

INTERGOVERNMENTAL "TAX ABATEMENT" AGREEMENT

This Intergovernmental "Tax Abatement" Agreement ("Agreement") is made and entered into this 8TH day of MARCH, 2005 between the CITY OF DAYTON, OHIO (hereinafter called "City"), and DAYTON PUBLIC SCHOOLS BOARD OF EDUCATION (hereinafter called "DPS").

WITNESSETH:

WHEREAS, the City and DPS have encouraged the retention and expansion of businesses, the development and acquisition of real and tangible personal property, and the development of brownfields and greenfields in the areas established as "Enterprise Zones" under Sections 5709.61 through 5709.69 of the Ohio Revised Code;

WHEREAS, the City desires to ensure that DPS will benefit from and be justly compensated for the effects of Enterprise Zone tax exemptions pursuant to Section 5709.82 of the Ohio Revised Code;

WHEREAS, the City and DPS encourage the preservation and the creation of hypergrowth jobs in the City and the School District; and

WHEREAS, the City and DPS agree that the current Enterprise Zone policy should be revamped to maximize revenue to DPS while preserving competitive incentives to attract and retain jobs and to incorporate a 100% tax exemption for a period up to 10 years and payments made to DPS by benefited enterprises (hereafter referred to as "Compensation Payments") in the amount of 25% of the real and personal property taxes that would have been charged and payable against the new improvements and purchases of personal property had there been no 100% tax exemption.

NOW, THEREFORE, in consideration of the promises and covenants contained herein, the parties agree as follows:

Section 1. Approval of Exemptions. DPS hereby approves all real and personal property tax exemptions granted by the City under the City's Enterprise Zone program that provide for a tax exemption of 100% of the assessed valuation of real and/or personal property for a period of up to 10 years (hereinafter referred to as "Enterprise Zone 100% Exemption(s)").

Section 2. Compensation Payments. The City shall require all benefited enterprises approved for Enterprise Zone 100% Exemptions to pay annual Compensation Payments to DPS each year that such taxes would have been paid in the amount of 25% of the total real and personal property taxes that would have been assessed and payable had there been no Enterprise Zone 100% Exemption.

Section 3. Manner for Payments. The City shall require, in each agreement for an Enterprise Zone 100% Exemption, that the benefited enterprise shall pay the annual Compensation Payments consistent with Section 2 hereof directly to DPS and that a

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failure to make a Compensation Payment shall be a material default under such agreement and grounds for termination of the tax exemption.

Section 4. No Municipal Income Tax Sharing. DPS agrees that the City shall not be obligated to share municipal income taxes with DPS under Ohio Revised Code Section 5709.82 in connection with any Enterprise Zone 100% Exemption approved by the City.

Section 5. Waiver of Notice. DPS hereby waives the 45 business day and the 14 day notification requirements and any other notification requirements required in Chapter 5709 of the Ohio Revised Code applicable to Enterprise Zone 100% Exemptions.

Section 6. Amendment. This Agreement may be amended or modified by the parties hereto only by a writing, executed by a duly authorized representative for each party.

Section 7. Entire Agreement. This Agreement sets forth the entire Agreement and understanding between the parties as to the subject matter hereof and merges and supersedes all prior discussions, agreements and undertakings of every kind and nature between the parties with respect to the subject matter of this Agreement.

Section 8. Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any party to this Agreement may execute this Agreement by signing any such counterpart.

Section 9. Effective Date. This Agreement shall be in effect for Enterprise Zone Agreements entered into through October 15, 2009, unless otherwise extended by mutual agreement of the parties and execution of an amendment hereto.

[REMAINDER OF THIS AGREEMENT INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the City and DPS, each by a duly authorized representative, have executed this Agreement as of the date first set forth above.

CITY OF DAYTON, OHIO

DAYTON PUBLIC SCHOOLS
BOARD OF EDUCATION

for [Signature]
City Manager

By: [Signature]
5/10/05

Its: President

APPROVED AS TO FORM, CORRECTNESS
AND LEGAL SUFFICIENCY:

By: [Signature]

[Signature]
City Attorney

Its: Treasurer / CFO

APPROVED BY THE COMMISSION
OF THE CITY OF DAYTON, OHIO:

April 6, 2005

Min. / Bk. I 9 Pg. 91

[Signature]
Clerk of the Commission

LEGAL & LABOR ACTIVITIES
APPROVED
DOCUMENT / APPLICATION
☒ CONTRACT (AS TO FORM)
DATE 5/10/05