

**INTERMUNICIPAL AGREEMENT
GOVERNING THE JOINT ECONOMIC ACTIVITIES
BETWEEN THE CITY OF LACONIA AND THE TOWN OF GILFORD**

AGREEMENT made as of the 15th day of MAY, 2001, by the Town of Gilford, a New Hampshire municipal corporation, of 47 Cherry Valley Road, Gilford, Belknap County, New Hampshire 03249 (hereinafter "Town") and the City of Laconia, a New Hampshire municipal corporation, of 45 Beacon Street East, Laconia, Belknap County, New Hampshire 03246 (hereinafter "City") (both of said municipal corporations collectively referred to as the "Municipalities").

ARTICLE 1

Introduction, Scope of Project & Definition

It is the purpose of this Agreement, formed under the provisions of RSA 53-A, to permit the Municipalities to make the most efficient use of their powers and resources by enabling them to cooperate with each other for their mutual advantage. Specifically, it is the goal of the Municipalities to encourage the development and redevelopment of properties located within both municipalities by making improvements to infrastructure and utilities, and to establish a time frame for development. For purposes of clarification, the Governing Body of the Town of Gilford shall be its Board of Selectmen, the Legislative Body of the Town of Gilford shall be Town Meeting, and both the Governing Body and Legislative Body in the City of Laconia shall be its Mayor and City Council.

ARTICLE 2

Formation, Purposes, Powers

2.1 Purpose of Agreement. The Town and City shall collectively have and may exercise all of the following powers, privileges, and authorities:

2.1.1 To actively promote and encourage the development and redevelopment of properties within both municipalities, with specific emphasis on the public

lands adjacent to Rtes. 3&11 in Laconia and Gilford known as the Lakes Business Park, and private and public lands in Laconia and Gilford in and around the Laconia Airport, and make appropriate recommendations to the Legislative and Governing Bodies of the Municipalities;

- 2.1.2 To retain the services of legal counsel, accountants, engineers, and other professionals as required;
- 2.1.3 To construct, fund, supervise, maintain and otherwise manage infrastructure improvements within the development area in accordance with Economic Development Program set out in Article 9 of this Agreement;
- 2.1.4 To enter into any public/private partnerships as are appropriate to further the economic development goals of the Town and City consistent with the purposes of this Agreement; and
- 2.1.5 To take such other actions as are appropriate and legal to fulfill the purposes of this agreement.

- 2.2 **Principal Place of Business.** The initial principal places of business of the Municipalities shall be located at the offices of the Town Administrator, Town of Gilford, presently located at 47 Cherry Valley Road, Gilford, New Hampshire and the offices of the City Manager, City of Laconia, presently located at Beacon Street East, Laconia, New Hampshire.

ARTICLE 3

Term

- 3.1 **Term of Agreement.** This Agreement shall be effective upon its review and approval by the Attorney General under RSA 53-A:3, V; upon ratification of each municipality's Legislative Body; and upon filing with the Municipal Clerk of each Municipality and with the Secretary of State under RSA 53-A:4. This Agreement shall automatically terminate upon completion of the actions and responsibilities set forth in Article 9, Economic Development Program except as specified in Article 10, Revenue Sharing, or the failure by either the Governing Body or Legislative Body to

complete one or more of the affirmative actions required within the Economic Development Program.

Any assets or funds remaining upon termination of this Agreement shall be distributed evenly between the Municipalities.

ARTICLE 4

Joint Board



- 4.1 **Establishment of Joint Board.** The Governing Body of each Municipality shall individually appoint three members to the Joint Board, with said six member Board exercising all of the within stated powers, duties and responsibilities. This Agreement does not establish a separate legal entity to conduct this undertaking.
- 4.2 **Terms of Office for Board Members.** Each Board member shall serve at the pleasure of the respective appointing Governing Body.
- 4.3 **Budget.** The Joint Board shall annually establish and maintain a budget to carry out the purposes of this Agreement. The Joint Board shall develop a budget and deliver same to the Legislative Body of each Municipality on or before November 15 of each year of this Agreement. Upon approval of the budget by the municipalities, the chairman and treasurer members of the Joint Board are hereby authorized to administer and maintain the budget in a manner not inconsistent with the purposes of this Agreement.
- 4.4 **Real and Personal Property.** All real and personal property used in this joint undertaking shall be acquired and held in the name of both of the Municipalities. All real and personal property shall be disposed of in accordance with the general laws of the State of New Hampshire and with all applicable votes, rules, regulations and by-laws of the Municipalities having title to such property.

