

RESOLUTION 80-20

Inducement Resolution for Economic Development Revenue Bonds
for RMG Development Company

WHEREAS, the Bloomington Economic Development Commission (the "Commission") was created by Ordinance pursuant to authority granted by then existing statutes; and

WHEREAS, the Commission was created to investigate, study and survey the need for and to recommend action to improve and promote job opportunities, industrial diversification, pollution control and health facilities in and near Bloomington, Indiana (the "City") pursuant to IC 18-6-4.5-1, et seq., and

WHEREAS, the Commission has adopted a similar resolution recommending that the Bloomington Common Council (the "Governing Body") adopt this Resolution to induce RMG Development (the "Company") to acquire and remodel an office building (the "Facilities");

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION I. That the Governing Body does hereby find that in order to improve and promote job opportunities and industrial diversification in and near the City, the prosperity, economic stability and general welfare of the City would be benefited by entering into a financing agreement for the financing of the acquisition and remodeling of the Facilities, and in particular, the Governing Body finds that the economic welfare of the City and the surrounding area would be benefited by entering into an agreement with the Company, for the financing of the acquisition and remodeling of economic development facilities (the "Facilities") by a direct loan to the Company, which Facilities the Company intends to lease to various private sector tenants.

SECTION II. That it appears that there would be no adverse competitive effect on any similar facilities located in or near the City, all as presented before the Governing Body at a meeting held September 24, 1980.

SECTION III. In order to induce the Company to proceed with the acquisition and remodeling of the Facilities, the Governing Body of the City hereby determines that (a) the City will authorize and issue revenue bonds not to exceed the aggregate amount of \$325,000.00 (collectively the "bond") of the City pursuant to law, to finance part of the cost of acquisition and remodeling of the Facilities including reimbursement or repayment to the Company of any monies heretofore expended by the Company for the Facilities, and any monies expended by the Company for the Facilities, and any monies expended by the Company for acquisition and remodeling after the date of this resolution, (b) enter into contractual arrangements with the Company to apply the proceeds derived from the issuance and sale of the bond to the financing of the acquisition and remodeling of the Facilities and the expenses incidental thereto, and whereby payments to be made by the Company shall be sufficient to pay the bond and the interest thereon, as and when the same shall become due and payable, (c) adopt such ordinances and resolutions and authorize the execution and delivery of such instruments and the taking of such actions as may be necessary or advisable for the authorization, issuance and sale of the bond; provided that all of the foregoing shall be mutually acceptable to the City and the Company and the project shall be in conformity with all local, state and federal laws and regulations.

SECTION IV. The Commission is hereby authorized and directed to proceed in accordance with the Act and this Resolution to take further proceedings to accomplish the financing.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 2nd day of OCTOBER, 1980.

Tomilea Allison
Tomilea Allison, President
Bloomington Common Council

SIGNED and APPROVED by me upon this 3rd day of OCTOBER, 1980.

Francis X. McCloskey
Francis X. McCloskey, Mayor
City of Bloomington

ATTEST:

Nora M. Connors
Nora M. Connors, City Clerk

SYNOPSIS

IC 18-6-4.5 authorizes cities to issue revenue bonds for the financing of economic development facilities. RMG (Rogers, McDonald & Grodner) Development Company wants to remodel the former Older American Center, 115 E. Sixth Street, for their offices. They request that the bonds be approved for \$325,000 and state that six new jobs will be created by this development.

Economic Development Commission
City of Bloomington
P.O. Box 100
Bloomington, IN 47402

September 12, 1980

Common Council
City of Bloomington
P.O. Box 100
Bloomington, IN 47402

RE: Proposed Economic Development
Facility of RMG Development

Dear Council Members:

Enclosed herewith are the following documents in connection with the Bloomington Economic Development Commission's approval of an Inducement Resolution for the financing of an office facility in the City of Bloomington:

1. Inducement Resolution.
2. Report.
3. Minutes of September 24, 1980 meeting in which the Resolution and Report were adopted.
4. Suggested Form of Council Inducement Resolution and Excerpts of Council Meeting.

Very truly yours,

C. A. Zebendon, Secretary

Economic Development Commission
City of Bloomington
P.O. Box 100
Bloomington, IN 47402

September 12, 1980

Joyce Wilson, President
Plan Commission
City of Bloomington
P.O. Box 100
Bloomington, IN 47402

RE: Economic Development Bond of
City of Bloomington - Report

Dear Ms. Wilson:

Pursuant to IC 18-6-4.5-16, a Report of the Bloomington Economic Development Commission is hereby presented for your consideration concerning a proposed bond issue by the City of Bloomington. The proposed issue is for the purpose of financing economic development facilities, specifically an office facility to be acquired and remodeled by RMG Development, an Indiana general partnership. Pursuant to statute, you have five (5) days from receipt of the Report to submit to the undersigned your comments.

