RESOLUTION 81-20

Inducement Resolution for Economic Development Revenue Bonds for Owens, Bryan and Reed Realtors

WHEREAS, the City of Bloomington, Indiana (the "Issuer") is authorized by IC 18-6-4.5 (the "Act") to issue revenue bonds for the financing of economic development facilities, the funds from said financing to be used for the acquisition, construction 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, Owens, Bryan & Reed Realtors, an Indiana partnership, the partners of which are E. Burritt Bryan, James E. Owens, D. Scott Owens and Eric C. Stolberg (the "Applicant") has advised the Bloomington Economic Development Commission (the "Commission") and the Issuer that it proposes that the Issuer acquire, improve, equip and make leasehold improvements on an economic development facility and sell and/or lease the same to the Applicant or loan proceeds of an economic development financing to the Applicant for the same, said economic development facility to consist of the acquiring, improvement, equipping, and the making of leasehold improvements on real estate located east, west and north, and on the Company's existing facilities located at 509 E. Third Street, Bloomington, Indiana ("Project"). The Project facilities are to be used as expanded real estate offices, general offices, parking lot facilities and the machinery and equipment to be installed therein; and

WHEREAS, the diversification of industry and increase in job opportunities (18 to 22 new jobs) to be achieved by the construction 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, having received the advice of the Bloomington Economic Development Commission, 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, the acquisition and construction of the facility 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 I. The Common Council finds, determines, ratifies and confirms that the promotion of diversification of economic development and job opportunities in and near Bloomington, Indiana, 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 and near the Issuer.

SECTION II. The Common Council approves, determines, ratifies and confirms that the issuance and sale of economic development revenue bonds in the amount of approximately $550,000 of the Issuer under the Act for the acquisition, construction and equipping of the Project and the sale or leasing of the Project to the Applicant or the loan of the proceeds of the revenue bonds to the Applicant, will serve the public puruposes referred to above, in accordance with the Act.

SECTION III. In order to induce the Applicant to proceed with the acquisition, construction and equipping of the Project, the Common Council 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; provided that all of the foregoing shall be mutually

acceptable to the Issuer and the Applicant; 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 (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 (as defined in IC 18-6-4.5-1) at the time of authorization of such additional bonds), and that the aforementioned purposes comply with the provisions of IC 18-6-4.5

SECTION IV. All costs of the Project incurred after the adoption of this inducement resolution, including reimbursement or repayment to the Applicant of moneys expended by the Applicant for planning, engineering, interest paid during construction, underwriting expenses, attorney and bond counsel fees, acquisition, construction 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 sell or lease the same to the Applicant or loan 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.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 15th day of July, 1981.

Alfred I. Towell, President
Bloomington Common Council

ATTEST:

Nora M. Connors, City Clerk

SIGNED and APPROVED by me upon this 16th day of July, 1981.

Francis X. McCloskey, Mayor
City of Bloomington

SYNOPSIS

IC 18-6-4.5 authorizes cities to issue revenue bonds for economic development facilities. Owens, Bryan and Reed Realtors would like to acquire property to expand their current business at 509 E. 3rd St. with bonds for $550,000, and they state that 18-22 new jobs will be created through the expansion. The City has no liability for these bonds if approved.