

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT ("Agreement"), is made and entered into this ____ day of _____, 2024 between Gordon Food Service, Inc., incorporated under the laws of the State of Ohio (hereinafter referred to as the "Company") and the City of Trotwood, Ohio (hereinafter referred to as the "City").

WITNESSETH THAT:

WHEREAS, the City is committed to promoting economic development and the creation of jobs within its corporate limits; and

WHEREAS, the City desires to assist the Company with promoting the creation and retention of jobs in the City of Trotwood; and

WHEREAS, the City desires to assist the Company in a project that will allow for improvements to an existing facility. The City further finds that the project will create jobs, encourage economic activity, attract new businesses to Trotwood, and will engage in other economic development activities; and

WHEREAS, the City desires to see the Company continue to expand its operations at 5031 Salem Avenue, Trotwood, Ohio 45426.

NOW, THEREFORE, the Company and the City, in consideration of the mutual promises and covenants set forth herein, do agree as follows:

ARTICLE 1. **COMPANY COMMITMENT**

The Company operates as a retail and wholesale grocery store and with this expansion of services, will develop a commissary that will distribute Gordon Food Service, Inc. branded foods to their stores in the greater region. The Company will invest over Four Million Dollars (\$4,000,000.00) for improvements and equipment at its facility at 5031 Salem Avenue, Trotwood, Ohio 45426. See Exhibit "A" and "B" attached.

The Company will create 31 new jobs for the commissary while retaining the 39 established with the grocery store expansion. The average annual wage (less benefits) will be approximately Thirty-Three Thousand Dollars (\$33,000.00). Total annual payroll will be in excess of Seven Hundred Fifty Thousand Dollars per year (\$750,000.00).

The Company shall be responsible, as the Project Manager, for all aspects of this project. All work, specifically the infrastructure improvements, shall be performed in accordance with all federal, state, and local statutes, and zoning, building, and fire code requirements. The Company shall complete all project/building improvement activities by September 30, 2025 and will complete the installation of machinery and equipment by September 30, 2025. The Company shall comply with

the requirements of the building and use standards determined by mutual consent of the Company and the City.

The Company and the City acknowledge that equipment and machinery cannot be purchased or acquired with the grant funds.

ARTICLE 2.
CITY COMMITMENT

The Montgomery County Ohio Economic Development/Government Equity (ED/GE) Grant Program approved funding in the amount of Seventy-Five Thousand Dollars (\$75,000.00) to the City to assist in funding the project.

ARTICLE 3.
TERM AND TERMINATION

This Agreement shall commence on the date of complete execution by the parties, and shall terminate on September 30, 2025, unless extended to a later date or earlier terminated.

Either party may terminate this Agreement upon thirty (30) days prior written notice to the other party. Such notice shall specify the reasons for termination, if any, and state the date such termination is effective. In the event of termination, the City shall not be obligated to pay for any services performed subsequent to the effective date of termination. The Contractor will remit all services according to a schedule acceptable to the City. Upon such termination, the parties shall be relieved of their respective obligations.

ARTICLE 4.
NOTICES AND DEMANDS

Any notice, demand, or other communication required under the Agreement by one party to the other party shall be sufficiently given if it is sent by certified U.S. mail, postage prepaid, return receipt requested or delivered personally, and:

- (A) in the case of the City, is addressed to:
Quincy E. Pope, Sr., City Manager
City of Trotwood
3035 Olive Road
Trotwood, OH 45426

- (B) in the case of the Company, is addressed to:

ARTICLE 5.
AMENDMENT

The parties may amend this Agreement, provided that no such amendment shall be effective unless it is reduced to a writing, which makes specific reference to this Agreement, executed by a duly authorized representative of each party to this Agreement.

ARTICLE 6.
INDEMNIFICATION

The Company agrees to defend, indemnify, and hold harmless the City, its elected officials, officers, employees, and agents from and against all liability for any claims, losses, damages, and expenses (including reasonable attorney's fees) of whatsoever kind and nature, to the extent that such claims, losses, damages, or expenses are caused by or arise out of the performance or nonperformance of the Agreement and/or the acts, omissions or conduct of the Company, its agents, employees, and representatives, including any acts and omissions related to the financing, preparation of plans, specifications, design and construction of the project.

