

CITY OF OBERLIN, OHIO

ORDINANCE No. 22-06 CMS

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE A CONSENT TO AN ASSIGNMENT OF AN ENTERPRISE ZONE AGREEMENT WITH AGRINOMIX, LLC TO ADEPT AG ACQUISITION, LLC “NKA AGRINOMIX, LLC” AS AN EMERGENCY MEASURE.

WHEREAS, the Council of City of Oberlin by Ordinance No. 91-23 adopted on May 6, 1991 and as amended by Ordinance 91-76 adopted September 16, 1991 and as affirmed by the Board of County Commissioners of Lorain County, Ohio by Resolution No. 91-591, designated the entire City as an “Enterprise Zone” pursuant to Chapter 5709 of the Ohio Revised Code; and

WHEREAS, effective September 21, 1991, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Ordinances Nos. 91-23 and 91-76 contained the characteristics set forth in Section 5709.61 (A) of the Ohio Revised Code and certified the City of Oberlin as an Enterprise Zone under said Chapter 5709; and

WHEREAS, the City of Oberlin has continued to encourage development of real property and the acquisition of personal property since the City of Oberlin was designated as an Enterprise Zone; and

WHEREAS, the City of Oberlin entered into Enterprise Zone Agreements in 2016 and 2017 with AgriNomix, LLC and Creekside Properties, LLC for building expansion projects at 300 Creekside Drive in the City’s Industrial Park which created 34,250 sq. ft. of new manufacturing space and 7,488 sq. ft. of office space and created at least eight (8) new permanent full-time jobs; and

WHEREAS, AgriNomix is desirous of bringing in a strategic investment partner, Adept Ag Acquisition, LLC “NKA AgriNomix, LLC”, an indirect wholly owned subsidiary of LLR Equity Partners VI, L.P., and additional corporate leadership in order to facilitate a significant growth initiative; and

WHEREAS, the City of Oberlin and the Lorain County Board of Commissioners must consent to the assignment of AgriNomix’s Enterprise Zone Agreements to Adept Ag Acquisition, LLC “NKA AgriNomix, LLC” in order for the tax abatement granted under the AgriNomix Enterprise Zone Agreements to continue; and

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Oberlin, County of Lorain, State of Ohio:

SECTION 1. That on behalf of the City of Oberlin, the City Manager is hereby authorized and directed to execute a consent to the assignment of the Enterprise Zone Agreement with AgriNomix, LLC in a form approved by the Law Director.

SECTION 2. It is hereby found and determined that all formal actions of this Council concerning or relating to the adoption of this Ordinance 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 meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 3. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the citizens of the City of Oberlin, to wit: to facilitate continued incentives for employment and capital investment within the City of Oberlin, and provided that it is elevated to emergency status by the affirmative vote of at least five (5) members of council and receives the affirmative vote of at least five (5) members of council upon final passage, it shall go into full force and effect from and immediately after its passage; otherwise, it shall take effect on the earliest date allowed by law.

PASSED: 1st Reading: January 18, 2022
2nd Reading: _____
3rd Reading: _____

ATTEST:



BELINDA B. ANDERSON, MMC
CLERK OF COUNCIL



HEATHER ADELMAN
PRESIDENT OF COUNCIL

POSTED: 01/19/2022

EFFECTIVE DATE: 01/18/2022



CONFIDENTIAL

December 17, 2021

The City of Oberlin, Ohio
Attn: City Manager
Oberlin City Hall
85 South Main Street
Oberlin, OH 44074

Lorain County Community Development
Attn: Director of Development
226 Middle Avenue – 5th Floor
Elyria, OH 44035

RE: Amended Enterprise Zone Tax Abatement Agreement between the City of Oberlin, Ohio, AgriNomix, LLC and Creekside Properties, LLC, the predecessor-in-interest to Fertile Land LLC, approved by the Lorain County Board of Commissioners pursuant to Resolution No. 16-34 adopted January 20, 2016 (the “2016 Tax Abatement Agreement”)

Enterprise Zone Tax Abatement Agreement between the City of Oberlin, Ohio, AgriNomix, LLC and Creekside Properties, LLC, the predecessor-in-interest to Fertile Land LLC, approved by the Lorain County Board of Commissioners pursuant to Resolution No. 17-533 adopted August 23, 2017 (the “2017 Tax Abatement Agreement”) (the 2016 Tax Abatement Agreement and the 2017 Tax Abatement Agreement are, collectively referred to herein as the “Agreements”)

Dear sir or madam:

We are excited to pre-announce that AgriNomix LLC (“AgriNomix”, “we” or “us”) anticipates entering into a definitive agreement for a transaction with Adept Ag Acquisition LLC (the “Buyer”), an indirect wholly owned subsidiary of LLR Equity Partners VI, L.P., pursuant to which Buyer will acquire substantially all of the assets of AgriNomix (the “Transaction”). The AgriNomix management team is expected to remain substantially involved in the business, and we look forward to continuing to provide you with the same high quality support you have come to expect from us.

In connection with the closing of the Transaction, the Agreements will be assigned by AgriNomix to the Buyer (the “Assignment”), which, pursuant to the terms of the Agreements, may require your consent. By your signature below, effective upon the closing of the Transaction, you hereby irrevocably (i) acknowledge, approve, and consent to the Assignment; (ii) acknowledge that neither the consummation of the Transaction nor the Assignment will result in a breach, acceleration, default, or termination of or the creation of any lien under the Agreements; (iii) waive any requirement set forth in the Agreements that this letter be sent by any particular delivery method; and (iv) waive any rights under the Agreements that may arise in your favor from or in connection with the Assignment or the Transaction, including, but not limited to, any notice provision or other procedural requirement or any termination or similar right (including any termination or similar types of fees or payments).

The Assignment and your consent and acknowledgment will be effective as of the consummation of the Transaction, which is currently anticipated to occur in December of 2021 ("Closing"). If a Closing does not occur, your consent shall be null and void and of no force or effect.


We request that you refrain from discussing this matter with any outside parties as the Transaction is highly confidential. Please contact Robert Lando at robertl@agrinomix.com if you have any questions regarding this matter. Thank you again for your prompt response.

Very truly yours,

AGRINOMIX LLC

By: 
Name: Robert Lando
Title: Chief Executive Officer

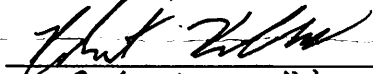
FERTILE LAND LLC

By: 
Name: Robert Lando
Title: managing member


CC: The City of Oberlin, Ohio
Attn: Director of Development
Oberlin City Hall
85 South Main Street
Oberlin, OH 44074

ACKNOWLEDGED AND AGREED TO:

CITY OF OBERLIN, OHIO

By: 
Name: Robert Hillard
Title: City Manager
Date: 2/7/2022

LORAIN COUNTY

By: 
Name: MATTHEW R. LUNDY
Title: Pres. Bd of Comm.
Date: 1/12/22