ARTICLE 5
Board Functioning

- 5.1 Scope.** The provisions of this Article shall govern the functioning of the Joint Board.
- 5.2 Regular Meetings.** The Board shall hold regular meetings on such dates and at such times and places as shall be determined by the Board. All meetings shall be noticed and conducted pursuant to the requirements of RSA 91-A. The Board shall hold at least one meeting annually.
- 5.3 Quorum.** At all meetings of the Board, the presence of four of the Board members shall be required to constitute a quorum for the transaction of business. Of the minimum number of four members who must be present, two shall be appointees from each municipality.
- 5.4 Voting.** On each matter voted upon by the Board, each Member shall be entitled to cast one (1) vote. When a quorum is present at any meeting of the Board, a majority vote of the meeting shall decide any question brought before such meeting.

ARTICLE 6
Officers

- 6.1 Number.** The officers shall be elected by the Board and shall consist of a Chairman, Treasurer and a Secretary. The terms of office shall be determined by the Board.
- 6.2 Duties of Officers.** The duties and powers of the officers of the Board shall be those

Initialed by:  Mayor  Chair, Selectmen

listed below:

- 6.2.1 **Chairman.** The Chairman shall preside at all meetings of the Board and shall also have and perform such other duties as from time to time may be assigned by the Board.
- 6.2.2 **Treasurer.** The Treasurer shall be responsible for maintaining any financial records and shall administer and maintain the budget in a manner not inconsistent with the purposes of this Agreement.
- 6.2.3 **Secretary.** The Secretary shall record all the proceedings of Board meetings, give notice of all meetings, keep the register of the names and addresses of the Board Members and perform such other duties as may be prescribed by the Board.

ARTICLE 7

Operating and Capital Costs; Other Development Issues

- 7.1 **Operating Costs.** The Board may incur expenses such as legal, technical, consultant and other services within the limits of the budget as approved by the Municipalities.
- 7.2 **Allocation of Costs.** Costs incurred by the Municipalities shall be allocated according to the Economic Development Program as set forth in Article 9. Other general expenses incurred by the municipalities shall be allocated equally between the Town and City unless, upon recommendation of the Joint Board, otherwise agreed to by the Governing Bodies of the Municipalities.
- 7.3 **Reuse of Private Property -** This Program does not anticipate the purchase, demolition and/or reuse of private property for municipal uses within the District. However, the Program anticipates the optimum development of private property

Initialed by: LY Mayor W Chair, Selectmen

resulting in meeting the stated objectives of job growth and expansion of the property tax base.

If the Lakes Business Park is not developed by either municipality individually or the municipalities collectively, either municipality may develop the land as their ownership interests allow and according to the law as it currently exists. The municipalities adopt the policy of "nothing lost, nothing gained".

- 7.4. **Proposed Operation of District After Improvements** - This Program does not anticipate transferring any operation and maintenance responsibilities for road transportation from the Town of Gilford, City of Laconia or the State of New Hampshire. This Program will increase the operation and maintenance responsibilities of the Laconia Water Works and municipal services provided by the Town of Gilford.

Water mains constructed under this Program will be connected to the Laconia Water Works system, and will become the operational and maintenance responsibility of the Water Works after one year of operation. During the initial year of operation, the Municipalities shall secure the appropriate guarantees from the water line installer to insure the system's operation against defects in material and workmanship.

- 7.5 **Capital Costs** -- The Board shall make recommendations to the municipalities' governing bodies regarding the need for replacement of or additional infrastructure to service Phase II at the Lakes Business Park. Upon approval of each community, the Board shall manage and direct said improvements, to be paid from available funds in the Capital Replacement Fund.

