

February 8, 2006

CITY OF CIRCLEVILLE/CIRCLEVILLE TOWNSHIP
ANNEXATION AGREEMENT

This Agreement is entered into this 22 day of March, 2006, by and between THE CITY OF CIRCLEVILLE, OHIO ("CITY"), and THE BOARD OF TOWNSHIP TRUSTEES OF CIRCLEVILLE TOWNSHIP, PICKAWAY COUNTY, OHIO ("TOWNSHIP"), pursuant to Section 709.192 of the Ohio Revised Code.

WHEREAS, the CITY and TOWNSHIP wish to cooperate in creating and preserving jobs through commercial, industrial and retail development and to cooperate in inducing and fostering economic development within the State of Ohio, and more particularly within the territories to which this Agreement pertains; and

WHEREAS, the CITY and TOWNSHIP wish to cooperate in improving and advancing the welfare of the citizens of Pickaway County residing within the territories to which this Agreement pertains, including but not limited to making water and sewer services more widely available within such territory and promoting economic development and coordinated planning standards; and,

WHEREAS, the CITY and TOWNSHIP wish to cooperate in facilitating responsible development within the territory of the TOWNSHIP while also preserving the geographic integrity of the TOWNSHIP, to the extent consistent with the wishes of the TOWNSHIP'S landowners; and,

WHEREAS, the City Council of CITY has enacted Ordinance No. 02-11-2006, effective on 3-23, 2006, and the Board of Township Trustees of TOWNSHIP has passed a resolution on 3-20-06, 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 – DESIGNATION OF TERRITORIES

Section 1. This Agreement is applicable to the following territory located within the boundaries of TOWNSHIP:

The territory outlined on the map attached hereto as Exhibit A and incorporated herein by reference (hereinafter referred to as "Annexation Agreement Territory"). The Annexation Agreement Territory generally includes that portion of unincorporated Circleville Township described as follows:

For the purposes of determining future annexations, the annexation agreement territory shall be divided into three (3) areas. These three future annexation

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areas are shown on the map attached hereto as Exhibit A. The future annexation areas shall be described as follows:

- A) The territory described and identified as Area 1 on EXHIBIT A, attached hereto and incorporated herein by this reference, is hereinafter referred to sometimes as "North Court Street Commercial Development District." Area 1 covers an area north of the City from the current municipal limits to approximately Griffey Run on the north, and from Island Road on the west to Walnut Creek Pike on the east.
- B) The territory described and identified as Area 2 on EXHIBIT A, attached hereto and incorporated herein by this reference, is hereinafter referred to sometimes as "Route 22 East Commercial Development District." Area 2 covers an area east of the City from U.S. Route 22 north to State Route 188 and from the current eastern municipal limits on the west to the Washtington Township boundary on the east.
- C) The territory described and identified as Area 3 on Exhibit A, attached hereto and incorporated herein by this reference, is hereinafter referred to sometimes as "Kingston Pike Commercial Development District." Area 3 covers an area south of the City from the southern municipal limits to Tarlton Road on the south and east of the Circleville Crossing and Logan Elm Subdivisions properties to the Washington Township boundary on the east.

Section 2. Any of the above territories may be altered by mutual agreement of the CITY and TOWNSHIP, but only by means of appropriate legislation authorizing such alteration approved by the legislative authorities of both parties hereto. Such alteration, in order to be effective, must be authorized by appropriate legislation passed by each of the parties hereto within a 120-day period.

Section 3. Should any alteration of the above mentioned territories require a survey to be made, the party requesting such alteration shall have the responsibility to acquire the services of a surveyor to perform such survey and shall pay the costs of such surveying services.

Section 4. The CITY agrees that it will take no action to initiate, approve, or support in any manner a merger with the TOWNSHIP, pursuant to Section 709.43 through 709.46 inclusive of the Ohio Revised Code or any revision or amendment thereto. All efforts by the CITY to increase its geographic boundaries within TOWNSHIP shall be through the annexation procedure.

