

**RESOLUTION AUTHORIZING THE COUNTY ADMINISTRATOR
TO ENTER INTO AGREEMENT WITH CINCINNATI PUBLIC SCHOOLS**

COM'RS MIN.
VOL. 282
JUN 6 - 2001
IMAGE 3402

BY THE BOARD:

WHEREAS, R.C. 5709.081(F) permits the County to make payments in lieu of taxes for sports facilities that are otherwise exempt from taxation; and

WHEREAS, in February 1996 the County and the City School District for the City of Cincinnati (CPS) entered into an Agreement (the 1996 Agreement) whereby the County would for 20 years make certain payments in lieu of taxes to CPS based upon the valuation of the stadium facility real property planned for construction with proceeds of the sales tax to be placed on the March 1996 ballot; and

WHEREAS, the sales tax referendum was approved by the voters of Hamilton County; enabling construction of Paul Brown Stadium to commence in 1997; and

WHEREAS, construction of the Great American Ballpark commenced in 2000; and

WHEREAS, the County and CPS deem it in the best interests of all parties to fix the valuation of Paul Brown Stadium, and reach agreement as to the amounts to be paid, the schedule of payments, and the duration of payments, and clarify certain other matters concerning payments for the Great American Ballpark ; and

WHEREAS, the Board previously authorized the County Administrator to enter into an agreement in draft form, which is now available in final form,

NOW, THEREFORE, BE IT RESOLVED, that the County Administrator is hereby authorized and directed to execute the Agreement Relating to Payments by Hamilton County to Cincinnati Public Schools. The Agreement is attached hereto and made a part hereof.

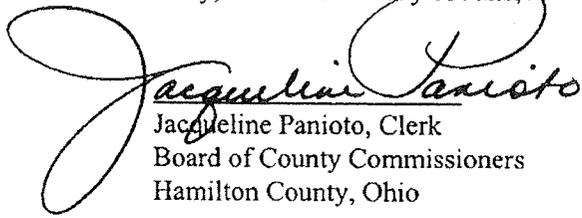
ADOPTED, at a regularly adjourned meeting of the Board of County Commissioners of Hamilton County, Ohio this 6th day of June, 2001.

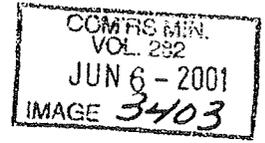
Mr. Neyer AYE Mr. Dowlin AYE Mr. Portune AYE

CERTIFICATE OF CLERK

IT IS HEREBY CERTIFIED that the foregoing is a true and correct transcript of a resolution adopted by this Board of County Commissioners in session the 6th day of June, 2001.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Office of County Commissioners of Hamilton County, Ohio this 6th day of June, 2001.


Jacqueline Panioto, Clerk
Board of County Commissioners
Hamilton County, Ohio



AGREEMENT RELATING TO
PAYMENTS BY HAMILTON COUNTY
TO CINCINNATI PUBLIC SCHOOLS

This agreement is entered into, between the Board of Commissioners for Hamilton County, Ohio (the County) and the City School District for the City of Cincinnati (CPS).

WHEREAS, R.C. 5709.081(F) permits the County to make payments in lieu of taxes for sports facilities that are otherwise exempt from taxation; and

WHEREAS, in February 1996 the County and CPS entered into an Agreement (the 1996 Agreement) whereby the County would for 20 years make certain payments in lieu of taxes to CPS based upon the valuation of the stadium facility real property planned for construction with proceeds of the sales tax to be placed do the March 1996 ballot; and

WHEREAS, the sales tax referendum was approved by the voters of Hamilton County, enabling construction of Paul Brown Stadium to commence in 1997; and

WHEREAS, construction of the Great American Ballpark commenced in 2000; and

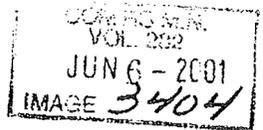
WHEREAS, the County and CPS deem it in the best interests of all parties to fix the valuation of Paul Brown Stadium, and reach agreement as to the amounts to be paid, the schedule of payments, and the duration of payments, and clarify certain other matters concerning payments for the Great American Ballpark;

NOW THEREFORE, the parties agree as follows:

1. Stipulation as to Value of Paul Brown Stadium. The parties agree that the value of the real property comprising Paul Brown Stadium and related facilities that form a part of the stadium structure, if subject to taxation, is \$382,158,024, as of January 1, 2001.

