ORDINANCE AUTHORIZING THE CITY OF BLOOMINGTON TO ISSUE ITS "ECONOMIC DEVELOPMENT REVENUE BONDS, SERIES 1984 (BRYAN, OWENS, OWENS & STOLBERG PROJECT)" AND APPROVING OTHER ACTIONS IN RESPECT THERETO

WHEREAS, the Bloomington Economic Development Commission has rendered its Project Report for the Bryan, Owens, Owens & Stolberg Project regarding the financing of proposed economic development facilities for E. Burritt Bryan, D. Scott Owens, James E. Owens and Eric C. Stolberg, and the Commission has commented favorably thereon; and

WHEREAS, the Bloomington Economic Development Commission conducted public hearings on November 7, 1984, and also adopted a resolution on November 7, 1984, which Resolution has been transmitted hereto, finding that the financing of certain economic development facilities of E. Burritt Bryan, D. Scott Owens, James E. Owens and Eric C. Stolberg ("Borrowers") complies with the purposes and provisions of I.C. 36-7-12 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 impact and has approved the forms of and has transmitted for approval by the Common Council the Loan Agreement, Note and Mortgage and Indenture of Trust; 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 and Mortgage and Indenture of Trust approved by the Bloomington Economic Development Commission and presented to this Common Council, the issuance and sale of revenue bonds in the aggregate principal amount of $250,000, the loan of the proceeds of the revenue bonds to Borrowers for the

renovation and improving of such facilities and the equipping thereof, the payment of the revenue bonds by the note payments of Borrowers under the Loan Agreement and Note, and the securing of said bonds by the mortgaging of such facilities to the Trustee under the Mortgage and Indenture of Trust complies with the purposes and provisions of I.C. 36-7-12 and will be of benefit to the health and welfare of the City of Bloomington and its citizens.

Section 2. The facilities will consist of the renovation of an approximate 1500 square foot office building, to be located at 501 East Third Street, in Bloomington, Indiana.

Section 3. It is hereby found that the above-described Project of Borrowers will not have an adverse competitive impact on other facilities of the same kind already operating in the same market area for the reasons set forth in the Bloomington Economic Development Commission's Resolution, which findings are hereby ratified and confirmed.

Section 4. The substantially final forms of the Loan Agreement, Note and Mortgage and Indenture of Trust approved by the Bloomington Economic Development Commission are hereby approved (herein collectively referred to as the "Financing Agreement" referred to in I.C. 36-7-12), and all such documents 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 all such documents are on file in the office of the Clerk for public inspection.

Section 5. The City of Bloomington shall issue its Economic Development Revenue Bonds, Series 1984 (Bryan, Owens, Owens & Stolberg Project), in the total principal amount of Two Hundred Fifty Thousand Dollars ($250,000) and maturing no later than twenty years from the date of the first principal payment. The bonds are being issued for the purpose of procuring funds to lend to Borrowers to pay the costs of improving, renovating and equipping of the economic development facilities as more particularly set out in the Loan Agreement and Mortgage and Indenture of Trust incorporated herein by reference, and the bonds will be payable as to principal, premium, if any, and interest

from the note payments made by Borrowers under the Loan Agreement and Note or as otherwise provided in the above described Mortgage and Indenture of Trust. The bonds shall be issued in fully registered form in the denominations of $5,000 or integral multiples thereof and shall be redeemable as provided in Article III of the Mortgage and Indenture of Trust. 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 owner as provided in the Mortgage and Indenture of Trust. The bonds shall never constitute a general obligation of, an indebtedness of, or a charge against the general credit of the City of Bloomington or the State of Indiana 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 not less than 100% of the principal amount thereof. The Bonds shall bear interest at the rate of 9.375% per annum through December 31, 1985 and thereafter at the rate per annum equal to 75% of The Bloomington National Bank's prime rate, as it exists on January 1 of each year; provided, however, that in the event interest on the bonds becomes taxable due to a Determination of Taxability as described in the Mortgage and Indenture of Trust, the interest rate on the bonds shall increase to the rate per annum equal to The Bloomington National Bank's prime rate, plus 1%.

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 Mortgage and Indenture of Trust. Payment for the bonds will be made to the Trustee named in the Mortgage and Indenture of Trust 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 dated as of December 1, 1984, but will bear interest from the date of initial delivery.

Section 8. The provisions of this Ordinance and the Mortgage and Indenture of Trust securing the bonds shall constitute a contract binding between the City of Bloomington and the holders of the Economic Development Revenue Bonds, Series 1984 (Bryan, Owens, Owens & Stolberg Project), 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 9. This Ordinance shall be in full force and effect from and after its passage and signing by the Mayor.

Passed and adopted this 5th day of December, 1984.

BLOOMINGTON COMMON COUNCIL

Patricia A. Whose
Presiding Officer

Attest:

Patricia Williams
Clerk

Presented by me to the Mayor of the City of Bloomington, Indiana, on this 6th day of December, 1984, at the hour of 1:30pm.

Patricia Williams
Clerk

Approved and signed by me on this 6 day of December, 1984.

Tomilea Allison
Mayor, City of Bloomington

SYNOPSIS

This ordinance would authorize the issuance of economic development revenue bonds in the amount of $250,000 for the renovation,' improvement and equipping of the commercial office facility located at 501 East Third Street. The City has no liability for these bonds if approved.

signed
copies sent to: 12/10/84
Eric Stolberg
Joseph O'Connel