

COURTHOUSE CAPITAL FUNDING AGREEMENT

THIS COURTHOUSE CAPITAL FUNDING AGREEMENT (“Agreement”) is made and entered into as of the latest date it is (1) signed by the Cuyahoga County Executive and approved by its County Council on behalf of the County of Cuyahoga, Ohio (a body corporate and politic and a political subdivision of the State of Ohio organized and existing under the Charter of Cuyahoga County effective January 1, 2010)(the “County”); and (2) signed by Administrative Judge Michael P. Shaughnessy pursuant to Super. R. 4.01(A) and (K) on behalf of the 34 Judges of the Cuyahoga County Court of Common Pleas, General Division, acting in their official capacities (“General Division” or “Court”). This latter date shall be deemed the “Effective Date” of this Agreement.

WHEREAS, the Court issued the Administrative Order attached as Exhibit A, declaring its facilities are unsuitable to enable its proper and efficient operation; as the beneficiary of the County’s obligations under R.C. 307.01, it directed the County to take immediate steps to cure these defects in accordance with its obligations to provide suitable facilities for the proper and efficient discharge of the Court’s functions;

WHEREAS, the County acknowledges the substantive accuracy of the Exhibits listed within Exhibit A and agrees the Court’s facilities are in immediate need of comprehensive repairs and ongoing maintenance;

WHEREAS, the County has not appropriated adequate funding to complete the capital projects necessary to bring the Justice Center facilities into compliance with the recommendations its consultants made within their 2014 assessment (which presented options for fully renovating the Justice Center or moving the Court into a suitable facility by 2027), nor their 2024 assessment (which detailed what was recommended to provide an acceptable triage solution to the Justice Center if the Court remained there through 2029 or 2034);

WHEREAS, while the County will assemble funds from general fund dollars, the issuance of bonds, sales tax revenues, and other sources to *partially* comply with what its consultants recommended to address the Justice Center’s facilities deficits, it has already committed resources to so many other projects that it realistically cannot complete all repairs and maintenance needed to the Justice Center over the next 5-10 year period;

WHEREAS, the County has assembled an investment in the Court of Common Pleas General Division Justice Center that represents a minimum of \$161,589,028 in confirmed shorter-term funding, in-kind commitments, and additional categories of confirmed and contingent revenue that is, together, collectively estimated to exceed \$200,000,000 if the Court is not placed into a new or fully renovated facility before the Agreement’s termination. The Parties anticipate that both this funding and other terms will substantially improve the Court’s ability to effectively serve the public;

WHEREAS, to avoid an action in *mandamus* that enforces the Court's Administrative Order due to the County's failure to meet its obligation to provide a suitable courthouse, and to secure what funding the County has agreed to commit to the Justice Center in the interim so that drastically needed repairs and maintenance can begin before significant infrastructure failures jeopardize the Court's ability to maintain consistent operations, the Court and the County (the "Parties" to this Agreement) have reached a resolution to resolve their differences without litigation by agreeing to the following terms and conditions.

NOW THEREFORE:

1. In exchange for the County Executive and County Council providing the consideration set forth below, the Court will cause the following to occur:
 - (A) The Court will execute the Administrative Order attached as Exhibit B, which will supersede its original Administrative Order attached as Exhibit A, declaring that the County's execution of this Agreement, and its actual performance of the promises and warranties set forth herein, provide an acceptable short-term triage to the Court's facilities on an interim basis.
 - (B) The Court agrees to provide at least 14 days' written notice to the County Executive and President of Council before issuing any Administrative Order that could reasonably be expected to affect or alter any of the terms of this Agreement or the commitments made by the County thereto. Such notice shall include a copy of the proposed Administrative Order, and receipt must be confirmed at least 14 days before taking action (*e.g.*, signed certified mail or commercial carrier receipt, responsive email).

This notice requirement is not required if an Administrative Order pertains to an emergency that critically impacts the effective operations of the Court for more than 72 hours.

In the event the Court's Administrative Order attached as Exhibit A is revived, a substantially similar order is issued, or the Court rescinds the Administrative Order attached as Exhibit B, this Agreement shall immediately terminate and the remaining obligations of the Parties to each other under this Agreement shall terminate.