ARTICLE 8

Recent Economic Development Efforts

- 8.1 **Blaisdell Avenue:** In 1998, both municipalities executed an Intermunicipal Agreement establishing the terms and conditions for the redevelopment of the Blaisdell Avenue area. Each municipality has appropriated \$120,000.00 for the project, upon which construction began in July, 1999 and was completed in Spring, 2000.
- 8.2 **Lakes Business Park:** Each municipality has expended over \$61,000.00 for survey, design and engineering fees for the development of the Lakes Business Park, Phases I & II, located in Gilford and Laconia.
- 8.3 **Lakes Business Park, Phase I:** The City has appropriated additional funds for the completion of engineering and infrastructure improvements and began construction of Phase I, located in Laconia, in Spring 1999. It was discovered that the Town owned a 17.8% undivided interest in the land comprising Phase I, having received said interest from the City by deed dated 15 February 1984 and recorded in the Belknap County Registry of Deeds in Book 864, Page 653 pursuant to a Bilateral Agreement Between the City of Laconia and the Town of Gilford for Joint Use of the Gilford-Laconia Landfill in Accordance with New Hampshire RSA 53-A dated November 30, 1976. Upon said discovery, Gilford voters agreed by a 92% approval vote, at a Special Town Meeting on June 16, 1999 to convey the Town's 17.8% undivided interest in the land comprising Phase I (Tract VI in the deed referred to above) of the Lakes Business Park back to the City at a purchase price of \$33,713.00.

ARTICLE 9
Economic Development Program

9.1 **Memorandum of Agreement:** On June 14, 1999, the Governing Bodies of the Municipalities entered into a Memorandum of Agreement which set forth the framework for future cooperative Economic Development Programs. Pursuant to the Memorandum, the municipalities have, to date, taken the following actions that will further this Agreement.

9.1.1 **Water to the Laconia Airport:** The City has secured, by August 30, 1999, the services of a professional engineer to engineer, design and prepare for bidding a water line extension to the White Oaks Road-Hillcrest Drive area of the City and to the Laconia/Gilford municipal line in and around the area of Waterford Place.

9.1.2 The City has funded construction of the water line as outlined in Section 9.1.1 and shall complete construction no later than September 30, 2001, contingent upon approval at the 2001 Town Meeting of this Agreement and authorization to convey land pursuant to Section 9.2.5.

9.1.3 The Town received Town Meeting approval in March 2000 for payment of 50% of the costs incurred for the professional engineering firm and professional consultant as outlined in Sections 9.2.2 & 9.2.3, reduced by \$33,713.00, which represents the consideration given by the City for obtaining the Town's 17.8% undivided interest in the land comprising Phase I of the Lakes Business Park. These funds were placed in a Capital Reserve Fund, to be released and expended upon approval of this Agreement by voters at the 2001 Town Meeting.

9.1.4 The City has included 50% for the cost of the professional engineering firm

Initialed by: RY Mayor ZW Chair, Selectmen

and professional consultant as outlined in Sections 9.2.2 & 9.2.3 in its Fiscal Year 2000-2001 annual budget, increased by \$33,713.00, representing the consideration given by the City for obtaining the Town's 17.8% undivided interest in the land comprising Phase I of the Lakes Business Park. The City shall hold the consideration for payment for the Town's 17.8% undivided interest in the land comprising Phase I of the Lakes Business Park in escrow to offset the Town's obligation under Section 9.1.3 above.

9.2 To further the purposes of this Agreement, the Municipalities agree to the following:

9.2.1 This Intermunicipal Agreement shall be presented for approval to the Laconia City Council and the voters of the Town of Gilford at the March 2001 Town Meeting.

9.2.2 The Municipalities agree to select a professional engineering firm by April 1, 2001 to provide cost estimates to:

1. Subdivide Phase II of the Lakes Business Park.
2. Subdivide the Laconia Airport industrial land.
3. Design all roads and utility extensions for Phase II of the Lakes Business Park and the Laconia Airport industrial land.
4. Provide traffic mitigation and environmental studies for Phase II of the Lakes Business Park and the Laconia Airport industrial land.

