated if the Contract is terminated for any reason. Upon termination of this Tax Agreement, the City shall have no further obligation under this Contract.

Section 8. Amendments. This Tax Agreement may be amended by the City and the Board only in a writing approved by the Council of the City and the Board by appropriate legislation authorizing that amendment. In order for such amendment to be effective, the legislative actions of the parties that amend this Tax Agreement must occur and be effective within a period of 90 days of each other.

Section 9. Binding Effect. This Tax Agreement shall inure to the benefit of and shall be binding upon the District, the city, the Township and their respective permitted successors, subject, however, to the specific provisions hereof. This Tax Agreement shall not inure to the benefit of anyone other than as provided in the immediately preceding sentence.

Section 10. Support of Tax Agreement. The City and the Board agree to cooperate with each other and to use their best efforts to do all things necessary for the collection, administration and distribution of the District income tax in accordance herewith and with the Contract. In the event that this Tax Agreement, or any of its terms, conditions or provisions, is challenged by 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 the District 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 ORC. In the event that Section 715.72 of the ORC 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 of the ORC existing on the date of this Tax Agreement or the provisions of Sections 715.72 of the ORC as amended or supplemented, to the extent permitted by law.

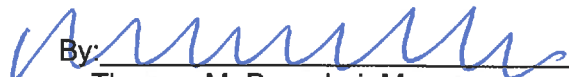
Section 14. Captions and Headings. The captions and headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections hereof.

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

Signed as to the City
in the presence of:



CITY OF CANTON

By: 
Thomas M. Bernabei, Mayor

Date: 11/26/2019

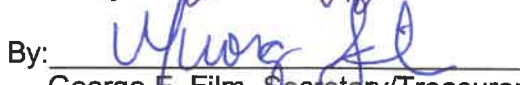
Signed as to the Board
in the presence of:



JACKSON TOWNSHIP-CITY OF CANTON
JOINT ECONOMIC DEVELOPMENT DISTRICT
19-001 BY ITS BOARD OF DIRECTORS

By: 
Randy Gonzalez, Chairperson



By: 
George E. Film, Secretary/Treasurer

Date: 11-21-19

Approved as to legal form and correctness:

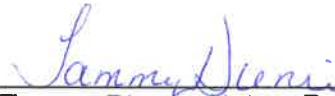


Kristen Bates Aylward, Canton Law Director

STATE OF OHIO :
SS :
COUNTY OF STARK :

On this 20th day of November, 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.



Tammy Diener, Notary Public



TAMMY DIENER
NOTARY PUBLIC
STATE OF OHIO
Comm. Expires
04-05-2022
Recorded in
Stark County

STATE OF OHIO :
SS :
COUNTY OF STARK :

On this 21st day of November, 2019, before me, a Notary Public in and for said County and State, personally appeared Randy Gonzalez, Chairperson and George E. Film, Secretary/Treasurer, for the Board of Directors of the Jackson Township-City of Canton Joint Economic Developmental District 19-001, 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 Gosney, Notary Public



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