Very truly yours,

C. A. Zebendon, Secretary

NOTICE OF PUBLIC HEARING

The Bloomington Economic Development Commission will hold a public hearing at 4:00 M. on SEPT 24, 1980, at City Council Chambers, Bloomington, Indiana, on a proposed financing of economic development facilities by the issuance of up to Three Hundred Twenty-five Thousand (\$325,000.00) Dollars of City of Bloomington Indiana Economic Development Mortgage Revenue Bonds (RMG Development Project), the proceeds of which will be loaned to RMG Development to pay the costs thereof. The City of Bloomington, Indiana Economic Development Mortgage Revenue Bonds (RMG Development Project) will not be general obligations of the City of Bloomington and will not be payable in any manner by taxation, but will be payable solely from payments made on a promissory note in a like principal amount of RMG Development which will be pledged to evidence and secure said Economic Development Mortgage Revenue Bonds, and as otherwise provided in the financing documents and authorizing Ordinance. The Bloomington Economic Development Commission will also consider whether the proposed facilities would have an adverse competitive effect on any similar facilities already constructed or operating in the City of Bloomington.

The proposed project of RMG Development consists of the remodeling of an existing structure into an office building and the acquisition and installation of various furnishings and equipment. The proposed project also includes related

landscaping and parking facilities. It is contemplated that the project will be leased to Rogers, McDonald & Grodner Law firm, for use as additional offices of the firm and to other private sector tenants.

At the time and place fixed for said public hearing, all taxpayers, residents or interested persons who appear will be given an opportunity to express their views for or against the proposed financing. If the Bloomington Economic Development Commission shall find that the proposed financing will be of benefit to the health and welfare of the City of Bloomington and complies with the purposes and provisions of IC 18-6-4.5, the Bloomington Economic Development Commission will adopt a resolution approving the proposed financing, including the forms of the financing documents.

Dated this 14th day of Sept, 1980.

BLOOMINGTON ECONOMIC DEVELOPMENT
COMMISSION

BY: /s/ C. A. Zebendon, Secretary

MINUTES OF A SPECIAL MEETING OF THE
BLOOMINGTON ECONOMIC DEVELOPMENT COMMISSION
HELD ON _____, 1980

The Bloomington Economic Development Commission held a special meeting at ____ p.m. on _____, 19____, in the City Hall in Bloomington, Indiana. The Commission members were present or absent as follows:

Present:

Absent:

* * * * *

(Other Business)

The Secretary presented proof of written notice to the Commission members, any media which has heretofore requested notice and to the Public of the time, place and matters to be considered for this meeting before the Commission regarding the economic development financing for RMG Development (the "Company").

Geoffrey M. Grodner, a representative of the Company, made a presentation to the Commission concerning a proposal the City of Bloomington (the "City") for the issuance of economic development bonds not to exceed the amount of \$325,000.00 for acquisition and remodeling of an office facility within the City.

The presiding officer requested the Commission members to disclose any pecuniary interest they may presently have in such project or in any contract relating thereto, and none was disclosed.

After a discussion and upon motion duly made by _____, seconded by _____, and carried by the following vote:

RESOLUTION NUMBER _____
BLOOMINGTON ECONOMIC
DEVELOPMENT COMMISSION
INDUCEMENT RESOLUTION

WHEREAS, the Bloomington Economic Development Commission (the "Commission") was created by Ordinance pursuant to authority granted by then existing statutes; and

WHEREAS, the Commission was created to investigate, study and survey the need for and to recommend action to improve and promote job opportunities, industrial diversification, pollution control and health facilities in and near Bloomington, Indiana.

NOW, THEREFORE, BE IT RESOLVED by the Bloomington Economic Development Commission that the Commission does hereby find that in order to improve and promote job opportunities and industrial diversification in the City of Bloomington, Indiana, the prosperity, economic stability and general welfare of the City of Bloomington would be benefited by entering into a remodeling of economic development facilities, and in particular, the Commission finds that the economic welfare of the City of Bloomington would be benefited by entering into an agreement with RMG Development, for the financing of the acquisition, construction and equipping of economic development facilities by a direct loan to RMG Development, and it appearing that there would be no adverse competitive effect on any similar facilities located in Bloomington, Indiana, all as presented before the Commission at a meeting held _____, 19____, the Commission recommends the adoption of a resolution by the Common Council of the City of Bloomington, which proposed form of resolution is approved and recommended to the Common Council of the City of Bloomington for its adoption.