9.2.3 The Municipalities agree to select a professional consultant by April 1, 2001 to provide cost estimates to study all engineering data for Phase II of the Lakes Business Park and for the Laconia Airport industrial land, to report the specific infrastructure costs for Phase II and the Airport industrial land and estimated total developable building space for each. The estimate of total developable building space at the Laconia Airport shall include privately-

owned land within the boundaries of the water franchise area, as shown on Exhibit A.

- 9.2.4 The Municipalities agree that all design, engineering and other consultant work as outlined in Sections 9.2.2 & 9.2.3, shall be completed no later than January 30, 2002.
- 9.2.5 The Town shall seek Town Meeting approval in March 2001 to grant the Selectmen authority to convey the Town's undivided 17.8% interest in the land comprising Phase II of the Lakes Business Park to any other party, including a non-profit regional development corporation. The Selectmen will publicly advocate for passage of this warrant article.
- 9.2.6 The Town shall seek Town Meeting approval in March 2002 for payment of 50% of the infrastructure, utility, and traffic mitigation costs for Phase II of the Lakes Business Park, based upon the engineer's and consultant's reports and findings as outlined in Sections 9.2.2 & 9.2.3. The Selectmen will publicly advocate for passage of this warrant article.
- 9.2.7 The City agrees to convey its undivided 82.8% interest in the land comprising Phase II of the Lakes Business Park to any other party, including a non-profit regional development corporation.
- 9.2.8 In the event the Town's voters approve this Agreement and authorize the conveyance of its undivided 17.8% interest in land comprising Phase II of the Lakes Business Park to any other party, including a non-profit regional development corporation, the City shall forthwith petition the New Hampshire Public Utilities Commission to establish a water franchise area for the Laconia Airport industrial land and other land abutting the proposed route of the water line extension between the Laconia/Gilford line and the Airport property.

9.2.9 In the event the Town's voters approve participation in Phase II of the Lakes Business Park as outlined in Sections 9.2.5, 9.2.6 and 10.3., the City shall forthwith petition the New Hampshire Public Utilities Commission to establish a water franchise area identified as Exhibit A as amended in blue.

9.3.0 The City shall include in its Fiscal Year 2002-2003 annual budget for payment of 50% of the infrastructure, utility, and traffic mitigation costs for Phase II of the Lakes Business Park, based upon the engineer's and consultant's reports and findings as outlined in Sections 9.2.2 & 9.2.3.

ARTICLE 10 REVENUE SHARING

Pursuant to the authority granted under RSA 53-A:3, the Municipalities shall share property tax revenues as follows

10.1 **Impact of Uniform Education Property Tax** - In view of the Legislature's continuing actions overhauling the funding of education on a state-wide basis, the Municipalities recognize the importance of properly and accurately reporting taxable assessed valuations to the Department of Revenue Administration. The Municipalities hereby agree to cooperate with the Department of Revenue Administration to insure that the assessed valuation and resulting taxes shared pursuant to this Article are credited to the receiving community and further, should current State Statute not address this issue, work with the Municipalities' elected representatives to submit and enact legislation which would achieve the goals of this Section 10.1.

10.2 **Airport Industrial Land** - In the event the City establishes a water franchise area as set forth in Sections 9.2.8 or 9.2.9 above:

10.2.1 Gilford shall provide to Laconia the current assessed value of the real property within the water franchise area as of April 1st of the year in which a water line extension has been extended and completed into Gilford. The current assessed value so determined shall be known as the "original assessed value". Property exempt from taxation at the time of determination shall be included at zero, unless it later becomes taxable, in which case its most recently determined assessed valuation shall be included. Each year thereafter, the town shall determine the amount by which the assessed value has increased or decreased from the original assessed value. The assessors shall also determine the proportion which any increase or decrease bears to the total assessed value of the real property in that district for that year.

10.2.2 Any amount by which the current assessed value of the water franchise area exceeds the original assessed value is referred to as the captured assessed value. The town's assessors shall determine the amount of the captured assessed value each year.

10.2.3 The Town shall annually allocate the captured assessed value multiplied by the municipal portion of the property tax rate to the Laconia Airport Authority for deposit into an "Airport Support Fund".

10.2.4 The "Airport Support Fund" shall be managed by the Laconia Airport Authority, and used to provide operating or capital improvement revenues for the continued operation of the Laconia Airport.

