

OFFICE & INDUSTRIAL INCENTIVE AGREEMENT

This agreement made and entered into by and between the City of Gahanna, Ohio, a municipal government, with its main offices located at 200 S. Hamilton Road, Gahanna, Ohio, hereinafter referred to as the City of Gahanna and **MNX Global Logistics** with its main offices located at 8801 Bellanca Avenue, Los Angeles, California 90045, hereinafter referred to as **MNX**, WITNESSETH;

WHEREAS, Gahanna has encouraged the creation of new jobs opportunities in the community; and

WHEREAS, **MNX** is desirous of locating a new office facility at 690 Taylor Road, Gahanna, Ohio; and

WHEREAS, the Gahanna City Council, by Ordinance ORD-0212-2002, enabled Gahanna to offer an "Office & Industrial Incentive"; and

WHEREAS, Gahanna having the appropriate authority for the stated type of project is desirous of providing **MNX** with incentives for the development of the project; and

WHEREAS, the Director of Planning & Development has investigated the Application of **MNX**, which is attached as Exhibit A, and the Incentive Advisory Board has recommended the same to the Gahanna City Council on the basis that **MNX** is qualified by financial responsibility and business experience to create new employment opportunities and improve the economic climate of Gahanna; and

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and the benefit to be derived by the parties from the execution hereof, the parties herein agree as follows:

1. **MNX** intends within the first three years to create between ten (10) and fifteen (15) new full time jobs and between two (2) and three (3) part time jobs with an average annual salary of \$37,500, hereinafter referred to as Net New Jobs. The Net New Jobs will be considered those MNX employees hired subsequent to the execution of this agreement.
2. MNX intends to relocate 39 existing jobs to Gahanna, with an average annual salary of \$41,532, hereinafter referred to as Relocated Jobs. The City of Gahanna will not be providing financial incentives to the Relocated Jobs.
3. The combination of Net New Jobs and Relocated Jobs will result in approximately two million dollars (\$2,000,000) of annual payroll for the City of Gahanna.
4. The City shall grant **MNX** a refundable credit worth 65% of the company's municipal income tax withholdings generated by the Net New Jobs, based upon the City's 1.5% municipal income tax rate, for a term of up to three (3) years.
5. **MNX** agrees to remain in Gahanna for six (6) years from the beginning date of the incentive period. If MNX does not complete the entire six (6) year term any incentive funds must be paid to the City on a pro rata basis of the remaining term.
6. **MNX** must annually provide the City with information such as but not limited to Tax Identification number(s) to verify wages paid and taxes withheld through the Regional Income Tax Agency (RITA) for new jobs created during the period outlined under this

agreement. The Payroll Verification Form, as may be amended from time to time, is attached as Exhibit B.

7. **MNX** agrees to connect to GahannaNet Broadband, to be provided by Wow! Business, at the property located at 690 Taylor Road, Gahanna, Ohio 43230.
8. If **MNX** materially fails to fulfill its obligation under this agreement, Gahanna may terminate or modify the provisions granted under this agreement.
9. This agreement is not transferable or assignable without the express, written approval of Gahanna.
10. This agreement may be revised and/or amended throughout its term through the mutual agreement of the parties hereto. Such revisions and/or amendments are and will be subject to applicable Federal, State of Ohio and local laws or ordinances, and any applicable regulations and/or rules of Federal, State of Ohio and local department or agencies possessing authority to implement and/or administer such applicable Federal, State of Ohio and local laws or ordinances.

Program Compliance

1. **MNX** shall pay all federal, state and local taxes and shall file all tax reports and returns as required by law. If **MNX** fails to pay such taxes or file such returns and reports, all incentives granted under this agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.
2. If for any reason the Office & Industrial Incentive Program expires or is rescinded by the City of Gahanna, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless **MNX** materially fails to fulfill its obligations under this agreement and Gahanna terminates or modifies the incentives granted under this agreement.
3. If **MNX** materially fails to fulfill its obligations under this agreement, or if Gahanna determines that the certification as to the delinquent taxes required by this agreement is fraudulent, Gahanna may terminate or modify the incentives granted under this agreement and may require the repayment of the amount of taxes that would have been payable without this agreement.
4. **MNX** hereby certifies that at the time this agreement is executed, **MNX** does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio, and does not owe delinquent taxes for which **MNX** is liable under Chapters 5733, 5735, 5739, 5741, 5743, 5747, 5753 of the Ohio Revised Code, or, if such delinquent taxes are owed, **MNX** is currently paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against **MNX**. For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised Code governing payment of those taxes.
5. **MNX** affirmatively covenants that it has made no false statements to the State or City of Gahanna in the process of obtaining approval for an Office & Industrial Incentive. If any representative of **MNX** has knowingly made a false statement to the State or City of Gahanna to obtain an Office & Industrial Incentive, **MNX** shall be required immediately to return all benefits received under the Office & Industrial Incentive pursuant to ORC Section 9.66 (C)(2) and shall be ineligible for any future economic development assistance from the City

of Gahanna. Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to ORC Section 2921.13 (D)(1), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

IN WITNESS WHEREOF, the City of Gahanna, Ohio, by Rebecca W. Stinchcomb, its Mayor, and pursuant to a pending Resolution, has caused this instrument to be executed this _____ day of _____, 2014 and **MNX Global Logistics** by _____, has caused this instrument to be executed on this ____ day of _____, 2014.

MNX Global Logistics

Mayor

By _____

By _____

Rebecca W. Stinchcomb

Approved as to form:

Shane W. Ewald, City Attorney