Dated this _____ day of _____, 1980.

C. A. Zebendon, Secretary

APPROVED:

Nathan L. Silverstein, President

Ayes	Nayes	Abstentions
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

the following resolution was adopted:

WHEREAS, the Bloomington Economic Development Commission (the "Commission") was created by Ordinance pursuant to authority granted by then existing statutes; and

WHEREAS, the Commission was created to investigate, study and survey the need for and to recommend action to improve and promote job opportunities, industrial diversification, pollution control and health facilities in and near Bloomington, Indiana.

NOW, THEREFORE, BE IT RESOLVED BY THE Bloomington Economic Development Commission that the Commission does hereby find that in order to improve and promote job opportunities and industrial diversification in the City of Bloomington, Indiana, the prosperity, economic stability and general welfare of the City of Bloomington would be benefited by entering into a financing agreement for the financing of the acquisition and remodeling of economic development facilities, and in particular, the Commission finds that the economic welfare of the City of Bloomington would be benefited by entering into an agreement with RMG Development, for the financing of the acquisition, construction and equipping of economic development facilities by a direct loan to RMG Development; and it appearing that there would be no adverse competitive effect on any similar facilities located in Bloomington, Indiana, all as presented before the Commission at a meeting held _____, 19____, the Commission recommends the adoption of a resolution by the Common Council of the City of Bloomington, which proposed form of resolution is approved and recommended to the Common Council of the City of Bloomington for its adoption.

After discussion and upon motion duly made by _____, seconded by _____ and carried by _____ the following vote:

Ayes	Nayes	Abstentions
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

the following Report of the Commission was adopted and the Secretary was requested to deliver the Report to Bloomington Plan Commission:

I. Background.

The City of Bloomington, Indiana (the "City") was authorized by the Indiana General Assembly, pursuant to I.C. 18-6-4.5 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.

On _____, the Bloomington Economic Development Commission enacted its Resolution No. _____, which, among other things, provided an inducement for RMG Development ("the Company"), to proceed with the acquisition and remodeling of an office facility.

II. Location of Facility.

The location of the facility to be financed is at 115 East Sixth Street, Bloomington, Indiana. The property is presently zoned for a use which permits the operation of an office facility.

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

The Company is an Indiana general partnership. The Company believes that the historic and projected growth in the areas warrants the addition of the facility. It is anticipated that the project would provide approximately six (6) new employment opportunities with an estimated annual additional payroll of \$62,000.00.

The Company requests issuance of an economic development revenue bond not to exceed \$325,000.00 as financing for development of the project.

IV. Liability of City.

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

V. Taxation of Facility.

The facility to be remodeled 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 Provision for Public Services.

Because existing public facilities and services are adequate to serve the existing and the new facilities, it is not anticipated that any additional public facilities or services will be required.

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 the 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 bond not to exceed \$325,000.00.

MINUTES OF A REGULAR MEETING OF THE
BLOOMINGTON COMMON COUNCIL
HELD ON _____, 1980

The Bloomington Common Council (the "Governing Body") held a Regular Meeting at _____ p.m. on _____, 1980, in the City Hall in Bloomington, Indiana. The members of the Governing Body were present or absent as follows:

Present:

Absent:

The Secretary presented proof of written notice to the members of the Governing Body, any media which has heretofore requested notice and to the Public of the time, place and matters to be considered for this meeting before the Governing Body regarding the economic development financing for RMG Development (the "Company").

(Other Business)

Geoffrey M. Grodner, a representative of the Company, made a presentation to the Governing Body concerning a proposal to the City of Bloomington for the issuance of economic development bonds to fund a proposed loan by the City to RMG Development for acquisition and remodeling of an office facility within the City. A letter from the Bloomington Economic Development Commission (the "Commission"), together with a copy of Resolution _____, the minutes of the Commission meeting of _____ and the Report adopted at such meeting, was presented by Patrick Murphy and reviewed by the members.

The presiding officer requested the council members to disclose any preliminary interest they may presently have in such project or

The above report was adopted by the Bloomington Economic
Development Commission on the ____ day of _____, 1980.

* * * * *

(Other Business)

There being no further business to come before the meeting,
the same was, on motion duly made and seconded, unanimously
adjourned.

