

CITY OF CHEVIOT
STATE OF OHIO

RESOLUTION NO. ²³ 16-16

TO ADOPT AGREEMENT MODIFYING JOINT ECONOMIC DEVELOPMENT DISTRICT III EARNING TAX.

WHEREAS, pursuant to Ordinance 13-08, the City entered into a Green Township-City of Cheviot Joint Economic Development District III Contract; and

WHEREAS, Green Township and Mercy Health have entered into an Agreement Modifying Joint Economic Development District III earnings tax, a copy of which is attached hereto as Exhibit "A" and incorporated herein; and

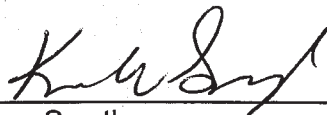
WHEREAS, the City approves and adopts the Agreement Modifying Joint Economic Development District III to the extent that it increases the maximum earnings tax rate for JEDD III.

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CHEVIOT, STATE OF OHIO THAT:

Section 1. The City hereby approves and adopts the Agreement Modifying Joint Economic Development District III between Green Township and Mercy Health, which is attached hereto as Exhibit "A" and incorporated herein.

Section 2. The Safety-Service director is authorized to execute any documents necessary to adopt the Agreement.

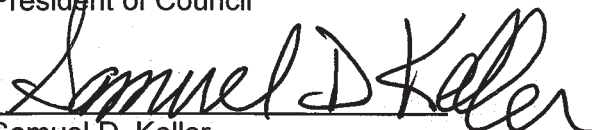
Section 3. This resolution shall take effect immediately.



Kerry Smyth
President of Council

10/31/23

Date passed



Samuel D. Keller
Mayor

10/3/23

Date approved

Attest:

Approved as to form:



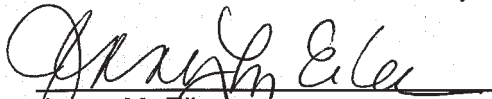
Jenny M. Eilermann
Clerk of Council

Kimberlee Erdman Rohr
Law Director

CERTIFICATE OF PUBLICATION

I, Jenny M. Eilermann, Clerk of the Council of the City of Cheviot, Ohio, hereby certify that the foregoing resolution, or a succinct summary, was published in the *Cincinnati Court Index*, a newspaper of general circulation in the City of Cheviot, Ohio, in accordance with Section 731.21 of the Ohio Revised Code, on the following dates:

- 1) _____ 10/6 _____, 2023, and
- 2) _____ 10/13 _____, 2023.



Jenny M. Eilermann
Clerk of Council

AGREEMENT MODIFYING JOINT ECONOMIC DEVELOPMENT DISTRICT III EARNINGS TAX

This Agreement (the "Agreement") to modify the income tax rate levied within the Green Township Joint Economic Development District III (Mercy Hospitals West) (the "JEDD"), is entered into as of the 25th day of September, 2023, by and among the TOWNSHIP OF GREEN, OHIO ("Township") and MERCY HEALTH – WEST HOSPITAL LLC F/K/A MERCY HOSPITALS WEST (including applicable affiliates thereof, "Mercy").

WHEREAS, the parties entered into a Development Agreement on April 25, 2011 (as amended, the "Development Agreement"), pursuant to which Mercy agreement, among other things, to develop Phases I of Project on the Site, each as defined in the Development Agreement; and

WHEREAS, in reliance upon the terms of the Development Agreement, Mercy agreed to cooperate with the Township in the creation of the JEDD; and

WHEREAS, the Development Agreement and the Green Township – City of Cheviot Joint Economic Development District III Contract (the "JEDD Contract"), between the Township and the City of Cheviot, Ohio (the "City") provides for an income tax levy within the JEDD (as further described and defined in the JEDD Contract, the "Earnings Tax") at a maximum rate of two percent (2%) during the first ten (10) years of the JEDD, and at a maximum rate of one percent (1.0%) during year eleven (11) of the JEDD and thereafter during the term of the JEDD Contract; and

WHEREAS, the collection of the Earnings Tax commenced on October 1, 2013, and for purposes of the JEDD Contract and the maximum rate of the Earnings Tax, year eleven (11) of the JEDD Contract shall commence on October 1, 2023; and

