

AUTHORIZING A JOB CREATION INCENTIVE AGREEMENT WITH THE SHERWIN-WILLIAMS COMPANY TO PROVIDE FOR THE CONSTRUCTION OF THE SHERWIN-WILLIAMS RESEARCH AND DEVELOPMENT FACILITY ON A PORTION OF THE VALOR ACRES SITE AND A PORTION OF THE ADJACENT PROPERTY IN ORDER TO PROVIDE FOR THE FURTHER REDEVELOPMENT OF SAID SITES AND CREATE AND RETAIN JOBS IN THE CITY; REPEALING ORDINANCE NO. 5310 ADOPTED ON MARCH 17, 2020; AND DECLARING AN EMERGENCY.

WHEREAS, The Sherwin-Williams Company (the “Company”) was founded in 1866 and today, including its affiliated entities, is a global leader in the manufacture, development, distribution and sale of paint, coatings and related products to professional, industrial, commercial and retail customers; and

WHEREAS, the Company has engaged in a competitive selection process to select a site for its new research and development facility, which is expected to consist of an approximately 480,000 square foot research and development facility with over \$250,000,000 in capital investment (the “R&D Project”); and

WHEREAS, the Company anticipates that the R&D Project will create approximately 680 new jobs with an estimated payroll of \$55,760,000; and

WHEREAS, as part of the Company’s competitive selection process, the City and DiGeronimo Development LLC (the “Developer”) proposed that the Company locate the R&D Project on approximately 75 acres of the Valor Acres site as part of the City’s ongoing redevelopment of that site; and

WHEREAS, this Council on March 17, 2020, adopted Ordinance No. 5310 authorizing a Job Creation Incentive Agreement to support the R&D Project on the approximately 75 acres of the Valor Acres site.

WHEREAS, the City and the Developer have been cooperating to facilitate the purchase of approximately 88 acres of real property commonly known as the “Dalad Land” or the “Crowland” property (the “Adjacent Site”); and

WHEREAS, with the support and encouragement of the City administration and the Developer, the Company has expressed its desire to shift a portion of its planned research and development campus from the Valor Acres property to a portion of the Adjacent Site; and

WHEREAS, this Council and the City administration believes that shifting a portion of the Company’s planned R&D Project to a portion of the Adjacent Site is in the best interest of the City, the Company, the Company’s proposed R&D Project, and the development of both the Adjacent Site and the Valor Acres property; and

WHEREAS, the Company has agreed, subject to certain contingencies, including the approval by this Council of a Job Creation Incentive Agreement, to locate the R&D Project on both a portion of the Valor Acres property and a portion on the Adjacent Site; and

WHEREAS, including a portion of the Adjacent Site to the redevelopment site requires the reauthorization of the Job Creation Incentive Agreement and repeal of Ordinance No. 5310;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Brecksville, Cuyahoga County, Ohio, that:

Section 1. This Council finds and determines that the R&D Project is an appropriate and desirable use of both a portion of Valor Acres and a portion of the Adjacent Site, and that the construction of the R&D Project and the Company's operations therein will create and retain jobs within the City.

Section 2. The Mayor, for and in the name of this City and to cause the Company to commit to constructing the R&D Project on the Valor Acres site by providing a 15-year job creation income tax incentive equal to 35% of the first \$55,760,000 of annual payroll taxes of employees of the Company and its affiliates and 40% of annual payroll taxes of employees of the Company and its affiliates in excess of such amount, is hereby authorized to execute and deliver the Job Creation Incentive Agreement in substantially the form attached hereto as Exhibit A, together with any changes and completions thereto that are not substantially adverse to the City and are approved by the Mayor. The approval of such changes and completions to such form by the Mayor, and their character as not being substantially adverse to the City, shall be evidenced conclusively by the Mayor's execution thereof.

Section 3. This Council hereby repeals Ordinance No. 5310 adopted by this Council on March 17, 2020.

Section 4. This Council further hereby authorizes the Mayor, the Law Director, the Finance Director and other appropriate officers of the City, to sign such documents and take such actions as are necessary carry out the purposes of this ordinance.

Section 5. This Council determines that all formal actions of this Council concerning and relating to the passage of this Ordinance were passed 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 RC Section 121.22.

Section 6. This Council declares this Ordinance to be an emergency measure necessary for the immediate preservation of the public peace, health, safety and welfare. The reason for the emergency is to permit The Sherwin-Williams Company to proceed immediately with the approval process for and design and construction of its R&D Project so that it has the opportunity to commence certain construction activities before the end of the 2020 construction period and create construction and permanent jobs in the City without delay; therefore, this ordinance shall be in full force and effect immediately upon its adoption by this Council and approval by the Mayor, otherwise, from and after the earliest period allowed by law.

PASSED: September 1, 2020

APPROVED: September 1, 2020

MAYOR

CLERK OF COUNCIL