



**To:** Members of Dublin City Council

**From:** Dana L. McDaniel, City Manager

**Date:** April 5, 2022

**Initiated By:** Megan D. O'Callaghan, Deputy City Manager/Chief Finance and Development Officer  
Jenna Goehring, Economic Development Administrator  
Tina Wawszkiewicz, Civil Engineer II  
Kendel Blake, Management Analyst

**Re: Ordinance 14-22** - Authorizing the Provision of Certain Incentives to Mount Carmel Health System to Induce it to Establish a Northwest Healthcare Campus Within the City; and Authorizing the Execution of an Economic Development Agreement

**Ordinance 15-22** - Authorizing the City Manager to Enter Into an Infrastructure Agreement with Mount Carmel Health System for the Mount Carmel Health System Project.

## Background

Mount Carmel Health System ("Mount Carmel") serves more than a million patients in Central Ohio each year, comprised of over 10,000 employees, 2,000 physicians and 900 volunteers. As one of the largest integrated health systems in the community, Mount Carmel provides people-centered care at four hospitals – Mount Carmel East, Mount Carmel Grove City, Mount Carmel St. Ann's and Mount Carmel New Albany – with an inpatient rehabilitation hospital, free-standing emergency centers, outpatient facilities, surgery centers, urgent care centers, primary care and specialty care physician offices, community outreach sites and homes across the region.

Mount Carmel desires to construct up to 314,520 square feet of development in two phases including an in-patient hospital, ambulatory care facility, and medical offices. ("the Development") Phase 1 allows for the development of the primary building consisting of an inpatient hospital, ambulatory care facility, and attached medical office building (MOB). Phase 2 allows for the development of the detached building MOB. The +/- 35 acres site is a single parcel located northwest of the intersection of Sawmill Road and I-270, east of Emerald Parkway, and south of Bright Road. The site is undeveloped, agricultural land. Site access is presently provided from an informal driveway along Bright Road and a shared drive with Perry Township offices along Sawmill Road. Perry Township's Administrative Office, the Village at Inverness, and a single-family residence are existing developments adjacent to the site. As this site is located in close proximity to neighbors, Mount Carmel and the City of Dublin, in partnership, have engaged the East Dublin Civic Association.



*Site Plan - Mount Carmel Northwest Healthcare Campus*

As we turn a corner with the COVID-19 pandemic, the medical, biosciences, and healthcare services industry has become a primary focus for economic development efforts, as the majority of these types of jobs are required to report to the office for work. Mount Carmel's northwest healthcare campus will be one of the first hospitals built with COVID practices as the standard of care. Through changes to the way they deliver care, manage billing, and communicate with patients, short-term solutions have paved the way for long-term improvements and innovations in the medical field.

### **Economic Development Agreement**

It is expected that the Mount Carmel development will bring substantial economic and social benefits to Dublin, including the creation of approximately 342 new employment opportunities with a projected payroll in excess of \$32 million annually with the first 10 years of operation. The annual payroll withholdings for the new employee positions is estimated to be \$5,802,805 through December 31, 2035.

The proposed incentive is a 15% Performance Incentive for 10 years (2026-2035) on net new withholdings capped at \$913,942 in total, once that threshold is reached within the defined term, regardless of calendar year. The Target Withholdings for each of the calendar years 2026 through 2035 shall be as follows:

| <u>Calendar Year</u> | <u>Target Withholdings</u> |
|----------------------|----------------------------|
| 2026                 | \$452,954                  |
| 2027                 | 512,572                    |
| 2028                 | 549,554                    |
| 2029                 | 582,009                    |
| 2030                 | 601,886                    |
| 2031                 | 604,215                    |
| 2032                 | 606,466                    |
| 2033                 | 618,595                    |
| 2034                 | 630,967                    |
| 2035                 | 643,586                    |

Additionally, the City owns approximately 1.5 acres of residual property at 4045 Bright Road (the SE corner of Emerald Parkway and Bright Road). From 2022 through 2027, the City of Dublin agrees to make this land available to Mount Carmel at a cost of \$0, contingent upon the commencement of construction of a later phase medical office building. The City would execute a Real Estate purchase Agreement at that time. After 2027, this site may be available for sale to Mount Carmel for the appraised value at that time.

## **Infrastructure Agreement**

### *Transportation Analysis*

As the property requires rezoning to a Planned Unit Development District for the proposed land use, Mount Carmel was required to submit a traffic impact study (TIS) performed by a qualified professional engineer to the City for review and approval. As Sawmill Road is within the City of Columbus' jurisdiction and the site is located near the Sawmill Road and I-270 Interchange, the City of Columbus and Ohio Department of Transportation (ODOT) are partners in the review of the TIS. The TIS models the traffic on the existing roadways, evaluates impacts of the additional traffic on the surrounding roadway network, and recommends mitigation measures for these impacts.

