

**RESOLUTIONS ADOPTED  
MARCH 26, 2015**

- 2015-20 RESOLUTION APPROVING TAX ABATEMENT FOR LUBRIZOL CORPORATION
- 2015-21 SET PUBLIC HEARING – TEXT AMENDMENTS
- 2015-22 ADOPT PERMANENT APPROPRIATIONS FOR 2015 FISCAL YEAR
- 2015-23 AUTHORIZE PURCHASE OF ROCK SALT – SUMMER BID
- 2015-24 AUTHORIZE BID ADVERTISEMENT FOR LIMESTONE AND ASPHALT
- 2015-25 AUTHORIZE BID ADVERTISING FOR THE LAK US 20 STREETScape PROJECT
- 2015-26 CONGRATULATE GERALYN A. KRIVROY FOR 22 YEARS OF SERVICE
- 2015-27 APPOINT RICHELLE M. JONES AS ZONING SECRETARY
- 2015-28 AUTHORIZE MIKE MANARY TO ENTER INTO CONTRACT WITH CMH SOLUTIONS
- 2015-29 AUTHORIZE PURCHASE OF RESCUE SQUAD
- 2015-30 RESOLUTION AUTHORIZING HIRING OF SUMMER HELP

**MINUTES**

The Board of Painesville Township Trustees met for a regular meeting at 6:30 p.m. on Thursday, March 26, 2015 at 55 Nye Road. Present: Trustees Gabe Cicconetti, Chuck Hillier, Josh Pennock, Fiscal Officer Michael A. Patriarca, Legal Adviser Werner G. Barthol and Administrator Michael Manary.

Various topics, agenda items and departmental matters were brought before the board including the approval of minutes from the previous meeting.

**SUMMARY OF WORK SESSION:**

Administrator Michael Manary summarized the work session noting the following:

- There was an update on the comprehensive plan survey. The survey will be available to our residents either in paper form in Town Hall or on our website. Information regarding the survey will be included in the newsletter coming out next week.
- The Township is in the process of changing its IT support.
- There was a discussion regarding applying for a community development block grant to upgrade our ADA compliance at both Town Hall and Fire Station #1.
- The cleanup at the Fairgrounds is now complete.
- There was a discussion regarding insulating Town Hall.
- Mike Manary gave an update on the three grants that will take place this summer.
- Fire Chief Whittaker discussed the repairs at Station #2 and the purchase of a new rescue squad.
- Service Director Thompson asked to hire summer help and also discussed the ODOT summer salt contract and road repairs.
- Zoning Inspector Constantine discussed zoning text amendments and the hiring of a zoning secretary.

**OLD BUSINESS:** None

**NEW BUSINESS:** None

**DEPARTMENT REPORTS:**

- **SERVICE DEPARTMENT:** Service Director Thompson received assistance from the Fire Department to inspect a storm sewer this past week. The brush drop off will open April 1<sup>st</sup>. The Service Department has been working with ODOT to resolve a storm water problem on Richmond Rd.
- **FIRE:** Chief Whittaker indicated he applying for a FEMA fire prevention and safety grant to obtain lock boxes for elderly residents. Boxes will cost around \$30.
- **LEGAL:** Legal Advisor discussed the Lubrizol tax abatement and text changes.

**BILLS PAID**

Various bills, payroll and related disbursements were presented, examined and approved for payment.

**RESOLUTIONS ADOPTED**

The following resolutions were introduced by motion for adoption, seconded and discussed as appropriate, then voted by roll-call ballot. Trustees Gabe Cicconetti, Chuck Hillier (Chuck Hillier abstained from voting on Resolution 2015-20) and Josh Pennock each voted AYE, for unanimous approval.

2015-20 RESOLUTION APPROVING TAX ABATEMENT FOR LUBRIZOL CORPORATION

(Text of this resolution separately printed including application and agreement as if fully included herein as Exhibit A.)

2015-21 SET PUBLIC HEARING – TEXT AMENDMENTS

WHEREAS, the Painesville Township Trustees have received certification that the Painesville Township Zoning Commission has made recommendation on certain proposed amendments to the Painesville Township Zoning Resolution.

NOW, THEREFORE BE IT RESOLVED, We, the Painesville Township Trustees, hereby set as an agenda item for our regular meeting on April 7, 2015, a public hearing to consider various proposed text amendments to Sections 6.16, 6.19, 22.04, 22.06 and Section 29 of the Painesville Township Zoning Resolution (text available at Township Office).

2015-22 ADOPT PERMANENT APPROPRIATIONS FOR 2015 FISCAL YEAR

RESOLVED, We, the Painesville Township Trustees, hereby adopt that the following sums be set aside and temporarily be appropriated during the fiscal year January 1 through December 31, 2015.

General fund	1,050,000
Motor vehicle license tax	75,000
Gasoline tax	120,000
Road and bridge fund	1,287,850
Fire district	4,070,000
Police District	675,000
Permissive motor vehicle license tax	120,000
Lighting assessment	90,000
Safe Routes to School Grant	500,000
Safeteau-Lu Grant	230,000
OPWC Grant	22,000
Total all Funds	8,239,850

2015-23 AUTHORIZE PURCHASE OF ROCK SALT – SUMMER BID

WHEREAS, Section 5513.01(B) of the Ohio Revised Code provides the opportunity for political subdivisions including Counties, Townships, Municipal Corporations, Port Authorities, Regional Transit Authorities, State Colleges/Universities and County Transit Boards and others to participate in contracts of the Ohio Department of Transportation for the purchase of machinery, material, supplies or other articles;

NOW THEREFORE BE IT HEREBY RESOLVED that the Painesville Township Trustees request authority in the name of the Painesville Township Road Service Supervisor, William A. Thompson, to participate in the Ohio Department of Transportation's Contract for Rock Salt and agrees:

1. To purchase a minimum of 100 percent of the estimated salt tonnage requirements exclusively from the vendor awarded the rock salt contract for Lake County;
2. To be bound by the terms and conditions of the contract;
3. To be responsible for payment directly to the vendor for the quantities purchased under the contract;
4. To be responsible for resolving disputes arising out of participation in a contract and, to the extent allowable under Ohio law, hold the Director of Transportation and the Ohio Department of Transportation harmless for any claim or dispute arising out of participation in the contract pursuant to Ohio Revised Code Section 5513.01(B).

Stockpile Location: 558 Fairport Nursery Road, Painesville Township, Ohio 44077  
Stockpile Capacity: 1,300 tons  
Tons Required (est.): 400 ton piled

2015-24 AUTHORIZE BID ADVERTISEMENT FOR LIMESTONE AND ASPHALT

RESOLVED, We, the Painesville Township Trustees hereby authorize advertisement be made for road materials (limestone and asphalt) for 2015 road work, to be paid from appropriations of the Road and Bridge Fund.

2015-25 AUTHORIZE BID ADVERTISING FOR THE LAK US 20 STREETScape PROJECT

RESOLVED, We, the Painesville Township Trustees hereby authorize the bid advertisement be made for the LAK US 20 Streetscape Project.

2015-26 CONGRATULATE GERALYN A. KRIVOV FOR 22 YEARS OF SERVICE

Whereas, GERALYN A. Krivoy has served as the Painesville Township Zoning Secretary since December 1993; and

Whereas, GERALYN A. Krivoy has successfully kept the minutes of all Zoning Commission and Board of Zoning Appeals meetings; and

Whereas, GERALYN A. Krivoy has kept accurate public records for Painesville Township in all matters concerning zoning regulations; and

Whereas, GERALYN A. Krivoy has been an dedicated and ideal public servant; and

Whereas, GERALYN A. Krivoy is respected and appreciated by the Township Trustees, Zoning Commission and Board of Zoning Appeals members; and

Whereas, GERALYN A. KRIVOV is retiring from her position as Zoning Secretary,

Now, Therefore, Be It Hereby Resolved, that the Painesville Township Board of Trustees wishes to applaud and thank GERALYN A. KRIVOV for her many years of excellent service to Painesville Township.

2015-27 APPOINT RICHELLE M. JONES AS ZONING SECRETARY

RESOLVED, We, the Painesville Township Trustees hereby authorize the hiring of Richelle M. Jones as Zoning Secretary. Pay is set at \$90.00 per meeting including one case (plus \$45.00 per *additional* case per meeting with no maximum).

