

**MINUTES OF SPECIAL MEETING  
MASSILLON CITY COUNCIL  
HELD, MONDAY, AUGUST 11, 2014**

**ACTING COUNCIL PRESIDENT MANSON B** Mr. Townsend could not be here this evening, so I will be presiding from his chair. It is 6:30 p.m. and I'd like to call this Special Meeting to Order. City officials here are: Mayor Kathy Catazaro-Perry, Budget Director, Ken Koher, Parks Director, Doug Nist, Community Development Director, Larry Marcus, Fire Chief, Tom Burgasser and Safety Service Director, Al Hennon.

**1. ROLL CALL**

Roll call for the evening found the following Council members present: Sarita Cunningham-Hedderly, Andrea Scassa, Shaddrick Stinson, Megan Starrett, Ed Lewis, Michelle Del Rio-Keller, Paul Manson. Milan Chovan and Nancy Halter were absent.

Thus giving a roll call vote of 7 present.

Motion was made by Councilman Stinson and seconded by Councilwoman Del Rio-Keller to excuse Council Members Mr. Chovan and Mrs. Halter.

Roll call for excuse of absences

Roll call of 7 to excuse Mrs. Halter and Mr. Chovan.

**ACTING COUNCIL PRESIDENT MANSON** – The action here tonight has to do with two (2) Ordinances that we have on the Agenda. We called this Special Meeting the end of last week; everybody should have gotten their notices at home over the weekend; Friday or Saturday. Since then, this has slowed down dramatically, so, I'm going to ask Mr. Koher or Mr. Markus or whoever would like to talk about this or both of you, to come up. We have two (2) parts here; one part has to do with the Hampton Inn and the Park Deck Project and the other part has to do with HUD. So, Mr. Koher.

**KEN KOHER** – The first piece of legislation is to authorize the Mayor to sign on behalf of the City certain releases and the other documents that would go to JP Morgan Chase Bank, the financial institution that is refinancing the loan for the Downtown Massillon Hotel, Ltd. Group. I got a phone call earlier today from the leading CPA for that group stating that the bank is reviewing documents; there will be more documents needed and some other contingencies addressed. So, what you see in that first Ordinance will be changed, however, in substance, they are going to be very much similar. So, it could either be tabled, voted against or amended when the final documents get here. Typically, these types of transactions, once they're ready to pull the trigger and close it, they want to do it in a short period of time because they have funding commitments they have to meet and then the interest starting picking on that, so, we need to be ready to go on that, and Larry, you can address the second part of the Ordinance.

**ACTING COUNCIL PRESIDENT MANSON** – Are there any questions on this Ordinance No. 109 for Mr. Koher? We will give Ordinance No. 109 its first reading.

**COUNCILWOMAN SCASSA** – Do you want to have Diane read? She never read the

Ordinance.

**ACTING COUNCIL PRESIDENT TOWNSEND** – Oh, I’m sorry; go ahead and read No. 109.

**2. ACTION TAKEN WITH POSSIBLE PASSAGE ON THE FOLLOWING ORDINANCES:**

**ORDINANCE NO. 109 – 2014**      **BY: COMMUNITY DEVELOPMENT COMMITTEE**

AN ORDINANCE authorizing the Mayor to execute the release of assignment, release of mortgages and amended agreement with regards to the Hampton Inn Parking Deck. Copies of which are attached hereto as Exhibit “A”. Said execution of documents is contingent upon final HUD approval of any collateral substitution or bond defeasement.

**ACTING COUNCIL PRESIDENT MANSON** – 1st Reading. You want to give Ordinance No. 110 a reading?

**ORDINANCE NO. 110 – 2014**      **BY: COMMUNITY DEVELOPMENT COMMITTEE**

AN ORDINANCE authorizing the Mayor to establish a Section 108 account with HUD as designated by HUD and to execute any and all documents necessary to cause said defeasement, collateral substitution and funds transfer.

**ACTING COUNCIL PRESIDENT MANSON** – Mr. Markus?

**LARRY MARKUS** – Thanks. This second piece is related to the Agreement that has already been reached for the \$1.4 million dollars settlement with the people that are financing...when these funds come in; you have to set them aside as a separate account. Those funds then, ultimately, will be passed on to HUD for repayment of the bonds and underlying finances. Anybody have any questions.

**ACTING COUNCIL PRESIDENT MANSON** – I have one. We talked originally about the funds going directly from the creditor to HUD. Do we know if that’s the way it is going to work?

**LARRY MARKUS** – They go into a bond reserve, this is somewhat of a complicated bond that HUD has. These proceeds are put into a reserve and the scheduled payments will be maintained because they do not allow a pre-payment. So these payments will be kept in a reserve and it has their schedule for the remaining five (5) years that they will be sent off according to the payments schedule.

**ACTING COUNCIL PRESIDENT MANSON** – Any other questions? We’ll give Ordinance No. 110 1st reading. This Special Meeting is adjourned.

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**MEETING ADJOURNED - 6:40 p.m.**

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DIANE ROLLAND, INTERIM CLERK OF COUNCIL

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PAUL MANSON, ACTING COUNCIL PRESIDENT



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