

RESOLUTION NO.: 140-2014  
INTRODUCED BY: Mayor Roche

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH MERIT BRASS CO. AND S-L INVESTMENT MANAGEMENT, LLC RELATED TO COMMUNITY REINVESTMENT AREA TAX ABATEMENT; AND DECLARING AN EMERGENCY.**

WHEREAS, the City of Richmond Heights Council through Resolution No. 145-86 designated a "Community Reinvestment Area" ("CRA") pursuant to Chapter 3735 of the Ohio Revised Code and set forth real estate tax exemptions for qualifying improvements to property located in the CRA; and

WHEREAS, S-L Investment Management, LLC is the owner of real property within the CRA, located at 1 Merit Drive, Richmond Heights, Ohio, where a related company, Merit Brass Co., uses an existing facility on the property for commercial/industrial purposes and is now making a significant improvement to its existing facility, specifically a 25,000 square foot addition to the facility; and

WHEREAS, Merit Brass Co. and S-L Investment Management, LLC has applied to the City for a real estate tax exemption based on the improvement to Merit Brass' existing facility has complied with Resolution 145-86 of this Council and this Council agrees to grant the tax exemption as set forth in a proposed agreement with Merit Brass and S-L Investment Management.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Richmond Heights, State of Ohio, that:

Section 1: The Mayor is authorized to execute a Community Reinvestment Area agreement with Merit Brass Co. and S-L Investment Management, LLC to grant a tax exemption as set forth in the preamble to this Resolution at a rate of 100% of the increased value of the Merit Brass facility that results from the improvements for a period of five (5) years beginning in tax year 2015; a copy of the proposed agreement is attached hereto and incorporated herein by reference as "Exhibit A" and the final agreement shall be substantially in the form of "Exhibit A."

Section 2: It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and 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.

Section 3: This Resolution is declared to be an emergency measure immediately necessary for the preservation of the general welfare of the City of Richmond Heights and for the further reason that it is necessary for the tax abatement which is the subject of this Resolution to be in effect for the 2015 tax year; therefore, provided this Resolution shall take effect and be in force immediately upon its passage by the Council and the signature of the Mayor.

PASSED: \_\_\_\_\_, 2014

\_\_\_\_\_  
David H. Roche, Mayor

APPROVED: \_\_\_\_\_, 2014

ATTEST: \_\_\_\_\_  
Betsy Traben  
Clerk of Council

\_\_\_\_\_  
Eloise Henry  
President of Council

**“EXHIBIT A”**

**COMMUNITY REINVESTMENT AREA AGREEMENT**

This COMMUNITY REINVESTMENT AREA AGREEMENT (“Agreement”) is made and entered into by and among the CITY OF RICHMOND HEIGHTS, OHIO, a municipal corporation, located at 26789 Highland Road, Richmond Heights, Ohio 44143 (hereinafter referred to as “City”) and MERIT BRASS CO., an Ohio corporation, with its main office located at One Merit Drive, Richmond Heights, Ohio 44143 (hereinafter referred to as “Merit Brass”) and S-L INVESTMENT MANAGEMENT, LLC, an Ohio limited liability company, with mailing address of \_\_\_\_\_ (hereinafter referred to as “S-L Investment”). (Merit Brass and S-L Investment are hereinafter collectively referred to as “Grantees”).

**WITNESSETH:**

WHEREAS, the City of Richmond Heights Council, through Resolution No. 145-86, designated a “Community Reinvestment Area” pursuant to Chapter 3735 of the Ohio Revised Code and set forth real estate tax exemptions for qualifying improvements to property located the Community Reinvestment Area; and

WHEREAS, the City has encouraged the development of real property and the acquisition of personal property located within the Community Reinvestment Area; and

WHEREAS, S-L Investment is the title owner of real property within the Community Reinvestment Area, located at One Merit Drive, Richmond Heights, Ohio, known as Cuyahoga County Permanent Parcel No. 661-10-041, (“Property”) which contains a facility (“Facility”) occupied by Merit Brass, an entity related to S-L Investment through common ownership; and

WHEREAS, Merit Brass uses the Facility for commercial/industrial purposes, including its operational headquarters; and

WHEREAS, Merit Brass and/or S-L Investment are in the process of making significant improvements to the Facility, specifically an approximate 25,000 square foot building addition to the existing Facility (the “Improvements”); and

WHEREAS, pursuant to Resolution No. 145-86, Grantees have applied to the City for a real estate tax exemption based on the Improvements to the Facility and the City agrees to grant said tax exemption as set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and the benefit to be derived by the parties from the execution hereof, the parties hereto agree as follows:

1. The City will grant a tax exemption for the Improvements, pursuant to Ohio Revised Code Chapter 3735, at a rate of 100% of the increased value of the Facility that results

from the Improvements for a period of five (5) years beginning in the first Tax Year for which the value of the Improvements is reflected on the tax duplicate (“Exemption Period”).

2. Merit Brass shall maintain a minimum of 160 full-time equivalent positions at the Facility at all times during each year of the Exemption Period.
3. Grantees shall provide to the proper tax incentive review council any information reasonably required by said council to evaluate Grantees’ compliance with this Agreement, including returns filed pursuant to Ohio Revised Code Section 5711.02, if requested by said council.
4. Grantees are responsible for filing all the appropriate tax forms with the County Fiscal Officer to effectuate and maintain the tax exemptions covered in the Agreement.
5. Grantees hereby certify that at the time of the execution of this Agreement, Grantees do not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio or political subdivision thereof. Grantees shall timely pay all real and tangible personal property taxes that are not exempted pursuant to Resolution No. 145-86 and are charged against such Property and shall file all tax reports and returns as required by law during the Exemption Period.
6. If Grantees, collectively or individually, materially fail to fulfill their obligations under this Agreement in any Tax Year of the Exemption Period, the City may terminate or modify the exemption from taxation granted by the City to Grantees for the applicable Tax Year upon ten (10) business days notice to Grantees.
7. This Agreement is not transferable or assignable without the express, written approval of the City. This Agreement may be amended only by a writing executed by the parties hereto. This Agreement may be signed in multiple counterparts, which together serve as the original. Facsimile signatures shall be treated as original signatures.

*[The remainder of this page has been intentionally left blank]*

The parties to this Agreement have caused this instrument to be executed as of the dates set forth below.

**CITY OF RICHMOND HEIGHTS,  
OHIO**

By: \_\_\_\_\_  
David H. Roche, Mayor

Date: \_\_\_\_\_

APPROVED AS TO FORM.

\_\_\_\_\_  
R. Todd Hunt, Director of Law

**MERIT BRASS CO.**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**S-L INVESTMENT MANAGEMENT,  
LLC**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_