

RESOLUTION NO. 53 -2008

Offered by All of Council

A RESOLUTION AUTHORIZING THE MAYOR AND THE FINANCE DIRECTOR TO PROVIDE A JOB RETENTION GRANT TO CHARLES SCHWAB & CO., INC. AND ITS AFFILIATES AND DECLARING AN EMERGENCY

WHEREAS, Charles Schwab & Co., Inc. and its affiliates (“Schwab”) has proposed to acquire its corporate office building located at 4150 Kinross Lake Parkway, Richfield, Ohio (the “Project”); and

WHEREAS, Schwab has proposed to acquire an adjacent one plus acre parcel of land for an employee parking lot to address the inadequacy of area for parking purposes; and

WHEREAS, the Project will retain employment opportunities for approximately 575 full-time employees in the Village; and

WHEREAS, the Project is economically sound and will strengthen the economy of the Village; and

WHEREAS, the Village wishes to provide local incentives for the economic development of the Project; and

WHEREAS, the Village wishes to act under its full Home Rule powers as granted by Article XVIII, Section 3 of the Ohio Constitution, as well as its economic development powers granted under Ohio Constitution Article VIII, Section 13 and Article VIII, Section 2(p).

NOW, THEREFORE, BE IT RESOLVED by the Council of the Village of Richfield, Summit County, State of Ohio:

SECTION 1. That the Village of Richfield does hereby authorize the Mayor and the Finance Director to provide a job retention grant to Schwab for seven (7) years. The grant shall consist of an initial payment of One Hundred Fifty Thousand Dollars (\$150,000) in 2008 and a payment of Fifty Thousand Dollars (\$50,000) per year for six (6) years during calendar years 2009-2014.

SECTION 2. That the Mayor be, and hereby is, authorized and directed to negotiate the terms of the job retention grant with Schwab so that the funds are used to offset acquisition, construction costs, the purchase and furnishing of real property and equipment and training for the retention of approximately 575 employees at Schwab’s office building located at 4150 Kinross Lake Parkway, Richfield, Ohio. The final form of the Retention Grant Agreement shall be in a form reviewed and approved by the Law Director

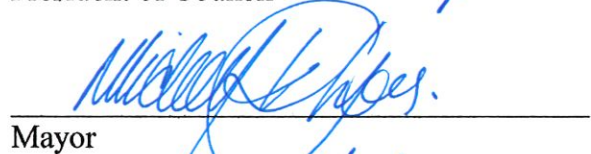
SECTION 3. This Resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety and welfare and for the further reason that it is immediately necessary in order to retain the employment

opportunities for approximately 600 employees at Schwab; wherefore, provided this Resolution receives the affirmative vote of two-thirds of the members of Council elected or appointed, it shall take effect immediately upon its passage and execution by the Mayor; otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

PASSED: 9/16/08



President of Council



Mayor

Dated: 9/16/08

ATTEST:



Clerk of Council

• Celebrating 75 years •

**Walter &
Haverfield** LLP
attorneys at law

Charles T. Riehl
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216.916.2334 direct fax

September 25, 2008

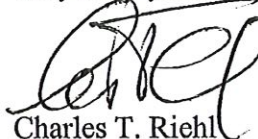
VIA E-MAIL

Randall A. Cole, Esq.
Jones Day
North Point
901 Lakeside Avenue
Cleveland, OH 44114

Dear Randy:

Pursuant to your e-mail of September 23rd, I am enclosing the original Job Retention Grant Agreement between the Village of Richfield and Charles Schwab & Co., Inc. Please have six (6) copies of this Agreement executed by the appropriate Schwab officials and return to me so that I may have the Mayor and the Finance Director execute the same. By copy of this letter, I am requesting the Clerk of Council furnish me a certified copy of Resolution No. 53-2008 which approved the execution of this Agreement. When I receive a certified copy of this Resolution, I will forward it to you.

Very truly yours,


Charles T. Riehl

sent 10/1/08
C.T.R.

CTR:kaw

Enclosure

cc: The Honorable Michael K. Lyons (w/encl.)
Clerk of Council Carolyn Sullivan (w/encl.)