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ARTICLE II – ADJUSTMENT OF MUNICIPAL BOUNDARIES

Section 1. TOWNSHIP agrees to cooperate fully and in good faith to achieve the successful annexation to CITY of lands located within the Annexation Agreement Territory, subject to the following limitations:

- (A) Pursuant to Sections 709.021 and 709.022 of the Revised Code, when an annexation petition is signed by all the owners of real estate in the unincorporated territory proposed for annexation, such lands shall be annexed. TOWNSHIP agrees to submit any necessary legislation and/or affidavits supporting any such annexation.
- (B) When an annexation petition proposes involuntary annexation of real estate in the unincorporated territory of the TOWNSHIP, such lands shall not be annexed. CITY agrees to deny acceptance of any such annexation (including without limitation defeating any associated annexation acceptance legislation).
- (C) The following lands are exempted from this Article II and shall not be required to be annexed to the CITY under the terms of this Article:
 - (i.) Lands owned by TOWNSHIP, while such lands are maintained in a use directly performing township functions,
 - (ii.) Lands owned by Pickaway County, while such lands are maintained in a use directly performing county functions, and
 - (iii.) Lands owned by a church [as defined in Subsection 5709.07(C) of the Ohio Revised Code] while such lands are maintained in a use qualifying such lands for exemption from property taxes under Subsection 5709.07(A)(2) of the Ohio Revised Code.

However, if any of such lands are converted to a different use than as set forth in items i, ii, and iii, above, then such converted land shall be thereafter subject to the provisions of this Article II, and shall not be included in the exemption contained in this Subsection 1(D).
- (D) Nothing in this Agreement obligates the CITY to accept the annexation of any lands and the CITY shall continue to have complete discretion to accept or reject lands sought to be annexed to the CITY.

Section 2. Throughout the time the Agreement is in effect, the CITY shall not exclude lands annexed to the CITY, which are included in the Annexation Agreement Territory and are annexed through implementation of this Agreement, by initiating a change to TOWNSHIP'S boundary under Chapter 503 of the Ohio Revised Code to exclude such annexed lands from the TOWNSHIP.

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The TOWNSHIP will further discourage and deny any petitions from landowners who seek to initiate a change to the TOWNSHIP'S boundary to exclude lands annexed to the CITY which are included in the Annexation Agreement Territory and are annexed through implementation of this Agreement, and the CITY agrees to cooperate fully and in good faith with the TOWNSHIP'S efforts to resist such change to the TOWNSHIP'S boundary.

Section 3. CITY AND TOWNSHIP recognize and agree that, within the Annexation Agreement Territory, annexation of any portion of such territory that results in:

- A) An island or islands of TOWNSHIP territory being located within the CITY and/or
- B) An island or islands of the CITY being located within TOWNSHIP

will not be detrimental to the provision of government services or sewer and water utility services provided to residents and businesses located within such islands [which TOWNSHIP AND CITY recognize as being especially true when territory annexed to the CITY will not be excluded from TOWNSHIP] and the creation of such island or islands is neither unreasonable nor arbitrary and should not and will not prevent the annexation of territory to the CITY.

Section 4. Full and good faith cooperation by the TOWNSHIP, as mentioned in Section 1 of this Article II, means undertaking such actions as may be requested by the CITY which will contribute to the success of the annexation of lands to the CITY and refraining from acts which would be detrimental to the success of the annexation of lands to the CITY and, with the intent not to limit the broad meaning of the foregoing clause but to emphasize certain acts and refraining from acts encompassed in the foregoing, shall include, but not be limited to the TOWNSHIP:

- A) Requesting the Pickaway County Engineer to fully cooperate with and assist the CITY and landowners to facilitate the presentation of an accurate annexation map to the Pickaway County Commissioners (recognizing that the primary responsibility for preparing a suitable map is the landowner's);
- B) Requesting that the Pickaway County Prosecutor facilitate and defend any annexation pursued in accordance with this Agreement;
- C) In cooperation with the CITY, vigorously resisting, in both administrative and judicial forums, actions by third party political subdivisions to annex, merge or consolidate any portion of the Annexation Agreement Territory into any third party political subdivision; and
- D) Bearing its own costs in any legal proceedings that are required by this section.