Mount Carmel submitted a TIS dated January 5, 2022 and amended March 18, 2022 as required for the rezoning application, which has been reviewed and accepted with minor comments by Dublin and the City of Columbus. Due to the unique relationship of the Development with the City's previously studied Bright Road Corridor Improvements, a non-traditional funding approach is being proposed to address the transportation improvements.

The Infrastructure Agreement addresses certain transportation improvements to the surrounding roadway network to mitigate the impact of the additional traffic generated by the Development, right-of-way and easement dedications, and water and sanitary sewer services. Additionally, the Infrastructure Agreement establishes the cost sharing commitments for Mount Carmel and the City while also determining the timing of the necessary improvements.

The Mount Carmel TIS identifies the following improvements for this proposed Development:

### *Emerald Parkway Main Entry Improvements*

The Development's main entry on Emerald Parkway will either be controlled by a traffic signal or roundabout. The TIS shows either traffic control option is acceptable. Dublin staff will make the final determination on the traffic control at this access point by April 8, 2022 and the Infrastructure

Agreement will be modified for the second reading of the Ordinance to reflect the traffic control option that will be implemented. This improvement will be required to be implemented prior to Mount Carmel's completion of Phase I for opening to the public. Below are the scenarios that are currently under consideration:

- Signalized Intersection – Mount Carmel will design, construct, and pay for the traffic signal and southbound left-turn lane according to the terms of the TIS. Dublin agrees to pay \$450,000 to Mount Carmel as partial reimbursement for the cost to construct the signalized intersection. The total estimated cost of the signalized intersection improvements is estimated at \$750,000. OR
- Roundabout – Dublin will design, construct, and pay for the roundabout. Mount Carmel agrees to contribute \$300,000 to Dublin as partial reimbursement for the cost to construct the roundabout. The total preliminary estimated cost of the roundabout will be determined by April 8, 2022.

#### *Emerald Parkway Service Drive Improvements*

Mount Carmel will design and construct all necessary improvements for this entry point prior to Mount Carmel's completion of Phase I for opening to the public, solely at Mount Carmel's cost.

#### *Bright Road Right-of-Way and Access Improvements*

Dublin has engaged an engineering consulting firm to perform preliminary engineering and detailed design for improvements to the Bright Road corridor between Emerald Parkway and Sawmill Road, including the Bright Road and Sawmill Road intersection. As part of that project, Dublin will incorporate the design and construction of a westbound left turn lane to accommodate the Development's Bright Road access as identified in the TIS. The total estimated cost of the left turn lane is estimated at \$375,000.

Mount Carmel will design and construct all internal drives and the Bright Road access drive as part of Phase I, solely at Mount Carmel's cost.

#### *Sawmill Road Access Improvements*

Mount Carmel will commission a separate design feasibility review to determine whether a southbound right turn lane can be reasonably added to Sawmill Road at this location. If approved by Dublin and the City of Columbus, Mount Carmel will, at Mount Carmel's sole cost, design and construct the necessary Sawmill Road improvements as identified in the TIS and separate design feasibility review as part of Phase I.

Design and construction for any improvements needed for left turn restrictions and/or median modifications on Sawmill Road for entry into the Development that the jurisdictions agree to will be incorporated in Phase I and are solely at Mount Carmel's cost.

#### *Bright Road and Sawmill Road Intersection Improvements*

As mentioned previously, Dublin has engaged an engineering consulting firm to perform preliminary engineering and detailed design for improvements to the Bright Road corridor between Emerald Parkway and Sawmill Road, including the Bright Road and Sawmill Road intersection. As part of that project, Dublin will design and construct all necessary improvements at the Bright Road and Sawmill Road intersection. The TIS indicated that the Development's traffic contributes

3.9% of the traffic at that intersection and that improvements are needed with or without the Development.

#### *Right-of-Way and Easement Dedication*

As is standard practice, Mount Carmel agrees to donate the right-of-way and easements to Dublin, for land which Mount Carmel is under contract to purchase for the Development, for any offsite improvements as identified in the TIS, at no cost to Dublin. Mount Carmel agrees to donate land required for right-of-way and easements to Dublin and at no cost to Dublin for the following:

- Bright Road Corridor Improvements,
- along Bright Road in accordance with the City of Dublin Thoroughfare Plan (50-feet from the centerline of Bright Road) or the width required for the Bright Road Corridor Improvements, whichever is greater,
- along Sawmill Road for turn lanes,
- the development of the I-270 Bridge Connector project, provided the bridge is located generally on the Alternative 1 alignment,
- Emerald Parkway Main Entry Improvements and Emerald Parkway Service Drive Improvements,
- any other utility, public improvement and/or temporary construction easements that may be necessary or otherwise required for the Development.

