ORDINANCE 81-21

To Authorize Economic Development Revenue Bonds for the West Second Partnership Project

WHEREAS, the Bloomington Economic Development Commission has rendered its Project Report for the West Second Partnership Project regarding the financing of proposed economic development facilities for West Second Street Partnership and the Bloomington Planning Commission has commented favorable thereon; and

WHEREAS, the Bloomington Economic Development Commission conducted a public hearing on February 4, 1981, and also adopted a resolution on February 4, 1981, which Resolution has been transmitted hereto, finding that the financing of certain economic development facilities of West Second Partnership complies with the purposes and provisions of IC 18-6-4.5 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 and has approved the forms of and has transmitted for approval by the Common Council the Loan Agreement, Note, Mortgage and Indenture of Trust, Guaranty Agreement, leases, Assignments of Leases, and Consents to Assignments;

NOW, THEREFORE, BE IT HEREBY ORDAINED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION I. It is hereby found that the financing of the economic development facilities referred to in the Loan Agreement approved by the Bloomington Economic Development Commission and presented to this Common Council, the issuance and sale of revenue bonds, Series 1981, the loan of the proceeds of the revenue bonds to West Second Partnership for the acquisition and construction of such facilities and the equipping thereof, the payment of the revenue bonds by the note payments of West Second Partnership 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 IC 18-6-4.5 and will be of benefit to the health and welfare of the City of Bloomington and its citizens.

SECTION II. The City will further use its best efforts at the request of West Second Partnership to authorize the issuance of additional bonds for the purpose of refunding or refinancing any outstanding principal amount of the bonds, including the costs of issuance.

SECTION III. The forms of the Loan Agreement, Note, Mortgage and Indenture of Trust, Guaranty Agreements, Leases, Assignments of Leases and Consents to Assignments approved by the Bloomington Economic Development Commission are hereby approved and all such documents (herein collectively referred to as the "Financing Agreement" referred to in IC 18-6-4.5), shall be incorporated herein by reference and shall be inserted in the minutes of the Common Council and kept on file by the Clerk. The Financing Agreement and the revenue bonds shall be dated as of either the first or the fifteenth day of the month in which the revenue bonds are issued.

SECTION IV. The City of Bloomington shall issue its Economic Development First Mortgage Revenue Bonds, Series 1981 (West Second Partnership Project), in a total principal amount of $450,000 for the purpose of procuring funds to apply on the costs of acquisition and construction of the economic development facilities as more particularly set out in the Mortgage and Indenture of Trust and Loan Agreement incorporated herein by reference, which bonds will be payable as to principal, premium, if any, and interest from the note payments made by the West Second Partnership under the Loan Agreement and Note or as otherwise provided in the above described Mortgage and Indenture of Trust. The Bonds shall never constitute a general obligation of, or indebtedness of, or a charge against the general credit of the City of Bloomington.

SECTION V. The Mayor, Clerk and/or Controller are authorized and directed to sell such bonds to the purchasers thereof at a rate or rates of interest on the bonds not to exceed 70% of the prime commercial lending rate established by the Chase Manhattan, N.A. at its principal office in New York, New York, from time to time and at a price not less than 100% of the principal amount thereof.

SECTION VI. The Mayor and Clerk are authorized and directed to execute the documents constituting the Financing Agreement approved herein on behalf of the City and any other documents which may be necessary or desirable to consummate the transaction, including the bonds authorized herein. By their execution thereof the Mayor and Clerk may approve such modifications and amendments as may be desirable in any of said documents and to approve the selection of a Trustee. The signatures of the Mayor and Clerk on the bonds may be facsimile signatures. The Clerk is authorized to arrange for delivery of such Bonds to the Trustee selected, payment for which will be made to the Trustee named in the Mortgage and Indenture of Trust and the Bonds shall be delivered by the Trustee to the purchasers thereof.

SECTION VII. 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 holder of the Economic Development First Mortgage Revenue Bonds, Series 1981 (West Second Partnership 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 VIII. This Ordinance shall be in full force and effect from and after its passage by the Common Council and approval by the Mayor.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 18th day of February, 1981.

Alfred I. Towell, President
Bloomington Common Council

ATTEST:

Nora M. Connors, City Clerk

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 19th day of February, 1981.

Nora M. Connors, City Clerk

SIGNED and APPROVED by me upon this 23rd day of February, 1981.

Francis X. McCloskey, Mayor
City of Bloomington

SYNOPSIS

This ordinance would authorize the City of Bloomington to issue its economic development revenue bonds for West Second Partnership. The bonds will be for $450,000 and will be used to develop a one-story commercial office building for general and medical offices at 500 W. Second Street. The city has no liability for these bonds if approved.