2. For and in exchange for the consideration outlined in paragraph 1, the County agrees as follows:
 - (A) **Establishment and Maintenance of the Common Pleas Court General Division Capital Improvement Account:** The County agrees to establish and maintain an account designated the "Common Pleas Court General Division Capital Improvement Account" or "Court

Capital Improvement Account” within the Justice Center Capital Projects Fund to facilitate the transfer and use of funds for capital improvement projects to benefit the General Division of the Court of Common Pleas.

- (1) Funds in the Court Capital Improvement Account may be used toward projects including, but not limited to, site work, ADA upgrades, building envelope, interior, security/hardening, conveyance, automatic temperature controls, HVAC, plumbing, electrical, technology, life safety, structure, parking, furnishings, and soft costs—provided they are projects that principally and directly facilitate and affect the General Division’s operations.
- (2) The County typically has discretion regarding which capital projects to prioritize, which to defer, and the timeline/costs of the projects’ use. The County has already provided an initial proposal for those projects to prioritize with some of the funds contemplated in this agreement; however, the Parties mutually agree that the Court will exercise discretion over the projects selected, their priority, and their scope when paid from the Court Capital Improvement Account.

The Court agrees to meet with the County’s Public Works professionals and consider their recommendations regarding the necessity, priority, cost, scope, scale, phasing schedule, and timeline of projects; however the Parties agree that any disputes relating to which projects will be funded by the Court Capital Improvement Account, their scope, or the priority of such projects, will be resolved according to the Court’s determination.

Prior to the County finalizing capital improvement project proposals from the Court Capital Improvements Account for the R.C. 153.36 Committee’s review, subject to paragraph 2(H); prior to issuing competitive bid proposals for such capital improvement projects; and prior to entering into contracts for such capital improvement projects, the County will obtain the Court Administrator or designee’s approval, in addition to any other approvals required by law. Where permitted by law, the Parties may agree to an alternative approval process for projects that utilize alternative construction methods or otherwise.

- (3) Each project shall be overseen collaboratively by the County Executive (project administration and execution through Public Works), County Council (appropriation and financial oversight),

and the Court (operational coordination and communication about the prioritization of facility needs).

- (4) Monies in the Court Capital Improvement Account are exclusively for the General Division's capital projects, and they are not to be diverted to other capital projects or used for other purposes unless agreed to by the Parties or until the County completes construction on a new or remodeled Court facility, or until it cures all outstanding Justice Center facilities deficits identified in the facilities assessments described in paragraph 2(J); also see paragraph 4.
- (5) Money transferred into the Court Capital Improvement Account is intended to be used exclusively to provide repairs, replacements, and improvements to General Division facilities that facilitate its proper and effective operations. The projects to be performed with these funds may include capital improvements to the areas within facilities the Court utilizes as of the Effective Date (*e.g.*, the Atrium, Courts Tower, Tower Two, Old Courthouse, Courthouse Square Annex, and ancillary space as may be agreed upon by the Parties to this Agreement) and/or areas it prospectively utilizes during the term of this Agreement; however, the funds are only intended to be used toward facilities deficits that principally and directly facilitate and affect the General Division's operations, or such other facilities as may be approved by the Court.
- (6) The County agrees to establish and maintain accounting practices that reliably enable the Parties to segregate the funding within the Common Pleas Court General Division Capital Improvement Account to enable the Parties to track the financial activities regarding that funding, including recording the date and amount of every disbursement; the purpose of the payment (including the reference to the specific authorized project); and the payee/vendor associated with the transaction. The County agrees to adhere to the pledges within this paragraph, notwithstanding software and/or system changes throughout the lifetime of this Agreement.
- (7) In every instance this Agreement references the appropriation, deposit, and/or transfer of funds to the Court's Capital Improvement Account or otherwise references the County providing funds for the Court's behalf, the County agrees to appropriate and fund these dollars for the Court's benefit without subsequent reduction, and it agrees to transfer and deposit those funds into the Court's Capital Improvement Account for its use as

outlined throughout this Agreement. These funds shall remain accessible to the Court to be used from year to year, at the Court's direction (as outlined throughout this Agreement) without being revoked, reduced, and/or rescinded, subject to County Council's appropriation as provided in Section 3.

