

EXHIBIT A

ANNEXATION AGREEMENT

This Agreement is entered into on or as of the 14<sup>th</sup> day of July, 2006, by and between THE CITY COUNCIL OF WAPAKONETA, the legislative authority of the City of Wapakoneta, Auglaize County, Ohio (the "City"), THE BOARD OF TRUSTEES OF PUSHETA TOWNSHIP, the legislative authority of Pusheta Township, Auglaize County, Ohio (the "Township"), and THE BOARD OF COUNTY COMMISSIONERS OF AUGLAIZE COUNTY, the legislative authority of Auglaize County, Ohio (the "County").

WHEREAS, City, Township and County are political subdivisions located entirely within the State of Ohio and the County of Auglaize; and

WHEREAS, City, Township and County wish to cooperate in creating and pursuing jobs and employment opportunities, and to cooperate in inducing and fostering economic development within the State of Ohio, and more particularly within the territory to which this Agreement pertains; and

WHEREAS, City, Township and County wish to allow for and establish the conditions under which the municipal powers of the City may be extended to the territory to which this Agreement pertains and recognize that such an extension of municipal powers will operate to the collective benefit of City, Township and County and to those businesses and residents who reside or choose to locate within the territory to which this Agreement pertains; and

WHEREAS, City, Township and County wish to cooperate in improving and advancing the welfare of the citizens of the County residing within the territory to which this Agreement pertains in a number of ways, which include promoting economic development in a manner compatible with the character of the area and addressing mutually satisfactory planning and development standards; and

WHEREAS, City, Township and County believe that the development of the territory to which this Agreement pertains for manufacturing projects is consistent with the comprehensive plans and community strategies for all parties hereto; and

WHEREAS, City, Township and County believe it is in the best interest of all parties to support the City's application for a Job Ready Sites grant through the Ohio Department of Development to enable the City to acquire and develop the territory to which this Agreement pertains; and

WHEREAS, City has enacted Ordinance No. 2006-37, effective on the 10<sup>th</sup> day of July, 2006, the Township has enacted Resolution No. 3-06, effective on the 11<sup>th</sup> day of July, 2006, and the County has enacted Resolution No. 06-302, effective on the 13<sup>th</sup> day of July, 2006, which authorize the respective parties to enter into this Agreement all in accordance with Section 709.192 of the Ohio Revised Code.

NOW, THEREFORE, the parties hereto agree as follows:

**ARTICLE I**  
**PURPOSE**

The purpose of this Agreement is to undertake certain commitments to support the City's application for a Job Ready Sites ("JRS") grant for the acquisition and development of certain territory located in the Township and County. If a JRS grant is secured, the territory will be certified and marketed through the Ohio Department of Development to attract manufacturing projects to the territory to which this Agreement pertains. The location of manufacturing projects to the subject territory will provide employment opportunities, further the economic welfare of the residents and enhance the financial stability for the City, Township and County.

City agrees to do all things necessary to submit an application for a JRS grant by July 19, 2006. City agrees that it will provide funding to match the JRS grant for the development of the territory to which this Agreement pertains as required by the Ohio Department of Development. Township and County agree to cooperate with the City in supporting the City's application for a JRS grant and in additional matters necessary to market and develop the subject territory for manufacturing projects; provided, however, any expenditures by the Township or County in connection with this commitment to cooperate shall be at the sole discretion, respectively, of the Township or County.

**ARTICLE II**  
**DESIGNATION OF TERRITORY**

This Agreement is entered into in accordance with and governed by Sections 709.022 and 709.192 of the Ohio Revised Code and is applicable to the tracts of property east of CR25A and south of US 33 located in Pusheta Township, Auglaize County that are identified on Exhibit A (hereinafter the "Territory").

**ARTICLE III**  
**ANNEXATION**

Section 1. Cooperation. During the term of this Agreement, City, Township and County agree to cooperate fully and act in good faith to achieve successful annexations of the Territory to the City, subject to the terms and conditions contained herein.