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Section 5. Full and good faith cooperation by the CITY, as mentioned in Section 2 of this Article II, means undertaking such actions as may be requested by the TOWNSHIP which will be detrimental to the success of changing the TOWNSHIP'S boundary under the procedures described in Chapter 503 of the Ohio Revised Code to exclude lands annexed to the CITY, which are included in the Annexation Agreement Territory and are annexed through implementation of this Agreement, from the TOWNSHIP, and refraining from acts which would contribute to the success of changing the TOWNSHIP'S boundary under the procedures described in Chapter 503 of the Ohio Revised Code to exclude lands annexed to the CITY, which are included in the Annexation Agreement Territory and are annexed through implementation of this Agreement, from the TOWNSHIP, and, with the intent not to limit the broad meaning of the foregoing clause but to emphasize certain acts and refraining from acts encompassed in the foregoing, shall include, but not be limited to the CITY:

- (A) Requesting the Pickaway County Engineer to cooperate with and assist the TOWNSHIP and the CITY to facilitate the presentation of an accurate map to the Pickaway County Commissioners of the area covered by this Agreement which is not to be subject to a change in the TOWNSHIP'S boundaries pursuant to Chapter 503 of the Ohio Revised Code;**
- (B) Joining with the TOWNSHIP to request the Pickaway County Prosecutor to defend against any effort to change the TOWNSHIP'S boundary pursuant to Chapter 503 of the Ohio Revised Code to exclude lands annexed to the CITY which are included in the Annexation Agreement Territory and are annexed through implementation of this Agreement;**
- (C) In cooperation with the TOWNSHIP, vigorously resisting, in both administrative and judicial forums, any action by any third party to change the TOWNSHIP'S boundary pursuant to Chapter 503 of the Ohio Revised Code to exclude lands annexed to the CITY, which are included in the Annexation Agreement Territory and are annexed through implementation of this Agreement, from the TOWNSHIP; and**
- (D) Bearing its own costs in any legal proceedings that are required by this Section.**

Section 6. The parties agree that, during the term of this Agreement, new taxes may be authorized by the Ohio General Assembly and some current taxes may be reduced or eliminated by the Ohio General Assembly. The parties, therefore, agree to meet and discuss if any new tax involving the lands described in Article I arises during the term of this Agreement, or if local government or other current tax forms change. The parties also agree to negotiate in good faith to rework the financial terms of this agreement, if necessary, to equitably divide

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the new or modified tax revenue in a manner consistent with the original terms of this agreement.

Section 7. Each section and each part of each section of this Article II is hereby declared to be an interdependent section or part of a section of this Article II and it is hereby agreed and declared to be the controlling intent of the parties hereto that if any such section or part of a section of this Article II, or any provision thereof, or the application thereof to any entity or circumstances, is held to be invalid or unenforceable, then the remaining sections or parts of sections in this Article II and the application of such provisions shall also no longer be enforceable, all such provisions being given in exchange for each other and being therefore interdependent and either all being binding upon the parties hereto or none being binding upon the parties hereto.

ARTICLE III – TOWNSHIP AND CITY GOVERNMENTAL SERVICES AND PAYMENTS TO TOWNSHIP

Section 1. With respect to territory located within the boundaries of the TOWNSHIP but which is not a part of the CITY, this Agreement shall have no effect on the obligations of the TOWNSHIP to provide services and the CITY shall continue to have no obligation at all to provide services or products. With respect to territory located within the boundaries of the CITY but which is not a part of the TOWNSHIP, this Agreement shall have no effect on the obligations of the CITY to provide services or products and the TOWNSHIP shall continue to have no obligation at all to provide services.

