Postponed on 9.16.98 to 10.2.98

Passed: 7-1 (PS, MP)

ORDINANCE 98-39

AUTHORIZING THE CITY TO ISSUE AND SELL $12,600,000 OF ITS MULTIFAMILY MORTGAGE REVENUE REFUNDING BONDS (WOODBRIDGE APARTMENTS OF BLOOMINGTON III PROJECT) SERIES 1998 AND OTHER RELATED ACTIONS

WHEREAS, the Issuer is authorized under the provisions of § 36-7-12-1 et seq. of the Indiana Code, as amended (the "Act"), to issue revenue bonds for the purpose of financing the acquisition, construction, improving and equipping of multifamily residential rental facilities and to refund its outstanding bonds by the issuance of its refunding bonds; and

WHEREAS, pursuant to the Act the Issuer has financed the acquisition, construction and equipping of a multifamily residential rental apartment project known as Woodbridge Apartments (the "Project") located within the jurisdictional limits of the Issuer for Woodbridge Apartments of Bloomington III, Limited Partnership, an Indiana limited partnership (the "Borrower"), by the issuance of the Issuer's Multifamily Mortgage Revenue Note (Woodbridge Apartments of Bloomington III Project) Series 1985 in the original principal amount of $12,600,000 (the "Prior Note"); and

WHEREAS, the Borrower has requested that the Issuer issue bonds for the purpose of refunding and redeeming the Prior Note; and

WHEREAS, the Common Council of the City of Bloomington, Indiana, finds that a refunding of the Prior Note issued under the Act would be of benefit to the health and general welfare of the Issuer and would comply with the Act; and

WHEREAS, the Issuer, therefore, deems it desirable and in keeping with its purposes to issue its Multifamily Housing Revenue Refunding Bonds (Woodbridge Apartments of Bloomington III Project) Series 1998 in the original principal amount of $12,600,000 (the "Bonds"), for the purposes of making a mortgage refinancing loan (the "Loan") to the Borrower, which will refund and redeem the Prior Note and thereby refinance the Project for the Borrower; and

WHEREAS, the Bonds will be issued pursuant to an Indenture of Trust dated as of September 1, 1998 (the "Indenture") by and between the Issuer and UMB Bank, N.A., as trustee, with its principal office in Kansas City, Missouri (the "Trustee"); and

WHEREAS, under the terms of a Loan Agreement dated as of September 1, 1998 (the "Loan Agreement"), the Issuer has agreed to make the Loan and the Borrower has agreed to the repayment of the Loan and the Borrower has executed the Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Financing Statement dated as of September 1, 1998 (the "Mortgage") and the Assignment of Rents and Leases dated as of September 1, 1998 (the "Assignment") to secure, among other things, the Borrower's Loan repayment and other obligations under the Loan Agreement; and

WHEREAS, the Borrower has entered into an Amended and Restated Regulatory Agreement dated as of September 1, 1998 (the "Regulatory Agreement") to restrict rental of 20% of the units in the Project to 80% of the median income for the Bloomington, Indiana, Metropolitan Statistical Area; and

WHEREAS, terms not otherwise defined in this Ordinance shall have the meanings assigned thereto in the Indenture; and

WHEREAS, the Issuer is adopting this Ordinance for the purpose of authorizing and securing the Bonds, presenting the terms thereof and the conditions, terms, trusts and provisions upon the basis of which the Bonds will be delivered and the proceeds thereof held and expended; and

WHEREAS, there has been presented to this meeting proposed forms of the Indenture, the Loan Agreement and the Regulatory Agreement (collectively, the "Issuer Documents"); and

WHEREAS, all things necessary to make the Bonds, when authenticated by the Trustee and issued as provided in the Indenture, valid, binding and legal limited obligations of the Issuer according to the import thereof, and to constitute this Indenture a valid contract for the security of the Bonds, have been done and performed; and the creation, execution and delivery of the Indenture, and the creation, execution and issuance of said Bonds, subject to the terms of the Indenture, have in all respects been duly authorized;

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

SECTION 1. Terms Defined. In addition to words and terms elsewhere defined in this Ordinance, the capitalized words and terms used herein shall have the meaning assigned thereto in Article I of the Indenture.

SECTION 2. Ratification of Actions. All actions (not inconsistent with the provisions of this Ordinance) heretofore taken by or at the direction of the Issuer directed toward the sale and issuance of the Bonds therefor are hereby approved and ratified.

SECTION 3. Bond Authorization. The Bonds are hereby authorized as revenue refunding bonds in one series to be designated as follows: "The City of Bloomington, Indiana, Multifamily Housing Revenue Refunding Bonds (Woodbridge Apartments of Bloomington III Project) Series 1998" in the aggregate principal amount of $12,600,000. The Bonds shall be in substantially the form set forth in the proposed form of Indenture, and will be dated the dates, will mature on the dates and in the amounts, will be issued in the denominations, and will bear interest at the rates set forth in the Indenture. The Bonds shall be payable and subject to redemption prior to maturity as provided in the Indenture. The Bonds shall be issued in registered form, shall have the registration privileges provided in the Indenture, shall be payable in the medium and place or places provided in the Indenture.

The Bonds shall be payable solely from the Revenues received by, or on behalf of, the Issuer pursuant to the Indenture.