#### *Water and Sanitary Sewer Services*

Mount Carmel will pay 100% of all costs associated with water and sanitary sewer services for the Development.

#### **Funding**

The funds required to satisfy Dublin's obligations under the Infrastructure Agreement will be programmed as part of the five-year 2023 – 2027 Capital Improvements Program (CIP) update.

#### **Recommendation**

Staff recommends approval of Ordinance 14-22 and Ordinance 15-22, authorizing the City Manager to enter into an Economic Development Agreement and Infrastructure Agreement with Mount Carmel Health System at the second reading on April 25. Please contact Megan O'Callaghan, [mocallaghan@dublin.oh.us](mailto:mocallaghan@dublin.oh.us) with any questions you may have.

# RECORD OF ORDINANCES

Ordinance No. 14-22 Passed \_\_\_\_\_, 20\_\_\_\_

**AN ORDINANCE AUTHORIZING THE PROVISION OF CERTAIN INCENTIVES TO MOUNT CARMEL HEALTH SYSTEM TO INDUCE IT TO ESTABLISH A NORTHWEST HEALTHCARE CAMPUS WITHIN THE CITY; AND AUTHORIZING THE EXECUTION OF AN ECONOMIC DEVELOPMENT AGREEMENT**

**WHEREAS**, consistent with its Economic Development Strategy approved by Dublin City Council Resolution No. 56-19 adopted on October 19, 2019, the City desires to encourage medical, biosciences, and healthcare services development and create and preserve jobs and employment opportunities within the City; and

**WHEREAS**, based on the results of Mount Carmel Health System's (the "*Company*") recent comprehensive examination of its workforce needs, and induced by and in reliance on the economic development incentives provided in the proposed Economic Development Agreement, the Company desires to develop, construct, and operate a northwest healthcare campus which is anticipated to include up to 314,520 square feet of development in two phases including an in-patient hospital, ambulatory care facility, and medical offices (the "*Project*") within the City; and

**WHEREAS**, this Council has determined that it is necessary and appropriate and in the best interests of the City to provide certain economic development incentives to the Company, as described in the proposed Economic Development Agreement; and

**WHEREAS**, this Council has determined to offer the economic development incentives, the terms of which are set forth in substantially final form of Economic Development Agreement presently on file in the office of the Clerk of Council, to induce the Company to develop, construct, and operate a northwest healthcare campus within the City, which will result in the creation of new jobs and employment opportunities, thereby improving the economic welfare of the people of the State of Ohio and the City, all as authorized in Article VIII, Section 13 of the Ohio Constitution.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the City of Dublin, State of Ohio, \_\_\_\_\_ of the elected members concurring, that:

**Section 1.** The Economic Development Agreement by and between the City and the Company, in the form presently on file with the Clerk of Council, providing for, among other things, the provision of certain economic development incentives in consideration for the Company's agreement to develop and operate the Project within the City, which will result in the creation of new jobs and employment opportunities, is hereby approved and authorized with changes therein not inconsistent with this Ordinance and not substantially adverse to this City and which shall be approved by the City Manager. The City Manager, for and in the name of this City, is hereby authorized to execute that Economic Development Agreement, provided further that the approval of changes thereto by that official, and their character as not being substantially adverse to the City, shall be evidenced conclusively by the execution thereof. This Council further authorizes the City Manager, for and in the name of the City, to execute any amendments to the Economic Development Agreement, which amendments are not inconsistent with this Ordinance and not substantially adverse to this City.

**Section 2.** This Council further hereby authorizes and directs the City Manager, the Director of Law, the Director of Finance, the Clerk of Council, or other appropriate officers of the City to prepare and sign all agreements and instruments and to take any other actions as may be appropriate to implement this Ordinance.

**Section 3.** This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken in open meetings of this Council or committees, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings

# RECORD OF ORDINANCES

Ordinance No. 14-22 Page 2  
*Passed* \_\_\_\_\_, 20\_\_\_\_

open to the public, all in compliance with the law including Section 121.22 of the Revised Code.

**Section 4.** This Ordinance shall be in full force and effect on the earliest date permitted by law.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Mayor - Presiding Officer

ATTEST:

\_\_\_\_\_  
Clerk of Council

## ECONOMIC DEVELOPMENT AGREEMENT

THIS ECONOMIC DEVELOPMENT AGREEMENT (the “*Agreement*”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2022 (the “*Effective Date*”), by and between the CITY OF DUBLIN, OHIO (the “*City*”), a municipal corporation duly organized and validly existing under the Constitution and the laws of the State of Ohio (the “*State*”) and its Charter, and MOUNT CARMEL HEALTH SYSTEM, an Ohio nonprofit corporation (the “*Company*” and together with the City, the “*Parties*”), under the circumstances summarized in the following recitals.