Section 2. Initiation of Annexation. At such time as the City determines, in the City's sole discretion, that all or a portion of the Territory is likely to be the location for a manufacturing project, the City will initiate annexation of all or a portion of the Territory from the Township to the City (hereinafter, the portion of the Territory to be annexed pursuant to the City's determination in accordance with this sentence shall be referred to, singly or collectively, as the context requires, as the "Designated Portion"). If the Designated Portion has not been acquired by the City at the time of initiation of

annexation, the City will coordinate the execution of an annexation petition signed by all of the owners of the Designated Portion and shall file said annexation petition in accordance with Sections 709.021 and 709.022 of the Ohio Revised Code. If the City has acquired the Designated Portion at the time of initiation of the annexation, the City will proceed with annexation in accordance with Sections 709.14 through 709.16 of the Ohio Revised Code.

Section 3. Approvals. The County agrees to approve said annexation at the earliest possible date as provided under the Ohio Revised Code and to forward immediately its approval and the annexation record to the City for acceptance. City agrees to accept said annexation by emergency ordinance if so permitted by the City's charter. City, County and Township agree to submit any necessary legislation and/or affidavits supporting annexation of all or any portion of the Territory, provide appropriate service or other resolutions and take all required action in a timely fashion to approve annexation of all or any portion of the Territory. This Agreement shall serve as evidence that all parties hereto consent to the annexation of the Territory.

#### ARTICLE IV SERVICES

Prior to annexation of all or any portion of the Territory, Township and County agree to continue to provide those governmental services to non-annexed portions of the Territory that are currently available to the Territory. Upon completion of the annexation of any Designated Portion, City shall provide the following governmental services to the Designated Portion to the same extent and same quality as City provides to other areas within its jurisdiction: sanitary and storm sewer services; water services; street maintenance; fire and emergency medical services; and police services.

#### ARTICLE V LAND USE AND ZONING

Township agrees immediately following execution of this Agreement to initiate proceedings pursuant to Ohio Revised Code Section 519.12 to amend the zoning resolution and the zoning map of the Township to designate the Territory as zoned for manufacturing use. The Territory may, however, continue to be used for agricultural purposes and for existing single-family residential purposes that are ancillary to agricultural purposes (e.g., "farmhouses") until such time as the Territory is annexed to the City. Township Board of Trustees shall not initiate or support any zoning amendment or development plan application which would cause the Territory to be zoned or used for any purpose other than manufacturing purposes, agricultural purposes and for existing single-family residential purposes that are ancillary to agricultural purposes prior to annexation and shall amend the Township's comprehensive plan, to the extent one exists, to designate the Territory for future manufacturing use. Notwithstanding the foregoing, the Township board of zoning appeals shall continue to accept and process applications for variances and conditional use permits in accordance with Ohio Revised Code §519.14.

Upon annexation, the City agrees to re-zone the Designated Portion to a zoning district under the City zoning code that is most comparable to the Township manufacturing zoning.

**ARTICLE VI**  
**ECONOMIC DEVELOPMENT INCENTIVES**

At such time as the City determines, in the City's sole discretion, that all or a portion of the Territory is likely to be the location for a manufacturing project, the City, Township and County agree to cooperate in approving, to the extent such approval is necessary, at least the following economic development incentives with respect to the Designated Portion that will be the site of the project:

1. A Community Reinvestment Area Agreement with a term of fifteen (15) years that provides for a minimum real property tax exemption of fifty percent (50%);  
and
2. Tax Increment Financing with an exemption percentage of 100% and with a term of thirty (30) years, which will include a hold-harmless provision for the school district or will be accompanied by a school district compensation agreement.

The above-referenced economic development incentives shall be overlapping and shall be the minimum incentives provided to the Designated Portion, unless the end user or end users of the Designated Portion requests a lesser amount of economic development incentives. City, County and Township shall coordinate in evaluating other possible economic development incentives that may be necessary to encourage manufacturing projects to locate in the Territory.

**ARTICLE VII**  
**NO EXCLUSION FROM TOWNSHIP / NO CONFORMANCE OF BOUNDARIES**

Following annexation, the Designated Portion shall not be excluded from the Township. Consequently, the Designated Portion shall remain subject to the Township's real and personal property taxes for general fund purposes.

The City further agrees that, following annexation of the Designated Portion, it shall not exclude the Designated Portion from the Township by conforming boundaries under Chapter 503 of the Ohio Revised Code or any future or similar statute of like tenor or effect.

