ORDINANCE 81-34

To Authorize the City of Bloomington to Issue its Economic Development First Mortgage Revenue Bonds, Series B for the Indiana University Retirement Community, Inc. Project and Approve Other Related Actions and Matters

WHEREAS, the Bloomington Economic Development Commission has rendered its Project Report for the Indiana University Retirement Community, Inc. Project regarding the financing of proposed economic development facilities for the Indiana University Retirement Community, Inc. and the Bloomington Planning Commission has commented favorably thereon; and

WHEREAS, the Bloomington Economic Development Commission conducted a public hearing on March 18, 1981, and also adopted a resolution on that date, which Resolution has been transmitted hereto, finding that the financing of certain economic development facilities of the Indiana University Retirement Community, Inc. 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 First Supplemental Loan Agreement and Mortgage, Note, and First Supplemental Trust Indenture;

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 First Supplemental Loan Agreement and Mortgage approved by the Bloomington Economic Development Commission and presented to this Common Council, the issuance and sale of revenue bonds, Series B, the loan of the proceeds of the revenue bonds to the Indiana University Retirement Community, Inc. for the acquisition and construction of such facilities and the equipping thereof, the payment of the revenue bonds by the note payments of the Indiana University Retirement Community, Inc. under the First Supplemental Loan Agreement and Mortgage and Note, and the securing of said bonds by the mortgaging of such facilities to the Trustee under the First Supplemental Trust Indenture 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 the Indiana University Retirement Community, Inc. 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, or, if necessary, completing the Project.

SECTION III. The forms of the First Supplemental Loan Agreement and Mortgage, Note, and First Supplemental Trust Indenture 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 lease between the Indiana University Foundation and the Indiana University Retirement Community, Inc. has been disclosed to and approved by the Common Council. The execution of the First Supplemental Loan Agreement and Mortgage by the Indiana University Foundation has been disclosed to and approved by the Common Council.

SECTION V. The City of Bloomington shall issue its Economic Development First Mortgage Revenue Bonds, Series B (the Indiana University Retirement Community, Inc. Project), in a total principal amount not to exceed $6,000,000 for the purpose of procuring funds to apply on the costs of acquisition, construction and equipping of the economic development facilities as more particularly set out in the First Supplemental Trust Indenture and First Supplemental Loan Agreement and Mortgage incorporated herein by reference, which bonds will be payable as to principal, premium, if any, and interest from the note payments made by the Indiana University Retirement Community, Inc. under the First Supplemental Loan Agreement and Mortgage and Note or as otherwise provided in the above described First Supplemental 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.

SECTION VI. 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 13% per annum and at a price not less than 94% of the principal amount thereof.

SECTION VII. 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, including a bond purchase agreement and an official statement, which may be necessary or desirable to consummate the transaction, including the bonds authorized herein. The distribution of a preliminary official statement and a final official statement is hereby ratified and authorized. By their execution thereof the Mayor and Clerk may approve such modifications and amendments as may be desirable in any of said documents and may 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 First Supplemental Trust Indenture and the Bonds shall be delivered by the Trustee to the purchasers thereof.

SECTION VIII. 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 Economic Development First Mortgage Revenue Bonds, Series B (the Indiana University Retirement Community, Inc. 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 IX. 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 March, 1981.

Alfred I. Towell, President
Bloomington Common Council

ATTEST:

Nora M. Connors, City Clerk

PRESENTED by me to the Mayor upon this 19th day of March, 1981.

Nora M. Connors, City Clerk

SIGNED and APPROVED by me upon this 19th day of March, 1981.

Francis X. McCloskey, Mayor
City of Bloomingto

SYNOPSIS

This ordinance would authorize the City of Bloomington to issue its economic development revenue bonds to I.U. Retirement Community in the amount of $6,000,000 as Series B of their development on Milo B. Sampson Road. The city has no liability for these bonds if approved.