

RESOLUTION NO. 2009-090

Late Filing

SPONSOR Mr. Pry and Mrs. Shapiro

DATE March 16, 2009

COMMITTEE: Planning

A Resolution approving the terms of a 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 a Cooperative Agreement and amendment to the Development Agreement between the County, City of Akron and IRG Rubber City, LLC, consistent with, and incorporating the terms of, said Financing Summary, for the Executive, and declaring an emergency.

WHEREAS, the County, the City of Akron (the "City") 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 and retaining 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, due to current credit market condition, IRG has requested the assistance of the Summit County Port Authority (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 the repayment of which will be supported (in the event of a default by IRG) by an agreement of the County and the City to each pay one-half of such deficiency with a contribution payment, respectively, from their non-tax revenues; and

WHEREAS, IRG, the County Executive (expressly subject to the approval of this Council), the Mayor of the City and the President of the Port Authority have 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, a copy of which Financing Summary is attached hereto as Exhibit A; and

WHEREAS, it is necessary to incorporate the further undertakings and obligations of IRG, the County and the City outlined in the 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 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 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 approve the terms of the preliminary Financing Summary for the financing of IRG's purchase of the Goodyear properties, and to authorize the County Executive to enter into a Cooperative Agreement and amendment to the Development Agreement between the County, City and IRG, consistent with, and incorporating the terms of, said Financing Summary;

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

SECTION 1

The undertaking and obligations of the County outlined in the Financing Summary, attached hereto as Exhibit A and incorporated herein, as they relate to the proposed issuance of Port Bonds by the Port Authority to finance the costs of the acquisition by IRG of the Goodyear Properties and the support for those Port Bonds to be provided by the County from its non-tax revenues is hereby approved.

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 Financing Summary and such other terms in furtherance of the provisions of the 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 immediately ensure that Goodyear will remain within the County of Summit and continue to provide valuable contributions to the economy of the County of Summit.

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.

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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 March 2, 2009

ADOPTED March 16, 2009

Shirley P. Greer
CLERK OF COUNCIL

Nide Kozak Poda
PRESIDENT

APPROVED March 16, 2009

Russell M. Poy
EXECUTIVE

March 16, 2009
ENACTED EFFECTIVE

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