

## **RESOLUTION NO. R01-05 CMS**

**A RESOLUTION REQUESTING THAT THE LORAIN COUNTY AUDITOR LIMIT THE VALUE OF INVENTORY GRANTED ABATEMENT FOR NACSCORP, INC. IN ACCORDANCE WITH THE ENTERPRISE ZONE TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF OBERLIN AND NACSCORP, INC. AND DECLARING AN EMERGENCY**

**WHEREAS, an Enterprise Zone Tax Abatement Agreement (Agreement) was entered into on October 18, 1993 by and between the City of Oberlin and NACSCORP, Inc.; and**

**WHEREAS, said Agreement contained provisions defining the "contemplated project" as well as the value of certain personal property subject to abatement; and**

**WHEREAS, the Agreement and NACSCORP's Enterprise Zone Application contain certain representations and conveys certain benefits and payment obligations predicated upon the granting of abatement at certain dollar amounts and percentages; and**

**WHEREAS, the City materially relied upon these representations and dollar limitations in deciding to grant Enterprise Zone tax abatement to NACSCORP; and**

**WHEREAS, Section 2 of said Agreement and NACSCORP's Enterprise Zone application defines the expected amount of inventory to be granted abatement as \$9,300,000; and**

**WHEREAS, the City finds that NACSCORP, Inc. has reported abatement on inventories that exceed the level contemplated by the Agreement.**

**NOW THEREFORE, BE IT RESOLVED by the Council of the City of Oberlin, County of Lorain, State of Ohio, five-sevenths (5/7ths) of all members elected thereto concurring:**

**SECTION 1. That the Council affirms that \$9,300,000 is the maximum abatement contemplated under the Agreement.**

**SECTION 2. That in accordance with the terms of the Agreement, abatement may only be applied to a maximum of \$9,300,000 in inventory in excess of a fully taxable baseline inventory of \$3,774,920. Any inventory exceeding the combined sum of the taxable baseline plus \$9,300,000 remains fully taxable.**

SECTION 3. Council hereby requests that the Lorain County Auditor limit the value of inventory granted abatement under the Agreement to a maximum of \$9,300,000 for any future reporting year and to the extent allowable impose this limitation to any prior reporting year where this standard was exceeded.

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

SECTION 5. That this Resolution is hereby declared to be an emergency measure necessary for the preservation of the public peace, health, and safety of the citizens of the City of Oberlin, Ohio, to wit:

"to take action to ensure that the appropriate personal property taxes are paid to preserve the tax base of the City of Oberlin, Oberlin School District, Lorain County and the Lorain County Joint Vocational School at the earliest possible date",

and shall take effect immediately upon passage.

PASSED: 1<sup>st</sup> Reading - March 5, 2001 (E)  
2<sup>nd</sup> Reading -  
3<sup>rd</sup> Reading -

ATTEST:

  
CLERK OF COUNCIL

  
CHAIR OF COUNCIL

POSTED: 3/6/2001

EFFECTIVE DATE: 3/6/2001