Section 2. With respect to territory within the Annexation Agreement Territory which becomes annexed to the CITY (and which also continues to be included within the TOWNSHIP), the CITY, to the extent feasible, shall be the primary provider of the following governmental services to the same extent and in the same quality as the CITY provides these services throughout its jurisdiction in general:

- (A) Sanitary sewer services, except as described in Section 6 below.
- (B) Water services, except as described in Section 6 below.
- (C) Enforcement of the applicable CITY's Codified Ordinances, including zoning ordinances, subdivision code ordinances, and building code ordinances, and provision of any related inspection services.
- (D) The following pavement maintenance services – street sweeping.
- (E) The following road right-of-way maintenance services – cleaning and fixing road drainage ditches and storm water retention areas, and repairing and replacing guardrails.

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- (F) Maintenance of traffic signals.
- (G) With regard to fire and emergency medical services, under Section 5705.315 of the Ohio Revised Code, the CITY and the TOWNSHIP may enter into an agreement to determine the CITY's and the TOWNSHIP's minimum levy under that section (in order that the minimum levies for each entity is not diminished due to the overlap in the annexed territory). Accordingly, the CITY and the TOWNSHIP hereby agree that the City's minimum levy under Section 5705.315 shall be .3 mills and the TOWNSHIP's minimum levy under Section 5705.315 shall be 3.0 mills. Further, the CITY and the TOWNSHIP shall enter into a fire service contract for any areas annexed pursuant to this Annexation Agreement whereby any TOWNSHIP fire-related millage collected from landowners in such annexed area shall be paid to the CITY in consideration of the CITY providing fire/EMS services.
- (H) Police services. Upon execution of any annexation petition within the commercial development districts, the Sheriff of Pickaway County may retain law enforcement and other duties prescribed by statute to his office within the annexed area. The Sheriff of Pickaway County, Township and City will mutually agree to a plan for the transition of police services to be provided by the City of Circleville. The terms of the transition plan, including compensation for services, shall be negotiated between the Township, City and the Sheriff.

Section 3. With respect to territory within the annexation agreement territory which becomes annexed to the CITY (and which also continues to be included within the TOWNSHIP), TOWNSHIP shall be the primary provider of the following governmental services to the same extent and in the same quality as the TOWNSHIP provides these services throughout its jurisdiction in general:

- (A) Clearing snow and ice from streets and roads.
- (B) Salting or in some other way deicing streets and roads.
- (C) The following pavement maintenance services -- berm and shoulder repair, pot hole repair and chip and seal resurfacing.
- (D) The following road right-of-way maintenance services -- repairing or replacing turf, mowing grass, cleaning up trash and litter.
- (E) All crack sealing, resurfacing (defined as replacing two inches or less of surface pavement), striping, and setting reflective safety devices in pavement (when required by state guidelines).
- (F) The CITY and TOWNSHIP agree to complete an annual review of services as provided for under Article V. When both parties agree that development has increased to significant levels, the CITY will

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reimburse the township for seventy-five percent (75%) of the costs for services under Article III, Section 3 (E) and all new road projects and road rebuilding projects upon approval by the CITY Engineer.

Section 4. Notwithstanding the provisions of Sections 2 and 3 of this Article III, the CITY and TOWNSHIP agree that this Agreement shall not affect the continuation of mutual aid arrangements and agreements for fire protection or police services in effect on the date first above written. This section is not intended to limit the ability of either CITY and/or TOWNSHIP to negotiate mutual aid arrangements in the future as they shall find mutually advantageous.

Section 5. With respect to territory within the annexation agreement area which becomes annexed to the CITY (and which also continues to be included within the TOWNSHIP), TOWNSHIP AND CITY shall be jointly responsible to arrange for and bear the cost of necessary road construction or reconstruction work on the public roadways. For purposes of this Agreement, the term "reconstruction" means an asphalt overlay of more than two (2) inches and also includes reconstruction of the road base and road drainage facilities. The parties agree to enter into good faith negotiations with respect to each road construction or reconstruction project and negotiate a project-specific agreement with regard to performance of the work and cost-sharing.

