

A RESOLUTION AUTHORIZING THE CITY MANAGER TO APPROVE THE ASSIGNMENT OF A COMMUNITY REINVESTMENT ACT AGREEMENT FROM HUDSON 125, LLC TO AURORA INDUSTRIAL, LLC.

WHEREAS, on July 19, 2016, this Council passed Resolution No. 16-122 to authorize a Community Reinvestment Act Agreement (“Agreement”) with Premier Commercial Realty, LLC to support the construction of a commercial building in the Hudson Crossing Business Park, which was subsequently entered into between Premier and the City; and

WHEREAS, Resolution No. 16-122 also authorized an agreement between Premier, the Hudson City School District and the City of Hudson for payments in lieu of taxes which was subsequently entered into between Premier, the Hudson City School District, and the City (the “PILOT Agreement”); and

WHEREAS, on December 20, 2016, this Council passed Resolution No. 16-202 to permit the Agreement to be assigned from Premier Commercial Realty, LLC to a newly formed entity, Hudson 125, LLC, that would assume ownership of the property where the facility was to be constructed at Hudson Crossing Business Park; and

WHEREAS, it has been requested by Hudson 125, LLC to permit the Agreement to be assigned to an entity that will be purchasing the property that is the subject of the Agreement, Aurora Industrial, LLC; and

WHEREAS, the Hudson City School District has consented to the assignment of the Agreement described above.

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

Section 1: Subject to receipt of written consent of the assignment from the Hudson City School District, the City Manager is authorized to approve the assignment of the existing Community Reinvestment Act Agreement, authorized by this Council pursuant to Resolution No. 16-122 (and later amended via Resolution No. 16-202), from Hudson 125, LLC to Aurora Industrial, LLC.

Section 2: The authorization in Section 1 above is subject to the condition that, prior to the City Manager approving the assignment from Hudson 125, LLC to Aurora Industrial, LLC, Aurora Industrial, LLC shall agree in writing to be bound by, assume, and perform all of the obligations, agreements, covenants and restrictions to be performed by Premier Commercial Realty LLC as set forth in the PILOT Agreement dated June 20, 2016 (a copy of which is attached hereto and incorporated herein as “Exhibit A”).

Section 3: It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 4: This Resolution shall take effect and be in force from and after the earliest period allowed by law.

PASSED:

Craig A. Shubert, Mayor

ATTEST:

Elizabeth Slagle, Clerk of Council

I certify that the foregoing Resolution No. 21-111 was duly passed by the Council of said Municipality on _____, 2021.

Elizabeth Slagle, Clerk of Council

Exhibit A – Resolution No. 21-111

PILOT Agreement dated June 20, 2016

AGREEMENT

THIS AGREEMENT, entered into by and among the City of Hudson, Ohio, a municipal corporation with main offices at 115 Executive Parkway, Suite 400, Hudson, Ohio 44236 (hereinafter referred to as "Hudson"), Premier Commercial Realty, LLC, an Ohio limited liability company with main offices located at 5301 Grant Ave., Suite 100, Cleveland, Ohio 44125 (hereinafter referred to as "Property Owner") and the Hudson City School District, with offices located at 2400 Hudson-Aurora Road, Hudson, Ohio 44236 (hereinafter referred to as "School District").

W I T N E S S E T H:

WHEREAS, Hudson has encouraged the development of real property located in the area designated as a Community Reinvestment Area; and

WHEREAS, Property Owner is desirous of building a commercial and industrial building on Lot #4 in the Hudson Crossing Business Park located at Hudson Crossing Parkway, Hudson, Ohio (the "Property"); and

WHEREAS, the City Council of Hudson, Ohio by Resolution No. 10-28 adopted February 3, 2010 designated the area as "Community Reinvestment Area #3A" pursuant to Chapter 3735 of the Ohio Revised Code; and

WHEREAS, effective March 17, 2010, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Resolution No. 10-28 contained the characteristics set forth in Section 3735.66 of the Ohio Revised Code and confirmed said Area #3A as a Community Reinvestment Area under Chapter 3735; and

WHEREAS, Hudson is interested in finding a means by which it may compensate the School District for its lost tax revenues for the Property to be developed by the Property Owner in the Hudson Industrial Park;

WHEREAS, Hudson and the Property Owner have negotiated the terms of a Community Reinvestment Area Agreement ("CRA Agreement"); and

WHEREAS, the Property Owner is interested in making certain payments to the School District in lieu of taxes for the Property to be developed by Property Owner in the Hudson Crossing Business Park; and

WHEREAS, the Board of Education of the School District has approved the CRA Agreement by adoption of Resolution No. 16-06-20-06, adopted June 20, 2016, (the "School Resolution"), and as of the date hereof, the School District has certified a copy of such resolution to the City Council of Hudson, Ohio.

NOW, THEREFORE, IT IS HEREBY AGREED by and among the parties:

Section 1. Property Owner shall use commercially reasonable efforts to develop and construct a commercial and industrial building of approximately 125,000 square feet on the Property (the "Improvement").

Section 2. Upon construction completion of the commercial/industrial building which constitutes the Improvement, Property Owner shall pay to the School District the sum equal to twenty-five percent (25%) of the incremental increase in the real property taxes that would have resulted from the Improvement per year if the taxes had not been abated and to make such payments on or before December 31st of the year of construction completion and for a period of fourteen (14) consecutive years thereafter ("the Term").

Section 3. Hudson, Property Owner and the School District shall cooperate in the implementation of this Agreement and shall perform such acts as are reasonably necessary or appropriate to make the payments.

Section 4. This Agreement has been approved by the School Resolution. Property Owner, Hudson and the School District acknowledge that this Agreement and the CRA Agreement must be approved by the formal action of the legislative authority of Hudson as a condition for the CRA Agreement to take effect. This Agreement shall take effect upon the date of such approval.

Section 5. Transfer and Assignment. This Agreement is not transferable or assignable without the express, written approval of Hudson and the School District. Hudson and the School District acknowledge that it would be unreasonable to withhold such consent in the event of a proposed transfer or assignment to any parent, subsidiary, affiliate of the Property Owner or to any third party so long as with respect to all or any part of such proposed transfers or assignments, the proposed transferee or assignee adequately and sufficiently demonstrates to Hudson and the School District, to Hudson's and the School District's reasonable satisfaction, its financial ability, business experience and intention to continue to make the payment due hereunder during the Term.

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IN WITNESS WHEREOF, the City of Hudson, Ohio, by Jane Howington, its City Manager, and pursuant to Resolution No. 16-122 has caused this instrument to be executed this 19th day of July, 2016; Premier Commercial Realty, LLC by Spencer PISCZAK, its Managing Member, has caused this instrument to be executed on this 29th day of July, 2016; and the Hudson City School District, by Phillip Herman, its Superintendent, and pursuant to Resolution No. 16-06-20-06, has caused this instrument to be executed on this 20th day of June, 2016.

CITY OF HUDSON, OHIO

By: Jane Howington
Jane Howington, City Manager

HUDSON CITY SCHOOL DISTRICT

By: Phillip T. Herman
Phillip Herman, Superintendent

PREMIER COMMERCIAL REALTY, LLC

By: Spencer Piszak
SPENCER PISCZAK, Managing Member
(Print/Type Name) (Title)

APPROVED AS TO FORM.

R. Todd Hunt
R. Todd Hunt, City Solicitor