Resolution 83-17

Inducement Resolution for Economic Development Revenue Bonds for Basswood Associates

WHEREAS, the City of Bloomington, Indiana (the "Issuer") is authorized by IC 36-7-12 (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, Basswood Associates, an Indiana limited partnership, (the "Applicant") has advised the Bloomington Economic Development Commission (the "Commission") and the Issuer that it proposes that the Issuer either acquire, construct and equip an economic development facility and sell or lease the same to Basswood Associates or loan proceeds of an economic development financing to Basswood Associates, said economic development facility to consist of the construction of a 220 unit apartment complex on approximately 24 acres of land, for the construction of a 220 unit apartment complex including the real estate on which it is located and the machinery and equipment to be installed thereon, to be located at the northeast corner of the intersection of Highway 37 Bypass and Highway 45, ("Project"); and

WHEREAS, the diversification of industry and increase in job opportunities (125 construction jobs and 6 permanent staff) 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 of the City of Bloomington finds, determines, ratifies and confirms that the promotion of diversification of economic development and job opportunities in and near Bloomington, Indiana is desirable to perserve 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 an amount of approximately $8,500,000 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 purposes 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 of the City of Bloomington 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 (iii) it will use its best efforts at the request of the Applicant to authorize the issuance of additional bonds for refunding and refinancing the outstanding principal amount of the bonds, 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 36-7-12-1 at the time of authorization of such additional bonds), and that the aforementioned purposes comply with the provisions of IC 18-6-4.5; provided that all of the foregoing shall be mutually acceptable to the Issuer and the Applicant.

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.

SECTION V. The liability and obligation of the Common Council of the City of Bloomington and the City of Bloomington, Indiana, including their officers and agents, shall be limited solely to good faith efforts to consummate such proceedings and issue such Bonds, and neither the Bloomington Common Council, nor the City of Bloomington, Indiana, or their officers or agents, shall incur any liability whatsoever if for any reason the proposed issuance of such Bonds is not consummated.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 4th day of May, 1983.

Katherine Dilcher
Bloomington Common Council

ATTEST:

Patricia Williams
Patricia Williams, City Clerk

SIGNED and APPROVED by me upon this 5th day of May, 1983.

Tomilea Allison
City of Bloomington

SYNOPSIS

IC 36-7-12 authorizes cities to issue revenue bonds for the financing of economic development facilities. Basswood Assoc. would like to construct a 220 unit apartment complex at the northeast corner of the intersection of Highway 37 Bypass and Highway 45. They request that the bonds be approved for $8,500,000 and state that 125 temporary jobs and 6 permanent jobs will be created. This city has no liability for these bonds if approved.