10.2.5 The Town shall submit the annual allocation on or before December 15 of each year after the Department of Revenue Administration has established the Town property tax rate.

10.2.6 The Town shall pay these revenues into the "Airport Support Fund" for a period of twenty (20) consecutive years following the delivery

of water to the water franchise area.

10.2.7 Reconfigured Original Assessed Value - Should the Town determine through its normal assessment process that the assessed values for commercial and/or industrial property town-wide require adjustment as evidenced by an appropriate sampling of arms-length sales transactions, those properties, including ones within the water franchise area, shall be adjusted. Said adjustment will result in the recomputation of the Original Assessed Value by determining the percentage resulting by dividing the original assessed value into the current assessed value from the previous year. This percentage is then applied to the "new" current assessed value after market adjustments have been completed, resulting in the Reconfigured Original Assessed Value. The Reconfigured Original Assessed Value shall then be used to determine the annual allocation to the "Airport Support Fund" as set forth in Sections 10.2.1 - 10.2.3, for the remainder of the term as set forth in Section 10.2.6.

10.3 Lakes Business Park - Phase II: In the event both communities fully participate in Phase II of the Lakes Business Park:

10.3.1 In recognition of the Municipalities' original investments in land at the Lakes Business Park, the City shall receive 82.2% and Gilford shall receive 17.8% of the proceeds from the sale of any property in Phase II.

10.3.2 The Town shall receive the first 15%, but not less than \$25,000 in property taxes generated upon properties in Phase II each year to offset the Town's direct service delivery costs to Phase II properties only. The municipalities agree to cause a study to be conducted at each fifth year anniversary of this Agreement, of the Town's costs to provide direct service delivery to Phase II properties, which shall be

the basis for negotiations to adjust the Town's reimbursement in this Section 10.3.2. Until a revised agreement is made, the existing agreement will remain in effect.

10.3.3 After satisfaction of obligations to the Town as set forth in Section 10.3.2, the Town shall then receive reimbursement from the property taxes generated in Phase II for its net costs associated with the collection, transfer and disposal of solid waste generated by Phase II properties. For the purposes of this section, the City shall demonstrate its capacity to separately identify and segregate these costs, as set forth in Exhibit B.

10.3.4 After satisfaction of the obligations to the Town as set forth in Sections 10.3.2 & 10.3.3, beginning in the sixth year of this Agreement, the next \$58,000 of property taxes generated upon properties in Phase II each year shall be placed in a Capital Replacement Fund to be held by the Town Trustees of Trust Funds. The Board of Selectmen and Laconia City Council shall be designated as the agents to expend, with said funds to be expended pursuant to the provisions of Section 7.5.

10.3.5 The Municipalities shall share the remaining property tax revenues generated by property located in Phase II after satisfaction of obligations set forth in Sections 10.3.2, 10.3.3 and 10.3.4 on a 50% Town – 50% City basis.

10.3.6 The Municipalities agree that the revenue sharing formula as set forth in Section 10.3.5 shall remain in effect in perpetuity following completion of infrastructure improvements at Phase II.

10.3.7 The Town shall submit the annual revenue sharing in accordance with Sections 10.3.2 through 10.3.5 on or before December 15 of each year after the Department of Revenue Administration has established the Town property tax rate.

10.4 Lakes Business Park - Phase II - Alternate Formulas – In the event that either the Town or the City decide not to participate in the development of Phase II and/or convey its undivided interest in Phase II land, the following shall govern each municipality's respective obligations and responsibilities:

10.4.1 In the event the Town's voters vote not to participate in the development of Phase II of the Lakes Business Park as outlined in Section 9.2.6, but agrees to transfer the Town's undivided 17.8% interest in the land comprising Phase II of the Lakes Business Park, pursuant to Section 9.2.5, the Municipalities agree that the City may, on its own and without the Town's participation, proceed with the construction of Phase II of the Lakes Business Park. Should the City decide to proceed and the town to convey its interest, the following will govern the development, property tax assessment, collection and distribution, and future actions upon Phase II, and the extension of city water to the Laconia Airport:

- 10.4.1.1** The City shall abide by and be subject to the Town's Land Use Regulations as if it were not a governmental entity.
- 10.4.1.2** The City shall pay 100% of all construction costs for said Phase II.
- 10.4.1.3** The Town's Selectmen will convey the Town's interest in said land to the holder of any purchase and sale agreement.
- 10.4.1.4** The first \$29,000 of property taxes generated upon properties in Phase II each year beginning in year six shall be placed in a Capital Replacement Fund to be held by the Town Trustees of Trust Funds. The Board of Selectmen and Laconia City Council shall be

designated as the agents to expend.

