

INDUCEMENT RESOLUTION FOR ECONOMIC DEVELOPMENT
REVENUE BONDS FOR O. RUSSELL CURRY PROJECT

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 person or company or directly owned by a person or company; and

WHEREAS, O. Russell Curry, a sole proprietor (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 O. Russell Curry, or loan proceeds of an economic development financing to O. Russell Curry, said economic development facility to consist of the construction of a three-story building consisting of 57 efficiency apartments, with 48 off-street parking spaces on three (3) city lots, for residential housing, and the machinery and equipment to be installed therein, on real estate presently owned by the Applicant, to be located at the northeast corner of 4th and Dunn Street ("Project"); and

WHEREAS, the diversification of industry and increase in job opportunities 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 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.

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 \$975,000.00 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 instructions 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 I.C. 36-7-12 at the time of authorization of such additional bonds), and that the aforementioned purposes comply with the provisions of I.C. 36-7-12; 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 17 day of July,
1985.

Patricia A. Thomas

BLOOMINGTON COMMON COUNCIL

ATTEST:

Patricia Williams

SIGNED and APPROVED by me upon this 18 day of July,
1985.

Jornita Allison

CITY OF BLOOMINGTON

SYNOPSIS

IC 36-7-12 authorizes cities to issue revenue bonds for the financing of economic development facilities. O. Russell Curry would like to construct a three (3) story, 57 unit efficiency apartment building and parking lot on the northeast corner of 4th and Dunn Streets, Bloomington, Indiana. He requests that the bonds be approved for \$975,000.00. This City has no liability for these bonds if approved.

7/22/85 Signed copies -

1. Petitioner
2. Legal
3. Review
4. Controller

RESOLUTION - _____

RESOLUTION OF BLOOMINGTON
ECONOMIC DEVELOPMENT COMMISSION

WHEREAS, the City of Bloomington, Indiana, (the "Issuer") is authorized by I.C. 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 person or company or directly owned by a person or company; and

WHEREAS, O. Russell Curry, a sole proprietor, (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 O. Russell Curry, or loan proceeds of an economic development financing to O. Russell Curry, said economic development facility to consist of the construction of a three-story building consisting of 57 efficiency apartments and 48 off-street parking spaces on three (3) city lots, for residential housing, and the machinery and equipment to be installed therein, on real estate presently owned by the Applicant, to be located at the northeast corner of 4th and Dunn Streets in Bloomington, Indiana (the "Project"); and

WHEREAS, the diversification of industry and 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 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, 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 RESOLVED by the Commission as follows:

1. The Commission hereby finds and determines 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 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 Commission hereby finds and determines that the issuance and sale of economic development revenue bonds in an amount of approximately \$975,000.00 of the Issuer under the Act for the acquisition,

NOTICE OF PUBLIC HEARING

The Bloomington Economic Development Commission will hold a public hearing at _____ o'clock P.M. on July 10, 1985, in the Common Council Chambers, Municipal Building, Bloomington, Indiana, on a proposed financing of economic development facilities consisting of a building, equipment and parking lot for the operation of efficiency apartments for residential housing to be owned by O. Russell Curry, a sole proprietorship; the issuance of City of Bloomington, Indiana, Economic Development First Mortgage Revenue Bonds, Series 1985 (O. Russell Curry Project) (the "Bonds") in the aggregate principal amount of \$975,000.00 to pay the cost of such facilities; and to determine whether said financing will have an adverse competitive effect on any similar facilities already constructed or operating in or near the City of Bloomington.

The Bonds will not be a general obligation of the City of Bloomington and will not be payable in any manner by taxation, but will be payable primarily from note payments by O. Russell Curry, and as otherwise provided in the Loan Agreement, Note and Mortgage and Indenture of Trust, and an authorizing ordinance to be passed by the City of Bloomington.

The facilities will consist of the building and equipment for the operation of an economic development facility located at the northeast corner of 4th and Dunn Streets, Bloomington, Indiana.

The public is invited to attend and comment on any of the matters herein noted.

DATED: _____

BLOOMINGTON ECONOMIC DEVELOPMENT
COMMISSION

C.A. Zebendon, Secretary

APPLICATION FOR
ECONOMIC DEVELOPMENT FINANCING

Legal Name of Applicant: O. Russell Curry

Type of Organization: General Partnership _____
Limited Partnership _____
Corporation _____
Sole Proprietorship X
Other _____

Local Representative (name, address and phone):

Frank A. Barnhart, BAKER, BARNHART, BAKER & NARDI

P.O. Box 1234, Bloomington, IN 47402-1234 (812) 332-9476

Bond Counsel (name, address and phone): Ice, Miller, Donadio & Ryan

One American Square, P.O. Box 82001, Indianapolis, IN 46282 (317) 236-2100

Amount of Proposed Issue: \$975,000.00

Type of Business: Apartments for residential housing

Location: 4th and Dunn Streets

Within X yes

City

Limits no

Number of Jobs Created/Saved: 50 jobs during construction; 1 full-time and
4 part-time jobs after construction

