

AGREEMENT FOR PAYMENTS IN LIEU OF TAXES

THIS AGREEMENT FOR PAYMENTS IN LIEU OF TAXES ("Agreement"), by and between THE COUNTY OF WARREN (the "County"), CONEWANGO TOWNSHIP, PITTSFIELD TOWNSHIP, PINE GROVE TOWNSHIP, CITY OF WARREN, and THE WARREN COUNTY SCHOOL DISTRICT (the "School District") (collectively referred to as "Taxing Bodies"), THE WARREN COUNTY BOARD OF ASSESSMENT APPEALS (the "Board") and LAKESHORE COMMUNITY SERVICES, INC. ("Property Owner") (collectively, the Taxing Bodies, the Board and Property Owner shall be referred to as the "Parties"), is made and entered into as of this _____ day of _____, 2021.

WHEREAS, Property Owner owns certain real estate located in Conewango Township, Pittsfield Township and the City of Warren, County of Warren, Commonwealth of Pennsylvania, with the real estate tax identification numbers and addresses set forth at Exhibit A to this Agreement (the "Subject Property"); and

WHEREAS, the Taxing Bodies and the Property Owner have met and discussed the exempt status of the Subject Properties, and following that discussion, the Property Owner has agreed to assist the Taxing Bodies in meeting their respective financial obligations and the Taxing Bodies are willing to accept Property Owner's payment of that certain amount dictated within this Agreement in lieu of the real estate taxes that would otherwise be due with respect to the Subject Property;

NOW THEREFORE, in consideration of the mutual covenants herein contained, and intending to be legally bound hereby, the parties agree as follows:

1. Incorporation of Recitals. The foregoing recitals are incorporated herein by reference and made part of this Agreement.

2. Exemption of Subject Properties. The Property Owner agrees to make, and the Taxing Bodies agree to accept as payment in full, the payments set forth below in lieu of real estate taxes.

3. Term. This Agreement is effective July 1, 2021, for any tax year starting on or after July 1, 2021.

(a) Notwithstanding the above, the Taxing Bodies recognize that, on May 30, 2013, Property Owner filed an Application for the Exemption of Real Estate for several of the Subject Properties identified in this subparagraph, and paid all property taxes due to the Taxing Bodies for these properties. This Agreement shall be retroactive to the date of appeal, and the Taxing Bodies shall refund Property Owner fifty percent (50%) of all amounts paid by Property Owner to Taxing Bodies for the Subject Properties , with said refund to be received as a credit toward future property tax obligations:

- (i) 226 Follett Run Road, Warren, PA
- (ii) 106 Hammond street, Warren, PA
- (iii) 6 Timothy Avenue, Warren, PA
- (iv) 30060 Route 6, Pittsfield, PA

(b) The remaining Subject Properties listed below shall be subject to this Agreement as of July 1, 2021.

- (i) 26 Valley View Drive, Warren, PA
- (ii) 7 Pine Grove Boulevard, Russell, PA

4. Payments in Lieu of Taxes.

(a) The Property Owner recognizes its obligation to the Warren County community and for the costs of the governmental services which it receives. In such recognition, the Property Owner agrees to pay, in lieu of real estate taxes, fifty (50%) of the real estate tax liability which would otherwise be applicable to any of the Subject Property during the term of this Agreement. Such payments shall be in cash, not earmarked or conditioned for use in any special manner.

(b) Payments required by Paragraph 4(a) hereof shall be due on or before the date specified annually by each of the Taxing Bodies for the payment of the face amount (without discount) of tax bills by owners of taxable property in the County of Warren, Commonwealth of Pennsylvania.

5. Exemption of the Property. In exchange for the payments outlined above, the Taxing Bodies and the Board agree that, during the term of this Agreement only, the Subject Property shall be exempt from local real estate taxes. The Taxing Bodies shall not file, join, support, fund or otherwise participate in any tax appeals or challenges with respect to the Subject Property or any other litigation that challenges the tax-exempt status of any of the Subject Property during the term of this Agreement, except as provided below.