(B) **Funding into the Court Capital Improvement Account:** The County will facilitate the deposit of funding from various sources into the Court's Capital Improvement Account, which provides a minimum guaranteed investment of \$158,240,534 in Court facilities between 2026 and 2033; a guaranteed minimum funding stream of \$2,000,000 dedicated to the Court's facilities in each year thereafter; and the potential for additional resources to be allocated toward the Court's facilities as described below. The source of each of these funds and their specific conditions and timelines are as follows:

(1) **2026-2027 Previously Allocated Funds of \$15,740,534:** The County had already "funded" (*i.e.*, budgeted but not actually spent, nor required to be spent) \$15,740,534 in Justice Center capital investments for the 2026-2027 budget cycle. The County agrees to complete all projects affiliated with those funds that the Court approves to proceed pursuant to the terms outlined in paragraph 2(A), and thereafter transfer any remainder of these funds into the Court Capital Improvement Account at the end of the 2027 fiscal year, to be utilized according to the terms outlined in paragraph 2(A).

(2) **\$120,000,000: \$66,000,000 in Bond Proceeds (2026-2027), \$20,000,000 in 2028, and \$34,000,000 in 2029:**

a. The County agrees to appropriate to benefit the General Division of the Court of Common Pleas and/or transfer into the Court's Capital Improvement Account funding in the cumulative amount of \$120,000,000 as follows:

i. The County agrees to issue debt (bonds or notes), subject to the passage of legislation by County Council [the proposed draft of which is attached as Exhibit C] to generate \$66,000,000 in proceeds for capital improvement projects to benefit the General Division of the Court of Common Pleas. Bond proceeds shall be held in a separate bond account and shall be expended in accordance with the bond resolution and the applicable law governing the use of such proceeds; however, it will remain traceable via the account practices described in

Paragraph 2(A)(6). The Court agrees to coordinate with the County to identify and approve the list of eligible projects prior to the issuance of the bonds in accordance with paragraph 2(H) so that such projects can be completed within the three-year period following issuance of the bonds.

- ii. By April 1, 2028, the County agrees to transfer \$20,000,000 in general fund dollars into the Court's Capital Improvement Account as part of the 2028-2029 budget biennium.
- iii. In 2029, the County agrees to transfer \$34,000,000 into the Court's Capital Improvement Account.

(3) One-Time Transfer to the Court Capital Improvement Account (2029 – amount TBA): When the County completes construction on the Cuyahoga County Central Services Campus (anticipated in 2029), an amount equal to all funds budgeted for the materials and labor of that project that have not been spent will be deposited into the Court's Capital Improvement Account.

(4) \$22,500,000: Annual Deposits into the Court Capital Improvement Account (\$3,750,000 in 2028, 2029, 2030, 2031, 2032, and 2033; and Guaranteed Contingent Amounts of at least \$2,000,000 in Successive Years):

- a. By April 1 of 2028, 2029, 2030, 2031, 2032, 2033 the County agrees to appropriate \$3,750,000 for capital improvement projects to benefit the General Division of the Court of Common Pleas (*i.e.*, totaling \$22,500,000 over these six years). The County reserves the right in the alternative to finance the commitments made pursuant to this section no later than fiscal year 2029. In the event the County determines to finance such projects through the issuance to tax exempt bonds, the Court agrees to coordinate with the County to identify and approve the list of eligible projects prior to the issuance of the bonds in accordance with paragraphs 2(A) and (H) so that the Court can identify and approve the completion of such projects within the three-year period following issuance of the bonds.
- b. Beginning in the 2034-2035 biennium, the County agrees to appropriate the largest of the following three amounts for capital improvement projects to benefit the General Division of

the Court of Common Pleas by April 1 of each year: (i) 25% of the amount Council has approved in its budget to be spent on County-wide capital projects that year; (ii) 25% of the amount the County actually expends on County-wide capital projects that year; or (iii) \$2,000,000.

