

SCHOOL COMPENSATION AGREEMENT

This School Compensation Agreement (this “Agreement”) is made and entered into on this ____ day of ____, 2021 (the “Effective Date”), by and between the **CITY OF COLUMBUS, OHIO** (the “City”), a city organized and existing under the laws of the State of Ohio, and the **BOARD OF EDUCATION OF THE EASTLAND-FAIRFILED CAREER & TECHNICAL SCHOOLS** (“Eastland”), a public joint vocational school district (a “JVS”) organized and existing under the laws of the State of Ohio (the City and Eastland together, the “Parties”).

RECITALS

WHEREAS, pursuant to Ordinance No. 2895-2014 passed December 8, 2014 (the “New Easton TIF Ordinance”), this Council removed parcels from the existing Easton non-school tax increment financing area and established the non-school “New Easton” tax increment financing area with a 100% exemption for thirty (30) years (the “New Easton TIF Exemption”), required the property owners in the New Easton TIF area to make service payments in lieu of taxes (the “Service Payments”) on exempted improvements, and required the deposit of the Service Payments from the New Easton TIF area into the previously established Easton Project Municipal Public Improvement Tax Equivalent Fund (the “Easton TIF Fund”), all as provided under Ohio Revised Code Sections 5709.40 to 5709.43 (the “TIF Statutes”); and

WHEREAS, pursuant to Ordinance No. 3120-2016 passed December 14, 2016 (the “Brice Road TIF Ordinance”), this Council established the non-school “Brice Road” tax increment financing area with a 100% exemption for thirty (30) years (the “Brice Road TIF Exemption”), required the property owners in the Brice Road TIF area to make the Service Payments on exempted improvements, and established the Brice Road Public Improvement Tax Equivalent Fund (the “Brice Road TIF Fund”) for the deposit of the Service Payments from the Brice Road TIF area, all as provided under the TIF Statutes; and

WHEREAS, pursuant to Section 5709.42 of the TIF Statutes, moneys collected as Service Payments from the New Easton TIF Exemption and the Brice Road TIF Exemption shall be distributed by the county treasurer at the same time and in the same manner as real property tax payments to be distributed to the municipal corporation and to the city, local, or exempted village school district in which the exempted improvements are located; and

WHEREAS, the school Service Payments shall be in an amount equal to the property tax payments the school district would have received from the portion of the improvements exempted from taxation had the improvements not been exempted, as directed in the ordinances establishing the tax increment financing (“TIF”); and

WHEREAS, pursuant to the New Easton TIF Ordinance and the Brice Road TIF Ordinance, the City requested the Franklin County, Ohio Treasurer’s Office (the “County Treasurer”), at the same time and in the same manner as real property tax payments, to distribute

the school Service Payments to the city, local, or exempted village school district(s) and the JVS in which the exempted improvements are located in an amount equal to the property tax payments the school districts would have received from the portion of the improvements exempted from taxation had the improvements not been exempted; and

WHEREAS, since Section 5709.42 of the TIF Statutes does not specify if a county treasurer or the municipal corporation is the entity responsible for distributing the school Service Payments to a JVS, a county treasurer may distribute JVS Service Payments to the City for remittance to a JVS; and

WHEREAS, pursuant to Ordinance [____]-2021, the City has agreed to enter into this Agreement with Eastland to remit JVS Service Payments received by the City from the County Treasurer, on the terms hereinafter provided; and

NOW THEREFORE, in consideration of the premises and covenants contained herein, the Parties hereto agree as follows:

Section 1. Amount of JVS Service Payments. During the New Easton TIF Exemption prior to the 2020 tax year for payments made in calendar year 2021, the City received JVS Service Payments equal to two-thousand nineteen dollars and thirty cents (\$6,160.51). During the Brice Road TIF Exemption prior to the 2020 tax year for payments made in 2021, the City received JVS Service Payments equal to four-thousand one-hundred sixty-nine dollars and ninety cents (\$4,169.90). The Parties agree that the City shall only compensate Eastland six-thousand one-hundred eighty-nine dollars and twenty cents (\$10,330.41) for the JVS Service Payments in the Easton TIF Fund and Brice Road TIF Fund equal to the JVS Service Payments described herein for the New Easton TIF Exemption and the Brice Road TIF Exemption (the “Compensation”).

Section 2. Timing of Payment by City. It is the intention of the City to make a one-time payment to Eastland for the Compensation. The City shall cause the payment of the Compensation to be made to Eastland within thirty (30) days of the Effective Date; provided however, Eastland has also provided either check, ACH, or wire instructions to the City in a manner acceptable to the City within fifteen (15) days of the Effective Date. Failure by Eastland to deliver these instructions shall not excuse the City from its payment obligation of the Compensation but shall only delay payment to the same extent delivery of the payment instructions was delayed.

