



# CITY OF MILFORD

745 Center Street, Suite 200, Milford, OH 45150

Phone: 513-831-4192

Fax: 513-248-5096

[www.milfordohio.org](http://www.milfordohio.org)



---

**To:** Honorable Chair Lisa Evans and Members Sandy Russell and Kim Chamberland  
Administrative Services Committee

**From:** Pat Wirthlin, Finance Director *PW*

**Date:** May 13, 2020

**Subject:** JEDD I Ivy Pointe Tax Credit and Repayment Plan for Relevate Health Group

---

### 3 Forgotten Years

Relevate Health Group is one of the nation's fastest growing healthcare marketing service companies. Founded in 2015, the company is located in Ivy Pointe Joint Economic District (JEDD#1).

The company did not realize it was liable for JEDD 1 net profits tax and has three years of non-filings. Milford's revenue share would have amounted to ~\$3,500 per year.

Relevate has asked for a 33.3% credit for back taxes owed (basically one year's worth) to catch up and keep up with its forward momentum.

### Recommendation to Forgive and Buoy Up

Staff Recommends that the City support this young company as follows:

#### **3-Year Repay**

The company would repay 2016, 2017 and 2018 net profits taxes with current filings for 2019, 2020 and 2021. Timely filing is a must; no penalties or interest. The JEDD Board would need to set aside the City's cap on JEDD earnings.

#### **25% Tax Credit**

The City would grant Relevate a 25% tax credit for tax years 2019 and 2020, max \$10K per year, with no carry-over. This would equate to ~26% of the back taxes (less than the 33% that Relevate requested). Tax credits by nature encourage profits – a win for all.

### Staff Suggestion for Committee Motions

1. Motion to authorize the Law Director to prepare a resolution offering Relevate Health Group a three-year net profits tax deferral plan for tax years 2016, 2017 & 2018
2. Motion to authorize the Law Director to prepare a resolution offering Relevate Health Group a 25% net profits tax credit for years 2019 and 2020, limited to \$10,000 per year.

*Please see Union Township Resolutions 2020-01 & 2020-02 attached for suggested wording*

**IVY POINTE J.E.D.D**  
**JOINT ECONOMIC DEVELOPMENT DISTRICT #1**  
**Union Township – City of Milford**  
**Board of Directors**

**RESOLUTION 2020-01**

**RESOLUTION APPROVING A THREE-YEAR REPAYMENT PLAN FOR PAST DUE CORPORATE NET EARNINGS TAXES FOR CALENDAR YEARS 2016, 2017, AND 2018 FOR RELEVATE HEALTH GROUP, WITHIN THE UNION TOWNSHIP-CITY OF MILFORD JOINT ECONOMIC DEVELOPMENT DISTRICT #1 [IVY POINTE J.E.D.D], WAIVING PENALTIES AND INTEREST RELATED TO THE COLLECTION THEREOF, AND OTHERWISE DEFINING REQUIRED FILING PROCEDURES RELATED THERETO**

The Ivy Pointe Joint Economic Development District Board of Directors met on \_\_\_\_\_, 2020 at the Union Township Civic Center, 4350 Aicholtz Road, Cincinnati, OH 45245 with the following members present:

Director Jeff Lykins  
Director Michael Doss  
Director Chris Belcher  
Director Dan Gabbard  
Director Chance Truemper

**RESOLVED**, by the Board of Directors of the Ivy Pointe Joint Economic Development District (hereinafter "JEDD Board") of Union Township and the City of Milford, that

**WHEREAS**, the JEDD Board has adopted an earnings tax via the adoption of JEDD Board Resolution 2007-01, effective July 2, 2007, in the amount of 1% on employee wages and corporate net earnings for businesses and employees working and/or located within the JEDD as permitted pursuant to Ohio Revised Code Section 715.72 et.al., as amended, and

**WHEREAS**, the JEDD Board has entered into an agreement with the City of Milford to administer, collect, and enforce the income tax on behalf of the JEDD Board of Directors, via the adopted of JEDD Board Resolution 2007-02, as permitted pursuant to Ohio Revised Code Section 715.72 et.al., as amended, and

**WHEREAS**, JEDD Board Resolution 2007-02 establishes that the City of Milford Tax Ordinance is to be administered, collected, and enforced by the City of Milford without exception, in furtherance of the Joint Economic Development District contract approved and executed between Union Township and the City of Milford; and

**WHEREAS**, Relevate Health Group (hereinafter "Relevate") has been a tenant within the office structure located at 4270 Ivy Pointe Boulevard, Suite 220, Cincinnati, Ohio 45245, a structure located entirely within the Union Township-City of Milford Joint Economic Development District #1 (hereinafter "JEDD"), and