10.4.1.5 After the Capital Replacement Fund is funded pursuant to Section 10.4.1.4, the Town agrees to a revised revenue sharing formula whereby the Town shall retain the remaining 30% of the property tax revenue generated by property in Phase II of the Lakes Business Park with the City receiving 70% of the property tax revenues. Gilford's 30% share shall be deemed to include any amounts necessary to off set the Town's direct service delivery costs to Phase II properties only.

10.4.1.6 The Town shall receive 17.8% of the proceeds from the sale of any property in Phase II based upon a predevelopment value. The City shall receive the remaining proceeds from the sale of any property in Phase II.

10.4.1.7 The Municipalities agree that the revenue sharing formula as set forth in Section 10.4.1.4 and 10.4.1.5 shall remain in effect in perpetuity, or until full participation in Phase II by the Town pursuant to Section 10.7.

10.4.1.8 The Town shall submit the annual revenue sharing in accordance with Section 10.4.1.4 to the City on or before December 15 of each year after the Department of Revenue Administration has established the Town property tax rate.

10.4.1.9 The City shall fulfill its obligations under Sections 9.1.2 & 9.2.8.

Initialed by: MS Mayor W Chair, Selectmen

10.4.2 In the event the Town's voters do not agree to participate in the construction of Phase II of the Lakes Business Park, or to transfer the Town's undivided 17.8% undivided interest in the land comprising Phase II, the City shall have no further obligation to act as outlined under Section 9.1.2.

10.4.3 In the event the City does not agree to participate in the development of Phase II of the Lakes Business Park as outlined in Section 9.3.0, but agrees to transfer the City's undivided 82.8% interest in the land comprising Phase II of the Lakes Business Park, pursuant to Section 9.2.7, the Municipalities agree that the Town may, on its own and without the City's participation, proceed with the construction of Phase II of the Lakes Business Park. Should the Town decide to proceed, the following will govern the development, property tax assessment, collection and distribution, and future actions upon Phase II, and the extension of City water to the Laconia Airport:

10.4.3.1 The Town shall abide by and be subject to the Town's Land Use Regulations as if it were not a governmental entity.

10.4.3.2 The Town shall pay 100% of all construction costs for said Phase II.

10.4.3.3 The City Council will convey the City's interest in said land to the holder of any purchase and sale agreement.

10.4.3.4 The Town shall retain 100% of the property tax revenue generated by property in Phase II of the Lakes Business Park.

10.4.3.5 The City shall receive 82.2% of the proceeds from the sale of any property in Phase II based upon the predevelopment value. The Town shall receive the

remaining proceeds from the sale of any property in Phase II.

10.4.3.6 The City shall petition the Public Utilities Commission for the franchise area to include land within Phase II of the Lakes Business Park.

10.4.3.7 The City shall complete its obligations under Section 9.1.2 and shall petition the Public Utilities Commission for the franchise area identified as Exhibit A as amended in blue.

10.5 In the event the City does not agree to participate in the development of Phase II of the Lakes Business Park as outlined in Section 9.3.0, and further does not agree to transfer the City's undivided 82.8% interest in the land comprising Phase II of the Lakes Business Park, pursuant to Section 9.2.7, and Gilford voters have approved both participation and conveyance, the City agrees that it will forthwith complete its obligations under Sections 9.1.2 and petition the Public Utilities Commission for the franchise area as identified in Exhibit A as amended in blue.

10.6 In the event that neither community participates in the development of Phase II of the Lakes Business Park as outlined in Sections 9.2.6 or 9.3.0, but agree to transfer their respective, undivided interest in the land comprising Phase II of the Lakes Business Park, pursuant to Sections 9.2.5 or 9.2.7, the City agrees to fulfill its obligations under Sections 9.2.8 and 10.4.3.6, and there shall be no sharing of property tax revenues.