Estimated Amount of Payroll: \$20,000.00

Estimated Assessed Value After Completion: Approximately \$1,200,000.00

Bond Purchaser: Merchants National Bank, Indianapolis, Indiana

Trustee: Unknown at present time

Capital Improvements Required of City (streets, sewer, water, etc.):

None

I hereby certify that I am the authorized representative of the Petitioner.
I agree, on behalf of the Petitioner, its agents, lessees, assigns and any successor

BAKER, BARNHART & ANDREWS

ATTORNEYS AT LAW

ALFRED EVENS (1935-1949)
LEROY BAKER
FRANK A. BARNHART
WILLIAM H. ANDREWS

WORKINGMENS FED. SAV. & LOAN BLDG.
P. O. BOX 1234
BLOOMINGTON, INDIANA 47402-1234
TELEPHONE: 332-9476 AREA CODE 812

ROBERT L. BAKER
BARBARA A. NARDI
MICHAEL L. CARMIN
VICKIE R. RENFROW

ROBERT L. RALSTON
OF COUNSEL

July 1, 1985

Bloomington Economic Development
Commission
P. O. Box 100
City of Bloomington
Bloomington, Indiana 47401

Dear Sirs:

Please consider this letter as a request of our client, O. Russell Curry, a sole proprietorship, for the issuance of revenue bonds for the financing of economic development facilities.

The proceeds of said economic development revenue bonds would be used for the construction of a three (3) story, 57 unit efficiency apartment building with 48 off-street parking spaces, on three (3) city lots presently owned by O. Russell Curry. The building is to be used for residential housing and will be located at the northeast corner of 4th and Dunn Streets. The apartments will be leased by O. Russell Curry to individual tenants. We presently estimate the amount of the bond issue to be approximately \$975,000.00.

Upon completion of the acquisition, renovation and construction of the facilities, it is estimated that the new operation will employ approximately 1 full-time and 4 part-time new employees, with an estimated payroll of \$20,000.00 annually.

No increase in public services would be necessary because of the proposed facilities. Also, the proposed facilities would not have an adverse competitive effect on any similar facilities already constructed or operating in the area.

On behalf of my client, I would appreciate your giving this request your careful consideration. If there are any questions, we would be most happy to meet with you to answer questions or supply additional information. Thank you for your consideration of our request.

Very truly yours,

BAKER, BARNHART, BAKER & NARDI



Frank A. Barnhart

FAB/BAN/ljc

in interest, that said Petitioner shall not institute nor cause to be instituted any action or claim against the Bloomington Economic Development Commission, the City of Bloomington, nor any agent or employee of the Commission or City which claim or action arises from the approval, or failure to approve, this application even if an Inducement Resolution has been approved. The Petitioner agrees to defend and hold harmless the Economic Development Commission, City of Bloomington, and their agents and employees in the event any such claim or action is brought.

Frank A. Bainhart
For the Petitioner, O. RUSSELL CURRY

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC ON THE 2ND DAY OF July, 1985.
My county of residence is Monroe County, Indiana.

Harriette T. Duncan
Notary Public

My Commission Expires: January 24, 1987

REPORT OF THE BLOOMINGTON
ECONOMIC DEVELOPMENT COMMISSION ON
PROPOSED FINANCING FOR O. RUSSELL CURRY PROJECT

I. Background

The City of Bloomington, Indiana (the "City") was authorized by the Indiana General Assembly, pursuant to I.C. 36-7-12 et. seq. (the "Act"), to create a Department of Economic Development and an Economic Development Commission to issue revenue bonds for the financing of industrial, commercial or recreational facilities. On April 4, 1974, the Common Council of the City of Bloomington did adopt Ordinance No. 74-10, creating the Bloomington Economic Development Commission.

The purpose of the Bloomington Economic Development Commission and the Act is to provide for employment opportunities, diversification of industry, abatement and control of pollution and generally provide for the health, prosperity and economic stability which will be beneficial to the development of the area. The financing of economic development is such a public purpose of the Bloomington Economic Development Commission.

The Bloomington Economic Development Commission has this date enacted its Resolution No. _____, which among other things, provided an inducement for O. Russell Curry (the "Applicant") to proceed with acquiring, constructing and equipping facilities to be used for residential housing.

II. Location of Facility

The location of the facility to be financed is on three (3) lots located at the northeast corner of 4th and Dunn Streets, Bloomington, Indiana. The property is presently zoned Business General with a variance for use as residential property.

III. Nature of the Applicant, Cost of the Project and Employment

The Applicant is a sole proprietor, residing in Monroe County, Indiana. Other property owned and constructed in Monroe County by the Applicant include Georgetown Village Apartments and Curry's Bookstore. It is anticipated that the facility would provide approximately one (1) full-time and four (4) part-time employment opportunities upon completion of the facility with an estimated annual additional payroll of \$20,000.00.

The Company requests issuance of Economic Development Revenue Bonds not to exceed \$975,000.00 to assist in financing the development of the facility. The total cost of constructing and equipping the facility will be approximately \$975,000.00.