2015-28 AUTHORIZE MIKE MANARY TO ENTER INTO CONTRACT WITH CMH SOLUTIONS

RESOLVED, We, the Painesville Township Trustees hereby authorize Mike Manary to enter into contract with CMH Solutions for the Township's IT services.

2015-29 AUTHORIZE PURCHASE OF RESCUE SQUAD

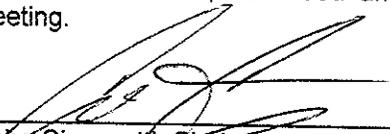
RESOLVED, We, the Painesville Township Trustees hereby authorize the purchase of a new rescue squad with said appropriations (not to exceed \$170,000) being made from the Fire Fund.

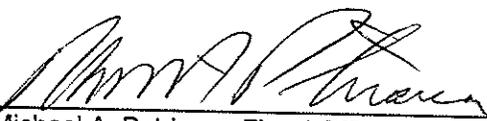
2015-30 RESOLUTION AUTHORIZING HIRING OF SUMMER HELP

RESOLVED, We, the Painesville Township Trustees hereby authorize the hiring of two part time employees for summer help at the Service Department at \$10.00 an hour.

**ADJOURNMENT**

On a motion made, seconded and carried by three votes of AYE, the Trustees duly adjourned the meeting.

  
\_\_\_\_\_  
Gabe Cicconetti, Chairman

  
\_\_\_\_\_  
Michael A. Patriarca, Fiscal Officer

## Payment Listing

3/4/2015 to 3/26/2015

Payment Advice #	Post Date	Transaction Date	Type	Vendor / Payee	Amount	Status
457-2015	03/10/2015	03/09/2015	CH	TIME WARNER CABLE	\$69.37	O
543-2015	03/20/2015	03/16/2015	CH	TIME WARNER CABLE	\$117.99	O
544-2015	03/20/2015	03/16/2015	CH	TIME WARNER CABLE	\$117.99	O
545-2015	03/16/2015	03/17/2015	CH	FIRSTMERIT BANK	\$56.70	O
51340	03/12/2015	03/09/2015	AW	ZION CONTRACTING & TREE SERVICE LLC	\$7,000.00	O
51341	03/11/2015	03/11/2015	SW	Skipped Warrants 51341 to 51341 Series 4	\$0.00	V
51342	03/11/2015	03/11/2015	AW	POSTMASTER	\$1,772.50	O
51343	03/18/2015	03/18/2015	AW	ZION CONTRACTING & TREE SERVICE LLC	\$6,500.00	O
51344	03/26/2015	03/26/2015	AW	AT&T	\$1,610.03	O
51345	03/26/2015	03/26/2015	AW	BOUND TREE MEDICAL, LLC	\$992.76	O
51346	03/26/2015	03/26/2015	AW	AIRGAS GREAT LAKES	\$340.07	O
51347	03/26/2015	03/26/2015	AW	AUTOZONE, INC.	\$3,294.55	O
51348	03/26/2015	03/26/2015	AW	ARMS TRUCKING COMPANY, INC.	\$1,895.93	O
51349	03/26/2015	03/26/2015	AW	BUCKEYE AUTO ELECTRIC	\$135.00	O
51350	03/26/2015	03/26/2015	AW	BOB'S GARAGE & TOWING SERVICE	\$85.00	O
51351	03/26/2015	03/26/2015	AW	CHARDON OIL COMPANY	\$2,308.67	O
51352	03/26/2015	03/26/2015	AW	CENTRAL COMMUNICATIONS	\$13,010.99	O
51353	03/26/2015	03/26/2015	AW	COUNTRYSIDE TRUCK SERVICE, INC.	\$1,267.15	O
51354	03/26/2015	03/26/2015	AW	COSE/MEDICAL MUTUAL OF OHIO	\$41,113.07	O
51355	03/26/2015	03/26/2015	AW	CERIDIAN	\$24.60	O
51356	03/26/2015	03/26/2015	AW	CONVOY TIRE AND SERVICE, INC.	\$1,287.50	O
51357	03/26/2015	03/26/2015	AW	CLASSIC OLDS/PONTIAC	\$731.47	O
51358	03/26/2015	03/26/2015	AW	CINTAS CORPORATION	\$252.81	O
51359	03/26/2015	03/26/2015	AW	CITY OF PAINESVILLE (UTILITIES)	\$2,477.06	O
51360	03/26/2015	03/26/2015	AW	CLEVELAND BOTTLE & SUPPLY CO.	\$303.07	O
51361	03/26/2015	03/26/2015	AW	W.S. DARLEY & CO.	\$104.20	O
51362	03/26/2015	03/26/2015	AW	ELECTRO-ANALYTICAL	\$725.00	O
51363	03/26/2015	03/26/2015	AW	EJ USA, INC.	\$272.60	O
51364	03/26/2015	03/26/2015	AW	FASTENAL	\$151.21	O
51365	03/26/2015	03/26/2015	AW	GRAINGER	\$55.20	O
51366	03/26/2015	03/26/2015	AW	GEAUGA MEDICAL CENTER	\$381.00	O
51367	03/26/2015	03/26/2015	AW	HUMANADENTAL INS. CO.	\$3,353.65	O
51368	03/26/2015	03/26/2015	AW	INDY EQUIPMENT & SUPPLY	\$249.00	O
51369	03/26/2015	03/26/2015	AW	JOUGHIN HARDWARE	\$270.92	O
51370	03/26/2015	03/26/2015	AW	LAKE BUSINESS PRODUCTS	\$239.79	O
51371	03/26/2015	03/26/2015	AW	LAKE COUNTY DEPARTMENT OF UTILITIES	\$422.40	O
51372	03/26/2015	03/26/2015	AW	LAKE COUNTY TREASURER	\$97,500.00	O
51373	03/26/2015	03/26/2015	AW	MIDLAND AUTOMOTIVE	\$175.00	O
51374	03/26/2015	03/26/2015	AW	MAJOR TRUE VALUE HARDWARE	\$569.32	O
51375	03/26/2015	03/26/2015	AW	NAPA CHAGRIN VALLEY AUTO PARTS	\$809.86	O
51376	03/26/2015	03/26/2015	AW	NEOPOST INC	\$127.10	O
51377	03/26/2015	03/26/2015	AW	MORTON SALT, INC.	\$29,531.54	O
51378	03/26/2015	03/26/2015	AW	MURPHY TRACTOR & EQUIPMENT CO.	\$96.88	O
51379	03/26/2015	03/26/2015	AW	MAJOR WASTE DISPOSAL SERVICES, INC	\$180.00	O
51380	03/26/2015	03/26/2015	AW	MELZER'S FUEL SERVICE	\$4,190.10	O
51381	03/26/2015	03/26/2015	AW	NEWSOME PAINTING-REMODELING, INC.	\$4,810.00	O
51382	03/26/2015	03/26/2015	AW	MEGA GLUIDLINE PRODUCTS, INC.	\$107.80	O
51383	03/26/2015	03/26/2015	AW	OSBORNE CONCRETE & STONE CO.	\$367.83	O
51384	03/26/2015	03/26/2015	AW	OHIO CAT	\$456.83	O
51385	03/26/2015	03/26/2015	AW	ROAD SOLUTIONS	\$913.69	O
51386	03/26/2015	03/26/2015	AW	TREASURER, STATE OF OHIO	\$2,900.00	O
51387	03/26/2015	03/26/2015	AW	SPRINT	\$49.99	O
51388	03/26/2015	03/26/2015	AW	SPRINT	\$41.45	O
51389	03/26/2015	03/26/2015	AW	SPOK, INC.	\$104.92	O
51390	03/26/2015	03/26/2015	AW	THE NEWS-HERALD	\$358.10	O
51391	03/26/2015	03/26/2015	AW	VALLEY FREIGHTLINER	\$1,652.65	O
51392	03/26/2015	03/26/2015	AW	UNIQUE PAVING MATERIALS CORP.	\$373.00	O
51393	03/26/2015	03/26/2015	AW	THE ILLUMINATING COMPANY	\$15,533.45	O
51394	03/26/2015	03/26/2015	AW	VERIZON WIRELESS	\$245.53	O
51395	03/26/2015	03/26/2015	AW	WATER EXTRACTION TEAM, INC.	\$2,856.39	O
51396	03/26/2015	03/26/2015	AW	WITMER ASSOCIATES, INC.	\$662.90	O
51397	03/26/2015	03/26/2015	AW	PENCO INDUSTRIAL SUPPLY, INC.	\$171.31	O