2. Payments for Paul Brown Stadium. The parties agree that the total amount that would be chargeable against the County for taxes for the Paul Brown Stadium in accordance with R.C. 5709.081 is \$4,983,600, which amount takes into account the ten percent reduction authorized by R.C. 319.302. The County will make payments to CPS in two installments each year. The first installment of \$2,491,800 will be due on or before April 15 of each year; the second installment of \$2,491,800 will be due on or before October 15 of each year. Such amounts shall remain constant throughout the term of this Agreement.

3. Commencement and Duration of Payments for Paul Brown Stadium. The County's payments for Paul Brown Stadium will commence in 2002 and continue annually for twenty (20) years. The first payment will be due on or before April 15, 2002, and the last payment will be due October 15, 2021. Thereafter all payments related to Paul Brown Stadium will cease, Paul Brown Stadium shall remain exempt from taxation, and the County will have no further responsibility or liability for payments of, or in lieu of, real or personal property taxes under this agreement. In the



event the stadium ceases to be tax exempt in full or in part and the County becomes obligated to pay real property taxes on Paul Brown Stadium for which payments in lieu of taxes are being made, the County will no longer be obligated to make the payments in lieu of taxes, or the portion thereof which corresponds to the portion of the Paul Brown Stadium which has ceased to be tax exempt, required by this Agreement.

4. Payments for the Great American Ballpark. The County will make payments in lieu of taxes for the Great American Ballpark and parking facilities and any other improvements that form part of the stadium structure and for which property taxes are abated (the "Facilities") in accordance with R.C. 5709.081(F). The total annual amount of payments will be determined based upon the valuation, as determined by the Hamilton County Auditor unless mutual agreement can be reached by the parties as to the valuation, of the Facilities for the first year in which the Facilities would be completed and valued on the tax duplicate at 100% of their taxable value, provided that the actual taxes that would be payable are subject to the rollback provisions of R.C. 319.302. Payments will be made in two installments each year, commencing in the year when taxes would be due if the property were not tax exempt. The first installment will be due on or before April 15 of each year; the second installment will be due on or before October 15 of each year. Payments will continue for twenty (20) years at a constant amount. Thereafter all payments will cease, the Facilities shall remain exempt from taxation, and the County will have no further responsibility or liability for payments of; or in lieu of, real or personal property taxes under this agreement. In the event the Facilities cease to be tax exempt, in full or in part, and the County becomes obligated to pay real property taxes on the property for which payments in lieu of taxes are being made, the County will no longer be obligated to make the payments in lieu of taxes, or the portion thereof which corresponds to the portion of the Facilities which has ceased to be tax exempt, required by this Agreement.

5. Valuation of the Facilities. The parties will confer as to the valuation of the Great American Ballpark and Facilities and will use their best faith efforts to agree upon the amount payable in lieu of taxes. If agreement cannot be reached, the parties reserve the right to challenge the Auditor's valuation.

6. Recoupment of CPS Revenue Lost from Rollback. The County and CPS acknowledge that, as a result of the rollback mandated by R.C. 319.302, the taxes which would have been due for Paul Brown Stadium and the Facilities are reduced by 10%, and that reduction in taxes would normally be recoverable by CPS from the State. The County will cooperate with CPS to seek recoupment from the State of the corresponding reduction in payments in lieu of taxes which amounts would normally be payable to CPS as compensation related to the rollback. If CPS receives any recoupment from the State related to the rollback all recoupment will belong to CPS and the County will have and make no claim as to any rollback recoupment.

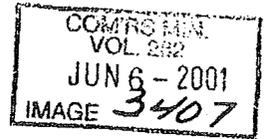
7. County Request for Opinion Letter from Prosecuting Attorney. County and CPS acknowledge that CPS intends to issue bonds secured in part by the payments in lieu of taxes for Paul Brown Stadium, and that CPS may issue bonds in the future secured in whole or in part by the payments in lieu of taxes for the Facilities. The County will request the Hamilton County Prosecuting Attorney to issue an opinion letter(s) deliverable to the Board of County Commissioners

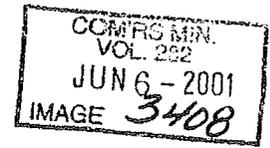
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of the County and Peck, Shaffer & Williams LLP concerning the enforceability of this Agreement. The County will, if asked to do so by CPS, request the Hamilton County Prosecuting Attorney to issue an opinion letter deliverable to Board of County Commissioners of the County and Peck, Shaffer & Williams LLP concerning the enforceability of any subsequent Agreement between CPS and the County concerning payments in lieu of taxes for the Facilities. The parties acknowledge that the final form and contents of such letters will be a matter for the sound discretion of the Prosecuting Attorney, but they shall be substantially of such form and content as Exhibit A attached hereto.

