

RESOLUTION NO. 2009-208

**First Reading Passage Requested**  
**(J. Dodson)**

SPONSOR Mr. Pry and Council of the Whole

DATE May 11, 2009

COMMITTEE Planning

**A Resolution authorizing the County Executive to execute an amended preliminary financing summary for the financing of IRG Rubber City LLC's purchase of certain real property located in the City of Akron, including the campus of The Goodyear Tire & Rubber Company, and authorizing the County Executive to enter into and execute a Cooperative Agreement and amendment to the Development Agreement among the County, the City of Akron, Summit County Port Authority and IRG Rubber City LLC, consistent with, and incorporating the terms of, said amended preliminary financing summary, for the Executive, and declaring an emergency.**

WHEREAS, the County, the City of Akron (the "City"), Summit County Port Authority (the "Port Authority") and IRG Rubber City LLC ("IRG") have entered into a Development Agreement (the "Development Agreement") pursuant to which IRG agreed to (i) acquire a substantial part of the real property in the City comprising The Goodyear Tire & Rubber Company's ("Goodyear") campus (the "Goodyear Properties"), (ii) construct a new North American Tire and World Headquarters facility (the "Headquarters Project") for Goodyear, and (iii) develop certain other properties around the Headquarters Project (the "Development"), all for the purpose of creating jobs and employment opportunities, as further described in the Development Agreement; and

WHEREAS, the County and the City agreed in the Development Agreement to provide assistance to IRG in connection with the Headquarters Project and the Development, as further described in the Development Agreement; and

WHEREAS, IRG has previously requested the assistance of the Port Authority, the County and the City with financing a portion of the costs of acquiring the Goodyear Properties by IRG, through the proposed issuance by the Port Authority of taxable development revenue bonds (the "Port Bonds"), the proceeds of which will be loaned by the Port Authority to IRG; and

WHEREAS, in furtherance of IRG's request for assistance, IRG, the County Executive, the Mayor of the City and the President of the Port Authority have previously executed a non-binding Preliminary Financing Summary (the "Financing Summary") setting forth the proposed terms of the Port Bonds and the obligations of IRG, the County and the City relating to those Port Bonds; and

WHEREAS, IRG, the County, the City and the Port Authority now desire to enter into an amendment to the Financing Summary (the "Amended Financing Summary"), a copy of which Amended Financing Summary is attached hereto as Exhibit A, setting forth certain revisions to the proposed terms of the Port Bonds, including an agreement of the County and the City to annually appropriate and pledge, from their respective non-tax revenues, an amount equal to one-half of the annual debt service on the Port Bonds to support the repayment of the Port Bonds (in the event of a default by IRG) by the County and the City each paying a one-half share, from their respective non-tax revenues, of such deficiency with a contribution payment; and

WHEREAS, it is necessary to incorporate the further undertakings and obligations of IRG, the County and the City outlined in the Amended Financing Summary into a Cooperative Agreement and the Development Agreement by executing a Cooperative Agreement and amending the Development Agreement consistent with, and incorporating the terms of, the Amended Financing Summary; and

WHEREAS, the amendment to the Development Agreement will expressly state that the County's obligation to pay one-half of any deficiency on the Port Bonds in the event of a default by IRG will offset any current obligation of the County in the Development Agreement, thereby ensuring that the County's total monetary obligations under the Development Agreement do not increase under the Amended Financing Summary or the amendment to the Development Agreement; and

WHEREAS, this Council finds and determines, after reviewing all pertinent information, that it is necessary and in the best interest of the County of Summit to authorize the County Executive to enter into the Amended Financing Summary and a Cooperative Agreement and amendment to the Development Agreement consistent with, and incorporating the terms of, the Amended Financing Summary.

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

SECTION 1

The County Executive is hereby authorized to enter into and execute on behalf of the County, the Amended Financing Summary upon terms substantially consistent with the Amended Financing Summary attached as Exhibit A hereto, with such changes and modifications as shall not be adverse to the County and shall be approved by the County Executive on behalf of the County, all of which shall be conclusively evidenced by the execution of the Amended Financing Summary by the County Executive.

SECTION 2

The County Executive is hereby authorized to enter into and execute on behalf of the County, a Cooperative Agreement and amendment to the Development Agreement upon terms that are consistent with, and incorporate the terms of, the Amended Financing Summary and such other terms in furtherance of the provisions of the Amended Financing Summary that are not adverse to the County.

SECTION 3

This Resolution is hereby declared to be an emergency in the interest of the health, safety and welfare of the citizens of the County of Summit and for the further reason that it is necessary to ensure that Goodyear will remain within the County of Summit and continue to provide valuable contributions to the economy of the County of Summit, and to meet necessary deadlines for the financing of the acquisition of the properties by IRG.

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SECTION 4

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

SECTION 5

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

INTRODUCED May 11, 2009

ADOPTED May 11, 2009

Shanley F. Sheer  
CLERK OF COUNCIL

Nick Kostandaras  
PRESIDENT OF COUNCIL

APPROVED May 11, 2009

Bussell M. Pugh  
EXECUTIVE

ENACTED EFFECTIVE May 11, 2009

Voice Vote: 11-0 YES: Comunale, Crawford, Crossland, Feeman, Kostandaras Poda, Prentice, Rodgers, Schmidt, Shapiro, Smith