**Payment Listing**

3/4/2015 to 3/26/2015

Payment Advice #	Post Date	Transaction Date	Type	Vendor / Payee	Amount	Status
51398	03/26/2015	03/26/2015	AW	LAKE HEALTH	\$263.00	O
51399	03/26/2015	03/26/2015	AW	STAPLES ADVANTAGE	\$287.77	O
51400	03/26/2015	03/26/2015	AW	SUNBELT RENTALS	\$1,940.54	O
51401	03/26/2015	03/26/2015	AW	EDWARD A. AMIOTT	\$120.00	O
51402	03/26/2015	03/26/2015	AW	VISION SERVICE PLAN (OH)	\$759.72	O
51403	03/26/2015	03/26/2015	AW	MARLIN BUSINESS BANK	\$128.00	O
51404	03/26/2015	03/26/2015	AW	FIRSTMERIT BANK	\$1,199.09	O
51405	03/26/2015	03/26/2015	AW	THE CUTTING EDGE	\$17.33	O
51406	03/26/2015	03/26/2015	AW	DEPARTMENT OF ADMINISTRATIVE SERVI	\$2,400.00	O
Total Payments:					\$264,890.34	
Total Conversion Vouchers:					\$0.00	
Total Less Conversion Vouchers:					\$264,890.34	

Type: AM - Accounting Manual Warrant, AW - Accounting Warrant, IM - Investment Manual Warrant, IW - Investment Warrant, PM - Payroll Manual Warrant, PR - Payroll Warrant, RW - Reduction of Receipt Warrant, SW - Skipped Warrant, WH - Withholding Warrant, WM - Withholding Manual, WS - Special Warrant, CH - Electronic Payment Advice, IL - Investment Loss, EP - Payroll EFT Voucher, CV - Payroll Conversion Voucher, SV - Payroll Special Voucher, EW - Withholding Voucher, POS ADJ - Positive Adjustment, NEG ADJ - Negative Adjustment, POS REAL - Positive Reallocation, NEG REAL - Negative Reallocation

Status: O - Outstanding, C - Cleared, V - Voided, B - Batch

\* Asterisked amounts are not included in report totals. These transactions occurred outside the reported date range but are listed for reference.

# Exhibit A

## RESOLUTION NO. 2015-20 THE LUBRIZOL CORPORATION TAX ABATEMENT AMENDMENT

This agreement made and entered into by and between the Board of Trustees of Painesville Township, Lake County, Ohio, with its main offices located at 55 Nye Road, Painesville, Ohio 44077 and The Lubrizol Corporation, an Ohio Corporation, whose principal place of business is 155 Freedom Road, Painesville, Ohio 44077, (hereinafter referred to collectively as "Enterprise").

WHEREAS, Painesville Township, Lake County, Ohio, has encouraged the development of real property and the acquisition of personal property located in the area designated as an "Enterprise Zone"; and

WHEREAS, the Enterprise is desirous of investing in an expansion of said facility consisting of new buildings as well as expansions and/or renovations of certain existing structures, building systems and land improvements to increase its capacity to do business in Painesville Township as well as to preserve or create employment opportunities and provide its goods and services to a variety of businesses, and

WHEREAS, said investments are eligible for tax incentives under the Ohio Enterprise Zone Program. The Enterprise proposes investing purchasing and installing within the boundaries of the aforementioned Enterprise Zone, provided that the appropriate development incentives are available to support the economic viability of said "Project", as follows:

Improvement	Cost of Improvement
Media Center- 2090 square foot expansion of existing Building (PPN 11B-06100000020)	\$296,633.00
Guard House- 875 square foot expansion of existing Guardhouse (PPN 11B-06100000020)	\$393,038.00
Truck Guard House 300 square foot new structure	\$42,376.00
Credit Union- 1688 square foot expansion off existing building (PPN 11B-06100000010)	\$370,791.00
Media Center- 2090 square foot new structure attached to existing structure (PPN 11B-06100000020)	\$296,633.00
Fitness Center- 3800 square foot renovation of existing structure. (PPN 11B-06100000020)	\$563,602.00
Locker Room- 1140 square foot renovation of space (PPN 11B-06100000010)	\$265,189.00

Drumming Building- 30,000 square foot new structure (PPN 11B-06100000020)	\$4,449,494.00
Shipping Warehouse- 150,000 square foot new structure (PPN 11B-06100000020)	\$19,069,259.00
Cafeteria- 7,080 square foot building attached to existing structure by corridor	\$1,134,918.00
Scale House- 600 square foot new structure (PPN 11B-06100000020)	\$222,475.00
Smoking Shelter- 150 square foot new structure (PPN 11B-06300000140)	\$3,178.00
Central Store Warehouse- renovation of existing structure	\$874,007.00
Roof for said structure	\$264,851.00

Above referenced costs also include parking lots, roads and retention basins incidental to above improvements and subject to abatement

**TOTAL COST OF INVESTMENT: \$27,949,811.00**

The current market value of the existing facility and land are as follows:

Land: \$2,164,620  
Buildings: \$5,468,030

The above referenced improvements exceed the market value of said property.

WHEREAS, the Board of Trustees of Painesville Township, Lake County, Ohio by Resolution No. 90-09 adopted September 11, 1990, designated the area as an "Enterprise Zone" pursuant to ORC chapter 5709; and

WHEREAS, effective April 7, 1990, the Director of Development of the State of Ohio, determined that the aforementioned area designated in said Resolution No. 90-09 contains the characteristics set forth in section 5709.61(A) of the Ohio Revised Code and certified said area as an "Enterprise Zone" under said ORC section 5709; and

WHEREAS, Painesville Township, Lake County, Ohio having the appropriate authority for the stated type of project is desirous of providing the Enterprise with incentives available for the development of the "Project" in said "Enterprise Zone" under said ORC section 5709; and

WHEREAS, The Enterprise has submitted a proposed Agreement Application (hereinafter referred

to as "Application" and attached as "Exhibit A") to Painesville Township, Lake County, Ohio; and

WHEREAS, The Enterprise has remitted the required State Application Fee of Seven Hundred and Fifty Dollars (\$750.00), made payable to the Ohio Department of Development, with the "Application" to be forwarded with the final "Agreement"; and

WHEREAS, the Enterprise Zone Application Review Committee of the Lake County Economic Development Center has investigated the "Application" of the Enterprise and has recommended the same to the Board of Commissioners of Lake County, Ohio on the basis that the Enterprise is qualified by financial responsibility and business experience to create and preserve employment opportunities in said "Enterprise Zone" and improve the economic climate of Painesville Township, Lake County, Ohio; and

WHEREAS, the "Project" site as proposed by the Enterprise is located in the Painesville Township Local School District, the Auburn Vocational School District, and the Lake County Educational Service Center, and the Board of Education of said districts have been notified in accordance with ORC section 5709.83, and have been given a copy of the "Application"; and

WHEREAS, pursuant to ORC section 5709.63(A) and in conformance with the format required under ORC section 5709.631, the parties hereto desire to set forth their agreement with respect to matters hereinafter contained.

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

1. The "Project" is expected to involve a total investment by the Enterprise in the amount of Twenty Seven Million Nine Hundred and Forty Nine Thousand and Eight Hundred and Eleven Dollars (\$27,949,811) for new buildings as well as expansions and renovations of existing structures as outlined above.

The "Project" is expected to begin on April 1, 2015 and be completed by December 31, 2020.

2. The Enterprise shall create, by the end of the second quarter, 2015, the equivalent of twenty (20) new full-time permanent jobs and by the end of the third quarter, 2015 an additional four (4) full time jobs. All newly created jobs will be at the facility located at 155 Freedom Road, Painesville Township, Ohio. The Enterprise will retain three hundred and nine (309) existing permanent jobs at the existing location. The retained jobs have a current payroll of \$23,602,980.

The schedule for hiring is as follows: create 20 new full time permanent jobs by the end of the second quarter 2015 and an additional 4 new full time permanent jobs by the end of the third quarter 2015. The Enterprise currently has 2375 full-time permanent employees; 19 full time temporary employees, 12 part time permanent employees and 10 part-time temporary employees within the State of Ohio.

This increase in employment will result in approximately One Million Five Hundred and

Seventy Seven Thousand (\$1,577,000) in additional annual payroll. All of the job opportunities will be permanent positions.