During the entire period of project construction and renovation, the Company will maintain and/or require all contractors and sub-contractors for the project to maintain adequate and reasonable comprehensive general liability.

ARTICLE 7.
ENTIRE AGREEMENT/INTEGRATION

This Agreement represents the entire and integrated Agreement between the parties. This Agreement supersedes all prior and contemporaneous communications, representations, understandings, agreements or contracts, whether oral or written, relating to the subject matter of this Agreement.

ARTICLE 8.
SEVERABILITY

The invalidity, illegality, or unenforceability of any provision of this Agreement or the occurrence of any event rendering any provision of this Agreement void shall in no way affect the validity or enforceability of any other provision of this Agreement. Any void, unenforceable, invalid, or illegal provision shall be deemed severed from this Agreement and the balance of this Agreement shall be construed and enforced as if the Agreement did not contain the particular provision.

ARTICLE 9.
GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, without giving effect to the principles thereof relating to conflicts or choice of laws.

ARTICLE 10.
EEO/ NON-DISCRIMINATION

The Company shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, ancestry, national origin, place of birth, age, marital status, or handicap with respect to employment, upgrading, demotion, transfer, recruitment or recruitment advertising, lay-off determination, rates of pay, or other forms of compensation, or selection for training, including apprenticeship.

ARTICLE 11.
RECORDS AND RETENTION

The Company shall use Generally Accepted Accounting Principles ("GAAP") in recording and documenting all costs and expenditures for the development activities under this Agreement. Such costs and expenditures pertaining in whole or in part to this Agreement and the development activities shall be supported by properly executed payrolls, time records, invoices, contracts, vouchers or other accounting documents and shall be clearly identified and readily accessible to the City or its designees. At any time during normal business hours and as often as the City may deem necessary, the Company shall make available to the City or its designees, all of its records with respect to all matters covered under this Agreement. The Company will permit the City or its designees to audit, examine, and make excerpts or transcripts from such records.

The Company shall retain all records relating in whole or in part to this Agreement and the development activities for a period of three (3) years from the date this Agreement is terminated.

ARTICLE 12.
GENERAL TERMS AND CONDITIONS

- A. The Company acknowledges that the project will be receiving financial assistance from the City in the form of a grant. Accordingly, the Company agrees to comply with the rules, regulations, terms, and conditions for the use and expenditure of such municipal funds, including, but not limited to, applicable bidding, procurement, record keeping, accounting, disbursement, and administration requirements; provided that the City advises the Company of same.
- B. The Company shall meet with the City at such times as the City may request to discuss and review progress of the development activities and/or performance of this Agreement. The Company shall furnish the City such status reports and information as the City may request from time to time.

IN WITNESS WHEREOF, the Company and the City, each by a duly authorized representative, have executed this Agreement as of the date set forth above.

Witnessed by:

GORDON FOOD SERVICES, INC.

Its:

Witnessed by:

CITY OF TROTWOOD, OHIO

Quincy E. Pope, Sr.
City Manager

APPROVED AS TO FORM CORRECTNESS
AND LEGAL SUFFICIENCY:

City of Trotwood Law Director

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**EXHIBIT A
Work Program**

Jurisdiction: **CITY OF TROTWOOD**

Project: **GORDON FOODS SERVICE**

Funds would be used to create an 8,500 SF commissary to create fresh food products. The company plans to create 31 new jobs and retain 39 jobs.

Project Tasks:	Start Date:	End Date:
Design and architecture	4/1/2024	5/1/2024
Construction	7/1/2024	9/30/2024
Operations start	10/1/2024	

EXHIBIT B
Budget

Jurisdiction: **CITY OF TROTWOOD**

Project: **GORDON FOOD SERVICE**

It is expressly understood by the Board of County Commissioners and the Participant that the Board of County Commissioners will reimburse to the Participant only **\$75,000 or 1.78%** of total project cost, whichever is less. All costs, including those relating to salaries and benefits, shall be supported by documentation sufficient to support any claim under this Agreement.

Sources:	Amount:
ED/GE	\$ 75,000
Equity/Private Financing	\$ 4,150,174
Total	\$ 4,225,174

User Expenses:	Amount:
Construction	\$ 1,350,000
Architecture and design	\$ 375,000
Equipment	\$ 1,750,000
Delivery trucks	\$ 750,174
Total	\$ 4,225,174