The County will facilitate this commitment as follows: By April 1, 2034 and April 1 of every year thereafter, the County will appropriate the greater of (i) 25% of the amount Council has approved in its budget to be spent on County-wide capital projects that year; or (ii) \$2,000,000. If 25% of the amount the County actually expends on County-wide capital projects throughout 2034 or any subsequent year exceeded both \$2,000,000 and 25% of the budgeted amount for that year, the County will transfer a “true-up” to the Court Capital Improvement Account by April 1 of the following year that equals the difference between this figure and the amount appropriated for capital improvement projects to benefit the General Division of the Court of Common Pleas under this paragraph in the preceding year.

The County agrees to continue appropriating or transferring, as appropriate, the largest of these three figures each year until the Agreement terminates as described in Paragraphs 4 and 5.

- (5) **Annual Deposits of Revenues From the One-Fourth Percent Sales and Use Tax Exceeding 3.0%:** Council passed O2023-0012 and O2023-0013, which extended the duration of a one-fourth percent sales and use tax due to expire on September 30, 2027 until October 1, 2067.

By April 30 of 2028, and by April 30 of every year thereafter, the County will transfer into the Court Capital Improvement Account all revenues from the one-fourth percent sales and use tax that exceed 3.0% of the prior year’s revenues from the one-fourth percent sales and use tax (as identified by the State of Ohio Department of Taxation). The County agrees to continue depositing these funds until the County completes construction on a new or remodeled Court facility, until it cures all outstanding Justice Center facilities deficits identified in the facilities assessments described in Paragraph 2(J), or this agreement expires or is terminated as provided in Paragraphs 4 and 5.

- (6) **All Funds Arising From the City of Cleveland’s Capital Contribution to the Justice Center:** Effective immediately, the

County agrees to deposit into the Court Capital Improvement Account all money remitted by the City of Cleveland to the County as reimbursement for capital projects funded pursuant to this Agreement. The County agrees to continue depositing these funds until the County completes construction on a new or remodeled Court facility, or until it cures all outstanding Justice Center facilities deficits identified in the facilities assessments described in paragraph 2(J), or this agreement expires or is terminated as provided in Paragraphs 4 and 5.

- (C) **Consolidation of All Downtown Cleveland General Division Offices into the Justice Center via Assignment of Space in Tower Two to the Court.** The County agrees to provide approximately 60,497 of usable square feet of space in Tower Two for the exclusive use by the Court following the relocation of the Cleveland Division of Police, which is anticipated to occur in Q1 or Q2 of 2027. The space provided in Tower Two shall be approximately comprised of 24,853 usable square feet on the third floor, 6,183 usable square feet on the fifth floor, and 29,461 usable square feet on the seventh floor. The Court plans to move its Magistrates, TASC, and Corrections Planning Board offices from existing facilities into the Justice Center, consolidating all its downtown offices under the shared roof of the Justice Center. The repairs and renovations needed for this space will be funded from the Court Capital Improvements Account and completed in the manner outlined in paragraph 2(A).
- (D) **Justice Center Parking Garage Improvements.** The County agrees to appropriate \$1,000,000 from the County Parking Garage Enterprise Fund no later than January 31, 2029 for improvements to the Justice Center garage that will follow the Effective Date of this Agreement. The County has scheduled, designed, but has not yet allocated funds to repair structural defects within the Justice Center Garage, including P1/P2. If the Court opts to begin these renovations sooner than this appropriation—whether by using funds described in paragraph 2(B) or its other discretionary sources—this will not change the County’s commitment of funds. If the Court has advanced an amount equal to or greater than \$1,000,000 toward Justice Center Garage improvements by the time of this appropriation, the County will transfer \$1,000,000 into the Court’s Capital Improvement Account. If the Court has advanced an amount less than \$1,000,000 toward Justice Center Garage improvements by the time of this appropriation, the County will transfer funds equal to the Court’s advanced contribution into its Capital Improvement Account and directly appropriate the remaining difference to the Court (\$1,000,000, minus the funds advanced thus far) to be used to pay for remaining parking garage renovations.

