

County Council of Cuyahoga County, Ohio

Resolution No. R2019-0255

Sponsored by: **County Executive Budish/Department of Development**

A Resolution authorizing an Economic Development Loan in the amount not-to-exceed \$1,500,000.00 to ARC Impact Program, LLC for the benefit of leveraging equity and debt investments with positive social impact; authorizing the County Executive and/or Director of Development to execute all documents consistent with said loan and this Resolution; and declaring the necessity that this Resolution become immediately effective.

WHEREAS, the County Executive/Department of Development has recommended an Economic Development Loan in the amount not-to-exceed \$1,500,000.00 to ARC Impact Program, LLC for the benefit of leveraging equity and debt investments with positive social impact; and

WHEREAS, the primary goal of this loan is to leverage additional private funding for equity and debt investments in businesses and real estate located in Opportunity Zones and similar areas of Cuyahoga County that create well-paying jobs accessible to community residents, improve access to basic services, or otherwise have positive social impact; and

WHEREAS, investment of the loaned County funds and leveraged private funds into projects is anticipated to create 300 permanent jobs within three (3) years after the completion of each project; and

WHEREAS, the total amount of capital to be invested is at least \$10,000,000.00, of which the County will loan up to \$1,500,000.00 with a term of 10 years at an interest rate of 2.0% per annum; and

WHEREAS, the proposed funding source for the loan is \$1,500,000.00 from the Cuyahoga County Economic Development Fund (aka Job Creation Fund); and

WHEREAS, this project will be subject to the following, as applicable, and without limitation: review of each proposed investment for social impact, quarterly progress reports including job creation and retention reporting; and

WHEREAS, it is necessary that this Resolution become immediately effective in order that critical services provided by Cuyahoga County can continue.

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

SECTION 1. That the Cuyahoga County Council hereby authorizes an Economic Development Loan in the amount not-to-exceed \$1,500,000.00 to ARC Impact Program, LLC for the benefit of leveraging equity and debt investments with positive social impact.

SECTION 2. That the County Executive and/or the Director of Development are authorized to execute all documents consistent with said loan and this Resolution.

SECTION 3. That this Resolution shall sunset twelve (12) months after County Council approval should the authorized action have not occurred by that date. In the event this Resolution sunsets prior to the authorized action taking place, the Director of Development shall notify the Clerk of Council in writing. The Clerk of Council shall record the sunsetting of this Resolution in the Council's journal.

SECTION 4. It is necessary that this Resolution become immediately effective for the usual daily operation of the County and the reasons set forth in the preamble. Provided that this Resolution receives the affirmative vote of at least eight members of Council, it shall take effect and be in force immediately upon the earliest occurrence of any of the following: (1) its approval by the County Executive through signature, (2) the expiration of the time during which it may be disapproved by the County Executive under Section 3.10(6) of the Cuyahoga County Charter, or (3) its passage by at least eight members of Council after disapproval pursuant to Section 3.10(7) of the Cuyahoga County Charter. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

SECTION 5. 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 Mr. Miller, the foregoing Resolution was duly adopted.

Yeas: Stephens, Simon, Baker, Miller, Tuma, Gallagher, Schron, Conwell, Jones, Brown and Brady

Nays: None

Dawn Brady
County Council President

12/12/2019
Date

ASB
County Executive

12-16-19
Date

Joseph M. Schrotz
Clerk of Council

12/10/2019
Date

First Reading/Referred to Committee: November 12, 2019
Committee(s) Assigned: Economic Development & Planning

Journal CC036
December 10, 2019