3. The Enterprise shall provide to the proper Tax Review Incentive Council any information reasonably required by the Council to evaluate the "Enterprise's" compliance with the "Agreement", including returns filed pursuant to ORC section 5711.02. Enterprises receiving personal property tax incentives are required to supply a copy of the Ohio Department of Taxation State Return form 913 to the Tax Incentive Review Council for each year the agreement is in effect or required to be reviewed.
4. The Enterprise shall maintain membership in both the Painesville Area Chamber of Commerce and the Lake County Economic Development Center.
5. Painesville Township, Lake County, Ohio, hereby grants a tax exemption pursuant to O.R.C. sections 5709.63 and 5709.632 for the above referenced eligible improvements first used in business in the State of Ohio as part of the "Project" equal to fifty percent (50%) for ten (10) years for all above referenced improvements to real property installed by December 31, 2020 as part of the "Project". Said exemption shall commence the first year for which the tangible personal property identified in the "Project" would become taxable were that property not exempted from taxation. No exemption shall commence after December 31<sup>st</sup> 2020, nor extend beyond December 31<sup>st</sup>, 2025. No taxed portion shall be abated for a period longer than ten years.
6. In the event the Enterprise is in default of it's obligations as set forth in this agreement, including the obligation to provide information reasonably requested to insure compliance and timely payment of all monetary obligations, and fails to cure said default within forty five (45) days of written request to cure said default, then the Township may, by resolution of the Trustees, declare one or more of the following:
  - a. Cancellation of the balance of this Agreement;
  - b. A refund and return of any previously abated tax amount for all or a part of any prior period under this Agreement;
  - c. Reimbursement for all costs and expenses associated with the abatement and this Agreement, including but not limited to costs incurred by the Lake County Economic Development Center, attorney fees, investigator fees and/or accounting fees.In the event the Township elects to retroactively rescind any previously abated tax as set forth in this paragraph, the Township Clerk shall certify such action to the Lake County Auditor for reassessment of the unabated tax, including any penalty and interest.
7. The Enterprise must file the appropriate tax forms (DTE 24) with the County Auditor and (#913) with the State Department of Taxation to effect and maintain the exemptions covered in this agreement. The #913 Ohio Tax Form must be filed annually, with a copy to the Township Clerk.
8. The Enterprise shall pay an annual fee equal to three-quarters of one percent (0.75%) of the annual tax savings which is determined by the largest annual tax savings during the term of the

abatement or Two Hundred Fifty Dollars (\$250.00), whichever is greater, provided, however, the fee shall not exceed One Thousand Five Hundred Dollars (\$1,500.00).

The fee shall be made payable to the Lake County Economic Development Center, as the Agent for the County of Lake, once per year for each year the "Agreement" is in effect, on the effective date, by certified check. The fee is to be paid to the Enterprise Zone Manager. The fee shall be deposited into a special fund, created for such purpose, and shall be used exclusively for the purpose of complying with ORC section 5709.68, and by the Tax Incentive Review Council, created under ORC section 5709.85, exclusively for the purpose of performing the duties prescribed under that Section.

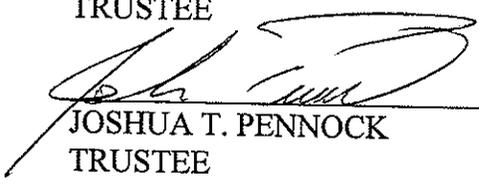
9. The Enterprise shall pay such real and personal property taxes for which it is responsible that is not exempted under this agreement and are charged against such property and shall file all tax reports and returns as are required by law. Regardless of whether the Township exercises any of its remedies in paragraph 6, if the Enterprise fails to pay such taxes or file such returns and reports, all incentives granted under this agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.
10. Painesville Township, Lake County, Ohio, shall perform such acts as are necessary or appropriate to effect, claim, reserve, and maintain exemptions from taxation granted under this agreement, including, without limitation, joining in the execution of all documents and providing any necessary certificates required in connection with such exemptions.
11. If for any reason the "Enterprise Zone" designation expires, the Director of the Ohio Department of Development revokes certification of the zone, or Painesville Township, Lake County, Ohio, revokes designation of the zone, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless the Enterprise materially fails to fulfill its obligations under this agreement.
12. If the Enterprise materially fails to fulfill its obligations under this agreement, or, if Painesville Township, Lake County, Ohio determines that the certification as to delinquent taxes required by this agreement is fraudulent, Painesville Township may terminate or modify the exemptions from taxation granted under this agreement, and require the repayment of the amount of taxes that would have been payable had the property not been exempted from taxation under this agreement.
13. The Enterprise hereby certifies that at the time this agreement is executed, neither owes any delinquent real or tangible personal property tax to any taxing authority of the State of Ohio, and does not owe delinquent taxes for which it is liable under ORC chapters 5733, 5735, 5739, 5741, 5743, 5747 or 5753, or, if it is aware such delinquent taxes are owed, it currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an Agent or Instrumentality thereof, has filed a Petition in Bankruptcy under 11 USCA 101, et seq., or such a petition has been filed against it. For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the last day prescribed for payment without penalty, under the chapter of the Ohio Revised Code governing payment of those taxes.

14. The Enterprise affirmatively covenants that it does not owe:
  - (i) Any delinquent taxes to the State of Ohio or a political subdivision of the State;
  - (ii) Any monies to the State or a State Agency for the administration or enforcement of any environmental laws of the State;
  - (iii) Any other monies to the State, a State Agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not.
15. The Enterprise and Painesville Township, Lake County, Ohio, acknowledge that this agreement must be approved by formal action of the legislative authority of Lake County as a condition for the agreement to take effect. This agreement takes effect upon such approval.
16. Painesville Township, Lake County, Ohio, has developed a policy to ensure that recipients of Enterprise Zone Tax Benefits practice non-discriminatory hiring practices, acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, disability, color, national origin, or ancestry.
17. Exemptions from taxation granted under this agreement shall be revoked if it is determined that the Enterprise, any successor enterprise or any related member (as those terms are defined in ORC section 5709.61) has violated the prohibition against entering into this "Agreement" under division (E) of section 3735.671 or sections 5709.62, 5709.63 or 5709.632 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.
18. The Enterprise affirmatively covenants that it has made no false statements to the State or local political subdivision in the process of obtaining approval for the "Enterprise Zone" incentives. If any representative of the Enterprise has knowingly made a false statement to a State or local political subdivision to obtain the "Enterprise Zone" incentives, it shall be required to immediately return all benefits received under the "Enterprise Zone Agreement" pursuant to ORC section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the State, any State Agency, or a political subdivision pursuant to ORC section 9.66(C)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to ORC section 2921.13(D)(1), which is punishable by a fine of not more than \$1,000.00 and/or a term of imprisonment of not more than six (6) months.
19. This agreement is not transferable or assignable without the express written approval of Painesville Township, Lake County, Ohio.

Adopted this 26 day of MARCH, 2015

  
\_\_\_\_\_  
GABE CICCONE  
TRUSTEE

ABSTAIN  
\_\_\_\_\_  
CHARLES C. HILLIER  
TRUSTEE

  
\_\_\_\_\_  
JOSHUA T. PENNOCK  
TRUSTEE

**CERTIFICATION**

State of Ohio, Lake County

I, the undersigned Michael Patriarca, Fiscal Officer of the Board of Trustees for Painesville Township, Lake County, Ohio, certifies that the foregoing Resolution No. 2015-20 is taken and copied from the record of proceedings of the Township, and that it has been compared by me with the Resolution on the record and is a true copy.

Witness my hand this 26 day of MARCH, 2015, in Painesville Township, Ohio.

  
\_\_\_\_\_  
MICHAEL PATRIARCA  
Fiscal Officer, Painesville Township

ENTERPRISE ZONE AGREEMENT

WITNESSETH:

This agreement made and entered into by and between the Board of Trustees of Painesville Township, Lake County, Ohio, with its main offices located at 55 Nye Road, Painesville, Ohio 44077 and The Lubrizol Corporation, an Ohio Corporation, whose principal place of business is 155 Freedom Road, Painesville, Ohio 44077, (hereinafter referred to collectively as "Enterprise").

