(passed 9-0)

RESOLUTION 07-17

SUPPORTING THE ISSUANCE AND SALE OF ECONOMIC DEVELOPMENT REVENUE BONDS -
Re: Henderson Court Apartments, 2475 Winslow Court
(Southport-Yarco, LLC, Petitioner)

WHEREAS, the City of Bloomington, Indiana (the "Issuer"), is authorized by IC 36-7-11.9 and 12 (collectively, 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, Southport-Yarco, LLC, an Indiana limited liability company or its designee in the form of a limited partnership (the "Applicant"), has advised the Bloomington Economic Development Commission (the "Commission") and the Issuer that it proposes that the Issuer lend proceeds of an economic development financing to the Applicant for the acquisition, rehabilitation and equipping of an existing multifamily housing facility consisting of an apartment complex, currently known as Henderson Court Apartments, containing approximately 150 apartment units, together with functionally related and subordinate facilities such as recreational facilities and parking areas, located at 2475 Winslow Court, in the City of Bloomington, Indiana (the "Project"); and

WHEREAS, the diversification of industry and increase in job opportunities (approximately 25 temporary construction jobs and the retaining of existing jobs) to be achieved by the acquisition, rehabilitation 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, 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, it is tentatively found that the acquisition, rehabilitation and equipping of the Project will not have an adverse competitive effect on any similar facility already constructed or operating in the City of Bloomington, Indiana;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, as follows:

1. The Common Council of the City of Bloomington, Indiana, finds, determines, ratifies and confirms that the promotion of diversification of economic development and job opportunities in and near the City of 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.

2. The Common Council of the City of Bloomington, Indiana, approves, determines, ratifies and confirms that the issuance and sale of economic development revenue bonds in an amount of approximately $7,250,000 of the Issuer under the Act for the lending of the proceeds of the revenue bonds to the Applicant, for the acquisition, rehabilitation and equipping of the Project will serve the public purposes referred to above, in accordance with the Act.

3. In order to induce the Applicant to proceed with the acquisition, rehabilitation and equipping of the Project, the Common Council of the City of Bloomington, Indiana, 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 that the aforementioned purposes comply with the provisions of the Act; 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 at the time of authorization of such additional bonds), and that the aforementioned purposes comply with the provisions of the Act; provided that all of the foregoing shall be mutually acceptable to the Issuer and the Applicant.

4. All costs of the Project incurred after the date permitted by applicable federal tax and state laws, including reimbursement or repayment to the Applicant of moneys expended by the Applicant for planning, engineering, a portion of the interest paid during construction and equipping, underwriting expenses, attorney and bond counsel fees, acquisition, rehabilitation 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 lend 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.

5. This resolution shall constitute "official action" for purposes of compliance with federal and state laws requiring governmental action as authorization for future reimbursement from the proceeds of bonds.

6. Based solely upon representations of the Applicant and materials filed by the Applicant, the Issuer hereby preliminarily finds and determines that the amount of tax credits to be allocated to the Project under Section 42 of the Code does not exceed the amount necessary for the financial feasibility of the Project and its viability as a qualified housing project throughout the credit period for the Project and that the Project satisfies the requirements for the allocation of a housing credit dollar amount under the qualified allocation plan applicable to the area in which the Project is located. The foregoing determinations shall not be construed to be a representation or warranty by the Issuer as to the feasibility or viability of the Project. The Issuer hereby authorizes and directs the Common Council to review and make the foregoing determinations again for City of Bloomington, Indiana, at the request of the Borrower, following review of the Project and supporting materials by the Indiana Housing and Community Development Authority ("IHCDA"), the credit agency for the State of Indiana, and the recommendation by IHCDA of approval of such determinations. Such determinations shall occur (i) upon the sale of the Bonds to the initial purchasers thereof, and (ii) on or about the date that each building in the Project is placed in service.

APPROVED AND ADOPTED BY the Common Council of the City of Bloomington, Monroe County, Indiana this 19th day of December, 2007.

DAVE ROLLO, President
Common Council

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

Presented by me to the Mayor this 19th day of December, 2007.

REGINA MOORE, Clerk

Approved and signed by me this 20th day of December, 2007.

MARK KRUZAN, Mayor

STATE OF INDIANA)
) SS:
COUNTY OF MONROE)

I, Regina Moore, the duly qualified and acting Clerk of the City of Bloomington, Indiana, do hereby certify that the above and foregoing is a true and exact excerpt of the resolution of the meeting of the Common Council of the City of Bloomington, Indiana, at which meeting a quorum was in attendance and acting throughout, and held December 19, 2007, as such appears in the official minutes of said Common Council in my custody.

REGINA MOORE, Clerk
(SEAL)

SYNOPSIS

This resolution approves a request by Southport-Yarco, LLC, or its subsidiary, for approximately $7,250,000 in multi-family housing revenue bonds for the acquisition and rehabilitation of Henderson Court Apartments, 2475 Winslow Court. Henderson Court will continue to house persons whose income is at or below 60% of the Area Median Income.

Note: On December 19, 2007 the Council adopted Amendment 1 to this resolution which increased the amount of the bonds from $7,000,000 to $7,250,000.

Signed copies to:
legal (10)
Controller
Econ Dev.
CA/CA (3)
Clerk
file
IT webmaster