6. Agreement Binding.

(a) This Agreement shall remain binding on all Taxing Bodies and the Property Owner notwithstanding any constitutional amendment, statutory enactment or clarification, or court interpretation which may be made during the term of this Agreement; PROVIDED, HOWEVER, (1) that if during the term of this Agreement, the General Assembly enacts any legislation permitting or requiring any Taxing Body to impose a municipal service

charge or similar fee, any such payments required to be made by the Property Owner with respect to the Subject Property to such Taxing Body shall be reduced *pro tanto* the amount the Property Owner shall pay to the applicable Taxing Body under Paragraph 3 hereof; (2) if during the term of this Agreement the General Assembly enacts any legislation mandating the retroactive imposition by any or all of the Taxing Bodies of a tax or municipal service fee which is greater than amounts to be paid by Property Owner under this Agreement, then all amounts paid by Property Owner under this Agreement for those years as to which a tax or municipal service fee is made retroactive shall be credited by the Taxing Bodies to the tax or municipal service fee liability of Property Owner; (3) if, by action of a competent authority or the General Assembly, any or all of the Taxing Bodies are no longer permitted to levy any local real estate tax, this Agreement shall terminate and be unenforceable as of the effective date of said legislation or final judicial decision as to that individual Taxing Body. In such an event, the applicable Taxing Bodies shall have the right to retain all payments made by Property Owner under this Agreement prior to the effective date of said legislation or final judicial decision.

(b) This Agreement shall be binding upon the Property Owner, his, her, or its heirs, legal representatives, successors, assigns, and transferees. In the event of a sale or transfer of any of the Subject Property listed on Exhibit A, it shall be the responsibility of the Property Owner to notify the purchaser or transferee of the existence and terms of this Agreement.

7. Valuation of Subject Property. The determination of the proper assessed value of the Subject Property shall be made in accordance with the usual and ordinary procedures applicable to real estate in the County of Warren, Commonwealth of Pennsylvania. The parties understand that the amount of the payment to be made in lieu of taxes pursuant to Paragraph 4 will be determined by multiplying the applicable assessed value of the Subject Property (as

determined by the Board) times fifty percent (50%) of the annual real estate millage for each of the Taxing Bodies, notwithstanding the listing of any of the Subject Property as exempt from real estate taxes during the term or a successive term of this Agreement. Nothing herein shall preclude any of the Parties from challenging any assessed value of any of the Subject Property in accordance with the usual and ordinary procedures applicable to real estate in the County of Warren, Commonwealth of Pennsylvania.

8. Right to Exempt Parcels from this Agreement for a LERTA Exemption.

Notwithstanding any other provision in this Agreement, the Property Owner reserves the right to submit an application or request for real estate tax relief under any regulation, ordinance, designation, or plan that exists or is enacted or adopted pursuant to the Local Economic Revitalization Tax Assistance Act and/or any other similar state or local real estate tax relief law. If any portion, parcel, portion of a parcel, parcels or portions of parcels (hereinafter collectively called "parcel") covered by this Agreement are determined to qualify for real estate tax relief under the Local Economic Revitalization Tax Assistance act and/or other similar law, regulation, resolution, ordinance, designation, or plan (hereinafter collectively called "LERTA"), the Property Owner is entitled to exempt such parcel from this Agreement to the extent of the increase in assessed value subject to LERTA with no further obligation to make payments on such increase in assessed value subject to LERTA under this Agreement, as the Property Owner will follow and make payments pursuant to the LERTA program. In any parcel is exempted from this Agreement, the Property Owner shall be held liable for the pro rata share of sums due under the other provisions of this Agreement up to the date that such parcel is determined not to qualify for real estate tax relief under LERTA. If a parcel is determined to qualify for a LERTA

exemption, such parcel will be included in this Agreement or in another agreement for payment in lieu of real estate taxes, after the LERTA exemption period has expired.

9. Effect of Termination.

(a) This Agreement shall automatically extend for successive one-year terms unless, on or after March 1 and on or before April 30 of the term or any successive term of this Agreement, one or more of the parties sends written notice to the other parties of its intent to terminate this Agreement, effective January 1 of the year immediately succeeding the last term of this Agreement. Such notice shall be sent by the duly authorized officer of the entity sending it and may be sent for any reason whatsoever. Any such notice shall be in writing and sent by United States certified or registered mail, return receipt requested, addressed as follows:

COMMISSIONERS
THE COUNTY OF WARREN
Warren County Courthouse
204 Fourth Avenue
Warren, PA 16365

BOARD OF SUPERVISORS
CONEWANGO TOWNSHIP
4 Fireman Street
Warren, PA 16365

BOARD OF SUPERVISORS
PITTSFIELD TOWNSHIP
1370 Davey Hill Road
Pittsfield, PA 16340

MAYOR
CITY OF WARREN
318 West Third Avenue
Warren, PA 16365

SUPERINTENDENT
THE WARREN COUNTY SCHOOL
DISTRICT
6820 Market Street
Russell, PA 16345

THE WARREN COUNTY BOARD
OF ASSESSMENT APPEALS
Warren County Courthouse
204 Fourth Avenue
Warren, PA 16365

CHIEF EXECUTIVE OFFICER
LAKESHORE COMMUNITY
SERVICES, INC.
1350 West 26th Street
Erie, PA 16508

PINE GROVE TOWNSHIP TAX

COLLECTOR
707 Old State Road
Russell, PA 16345

(b) In the event this Agreement is terminated as set forth above or is invalidated by any Court, effective January 1 following such termination, the Subject Property shall become fully taxable unless further agreement is reached amongst the parties. Upon termination, the Property Owner may file an appeal challenging the Subject Properties taxable status to the Board through the normal appeal process.

