

RESOLUTION NO. 139, SERIES 2001

A RESOLUTION AUTHORIZING THE PURCHASE OF THE LOUISVILLE GALLERIA FROM OXFORD PROPERTIES, LLC, THE ENTERING INTO OF A MANAGEMENT CONTRACT FOR THE MANAGEMENT OF THE LOUISVILLE GALLERIA WITH THE CORDISH COMPANY, AND THE SALE OF THE LOUISVILLE GALLERIA TO THE CORDISH COMPANY PURSUANT TO THE TERMS AND CONDITIONS OF A CERTAIN DEVELOPMENT AGREEMENT.

SPONSORED BY: Ald. Magse, Allgeier, Melton

WHEREAS, in the 1980's the City and the predecessor in interest to Oxford Properties, LLC ("Oxford") developed in downtown Louisville an enclosed retail and office complex known as the Louisville Galleria ("Galleria"); and

WHEREAS, the Galleria has not prospered in recent years and is characterized by a high vacancy rate, decreasing sales and significantly fewer customers; and

WHEREAS, the Galleria is of utmost importance to the continued vitality of downtown Louisville and the economic health of the City; and

WHEREAS, because a successful and vital Galleria is so important to the continued economic health of the downtown area and the City, the City has determined that it is necessary to purchase the Galleria from Oxford in order to preserve its continued operation as the retail hub of downtown; and

WHEREAS, The Cordish Company ("Cordish") is a nationally recognized developer and manager of urban retail/entertainment complexes and successfully owns and manages such complexes in a number of cities throughout the United States; and

WHEREAS, the City has determined that it is in the best interest of the City to sell the Galleria to Cordish pursuant to a Development Agreement attached hereto as Exhibit No. 1 ("Development Agreement"), which Development Agreement will require the developer to renovate, reconfigure and manage the Galleria as an urban retail/entertainment complex; and

WHEREAS, the City has determined that the purchase of the Galleria from Oxford and the sale of the Galleria to Cordish furthers the public purposes of the City in that it will revitalize a vital component of downtown, increase the tax base of the City, increase employment opportunities for the citizens of the City and help make downtown Louisville a place to live, work and play.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF LOUISVILLE:

Section 1. That this Board authorizes the purchase of the Galleria from Oxford pursuant to the terms and conditions of a Purchase and Sale Agreement dated June 28, 2001, attached hereto as Exhibit D to the Development Agreement ("Oxford Agreement").

Section 2. That this Board authorizes the City to enter into a Management Agreement with Cordish substantially in the form of the Management Agreement attached hereto as Exhibit C to the Development Agreement ("Management Agreement").

Section 3. That this Board authorizes the sale of the Galleria by the City to Cordish pursuant to the terms and conditions of the Development Agreement.

Section 4. That the Mayor and other officers and employees of the City are authorized to enter into and execute any and all deeds, affidavits, certificates, estoppels and other documents necessary or convenient to take such actions and undertake such transactions as contemplated by the Development Agreement, the Oxford Agreement and the Management Agreement without further action of the Board.

Section 5. That this Resolution shall become effective upon its passage and approval.

Kathleen J. Herron C.B.A. Steve Meyer P.B.A.

APPROVED: 7-27-2001 Daniel N. Runton MAYOR

APPROVED AS TO FORM:

William C. Stone

WILLIAM C. STONE
DIRECTOR OF LAW
CITY OF LOUISVILLE

BOARD OF ALDERMEN

ADOPTED

July 24, 2001