

ORDINANCE. 19-2009

Offered by All of Council

AN ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR AND THE FINANCE DIRECTOR TO ENTER INTO A JOB CREATION TAX CREDIT AGREEMENT WITH NEWARK CORPORATION AND DECLARING AN EMERGENCY

WHEREAS, Newark Corporation has proposed leasing a new building located on a parcel on Highlander Parkway (the "Project"); and

WHEREAS, the Project will create employment opportunities for approximately 184 new full-time employees in the Village; and

WHEREAS, the Project is economically sound and will increase employment opportunities and strengthen the economy of the Village; and

WHEREAS, the Village wishes to provide local incentives for the economic development of the project; and

WHEREAS, the Village wishes to act under its full Home Rule powers as granted by Article XVIII, Section 3 of the Ohio Constitution, as well as its economic development powers granted under Ohio Constitution Article VIII, Section 13 and Article VIII, Section 2(p).

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Richfield, Summit County, State of Ohio:

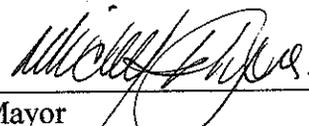
SECTION 1. That the Mayor and the Finance Director be, and they hereby are, authorized and directed to enter into a Job Creation Tax Credit Agreement with Newark Corporation, a copy of which Agreement is attached hereto as Exhibit "A" and incorporated herein fully as if by reference.

SECTION 2. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety and welfare and for the further reason that it is immediately necessary in order to provide new job incentives for approximately 184 new full-time employees in the Village; wherefore, provided this Ordinance receives the affirmative vote of two-thirds of the members of Council elected or appointed, it shall take effect immediately upon its passage and execution by the Mayor; otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

PASSED: 3/17/09



President of Council



Mayor

Dated: 3/17/09

ATTEST:



Clerk of Council

AGREEMENT

THIS AGREEMENT made this ____ day of _____, 2009, by and between the VILLAGE OF RICHFIELD, 4410 West Streetsboro Road, P. O. Box 387, Richfield, Ohio 44286-0387 ("Richfield") and NEWARK CORPORATION, 4180 Highlander Parkway, Richfield, Ohio 44286 ("Newark").

WHEREAS, Newark has proposed to lease an existing building and a new addition to such building located on Highlander Parkway, Richfield, Ohio (the "Project"); and

WHEREAS, the Project is expected to create employment opportunities for approximately 184 full-time employees in Richfield; and

WHEREAS, the Project is economically sound and will strengthen the economy of Richfield; and

WHEREAS, Richfield wishes to provide local incentives for the economic development of the Project; and

WHEREAS, Richfield wishes to act under its full Home Rule powers as granted by Article XVIII, Section 3 of the Ohio Constitution, as well as its economic development powers granted under Ohio Constitution Article VIII, Section 13 and Article VIII, Section 2(p).

NOW, THEREFORE, IT IS HEREBY AGREED between the parties as follows:

1. As an incentive for the employment opportunities provided by the Project, Richfield shall provide a Job Creation Tax Credit to Newark for ten (10) years commencing January 1, 2010 and ending December 31, 2019. The Tax Credit shall consist of a payment by Richfield to Newark in the amount of 30% of the Richfield income tax attributable to new jobs created for employees first employed between January 1, 2009 and January 1, 2012 to be calculated and remitted on an annual basis, promptly after the end of each calendar year.

2. It is understood that Newark intends to create one hundred eighty four (184) new jobs.

3. Notices. Any notices, statements, acknowledgments, consents, approvals, certificates and/or requests desired to be given by Richfield or Newark shall be made in writing and shall be either personally delivered or mailed by certified or registered mail, return receipt requested, addressed as follows:

If to Richfield: Mayor
Village of Richfield
4410 West Streetsboro Road
P. O. Box 387
Richfield, Ohio 44286-0387

With a copy to: Charles T. Riehl, Esq.
Walter & Haverfield LLP
The Tower at Erieview
1301 East Ninth Street, Suite 3500
Cleveland, Ohio 44114-1821

If to Newark: Newark Corporation
4801 N. Ravenswood Ave.
Chicago, IL 60640
Attn: President

with a copy to: Newark Corporation
4801 N. Ravenswood Ave.
Chicago, IL 60640
Attn: General Counsel

Either party may designate a different address for receiving notices hereunder by giving at least ten (10) days written notice thereof to the other party.

4. This Agreement shall become effective only upon its prior authorization by resolution of the Council of Richfield. Any amendment to this Agreement must be in writing and approved by a resolution of the Council of Richfield.

5. This Agreement shall not be assignable without the express prior written approval of the other party, which approval shall not be unreasonably withheld; provided, however, that

this Agreement may be assigned by Newark to a parent, subsidiary or affiliate without the prior approval of Richfield. The approval of Richfield must be authorized by a resolution passed by the Council of Richfield.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and place first above written.

VILLAGE OF RICHFIELD

By: _____
Michael K. Lyons, Mayor

And: _____
Eleanor Lukovics, Finance Director

APPROVED AS TO FORM.

Charles T. Riehl, Law Director
Village of Richfield

NEWARK CORPORATION

By: _____
Its _____