10. Change of Ownership. This Agreement shall automatically terminate as to any parcel of the Subject Property upon the sale or other conveyance of such parcel to any entity, except another non-profit entity which is a component or affiliate of Property Owner, or a successor, and so long as the use of the Subject Property remains substantially similar to its current use. Any disagreement or dispute regarding this paragraph shall be resolved by the Board and Court of Common Pleas of Warren County in accordance with normal appeal procedures. In the event the Subject Property is returned to taxable status as a result of such a challenge, this Agreement shall be null and void as to that parcel or those parcels only.

11. Material Change. If the ownership of the Subject Property, control of Property Owner, or the use of any the Subject Property changes in any material way during the term of this Agreement, the Taxing Bodies and the Board shall be free to challenge, in an appropriate proceeding, the treatment of the Subject Property as exempt before the Board and Court of Common Pleas of Warren County. In the event the Subject Property is returned to taxable status as a result of such a challenge, this Agreement shall be null and void as to that parcel or those parcels only.

12. Inclusion of Additional Properties in this Agreement. The Property Owner reserves the right to request that additional parcels or properties be included in this Agreement or in a separate agreement for payments in lieu of taxes. Nothing herein obligates the Taxing Bodies to include additional parcels or property in this Agreement or to enter into a separate agreement for payment in lieu of real estate taxes.

13. Authorization. By signing this Settlement Agreement, the Parties represent that they are duly authorized to enter into this Settlement Agreement.

14. Attorney Fees and Litigation Expenses. Each party agrees that it shall bear its own attorney fees, and litigation costs and expenses, incurred through the execution of this Agreement.

15. Neutral Interpretation. The parties acknowledge and agree that they have had a full and equal opportunity to negotiate and draft this Agreement and that no party shall be considered the drafter of this Agreement for purposes of interpreting this Agreement.

16. Modification. This Agreement may be modified only by a writing signed by all of the parties hereto and bearing the title "Amendment to 2021 Agreement for Payments in Lieu of Taxes."

17. Execution by Counterparts. This Agreement may be executed in one or more counterparts, each of which (and duplicates thereof) shall be deemed an original. It is agreed that an original, photocopy, .pdf or fax copy of a signature may serve as an original.

18. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania.

19. Severability. Every provision of this Agreement shall be deemed severable from every other provision; if any provision of this Settlement Agreement is later deemed illegal, invalid or unenforceable, in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, and such invalid, illegal or unenforceable provision shall be deemed modified to the extent necessary to render it valid while most nearly preserving its original intent.

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WITH INTENT TO BE LEGALLY BOUND, authorized representatives of the parties
have signified their assent to the terms of this Agreement on the attached signature pages.

WITNESS/ATTEST:

Pamela J. Matve

Digitally signed by Pamela J. Matve
DN: cn=Pamela J. Matve, o=Warren County Commissioners,
ou=Chief Clerk, email=pmatve@warren-county.net, c=US
Date: 2021.01.13 16:05:28 -0500

County of Warren

BY: Benjamin Kafferlin

Digitally signed by Benjamin Kafferlin
DN: cn=Benjamin Kafferlin, o, ou,
email=pmatve@warren-county.net, c=US
Date: 2021.01.13 16:04:11 -0500

Conewango Township

BY: _____

Pittsfield Township

BY: _____

City of Warren

BY: _____

Warren County School District

BY: _____

Warren County Board of Assessment Appeals

BY: *Ben Bull*

Pine Grove Township

BY: _____

Lakeshore Community Services, Inc.

BY: *Marshall Carlson* *EVP/CFD*

Lisa Burkhouse

Michael J. Stevens
V.P. FINANCE

EXHIBIT A

PILOT PROPERTIES

INDEX NUMBER	ADDRESS	MUNICIPALITY
WN-004-697600-000	226 Follett Run Road, Warren, PA	Conewango Township
WN-588-859100-000	106 Hammond Street, Warren, PA	City of Warren
WN-545-791800-000	6 Timothy Avenue, Warren, PA	Conewango Township
YV-005-889650-000	30060 Route 6, Pittsfield, PA	Pittsfield Township
WN-201-525900-000	26 Valley View Drive, Warren, PA	Pine Grove Township
WN-276-812800-000	7 Pine Grove Boulevard, Russell, PA	Pine Grove Township