8. Entire Agreement. This Agreement is the entire agreement of the parties concerning the matters addressed herein. This Agreement supercedes any and all prior agreements, oral or written, related in any way to the County's obligation to make payments of, or in lieu of, taxes for Paul Brown Stadium, the Great American Ballpark, and related parking facilities. This Agreement may only be modified in a writing signed by all parties.

EXHIBIT A
FORM OF ENFORCEABILITY OPINION
FROM HAMILTON COUNTY PROSECUTOR





_____, 2001

Board of County Commissioners
County of Hamilton, Ohio
138 E. Court Street, Room 603
Cincinnati, OH 45202

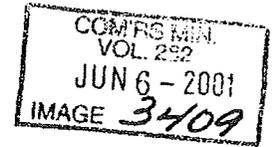
Peck, Shaffer & Williams LLP
201 East Fifth Street
Suite 900
Cincinnati, OH 45202-4117

As Prosecuting Attorney to the County of Hamilton, Ohio (the "County"), I have acted as counsel to the County in connection with the execution and delivery by the County of an agreement with the Board of Education (the "Board") of the City School District of the City of Cincinnati (the "School District") dated May ____, 2001 (the "Agreement"), which provides for payments pursuant to Section 5709.081 of the Ohio Revised Code. This opinion is being given at the express request of the Board of County Commissioners of the County of Hamilton, Ohio, in connection with the proposed issuance of \$130,000,000 School Improvement Bonds of even date herewith, by the School District, under Section 133.06 (H) of the Ohio Revised Code, which authorizes a school district which has entered into an agreement under Section 5709.081 of the Ohio Revised Code to issue indebtedness, the security for which can be payments from such an agreement.

In connection with this opinion, I have reviewed, examined, and relied upon such records, certificates and other documents as I have considered necessary or appropriate for the purposes of this opinion, including Section 5709.081 of the Ohio Revised Code, resolutions adopted by the Board of County Commissioners of the County, and the Agreement. Based on such review and such other considerations of law and fact as I believe to be relevant, I am of the opinion that:

1. The County is a political subdivision of the State of Ohio. The County is authorized by the laws of the State of Ohio to enter into and perform its obligations under the Agreement.
2. The County has duly authorized all action necessary to be taken by it or on its behalf for the execution and delivery of the Agreement.
3. The Agreement has been duly and validly authorized, executed and delivered by the County and the same is in full force and effect as of the date hereof and enforceable against the County in accordance with its terms, except that the binding effect and enforceability thereof are

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Peck, Shaffer & Williams LLP
_____, 2001



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subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws in effect from time to time affecting the rights of creditors, and except to the extent that the enforceability may be limited by the application of general principles of equity.

4. The execution and delivery by the County of the Agreement and the performance of its obligations thereunder did not and will not to the best of my knowledge, without having taken any independent review of the County's records, result in a violation of any provision of, or in a default under, any agreement or other instrument to which the County is a party or by which it or its properties are bound.

5. All actions necessary to be taken by the County have been taken, and no additional approval, authorization, consent or other order of the County or any other public board or body is legally required to allow the County to enter into and perform its obligations under the Agreement.

6. To the best of my knowledge, without having taken any independent review, the County is not in violation of any provision of, or in default under, any agreement, violation of or default under which would materially and adversely affect the activities, properties, assets, liabilities or conditions (financial or other) of the County.

7. This opinion is furnished solely in my official capacity as Prosecuting Attorney and statutory counsel to the Board of County Commissioners of the County of Hamilton, Ohio, and the recipients of this letter acknowledge that there is and can be no personal liability associated with giving this opinion.

Very truly yours,

Michael K. Allen, County Prosecutor