

SECOND ADDENDUM TO HARPERSFIELD-GENEVA
JOINT ECONOMIC DEVELOPMENT DISTRICT #3 AGREEMENT

THIS ADDENDUM AGREEMENT is entered into as of _____, _____, 2017, by and between HARPERSFIELD TOWNSHIP, ASHTABULA COUNTY, OHIO (the "Township") and THE CITY OF GENEVA, ASHTABULA COUNTY, OHIO (the "City") in accordance with the terms and provisions set forth herein.

RECITALS

WHEREAS, the Parties entered into the JEDD #3 Agreement and its First Addendum on July, 14, 2014; and

WHEREAS, the Parties had reason and information regarding business growth to conclude that income generated from the JEDD #3 area would be greater than the debt service for constructing an additional sewer line along Route 534; and

WHEREAS, the Parties now recognize that while the JEDD #3 revenue is not currently significant enough to pay said debt service, but further recognize that construction of the sewer extension is critical to development in the JEDD #3 area; and,

WHEREAS, the Parties further recognize that the Ohio Legislature amended rules regarding Joint Economic Development Districts with the passage of House Bill 182, and it is in the best interest of the Parties to allow for flexibility provided by House Bill 182, and

WHEREAS, on Monday, March 6, 2017, the Township Trustees unanimously approved a resolution to amend the JEDD #3 Agreement to allow for funds to be expended from the Geneva Wastewater Proprietary Fund for the sanitary sewer extension under the certain conditions, and to amend the JEDD #3 agreement to allow for the application of rule changes under House Bill 182.

WHEREAS, on Monday, March 13th, 2017, the City's Council unanimously approved a resolution to amend the JEDD #3 Agreement to allow for funds to be expended from the Geneva Wastewater Proprietary Fund for the sanitary sewer

extension under the certain conditions, and to amend the JEDD #3 agreement to allow for the application of rule changes under House Bill 182.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement, the Parties agree as follows:

1. The Parties agree to strike from the Addendum dated July 14, 2014, the entire sentence that reads: "Parties agree not to spend funds on construction of the 534 Sewer until JEDD and other applicable revenue is significant enough to pay for said construction". Upon execution of this Second Addendum, said sentence, phrase and term shall have no further force or effect.
2. The Parties specifically and expressly agree that all other terms and conditions relating to financing and/or debt reduction relating to the 534 Sewer project shall remain in full effect.
3. In the event that (and as long as) JEDD and other applicable revenue is insufficient to cover the debt service payments for the 534 Sewer extension, the Parties agree that the Geneva Wastewater Proprietary Fund may advance funds to pay the deficiency under the following conditions:
 - a. The Wastewater Proprietary Fund shall only advance the specific amount necessary to cover the difference between the debt service payment and the income generated from the JEDD.
 - b. The funds advanced by the Wastewater Proprietary Fund shall be considered a "loan" to the JEDD for purposes of payment of the debt service.
 - c. As soon as the JEDD income exceeds the debt service payment amount, the excess shall be paid back to the Wastewater Proprietary Fund until such time as the "loan" amount has been repaid in full.
 - d. No interest shall be calculated on the "loan" amounts paid from the Wastewater Proprietary Fund.

4. The Parties expressly acknowledge and adopt the ability to utilize changes in state law relating to JEDDs with the passage of House Bill 182, effective September 13, 2016, including, **but not limited to**, expansion of JEDDs to include residential areas.
5. The Parties agree that any person(s) or entity(ies) must join JEDD #3 prior to gaining access to the 534 Sewer extension, and must agree and shall be charged city rates for sanitary sewer tap-in and user fees.
6. The parties agree that residents who gain access to the 534 Sewer extension may be subject to JEDD income taxes as long as the Parties follow state law procedures applicable to JEDD areas to impose an income tax.
7. The parties acknowledge that there are no residents existing in the JEDD #3 area on the date of execution of this Addendum.

Signed as to the Harpersfield Township
Board of Trustees
In the presence of:

HARPERSFIELD TOWNSHIP
BOARD OF TRUSTEES

BY: _____
Trustee

BY: _____
Trustee

BY: _____
Trustee

Signed as to the City of Geneva
In the presence of:

CITY OF GENEVA

By: _____
City Manager