### RECITALS:

WHEREAS, consistent with its Economic Development Strategy (the “*Strategy*”) approved by Dublin City Council Resolution No. 56-19 adopted on October 19, 2019, the City desires to encourage commercial office development and create and preserve jobs and employment opportunities within the City; and

WHEREAS, based on the results of the Company’s recent comprehensive examination of workforce needs, and induced by and in reliance on the economic development incentives provided in this Agreement, the Company desires to develop, construct and operate a healthcare campus within the City; and

WHEREAS, pursuant to Ordinance No. \_\_\_-22 passed on \_\_\_\_\_, 2022, the City has determined to offer the economic development incentives described herein to induce the Company and its Affiliated Entities (as defined below) to develop, construct and operate a healthcare campus within the City, which will result in the creation of new jobs and employment opportunities to improve the economic welfare of the people of the State of Ohio and the City, all as authorized in Article VIII, Section 13 of the Ohio Constitution; and

WHEREAS, the City and the Company have determined to enter into this Agreement to provide these incentives in order to induce the Company and its Affiliated Entities to develop, construct and operate a healthcare campus, and facilitate the creation of new jobs and employment opportunities, all within the City;

NOW THEREFORE, in consideration of the foregoing, the promises contained herein, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the City and the Company agree and obligate themselves as follows:

Section 1. Company’s Agreement to Develop, Construct and Operate a Healthcare Campus, and Create New Jobs and Employment Opportunities, all within the City.

(a) In consideration for the economic development incentives to be provided by the City herein, the Company, together with its Affiliated Entities, agrees that it will develop, construct and operate a healthcare campus within the City (the “*Facility*”) which will result in the creation of new jobs and employment opportunities, all within the City, and all consistent with the terms of this Agreement. The Company and its Affiliated Entities expect to create three hundred forty-two (342) new employee positions within the City by December 31, 2035. The total estimated payroll

withholdings for the new employee positions is estimated to be approximately Five Million Eight Hundred Two Thousand Eight Hundred Five and 00/100 Dollars (\$5,802,805) through December 31, 2035.

(b) The Company agrees that the City's obligations to remit the payment pursuant to Section 2 of this Agreement shall be contingent upon (i) the Company delivering to the City written evidence that it has acquired the site upon which the Facility will be constructed, (ii) the City issuing to the Company (which issuance will not be unreasonably withheld, delayed or conditioned) a certificate of occupancy (the "*Certificate of Occupancy*") for the Facility, (iii) the Company occupying the Facility and (iv) such other conditions as are set forth in Section 2; *provided, however*, and notwithstanding any provision herein to the contrary, if the Company shall, after having acted in good faith, fail to deliver written evidence as to the acquisition of the site upon which the Facility will be constructed, receive the Certificate of Occupancy or occupy the Facility, each within the respective periods set forth in subsections 3(s)(i), 3(s)(ii) and 3(s)(iii), (v) this Agreement will terminate without such failure constituting a breach by the Company, (vi) the City's obligation to remit the Annual Incentive Payments will be terminated and (vii) the Company will owe no penalties to the City as a result of such failure, *provided, however*, the Parties may extend the respective time periods set forth in subsections 3(s)(i), 3(s)(ii) and 3(s)(iii) in a written amendment to this Agreement.

Section 2. City's Agreement to Provide Incentives.

(a) General. In consideration for the Company's agreement to develop, construct and operate a healthcare campus within the City, the City agrees to provide economic development incentives to the Company in accordance with this Section 2.

(b) Workforce Creation Incentive.

(i) Calculation of Actual Payroll Withholding Taxes. On or before March 15 of each of the years 2027 through 2036, the City shall calculate the actual payroll withholding taxes collected and received during the then preceding calendar year and in respect of that preceding calendar year by the City from all Employees (as defined below). For purposes of that calculation, the Parties acknowledge and agree that the total amount of actual payroll withholding taxes in respect of any calendar year shall be determined based solely upon the amount of payroll withholding tax payments actually received by the City from (or on behalf of) the Company or any Affiliated Entity during that calendar year. The Parties further acknowledge and agree that any amount received by the City in respect of any calendar year but following the conclusion of that calendar year will not be considered in the total amount of actual payroll withholding taxes for that calendar year; *provided, however*, the City reserves in its sole discretion the right to waive this limitation.

For purposes of this Section 2, "*Employees*" shall include only those individuals employed by the Company or any Affiliated Entity and working within the City.