WHEREAS, Painesville Township, Lake County, Ohio, has encouraged the development of real property and the acquisition of personal property located in the area designated as an "Enterprise Zone"; and

WHEREAS, the Enterprise is desirous of investing in an expansion of said facility consisting of new buildings as well as expansions and/or renovations of certain existing structures, building systems and land improvements to increase its capacity to do business in Painesville Township as well as to preserve or create employment opportunities and provide its goods and services to a variety of businesses, and

WHEREAS, said investments are eligible for tax incentives under the Ohio Enterprise Zone Program. The Enterprise proposes investing purchasing and installing within the boundaries of the aforementioned Enterprise Zone, provided that the appropriate development incentives are available to support the economic viability of said "Project", as follows:

Improvement	Cost of Improvement
Media Center- 2090 square foot expansion of existing Building (PPN 11B-06100000020)	\$296,633.00
Guard House- 875 square foot expansion of existing Guardhouse (PPN 11B-06100000020)	\$393,038.00
Truck Guard House 300 square foot new structure	\$42,376.00
Credit Union- 1688 square foot expansion off existing building (PPN 11B-06100000010)	\$370,791.00
Media Center- 2090 square foot new structure attached to existing structure (PPN 11B-06100000020)	\$296,633.00
Fitness Center- 3800 square foot renovation of existing structure. (PPN 11B-06100000020)	\$563,602.00
Locker Room- 1140 square foot renovation of space (PPN 11B-06100000010)	\$265,189.00

Drumming Building- 30,000 square foot new structure (PPN 11B-06100000020)	\$4,449,494.00
Shipping Warehouse- 150,000 square foot new structure (PPN 11B-06100000020)	\$19,069,259.00
Cafeteria- 7,080 square foot building attached to existing structure by corridor	\$1,134,918.00
Scale House- 600 square foot new structure (PPN 11B-06100000020)	\$222,475.00
Smoking Shelter- 150 square foot new structure (PPN 11B-06300000140)	\$3,178.00
Central Store Warehouse- renovation of existing structure	\$874,007.00
Roof for said structure	\$264,851.00

Above referenced costs also include parking lots, roads and retention basins incidental to above improvements and subject to abatement

**TOTAL COST OF INVESTMENT: \$27,949,811.00**

The current market value of the existing facility and land are as follows:

Land: \$2,164,620  
Buildings: \$5,468,030

The above referenced improvements exceed the market value of said property.

WHEREAS, the Board of Trustees of Painesville Township, Lake County, Ohio by Resolution No. 90-09 adopted September 11, 1990, designated the area as an "Enterprise Zone" pursuant to ORC chapter 5709; and

WHEREAS, effective April 7, 1990, the Director of Development of the State of Ohio, determined that the aforementioned area designated in said Resolution No. 90-09 contains the characteristics set forth in section 5709.61(A) of the Ohio Revised Code and certified said area as an "Enterprise Zone" under said ORC section 5709; and

WHEREAS, Painesville Township, Lake County, Ohio having the appropriate authority for the stated type of project is desirous of providing the Enterprise with incentives available for the development of the "Project" in said "Enterprise Zone" under said ORC section 5709; and

WHEREAS, The Enterprise has submitted a proposed Agreement Application (hereinafter referred

to as "Application" and attached as "Exhibit A") to Painesville Township, Lake County, Ohio; and

WHEREAS, The Enterprise has remitted the required State Application Fee of Seven Hundred and Fifty Dollars (\$750.00), made payable to the Ohio Department of Development, with the "Application" to be forwarded with the final "Agreement"; and

WHEREAS, the Enterprise Zone Application Review Committee of the Lake County Economic Development Center has investigated the "Application" of the Enterprise and has recommended the same to the Board of Commissioners of Lake County, Ohio on the basis that the Enterprise is qualified by financial responsibility and business experience to create and preserve employment opportunities in said "Enterprise Zone" and improve the economic climate of Painesville Township, Lake County, Ohio; and

WHEREAS, the "Project" site as proposed by the Enterprise is located in the Painesville Township Local School District, the Auburn Vocational School District, and the Lake County Educational Service Center, and the Board of Education of said districts have been notified in accordance with ORC section 5709.83, and have been given a copy of the "Application"; and

WHEREAS, pursuant to ORC section 5709.63(A) and in conformance with the format required under ORC section 5709.631, the parties hereto desire to set forth their agreement with respect to matters hereinafter contained.

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

1. The "Project" is expected to involve a total investment by the Enterprise in the amount of Twenty Seven Million Nine Hundred and Forty Nine Thousand and Eight Hundred and Eleven Dollars (\$27,949,811) for new buildings as well as expansions and renovations of existing structures.

The "Project" is expected to begin on April 1, 2015 and be completed by December 31, 2020.

2. The Enterprise shall create, by the end of the second quarter, 2015, the equivalent of twenty (20) new full-time permanent jobs and by the end of the third quarter, 2015 an additional four (4) full time jobs. All newly created jobs will be at the facility located at 155 Freedom Road, Painesville Township, Ohio. The Enterprise will retain three hundred and nine (309) existing permanent jobs at the existing location. The retained jobs have a current payroll of \$23,602,980.

The schedule for hiring is as follows: create 20 new full time permanent jobs by the end of the second quarter 2015 and an additional 4 new full time permanent jobs by the end of the third quarter 2015. The Enterprise currently has 2375 full-time permanent employees; 19 full time temporary employees, 12 part time permanent employees and 10 part-time temporary employees within the State of Ohio.

This increase in employment will result in approximately One Million Five Hundred and Seventy Seven Thousand (\$1,577,000) in additional annual payroll. All of the job opportunities will be permanent positions.

3. The Enterprise shall provide to the proper Tax Review Incentive Council any information reasonably required by the Council to evaluate the "Enterprise's" compliance with the "Agreement", including returns filed pursuant to ORC section 5711.02. Enterprises receiving personal property tax incentives are required to supply a copy of the Ohio Department of Taxation State Return form 913 to the Tax Incentive Review Council for each year the agreement is in effect or required to be reviewed.
4. The Enterprise shall maintain membership in both the Painesville Area Chamber of Commerce and the Lake County Economic Development Center.
5. Painesville Township, Lake County, Ohio, hereby grants a tax exemption pursuant to O.R.C. sections 5709.63 and 5709.632 for eligible new buildings tangible personal property first used in business in the State of Ohio as part of the "Project" equal to fifty percent (50%) for ten (10) years for all above referenced improvements to real property installed by December 31, 2020 as part of the "Project". Said exemption shall commence the first year for which the tangible personal property identified in the "Project" would become taxable were that property not exempted from taxation. No exemption shall commence after December 31<sup>st</sup> 2020, nor extend beyond December 31<sup>st</sup>, 2025.
6. In the event the Enterprise is in default of its obligations as set forth in this agreement, including the obligation to provide information reasonably requested to insure compliance and timely payment of all monetary obligations, and fails to cure said default within forty five (45) days of written request to cure said default, then the Township may, by resolution of the Trustees, declare one or more of the following:
  - a. Cancellation of the balance of this Agreement;
  - b. A refund and return of any previously abated tax amount for all or a part of any prior period under this Agreement;
  - c. Reimbursement for all costs and expenses associated with the abatement and this Agreement, including but not limited to costs incurred by the Lake County Economic Development Center, attorney fees, investigator fees and/or accounting fees.

In the event the Township elects to retroactively rescind any previously abated tax as set forth in this paragraph, the Township Clerk shall certify such action to the Lake County Auditor for reassessment of the unabated tax, including any penalty and interest.
7. The Enterprise must file the appropriate tax forms (DTE 24) with the County Auditor and (#913) with the State Department of Taxation to effect and maintain the exemptions covered in this agreement. The #913 Ohio Tax Form must be filed annually, with a copy to the Township Clerk.
8. The Enterprise shall pay an annual fee equal to three-quarters of one percent (0.75%) of the

annual tax savings which is determined by the largest annual tax savings during the term of the abatement or Two Hundred Fifty Dollars (\$250.00), whichever is greater, provided, however, the fee shall not exceed One Thousand Five Hundred Dollars (\$1,500.00).

The fee shall be made payable to the Lake County Economic Development Center, as the Agent for the County of Lake, once per year for each year the "Agreement" is in effect, on the effective date, by certified check. The fee is to be paid to the Enterprise Zone Manager. The fee shall be deposited into a special fund, created for such purpose, and shall be used exclusively for the purpose of complying with ORC section 5709.68, and by the Tax Incentive Review Council, created under ORC section 5709.85, exclusively for the purpose of performing the duties prescribed under that Section.

