

COUNCIL CHAMBER

City of Berea, Ohio

ORDINANCE No. 2017-46

By Nick Haschka Sponsored By Mayor Cyril M. Kleem

AN ORDINANCE

APPROVING AND AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT FOR A JOB CREATION TAX CREDIT WITH BRIDGES REHABILITATION SERVICES PURSUANT TO THE AUTHORITY OF ORDINANCE NO. 2010-29, AND DECLARING AN EMERGENCY.

WHEREAS, Berea City Council approved Ordinance No. 2010-29 on April 20, 2010, which authorizes the Mayor or his or her designee to negotiate a Job Creation Tax Credit Agreement with businesses located in Berea that create new jobs, or businesses located outside of the Berea that bring new jobs to the City of Berea; and

WHEREAS, in order to qualify for a Job Creation Tax Credit, a business must create at least five (5) new jobs in the City of Berea and maintain an annual payroll of at least \$100,000.00; and

WHEREAS, any Job Creation Tax Credit Agreement negotiated by the Mayor or his or her designee shall not be effective until approved by Berea City Council; and

WHEREAS, Bridges Rehabilitation Services (hereinafter referred to as "Bridges") is a company that specializes in providing services to adults with developmental disabilities; and

WHEREAS, due to circumstances beyond its control, Bridges has to leave its current facility in another community and has leased a facility at 1213 West Bagley Road, Berea, Ohio 44017; and

WHEREAS, Bridges will move forty (40) employees with an annual payroll of approximately \$1,000,000.00 to the West Bagley Road facility; and

WHEREAS, Bridges and the City of Berea desire to enter into a Job Creation Tax Credit Agreement.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Berea, State of Ohio:

SECTION 1. That the Mayor or his designee be and is hereby authorized to enter into a Job Creation Tax Credit Agreement with Bridges in substantially the form of the Agreement attached hereto as Exhibit "A" and incorporated herein by reference.

SECTION 2. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal actions were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 3. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare, or providing for the usual daily operation of municipal departments, and for the further reason that said Agreement must be in place as soon as reasonably possible to facilitate the location of these new jobs to Berea. Therefore, provided this Ordinance receives the affirmative vote of two-thirds of all members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise from and after the earliest period allowed by law.

PASSED: October 2, 2017

ATTEST: [Signature]
Clerk of Council

APPROVED: October 2, 2017
[Signature]
Mayor

Approved as to form:

[Signature]
Director of Law

JOB CREATION TAX CREDIT AGREEMENT
BRIDGES REHABILITATION SERVICES
CITY OF BEREA, OHIO

Exhibit
"A"

WHEREAS, Berea City Council approved Ordinance 2010-29 on April 20, 2010 which authorizes the Mayor or his or her designee to negotiate a Job Creation Tax Credit Agreement with businesses located in Berea that create new jobs or businesses located outside of the Berea that bring new jobs to the Berea;

WHEREAS, in order to qualify for a Job Creation Tax Credit a business must create at least five (5) new jobs in the City of Berea and maintain an annual payroll of at least \$100,000.00;

WHEREAS, a Job Creation Tax Credit Agreement can rebate up to 60% (1.2% of the 2%) of the local payroll taxes paid to the City of Berea (hereinafter referred to as "CITY") by a business;

WHEREAS, any Job Creation Tax Credit Agreement negotiated by the Mayor or his or her designee shall not be effective unless approved by Berea City Council;

WHEREAS, Bridges Rehabilitation Services (hereinafter referred to as "BRIDGES") is a company that specializes in providing services to adults with developmental disabilities;

WHEREAS, BRIDGES intends to move from their current facility located in another community and to a new facility located at 1213 West Bagley Road, Berea, Ohio 44017;

WHEREAS, BRIDGES will move forty (40) employees with an annual payroll of approximately \$1,000,000 to the West Bagley Road facility; and

WHEREAS, BRIDGES and CITY desire to enter into a Job Creation Tax Credit Agreement.

The followings are the terms and conditions of the Job Creation Tax Credit Agreement between BRIDGES and CITY.

1. Starting with the third financial quarter of 2017 and ending in the second financial quarter of 2027, BRIDGES will receive a rebate in the amount equivalent to 60% (1.2% of the 2%) of the local payroll taxes paid to the CITY by the employees of BRIDGES.
2. All rebates shall be issued to BRIDGES quarterly based upon the payroll amount paid to the CITY through the Regional Income Tax Agency (hereinafter referred to as "RITA"), or any subsequent entity that collects local payroll tax for CITY, following receipt of said payroll taxes by the CITY from RITA or any subsequent local payroll collecting entity.
3. Rebates shall be issued to BRIDGES no later than 90 days following the conclusion of the financial quarter.
4. The continuance of this Job Creation Tax Credit Agreement is conditioned upon BRIDGES maintaining at least thirty (30) jobs and an annual payroll of at least \$750,000.00. If the number of jobs falls below thirty (30) or the annual payroll falls below \$750,000.00 for any given year, the CITY may revoke this Job Creation Tax Credit Agreement.

5. This Job Creation Tax Credit Agreement is not assignable.
6. There shall be no requirement that rebate dollars be returned, should BRIDGES fail to satisfy either of the job or payroll minimums established in Section 4 of this Job Creation Tax Credit Agreement.
7. This Job Creation Tax Credit Agreement is subject to approval by Berea City Council.
8. This Job Creation Tax Credit Agreement shall be reviewed annually by the Berea Board of Income Tax Review to evaluate compliance with the terms of this Job Creation Tax Credit Agreement and to recommend either continuance or termination of this agreement, to Berea City Council, who shall make the final determination.
9. BRIDGES agrees to comply with the City of Berea Zoning Code, Exterior Maintenance Code; Rubbish Regulations and all other applicable laws.

The foregoing terms and conditions are hereby agreed upon by BRIDGES and the CITY.

CITY OF BERA

BRIDGES REHABILITATION SERVICES

Cyril Kleem
Mayor

Bo Lambert
Chief Financial Officer

Date

Date