



City of Hudson, Ohio

Staff Report With Text

File #: 17-48 **Version:** 1 **Name:**

Type: Resolution **Status:** Passed

File created: 3/8/2017 **In control:** City Council

On agenda: 3/21/2017 **Final action:** 3/21/2017

Title: A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A TWO-YEAR EXTENSION TO THE FIRST AMENDMENT TO THE DEVELOPMENT AGREEMENT WITH ALLSTATE INSURANCE COMPANY.
Executive Summary: In 2015 City Council approved the first amendment to the 2012 development agreement with Allstate Insurance Company, located on Executive Parkway. The two (2) year economic development electric rate extension agreement commenced on July 1, 2015 and will expire on June 30, 2017.

Sponsors: David A. Basil

Indexes: Economic Development, Public Works - Electric

Code sections:

Attachments: 1. Resolution No. 17-48

Date	Ver.	Action By	Action	Result
3/21/2017	1	City Council	approved on the consent agenda	Pass

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A TWO-YEAR EXTENSION TO THE FIRST AMENDMENT TO THE DEVELOPMENT AGREEMENT WITH ALLSTATE INSURANCE COMPANY.

Executive Summary: In 2015 City Council approved the first amendment to the 2012 development agreement with Allstate Insurance Company, located on Executive Parkway. The two (2) year economic development electric rate extension agreement commenced on July 1, 2015 and will expire on June 30, 2017.

Legislative History

Resolution No. 12-104 authorizing a development agreement with Allstate Insurance Company.

Resolution No. 15-74 authorizing extension of development agreement and establishing the current "E" rate for the Allstate Insurance Company 2015-2017 (1st amendment).

Purpose & Explanation

The current "E" electric rate agreement with the Allstate Insurance Company is a flat rate of \$0.075 per kWh. The term of the current rate agreement expires on June 30, 2017. The terms and conditions of the current agreement with regards to employee count and payroll continue to be met. With the exception of the Kwh rate, the terms and conditions will remain unchanged from the current agreement and shall be detailed as such in this second extension and amendment agreement.

Upon the close of the current term, the new "E" electric rate agreement for the Allstate Insurance Company

shall be maintained at \$0.075 per kWh with no power cost adjustment for a term of two years, after which the rate agreement will be reevaluated. The agreement will commence on July 1, 2017 and expire on June 30, 2019.

Timing Considerations

None.

Fiscal Impact

Currently Budgeted

Supplemental Appropriation Required

 X Appropriation Not Required.

Suggested Action

Staff recommends that City Council approve the resolution authorizing the City Manager to enter into a development electric rate agreement (schedule "E" rate) with the Allstate Insurance Company, an Illinois Company, ("Allstate") with its principal place of business located at 2775 Sanders Road Northbrook, IL 60062, per the attached rate and terms agreement.

Submitted by,

Jane Howington, City Manager

Frank J. Comeriato, Jr., Asst. City Manager

Jim Stifler, Economic Development Director