- (E) **Repairs and Refurbishment of the Huntington Park Garage Tunnel (with outside funds):** The County has scheduled, designed, and allocated funds to repair the Huntington Park Garage Tunnel (CIP 24-25), with funds that are outside the Justice Center facilities budget. The County agrees to prioritize and complete this project within this biennium, no later than December 31, 2027. This work will be completed with funds that are *not* described in paragraph 2(B) or 2(D).
- (F) **Re-allocation of Parking Spots Within the Tower Two Garage:** Additionally, the County agrees to maintain the existing number of parking spaces already allocated to the Court within the Justice Center Garage and Tower Two Garage. It further agrees to conduct a review to allocate additional spots to the Court in proportion to the square footage it occupies in the Justice Center and currently and prospectively will occupy in Tower Two. Once new parking spaces become available in the Justice Center and Tower Two Garages due to vacating personnel of the Cleveland Division of Police and/or the Cuyahoga County Sheriff's Office, those spaces will be immediately assigned to the Court in proportion to the new distribution.
- (G) **Video Conferencing Upgrades in Court Attorney Conference Rooms.** The County agrees to renovate and configure the Court's 34 attorney conference room facilities to install technology that aligns with the Garfield Heights jail videoconferencing technology and facilitates communications between inmates at the jail and their counsel at the Court. This work will be completed no later than the completion of the jail project. Necessary upgrades associated with technology infrastructure shall be funded by a revenue source or revenue sources other than the Court Capital Improvement Account, nor will the installation of information technology hardware be completed with funds described in paragraph 2(B). Nothing about these renovations shall affect or interfere with the constitutional and statutory rights of defendants to be physically present for their court proceedings or the individual or collective authority of the judiciary to set local rules, standing orders, or determinations in any or all cases to require the in-person attendance of defendants at the Justice Center for any Court proceeding.
- (H) **Prompt and Good Faith Cooperation / Participation With Ohio R.C. Requirements, As Required:** All Parties agree to promptly comply with the processes established in the Ohio Revised Code and/or the Cuyahoga County Charter and County Code, as may be required, to facilitate the prompt and lawful completion of capital projects.

This includes, but is not limited to, the Department of Public Works preparing the plans and drawings, details, bills of material, specifications, and cost estimates for projects relayed by the Court required by R.C. 153.31(A) and disseminating them to Court Administration for preliminary authorization; convening a committee meeting under R.C. 153.36; preparing and obtaining Court Administration's authorization to initiate and complete the competitive bidding process; obtaining Court Administration's authorization and any other applicable laws prior to work commencing.

All Parties agree to take all reasonable and necessary measures to ensure these prerequisites are completed within 60 days following the preparation and submission of plans and specifications to the parties. If the Ohio Supreme Court, Eighth District Court of Appeals, other court of competent jurisdiction with binding authority, or Ohio Attorney General determines the above requirements do not apply to one or more projects contemplated in this Agreement, the Parties are relieved of those obligations.

(I) **Closing 2023 RFP:** The County agrees to close out and terminate the 2023 Consolidated Courthouse RFP without selecting any submission.

(J) **Prospective Studies:**

- a. The Court intends to pursue a space and security study from a recognized authority regarding the cost-efficiency, timeline, and operational challenges arising from its facilities. The County Department of Public Works will cooperate in the coordination of these studies to enable the evaluators full access to all necessary areas of review.
- b. In accordance with the recommendations within the 2014 Facility Assessment and Recommendation for Upgrades – Cuyahoga County Justice Center, the County agrees to facilitate an internal or outsourced evaluation of the Court's facilities and update the baseline on a regular basis, not less than once every three years, to measure the value of capital investments made in the previous year and provide documentation for ongoing capital project planning.

The County agrees to facilitate a new Assessment to be completed by December 1, 2027 and by December 1 of every triennial thereafter until that assessment determines the Court's facilities (both new and those identified in the 2014 and 2024 assessments), have all been remedied.