**WHEREAS**, Relevate has, prior to the adoption of this Resolution, withheld earnings taxes in the amount of 1% pursuant to the requirements of the JEDD for wages earned by employees of Relevate working within the JEDD, and has submitted those employee wage withholdings timely to the Regional Income Tax Authority, acting as the collection agent for the City of Milford, relative to the enforcement of the JEDD Earnings Tax, and

**WHEREAS**, Relevate was not aware of the applicability of the JEDD earnings tax to its corporate net earnings, and was more recently informed of the applicability of the 1% earnings tax within the JEDD to the corporate net earnings of its business, and

**WHEREAS**, Relevate will now be required to pay three (3) years of corporate net earnings taxes on prior year earnings, for Calendar Years 2016, 2017, and 2018, respectively, as part of the on-going administration of the JEDD tax, pursuant to the administration, collection, and enforcement of the City of Milford Municipal Earnings Tax Code as the applicable tax code within the JEDD, and

**WHEREAS**, the JEDD Board of Directors wishes to provide for an orderly, reasonable and clearly defined schedule for the collection of past-due corporate net earnings taxes for Relevate, in order to mitigate financial hardships associated with a one-time payment responsive to administration, collection, and enforcement of the 1% earnings tax upon corporate net earnings, to further preserve the economic viability of Relevate as a business within the JEDD, and to otherwise assure timely collections of past-due corporate net earnings taxes.

**NOW THEREFORE BE IT RESOLVED**, by the Board of Directors of the Ivy Pointe Joint Economic Development District, as follows:

**SECTION 1** A three (3) year payment plan for the collection of past-due corporate net earnings taxes in the amount of 1% upon the normal business earnings of Relevate Health Group shall be established via the adoption of this Resolution. Such payment plan shall apply to taxes on normal business earnings for the calendar years 2016, 2017, and 2018, the term of which shall extend three (3) years from the effective date of this resolution.

**SECTION 2** During the three (3) year payment plan term, Relevate shall be required to pay not less than one year of past due corporate net earnings tax liability, for each year of the payment plan term, based upon the following payment schedule:

- A. Corporate net earnings tax liability for calendar year 2016 shall be paid in full on or before July 1, 2020.
- B. Corporate net earnings tax liability for calendar year 2017 shall be paid in full on or before the filing deadline established for 2021.
- C. Corporate net earnings Tax liability for calendar year 2018 shall be paid in full on or before the filing deadline established for 2022.

**SECTION 3** All penalties and interest due on past-due corporate net earnings for Relevate relative to their business operation within the JEDD, shall be waived for corporate net earnings tax liabilities accrued and due for calendar year 2016, 2017, and 2018, for the duration of the three (3) year payment plan term, unless Relevate fails to make payments as defined herein, which shall result in the immediate restoration of interest and penalties applicable to the balance of any unpaid, past-due taxes.

**SECTION 4** Relevate shall be required to timely file the current year corporate net earnings taxes due concurrently with the payment of past due tax liabilities, for the duration of the three (3) year payment plan term, as follows:

- A. Corporate net earnings tax liability for calendar year 2019 shall be paid in full on or before July 1, 2020.
- B. Corporate net earnings tax liability for calendar year 2020 shall be paid in full on or before the filing deadline established for 2021.

C. Corporate net earnings tax liability for calendar year 2021 shall be paid in full on or before the filing deadline established for 2022.

**SECTION 5** Corporate net earnings taxes collected under the provisions established within this Resolution shall be exempt from the maximum annual revenue collection percentage limitation for the City of Milford, as defined within Section 19 of the Ivy Pointe JEDD contract between the City of Milford and Union Township, and shall otherwise be normally distributed in the percentages allocated to the parties, pursuant to the Contract.

Director \_\_\_\_\_ moved for the adoption of the foregoing resolution.

Director \_\_\_\_\_ seconded the Motion for the adoption, and upon call of the roll, the vote was recorded as follows:

Director <u>Lykins</u>	_____
Director <u>Doss</u>	_____
Director <u>Belcher</u>	_____
Director <u>Gabbard</u>	_____
Director <u>Truemper</u>	_____

Ivy Pointe JEDD Board of Directors Resolution No. 2020-01 Adopted \_\_\_\_\_, 2020.