9. The Enterprise shall pay such real and personal property taxes for which it is responsible that is not exempted under this agreement and are charged against such property and shall file all tax reports and returns as are required by law. Regardless of whether the Township exercises any of its remedies in paragraph 6, if the Enterprise fails to pay such taxes or file such returns and reports, all incentives granted under this agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.
10. Painesville Township, Lake County, Ohio, shall perform such acts as are necessary or appropriate to effect, claim, reserve, and maintain exemptions from taxation granted under this agreement, including, without limitation, joining in the execution of all documents and providing any necessary certificates required in connection with such exemptions.
11. If for any reason the "Enterprise Zone" designation expires, the Director of the Ohio Department of Development revokes certification of the zone, or Painesville Township, Lake County, Ohio, revokes designation of the zone, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless the Enterprise materially fails to fulfill its obligations under this agreement.
12. If the Enterprise materially fails to fulfill its obligations under this agreement, or, if Painesville Township, Lake County, Ohio determines that the certification as to delinquent taxes required by this agreement is fraudulent, Painesville Township may terminate or modify the exemptions from taxation granted under this agreement, and require the repayment of the amount of taxes that would have been payable had the property not been exempted from taxation under this agreement.
13. The Enterprise hereby certifies that at the time this agreement is executed, neither owes any delinquent real or tangible personal property tax to any taxing authority of the State of Ohio, and does not owe delinquent taxes for which it is liable under ORC chapters 5733, 5735, 5739, 5741, 5743, 5747 or 5753, or, if it is aware such delinquent taxes are owed, it currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an Agent or Instrumentality thereof, has filed a Petition in Bankruptcy under 11 USCA 101, et seq., or such a petition has been filed against it. For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the last day prescribed for payment without penalty, under the chapter of

the Ohio Revised Code governing payment of those taxes.

14. The Enterprise affirmatively covenants that it does not owe:
  - (i) Any delinquent taxes to the State of Ohio or a political subdivision of the State;
  - (ii) Any monies to the State or a State Agency for the administration or enforcement of any environmental laws of the State;
  - (iii) Any other monies to the State, a State Agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not.
15. The Enterprise and Painesville Township, Lake County, Ohio, acknowledge that this agreement must be approved by formal action of the legislative authority of Lake County as a condition for the agreement to take effect. This agreement takes effect upon such approval.
16. Painesville Township, Lake County, Ohio, has developed a policy to ensure that recipients of Enterprise Zone Tax Benefits practice non-discriminatory hiring practices, acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, disability, color, national origin, or ancestry.
17. Exemptions from taxation granted under this agreement shall be revoked if it is determined that the Enterprise, any successor enterprise or any related member (as those terms are defined in ORC section 5709.61) has violated the prohibition against entering into this "Agreement" under division (E) of section 3735.671 or sections 5709.62, 5709.63 or 5709.632 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.
18. The Enterprise affirmatively covenants that it has made no false statements to the State or local political subdivision in the process of obtaining approval for the "Enterprise Zone" incentives. If any representative of the Enterprise has knowingly made a false statement to a State or local political subdivision to obtain the "Enterprise Zone" incentives, it shall be required to immediately return all benefits received under the "Enterprise Zone Agreement" pursuant to ORC section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the State, any State Agency, or a political subdivision pursuant to ORC section 9.66(C)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to ORC section 2921.13(D)(1), which is punishable by a fine of not more than \$1,000.00 and/or a term of imprisonment of not more than six (6) months.
19. This agreement is not transferable or assignable without the express written approval of Painesville Township, Lake County, Ohio.

IN WITNESS WHEREOF, the Board of Trustees of Painesville Township, Lake County, Ohio, by Gabe Cicconetti, its Chairman, and pursuant to Resolution \_\_\_\_\_ has caused this instrument to be executed this \_\_\_\_ day of March, 2015.

PAINESVILLE TOWNSHIP,  
LAKE COUNTY, OHIO

THE LUBRIZOL CORPORATION

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

Chairman, Board of Trustees

\_\_\_\_\_  
President

COUNTY OF LAKE, STATE OF OHIO

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

President, Board of Commissioners

Approved as to form:

\_\_\_\_\_  
Werner Barthol (0065525)  
Attorney for Painesville Township

OHIO DEVELOPMENT SERVICES AGENCY  
OHIO ENTERPRISE ZONE PROGRAM

PROPOSED AGREEMENT for Enterprise Zone Tax Incentives between the Painesville Township located in the County of Lake County and The Lubrizol Corporation

- 1a. Name of business, home or main office address, contact person, and telephone number (attach additional pages if multiple enterprise participants).

The Lubrizol Corporation  
enterprise name

Craig Hupp  
contact person

440-347-3700  
telephone number

155 Freedom Rd, Painesville, OH 44077  
address

Craig.Hupp@lubrizol.com  
Email address

- 1b. Project site:

Craig Hupp  
contact person

440-347-3700  
telephone number

155 Freedom Rd, Painesville, OH 44077  
address

Craig.Hupp@lubrizol.com  
Email address

- 2a. Nature of business (manufacturing, distribution, wholesale or other).

Manufacturing of highly specialized and complex materials

- 2b. List primary 6 digit NAICS # 424720 - Petroleum and petroleum products merchant wholesalers  
Business may list other relevant SIC numbers.

- 2c. If a consolidation, what are the components of the consolidation? (must itemize the location, assets, and employment positions to be transferred)  
 This is not a consolidation
- 
- 2d. Form of business of enterprise (corporation, partnership, proprietorship, or other).  
Privately held corporation
- 
3. Name of principal owner(s) or officers of the business (attach list if necessary).  
100% owned by parent Berkshire Hathaway, Inc.
- 
4. Is business seasonal in nature? Yes\_\_\_ No X
- 5a. State the enterprise's current employment level at the proposed project site:  
309 employees as of December 2014 with 54 contractors on site
- 
- 5b. Will the project involve the relocation of employment positions or assets from one Ohio location to another? Note that relocation projects are restricted in non-distress based Ohio Enterprise Zones. A waiver from the Director of the Ohio Development Services Agency is available for special limited circumstances. The business and local jurisdiction should contact ODOD early in the discussions.  
 Yes\_\_\_ NoX
- 5c. If yes, state the locations from which employment positions or assets will be relocated and the location to where the employment positions or assets will be located:  
 N/A
- 
- 5d. State the enterprise's current employment level in Ohio (itemized for full and part-time and permanent and temporary employees): As of 12/31/2014:
- |                     |       |
|---------------------|-------|
| Full time permanent | 2,375 |
| Full time temporary | 19    |
| Part time permanent | 12    |
| Part time temporary | 10    |
- 
- 5e. State the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets:

- 5f. What is the projected impact of the relocation, detailing the number and type of employees and/or assets to be relocated? N/A
- 6a. Has the Enterprise previously entered into an Enterprise Zone Agreement with the local legislative authorities at any site where the employment or assets will be relocated as a result of this proposal? Yes \_\_\_ No  X
- 6b. If yes, list the local legislative authorities, date, and term of the incentives for each Enterprise Zone Agreement: N/A
7. Does the Enterprise owe :
- a. Any delinquent taxes to the State of Ohio or a political subdivision of the state?  
Yes \_\_\_ No  X
- b. Any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State? Yes \_\_\_ No  X
- c. Any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not.  
Yes \_\_\_ No  X
- d. If yes to any of the above, please provide details of each instance including but not limited to the location, amounts and/or case identification numbers (add additional sheets if necessary).
- 
- 
- 
- 

8. Project Description (attach additional pages if necessary):

Due to changes in the Painesville facility's role and increasing customer demands, the facility has reached capacity and is experiencing several operational constraints:

- Plant access in general is limited, and parking space has become inadequate
- Increased truck traffic creating excessive congestion on site and potential safety risks
- Aging automated packing systems
- Warehousing space for shipping, receiving and maintenance stores are undersized
- Must upgrade manufacturing areas to meet the needs of today's specialty blends

The Project will create approximately 24 net new jobs to the state as well as over \$100M in new project investment.

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9. Project will begin 2nd Quarter , 2015 and be completed December 31, 2020 provided a tax exemption is provided.

10a. Estimate the number of new employees the business intends to hire at the facility that is the project site (job creation projection must be itemized by full and part-time and permanent and temporary): The table below provides the estimated new employment to be created by the project. All positions are full-time permanent positions.