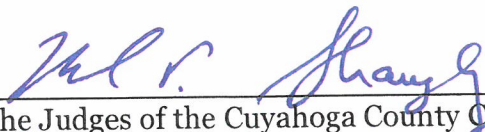
(K) **Ongoing Obligations to Provide Suitable Facilities:** The Parties agree that nothing in this Agreement alters or diminishes the County's ongoing obligation under R.C. 307.01. Just as the County remains obligated to provide the reasonable and necessary operating expenses of the Court, the Parties agree the County remains responsible to ensure the provision of suitable facilities that enable the proper and efficient administration of justice. The obligation includes, but is not limited to, ensuring the Court's facilities are reliably safe, clean, well-maintained, provide adequate space to efficiently conduct the Court's operations, and comply with the security and facilities standards set forth in Supreme Court Rules of Superintendence Appendices C and D. The County pledges to engage in the good faith pursuit of securing adequate funding to meet the long-term capital needs of the Court and provide clean, well-maintained facilities that provide adequate space and amenities to enable the Court's efficient and proper operations.


3. **Ongoing Obligations to Adhere to the Spirit and Principle of this Agreement:** Many of the terms of this Agreement are facilitated through the passage of Council legislation (e.g., the legislation establishing the Court Capital Improvement Fund; the legislation needed to deposit funds into the Court's Capital Improvement Fund in future biennials; the appropriation of funds, whether tethered to legislation generating sales and use tax revenues or from other sources, etc.). The County's financial obligations under this Agreement are subject to County Council appropriating the funds on an annual basis necessary for the continuation of this agreement in any year. In the event the funds necessary for the continuation of this Agreement are not appropriated or approved, the County will notify the Court of such occurrence in writing. Notwithstanding future legislative bodies and elected officials' entitlements to exercise their authority to enact, amend, or repeal legislative enactments and executive orders, and their obligation to pass new budget legislation each biennium and issue funding appropriations, the Parties agree that the alteration, modification, or elimination of this Agreement's material terms, whether facilitated through legislative change or otherwise, remain a material breach.

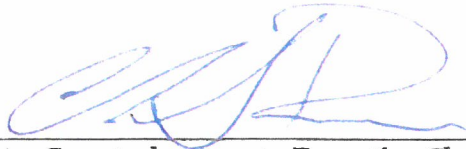
The County agrees to provide at least 14 days' written notice to the Administrative Judge and Court Administrator of the Cuyahoga County Court of Common Pleas, General Division before proposing any legislation or issuing any executive order that could reasonably be expected to affect or alter any of the terms reached in this Agreement. Such notice shall include a copy of the proposed action, and receipt must be confirmed at least 14 days before taking action (e.g., signed certified mail or commercial carrier receipt, responsive email).

In the event this Agreement is breached, the Court's original Administrative Order (Exhibit A) is immediately revived and becomes effective as of the date of the breach. However, the Parties remain free to negotiate the Court's willingness to stay the execution of reviving Exhibit A.

4. **Term.** This agreement shall commence on the Effective Date and shall expire upon the soonest of the following occurrence: (1) the County completes construction on a new or remodeled Court facility, (2) until the County cures all outstanding Justice Center facilities deficits identified in the facilities assessments described in paragraph 2(J); or (3) December 31, 2036.
5. **Termination.** Either Party may seek to terminate this Agreement based on breach of material terms and conditions of this Agreement. The Party asserting such breach shall provide the other Parties with a written notice of breach, fully identifying the basis for the assertion. The noticed Party shall have 14 days to cure or give notice of dispute of the alleged breach, after which time the noticing Party may elect to immediately terminate this Agreement and pursue any legal remedies.
6. This Agreement shall bind, and inure to the benefit of all successors, heirs and assigns of the County, the County Executive, County Council, the Court, and its Judges.
7. If any part of this Agreement is determined to be invalid, illegal, void, against public policy, in violation of professional conduct codes, retaliatory, or unenforceable, that provision will be eliminated and treated as if it never existed, and the remainder of this Agreement will continue to be valid and enforceable to the extent the Parties' intent in entering this Agreement is otherwise preserved. Nothing in this Agreement is intended to, or shall, interfere with any Party's rights under federal, state, or local laws.
8. This Agreement may not be amended or modified except by an express written agreement of the Parties.
9. This Agreement may be signed in counterparts.


The Judges of the Cuyahoga County Court of Common Pleas, by Hon. Michael P. Shaughnessy, Administrative and Presiding Judge

 Date



5/18/26

Cuyahoga County, by County Executive Chris Ronayne Date

Approved by Cuyahoga County Council Pursuant to Resolution No. R2026-0146 on

5/18/26

Date