C. A. Zenbendon, Secretary

APPROVED:

Nathan L. Silverstein, President

to finance part of the cost of acquisition and remodeling of the Facilities including reimbursement or repayment to the Company of any monies heretofore expended by the Company for the Facilities, and any monies expended by the Company for acquisition and remodeling after the date of this resolution, (b) enter into contractual arrangement with the Company to apply the proceeds derived from the issuance and sale of the bond to the financing of the acquisition and remodeling of the Facilities and the expenses incidental thereto, and whereby payments to be made by the Company shall be sufficient to pay the bond and the interest thereon, as and when the same shall become due and payable, (c) adopt such ordinances and resolutions and authorize the execution and delivery of such instruments and the taking of such actions as may be necessary or advisable for the authorization, issuance and sale of the bond.

4. The Commission is hereby authorized and directed to proceed in accordance with the Act and this Resolution to take further proceedings to accomplish the financing.

(Other Business)

There being no further business to come before the meeting, the same was, on motion duly made and seconded, unanimously adjourned.

Nora Connors, Clerk

APPROVED:

Francis X. McCloskey, Mayor

in any contract relating thereto, and none was disclosed.

After a discussion and upon motion duly made by _____

_____, seconded by _____,

and carried by the following vote:

<u>Ayes</u>	<u>Nays</u>	<u>Abstentions</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

The following resolution was adopted:

WHEREAS, the Bloomington Economic Development Commission (the "Commission") was created by Ordinance pursuant to authority granted by then existing statutes; and

WHEREAS, the Commission was created to investigate, study and survey the need for and to recommend action to improve and promote job opportunities, industrial diversification, pollution control and health facilities in and near Bloomington, Indiana (the "City") pursuant to IC 18-6-4.5-1, et seq.

WHEREAS, the Commission has adopted Resolution _____ and has recommended that the Bloomington City Council (the "Governing Body") adopt this Resolution to induce RMG Development (the "Company") to acquire and remodel an office building (the "Facilities");

NOW, THEREFORE, BE IT RESOLVED by the Governing Body:

1. That the Governing Body does hereby find that in order to improve and promote job opportunities and industrial diversification in and near the City, the prosperity, economic stability and general welfare of the City would be benefited by entering into a financing agreement for the financing of the acquisition and remodeling of the Facilities, and in particular, the Governing Body finds that the economic welfare of the City and the surrounding area would be benefited by entering into an agreement with the Company, for the financing of the acquisition and remodeling of economic development facilities (the "Facilities") by a direct loan to the Company, which facilities the Company intends to lease to various private sector tenants.

2. That it appears that there would be no adverse competitive effect on any similar facilities located in or near the City, all as presented before the Governing Body at a meeting held _____, 1980.

3. In order to induce the Company to proceed with the acquisition and remodeling of the Facilities, the Governing Body of the City hereby determines that (a) the City will authorize and issue revenue bonds not to exceed the aggregate amount of \$325,000.00 (collectively the "bond") of the City pursuant to law,

REPORT OF THE BLOOMINGTON
ECONOMIC DEVELOPMENT COMMISSION ON
PROPOSED FINANCING FOR RMG DEVELOPMENT

I. Background.

The City of Bloomington, Indiana (the "City") was authorized by the Indiana General Assembly, pursuant to I.C. 18-6-4.5 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.

On _____, the Bloomington Economic Development Commission enacted its Resolution No. _____, which, among other things, provided an inducement for RMG Development ("the Company"), to proceed with the acquisition and remodeling of an office facility.

II. Location of Facility.

The location of the facility to be financed is at 115 East Sixth Street, Bloomington, Indiana. The property is presently zoned for a use which permits the operation of an office facility.

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

The Company is an Indiana general partnership. The Company believes that the historic and projected growth in the areas warrants the addition of the facility. It is anticipated that the project would provide approximately six (6) new employment opportunities with an estimated annual additional payroll of \$62,000.00.

The Company requests issuance of an economic development revenue bond not to exceed \$325,000.00 as financing for development of the project.

IV. Liability of City.

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

V. Taxation of Facility.

The facility to be remodeled 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 Provision for Public Services.

Because existing public facilities and services are adequate to serve the existing and the new facilities, it is not

anticipated that any additional public facilities or services will be required.

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 the 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 bond not to exceed \$325,000.00.

The above report was adopted by the Bloomington Economic Development Commission on the _____ day of _____, 1980.

BLOOMINGTON ECONOMIC DEVELOPMENT
COMMISSION

By _____
Nathan L. Silverstein, President

APPROVED:

C. A. Zebendon, Secretary