Job Title	Headcount	Base Wage	Total Wage
Operator	12	\$55,000	\$660,000
Shift Supervisor	4	\$77,000	\$308,000
Coordinator	2	\$86,000	\$172,000
Superintendent	1	\$110,000	\$110,000
Process Engineer	1	\$81,000	\$81,000
Instrument Tech	2	\$62,000	\$124,00
Maintenance Mechanic	2	\$61,000	\$122,000
<b>Total</b>	<b>24</b>	<b>n/a</b>	<b>\$1,577,000</b>

<b>Weighted Average Annual Wage</b>	<b>\$65,708</b>
<b>Weighted Average Hourly Wage</b>	<b>\$31.49</b>

10b. State the time frame of this projected hiring: 1 years

- 10c. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees): Projected schedule includes 20 new hires by the end of 2<sup>nd</sup> qtr 2015 and 4 new hires by the end of 3<sup>rd</sup> qtr 2015. The last 4 positions hired will be Operators.
- 11a. Estimate the amount of annual payroll such new employees will add \$1,500,000 (new annual payroll must be itemized by full and part-time and permanent and temporary new employees). Please see employee breakdown chart above
- 11b. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project: \$ 23,602,980
12. Market value of the existing facility as determined for local property taxation.

Parcel	Appraised Value: Land	Appraised Value: Building	How are parcels impacted by project
11B-06100000010	\$819,800	\$1,524,890	Access road, Internal building modifications (locker room), portion of new fitness center
11B - 06100000020	\$890,900	\$3,649,750	New drumming building, cafeteria, portion of new fitness center, guard house expansion, media center, truck loading rack and internal modifications
11B - 06300000140	\$64,730		Parking lot & road
11B - 06300000150	\$309,910		Warehouse, credit union, roads, parking lots, retention ponds
11B - 06300000240	\$79,280	\$293,390	Parking lot

In addition, there are five parcels which will have a small amount of concrete work and two additional parcels which will have a small road and stream crossing.

13a. Business's total current investment in the facility as of the proposal's submission.  
 \$ \_\_\_\_\_ The final decision to locate the project in Painesville has not been made, therefore project investment has not commenced

13b. State the businesses' value of on-site inventory required to be listed in the personal property tax return of the enterprise in the return for the tax year (stated in average \$ value per most recent 12 month period) in which the agreement is entered into (baseline inventory):  
 \$ N/A

14. An estimate of the amount to be invested by the enterprise to establish, expand, renovate or occupy a facility: Please note that this includes the capital investment that is expected to

generate incremental property taxes. It does not include investment in business personal property or land improvements.

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Total by Type</u>
Building	4,922,030	10,350,963	11,441,555	1,361,333	-	-	\$ 28,075,882

15. a. Business requests the following tax exemption incentives 50% for 10 years covering real X and/or personal property including inventory \_\_\_\_\_ as described above. Be specific as to type of assets, rate, and term.

The business request is for property tax relief on the incremental taxes generated at the Painesville facility as a result of the investment above in building, building systems and land improvements which increase the tax base.

- b. Business's reasons for requesting tax incentives (be quantitatively specific as possible)

The company is evaluating existing Lubrizol locations in the US, including Painesville, for an expansion of the company's R&D and manufacturing capabilities. The location analysis evaluates the cost of establishing/expanding in each market from a capital investment, labor costs, utility costs and tax impacts. The tax incentive at the local level will help to mitigate the risk of making an extremely large investment that the Company must take up front in order to efficiently continue successful business operations in Painesville.

Submission of this application expressly authorizes (name of the local jurisdiction) and/of (name of county) to contact the Ohio Environmental Protection Agency to confirm statements contained within this application including item #7 and to review applicable confidential records. As part of this application, the business may also be required to directly request from the Ohio Department of Taxation or complete a waiver form allowing the Ohio Department of Taxation to release specific tax records to the local jurisdictions considering the incentive request.

Applicant agrees to supply additional information upon request.

The applicant affirmatively covenants that the information contained in and submitted with this application is complete and correct and is aware of the ORC Sections 9.66(C)(1) and 2921.13(D)(1) penalties for falsification which could result in the forfeiture of all current and future economic development assistance benefit as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

The Lubrizol Corporation

Name of Enterprise

February 9, 2015  
Date  
Daniel Sheets, Corporate Senior Vice President  
& President of Lubrizol Additives

Signature

D. Sheets

Typed Name and Title

\* A copy of this proposal must be forwarded by the local governments to the affected Board of Education along with notice of the meeting date on which the local government will review the proposal. Notice must be given a minimum of fourteen (14) days prior to the scheduled meeting to permit the Board of Education to appear and/or comment before the legislative authorities considering the request.

\*\* Attach to Final Enterprise Zone Agreement as Exhibit A

Please note that copies of this proposal must be included in the finalized Enterprise Zone Agreement and be forwarded to the Ohio Department of Taxation and the Ohio Development Services Agency within fifteen (15) days of final approval.

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**LAKE COUNTY  
ENTERPRISE ZONE**

**SUPPLEMENTAL DOCUMENTATION**

Lake County, must "...that the enterprise submitting the proposal is qualified by financial responsibility and business experience to create and /or preserve employment opportunities in the zone..." according to the Ohio Revised Code 5709.62 (c). In order to meet these obligations, the following documentation is required, unless otherwise directed. The applicant must certify that the information provided is identical to the information provided to the primary lender or financial institution.

- Company financial statements for the previous three fiscal years plus an interim financial statement no more than 90 days old. These financial statements must include both Profit and Loss Statements. Balance and Pro Forma Projections supporting the market feasibility of the project.

As a wholly owned subsidiary of Berkshire Hathaway, Inc., Lubrizol Additives does not publish its own separate financials. Parent company financials can be found at the following link: <http://www.berkshirehathaway.com/>

- Personal financial statements not more than 90 days old from those who directly or indirectly own 20 percent or more of the business.

Please see above.

- Market Feasibility Study supporting need for project.

Due to changes in the Painesville facility's role and increasing customer demands, the facility has reached capacity and is experiencing several operational constraints:

- Plant access in general is limited, and parking space has become inadequate
- Increased truck traffic creating excessive congestion on site and potential safety risks
- Aging automated packing systems
- Warehousing space for shipping, receiving and maintenance stores are undersized
- Must upgrade manufacturing areas to meet the needs of today's specialty blends

- List any existing public assistance now provided or to be utilized at the project site.

Provide name of the program, contact person, amount, level, term and any other terms and conditions.

Program	Contact	Amount	Term
Job Creation tax credit	Walt Good, Team Northeast Ohio; 330-519- 7205	\$108,000	7 years
JobsOhio Grant		\$250,000	One time grant
JobsOhio Workforce Grant		\$80,000	Grant

- Provide name of primary bank, name of primary account officer and his/her telephone number. Primary Bank: PNC Bank, NA Primary Account Officer: Theresa Vernon, AVP Phone (216) 222-9237

**LAKE COUNTY**

\* A copy of this proposal must be forwarded by the local governments to the affected Board of Education along with notice of the meeting date on which the local government will review the proposal. Notice must be given a minimum of fourteen (14) days prior to the scheduled meeting to permit the Board of Education to appear and/or comment before the legislative authorities considering the request.

\*\* Attach to Final Enterprise Zone Agreement as Exhibit A

Please note that copies of this proposal must be included in the finalized Enterprise Zone Agreement and be forwarded to the Ohio Department of Taxation and the Ohio Development Services Agency within fifteen (15) days of final approval.

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**LAKE COUNTY  
ENTERPRISE ZONE**

**SUPPLEMENTAL DOCUMENTATION**

Lake County, must "...that the enterprise submitting the proposal is qualified by financial responsibility and business experience to create and /or preserve employment opportunities in the zone..." according to the Ohio Revised Code 5709.62 (c). In order to meet these obligations, the following documentation is required, unless otherwise directed. The applicant must certify that the information provided is identical to the information provided to the primary lender or financial institution.

- Company financial statements for the previous three fiscal years plus an interim financial statement no more than 90 days old. These financial statements must include both Profit and Loss Statements. Balance and Pro Forma Projections supporting the market feasibility of the project.

As a wholly owned subsidiary of Berkshire Hathaway, Inc., Lubrizol Additives does not publish its own separate financials. Parent company financials can be found at the following link: <http://www.berkshirehathaway.com/>

- Personal financial statements not more than 90 days old from those who directly or indirectly own 20 percent or more of the business.

Please see above.

- Market Feasibility Study supporting need for project.