For purposes of this Agreement, "*Affiliated Entity*" or "*Affiliated Entities*" shall mean any entity listed on **EXHIBIT A** or any entity controlled by or under common control with the Company and/or Trinity Health Corporation and, "*controlled by*" or "*under common control*"

*with*” will refer to the possession, directly or indirectly, of the legal power to direct or cause the direction of the management and policies of an entity, whether through the exercise of, or the ability to exercise, voting power or by contract. The Parties agree that the payroll withholdings taxes of any Employee(s) employed by an Affiliated Entity which is not included on **EXHIBIT A** shall not be included in the computations described in this Section 2 until such time as the Company shall have submitted a written request to the City which identifies the Affiliated Entity and that Affiliated Entity’s Federal Employer Identification Number, and such request shall have been approved in writing by the City, which approval shall not be unreasonably conditioned, delayed or withheld; *provided, however*, the payroll withholdings taxes of any Employee(s) employed by an Affiliated Entity shall not be included in the computations described in this Section 2 in respect of any particular calendar year if those payroll withholdings taxes are for that particular calendar year included in the computations for a separate City municipal income tax-based incentive payment. Promptly following the City’s approval of such additional Affiliated Entity, the Parties agree that **EXHIBIT A** will be updated to reflect that additional Affiliated Entity.

All obligations of the Company under this Section 2 may be satisfied by any combination of Company and any Affiliated Entity; *provided, however*, Actual Withholdings (as defined below) in any calendar year shall not include those actual payroll withholding taxes collected and received by the City during such calendar year which are received (net of refunds) in respect of any person if such person was employed in the City by an Affiliated Entity immediately preceding the occurrence of the event resulting in the recognition of such entity as an Affiliated Entity.

(ii) Information Relating to Employees. The Company agrees that, in accordance with the City’s codified ordinances, as may hereafter be amended from time to time (the “*Dublin City Code*”), the annual payroll reconciliation and related W-2 forms relating to its Employees will be provided to the City prior to February 28 of each calendar year, commencing with the calendar year ending on December 31, 20\_\_\_\_.

(iii) Employer Identification Number. The Company’s Federal Employer Identification Number is 31-1439334. The Company agrees that if the Federal Employer Identification Number changes at any time during the term of this Agreement, the Company will notify the City of such change, including the new Federal Employer Identification Number, within thirty (30) days of the occurrence of such change.

(iv) Annual Incentive Payments to the Company. Subject to the Company’s compliance with the requirements (if applicable) set forth in subsection 2(c), if the actual payroll withholding taxes collected and received by the City pursuant to subsection 2(b)(i) during the then preceding calendar year and in respect of that preceding calendar year from all Employees, net of refunds (such amount being referred to as the “*Actual Withholdings*”), equal or exceed the Target Withholdings (as defined in subsection 2(b)(v)) for that preceding calendar year, the City shall, on or before April 15 of the then current calendar year, pay to the Company, solely from nontax revenues (as defined in subsection 2(e)), an amount equal to the product of (A) the Actual Withholdings for that preceding calendar year multiplied by (B) fifteen percent (15%) (with each such product being referred to as an “*Annual Incentive*”).

*Payment*"); *provided, however*, that the aggregate amount of all Annual Incentive Payments remitted pursuant to this subsection 2(b) by the City to the Company shall not exceed Nine Hundred Thirteen Thousand Nine Hundred Forty-Two and 00/100 Dollars (\$913,942.00).

(v) Target Withholdings. The Target Withholdings for each of the calendar years 2026 through 2035 shall be as follows:

| <u>Calendar Year</u> | <u>Target Withholdings</u> |
|----------------------|----------------------------|
| 2026                 | \$452,954                  |
| 2027                 | 512,572                    |
| 2028                 | 549,554                    |
| 2029                 | 582,009                    |
| 2030                 | 601,886                    |
| 2031                 | 604,215                    |
| 2032                 | 606,466                    |
| 2033                 | 618,595                    |
| 2034                 | 630,967                    |
| 2035                 | 643,586                    |

(vi) Forfeiture of Right to Receive Annual Incentive Payments. The Company agrees and acknowledges that the Annual Incentive Payments provided for in subsection 2(b) are being made by the City to the Company in consideration for the Company’s agreement to develop, construct and operate the Facility, and to create new jobs and employment opportunities, all within the City. The Company further agrees that if the Target Withholdings requirement is not met for any given calendar year as set forth in subsection 2(b)(v), the City shall not be obligated to make an Annual Incentive Payment to the Company for the calendar year in respect of which the Target Withholdings requirement was not satisfied. Failure to satisfy the Target Withholdings requirement in respect of any one calendar year does not prohibit the Company from receiving an Annual Incentive Payment for any subsequent calendar year in respect of which the Target Withholdings requirement is satisfied.

(c) Filing of Municipal Income Tax Returns and Remission of Related Taxes.

(i) The Company shall only be obligated to comply subsections 2(c)(ii) and 2(c)(iii) to the extent that it is required under applicable law to file a municipal income tax with the City.