Attest: \_\_\_\_\_  
Cory Wm. Wright  
Ivy Pointe JEDD Board of Directors  
JEDD Board Secretary

\_\_\_\_\_ Date

**IVY POINTE J.E.D.D**  
**JOINT ECONOMIC DEVELOPMENT DISTRICT #1**  
**Union Township – City of Milford**  
**Board of Directors**

**RESOLUTION 2020-02**

**RESOLUTION GRANTING AND APPROVING A CORPORATE NET EARNINGS TAX CREDIT FOR RELEVATE HEALTH GROUP WITHIN THE UNION TOWNSHIP-CITY OF MILFORD JOINT ECONOMIC DEVELOPMENT DISTRICT #1 [IVY POINTE J.E.D.D.]**

The Ivy Pointe Joint Economic Development District Board of Directors met on \_\_\_\_\_, 2020 at the Union Township Civic Center, 4350 Aicholtz Road, Cincinnati, OH 45245 with the following members present:

Director Jeff Lykins  
Director Michael Doss  
Director Chris Belcher  
Director Dan Gabbard  
Director Chance Truemper

**RESOLVED**, by the Board of Directors of the Ivy Pointe Joint Economic Development District (hereinafter "JEDD Board") of Union Township and the City of Milford, that

**WHEREAS**, the JEDD Board has adopted an earnings tax via the adoption of JEDD Board Resolution 2007-01, effective July 2, 2007, in the amount of 1% on employee wages and corporate net earnings for businesses and employees working and/or located within the JEDD as permitted pursuant to Ohio Revised Code Section 715.72 et.al., as amended, and

**WHEREAS**, the JEDD Board has entered into an agreement with the City of Milford to administer, collect, and enforce the income tax on behalf of the JEDD Board of Directors, via the adopted of JEDD Board Resolution 2007-02, as permitted pursuant to Ohio Revised Code Section 715.72 et.al., as amended, and

**WHEREAS**, JEDD Board Resolution 2007-02 establishes that the City of Milford Tax Ordinance is to be administered, collected, and enforced by the City of Milford without exception, in furtherance of the Joint Economic Development District contract approved and executed between Union Township and the City of Milford; and

**WHEREAS**, Relevate Health Group (hereinafter "Relevate") has been a tenant within the office structure located at 4270 Ivy Pointe Boulevard, Suite 220, Cincinnati, Ohio 45245, a structure located entirely within the Union Township-City of Milford Joint Economic Development District #1 (hereinafter "JEDD"), and

**WHEREAS**, the JEDD Board has the power to grant certain tax credits to a taxpayer located within the JEDD, pursuant to the adopted JEDD Contract governing the JEDD, and pursuant to Ohio Revised Code Section 715.72 et.al., as amended, and

**WHEREAS**, Relevate, through its presence in the JEDD has contributed to continued economic growth and development of the JEDD, Union Township, Clermont County, and the State of Ohio, and

**WHEREAS**, Relevate is anticipated to continue employment growth and business expansions within the JEDD for the term of this agreement, thereby contributing positively to the further growth and development of the JEDD, and

**WHEREAS**, the JEDD Board has determined that it wishes to provide further incentive to Relevate to continue to locate and expand business operations within the JEDD through the tax credits described in this Resolution, in order to foster the creation and retention of additional employment within the JEDD, and

**WHEREAS**, the JEDD Board also has determined that it is appropriate to limit the amount of tax credit provided to Relevate, to a maximum amount of 25% of the annual corporate net earnings tax liability due, or \$10,000.00, whichever is less, for calendar year 2019 and calendar year 2020, as incentive to Relevate to expand and grow business operations within the JEDD.

**NOW THEREFORE BE IT RESOLVED**, by the Board of Directors of the Ivy Pointe Joint Economic Development District, as follows:

**SECTION 1** Income Tax Credit for Corporate Net Earnings. As incentive for Relevate to continue to locate, expand, and grow employment within the JEDD, the Board hereby grants a tax credit to Relevate in an amount equal to 25% of the corporate net earnings tax liability due, up to a maximum annual credit in the amount not to exceed \$10,000.00, whichever is less, for the term provided in this Resolution.

**SECTION 2** Term of Tax Credit. The tax credit provided herein shall apply to the following years in which corporate net earnings tax liabilities are accrued by Relevate:

- A. Corporate net earnings tax liabilities accrued and due relative to calendar year 2019, with such filings due in 2020.
- B. Corporate net earnings tax liabilities accrued and due relative to calendar year 2020, with such filings due in 2021.

**SECTION 3** Tax Credit Limitation. The maximum tax credit provided to Relevate shall be limited to the lesser amount of 25% of the actual corporate net earnings tax liability due for each calendar year for the entire term of tax credit, or an amount not to exceed \$10,000.00 for any calendar year in which the tax credit is claimed.

**SECTION 4** No Carryover. The tax credit shall be limited in applicability as to prohibit the accumulation of a carry forward balance of any remaining, unclaimed credit for any calendar year into the following calendar year.

**SECTION 5** Applicability. The Tax Credit defined herein shall be limited to Relevate Health Group in its entirety, and shall not apply to any other business or entity located within the JEDD.

**SECTION 6** Accountability. Relevate Health Group shall demonstrate the Tax Credit applied against the Relevate Health Group corporate net earnings tax on an annual basis through the filing of a municipal tax return with the City of Milford, for the entire term of the credit as defined in this Resolution.

