

# County Council of Cuyahoga County, Ohio

## Resolution No. R2021-0095

<p>Sponsored by: <b>County Executive Budish/Department of Development</b></p> <p>Co-sponsored by: <b>Councilmember Miller</b></p>	<p><b>A Resolution</b> authorizing an Economic Development Loan to JumpStart NEXT Fund II, L.P. in the amount not-to-exceed \$5,000,000.00 to be utilized exclusively for investments and loans for technologically-based start-up companies located within Cuyahoga County; authorizing the County Executive and/or the Director of Development to execute all documents consistent with said loan and this Resolution; and declaring the necessity that this Resolution become immediately effective.</p>
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WHEREAS, the County Executive/Department of Development has recommended an Economic Development Loan in the amount not-to-exceed \$5,000,000.00 to JumpStart NEXT Fund II, L.P., to be guaranteed by JumpStart Inc., with a one-time balloon repayment of principal and accrued interest at the rate of 2.0% per annum after a 7-year term; and

WHEREAS, JumpStart NEXT Fund II, L.P. is an early-stage investment fund that will make investments and loans to high potential technologically-based start-up companies; and

WHEREAS, the proposed County loan is to be utilized exclusively for investments and loans for companies located within Cuyahoga County, which will improve the County's global competitiveness, foster economic growth, and broaden the diversity of the County's tech-based ecosystem; and

WHEREAS, an essential objective for the County in making the loan is to provide funding to minority-owned businesses, and JumpStart NEXT Fund II, L.P. is committed to emphasizing diversity in the portfolio companies' leadership teams and workforces with a direct intent to provide funding to minority-owned companies; and

WHEREAS, the proposed funding source for the loan is the Economic Development Fund; 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 to JumpStart NEXT Fund II, L.P. in the amount not-to-exceed \$5,000,000.00 to be utilized exclusively for investments and loans for technologically-based start-up companies located within Cuyahoga County.

**SECTION 2.** That the County Executive and/or the Director of Development is 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 sunseting 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 Ms. Simon, the foregoing Resolution was duly adopted.

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

Nays: None

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County Council President

5/11/2021

Date

County Executive

5/11/2021

Date

Clerk of Council

5/11/2021

Date

First Reading/Referred to Committee: April 13, 2021  
Committee(s) Assigned: Economic Development & Planning

Committee Report/Second Reading: April 27, 2021

Additional Sponsorship Requested on the Floor: April 27, 2021

Journal CC042  
May 11, 2021

[Clerk's Note: Electronic signatures affixed in accordance with Cuyahoga County Code Chapter 110]