

RESOLUTION 78-11

An Inducement Resolution for the Issuance
of Revenue Bonds for the Financing of
Economic Development Facilities

WHEREAS, the City of Bloomington, Indiana (the "City") is authorized by I.C. 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 either directly or by loan to a company and said facilities to be either owned by or leased to a company; and

WHEREAS, Construction Development Corporation, an established Indiana corporation, and Bloomington Athletic Club, an Indiana partnership to be formed, have advised the Bloomington Economic Development Commission and the City that each proposes that the City acquire, construct and equip an economic development facility and lease the same to Construction Development Corporation or Bloomington Athletic Club or that the City loan the proceeds of such a financing to Construction Development Corporation or Bloomington Athletic Club for such purposes said economic development facility to be an 18,000 square foot racquetball recreational facility including the real estate on which it is located and the furnishings and equipment to be installed therein, to be located in Bloomington, Indiana, on an approximate 2 plus acre tract of land (the "Project"); and

WHEREAS, the diversification of economic development and increase in job opportunities to be achieved by the

acquisition, construction and equipping of the Project will be of public benefit to the health, safety and general welfare of the City and its citizens; and

WHEREAS, subject to all required approvals under the Act and 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 City and its citizens; and

WHEREAS, the construction of the facility will not have an adverse competitive effect on any similar facility already constructed or operating in or about Bloomington, Indiana;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Bloomington:

1. The Common Council finds, 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 City of Bloomington; and that it is in the public interest that the Bloomington Economic Development Commission and said City take such action as it lawfully may to encourage diversification of economic development and promotion of job opportunities in and near said City.

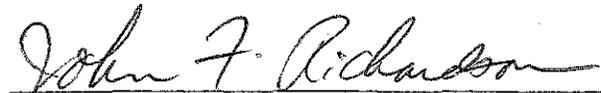
2. The Common Council further finds, ratifies and confirms that the issuance and sale of revenue

bonds of the City under the Act for the acquisition, construction and equipping of the Project and the leasing of the Project to Construction Development Corporation or Bloomington Athletic Club for such purposes will serve the public purposes referred to above, in accordance with the Act.

3. In order to induce Construction Development Corporation, as developer, and Bloomington Athletic Club, as user, to proceed with the acquisition, construction and equipping of the Project, the Common Council hereby finds, determines 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 as authorized by law and is mutually acceptable to the City and Construction Development Corporation and Bloomington Athletic Club; (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 bonds, subject to the City obtaining all approvals as may be required under the Act, including the advice of the Bloomington Economic Development Commission and the approval of the Bloomington Plan Commission.

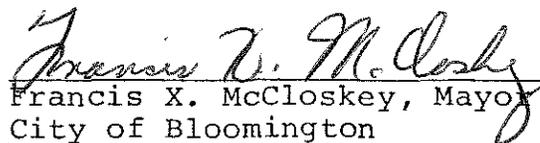
4. All costs of the Project incurred after the Inducement Resolution passed by the Bloomington Economic Development Commission, including reimbursement or repayment to Construction Development Corporation or Bloomington Athletic Club of moneys expended by Construction Development Corporation or Bloomington Athletic Club 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 said Project, and the City will thereafter lease the same to Construction Development Corporation or Bloomington Athletic Club or loan the proceeds of such financing to Construction Development Corporation or Bloomington Athletic Club for the same purposes.

PASSED AND ADOPTED this 6 day of April, 1978, by the Common Council of the City of Bloomington, Monroe County, Indiana.



John F. Richardson, President
Bloomington Common Council

APPROVED this 10 day of April, 1978, by the Mayor.


Francis X. McCloskey, Mayor
City of Bloomington

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I.C. 18-6-4.5 authorizes the City of Bloomington to issue revenue bonds for the financing of economic development facilities. Construction Development Corporation wishes to build a handball and racquetball club in the City of Bloomington and is asking the Common Council to pass this inducement resolution as an indication that, if all necessary statutory, planning, legal and financial requirements are met then the Council will be willing to pass an ordinance authorizing the issuance of revenue bonds. Such bonds represent no liability on the part of the City. A similar inducement resolution has already been passed by the City's Economic Development Commission.

COMMITTEE REPORT SHEET

Legislative #: Appropriation Ordinance - Ordinance - Resolution 78-11

Title: Inducement Resolution from EDC for Athletic Club

Committee: Community Development Public Facilities Joint Mtg. X

Submitted by: Economic Development Commission through Legal Dept.

Meeting Date: 3/29/78

Committee Discussion/Recommendation:

VOTE OF AYES: 7, NAYS: 0, FOR DO PASS RECOMMENDATION.

Signatures of Councilmembers Present:

RW. Decont

VEG

A.I.T.

DeMaddalena

P. Kueper

REPORT OF THE BLOOMINGTON ECONOMIC DEVELOPMENT
COMMISSION CONCERNING THE PROPOSED FINANCING
OF ECONOMIC DEVELOPMENT FACILITIES FOR
CONSTRUCTION DEVELOPMENT CORPORATION
AND/OR
BLOOMINGTON ATHLETIC CLUB

The Bloomington Economic Development Commission proposes to recommend to the Common Council of the City of Bloomington that it acquire and construct an economic development facility and lease it to Construction Development Corporation or Bloomington Athletic Club, an Indiana partnership to be formed, or loan the proceeds of an economic development revenue bond financing to Construction Development Corporation or Bloomington Athletic Club for acquisition and construction of the same. Such economic development facility will be a racquetball recreational facility of 18,000 square feet. The facility will be located on a tract of approximately 2 plus acres located in the City of Bloomington, Indiana. The facilities will also include certain furnishings and equipment necessary to the operation of such facility. The total cost for the acquisition, construction and equipping of the facilities is presently estimated to be approximately \$1,000,000, including incidental costs of issuance of the economic development revenue bonds.

No public facilities will be made necessary or desirable on account of the proposed facilities as such facilities will be provided by either Construction Development Corporation or Bloomington Athletic Club or the private utilities involved.

The construction of the facility will not have an adverse competitive effect on any similar facilities already constructed or operating in or about Bloomington, Indiana.

It is further estimated that upon the completion of the new facilities and start of operations, the new facility will employ approximately twelve (12) full time employees with an estimated payroll of approximately \$96,000 annually.

Adopted this 16th day of March, 1978.

Nathan R. Silverstein
Vice-President

Attest:

Charles A. Zbinden
Secretary