(ii) The Company agrees that it shall timely (A) file directly with the City all municipal income tax returns and (B) remit directly to the City all municipal income tax payments, each as required by the Dublin City Code. While Ohio law currently permits the Company to file its municipal income tax returns and remit its municipal income tax payments directly through the Ohio Business Gateway, the Company acknowledges that if in respect of any of the tax years 2026 through 2035 (inclusive), the Company either (C) files a related municipal income tax return or (D) remits a related municipal income tax payment, in either case directly with the Ohio Business Gateway instead of the City, then notwithstanding subsection 2(c)(iii), the Company shall forfeit its right to receive and the City shall not be

obligated to remit any payment which the City might otherwise be required to pay pursuant to subsection 2(b)(iv) (each applicable payment being referred to as a “*Required Payment*”) in respect of that tax year.

(iii) Not earlier than fifteen (15) days preceding the date on which the City is required to make a Required Payment to the Company, the City shall determine whether the Company is in full compliance with its obligation to remit municipal income taxes to the City pursuant to the Dublin City Code. If the City reasonably determines that the Company is not in full compliance, the City shall not be obligated to make the Required Payment on the required payment date and will promptly provide written notification of such determination to the Company. If within sixty (60) days following the date of the City’s written notification the City receives a payment from the Company which the City reasonably determines will cause the Company to be in full compliance with its municipal income tax obligations pursuant to the Dublin City Code (including any applicable interest and penalties), the City will within fifteen (15) days of receipt of such payment remit to the Company the Required Payment. If, however, the Company fails to timely remit sufficient payment to the City in accordance with the preceding sentence, the City may in its sole discretion determine that the City’s obligation to remit such Required Payment is voided and that such Required Payment will not be made, and will promptly provide written notification to the Company of such determination.

(d) Method of Payment. The payments to be paid to the Company as provided in this Section 2 shall be made by the City to the Company by electronic funds transfer or by such other manner as is mutually agreed to by the City and the Company.

(e) City’s Obligation to Make Payments Not Debt; Payments Limited to Nontax Revenues. Notwithstanding anything to the contrary herein, the obligations of the City pursuant to this Agreement shall not be a general obligation debt or bonded indebtedness, or a pledge of the general credit or taxes levied by the City, and the Company shall have no right to have excises or taxes levied by the City, the State or any other political subdivision of the State for the performance of any obligations of the City herein. Consistent with Section 13 of Article VIII, Ohio Constitution, any payments or advances required to be made by the City pursuant to this Section 2 shall be payable solely from the City’s nontax revenues and on a subordinated basis to the payment of debt service charges as may hereafter be payable on securities of the City which are payable from the City’s nontax revenues. Further, since Ohio law limits the City to appropriating monies for such expenditures only on an annual basis, the obligation of the City to make payments pursuant to this Section 2 shall be subject to annual appropriations by the City Council and certification by the Director of Finance of the City as to the availability of such nontax revenues. For purpose of this Agreement, “*nontax revenues*” shall mean, all moneys of the City which are not moneys raised by taxation, to the extent available for such purposes, including, but not limited to the following: (i) grants from the United States of America and the State, (ii) payments in lieu of taxes now or hereafter authorized to be used for the purposes by State statute, (iii) fines and forfeitures which are deposited in the City’s General Fund, (iv) fees deposited in the City’s General Fund from properly imposed licenses and permits, (v) investment earnings on the City’s General Fund and which are credited to the City’s General Fund, (vi) investment earnings of other funds of the City that are credited to the City’s General Fund, (vii) proceeds from the sale of assets which are

deposited in the City's General Fund, (viii) rental income which is deposited in the City's General Fund and (ix) gifts and donations.

(f) City Land. From Effective Date through December 31, 2027, the City shall make available the approximately 1.5 acres of property owned by the City and located at 4045 Bright Road (the SE corner of Emerald Parkway and Bright Road) to the Company at a cost of \$0, contingent upon the commencement of construction of a later phase medical office building. The City and the Company would execute a Real Estate Purchase Agreement at that time. After 2027, this site may be available for sale to the Company for the appraised value at that time. In this Section 2(f) references to the Company shall also include any Affiliated Entity or any successors of the Company or any successors of an Affiliated Entity.

Section 3. Miscellaneous.

(a) Assignment. This Agreement may not be assigned without the prior written consent of all non-assigning Parties, provided, however, the Company may assign its interest in this Agreement to (i) any Affiliated Entity, (ii) any successors of the Company, or (iii) any successors of an Affiliated Entity (individually, a "Permitted Assignee" and collectively, the "Permitted Assignees"), all without the prior consent of the City. After the effective date of such assignment, each Permitted Assignee shall have all applicable rights and benefits of the Company under this Agreement. Any other assignment by the Company of the Company's interest under this Agreement shall require the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed.

(b) Binding Effect. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns, including any Permitted Assignee.