Section 6. CITY and the Earnhart Hill Regional Water and Sewer District will work on a cooperative approach to serving the Kingston Pike Commercial Area (Area 3 on Exhibit A) with water and sewer services. It is the intention of the parties that Earnhart Hill Regional Water and Sewer District will have the right of first refusal to serve any property within the Kingston Pike Commercial District. If Earnhart Hill Regional Water and Sewer District cannot serve utilities or a portion of the utilities to a new or existing customer, CITY may serve the necessary utilities to that customer. CITY intends to serve utilities within the entire North Court Street Commercial District (Area 1 on Exhibit A) and the 22 East Commercial District (Area 2 on Exhibit A).

Section 7. In consideration of the mutual provision of services and improvements within the Annexation Agreement Territory by the TOWNSHIP, the CITY agrees to allow the TOWNSHIP to remain the taxing authority for territory annexed within each annexation area and to collect its inside millage had no annexation taken place.

Section 8. Payments made by the CITY to TOWNSHIP as described in this Article III are in lieu of any payments which would be required to be made by the CITY to TOWNSHIP under Sections 709.12 and 709.19 of the Ohio Revised Code, or any future requirements of the Ohio Revised Code similar thereto.

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ARTICLE IV – HOTEL/MOTEL TAXES AND VARIOUS OTHER TAXES

Section 1. In the event a portion of the Annexation Agreement Territory is annexed to CITY and CITY after such annexation collects taxes to Section 5739.02 and Section 5739.024 of the Ohio Revised Code from hotel(s) or motel(s), CITY shall make the required payments to the required separate fund from which contributions are made to convention or visitor's bureau operating within Pickaway County, Ohio and the remaining balance shall be split equally between the CITY and TOWNSHIP.

Section 2. TOWNSHIP and the CITY recognize that there may be opportunities to cooperate together to more efficiently provide various services to their residents and businesses and that revenues may be available to provide such services in a cooperative manner from various tax sources such as, by way of example only and not by way of limitation, Ohio estate taxes and various property tax levies, as well as from other types of revenues such as, by way of example only and not by way of limitation, service fees; therefore, the TOWNSHIP and the CITY agree to meet, by their designated representatives, at mutually acceptable times to negotiate concerning cooperation on providing services and designating the revenues to fund such services.

ARTICLE V – ANNUAL REVIEW

The parties agree to meet and discuss the progress of this Agreement annually during the month of November each year. Further, either the Mayor of the CITY or the Chairman of the TOWNSHIP Board of Trustees may call an emergency meeting at such other time as he or she may deem necessary, upon three (3) days' written notice to each party.

ARTICLE VI – TIF/TAX ABATEMENTS

The parties recognize that Pickaway County may grant tax abatements for real property improvements in accordance with applicable provisions of the Ohio Revised Code. The CITY currently has no Community Reinvestment Areas and therefore the CITY may not currently grant real property tax abatements. The TOWNSHIP acknowledges that the CITY may create one or more Community Reinvestment Areas for purposes of granting real property tax abatements for improvements to real property located in Areas 1, 2 and/or 3 upon annexation for purposes of encouraging and promoting commercial and industrial development; provided, however, the CITY agrees that the CITY shall not enter into a written

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agreement pursuant to O.R.C. Section 3735.61 (tax abatement agreements with owners) without the written consent of the TOWNSHIP.

The parties agree to enter into good faith negotiations with respect to any request by the TOWNSHIP or CITY to create a tax increment financing district, incentive district or any other similar TIF-type mechanism, and to negotiate a district-specific agreement with regard to any required consents and/or necessary revenue sharing.

