

WITHDRAWN by
PETITIONER

Resolution 81-28

Inducement Resolution for Economic Development
Revenue Bonds for Donald L. Cowden Developing Co.

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 company or directly owned by a company; and

WHEREAS, Donald L. Cowden Developing Company, (the "Applicant") has advised the Bloomington Economic Development Commission (the "Commission") and the Issuer that it proposes that the Issuer either acquire and construct an economic development facility and sell or lease the same to Donald L. Cowden Developing Co. or loan proceeds of an economic development financing to Donald L. Cowden Developing Co., which will then lease said facility to an Indiana business entity to be formed with the express purpose of operating a Duff's Cafeteria, for the same, said economic development facility to consist of the construction of an approximate 11,000 square foot one-story building on approximately two (2) acres of land, for the operation of a commercial cafeteria, to be located at 3850 W. Third Street ("Project"); and

WHEREAS, the diversification of industry in job opportunities (70-100 new jobs) to be achieved by the construction 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 bonds in an amount of approximately \$1,000,000 of the Issuer under the Act for the acquisition and construction 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 and construction 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 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 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 IC 36-7-12-3) at the time of authorization of such additional bonds), and that the aforementioned purposes comply with the provisions of IC 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 and construction 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 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 _____ day of _____, 1981.

Alfred E. Towell, President
Bloomington Common Council

SIGNED and APPROVED by me upon this _____ day of _____, 1981.

Francis X. McCloskey, Mayor
City of Bloomington

ATTEST:

Nora M. Connors, City Clerk

SYNOPSIS

IC 36-7-12 authorizes cities to issue revenue bonds for the financing of economic development facilities. The Donald L. Cowden Developing Company wants to construct a building at 3850 W. Third Street to be leased to Monroe Smorgasbord, Inc. for a commercial cafeteria. The bonds will be for \$1 million and it is expected that 70-100 new jobs will be created. The City has no liability for these bonds if approved.