10.7 In the event that either community decides in 2002 not to participate in the development of Phase II of the Lakes Business Park, and the other community decides to proceed under either Section 10.4.1 or 10.4.3, for a period of three (3) years following the March 2002 Gilford Town Meeting,

through the March 2005 Town Meeting, either community shall allow the other to become a full partner in Phase II by reimbursing the other for 50% of all construction costs for Phase II, as well as any bond interest and costs incurred by either community as a result of bonding more than their 50% share, including any pre-payment penalties. Following construction of Phase II, the complete listing of all construction costs shall be shared between the communities. After agreement of the second municipality to participate in the development of Phase II, the Municipalities shall share property tax revenue generated by property located in Phase II as set forth in Sections 10.3.2 through 10.3.5, and complete any outstanding obligations pursuant to Sections 9.1.2 & 9.2.9. It is understood by both communities that property tax sharing obligations under Section 10.3.5 shall commence upon reimbursement of construction, financing and other associated costs, and shall not include revenue previously collected by the Town and distributed or retained according to the applicable terms of this Agreement.

ARTICLE 11

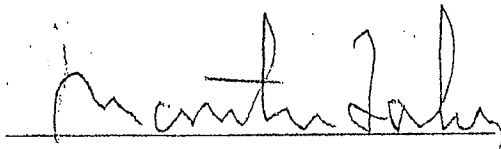
General Cooperation Between The Municipalities

Nothing in this Agreement shall prevent or otherwise limit the Municipalities from cooperating on further economic development projects, including extension of municipal utilities and revenue sharing issues. The Municipalities pledge their good faith efforts to build upon the cooperation outlined in this Agreement to their mutual advantage.

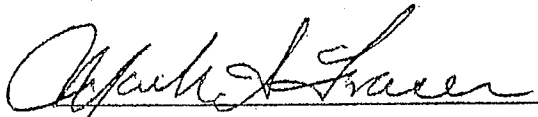
Initialed by:  Mayor  Chair, Selectmen

ADOPTED this 15TH day of MAY, 2001.

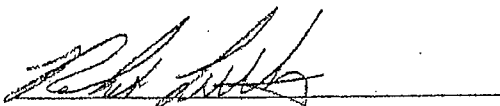
For the City of Laconia:



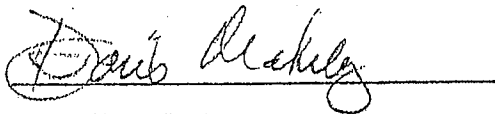
Mayor



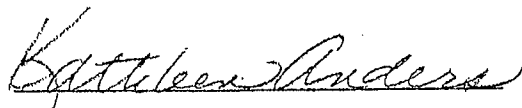
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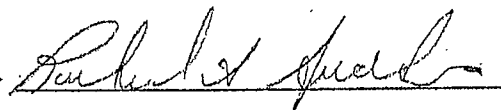
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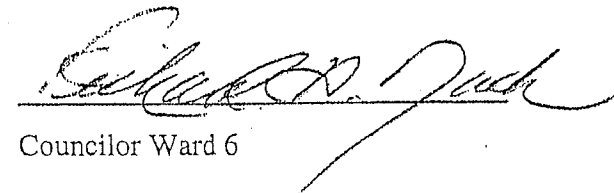
Councilor Ward 3



Councilor Ward 4



Councilor Ward 5

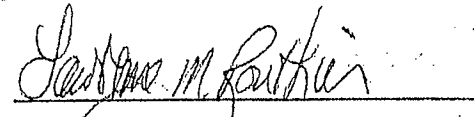


Councilor Ward 6

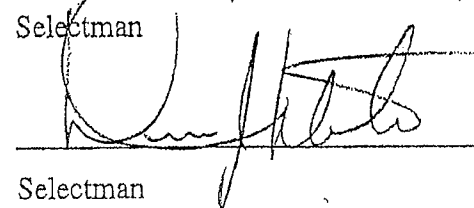
For the Town of Gilford, attesting to
the adoption of this Agreement at
the March 2001 Town Meeting:



