

1 RESOLUTION NO. 2011-228

2  
3 SPONSOR Mr. Pry

4  
5 DATE June 20, 2011 COMMITTEE Rules

6  
7 **A Resolution authorizing the County Executive to execute a settlement agreement and**  
8 **release with, and to accept an \$20,000.00 settlement payment from Xaloy, Inc., the parent**  
9 **company of F.R. Gross, Inc. fka F.R. Gross Co., as a resolution of any and all claims**  
10 **arising out of or concerning the enterprise zone agreement between the County of Summit,**  
11 **the City of Stow, and F.R. Gross Co., for the Executive's Department of Community and**  
12 **Economic Development, and declaring an emergency.**

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14 WHEREAS, pursuant to Resolution No. 1997-20, the County Executive executed an  
15 enterprise zone agreement between the County of Summit, the City of Stow, and F.R. Gross Co.  
16 for personal property tax abatement; and

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18 WHEREAS, Xaloy, Inc. the parent company of F.R. Gross, Inc. fka F.R. Gross Co.,  
19 failed to adhere to the terms of the agreement, including but not limited to, the maintenance of 41  
20 existing full-time jobs and 4 part-time permanent jobs and/or maintain the existing payroll of  
21 \$1,754,498.00 at its facility located in Stow, which has been shut down; and

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23 WHEREAS, County Council previously adopted Resolution No. 2009-300, which  
24 accepted the recommendation of the Tax Incentive Review Council to terminate the enterprise  
25 zone agreement with F.R. Gross, Inc.; and

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27 WHEREAS, the Stow City Council previously adopted Resolution No. 2009-173, which  
28 accepted the recommendation of the Tax Incentive Review Council to terminate the enterprise  
29 zone agreement with F.R. Gross, Inc.; and

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31 WHEREAS, the County has reached an agreement with Xaloy, Inc. to settle all claims  
32 arising out of or concerning the enterprise zone agreement, pursuant to which Xaloy, Inc. will  
33 make a payment to the County in the amount of \$20,000.00; and

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35 WHEREAS, this Council has determined by reviewing all pertinent information that it is  
36 necessary and in the best interest of the County of Summit to authorize the Executive to execute  
37 a settlement agreement and release with, and to accept the aforementioned settlement payment  
38 from Xaloy, Inc.;

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40 NOW, THEREFORE, BE IT RESOLVED by the Council of the County of Summit, State  
41 of Ohio, that:

42  
43 SECTION 1

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45 The County Executive is hereby authorized to execute a settlement agreement and release  
46 with Xaloy, Inc., the parent company of F.R. Gross, Inc. fka F.R. Gross Co., as a resolution for  
47 any and all claims arising out of or concerning the enterprise zone agreement between the  
48 County of Summit, the City of Stow, and F.R. Gross Co, in consideration of payment of abated  
49 taxes in the amount of \$20,000.00.  
50

1 RESOLUTION NO. 2011-228

2 PAGE TWO

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4 SECTION 2

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6 The settlement proceeds in the amount of \$20,000.00 shall be dispersed among all  
7 entities entitled to share in the proceeds as provided for by law.

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9 SECTION 3

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11 This Resolution is hereby declared an emergency in the interest of the health, safety, and  
12 welfare of the citizens of the County of Summit and for the further purpose of immediately  
13 resolving all outstanding matters concerning the enterprise zone agreement entered into in 1997  
14 between the County of Summit, the City of Stow, and F.R. Gross Co.

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16 SECTION 4

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18 Provided this Resolution receives the affirmative vote of eight members, it shall take  
19 effect immediately upon its adoption and approval by the Executive; otherwise, it shall take  
20 effect and be in force at the earliest time provided by law.


21  
22 SECTION 5

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24 It is found and determined that all formal actions of the Council concerning and relating  
25 to the adoption of this Resolution were adopted in an open meeting of this Council, and that all  
26 deliberations of this Council and any of its committees that resulted in such formal action, were  
27 in meetings open to the public, in compliance with all legal requirements, including Section  
28 121.22 of the Ohio Revised Code.

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31 INTRODUCED June 6, 2011

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33 ADOPTED June 20, 2011

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39 CLERK OF COUNCIL

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46 PRESIDENT OF COUNCIL

47 APPROVED June 21, 2011

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EXECUTIVE

ENACTED EFFECTIVE June 21, 2011

Voice Vote:11-0 YES: Komunale, Crawford, Feeman, Kostandaras  
Kurt, Lee, Prenice, Rodgers, Roemer, Schmidt, Shapiro,