AGREEMENT

THIS AGREEMENT made this ____ day of _____, 2008, by and between the VILLAGE OF RICHFIELD, 4410 West Streetsboro Road, P. O. Box 387, Richfield, Ohio 44286-0387 ("Richfield") and CHARLES SCHWAB & CO., INC. and its affiliates, 4150 Kinross Lake Parkway, Richfield, Ohio 44286 ("Schwab").

WHEREAS, Schwab has proposed to acquire its corporate office building located at 4150 Kinross Lake Parkway, Richfield, Ohio (the "Project"); and

WHEREAS, Schwab has proposed to acquire an adjacent one plus acre parcel of land for an employee parking lot to address the inadequacy of area for parking purposes; and

WHEREAS, the Project will retain employment opportunities for approximately 572 full-time employees in Richfield; and

WHEREAS, the Project is economically sound and will strengthen the economy of Richfield; and

WHEREAS, Richfield wishes to provide local incentives for the economic development of the Project; and

WHEREAS, Richfield wishes to act under its full Home Rule powers as granted by Article XVIII, Section 3 of the Ohio Constitution, as well as its economic development powers granted under Ohio Constitution Article VIII, Section 13 and Article VIII, Section 2(p).

NOW, THEREFORE, IT IS HEREBY AGREED between the parties as follows:

1. As an incentive for the employment opportunities provided by the Project, Richfield shall provide a Job Retention Grant to Schwab for seven (7) years. The Grant shall consist of an initial payment of One Hundred Fifty Thousand Dollars (\$150,000.00) in the year 2008 and a payment of Fifty Thousand Dollars (\$50,000.00) per year during the six (6) remaining years, i.e., calendar years 2009 through 2014.

2. It is understood that Schwab intends to retain five hundred seventy-two (572) employees at its office building located at 4150 Kinross Lake Parkway, Richfield, Ohio. The grant made available to Schwab by Richfield is specifically conditioned upon the retention of the five hundred seventy-two (572) jobs at 4150 Kinross Lake Parkway, Richfield, Ohio.

3. Termination or Modification of the Grant.

- A. Should the employment level of Schwab at 4150 Kinross Lakes Parkway, Richfield, Ohio, be reduced by ten percent (10%) or more below the five hundred seventy-two (572) job level for a period of six (6) months, the grant shall be reduced by twenty-five percent (25%) for that year.
- B. If Schwab fails to meet seventy-five percent (75%) of the five hundred seventy-two (572) job level employment levels as set forth in Section 2 in any given year, the grant shall not be awarded for the year.
- C. If Schwab fails to meet seventy-five percent (75%) of the five hundred seventy-two (572) job level employment levels set forth in Section 1 for three (3) consecutive years, this Agreement shall be terminated by Richfield.

4. Notices. Any notices, statements, acknowledgments, consents, approvals, certificates and/or requests desired to be given by Richfield or Schwab shall be made in writing and shall be either personally delivered or mailed by certified or registered mail, return receipt requested, addressed as follows:

If to Richfield:

Mayor
Village of Richfield
4410 West Streetsboro Road
P. O. Box 387
Richfield, Ohio 44286-0387

With a copy to: Charles T. Riehl, Esq.
Walter & Haverfield LLP
The Tower at Erieview
1301 East Ninth Street, Suite 3500
Cleveland, Ohio 44114-1821

If to Schwab: _____
Charles Schwab & Co., Inc.
4150 Kinross Lakes Parkway
Richfield, Ohio 44286

with a copy to: _____

Either party may designate a different address for receiving notices hereunder by giving at least ten (10) days written notice thereof to the other party.

5. This Agreement shall become effective only upon its prior authorization by resolution of the Council of Richfield. Any amendment to this Agreement must be in writing and approved by a resolution of the Council of Richfield.

6. This Agreement shall not be assignable without the express prior written approval of the other party, which approval shall not be unreasonably withheld; provided, however, that this Agreement may be assigned by Schwab to a parent, subsidiary or affiliate, or to a business entity continuing Schwab's business at the Richfield facility without the prior approval of Richfield. The approval of Richfield must be authorized by a resolution passed by the Council of Richfield.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and place first above written.

VILLAGE OF RICHFIELD

By: _____
Michael K. Lyons, Mayor

And: _____
Eleanor Lukovics, Finance Director

APPROVED AS TO FORM.

Charles T. Riehl, Law Director
Village of Richfield

CHARLES SCHWAB & CO., INC.

By: _____
Its _____