ORDINANCE AUTHORIZING THE CITY OF BLOOMINGTON TO ISSUE ITS CITY OF BLOOMINGTON, INDIANA ECONOMIC DEVELOPMENT REVENUE BONDS (THE BLOOMINGTON KLUBHAUS, INC. PROJECT) AND APPROVING AND AUTHORIZING OTHER ACTIONS IN RESPECT THERETO

ORDINANCE NO. 78-49

WHEREAS, the Bloomington Economic Development Commission has rendered its Project Report for the Bloomington Athletic Club, Inc. Project regarding the financing of proposed economic development facilities for Bloomington Athletic Club, Inc. (the name of which has since been changed to The Bloomington Klubhaus, Inc.) and the Bloomington Plan Commission Staff has commented favorably thereon; and

WHEREAS, the Bloomington Economic Development Commission conducted a public hearing on June 29, 1978, and also adopted a Resolution on the same date, which Resolution has been transmitted hereto, finding that the financing of certain economic development facilities of The Bloomington Klubhaus, Inc. complies with the purposes and provisions of I.C. 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 this Common Council the Loan Agreement, Note, Trust Indenture, Bond Purchase Agreement and Official Statement; now therefore,

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

Section 1. It is hereby found that the financing of the economic development facilities, including the possible conversion to other economic development facilities, referred to in the Loan Agreement approved by the Bloomington Economic Development Commission and presented to this Common Council, the issuance and sale of revenue bonds, the use of the net proceeds thereof for the loan thereof to The Bloomington Klubhaus, Inc. for the acquisition and construction of such facilities and the equipping thereof, and the payment of the revenue bonds by the note payments of The Bloomington Klubhaus, Inc. under the Loan Agreement, complies with the purposes and provisions of I.C. 18-6-4.5 and will be of benefit to the health and welfare of the City of Bloomington and its citizens.

Section 2. The final forms of the Loan Agreement, Note and Trust Indenture, Bond Purchase Agreement and Official Statement 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 hereby by reference and shall be inserted in the minutes of the Common Council and kept on file by the City Clerk (or in her absence the Deputy City Clerk); and the Mayor is hereby authorized to approve, by his signature to such document any changes, in the Official Statement which may be hereafter recommended by Counsel for the City.

Section 3. The City of Bloomington shall issue its City of Bloomington, Indiana, Economic Development Revenue Bonds (The Bloomington Klubhaus, Inc. Project), in the total principal amount of Nine Hundred Thousand Dollars ($900,000) for the purpose of procuring funds to loan to The Bloomington Klubhaus, Inc. in order to pay the costs of acquisition, construction and equipping of the economic development facilities as more particularly set out in the Trust Indenture and Loan Agreement incorporated herein by reference, which bonds will be payable as to principal, premium, if any, and interest from the note payments made by The Bloomington Klubhaus, Inc. under the Note of The Bloomington Klubhaus, Inc. and from other revenues and income realized under the Loan Agreement or as otherwise provided in the above described Trust Indenture. The Bonds shall never constitute a general obligation of,and indebtedness of, or a charge against the general credit of the City of Bloomington.

Section 4. The Mayor and City Clerk (or in her absence the Deputy City Clerk) are authorized and directed to sell such bonds to Stix & Co., Inc. as underwriter, at a rate of interest on the bonds not to exceed nine and one-quarter per cent (9 1/4%) per annum and at a price of ninety-five and five tenths (95.5%) of the principal amount thereof.

Section 5. The Mayor and City Clerk (or in her absence the Deputy City Clerk) are authorized and directed to execute the documents constituting the Financing Agreement approved herein on behalf of the City of Bloomington and any other document which may be necessary or desirable to consummate the transaction, including the bonds authorized herein. The signatures of the Mayor and City Clerk (or in her absence the Deputy City Clerk) on the Bonds and coupons may be facsimile signatures. The City Clerk (or in her absence the Deputy City Clerk) is authorized to arrange for delivery of such Bonds to the Trustee named in the Trust Indenture, payment for which will be made to the Trustee named in the Trust Indenture, and delivered by the Trustee to the purchasers thereof.

Section 6. 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 City of Bloomington, Indiana, Economic Development Revenue Bonds (The Bloomington Klubhaus, 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 7. This Ordinance shall be in full force and effect from and after its passage and signing by the Mayor.

ADOPTED July 20, 1978.

John F. Richardson

John F. Richardson, President
Bloomington Common Council

Attest:

Nina U Conners

Deputy City Clerk

Presented by me to the Mayor of the City of Bloomington, Indiana, on this 21 day of July, 1978.

Nina U Conners

Clerk

Approved and signed by me on this 25 day of July, 1978.

Francis X. McCloskey

Mayor, City of Bloomington

SYNOPSIS

This ordinance authorizes the City of Bloomington to issue its Economic Development revenue bonds for The Bloomington Klubhaus, Inc. The bonds will be for $900,000 and will be used to construct a racquetball club on Morningside Drive in East Parkridge.

I HEREBY MOVE THAT ORDINANCE # 78- 49 ,
ENTITLED Authorize Issuance of EDC Bonds ,
BE INTRODUCED AND READ FOR FIRST READING BY TITLE
ONLY AT THE COUNCIL MEETING HELD on 7/6/78

Floyd W. Olcott
(Signature)