Section 3. JVS Acknowledgments and Waivers. In consideration of the Compensation to be provided to it under this Agreement, Eastland hereby:

- (i) Waives any rights to any further or additional compensation from the City for the Service Payments deposited in the Easton TIF Fund and Brice Road TIF Fund during the New Easton TIF Exemption and Brice Road TIF Exemption for tax years 2019 or prior;

- (ii) Acknowledges and agrees that, as of the Effective Date, it has received JVS Service Payments for the first half settlement of 2020 taxes paid in calendar year 2021 for the New Easton TIF Exemption directly from the County Treasurer in the amount of five-hundred fifty-two dollars and nineteen cents (\$552.19), and the City owes Eastland no compensation for those JVS Service Payments made in the first half of 2021; and
- (iii) Acknowledges and agrees that, as of the Effective Date, it has received JVS Service Payments for the first half settlement of 2020 taxes paid in calendar year 2021 for the Brice Road TIF Exemption directly from the County Treasurer in the amount of two-thousand three-hundred forty-eight dollars and fifty-five cents (\$2,348.55), and the City owes Eastland no compensation for those JVS Service Payments made in the first half of 2021.

Section 4. Amendment. This Agreement may be amended or modified by the Parties only in writing and signed by all Parties to the Agreement.

Section 5. Entire Agreement. This Agreement sets forth the entire agreement and understanding between the Parties, including without limitation all forms of compensation to be paid to Eastland pursuant to those sections, 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 6. Default. Each Party is responsible for notifying the other of any default under this Agreement within ten (10) business days of actual knowledge of such default, and the defaulting Party shall have the opportunity to cure such default within ninety (90) calendar days after receipt of such notice ("Cure Period"). The Cure Period shall not apply with respect to any particular default to the extent the application of the Cure Period would be inconsistent with Ohio laws or if such a default is not susceptible to cure. Failure to cure a default under this Agreement within the Cure Period (or if the Cure Period is not applicable) shall constitute a breach of this Agreement.

Section 7. Notices. All payments by check or warrant, certificates, and notices, which are required to or may be given pursuant to the provisions of this Agreement, shall be sent by the United States ordinary mail, postage prepaid, and shall be deemed to have been given or delivered when so mailed to the following addresses:

If to the City: Department of Development
 City of Columbus
 111 N. Front Street, 8th Floor
 Columbus, Ohio 43215
 Attention: TIF Manager

With a copy to: City Attorney's Office

City of Columbus
90 West Broad Street, 2nd Floor
Columbus, Ohio 43215
Attention: General Counsel Section Chief

If to Eastland: Eastland-Fairfield Career & Technical Schools
4465 S. Hamilton Road
Groveport, Ohio 43215
Attention: Treasurer

The Parties may change its address for receiving notices and reports by giving written notice of such change to the other Party.

Section 8. Severability. 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 portions were omitted.

Section 9. 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 10. 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 body or bodies as may from time to time have the authority under 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 Eastland and its bodies, officers and employees, and the City and its bodies, officers and employees undertaken pursuant to the Agreement, is established as a duty with Eastland and the City and of each such officer, employee or body having authority to perform that duty, specifically and enjoined by law resulting from an office, trust or station within the meaning of Ohio Revised Code Section 2731.01 providing for enforcement by writ of mandamus. 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.

Section 11. Governing Law and Choice of Forum. This Agreement will be governed by and construed in accordance with the laws of the State of Ohio and City of Columbus, Ohio. All claims, counterclaims, disputes and other matters in question between the City, its employees, contractors, subcontractors and agents, and Eastland, its employees, contractors, subcontractors and agents arising out of or relating to this Agreement or its breach will be decided in a court of competent jurisdiction within Franklin County, Ohio.

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IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed in their respective names by their duly authorized officers or representatives, as of the date hereinabove written.

CITY OF COLUMBUS, OHIO

By: _____
Michael H. Stevens, Director
Department of Development

Approved as to Form:

Zach Klein, City Attorney

**EASTLAND-FAIRFIELD CAREER &
TECHNICAL SCHOOLS**

By: _____

Printed: _____

Title: _____

Date: _____

CITY FISCAL OFFICER'S CERTIFICATE

The City has no obligation to make payments pursuant to the foregoing Agreement except from the JVS Service Payments collected or to be collected for deposit into the Easton Project Municipal Public Improvement Tax Equivalent Fund pursuant to Ordinance No. 2895-2014 and the Brice Road Public Improvement Tax Equivalent Fund pursuant to Ordinance No. 3120-2016. Section [] of City Ordinance No. []-2021 appropriated those funds for expenditure in accordance with the foregoing Agreement. Accordingly, as fiscal officer for the City of Columbus, I certify that funds sufficient to meet the obligations of the City under the foregoing Agreement have been lawfully appropriated for the purposes thereof and are available in the treasury of the City, and/or upon implementation of the processes under the TIF Statutes, are in the process of collection to the credit of an appropriate fund, free from any previous encumbrance. This Certificate is given in compliance with Sections 5705.41 and 5705.44 of the Ohio Revised Code.

Dated: _____, 2021

Megan Kilgore, City Auditor
City of Columbus, Ohio