

**RESOLUTION NO. 2017-6⁰ OF THE LAPORTE COUNTY
COUNCIL REGARDING LEASE TERMS PERTAINING TO THE
LAPORTE COUNTY FAIRGROUNDS
AND PROPOSED FORMATION OF A NEW NON PROFIT
TO MANAGE AND MAINTAIN THE FAIRGROUNDS**

WHEREAS, LaPorte County ("County") has entered into a Fairground Lease and Management Agreement with the LaPorte County Agricultural Association (hereinafter referred to as "Association"), an Indiana non-profit on or about December 20, 2011, and

WHEREAS, a Memorandum of Understanding was entered into between LaPorte County and the Association on March 20, 2012 purporting to depict a Two Hundred Fifty Thousand (\$250,000.000) dollar interest free loan from the County to the Association to cover certain sewer improvements that were made on the LaPorte County Fairgrounds, premises which are owned by the County, and

WHEREAS, such Memorandum of Understanding was secured by a Two Hundred Fifty Thousand (\$250,000.00) dollar promissory note entered into between the Association and the County on March 20, 2012, and

WHEREAS, a separate Addendum to the above-described Fairground Lease and Management Agreement purporting to extend the lease for a period of twenty five years between the County and Association was entered into on April 17, 2012 with annual rent due from the Association in the sum of ten thousand (\$10,000.00) per year and,

WHEREAS, this body, the fiscal branch of LaPorte County government, believes it in the best interests of the residents of LaPorte County that the financial terms described above be treated as impractical and no longer binding between the County and Association and that newly drafted lease terms be negotiated between the County and the new non profit entity that is ultimately assigned the responsibility and duty to manage and maintain the Fairgrounds, and

WHEREAS the Association is currently facing severe financial challenges in managing and maintaining the Fairgrounds and the existing note and rental obligations are impossible to perform and satisfy by the Association, and are not deemed to be in the public interest by the undersigned,

NOW THEREFORE BE IT RESOLVED THAT IN THE INTERESTS OF SEEKING TO STABILIZE AND ENHANCE FAIRGROUNDS' MANAGEMENT AND MAINTENANCE IN THE FUTURE AND TO FURTHER ASSIST THE FAIRGROUNDS AS A DESTINATION VENUE FOR A VARIETY OF EVENTS, CONVOCATIONS, EXHIBITIONS AND THE ANNUAL FAIR, WE RESOLVE TO UNDERTAKE THE FOLLOWING:

1. That a new lease be negotiated between LaPorte County and a yet-to-be-formed non profit entity that would have various stakeholders of the Fairgrounds serve as Board members including representation from shareholders of the current Association and other groups as described below.

2. That we believe it is in the best interests of the residents of LaPorte County that the \$250,000.00 loan provided by the county to the Association be deemed forgiven and deemed a "grant" invested in the enhancement and usefulness of the Fairgrounds, property which should in the minds of the undersigned remain publicly owned in perpetuity.

3. That we also believe that any new lease should revert to the long-standing practice of only requiring one dollar "rent" per year between the County and the non profit entity maintaining and managing the Fairgrounds. We further believe that in the interests of transparency, accountability and to better induce grants and donations to such entity, that a new non profit be formed - styled the LaPorte County Fairgrounds Management and Events Corporation, Inc. - making clear that the entity's responsibilities go above and beyond preparing the Fairgrounds for the Annual Fair to include a variety of exhibitions, concerts, functions and events.

4. That while the undersigned recognizes that the current financial straits of the Association do not allow payment of any "rent" or payments on the "promissory note," in the future we recommend that any new lease for the Fairgrounds establish some form of revenue-sharing component with county government such that in those years when the new non profit that is created to maintain and manage the fairgrounds receives a certain amount of "revenue over expense," so that a trigger is set for a percentage of "net" to be redeemed to county coffers for the benefit of the taxpayers of LaPorte County.

5. That the undersigned also believe it is in the public interest to form a new Blue Ribbon Committee whose charge and responsibility it will be to help negotiate a new Lease with new Lease terms between LaPorte County and the non profit entity charged with maintaining and managing the Fairgrounds. To that end, we hereby authorize the formation of an Eleven Member Blue Ribbon Committee composed of the following individuals:

- (A) Council President Jeff Santana
- (B) Council Vice President Randy Novak
- (C) Councilman Terry Garner
- (D) County Commission President Rich Mrozinski
- (E) Sheriff John Boyd
- (F) Craig Dwight, CEO, Horizon Bank
- (G) Jack Arnett, Executive Director, LaPorte County Convention & Visitors' Bureau
- (H) Dennis Weiss, President, LaPorte Co. Agricultural Association
- (I) Richard Stalbrink, former Board member, LaPorte Co. Agricultural Association
- (J) Suzi Carpenter, former manager, LaPorte County Fair
- (K) Patricia Harris, LaPorte County CVB Board member

We envision having this body's Legal Counsel working with the County Attorney to help advise the Blue Ribbon Committee as it sets about its work of drafting a new lease and helping organize


a new non profit entity to manage and maintain the Fairgrounds.

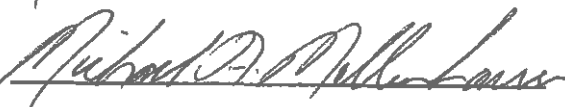
We further envision that the newly created Non Profit - the LaPorte County Fairgrounds Management and Events Corporation, Inc. - should have representation on its Board of Directors from a variety of stakeholders currently involved in the Fairgrounds including but not limited to representation from the current shareholders of the LaPorte County Agricultural Association, members of LaPorte County 4-H, PioneerLand and other stakeholders.


We urge the Blue Ribbon Committee to undertake its duties and functions upon approval of this Resolution and pledge to work cooperatively with the LaPorte County Board of Commissioners to effectuate the intent of this Resolution.


All of which is resolved this 19th day of June, 2017.


LAPORTE COUNTY COUNCIL

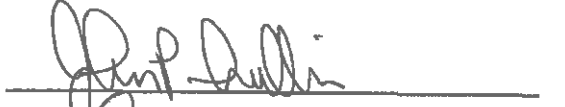















Attest:



Joie Winski, LaPorte County Auditor