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ORDINANCE 87-3

ORDINANCE AUTHORIZING THE CITY OF BLOOMINGTON TO ISSUE ITS "ECONOMIC DEVELOPMENT REVENUE BONDS, SERIES 1987 (STONE BELT COUNCIL FOR RETARDED CITIZENS, INC. PROJECT)" AND APPROVING OTHER ACTIONS IN RESPECT THERETO

WHEREAS, the Bloomington Economic Development Commission has rendered its Project Report for the Stone Belt Council for Retarded Citizens, Inc. Project regarding the financing of proposed economic development facilities for Stone Belt Council for Retarded Citizens, Inc. and the Bloomington Plan Commission has commented favorably thereon; and

WHEREAS, the Bloomington Economic Development Commission conducted a public hearing on January 14, 1987, and also adopted a resolution on January 14, 1987, which Resolution has been transmitted hereto, finding that the financing of certain economic development facilities of Stone Belt Council for Retarded Citizens, Inc. complies with the purposes and provisions of I.C. 36-7-11.9 and 12 and that such financing will be of benefit to the health and welfare of the City of Bloomington and its citizens; and

WHEREAS, the Bloomington Economic Development Commission has heretofore approved and recommended the adoption of this form of Ordinance by this Common Council, has considered the issue of adverse competitive effect and has approved the forms of and has transmitted for approval by the Common Council the Loan Agreement, Mortgage and Security Agreement, Note and Trust Indenture; now therefore,

BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, INDIANA THAT:

Section 1. It is hereby found that the financing of the economic development facilities referred to in the Loan Agreement, Mortgage and Security Agreement approved by the Bloomington Economic Development Commission and presented to this Common

Council, the issuance and sale of the Economic Development Revenue Bonds, Series 1987 (Stone Belt Council for Retarded Citizens, Inc. Project) (the "Bonds"), the loan of the proceeds of the Bonds to Stone Belt Council for Retarded Citizens, Inc. for the acquisition, construction, renovation and equipping of such facilities, the payment of the Bonds by the note payments of Stone Belt Council for Retarded Citizens, Inc. under the Loan Agreement, Mortgage and Security Agreement and Note, and the securing of said Bonds by the mortgaging of such facilities to the Trustee under the Trust Indenture complies with the purposes and provisions of I.C. 36-7-11.9 and 12, and will be of benefit to the health and welfare of the City of Bloomington and its citizens.

Section 2. The economic development facilities will consist of the acquisition, construction and renovation of group homes to provide residential services to adults with developmental disabilities. Such homes will be located at the following sites: 1800 Maxwell in Bloomington, 715 Miller Drive in Bloomington, 1226 W. Kirkwood in Bloomington and Lots #345 and 346 in the Van Buren Park Addition on Festive Drive in Bloomington (the "Project").

Section 3. At the public hearing held by the Bloomington Economic Development Commission, the Commission considered whether the economic development facilities would have an adverse competitive effect on any similar facilities located in or near the City of Bloomington, and found, based on special findings of fact set forth in the Resolution transmitted hereto, that the facilities would not have an adverse competitive effect. This Common Council hereby confirms the findings set forth in the Commission's Resolution, and concludes that the economic development facilities will not have an adverse competitive effect on any other similar facilities in or near the City of Bloomington, and the facilities will be of benefit to the health and welfare of the citizens of the City of Bloomington.

Section 4. The substantially final forms of the Loan Agreement, Mortgage and Security Agreement, Note and Trust Indenture approved by the Bloomington Economic Development Commission are hereby approved (herein collectively referred to as the "Financing Agreement" referred to in I.C. 36-7-11.9 and 12), and the Financing Agreement shall be incorporated herein by reference and shall be inserted in the minutes of the Common Council and kept on file by the Clerk. In accordance with the provisions of I.C. 36-1-5-4, two (2) copies of the Financing Agreement are on file in the office of the Clerk for public inspection.

