The City of East Cleveland



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Gary A. Norton, Jr.

Mayor

April 27, 2016

Joseph W. Testa Ohio State Tax Commissioner 30 East Broad Street Columbus, Ohio 43215

Re: City of East Cleveland, Ohio Request for Tax Commissioner Approval to

Petition for Chapter 9, Title 11 Bankruptcy

Dear Commissioner Testa:

Given East Cleveland's decades-long economic decline and precipitous decrease in revenue, the City is hereby requesting your approval of its Petition for Municipal Bankruptcy.

Despite the City's best Efforts, East Cleveland is insolvent pursuant to 11 U.S.C.§109(c)(3). Based upon Financial Appropriations projections for the years 2016, 2017, 2018 and 2019, the City will be unable to sustain basic Fire, Police, EMS or rubbish collection services.

The City has tried to negotiate with its creditors in good faith as required by 11 U.S.C. §109 (c)(5), it has been a somewhat impracticable effort.

The City's Financial Recovery Plan, approved by the City Council, the Financial Commission and the Fiscal Supervisors, while intended to restore the City to fiscal solvency, will have the effect of decimating our safety forces. Hence, our goal to "effect a plan that will adjust our debts" pursuant to 11 U.S.C. §109 (c)(4) puts us in a Catch-22 that is unrealistic. This is particularly true now that petitions for Merger/Annexation with the City of Cleveland have been delayed by court action in the decision of Cuyahoga County Common Pleas Judge Michael Russo, Court Case No. 850236.

Thank you for your prompt consideration of this urgent matter.

Gary A. Norton, Jr.

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