Passed 8-0

RESOLUTION 01-07

SUPPORTING THE ISSUANCE AND SALE OF ECONOMIC DEVELOPMENT REVENUE BONDS
Re: 3100 South Walnut Street Pike
(Grandview Care, Inc., Petitioner)

WHEREAS, Bloomington, Indiana (the "Issuer"), is authorized by IC 36-7-11.9 and 12 (collectively, the "Act") to issue revenue bonds for the financing of economic development facilities, the funds from said financing to be used for the acquisition, rehabilitation and equipping of said facilities, and said facilities to be either sold or leased to a company or directly owned by a company; and

WHEREAS, Grandview Care, Inc., on behalf of a to-be-formed Indiana limited partnership (collectively, the "Applicant"), has advised the Bloomington Economic Development Commission (the "Commission") and the Issuer that it proposes that the Issuer lend proceeds of an economic development financing to the Applicant for the acquisition, rehabilitation and equipping of a multifamily housing facility consisting of an apartment complex known as Willow Manor containing approximately 190 apartment units, together with functionally related and subordinate facilities located at 3100 South Walnut Street Pike, in Bloomington, Indiana (the "Project"); and

WHEREAS, the diversification of industry, increase in job opportunities (at least one new full-time equivalent job) and the creation and preservation of affordable multifamily rental housing to be achieved by the acquisition, rehabilitation and equipping of the Project will be of public benefit to the health, safety and general welfare of the Issuer and its citizens; and

WHEREAS, it would appear that the financing of the Project would be of public benefit to the health, safety and general welfare of the Issuer and its citizens; and

WHEREAS, it is tentatively found that the acquisition, rehabilitation and equipping of the Project will not have an adverse competitive effect on any similar facility already constructed or operating in Bloomington, Indiana;

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

SECTION 1. The Common Council of Bloomington, Indiana, finds, determines, ratifies and confirms that the promotion of diversification of economic development and job opportunities in Bloomington, Indiana, as well as the creation of affordable multifamily rental housing, is desirable to preserve the health, safety and general welfare of the citizens of the Issuer; and that it is in the public interest that the Commission and the Issuer take such action as they lawfully may to encourage economic development, diversification of industry and promotion of job opportunities in the Issuer.

SECTION 2. The Common Council of Bloomington, Indiana, approves, determines, ratifies and confirms that the issuance and sale of economic development revenue bonds in an amount of approximately $3,500,000 of the Issuer under the Act for the lending of the proceeds of the revenue bonds to the Applicant, for the acquisition, rehabilitation and equipping of the Project will serve the public purposes referred to above, in accordance with the Act.

SECTION 3. In order to induce the Applicant to proceed with the acquisition, rehabilitation and equipping of the Project, the Common Council of Bloomington, Indiana, hereby approves, determines, ratifies and confirms that (i) it will take or cause to be taken such actions pursuant to the Act as may be required to implement the aforesaid financing, or as it may deem appropriate in pursuance thereof; and (ii) it will adopt such ordinances and resolutions and authorize the execution and delivery of such instruments and the taking of such action as may be necessary and advisable for the authorization, issuance and sale of said economic development revenue bonds; and that the aforementioned purposes comply with the provisions of the Act; and (iii) it will use

its best efforts at the request of Applicant to authorize the issuance of additional bonds for refunding and refinancing the outstanding principal amount of the bonds, for completion of the Project and for additions to the Project, including the costs of issuance (providing that the financing of such addition or additions to the Project is found to have a public purpose at the time of authorization of such additional bonds), and that the aforementioned purposes comply with the provisions of the Act; provided that all of the foregoing shall be mutually acceptable to the Issuer and the Applicant.

SECTION 4. All costs of the Project incurred after the date permitted by applicable federal tax and state laws, including reimbursement or repayment to the Applicant of moneys expended by the Applicant for planning, engineering, a portion of the interest paid during rehabilitation and equipping, underwriting expenses, attorney and bond counsel fees, acquisition, rehabilitation and equipping of the Project will be permitted to be included as part of the bond issue to finance the Project, and the Issuer will lend the proceeds from the sale of the bonds to the Applicant for the same purposes. Also, certain indirect expenses, including but not limited to, planning, architectural work and engineering incurred prior to this inducement resolution will be permitted to be included as part of the bond issue to finance the Project.

SECTION 5. This resolution shall constitute "official action" for purposes of compliance with federal and state laws requiring governmental action as authorization for future reimbursement from the proceeds of bonds.

SECTION 6. Based solely upon representations of the Applicant and materials filed by the Applicant, the Issuer hereby preliminarily finds and determines that the amount of tax credits to be allocated to the Project under Section 42 of the Code does not exceed the amount necessary for the financial feasibility of the Project and its viability as a qualified housing project throughout the credit period for the Project and that the Project satisfies the requirements for the allocation of a housing credit dollar amount under the qualified allocation plan applicable to the area in which the Project is located. The foregoing determinations shall not be construed to be a representation or warranty by the Issuer as to the feasibility or viability of the Project. The Issuer hereby authorizes and directs the Common Council to review and make the foregoing determinations again for Bloomington, Indiana, at the request of the Borrower, following review of the Project and supporting materials by the Indiana Housing Finance Authority ("IHFA"), the credit agency for the State of Indiana, and the recommendation by IHFA of approval of such determinations. Such determinations shall occur (i) upon the sale of the Bonds to the initial purchasers thereof, and (ii) on or about the date that each building in the Project is placed in service.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 16th day of May, 2001.

Patricia Cole
PATRICIA COLE, President
Bloomington Common Council

ATTEST:

Regina Moore
REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 17th day of May, 2001.

Regina Moore
REGINA MOORE, Clerk
City of Bloomington

Signed copies to:

Legal (5)
Susan Failey
Controller
Nathan Hadley
Housing Authority
HAND
Evergreen Institute

SIGNED and APPROVED by me upon this 17th day of May, 2001.

JOHN FERNANDEZ, Mayor
City of Bloomington

SYNOPSIS

This resolution approves a request by Grandview Care, Inc., on behalf of a to-be-formed limited partnership, for $3,500,000 in multi-family housing revenue bonds for the acquisition and rehabilitation of Willow Manor Apartments, 3100 South Walnut Street Pike, and construction of a new community building. Willow Manor will continue to house low-income elderly and disabled persons.

Note: The Council adopted Am 01 to this resolution on May 16th. This amendment changed the address of the project from 3910 to 3100 S. Walnut Street Pike.