IV. Liability of City

The City, its residents and their property will not be liable directly or indirectly for or under the bonds to be issued in financing the Applicant's facility. Under the Act, the bonds may not be in any respect the general obligations of the City nor shall they be payable in any manner from funds raised by taxation.

V. Taxation of Facility

The facility to be constructed and equipped is subject to property taxation by local governmental authorities in the same manner as ordinary facilities not constructed under an economic development bond issue.

VI. The Effect Upon the Community and Provisions for Public Services

No additional public facilities or services will be required as a result of the construction and equipping of the facility nor will the construction and operation of the facility have an adverse competitive effect on similar facilities already existing or under construction in or near the City of Bloomington, Indiana.

CONCLUSION

It appears to the Economic Development Commission that the increased employment potential, the diversification of commerce, and the addition to the tax base of certain governmental units would give the City and other governmental units a greater benefit by the construction and operation of the proposed facility than any additional costs or burdens imposed by the facility. Accordingly, the City should enter into the necessary agreements to issue the proposed economic development bonds not to exceed \$975,000.00.

The above report was adopted by the Bloomington Economic Commission on the ____ day of _____, 198__.

BLOOMINGTON ECONOMIC DEVELOPMENT
COMMISSION

By _____
Nathan L. Silverstein,
President

APPROVED:

C. A. Zebendon, Secretary

Upon motion by Commissioner _____,
seconded by Commissioner _____,
and carried by the following vote:

Ayes:

Nayes:

Abstaining:

the Commission adopted a resolution inducing the Applicant to locate its facility in the City of Bloomington, a copy of which is attached hereto and incorporated by reference herein.

There being no further business, on motion duly made, seconded and carried, the meeting was thereupon adjourned.

Secretary, Bloomington Economic
Development Commission

President, Bloomington Economic
Development Commission

Lots 11, 12 and 19 in Dunn's Addition to the City of Bloomington, as shown by the recorded plat thereof.

EXHIBIT "A"

RESOLUTION OF
BLOOMINGTON ECONOMIC DEVELOPMENT COMMISSION

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 person or company or directly owned by a person or company; and

WHEREAS, O. Russell Curry, a sole proprietor, (the "Applicant") has advised the Bloomington Economic Development Commission (the "Commission") and the Issuer that he proposes that the Issuer either acquire, construct and equip an economic development facility and sell or lease the same to the Applicant or loan proceeds of an economic development financing to the Applicant for the same, said economic development facility to consist of the construction of a new 57-unit, three-story, efficiency apartment building and parking lot, and the machinery and equipment to be installed therein, and not including the real estate on which it is to be located, to be located at the northeast corner of 4th and Dunn Streets, (the "Project"); and

WHEREAS, the diversification of industry 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 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 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 RESOLVED by the Commission as follows:

1. The Commission hereby finds and determines 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 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 Commission hereby finds and determines that the issuance and sale of economic development revenue bonds in an amount of approximately \$975,000.00 of the Issuer under the Act for the acquisition, construction and equipping of the Project and the sale or

Adopted this ____ day of _____, 198__.

BLOOMINGTON ECONOMIC DEVELOPMENT
COMMISSION

198. 2. 22

MINUTES OF A SPECIAL MEETING OF THE
BLOOMINGTON ECONOMIC DEVELOPMENT COMMISSION

The Bloomington Economic Development Commission held a special meeting on July 10, 1985, at _____ o'clock ____ .M. at the City Hall, Bloomington, Indiana, notice of the time and place thereof having been duly given to the Commission members by the President. The Commissioners were present or absent as indicated:

Present:

Absent

The meeting was called to order by the President.

Consideration was then given to the proposal that this Commission recommend to the Common Council of the City of Bloomington that the area described in the attached resolution be designated as an economic development target area. Counsel for the City of Bloomington and Representatives of O. Russell Curry were present.

Upon motion by Commissioner _____,
seconded by Commissioner _____,
and carried by the following vote:

Ayes:

Nays:

Abstaining:

the Commission adopted a resolution designating the area described in the attached resolution as an Economic Development Target Area, a copy of which is attached hereto and incorporated by reference herein.

There being no further business, on motion duly made, seconded and carried, the meeting was thereupon adjourned.

Secretary, Bloomington Economic
Development Commission

President, Bloomington Economic
Development Commission

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.

3. In order to induce the Applicant to proceed with the acquisition, construction and equipping of the Project, the Commission hereby finds and determines 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 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 to assist Applicant in procuring the issuance of additional economic development revenue bonds, if such additional bonds become necessary for refunding or refinancing the outstanding principal amount of the economic development revenue bonds, and for additions to the Project, including the costs of issuing additional bonds; 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 adoption of the inducement resolution of the Issuer, 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, and 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.

5. The liability and obligation of the Economic Development Commission 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 Economic Development Commission, 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.

Adopted this _____ day of _____, 198__.

BLOOMINGTON ECONOMIC DEVELOPMENT
COMMISSION

Nathan L. Silverstein, President

C. A. Zebendon, Secretary