ARTICLE VII – LAND USE

The Planning and Zoning Commissions of the CITY and the Zoning Commission of the TOWNSHIP shall hold a joint meeting each March to discuss development and zoning (or the lack thereof) in the Annexation Agreement Territory, to ensure that it is consistent with any Comprehensive Plan of either CITY or TOWNSHIP or any land use plan for the Annexation Agreement Territory jointly prepared by the parties to this Agreement, to discuss the necessity for preparation of any Annexation Agreement Territory land use plan, and to discuss any other land use and zoning issues. The parties shall create a joint planning and zoning board comprised of two (2) representatives of the TOWNSHIP, two (2) representatives of the CITY and one (1) representative of the COUNTY. Duties of the joint planning and zoning board shall include: Review of all rezonings, platting activity, annexation requests and land use planning within the Annexation Agreement Territory and forwarding of recommendations with regard to such applications to the appropriate planning and zoning commissions or boards. The CITY shall amend its zoning code to require applicants within the Annexation Agreement Territory to seek a recommendation from the joint planning and zoning board prior to consideration of the application by the CITY Planning and Zoning Board.

ARTICLE VIII – GENERAL PROVISIONS

Section 1. Term. The initial term of this Agreement shall commence on the date hereof and shall terminate 3-23, 2056 (unless otherwise terminated prior to that date as provided herein). At the expiration of the initial term of this Agreement, the Agreement shall automatically be renewed for a period of 50 years, and the Agreement shall continue to be automatically renewed thereafter for similar 50-year periods at the end of each renewal period with no limit upon the number of such renewals; unless the legislative authorities of the CITY and the TOWNSHIP each affirmatively act to terminate this Agreement. In order for any such termination to be effective, legislative action of one party to terminate this Agreement must occur and be effective within a period of 120 days from the date of legislative action of the other parties terminating this Agreement. The provision herein for automatic extension of this Agreement

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except upon legislative action by each of the parties hereto terminating this Agreement recognizes that the accrual of benefits to the parties from this Agreement may take decades and that the construction of water and sanitary sewer service facilities and public roadways along with other possible capital improvements provided for herein is of permanent usefulness and duration.

Section 2. Early Termination. This Agreement may be terminated at any time by mutual consent of the TOWNSHIP and CITY as authorized by their respective legislative authorities. In order for any such termination to be effective, legislative action of one party to terminate this Agreement must occur and be effective within a period of 120 days from the date of legislative action of the other party terminating this Agreement.

Section 3. 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 term or provisions thereof.

Section 4. 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 in order to effectuate the purposes of this Agreement.

Section 5. Cooperation in Pursuing Grants. The parties hereto agree to cooperate with each other in contributing to the success of applications to obtain grants of funding to perform projects in the territory described in Article I which would be to the mutual benefit of the parties hereto. This Section is not intended to obligate any party hereto to contribute matching funds or to apply any other form of such party's economic resources in contributing to the success of applications to obtain grants of funding to perform projects in the territory described in Article I.

Section 6. Mediation. In the event the parties have a dispute as to any of the terms or applicability of this Agreement, the parties agree to use their best efforts to resolve the dispute through a mutually acceptable mediation process prior to any party filing a lawsuit. Each party participating in mediation shall pay its own costs of mediation, including their proportionate share of the compensation and administrative expenses required by the mediator and by the mediation services provider selected by the parties. If a mediator has not been selected by the parties within sixty (60) days after one of the parties has requested that a dispute arising under this Agreement be mediated, then any of the parties may commence a lawsuit or commence such other method of pursuing such remedies as may be available to any of the parties.

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Section 7. Defaults. A failure to comply with the terms of this Agreement shall constitute a default hereunder. The party in default shall have ninety (90) days, after receiving written notice from the other party of the event of default, to cure that default. If the default is not cured within that time period, the non-defaulting party may sue the defaulting party for specific performance under this Agreement or for damages or both; or may pursue such other remedies as may be available.

Section 8. Amendments.

