WHEREAS, the Florida Symphony Orchestra, the Orlando Opera Company, and Southern Ballet Theatre (the "organizations") are currently undergoing financial difficulties resulting in serious cash-flow problems for the organizations; and

WHEREAS, the organizations are in need of a minimum of $500,000 to remain solvent through the month of February 1988; and

WHEREAS, the organizations have diligently sought to obtain a loan from a consortium of local banking institutions in order to meet this deficit; and

WHEREAS, the banking consortium has been reluctant to lend the organizations any additional funds due to their dire financial situation without some type of financial pledge or security from Orange County, Florida and the City of Orlando to back-up the loan to the organizations; and

WHEREAS, the City of Orlando and Orange County, Florida wish to aid the organizations in obtaining this loan but are forbidden by law from pledging their credit as security for such loan; and

WHEREAS, in order to allow the organizations to obtain the financing they need from the local banks, a plan has been drafted whereby Arts, Inc. of Central Florida ("Arts, Inc.") will obtain a 5 year $500,000 loan from Sun Bank, National Association (the "Bank") with interest to be paid annually on said loan. In the event Arts, Inc. is unable to make the payment to the Bank on the due date for said payment, Arts, Inc. will notify the City of Orlando, which will then give Arts, Inc. a grant of funds equal to the amount of the payment due, subject to appropriation by
the City Council. In the event the funds are not appropriated, there will be a letter of credit against which Arts, Inc. may draw to make the payment. In the event of an attempt to draw against the letter of credit Sun Bank will notify the City of Orlando, which shall have sixty (60) days from the due date in which to pay to the Bank that portion of the payment not met by Arts, Inc. due to the failure of the City to appropriate the amount due under the grant. Upon notification by Arts, Inc. that all or any portion of a payment cannot be made by Arts, Inc., the City of Orlando shall notify Orange County, Florida that said payment will be made by the City of Orlando. Orange County, Florida, would then pay to the City, prior to the expiration of the 60 day term, two-thirds of any amount owed to Sun Bank by the City representing the unpaid debt service on said loan of $500,000.

BE IT RESOLVED BY THE COUNTY COMMISSION OF ORANGE COUNTY, FLORIDA:

Section 1. The Orange County Commission hereby adopts the financing plan outlined above whereby Orange County shall pay to the City of Orlando, on an annual basis, two-thirds of the payment required to be made by the City to Arts, Inc. as a result of the inability of Arts, Inc. to make a payment on their loan from Sun Bank.

The County understands and agrees that the above-outlined financing plan is only a brief synopsis of the proposed plan and that details of said plan will be more specifically set forth pursuant to certain agreements to be entered into between the City of Orlando, Arts, Inc. and Sun Bank, N.A. to which the County will not be a party.

Section 2. The Orange County Commission hereby authorizes county staff to work with City staff to draft an interlocal agreement which would more specifically set forth Orange County's promise to pay to the City the
County's two-thirds share of any payment owned by the City to Arts, Inc. as a result of the inability of Arts, Inc. to make a payment on the loan made to Arts, Inc. by the Bank.


ORANGE COUNTY COMMISSION

By: [Signature]
Chairman

ATTEST: THOMAS H. LOCKER
Clerk to Orange County Commission

By: [Signature]
Deputy Clerk

KKC:wb: cw
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