**SECTION 7** Termination/Revocation. This Tax Credit shall terminate and/or be revocable, and any remaining credits provided under this agreement will be extinguished if any one or more of the following events occur during the term of the Tax Credit:

- A. Relevate Health Group fails to timely file a municipal income tax return with the City of Milford for the term of this Tax Credit agreement, for either calendar year 2019 due in 2020, or calendar year 2020, due in 2021.
- B. After Relevate Health Group timely files a municipal income tax return with the City of Milford and claims the credit for corporate net earnings taxes relative to calendar year 2020, due in 2021.

- C. The JEDD is terminated prior to the conclusion of the Tax Credit term and dissolved by the contracting entities.
- D. Relevate ceases business operations within the JEDD prior to December 31, 2020.
- E. Relevate fails to timely file any past-due corporate net earnings taxes for any past tax year, pursuant to JEDD Board Resolution 2020-01.

**SECTION 8** Form of Contract. This Resolution, upon receipt and signature documenting acceptance of same, of a certified copy by Relevate Health Group shall serve as the form of contract for the Tax Credit Agreement contemplated by the JEDD Board.

**SECTION 9** Laws. This Resolution and any subsequent agreement in furtherance of the same shall be interpreted under the laws of the State of Ohio, enforceable in a court of competent jurisdiction within Clermont County, Ohio.

**SECTION 10** Assignability. The Tax Credits provided for in this Resolution shall not be assignable without prior written approval of the JEDD Board.

Director \_\_\_\_\_ moved for the adoption of the foregoing resolution.

Director \_\_\_\_\_ seconded the Motion for the adoption, and upon call of the roll, the vote was recorded as follows:

Director <u>Lykins</u>	_____
Director <u>Doss</u>	_____
Director <u>Belcher</u>	_____
Director <u>Gabbard</u>	_____
Director <u>Truemper</u>	_____

Ivy Pointe JEDD Board of Directors Resolution No. 2020-02 Adopted \_\_\_\_\_, 2020.

Attest: \_\_\_\_\_ Date \_\_\_\_\_  
 Cory Wm. Wright  
 Ivy Pointe JEDD Board of Directors  
 JEDD Board Secretary

**Acceptance of Tax Credit Agreement:**

By: \_\_\_\_\_ Date \_\_\_\_\_  
 Relevate Health Group

Name: \_\_\_\_\_

Title: \_\_\_\_\_



## **Clermont County Public Health**

Prevent. Promote. Protect.

March 26, 2020

City of Milford  
Attn: Michael Doss  
745 Center Street  
Suite 200  
Milford, Ohio 45150

RE: City of Milford Contract for 2021

Dear Mr. Doss:

Enclosed please find the 2021 Contract for Public Health Services for the City of Milford approved by the District Advisory Council on March 19, 2020. The approved contract is for \$28,553.61 to be paid to Clermont County Public Health for services to the City of Milford.

Please sign the contract and return it to the Public Health office once approved. If you have any questions, please feel free to contact me at 513-732-7499.

Sincerely,

Julianne Nesbit  
Health Commissioner

Enclosure



**CONTRACT FOR PUBLIC HEALTH SERVICES  
CITY WITH A GENERAL HEALTH DISTRICT  
(Authority-Sec. 3709.08, R.C.)**

**WHEREAS**, the District Advisory Council of the Clermont County, Ohio General Health District, at a regular meeting held March 19, 2020, by a majority vote of members representing the townships and municipal corporations, did vote affirmatively on the question of providing public health services to the City of Milford, Ohio, and did authorize the Chairman of the District Advisory Council to enter into a contract with the Chief Executive of Milford for providing public health service therein: and

**WHEREAS**, the Council of the City of Milford, at a regular meeting held on \_\_\_\_\_, by majority vote of all members, did vote affirmatively on the question of contracting with the District Advisory Council of the Clermont County General Health District to provide public health services for the City of Milford.

**NOW, THEREFORE**, pursuant to such authority, Bonnie Batchler, on behalf of the District Advisory Council of the Clermont County General Health District and \_\_\_\_\_ on behalf of the City of Milford do agree as follows:

- 1) That the City of Milford, Ohio, shall pay to the Clermont County General Health District the sum of **\$28,553.61** for one (1) year of public health services, said sum to be paid **semi-annually May and November 2021.**
- 2) That the public health services to be provided to the City of Milford shall be those that are required by the Ohio Revised Code and the Ohio Administrative Code and all other authorized services similar to those which the Clermont County General Health District provides for this district.
- 3) That said contract shall become effective on **January 1, 2021** and shall remain in full force and effect for **one (1) year.**

**IN WITNESS WHEREOF**, we hereunder subscribe our names.

District Advisory Council  
Clermont County General Health District

By: Bonnie Batchler  
Chairman

3-19-2020  
Date

City of Milford

By: \_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Date