- A) This Agreement may be amended by the TOWNSHIP and CITY only in a writing approved by the legislative authorities of both parties by means of appropriate legislation authorizing such amendment. Such amendment(s), in order to be effective, must be authorized by appropriate legislation passed by each of the parties hereto within a 120 day period.
- B) In the event Article II ceases to be binding on the parties hereto, the TOWNSHIP and CITY may meet together to determine whether any amendments to the remaining provisions of this Agreement can be negotiated to their mutual benefit. In the event Article II ceases to be binding on the parties hereto, the TOWNSHIP and CITY shall each have the right to terminate this Agreement, unilaterally, at their discretion.

Section 9. Immunities Preserved. By entering into this Agreement, neither the TOWNSHIP, nor the CITY intend to relinquish or waive any of the immunities they now have or may hereafter be accorded under state and/or federal laws, including, without the limitation of any such immunities, all those immunities accorded to governmental entities and their officers and employees under Chapter 2744 of the Ohio Revised Code.

Section 10. Powers Preserved. This Agreement is not intended to be in derogation of the powers granted to municipal corporations by Article XVIII, Ohio Constitution, or any other provisions of the Ohio Constitution or of the CITY'S municipal charter or of the Ohio Revised Code; nor is it intended to be in derogation of the powers granted to townships under any provisions of the Ohio Constitution or of the Ohio Revised Code; nor is it intended to be in derogation of the powers granted to boards of county commissioners under any provisions of the Ohio Constitution or of the Ohio Revised Code.

Section 11. Beneficiaries. This Agreement shall inure to the benefit of and shall be binding upon the TOWNSHIP and CITY and their respective successors; subject, however, to the specific provisions hereof. This Agreement shall not inure to the benefit of anyone other than as provided in the immediately preceding sentence. This Agreement is not intended to and does not create rights or benefits of any kind for any persons or entities which are not a party to this Agreement.

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Section 12. Severability. Except as otherwise provided in Article VII, Section 8.B. hereof, in the event that any section or provision of this 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:

- A) 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,
- B) the illegality or invalidity of any application hereof or thereof shall not affect any legal and valid application hereof or thereof, and
- C) each section, 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. Character of Payments. Nothing in this Agreement is to be interpreted as the sharing of the proceeds of any tax levy by and between the CITY and the TOWNSHIP. All language within this Agreement which employs an amount of any tax to be collected as part of a calculation for determining a sum to be paid by one party to another of the parties to this Agreement is intended, and therefore to be interpreted, as a reasonable, practical and convenient mechanism which the parties have agreed to use to compute, in a less controversial manner, the payments to be made by one party to another for services and other items of value to be received by the paying party. No payments to be made under this Agreement are intended to be a sharing of proceeds of any tax levy proscribed by Subsection 701.07(D) of the Ohio Revised Code. The parties do not consider estate taxes to be a tax levy.

Section 14. Other Potential Parties. The TOWNSHIP and CITY sincerely believe that this Agreement will be beneficial to not only the parties to this Agreement, but to other potential governmental subdivisions and jurisdictions in Pickaway County as well. As a result, the parties agree to engage in good faith negotiations with other potential parties in Pickaway County which are authorized to be a party to an Annexation Agreement under existing or future statutory laws, should such a potential party determine it is in such party's best interest to become a party to this Agreement.

Section 15. Merger. This Agreement, which includes the recitals hereto, constitutes the entire understanding of the parties hereto and shall not be altered, changed, modified, or amended, except by similar instruments in writing, executed by the parties hereto as provided in this Agreement. It is not intended that any utility supply agreement entered into between the CITY and TOWNSHIP

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and any mutual aid agreement between the CITY and TOWNSHIP or that any roadway maintenance cooperation agreement between the CITY and TOWNSHIP be merged with this Agreement.