(c) Captions. The captions and headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

(d) Day for Performance. Wherever herein there is a day or time period established for performance and such day or the expiration of such time period is a Saturday, Sunday or legal holiday, then such time for performance shall be automatically extended to the next business day.

(e) Economic Development Assistance Certification. To the knowledge of the Company, the Company has made no false statements to the City in the process of obtaining approval of the incentives described in this Agreement. If any representative of the Company has knowingly made a false statement to the City to obtain the incentives described in this Agreement, the Company shall be required to immediately return all benefits received under this Agreement pursuant Ohio Revised Code Section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the State, any State agency or a political subdivision pursuant to Ohio Revised Code Section 9.66(C)(1). The Company acknowledges that any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to Ohio Revised Code Section 2921.13(F)(1), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

(f) Entire Agreement. This Agreement constitutes the entire Agreement between the Parties on the subject matter hereof and supersedes all prior negotiations, agreements and understandings, both written and oral, between the Parties with respect to such subject matter. This Agreement may not be amended, waived or discharged except in an instrument in writing executed by the Parties.

(g) Events of Default and Remedies. Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement, or any of its terms or conditions, by any Party hereto, such defaulting Party shall, upon written notice from any non-defaulting Party, proceed immediately to cure or remedy such default or breach, and, in any event, within thirty (30) days after receipt of such notice. In the event such default or breach is of such nature that it cannot be cured or remedied within said thirty (30) day period, then in such event the defaulting Party shall upon written notice from any non-defaulting Party commence its actions to cure or remedy said breach within said thirty (30) day period, and proceed diligently thereafter to cure or remedy said breach. In case such action is not taken or not diligently pursued, or the default or breach shall not be cured or remedied within a reasonable time, the aggrieved non-defaulting Party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach.

(h) Executed Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to constitute an original, but all of which together shall constitute but one and the same instrument. It shall not be necessary in proving this Agreement to produce or account for more than one of those counterparts.

(i) Extent of Covenants; No Personal Liability. All covenants, obligations and agreements of the Parties contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, obligation or agreement shall be deemed to be a covenant, obligation or agreement of any present or future member, officer, agent or employee of the City or the Company other than in his or her official capacity, and neither the members of the legislative body of the City nor any City or Company official executing this Agreement shall be liable personally under this Agreement or be subject to any personal liability or accountability by reason of the execution thereof or by reason of the covenants, obligations or agreements of the City and the Company contained in this Agreement.

(j) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio without regard to its principles of conflicts of laws. All claims, counterclaims, disputes and other matters in question between the City, its agents and employees, and the Company, its employees and agents, arising out of or relating to this Agreement or its breach will be decided in a court of competent jurisdiction within Franklin County, Ohio.

(k) Legal Authority. The Parties respectively represent and covenant that each is legally empowered to execute, deliver and perform this Agreement and to enter into and carry out the transactions contemplated by this Agreement. The Parties further respectively represent and covenant that this Agreement has, by proper action, been duly authorized, executed and delivered by the Parties and all steps necessary to be taken by the Parties have been taken to constitute this Agreement, and

the covenants and agreements of the Parties contemplated herein, as a valid and binding obligation of the Parties, enforceable in accordance with its terms.

(l) Limit on Liability. Notwithstanding any clause or provision of this Agreement to the contrary, in no event shall the City or the Company be liable to each other for punitive, special, consequential, or indirect damages of any type and regardless of whether such damages are claimed under contract, tort (including negligence and strict liability) or any other theory of law.

(m) Notices. Except as otherwise specifically set forth in this Agreement, all notices, demands, requests, consents or approvals given, required or permitted to be given hereunder shall be in writing and shall be deemed sufficiently given if actually received or sent by recognized, overnight delivery service or by certified mail, postage prepaid and return receipt requested, addressed to the other Party at the address set forth in this Agreement or any addendum to or counterpart of this Agreement, or to such other address as the recipient shall have previously notified the sender of in writing, and shall be deemed received upon actual receipt, unless sent by certified mail, in which event such notice shall be deemed to have been received when the return receipt is signed or refused. For purposes of this Agreement, notices shall be addressed to:

(i) the City at: City of Dublin, Ohio  
5200 Emerald Parkway  
Dublin, Ohio 43017  
Attention: Economic Development Director

(ii) the Company at: Mount Carmel Health System  
6150 E. Broad Street  
Columbus, Ohio 43213  
Attention: Regional Director of Real Estate

And Mount Carmel Health System  
6150 East Broad Street  
Columbus, OH 43213  
Attn: General Counsel

The Parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices; certificates, requests or other communications shall be sent.

