

County Council of Cuyahoga County, Ohio

Resolution No. R2012-0139

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| Sponsored by: County Executive FitzGerald/Department of Development and Councilmember Simon | A Resolution authorizing an Economic Development Loan in the amount not-to-exceed \$3,000,000.00 to The Lincoln Electric Company for renovation of a property located at 22801 St. Clair Avenue, Euclid; authorizing the Deputy Chief of Staff of Development or Director of Development to execute all documents consistent with said loan and this Resolution. |
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WHEREAS, the Department of Development has recommended an Economic Development Loan in the amount not-to-exceed \$3,000,000.00 to The Lincoln Electric Company for renovation of property located at 22801 St. Clair Avenue, Euclid, Ohio; and

WHEREAS, the purpose of the loan is to assist The Lincoln Electric Company, finance the cost of retooling, modifying and renovating their World Headquarters facility located at 22801 St. Clair Avenue to accommodate the relocation of the recently acquired Techalloy operations from Maryland; and

WHEREAS, this project is expected to create one hundred (100) new full-time equivalent jobs within three (3) years of project completion, which must be maintained for five (5) years; and

WHEREAS, pursuant to The Lincoln Electric Company's agreement with the State of Ohio, the company will retain 1,900 jobs in Cuyahoga County for eighteen (18) years; and

WHEREAS, the total cost of this project is \$40,000,000.00 of which the County will loan \$3,000,000.00 or seven and a half percent (7.5%) percent to assist with the building renovations; and

WHEREAS, One Million Dollars (\$1,000,000.00) of the loan has a fixed interest rate of two percent (2%), which must be repaid within three (3) years and is up to eighty-five percent (85%) forgivable upon satisfaction of job creation; and

WHEREAS, the other two One Million Dollars (\$2,000,000.00) of the loan have fixed interest rates of four percent (4%), which must be repaid within three years and are up to thirty-five percent (35%) forgivable each upon satisfaction of job creation goals; and

WHEREAS, The Lincoln Electric Company has agreed to spend fifty percent 50% of the County loan proceeds (\$1.5 million dollars) with vendors located in Cuyahoga County; and

WHEREAS, the proposed loan will be funded from the Economic Development Fund (WRF), and

WHEREAS, the contractor for the project is The Lincoln Electric Company and the project is located at The Lincoln Electric Company World Headquarters Facility, 22801 Saint Clair Avenue, Euclid, Ohio 44117; County Council District 7.

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

SECTION 1. The County Council hereby approves of and authorizes an Economic Development Loan in the amount not-to- exceed \$3,000,000.00 to The Lincoln Electric Company for renovation of property located at 22801 St. Clair Avenue, Euclid, Ohio.

SECTION 2. That the Director of the Department of Development or the Deputy Chief of Staff is authorized to execute all documents required in connection with said loan agreement on behalf of the County Executive.

SECTION 3. 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 Mr. Schron, seconded by Ms. Simon, the foregoing Resolution was duly adopted.

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

Nays: None

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| _____ | _____ |
| County Council President | Date |
| _____ | _____ |
| County Executive | Date |
| _____ | _____ |
| Deputy Clerk of Council | Date |

First Reading/Referred to Committee: July 10, 2012
Committee(s) Assigned: Economic Development & Planning

Journal CC007
August 14, 2012