

MUNICIPAL ORDER OF THE MAYOR AND COMMISSION OF THE CITY OF SMITHS GROVE, KENTUCKY, AUTHORIZING THE EXECUTION OF A DEED BY THE MAYOR OF SAID CITY FOR THE PROPERTY LOCATED AT THE INTERSECTION OF SUNSET STREET AND MILL STREET ORIGINALLY LEASED BY THE CITY TO KANE MANUFACTURING COMPANY UPON PROOF TO SAID MAYOR THAT THE PROPOSED PURCHASER, TURNER INDUSTRIES, INC., HAS COMPLIED WITH ALL OBLIGATIONS OF SAID LEASE AND BOND ORDINANCE REGARDING SAME.

MUNICIPAL ORDER NO. 83-1 640.1

WHEREAS, the City of Smiths Grove, Kentucky by resolution in 1968 agreed to issue Industrial Building Revenue Bonds to finance an industrial facility for Kane Manufacturing Company; and

WHEREAS, on May 7, 1968, the City of Smiths Grove, Kentucky entered into a Lease Agreement with Kane Manufacturing Company whereby the City leased to said Kane Manufacturing Company the property conveyed to the City of Smiths Grove, Warren County, Kentucky, by Pearl E. Spear, widow, by deed dated April 25, 1967, and recorded in Deed Book 379, Page 646, in the office of the Clerk of Warren County, said lease to Kane Manufacturing Company being for the purpose of allowing the construction and use of a modern industrial building which was to contain approximately 22,000 square feet of floor area and to be used as an industrial facility which was to provide jobs for area residents; and

WHEREAS, Kane Manufacturing Company has recently ceased operating said facility and that the economy of the City of Smiths Grove, Kentucky, has realized the lack of operation of said industrial facility; and

WHEREAS, Turner Industries, Inc., has proposed to purchase the lease on said facility which is presently owned by Chromalloy America Corporation, said Chromalloy America Corporation being a successor in interest to Kane Manufacturing Company; and

WHEREAS, Turner Industries, Inc. has proposed to purchase said property from the City of Smiths Grove, Kentucky and to operate a clothing factory at said location which would provide jobs for residents of the Smiths Grove, Kentucky area and said Turner Industries, Inc. wishes to satisfy the industrial revenue bond obligations which is required as a condition precedent prior to obtaining a deed to said property; and

WHEREAS, pursuant to the provisions of Paragraph 27 of said Lease Agreement dated May 1, 1968, the company (now Turner Industries, Inc., as successors in title to Kane Manufacturing Company) has the option to purchase said property upon the fulfillment of the financial obligations contained in said Lease Agreement; and

WHEREAS, the City has been advised that Turner Industries, Inc. has made the appropriate financial arrangements with the Bond Trustee, American National Bank and Trust Company in the form of government securities to satisfy and fully pay all outstanding bond obligations.

NOW, THEREFORE, be it resolved and ordered by the City Commissioner for the City of Smiths Grove, Kentucky, as follows:

1. That when the American National Bank and Trust Company shall furnish sufficient documentation to the Mayor of Smiths Grove, Kentucky, showing that Turner Industries, Inc., has complied with and satisfied the obligations of the Lease Agreement relative to the payment and satisfaction of all outstanding obligations arising under the bonds heretofore issued for the purposes of financing said facilities, then upon the happening of such event the Mayor is authorized to execute and deliver a deed to said real estate referred to in said Lease Agreement, conveying all of the City's right, title and interest

in and to said property to Turner Industries, Inc., in accordance with the option to purchase in said Lease Agreement. The Mayor is further authorized to execute such other documents in the form of bills of sale or other documents necessary to transfer title to any and all equipment or personal property in conjunction with said manufacturing facility to Turner Industries, Inc.


2. Insofar as may be permitted by law, the Mayor of Smiths Grove, Kentucky is further authorized to waive any and all notices required under the terms of the lease between the City of Smiths Grove and Kane Manufacturing Company as well as any and all notices required by the resolution and order authorizing the industrial building revenue bonds.

3. Insofar as is authorized by law, the City of Smiths Grove further waives the pre-payment penalty on said industrial building revenue bonds.

4. Upon presentation of the evidence of satisfaction of the outstanding obligations as set forth in Paragraph 1 and upon execution of the documents contemplated by Section 1 herein, the City of Smiths Grove will further release Chromalloy America Corporation from any obligations it may have incurred under the 1968 Lease Agreement.

ADOPTED November 28, 1983.

APPROVED:

  
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W. Currie Milliken, Mayor,  
City of Smiths Grove, Kentucky

ATTESTED:

  
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Dorothy J. Neal  
City Clerk