passed 9-0

ORDINANCE 10-02

AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, INDIANA, APPROVING THE ISSUANCE AND SALE OF SPECIAL TAXING DISTRICT REFUNDING BONDS BY THE CITY FOR AND ON BEHALF OF THE BLOOMINGTON PARK AND RECREATION DISTRICT TO PROVIDE A SAVINGS TO THE PARK DISTRICT

WHEREAS, the Common Council of the City of Bloomington, Indiana (the "Council" and the "City", respectively) has previously established the Bloomington Board of Park Commissioners (the "Board"), the governing body of the Bloomington Park and Recreation District (the "Park District"), pursuant to Indiana Code 36-10-4, as amended; and

WHEREAS, on December 15, 2009, the Board adopted a resolution (the "Bond Resolution") authorizing the issuance of special taxing district refunding bonds (the "Bonds") of the Park District in the principal amount not to exceed Three Million One Hundred Thousand Dollars ($3,100,000) for the purpose of financing the costs of currently refunding the outstanding Park District Bonds of 2001, dated September 1, 2001 (the "2001 Bonds"), and issuing the Bonds; and

WHEREAS, the Council has been advised by representatives of the Board that the current refunding of the outstanding 2001 Bonds will result in a savings to the Park District through a reduction in interest payments on the Bonds; and

WHEREAS, the Bonds will be payable solely from a special benefits tax to be levied and collected on all taxable property in the Park District; and

WHEREAS, pursuant to Indiana Code 36-10-4-35, the Council must approve the issuance of the Bonds of the Park District prior to their issuance and, for purposes of federal tax laws, authorize certain findings with respect thereto;

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

SECTION 1. The Council approves the issuance of the Bonds pursuant to the provisions of the Bond Resolution.

SECTION 2. The City represents that:

(1) The Bonds are not private activity bonds as defined in Section 141 of the Internal Revenue Code of 1986, as amended (the "Code");

(2) The City hereby designates the Bonds as qualified tax-exempt obligations for purposes of Section 265(b) of the Code;

(3) The reasonably anticipated amount of qualified tax-exempt obligations (including qualified 501 (c)(3) obligations and tax-exempt leases but excluding other private activity bonds) which will be issued by the City, and all entities subordinate to the City during 2010 does not exceed $30,000,000; and

(4) The City will not designate more than $30,000,000 of qualified tax-exempt obligations during 2010.

Therefore, the Bonds qualify for the exception in the Code from the disallowance of 100% of the deduction by financial institutions of interest expense allocable to newly acquired tax-exempt obligations.

SECTION 3. All ordinances or resolutions and parts of ordinances or resolutions in conflict herewith are hereby repealed.

SECTION 4. If any sections, 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 ordinance are declared to be severable.

SECTION 5. This ordinance shall be in full force and effect from and after its passage by the Council and approval of the Mayor of the City.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 20th day of January, 2010.

Isabel Piedmont-Smith

ISABEL PIEDMONT-SMITH, 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 21st day of January, 2010.

Regina Moore

REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this 22nd day of January, 2010.

Mark K

MARK KRUZAN, Mayor
City of Bloomington

SYNOPSIS

This Ordinance approves the issuance and sale of refunding revenue bonds by the City and on behalf of the Bloomington Park and Recreation District to effect a refunding of its 2001 Parks District bonds. The purpose is to provide a savings to the Park District through a reduction in interest payments on the bonds.

Signed copies to:
controller
legal (10)
Parks (2)
website

CA/CA (3)
Clerk
deputy