

**SALES TAX INCENTIVE AGREEMENT
(EXISTING BUSINESS)**

This Tax Incentive Agreement (Agreement) is entered into between the Grove Economic Development Authority (GEDA), the Grove City Council (City) and _____, the Qualifying Existing Retail Business (Business).

GENERAL PROVISIONS

DEFINITIONS:

Wherever used in this Agreement, the following terms shall have the meanings ascribed to them:

- A. Net Tax: Monies collected by the Oklahoma Tax Commission, which have been paid as Grove City Sales Tax by a qualifying business, less monies dedicated and earmarked for other purposes, and less monies retained by the Oklahoma Tax Commission as collection fees.

TERM

This Agreement shall be effective from the date executed for the period of one (1) year but shall be renewable for a period of four (4) additional one (1) year terms.

TAX INCENTIVE AUTHORIZED

Business shall be entitled to a reimbursement of fifty-percent (50%) of the Net Tax collection for taxes paid by the Business. The Incentive shall be paid to the Business quarterly within thirty days of the end of the quarter.

DEFAULT: RECAPTURE OF REBATED TAX

If Business should abandon or close business operations for a period of thirty (30) calendar days, the Business shall lose their Incentive qualification for the quarter during which the abandonment or closing occurred and for the remainder of that fiscal year. If the business is reopened before the next application date of May 1, then, the business may re-apply for Incentives for the succeeding fiscal year; however, it will only be eligible for Incentives for the balance of the three (3) year period that business is entitled to receive incentives. Exceptions may be made by the City Manager for natural disasters and circumstances beyond the control of the business.

Upon breach by Business of any obligations under this Agreement, the City shall notify the "Defaulting Party" in writing. Owner shall have ten (10) days from receipt of the notice in which to cure any such breach. If the breach cannot reasonably be cured within a ten (10) day period, and the Business has diligently pursued such remedies as shall be reasonably necessary to cure such breach, then the City Manager may extend the period in which the breach must be cured.

SUCCESSORS AND ASSIGNS

This Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement may be assigned with the written consent of the Council and GEDA. After any permitted assignment, all references to Business herein shall thereafter be a reference to such successor with respect to any obligations or liabilities occurring or arising after the date of such assignment.

NOTICE

All notices required by this Agreement shall be addressed to the following, or other such party or address as either party designates in writing, by certified mail, postage prepaid, or by hand or overnight delivery:

Business:

City of Grove:

William Keefer, City Manager
104 W. 3rd Street
Grove, Oklahoma 74344

GEDA:

Ron Lay, Chairman
104 W. 3rd Street
Grove, Oklahoma 74344

SEVERABILITY

In the event any section, subsection, paragraph, sentence, phrase or word herein is held invalid, illegal or unconstitutional, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word.

APPLICABLE LAW

This Agreement shall be construed under the laws of the State of Oklahoma. Venue for any action under this Agreement shall be in Delaware County, Oklahoma.

COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

ENTIRE AGREEMENT

This Agreement embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the parties and relating to the matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the parties to be attached to and made a part of this Agreement.

EXECUTED in duplicate originals this _____ day of _____, 2018.