WHEREAS, the parties wish to modify the maximum rate of the Earnings Tax for employees within the JEDD presently subject to the Earnings Tax.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the adequacy of which is hereby acknowledged, the Township and Mercy agree as follows:

1. The foregoing Recitals are hereby incorporated in this Agreement to the same extent as if they had been herein stated in full.
2. The maximum rate of the Earnings Tax during year eleven (11) of the JEDD Contract shall be one and one half percent (1.5%), effective October 1, 2023, which maximum Earnings Tax rate shall remain in effect through September 30, 2024.
3. As consideration for the extension of the maximum Earnings Tax rate of 1.5% through September 30, 2024, the Township agrees to make two hundred thousand dollars (\$200,000) available to Mercy on or before September 30, 2024, to pay costs of specific capital improvements to or benefiting the Site as described in Section 6, subject to any

legal requirements applicable to the portion of the Earnings Tax received by the Township and subject to eligibility for support with public funds contained within the Township's 1994 Tax Increment Financing Program.

4. It is the intention of the parties hereto to negotiate subsequent to the effective date of this Agreement the terms upon which the maximum Earnings Tax rate of 1.5% may be extended for an additional four years through September 30, 2028, after which date the Earnings Tax rate would be reduced to one percent (1.0%) for the remainder of the term of the JEDD Contract.
5. It is the goal of the parties that prior to October 1, 2024, the parties will agree to a commitment by the Township to make available to Mercy an additional dollar amount estimated to equal eight hundred thousand dollars (\$800,000), on a timetable to be mutually agreed upon by Mercy and the Township, to pay costs of specific capital improvements to or benefiting the Site as described in Section 6, subject to any legal requirements applicable to the portion of the Earnings Tax received by the Township and subject to eligibility for support with public funds contained within the Township's 1994 Tax Increment Financing Program.
6. Said projects could include, but are not limited to the following:
 - Installation and monitoring of FLOCK camera devices in proximity to the ingress and egress of Mery Health Boulevard on North Bend Road.
 - Additional police patrols when available along Mercy Health Boulevard and campus.
 - Potential wellness trail connecting to the Mercy Health Campus for use by employees.
 - If needed, the expansion of parking infrastructure to accommodate future growth.
 - Renovation on the gateway sign on North Bend Road.
7. In the event the parties hereto fail to reach an agreement prior to October 1, 2024, regarding the amount or uses of the funds to be made available to Mercy by the Township pursuant to Section 5, the maximum Earnings Tax rate shall be reduced to 1.0% effective October 1, 2024, through the term of the JEDD Contract. Other than as expressly agreed to by the Township and Mercy, the Township shall not take any action to increase the maximum Earnings Tax above 1.0%, as applicable on or after October 1, 2028, and the Township shall amend the JEDD Contract such that so long as Mercy is the owner of real property within the JEDD, the maximum Earnings Tax applicable (a) on or after October 1, 2024, shall not exceed 1.5% or 1.0%, as applicable in accordance with this Agreement, and (b) on and after October 1, 2028, shall not exceed 1.0% without the written consent of Mercy.
8. All of the terms, conditions, and provisions of the Development Agreement originally entered into by the parties on April 25, 2011, and as subsequently amended, not herein expressly modified shall remain in full force and effect.

9. Each party hereto agrees, to the extent within their respective control, to take all actions and obtain all necessary approvals, consents, and amendments to relevant instruments necessary to modify the Earnings Tax rate as agreed to in this Agreement and advance the agreements made herein, including without limitation, approval by the Township Board of Trustees and the Council of the City, and necessary amendments to the JEDD Contract.
10. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, and assigns.
11. This Agreement may be executed in several counterparts, each of which shall constitute an original, all of which together shall constitute one and the same agreement.

In Witness Whereof, the parties hereto have signed and executed this Agreement Modifying the Joint Economic Development District III Earnings Tax effective on the date first written above.

BOARD OF TRUSTEES OF GREEN TOWNSHIP

By: 
Township Administrator

MERCY HEALTH – WEST HOSPITAL LLC

By: 
Title: PRO. DIST / CEO