

ORDINANCE NO. 92-19

AN ORDINANCE AUTHORIZING THE EXECUTION OF A GRANT AGREEMENT WITH CHALFANT MANUFACTURING COMPANY AND DECLARING AN EMERGENCY

WHEREAS, the City of Avon (the “**City**”) seeks to foster job creation and economic development in the City; and

WHEREAS, Chalfant Manufacturing Company (the “**Company**”) and the City (collectively, the “**Parties**”) have negotiated a proposed Grant Agreement (the “**Grant Agreement**”) to provide certain economic development incentives to the Company in exchange for the Company committing to create new jobs and payroll in the City; and

WHEREAS, the Company is or will become the owner of certain property located at 1050 Jaycox Road, Avon, Ohio (the “**Project Site**”), and in consideration for the incentives described in the Grant Agreement, the Company intends to establish [a new manufacturing facility] at the Project Site (the “**Project**”); and

WHEREAS, in connection with the Project, the Company will commit to creating at the Project Site at least fifty-seven (57) full-time permanent employee positions (the “**New Employee Positions**”) with an aggregate annual payroll of at least Three Million Six Hundred Thousand Dollars (\$3,600,000) by no later than December 31, 2022 (the “**Metric Commitments**”); and

WHEREAS, the City, in order to encourage the Company’s creation of the New Employee Positions and in exchange for the Metric Commitments, desires to offer the Company an annual cash incentive equal to a portion (0.25) of the City income tax withheld from the New Employee Positions created and located at the Project Site for a period of five years (the “**Annual Incentive**” as further defined in Grant Agreement); and

WHEREAS, the City’s obligation to pay the Annual Incentive each year during the five-year Incentive Period (as defined in the Grant Agreement) is contingent upon passage of an ordinance by the City Council for the City of Avon (the “**Council**”) each year appropriating and authorizing the expenditure of monies sufficient to make such payment and the certification of the City Finance Director; and

WHEREAS, the proposed Grant Agreement requires the Company to provide the City with certain annual reports and entitles the City to audit the information that the City receives from the Company; and

WHEREAS, the City Law Director has received a copy of the proposed Grant Agreement that the Parties have negotiated; and

WHEREAS, consistent with the City Charter at Article IV, section 16, the Council at its regularly scheduled meeting which took place on October 15, 2019, announced notice of its intent to conduct a public hearing to review and discuss the proposed Grant Agreement and the

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Annual Incentive. The public hearing, which was scheduled for the Council's next regularly scheduled work session, took place on October 21, 2019 at 7:30 p.m. (the "Public Hearing"). At least seven days prior to the Public Hearing, the Council provided notice of the Public Hearing to the Superintendent of the Avon Local School District. The Council also arranged for notice of the Public Hearing to be published according to law; and

WHEREAS, the immediate passage of this Ordinance is necessary in order to incentivize job creation and economic development in the City without delay.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF AVON, LORAIN COUNTY, OHIO:

Section 1 - That, in consideration of the covenants set forth in the Grant Agreement in the form on file with the City Law Director, this Council hereby approves the Grant Agreement substantially in the form on file with the City Law Director and authorizes the Mayor to execute and deliver the Grant Agreement on behalf of the City, with such changes therein not inconsistent with this Ordinance and not substantially adverse to this City; and

Section 2 - That, this Council hereby authorizes the Mayor or other appropriate officers of the City to take such actions as are necessary or appropriate to implement the transactions contemplated by this Ordinance.

Section 3 - That, it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council and that all deliberations of this Council and any decision making bodies of the City which resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 4 - That, this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety and welfare of City residents, for the purpose of consenting to the Grant Agreement with the Company to make additional employment available, promote employment opportunities in the City and incentivize work related to the Project; therefore, this Ordinance is hereby declared to be an emergency and shall take effect and be in full force immediately upon its passage and approval by the Mayor.

PASSED: _____

DATE SIGNED: _____

By: _____
Craig Witherspoon, Council President

DATE APPROVED BY THE MAYOR _____

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Bryan K. Jensen, Mayor

APPROVED AS TO FORM:

John A. Gasior, Law Director

ATTEST:

Barbara J. Brooks
Clerk of Council

POSTED: _____
In Five Places as
Provided by Council

Prepared By:
John A. Gasior, Esq.
Law Director