



COMMUNITY DEVELOPMENT • 1140 Terex Road • Hudson, Ohio 44236 • (330) 342-1790

MEMORANDUM

Date: October 11, 2024
To: Thom Sheridan, City Manager
From: Katie Behnke, Economic Development Manager
CC: Greg Hannan, Community Development Director
Re: Diebold Nixdorf, Inc. Job Creation Grant Agreement Termination

Background

The City entered into a Job Creation Grant Agreement (the “Agreement”) with Diebold Nixdorf, Inc. on January 5, 2021, for their headquarters relocation to 50 Executive Parkway as approved in Resolution 20-144. As part of the company’s bankruptcy proceedings, the entity vacated the building in January 2024.

In March 2024, the City Solicitor sent a notice to Diebold Nixdorf, Inc. requesting the repayment of the \$343,241.98 previously issued grant funds pursuant to Section 11(D) of the Agreement. The Finance Director has confirmed receipt of repayment. Pursuant to Section 11(D) of the agreement, the City may move to terminate the agreement in the event the entity vacates the project facility.

11(D) Hudson may terminate or modify this Agreement and may also require repayment of the full amount of grant payments awarded under this Agreement, upon the occurrence of any of the following:

- 1) Hudson determines that the certification as to delinquent taxes required by this Agreement is fraudulent, or*
- 2) The Company vacates the PROJECT facility and moves the PROJECT out of Hudson or terminates its operations at the PROJECT facility altogether during a ten (10)-year period beginning on the effective date of this Agreement (or, eleven (11) year period beginning on the effective date of this Agreement if year one of the Agreement is extended pursuant to Section 4.A.(2) or (3)), or*
- 3) The Company fails to meet 75% of its payroll or 75% of its employment projections for three (3) consecutive years at any time during the term of this Agreement.*

City Council may choose to keep the Agreement active as there is no risk that the City would have to payout on the agreement for the remaining duration. However, if the Agreement remains active, it requires tracking through the Tax Incentive Review Council through fiscal year 2031.

Recommendation

Staff recommends City Council make a Motion authorizing the City Manager or the City Manager’s designee to terminate the Diebold Nixdorf, Inc. Job Creation Grant Agreement dated January 5, 2021, pursuant to Section 11(D) of such agreement.