Section 5. The City of Bloomington shall issue its Bonds in the principal amount of Five Hundred Forty Thousand Dollars ($540,000) and maturing twenty (20) years from the date of the first principal payment. Said Bonds are to be issued for the purpose of procuring funds to pay the costs of acquisition, construction, renovation and equipping of the economic development facilities as more particularly set out in the Trust Indenture and Loan Agreement, Mortgage and Security Agreement incorporated herein by reference, which Bonds will be payable as to principal, premium, if any, and interest from the note payments made by Stone Belt Council for Retarded Citizens, Inc. under the Loan Agreement, Mortgage and Security Agreement and Note or as otherwise provided in the above described Trust Indenture. The Bonds shall be issued in fully registered form in the denomination of $1,000 or whole multiples thereof and shall be redeemable as provided in Article V of the Trust Indenture. Payments of principal and interest are payable in lawful money of the United States of America at the principal office of the Trustee or its successor in trust or by check or draft mailed or delivered to the registered owners as provided in the Trust Indenture. The Bonds shall never constitute a general obligation of, an indebtedness of, or a charge against the general credit of the City of Bloomington, nor are the Bonds payable in any manner from revenues raised by taxation.

Section 6. The Mayor and Clerk are authorized and directed to sell such Bonds to the purchasers thereof, at a price of not less than 100% of the principal amount thereof, and at a rate of interest on the Bonds not to exceed 7.50% per annum (except in the event of a Determination of Taxability, as defined in the Loan Agreement, Mortgage and Security Agreement, in which event the interest rate shall increase to the Taxable Rate, as defined in said Loan Agreement).

Section 7. The Mayor and Clerk are authorized and directed to execute, attest, affix or imprint by any means the City seal to the documents constituting the Financing Agreement approved herein on behalf of the City and any other document which may be necessary or desirable to consummate the transaction, including the Bonds authorized herein. The Mayor and Clerk are hereby expressly authorized to approve any modifications or additions to the documents constituting the Financing Agreement which take place after the date of this Ordinance with the review and advice of the City Attorney; it being the express understanding of this Common Council that said Financing Agreement is in substantially final form as of the date of this Ordinance. The approval of said modifications or additions shall be conclusively evidenced by the execution and attestation thereof and the affixing of the seal thereto or the imprinting of the seal thereon; provided, however, that no such modification or addition shall change the maximum principal amount of, interest rate on or term of the Bonds as approved by the Common Council by this Ordinance without further consideration by the Common Council. The signatures of the Mayor and Clerk on the Bonds may be either manual or facsimile signatures. The Clerk is authorized to arrange for delivery of such Bonds to the Trustee named in the Trust Indenture, and payment for the Bonds will be made to the Trustee named in the Trust Indenture and after such payment the Bonds will be delivered by the Trustee to the purchasers thereof. The Mayor and Clerk shall execute and the Clerk shall deliver the Bonds to the Trustee within ninety days of the adoption of this

ordinance. The Bonds shall be originally dated as of January 1, 1987, and shall bear interest from the date of delivery thereof.

Section 8. The City hereby designates the Bonds as qualified tax-exempt obligations to qualify the Bonds for the $10,000,0000 exception from the provisions of the Tax Reform Act of 1986 relating to the disallowance of 100% of the deduction for interest expense allocable to tax-exempt obligations acquired after August 7, 1986.

Section 9. The provisions of this Ordinance and the Trust Indenture securing the Bonds shall constitute a contract binding between the City of Bloomington and the holder of the Bonds, and after the issuance of said Bonds, this Ordinance shall not be repealed or amended in any respect which would adversely affect the rights of such holders so long as any of said Bonds or the interest thereon remains unpaid.

Section 10. This Ordinance shall be in full force and effect from and after its passage and signing by the Mayor.

Passed and adopted this 21 day of January, 1987.

BLOOMINGTON COMMON COUNCIL

Timothy Mayer
Presiding Officer

Attest:

Patricia Williams
Clerk

Presented by me to the Mayor of the City of Bloomington, Indiana, on this 22 day of January, 1987, at the hour of: 8:50 A .m.

Patricia Williams
Clerk

Approved and signed by me on this 22 day of January, 1987.

Tomilea Allison

Mayor, City of Bloomington