

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE LORAIN SAFETY/SERVICE DIRECTOR TO TAKE ALL ACTION NECESSARY TO TERMINATE THE GUARANTY AGREEMENT MADE BY AND BETWEEN THE CITY OF LORAIN AND THE STATE OF OHIO, ACTING BY AND THROUGH THE OHIO CULTURAL FACILITIES COMMISSION AND DECLARING AN EMERGENCY

WHEREAS, the City of Lorain entered into a Guaranty Agreement with the State of Ohio, acting by and through the Ohio Cultural Facilities Commission (the "Commission") guaranteeing the performance of the Lorain Civic Center Committee, LLC (the "Palace") under a Cultural Cooperative Use Agreement (the "CUA") for the development of the Eagles Building Project (the "Project"), a copy of which CUA is marked Exhibit A, attached hereto and made a part hereof by reference; and,

WHEREAS, the CUA made by and between the Palace and the Commission, mandates that the monies granted to the Palace be used for the Project approved by the Commission, as more fully set forth in CUA, a copy of which is marked Exhibit A, attached hereto and made a part hereof by reference; and,

WHEREAS, the Palace has not pursued the Project which is the subject of the CUA and desires to sell the Eagles Building to an interested party that is a for-profit enterprise; and,

WHEREAS, the Palace has proposed that the Commission, the City of Lorain and the Palace enter into a Termination And Mutual Release Agreement pursuant to which agreement, among other promises, the parties agree to release all claims that any party may have against another party under the CUA and for the repayment of the bonds issued by the State of Ohio for the monies granted to the Palace for the Eagles Building Project, as more fully set forth in Exhibit B, attached hereto and made a part hereof by reference.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LORAIN, STATE OF OHIO:

SECTION 1. That the Lorain Safety/Service Director is hereby authorized to execute a Termination and Mutual Release Agreement, in form and substance essentially similar to the document marked Exhibit B, attached hereto and made a part hereof by reference.

SECTION 2. That the Lorain Safety /Service director is hereby authorized to make such changes to the proposed Termination and Mutual Release

Agreement as are necessary to protect the interests of the City of Lorain, subject to the approval of the Lorain Law Director.

SECTION 3. That it is found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its Committees that resulted in such formal actions were in meeting open to the public and in compliance with all legal requirements, including §121.22. of the Ohio Revised Code.

SECTION 4. That this Ordinance be declared an emergency, the nature of the emergency being the release of the City of Lorain's liability for monies granted by the Commission to the Palace and the need of the Palace to sell the Eagles Building as soon as possible so that a buyer may effectuate such repairs as are necessary to protect the Eagles Building from further damage and deterioration. Wherefore, this Ordinance shall be in full force and effect from and immediately after the passage and approval by the Mayor, provided it receives the affirmative vote of two-thirds of all members elected to City Council, otherwise it shall take effect and be in full force from and after the earliest period allowed by law.

PASSED: _____, 2018

PRESIDENT OF COUNCIL

ATTEST: _____, CLERK

MAYOR: _____

APPROVED: _____, 2018

EFFECTIVE: _____, 2018