

1 RESOLUTION NO. 2023-245

Late Filing

2
3 SPONSOR Executive Shapiro

4 August 7, 2023
5 DATE _____

COMMITTEE Planning

6
7 **A Resolution authorizing the Executive to execute a term sheet (“Term Sheet”) related to**
8 **the transfer of the real property located at 1 Cascade Plaza, Akron, Ohio 44308, in Council**
9 **District 5, with the Development Finance Authority of Summit County and the Summit**
10 **County Land Reutilization Corporation and further authorizing the Executive to execute a**
11 **Cooperative Agreement and all other necessary agreements and documents to consummate**
12 **the transaction contemplated in the Term Sheet, upon terms substantially similar to and**
13 **not materially adverse to the County, for the Executive, and declaring an emergency.**
14

15 WHEREAS, the Development Finance Authority of Summit County (“DFA”) has or will
16 acquire the real property located at 1 Cascade Plaza, Akron, Ohio 44308 and identified as Parcel
17 No. 6701941 in the Summit County Records (the “Property”), subsequent to a settlement and
18 assignment agreement (the “CPA Agreement”) with Cascade Plaza Associates, LLC
19 (“Cascade”), due to default by Cascade in the payment of real estate taxes and assessments, in
20 particular delinquent special assessments levied to repay certain bonds issued by the DFA in
21 2018 to finance Property Assessed Clean Energy (“PACE”) improvements at the Property; and
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23 WHEREAS, the County, DFA, and Summit County Land Reutilization Corporation
24 (“Land Bank”) intend to cooperate to assist the DFA with the stabilization, management, and
25 operation and subsequent disposal of the property; and
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27 WHEREAS, as contemplated in the Term Sheet, attached hereto as Exhibit A and
28 incorporated herein as if fully restated, following the acquisition of the property the County,
29 DFA, and the Land Bank will enter into a cooperative Agreement whereby the DFA will either
30 settle and compromise all due and outstanding claims known to the DFA which may impact the
31 Property or will agree to include the same and will enter into an assignment and assumption of
32 Cascade’s interest in the Ground Lease and obtain the City of Akron’s consent to the same; and
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34 WHEREAS, the Term Sheet further provides that the DFA will transfer the Property to
35 the Land Bank and upon the transfer of the Property from the DFA to the Land Bank via deed-in-
36 lieu of foreclosure that all delinquent taxes and special assessments levied against the Property,
37 including the delinquent PACE special assessments, will be discharged by the County and the
38 Property will be exempt from real property taxation, but that all special assessments that would
39 otherwise be assessed against the Property, including the PACE special assessments, will
40 continue to be assessed against the Property; and
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42 WHEREAS, the Term Sheet further provides that the Land Bank will lease the property
43 to the DFA according to the terms set forth in the Term Sheet;
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45 WHEREAS, the Term Sheet further provides that the County will make available to the
46 DFA a line of credit of \$1,500,000.00 upon the terms and conditions set out in the Term Sheet to
47 be used by the DFA for the purpose of (i) recovering its costs expended in paying and settling the
48 Settled and Assumed Claims, and (ii) paying operating expenses and costs associated with
49 leasing and operating the Property that are incurred by the Authority; and
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4 WHEREAS, in consideration of the line of credit provided by the County, the DFA and
5 County will enter into a Loan Agreement and the DFA will deliver a Promissory Note and
6 Mortgage encumbering the Property, the Mortgage will be the first lien on the Property, other
7 than taxes (if any) and special assessments; and

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9 WHEREAS, according to the terms of the Term Sheet and subsequent Lease Agreement,
10 the DFA will be responsible for the management and operation of the Property, and all costs
11 related thereto, and will use commercially reasonable efforts to sell or dispose of the Property on
12 or before the maturity date of the County Credit Line, or, if applicable, the extension thereto; and

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14 WHEREAS, the parties intend for the property to be sold through the use of a closed-
15 auction process whereby the Authority, County and Land Bank will collectively pre-qualify
16 potential purchasers and redevelopers of the Property based upon a general set of objective
17 criteria set forth in the Cooperative Agreement intended to identify firms that have the capacity
18 and capability to successfully acquire, operate, and manage the Property either for its current
19 office use, or to redevelop the same into a mixed-use, office or residential property; and

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21 WHEREAS, the Term Sheet further provides that the County's line of credit plus any
22 interest which may accrue on such line shall be repaid from the proceeds of the sale of the
23 property on or before December 1, 2025; and

24

25 WHEREAS, the Executive wishes to enter into the aforementioned Term Sheet,
26 incorporated herein and attached hereto as Exhibit A and incorporated herein as if fully restated,
27 and enter into certain transactions which will be memorialized in a Cooperative Agreement; and

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29 WHEREAS, this Council finds and determines, after reviewing all pertinent information,
30 that it is necessary and in the best interest of the County of Summit, to authorize the Executive's
31 execution of the Term Sheet and to further authorize the execution of a Cooperative Agreement
32 and all other agreements and documents necessary to consummate the transactions contemplated
33 in the Term Sheet, upon terms substantially similar to and not materially adverse to the County;
34 and

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

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39 SECTION 1

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41 The Executive is hereby authorized to execute a term sheet ("Term Sheet"), a copy of
42 which is attached hereto as Exhibit A and incorporated herein as if fully restated, related to the
43 transfer of the real property located at 1 Cascade Plaza, Akron, Ohio 44308, in Council District
44 4, with the Development Finance Authority of Summit County and the Summit County Land
45 Reutilization Corporation, in substantially the same form, inclusive of any necessary revisions
46 and modifications as may be necessary for the furtherance of the provisions of the Term Sheet,
47 and not substantially adverse to the County, all of which shall be conclusively evidenced by
48 execution thereof by the Executive.

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4 SECTION 2

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6 This Council further authorizes the Executive to execute a Cooperative Agreement and
7 all other agreements and documents necessary to consummate the transactions contemplated in
8 the Term Sheet, upon terms substantially similar to and not materially adverse to the County, all
9 of which shall be conclusively evidenced by the execution thereof by the Executive.

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11 SECTION 3

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13 This Resolution is hereby declared an emergency in the interest of the health, safety and
14 welfare of the residents of the County of Summit, and for the further reason to immediately
15 authorize the County's financial assistance in the acquisition and sale of the real property located
16 at 1 Cascade Plaza, Akron, Ohio 44308 and identified as Parcel No. 6701941 in the Summit
17 County Records.

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19 SECTION 3

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

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25 SECTION 4

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27 It is found and determined that all formal actions of this Council concerning and relating
28 to the adoption of this Resolution were adopted in an open meeting of this Council, and that all
29 deliberations of this Council and of any of its committees that resulted in such formal action,
30 were in meetings open to the public, in compliance with all legal requirements, including Section
31 121.22 of the Ohio Revised Code.

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34 INTRODUCED August 7, 2023

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36 ADOPTED August 21, 2023

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38 DocuSigned by:
39 hauenenmaush
40 E8D2DB132BE041R
CLERK OF COUNCIL

DocuSigned by:
Veronica R Sim
C65A916FE4B442A
PRESIDENT OF COUNCIL

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42 APPROVED August 21, 2023

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44 DocuSigned by:
45 Steve Shapiro
46 CBD33E40D287473
EXECUTIVE

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48 ENACTED EFFECTIVE August 22, 2023

Voice Vote – YES: 10 – 0: Darrow, DeVitis, Dickinson, Donofrio, McKenney, Schmidt, Sims, Walters,
Wiedie Higham, Wilhite
Absent: Rodgers