Due to changes in the Painesville facility's role and increasing customer demands, the facility has reached capacity and is experiencing several operational constraints:

- Plant access in general is limited, and parking space has become inadequate
- Increased truck traffic creating excessive congestion on site and potential safety risks
- Aging automated packing systems
- Warehousing space for shipping, receiving and maintenance stores are undersized
- Must upgrade manufacturing areas to meet the needs of today's specialty blends

- List any existing public assistance now provided or to be utilized at the project site. Provide name of the program, contact person, amount, level, term and any other terms and conditions.

Program	Contact	Amount	Term
Job Creation tax credit	Walt Good,	\$108,000	7 years
JobsOhio Grant	Team Northeast	\$250,000	One time grant
JobsOhio Workforce Grant	Ohio; 330-519-7205	\$80,000	Grant

- Provide name of primary bank, name of primary account officer and his/her telephone number. Primary Bank: PNC Bank, NA Primary Account Officer: Theresa Vernon, AVP Phone (216) 222-9237

**LAKE COUNTY**

ENTERPRISE ZONE  
Form 1

APPLICANT FIRM     The Lubrizol Corporation    

	<u>1/Full-Time Jobs (a)</u>	<u>2/ part-time Jobs (b)</u>
1. Number of jobs projected for Project site after completion of Project.	<u>  24  </u> (1a)	<u>  0  </u> (1b)
<u>Source</u> (check box and enter Figure if appropriate)		
<input type="checkbox"/> Industry standard Jobs/per sq. ft.: <u>          </u> Jobs/per \$ sales: <u>          </u>		
<input type="checkbox"/> Local industrial statistics		
<input checked="" type="checkbox"/> Developer/tenant estimates – The Lubrizol Corporation estimate		
<input type="checkbox"/> Other (explain w/ attachments)		
2. <u>  309  </u> Number of jobs currently at project site:	<u>  309  </u> (2a)	<u>  0  </u> (2b)
<u>Source</u> (check box)		
<input checked="" type="checkbox"/> Employer records		
<input type="checkbox"/> Other (explain)		
<hr/>		
3. Number of existing jobs Projected to be transferred To project site:	<u>  0  </u> (3a)	<u>  0  </u> (3b)
<u>Source</u> (check box)		
<input checked="" type="checkbox"/> Employer records/estimate		
<input type="checkbox"/> Other (explain)		

1/Full-Time  
Jobs                      2/ Part-Time  
Jobs

4. Net totals (line 1, line 2,  
Line 3) 333 (4a) 0 (4b)

5. Net jobs (4a + one-half  
Of 4b) 333 (5a) 0 (5b)

[1] A FULL-TIME JOB is equal to one person working 35 hours per week, over a 52 week period. If the full time standard workweek is less than 35 hours that figure may be substituted for 35 hours in calculation.

[2] A PART-TIME JOB is defined as one, which is less than the jurisdiction's standard in [1] above.

[3] NUMBER OF EMPLOYEES; Full time permanent 309  
Full time temporary(contractors) 54  
Part time permanent \_\_\_\_\_  
Part time temporary \_\_\_\_\_

**LAKE COUNTY  
ENTERPRISE ZONE  
Form 2**

Applicant  
Firm: The Lubrizol Corporation

Distress Situation:

<u>Job Categories</u>	<u>Current Employees:</u>		<u>Employees to be Retained</u>	
	Total	Annual	Total	Annual
	<u>Employees</u>	<u>Payroll</u>	<u>Employees</u>	<u>Payroll</u>
Officers & Managers	49		49	
Professionals	35		35	
Technicians	27		27	
Sales Workers	0		0	
Office & Clerical	10		10	
Craftsperson (skilled)	32		32	
Operative (semi-skilled)	137		137	
Laborers (unskilled)	0		0	
Service work and others	5		5	
Coordinators	14		14	
<b>Total</b>	<b>309</b>	<b>\$23,602,980</b>	<b>309</b>	<b>\$23,602,980</b>

<u>Job Categories</u>	<u>Projected Employees:</u>			
	<u>One year after Implementation</u>		<u>When fully Operational</u>	
	Total	Annual	Total	Annual
	<u>Employees</u>	<u>Payroll</u>	<u>Employees</u>	<u>Payroll</u>
Officers & Manager (Superintendent)	1	\$110,000	1	\$110,000
Professionals				
Instrument Technicians	2	\$124,000	2	\$124,000
Process Engineer	1	\$81,000	1	\$81,000
Shift Supervisor	4	\$308,000	4	\$308,000
Coordinator	2	\$172,000	2	\$172,000
Operative (semi-skilled)(Operators)	12	\$660,000	12	\$660,000
Laborers (unskilled)				
Service Work & Maintenance Mech	2	\$122,000	2	\$122,000
<b>Total</b>	<b>24</b>	<b>\$1,577,000</b>	<b>24</b>	<b>\$1,577,000</b>

ASSESSMENT OF EMPLOYMENT FROM PROJECT

Name of Applicant The Lubrizol Corporation

<u>Year</u>	<u>Retained (Current)</u> <u>Full time</u>	<u>Retained</u> <u>Part time</u>	<u>New</u> <u>Full time</u>	<u>New</u> <u>Part time</u>	<u>Total</u>
1	309		24	0	333
2	333				333
3	333				333
4	333				333
5	333				333
6	333				333
7	333				333
8	333				333
9	333				333
10	333				333

ASSESSMENT OF INCOME TAX FROM PROJECT

Name of Applicant The Lubrizol Corporation

**Income tax to be paid over 10 year period**

<u>Year</u>	<u>New</u> <u>Payroll</u>	<u>Ohio Retained</u> <u>Payroll</u>	<u>Non-Ohio Transferred</u> <u>Into Ohio Payroll</u>	<u>Total Income</u> <u>Tax</u>
1(end of year)	\$1,577,000	\$23,602,980	\$0	\$0
2				
3				
4				
5				
6				
7				
8				
9				
10				
<b>Total</b>	<b>\$1,577,000</b>	<b>\$23,602,980</b>		

**OHIO DEVELOPMENT SERVICES AGENCY**  
**ENTERPRISE ZONE PROJECT TAX ANALYSIS**

General Project Information

County: Lake

Business: The Lubrizol Corporation

Project cost: Total cost \$98,922,908; portion upon which the company is seeking property tax relief \$28,075,882

Total Current Real Property tax (at site): \_\_\_\_\_

Parcel	Appraised Value:	Taxable Value:	1 <sup>st</sup> half 2014 Taxes
11B-06100000010	Land: \$819,800 Building: \$1,524,890	Land: \$286,930 Building: \$533,710	Land: \$14,409.47 Building: \$18,292.64
11B-06100000020	Land: \$890,900 Building: \$3,649,750	Land: \$311,820 Building: \$1,277,410	Land: \$16,571.01 Building: \$43,782.59
11B-06300000140	Land: \$64,730	Land: \$22,660	Land: \$931.16
11B-06300000150	Land: \$309,910	Land: \$198,470	Land: \$3,717.75
11B-06300000240	Land: \$79,280 Building: \$293,390	Land: \$27,550 Building: \$102,690	Land: \$1,143.75 Building: \$3,519.65

The parcels listed above include the parcels which will have the building improvements/construction or parking lot additions. The Lubrizol Corporation has other parcels that are part of the Painesville plant which will either not be impacted or will have investment made but the investment may not increase the parcel's taxable value. The total taxable value for all parcels is \$2,800,860 and the total first half of 2014 taxes for all parcels is \$108,282.63

Total Current Tangible Property Tax (at site): N/A

\*(Note, if not applicable to site, use within local jurisdiction):

Does the project involve relocation of any assets or jobs? Yes \_\_\_\_\_ No x

If yes:    Within local jurisdiction    \_\_\_\_\_ yes    \_\_\_\_\_ no  
               Within county                        \_\_\_\_\_ yes    \_\_\_\_\_ no  
               Within state                            \_\_\_\_\_ yes    \_\_\_\_\_ no

Distance \_\_\_\_\_ miles

Does the project involve removal of any currently taxed assets?  
 Real or Personal Property from tax rolls Yes \_\_\_\_\_ No \_\_\_\_\_

The project includes the improvements and/or expansion of existing buildings and the addition of new

Is there a local income tax? Yes \_\_\_\_\_ No x \_\_\_\_\_

If yes, please list income tax rate?

Note total number of new jobs projected –attributable to the project \_\_\_\_\_

Note new jobs projected from the new job commitment \_\_\_\_\_ multiply times  
\_\_\_\_\_ local income tax rate = \_\_\_\_\_ new income tax generation.

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Enterprise Zone Manager or Authorized Signature

Date