SECTION 4. Special Limited Obligations. The Bonds are not in any respect a general obligation of the Issuer, nor are they payable in any manner from revenues raised by taxation. The Bonds shall be payable solely from the receipts and revenues received by, or on behalf of, the Issuer pursuant to the Indenture. Nothing contained in (a) this Ordinance, (b) any of the Issuer Documents, or (c) any other agreement, certificate, document, or instrument executed in connection with the issuance of the Bonds shall be construed as obligating the Issuer (except as a special limited obligation to the extent provided in such documents or instruments), or as incurring a charge upon the general credit of the Issuer, nor shall the breach of any agreement contemplated by (d) this Ordinance, (e) any of the Issuer Documents, or (f) any other instrument or documents executed in connection therewith impose any charge upon the general credit of the Issuer.

SECTION 5. Bonds Form. The form, terms, and provisions of the Bonds, in the form contained in the Indenture, are hereby approved, with only such changes therein as are approved by the officers authorized to execute the Bonds (which approval will be conclusively established by their execution thereof). The Mayor and the Clerk are each hereby authorized to execute the Bonds and each is hereby authorized to deliver them. The signatures of the Issuer's Mayor and Clerk on the Bonds may be manual or by facsimile.

SECTION 6. Issuer Documents. The forms, terms, and provisions of each of the Issuer Documents in the forms of such documents (including the exhibits thereto) presented to this meeting, are hereby approved, with such insertions, deletions, and changes as are approved by the officers authorized to execute the Issuer Documents (which approval will be conclusively demonstrated by their execution thereof); and the Mayor and the Clerk of the Issuer are hereby authorized to execute each of the Issuer Documents.

SECTION 7. Further Actions. The officers of the Issuer shall take all action necessary or reasonably required to carry out, give effect to and consummate the transactions contemplated hereby and thereby, including without limitation, the execution and delivery of the closing and other documents required to be delivered in connection with the issuance, sale, and delivery of the Bonds.

SECTION 8. Trustee Appointment. At the direction of the Borrower, UMB Bank, N. A. is appointed as the Trustee under the Indenture.

SECTION 9. Irrepealability. After any of the Bonds are delivered by the Trustee to the purchaser thereof upon receipt of payment therefor, this Ordinance shall be and remain irrepealable until the Bonds and the interest thereon shall have been fully paid, canceled, and discharged.

SECTION 10. Previous Actions. All actions previously taken or to be taken by the Issuer in connection with preparation and publication of the notices of public hearing and holding the public hearings on behalf of the Board, are hereby ratified and confirmed and authorized, and the Common Council of the City of Bloomington, Indiana hereby approves the issuance of the Bonds for all purposes under the Code.

SECTION 11. Authorization of Sale of Note. The sale of the Note to the current owner of the Prior Note, at a purchase price of 100% of the principal amount thereof, is hereby approved, authorized and confirmed.

SECTION 12. Authority To Correct Errors, Etc. The Mayor and Clerk are each hereby authorized and directed to make any alterations, changes or additions in the Issuer Documents herein approved, authorized and confirmed necessary to correct errors or omissions therein, or to conform the same to the other provisions of said instruments or to the provisions of this Ordinance.

SECTION 13. Further Authority. The Mayor and Clerk are each hereby authorized to execute and deliver for and on behalf of the Issuer any and all additional certificates, documents or other papers and to perform all other acts as they may deem necessary or appropriate in order to implement and carry out the matters herein authorized.

SECTION 14. Copies of Issuer Documents Available for Inspection. True and correct copies of all Issuer Documents presented to the Issuer and identified and referred to in this Ordinance are on file in the office of the Clerk of Issuer and are available for inspection by the general public during regular business hours.

SECTION 15. Successors of the Issuer. In the event of the dissolution of the Issuer, all the covenants, stipulations, promises and agreements contained in this Ordinance by or on behalf of, or for the benefit of, the Issuer, shall bind or inure to the benefit of the successors of the Issuer from time to time and any entity, governing body, board, commission, agency or instrumentality to whom or to which any power or duty of the Issuer shall be transferred.

SECTION 16. Purpose; Exclusive Benefit. Except as herein otherwise specifically provided, nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon any person, firm or corporation, other than the Issuer, the Trustee and the Borrower, any right, remedy or claim under or by reason of this Ordinance. This Ordinance is intended to be for the sole and exclusive benefit of such parties.

SECTION 17. No Personal Liability or Accountability. No covenant or agreement contained in the Bonds or in this Ordinance shall be deemed to be the covenant or agreement of any agent or employee of the Issuer, in his or her individual capacity, and neither the governing body of the Issuer nor any official of the Issuer nor any official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 18. Governing Law. The substantive laws of the State shall govern this Ordinance and the Bonds issued hereunder.

SECTION 19. Full Force and Effect. This Ordinance shall be in full force and effect from and after its passage by the Common Council of the City of Bloomington and approval of the Mayor.

SECTION 20. Severability. If any section, sentence, or provision of this Ordinance, or the application thereof to any person or circumstances shall be declared invalid, such invalidity shall not affect any of the other sections, sentences, provisions, or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this section are declared to be severable.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 7th day of October, 1998.

TIMOTHY MAYER, President
Bloomington Common Council

ATTEST:

PATRICIA WILLIAMS, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 8th day of October, 1998.

PATRICIA WILLIAMS, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this 8 day of October, 1998.

JOHN FERNANDEZ, Mayor
City of Bloomington

SYNOPSIS

This ordinance approves the issuance of the $12,600,000 aggregate principal amount of multifamily mortgage revenue refunding bonds by the Issuer and the loan of the proceeds of such bonds to Woodbridge Apartments of Bloomington III, Limited Partnership, to effect the redemption of the $12,600,000 aggregate principal amount of the Issuer's previously issued multifamily mortgage revenue note.

Signed copies to:
Mayor's Office (R. Lloyd)
Redevelopment Comm.
Petitioner