

County Council of Cuyahoga County, Ohio

Resolution No. R2012-0068

Sponsored by: County Executive FitzGerald/Fiscal Officer/County Treasurer	A Resolution authorizing a revenue generating agreement with Woods Cove II LLC, as purchaser, and Axis Capital Management, Inc., as servicer, in the amount not-to-exceed \$13,214,970.23 for the sale of tax lien certificates; authorizing the County Executive to execute the agreement and all other documents consistent with this Resolution; and declaring the necessity that this Resolution become immediately effective.
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WHEREAS, Cuyahoga County has a high percentage of delinquent taxes compared to other counties in Ohio; and,

WHEREAS, the County Executive appointed a taskforce to study the collection of delinquent taxes and how best to handle this problem to ensure that schools and other local governments are not harmed by the high tax delinquency rate; and,

WHEREAS, the taskforce considered and endorsed the sale of tax certificates to address the County's delinquent taxes; and,

WHEREAS, the County Council considered the recommendations of the taskforce and received testimony regarding this process in an open meeting; and,

WHEREAS, the County Council concluded that it is advantageous to the County and its citizens to proceed with the sale of tax certificates to provide funding to schools and other local governments in the County who are in need of this funding; and,

WHEREAS, Ohio Revised Code Section 5721.33 authorizes the County Treasurer to negotiate the sale and transfer of tax certificates; and,

WHEREAS the Cuyahoga County Board of Control, acting pursuant to Section 4.4(b)(16) of the County's Contracting and Purchasing Procedures Ordinance, authorized the County Treasurer to utilize the process authorized by O.R.C. § 5721.33 for the negotiation and sale of tax certificates; and,

WHEREAS, in addition to the requirements of O.R.C § 5721.33, the County also previously advertised the notice of sale of tax certificates and solicited bids on the web sites of the County Treasurer and the National Tax Lien Association's web site; and,

WHEREAS, the County Treasurer previously received the bids and negotiated the sale and transfer of the tax certificates pursuant to O.R.C. § 5721.33; and,

WHEREAS, the County Executive, through the County Treasurer, is submitting a revenue generating agreement on the tax certificates sale to Wood Cove II LLC, as purchaser, and Axis Capital Management, Inc., as servicer, for an amount not-to-exceed \$13,214,970.23 U.S. Dollars; and,

WHEREAS, the County Executive is requesting authorization to enter into the tax certificate sales contract; and,

WHEREAS, it is necessary that this Resolution become immediately effective in order that critical services provided by Cuyahoga County can continue and to provide for the usual, daily operation of County departments, offices, and agencies.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:

SECTION 1. The Cuyahoga County Council hereby approves the revenue generating agreement with Woods Cove II LLC, as purchaser, and Axis Capital Management, Inc., as servicer, in the amount not-to-exceed \$13,214,970.23 for the sale of tax lien certificates.

SECTION 2. The County Executive is authorized to execute the agreement and all documents consistent with this Resolution.

SECTION 3. It is necessary that this Resolution become immediately effective in order that critical services provided by Cuyahoga County can continue, and to continue the usual and daily operation of the County. Provided that this Resolution receives the affirmative vote of eight members of Council, this Resolution shall become immediately effective upon the signature of the County Executive.

SECTION 4. It is found and determined that all formal actions of this Council relating to the adoption of this Resolution were adopted in an open meeting of the Council, and that all deliberations of this Council and of 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.

On a motion by Ms. Simon, seconded by Mr. Gallagher, the foregoing Resolution was duly adopted.

Yeas: Greenspan, Miller, Brady, Germana, Gallagher, Conwell, Jones, Rogers, Simon and Connally

Nays: None

County Council President

Date

County Executive

Date

Clerk of Council

Date

First Reading/Referred to Committee: April 10, 2012

Committee(s) Assigned: Finance & Budgeting

Resolution Substituted on the Floor: April 24, 2012

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