

COUNCIL CHAMBER

City of Berea, Ohio

ORDINANCE No. 2015-52

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 BUYERQUEST, INC. PURSUANT TO THE AUTHORITY OF ORDINANCE 2010-29, AND DECLARING AN EMERGENCY.

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 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, BuyerQuest, Inc. (hereinafter referred to as "BQ") is a company that specializes in Procure-to-Pay Software; and

WHEREAS, BQ has left a facility it rented in another community and has signed a lease to occupy a larger facility at 343 West Bagley Road, Berea, Ohio 44017; and

WHEREAS, BQ will move all its current staff of fifty (50) employees with an annual payroll of approximately \$5,000,000.00 to the West Bagley Road facility; and

WHEREAS, BQ and the City of Berea (hereinafter referred to as "CITY") 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 he is hereby authorized to enter into a Job Creation Tax Credit Agreement with BuyerQuest, Inc. 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.

COUNCIL CHAMBER

City of Berea, Ohio

ORD. No. 2015-52

By Haschka Sponsored By Mayor Kleem

PASSED: June 15, 2015



President of Council

ATTEST: [Signature]
Clerk of Council

APPROVED: June 22, 2015
[Signature]
Mayor

Approved as to form:

[Signature]
Director of Law

Exhibit H

JOB CREATION TAX CREDIT
BUYERQUEST, INC.
CITY OF BEREA, OHIO

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, 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;

WHEREAS, BuyerQuest, Inc. (hereinafter referred to as "BQ") is a company that specializes in Procure-to-Pay Software;

WHEREAS, BQ has left a facility it rented in another community and has signed a lease to occupy a larger facility located at 343 West Bagley Road, Berea, Ohio 44017.

WHEREAS, BQ will move all of its current staff of fifty (50) employees with an annual payroll of approximately \$5,000,000.00 to the West Bagley Road facility; and

WHEREAS, BQ and the City of Berea (hereinafter referred to as "CITY") desire to enter into a Job Creation Tax Credit Agreement.

The following are the terms and conditions of the Job Creation Tax Credit Agreement between BQ and CITY.

1. Starting with the third financial quarter of 2015 and ending in the second financial quarter of 2025, BQ 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 BQ.

2. All rebates will be issued to BQ 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 will be issued to BQ 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 BQ maintaining at least five (5) jobs and an annual payroll of \$100,000.00. If the number of jobs falls below five (5) or the annual payroll falls below \$100,000.00 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 BQ fail either to maintain at least five (5) jobs or an annual payroll of at least \$100,000.00.
 7. This Job Creation Tax Credit Agreement is subject to approval by Berea City Council.
 8. This Job Creation Tax Credit Agreement will 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.
- The foregoing terms and conditions are hereby agreed upon by BQ and the CITY.

CITY OF BEREA

BUYERQUEST, Inc.

Cyril Kleem
Mayor

Jack Mulloy
Chief Executive Officer

Date

Date