**ARTICLE VIII**  
**TERM**

The initial term of this Agreement shall be for a period of twelve (12) years, commencing on the date of this Agreement as set forth above. At the expiration of the

initial term of this Agreement, the Agreement shall automatically be renewed for subsequent five (5) year periods, unless the legislative authority of any of the parties hereto affirmatively acts to terminate this Agreement by providing one hundred eighty (180) days written notice to all parties hereto. Notwithstanding the foregoing, the City may terminate this Agreement by providing ninety (90) days written notice if the City is not awarded a JRS grant during the 2006 application year or any subsequent application year.

## ARTICLE IX GENERAL PROVISIONS

Section 1. Support of Agreement. In the event that this Agreement, or any of its terms, conditions or provisions, is challenged by any third party or parties in a court of law, the parties agree to cooperate with one another and to use their best efforts in defending this Agreement with the object of upholding this Agreement. Each party shall bear its own costs in any such proceeding challenging this Agreement or any terms or provisions hereof.

Section 2. Signing Other Documents. The parties agree to cooperate with one another and to use their best efforts in the implementation of this Agreement and to sign or cause to be signed, in a timely fashion, all other necessary instruments, legislation, petitions and similar documents, and to take such other actions as either party may reasonably request in order to effectuate the purposes of this Agreement.

Section 3 Amendments. This Agreement may be amended in writing by a document executed and approved by the legislative authorities of the parties hereto by means of appropriate legislation authorizing such amendment.

Section 4. Immunities Preserved. By entering into this Agreement, neither City, Township nor County intend to relinquish or waive any of the immunities they now have or may hereafter be provided under state and/or federal laws, including, without limitation of any such immunities, all those immunities afforded to governmental entities and their officers and employees under Chapter 2744 of the Ohio Revised Code.

Section 5. Powers Preserved. This Agreement is not intended to be in derogation of the powers granted to municipal corporations, townships or counties under the Ohio Revised Code or the Ohio Constitution. Notwithstanding the foregoing or anything to the contrary contained herein, the parties hereby acknowledge their belief as to the lawfulness of this Agreement.

Section 6. Beneficiaries. This Agreement shall inure to the benefit of and shall be binding upon City, Township and County and their respective successors and assigns; subject however, to the specific provisions hereof.

Section 7. Severability. This Agreement shall be construed in accordance with the laws of the State of Ohio. If any part of this Agreement is held to be invalid or

unenforceable for any reason, the remainder of this Agreement shall continue in full force and effect.

Section 8. Entire Agreement. This Agreement, which includes recitals hereto, constitutes the entire understanding of the parties hereto and shall not be altered, changed, modified, or amended, except as provided herein.

Section 9. Additional Expenditures Not Required. This Agreement shall not be construed to require the County or Township to make expenditures that the County and Township are not otherwise obligated to make in the absence of this Agreement. Any expenditures by the Township or County shall be at the sole discretion, respectively, of the Township or County.

IN WITNESS WHEREOF, City, Township and County have caused this Agreement to be signed as of the day first written above.

**CITY OF WAPAKONETA, OHIO:**

By: Donna R. Kline  
Mayor, [Mayor or Safety-Service Director]

By: [Signature]  
[Signature], Council President

By <sup>ORD</sup> Resolution No. 2006-06 dated July 10, 2006  
Verified and Certified:

Carlene J Koch  
[Signature], Council Clerk

**PUSHETA TOWNSHIP, AUGLAIZE COUNTY,**  
**OHIO**

by the Board of Township Trustees of  
Pusheta Township, Auglaize County,  
Ohio, by

John J. Kaelk  
\_\_\_\_\_, Township Trustee

Robert Howard  
\_\_\_\_\_, Township Trustee

Jim A. Kneub  
\_\_\_\_\_, Township Trustee

By Resolution No. 3-06 dated July 11, 2006  
Verified and Certified:

Allyl Zuhl  
\_\_\_\_\_, Clerk

**AUGLAIZE COUNTY, OHIO**

by the Board of County Commissioners of  
Auglaize County, Ohio, by

*Hugh A. Lore*  
\_\_\_\_\_, Commissioner

*Leo Kramer*  
\_\_\_\_\_, Commissioner

*John N. Bergman*  
\_\_\_\_\_, Commissioner

By Resolution No. 06-302 dated July 13, 2006  
Verified and Certified:

\_\_\_\_\_, Clerk

Approved as to Form:

*Edwin A. Price*  
\_\_\_\_\_  
Prosecuting Attorney  
Auglaize County, Ohio

*OPH*  
\_\_\_\_\_  
City Law Director  
Wapakoneta, Ohio