

1 RESOLUTION NO. 2011-081

2
3 SPONSOR Mr. Pry

4
5 DATE March 7, 2011 COMMITTEE Planning

6
7 **A Resolution authorizing an increase of the County's pledge of non-tax revenues for the**
8 **financing of the Austen BioInnovation Institute in Akron Renovation Project up to a total**
9 **of \$9,500,000.00, which would securitize a State Research and Development Loan in the**
10 **amount of \$2,500,000 and a Summit County Port Authority issuance of bonds of up to**
11 **\$7,000,000.00, for the Executive's Department of Community and Economic Development,**
12 **and declaring an emergency.**

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14 WHEREAS, this Council previously authorized the Executive to enter into certain term
15 sheets and a Cooperative Agreement and all other necessary agreements for the Austen
16 BioInnovation Institute in Akron Renovation Project (the "Project"); and

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18 WHEREAS, pursuant to the term sheets and Cooperative Agreement, in order to
19 commence the Project, the County will sell certain real property located at 47 N. Main St.,
20 Akron, Ohio, 44308 ("Building 1") to the Summit County Port Authority ("Port Authority"); and

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22 WHEREAS, following the aforementioned sale and purchase, the Port Authority will
23 lease floors 1, 2 and 3 and a portion of the basement to the Austen BioInnovation Institute in
24 Akron ("ABIA") and lease floors 4, 5 and 6 back to the County; and

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26 WHEREAS, subsequent to the lease, ABIA will make certain renovations to floors 1, 2
27 and 3 and the basement in order to convert the space into ABIA's new headquarters, a state-of-
28 the-art Simulation Center and education and training space; and

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30 WHEREAS, the term sheets originally anticipated that the Project would be funded
31 primarily through \$8,500,000.00 in bonds issued by the Port Authority; and that the County
32 would provide a pledge of County non-tax revenue to securitize said bonds; and

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34 WHEREAS, following approval of the term sheets by this Council, the State of Ohio
35 committed to providing a \$2,500,000.00 Research and Development Loan to the Project, at a
36 much lower interest rate than that of the bonds, to be securitized by the County, and to substitute
37 in place of \$2,500,000.00 of the bonds that would have been securitized by the County; and

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39 WHEREAS, as a result of the introduction of the State Research and Development Loan,
40 the Cooperative Agreement has previously contemplated that the County's pledge would
41 continue to be at the level of \$8,500,000.00, to wit: \$6,000,000.00 of the pledge would securitize
42 the bonds and \$2,500,000.00 would securitize the State Research and Development Loan; and

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44 WHEREAS, the balance of the Project was to be funded by (i) an equity contribution of
45 \$1,000,000.00 by the ABIA, (ii) a grant from first Energy in the amount of \$1,000,000.00, and
46 (iii) new market tax credits, which would generate a net equity contribution to the Project of
47 approximately \$2,500,000.00; and

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49 WHEREAS, unfortunately, the new market tax credit portion of the financing has
50 become unavailable, causing the parties to re-design and re-plan the Project and Project budget,
51 and to seek other available sources of funding; and

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54 PAGE TWO

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56 WHEREAS, to provide additional funding to the Project, the Executive recommends that
57 the County increase its pledge of non-tax revenues up to a total of \$9,500,000.00, which would
58 securitize the State Research and Development Loan in the amount of \$2,500,000.00 and a Port
59 Authority issuance of bonds of up to \$7,000,000.00; and

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61 WHEREAS, the additional financing will allow the ABIA to complete construction of a
62 bio-skills laboratory, which will then allow the ABIA to seek private investment for the
63 equipment and fixtures for the same, in order to utilize the laboratory as a revenue generator for
64 the ABIA; and

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66 WHEREAS, this Council finds and determines, that it is necessary and in the best interest
67 of the County, to increase its pledge of non-tax revenues for the financing of the Project up to a
68 total of \$9,500,000.00, which would securitize the State Research and Development Loan in the
69 amount of \$2,500,000.00 and a Port Authority issuance of bonds of up to \$7,000,000.00.

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

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74 SECTION 1

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76 This Council hereby approves an increase of the County's pledge of non-tax revenues for
77 the financing of the Austen BioInnovation Institute in Akron Renovation Project up to a total of
78 \$9,500,000.00, which would securitize a State Research and Development Loan in the amount of
79 \$2,500,000.00 and a Summit County Port Authority issuance of bonds of up to \$7,000,000.00.
80 The County Executive is hereby authorized to execute a Cooperative Agreement and any other
81 necessary documents and agreements that are consistent with the aforementioned approval, and
82 the prior approvals of this Council.

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84 SECTION 2

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86 This Resolution is hereby declared an emergency in the interest of the health, safety and
87 welfare of the citizens and employees of the County of Summit and for the further purpose of
88 immediately authorizing the aforementioned increase in the County's pledge so that bonds may
89 be issued and the transaction closed by the current closing date in mid-March 2011.

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91 SECTION 3

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93 Provided this Resolution receives the affirmative vote of eight (8) members, it shall take
94 effect immediately upon its adoption and approval by the Executive; otherwise it shall take effect
95 and be in force at the earliest time provided by law.

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97 SECTION 4

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99 It is found and determined that all formal actions of this Council concerning and relating
100 to the adoption of this Resolution were adopted in an open meeting of this Council, and that all
101 deliberations of this Council and of any of its committees that resulted in such formal action,
102 were in meetings open to the public, in compliance with all legal requirements, including Section
103 121.22 of the Ohio Revised Code.

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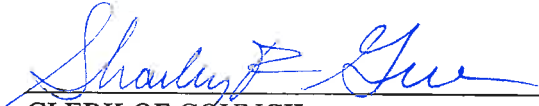
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109 INTRODUCED February 14, 2011

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111 ADOPTED March 7, 2011

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115 CLERK OF COUNCIL

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117 APPROVED March 7, 2011

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121 EXECUTIVE

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123 ENACTED EFFECTIVE March 7, 2011



PRESIDENT OF COUNCIL

Voice Vote: 9-0-1 YES: Comunale, Crawford, Feeman, Kostandaras, Kurt,
Rodgers, Roemer, Schmidt, Smith ABSENT: Prentice ABSTAIN: Shapiro