(n) No Waiver. No right or remedy herein conferred upon or reserved to any Party is intended to be exclusive of any other right or remedy, and each and every right or remedy shall be cumulative and in addition to any other right or remedy given hereunder, or now or hereafter legally existing upon the occurrence of any event of default hereunder. The failure of any Party to insist at any time upon the strict observance or performance of any of the provisions of this Agreement or to exercise any right or remedy as provided in this Agreement shall not impair any such right or remedy or be construed as a waiver or relinquishment thereof. Every right and remedy given by this Agreement to the Parties hereto may be exercised from time to time and as often as may be deemed expedient by the parties hereto, as the case may be.

(o) Recitals. The Parties acknowledge and agree that the facts and circumstances as described in the Recitals hereto are an integral part of this Agreement and as such are incorporated herein by reference.

(p) Reporting Requirements. The Company acknowledges that it is hereby advised by the City that certain accounting reporting requirements may obligate the City to treat and report payments remitted hereunder to the Company as a tax abatement. Notwithstanding any such reporting requirements, the Company acknowledges and agrees that the Company is not entitled hereunder to an abatement or exemption of any tax obligation that would otherwise be payable pursuant to the Dublin City Code.

(q) Severability. If any provision of this Agreement, or any covenant, obligation or agreement contained herein is determined by a court to be invalid or unenforceable, that determination shall not affect any other provision, covenant, obligation or agreement, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained herein. That invalidity or unenforceability shall not affect any valid and enforceable application thereof, and each such provision, covenant, obligation or agreement shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

(r) Survival of Representations and Warranties. All representations and warranties of the Parties in this Agreement shall survive the execution and delivery of this Agreement.

(s) Term of Agreement. This Agreement shall become effective as of the Effective Date and shall continue until the earlier of (i) December 31, 2022, provided that as of that day the Company shall have theretofore failed to satisfy the requirements of Section 1(b)(i); (ii) December 31, 2026, provided that as of that day the Company shall have theretofore failed to satisfy the requirements of Section 1(b)(ii); (iii) December 31, 2027, provided that as of that day the Company shall have theretofore failed to satisfy the requirements of Section 1(b)(iii); or (iv) the day on which the final Annual Incentive Payment which the City is obligated to pay hereunder is received by the Company.

(t) Third Party Beneficiaries. Except as it relates to the Company's successors, its Affiliated Entities, any Affiliated Entity's successor, or a Permitted Assignee, nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, the City and the Company have caused this Agreement to be executed in their respective names by their duly authorized representatives, all as of the date first written above.

**CITY OF DUBLIN, OHIO**

By: \_\_\_\_\_

Printed:                     Dana L. McDaniel                    

Title:                                     City Manager                                    

Approved as to Form:

By: \_\_\_\_\_

Printed:             Jennifer D. Readler            

Title:                     Director of Law                    

**MOUNT CARMEL HEALTH SYSTEM**

By: \_\_\_\_\_

Printed:                     Lorraine Lutton                    

Title:                                     President/CEO

**FISCAL OFFICER’S CERTIFICATE**

The undersigned, Director of Finance of the City under the foregoing Agreement, certifies hereby that the moneys required to meet the obligations of the City under the foregoing Agreement during Fiscal Year 2022 have been appropriated lawfully for that purpose, and are in the Treasury of the City or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Sections 5705.41 and 5705.44, Ohio Revised Code.

Dated: \_\_\_\_\_, 2022

\_\_\_\_\_  
Matthew L. Stiffler  
Director of Finance  
City of Dublin, Ohio

**EXHIBIT A**

**LIST OF AFFILIATED ENTITIES**

| <u>Full Company Name</u>  | <u>EIN</u> |
|---|------------|
| Mount Carmel Health System  | 31-1439334 |
| dba Mount Carmel Health   |            |
| dba Mount Carmel East   |            |
| dba Mount Carmel West   |            |
| dba Mount Carmel Grove City                                       |            |
| dba Mount Carmel Care Continuum Services Corp                     |            |
| dba Mount Carmel College of Nursing                               |            |
| dba Mount Carmel New Albany Surgical Hospital                     |            |
| dba Mount Carmel St. Ann's  |            |
| dba Mount Carmel Urgent Care                                      |            |
| dba Mount Carmel Sleep Medicine                                   |            |
| Mount Carmel Health Plan, Inc.                                    | _____      |
| Mount Carmel Health Plan of Idaho, Inc.                           | _____      |
| Mount Carmel Health Plan of New York, Inc.                        | _____      |
| Mount Carmel Health Insurance Company                             | _____      |
| Mount Carmel Health Foundation                                    | _____      |
| Mount Carmel College of Nursing                                   | _____      |
| Mount Carmel Health Partners, LLC                                 | _____      |
| Health Collaborative of Central Ohio, LLC                         | _____      |
| Mount Carmel HealthProviders, Inc. dba Mount Carmel Medical Group | _____      |
| Mount Carmel HealthProviders Two, LLC                             | _____      |
| Mount Carmel Health Providers III, LLC                            | _____      |
| Trinity Health Corporation  | _____      |

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