

ORDINANCE 90- 13

AN ORDINANCE APPROVING THE FINANCING OF THE CONSTRUCTION OF AN INDUSTRIAL BUILDING BY THE COMMONWEALTH OF KENTUCKY AND SOUTHERN DEPOSIT BANK; AND FURTHER APPROVING THE LEASING OF SAID BUILDING TO ITW, INC.; WITH AN AUTHORIZATION FOR CITY OFFICIALS TO EXECUTE THE APPROPRIATE DOCUMENTS; TOGETHER WITH SEVERABILITY AND REPEALER CLAUSES AND PROVIDING FOR EFFECTIVE DATE

WHEREAS, the City of Russellville has previously determined that it was in the best interest of the City to construct an industrial building that would initially be leased to ITW, Inc.; and said building has been constructed with the financing of same having been accomplished by short term borrowing;

AND WHEREAS, the Commonwealth of Kentucky and Southern Deposit Bank have proposed a combined financing arrangement that will provide for the repayment of these construction costs in a favorable and reasonable manner;

AND WHEREAS, the City Council of the City of Russellville has reviewed this proposed financing arrangement and has determined that it is in the best interest of the City;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF RUSSELLVILLE THAT:

1.) The City does hereby agree and approve the receipt of the sum of \$200,000 from the Commonwealth of Kentucky and the borrowing of the sum of \$300,000 from the Commonwealth of Kentucky as more specifically set forth in the Loan-Grant Agreement, Promissory Note and Mortgage attached hereto and marked as Exhibits "A", "B" and "C".

2) The City does hereby agree and approve the borrowing of the sum of \$ 500,000 from the Southern Deposit Bank of Russellville by way of a loan as more specifically set forth in the Promissory Note and Mortgage Attached hereto and marked as Exhibits "D" and "E".

3) The City hereby agrees and approves the leasing of the newly constructed industrial facility in the industrial park to ITW, Inc. as more specifically set forth in the Lease Agreement attached hereto and marked as Exhibit "F".

4) The Mayor and the City Clerk are hereby authorized and empowered to execute, acknowledge and deliver on behalf of the City all of the documents as attached hereto together with such other incidental and related documents as may be required to complete this financial arrangement.

5) In the event any provision of this Ordinance is invalid for any reason, such invalidity shall not affect the validity of any other provision.

6) All portions of any section of any ordinance or rule or regulation in conflict herewith are hereby repealed to the extent of the conflict only.

7) This Ordinance shall be effective upon passage and publication according to law.

FIRST READING CONDUCTED on the 16th day of October,
1990.

SECOND READING AND PASSAGE by roll call vote this 17th

day of October, 1990.

AYES:

NAYES:

ABSTAINING:

ABSENT:

Jackie Dunlap

None

None

None

Jean Hankins

Russell Jones

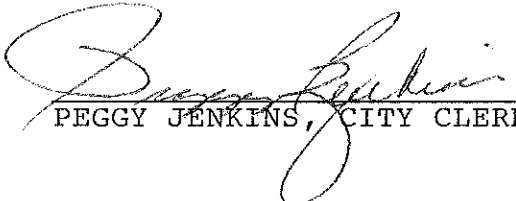
Howard Wren

Pat Basham

Willie Hampton



KEN SMITH MAYOR



PEGGY JENKINS, CITY CLERK