Chairman, Board of Selectman



Selectman



Selectman



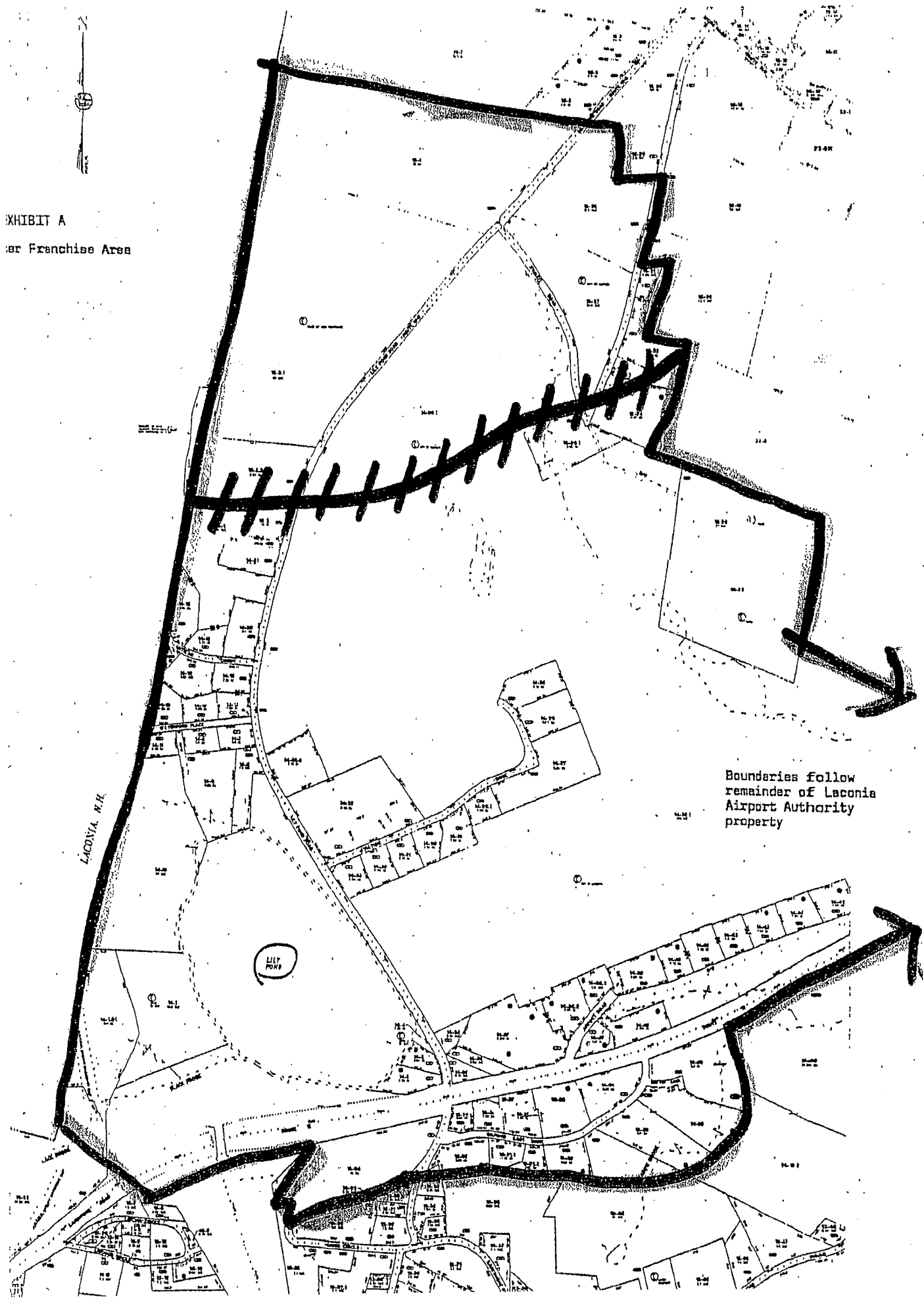
Initialed by:  Mayor  Chair, Selectmen

EXHIBIT A
er Franchise Area



Boundaries follow
remainder of Laconia
Airport Authority
property