Section 16. Liberal Construction. The parties agree that just as Ohio Revised Code Section 709.192 is to be liberally construed as described in Section 709.192(H), the parties further agree that this Agreement shall be liberally construed in order to facilitate the desire of each of the parties to carry out this Agreement by providing government improvements and facilities and services, by promoting and supporting economic development, by creating and preserving employment opportunities, and by allowing for the sharing by the CITY and TOWNSHIP and the State of Ohio, in the benefits of economic development, even if the economic development does not occur in an unincorporated area. Each provision of this Agreement shall be construed and interpreted so as to permit maximum advantage to the parties allowed by Ohio Revised Code Section 709.192.

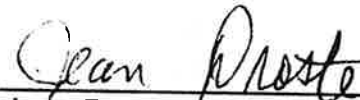
Section 17. Captions and Headings. The captions and headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections hereof.

IN WITNESS WHEREOF, the TOWNSHIP and the CITY have caused this Agreement to be duly signed in their respective names by their duly authorized officers as of the date first above written.

ATTEST:

THE CITY OF CIRCLEVILLE, OHIO


Law Director

By: 
Jean Droste, Mayor

Ordinance No. 02-11-2006

ATTEST:

**THE BOARD OF TOWNSHIP TRUSTEES OF
CIRCLEVILLE TOWNSHIP, PICKAWAY COUNTY,
OHIO**

February 8, 2006


Jeff Palm
Township Clerk

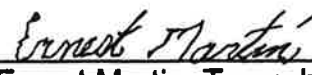
Fiscal Officer

Attorney for TOWNSHIP

By:


Dale Bower, Township Trustee

By:


Ernest Martin, Township Trustee

By:


Bob Kuhlwein, Township Trustee

RECORD OF ORDINANCES

Dayton Legal Blank, Inc.

Form No. 30043

Ordinance No. 52-11-2006

Passed February 21 20 06

AN ORDINANCE AUTHORIZING THE MAYOR OF THE CITY OF CIRCLEVILLE TO ENTER INTO AN ANNEXATION AGREEMENT BETWEEN THE CITY OF CIRCLEVILLE, OHIO AND THE BOARD OF TOWNSHIP TRUSTEES OF CIRCLEVILLE TOWNSHIP, PICKAWAY COUNTY, OHIO, PURSUANT TO SECTION 709.192 OF THE OHIO REVISED CODE.

WHEREAS, THE CITY OF CIRCLEVILLE, OHIO ("CITY") and THE BOARD OF TOWNSHIP TRUSTEES OF CIRCLEVILLE TOWNSHIP, PICKAWAY COUNTY, OHIO ("TOWNSHIP") wish to cooperate in creating and preserving jobs through commercial, industrial and retail development and to cooperate in inducing and fostering economic development within the State of Ohio, and more particularly within the territories to which this ANNEXATION AGREEMENT pertains; and

WHEREAS, the CITY and TOWNSHIP wish to cooperate in improving and advancing the welfare of the citizens of Pickaway County residing within the territories to which this ANNEXATION AGREEMENT pertains, including but not limited to making water and sewer services more widely available within such territory and promoting economic development and coordinated planning standards; and

WHEREAS, the CITY and TOWNSHIP wish to cooperate in facilitating responsible development within the territory of the TOWNSHIP while also preserving the geographic integrity of the TOWNSHIP, to the extent consistent with the wishes of the TOWNSHIP'S landowners;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Circleville, State of Ohio, as follows:

SECTION I: That the Mayor of the City of Circleville is hereby authorized and directed to enter into an ANNEXATION AGREEMENT between the CITY and the TOWNSHIP, pursuant to Section 709.192 of the Ohio Revised Code, as set forth in the attached Exhibit A.

SECTION II. That the CITY hereby approves and consents to the ANNEXATION AGREEMENT set forth in Section I above and agrees to each of the respective terms and provisions of such ANNEXATION AGREEMENT.

SECTION III. That this ordinance shall take effect and be in force at the earliest period allowed by law.

PASSED: February 21, 2006
Date

David M. Gjes
President of Council

ATTEST: Paula M. Gjes
Clerk of Council

APPROVED: February 21, 2006

James R. Dantz

Circleville Township Commercial Development Districts

