

RESOLUTION 79-13

Inducement Resolution for Issuance of Revenue Bonds for the Financing  
of Economic Development Bonds for the I.U. Retirement Community

WHEREAS, the City of Bloomington, Indiana (the "City") is authorized by I.C. 18-6-4.5 (the "Act") to issue revenue bonds to apply on the financing of economic development facilities, the funds from said financing to be used for the acquisition, construction and equipping of said facilities either directly or by loan to a company and said facilities to be either owned or leased or sold to a company; and

WHEREAS, Indiana University Retirement Community, Inc. (the "Company") has advised the Bloomington Economic Development Commission and the City that it proposed that the City acquire, construct and equip certain economic development facilities and sell or lease the same to the Company or that the City loan the proceeds of such a financing to the Company for such purposes, said economic development facilities to be on an approximate 210,000 square foot retirement community to be located on an approximate 30 acre tract of land near the north side of the Indiana University campus (the "Project"); and

WHEREAS, the diversification of economic development and increase in job opportunities (approximately 102 new jobs) 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 City of Bloomington 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 City and its citizens; and

WHEREAS, the acquisition and construction of the facilities 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 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 City of Bloomington; and that it is in the public interest that the Bloomington Economic Development Commission and said City take such action as it lawfully may to encourage diversification of business and promotion of job opportunities in and near said City.

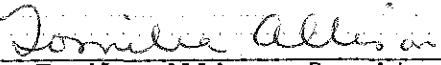
SECTION II. The Common Council further finds, determines, ratifies, and confirms that the issuance and sale of revenue bonds of the City in an amount of approximately \$9,000,000 under the Act to apply on the acquisition, construction and equipping of the Project and the sale or leasing of the Project to the Company of the loaning of the proceeds of such a financing to the Company for such purposes will serve the public purposes referred to above, in accordance with the Act.

SECTION III. In order to induce the Company to proceed with the acquisition, construction and equipping of the Project, the Common Council hereby finds, 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; provided that all of the foregoing shall be mutually acceptable to the City and Company; (ii) it will adopt such ordinances and resolutions and

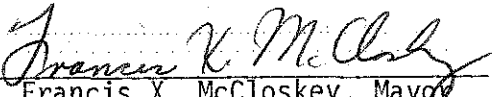
authorize the execution and delivery of such instruments and the taking of such action as may be necessary and advisable for the authorization, issuance and sale of said economic development bonds.

SECTION IV. All costs of the Project incurred after the passage of this resolution, including reimbursement or repayment to the Company of moneys expended by the Company 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 said Project, and the City will thereafter either lease the same to the Company or loan the proceeds of such financing to the Company for the same purposes.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 3 day of May, 1979.

  
Tomilea Allison, President  
Bloomington Common Council

SIGNED and APPROVED by me upon this 11<sup>th</sup> day of May, 1979.

  
Francis X. McCloskey, Mayor  
City of Bloomington

#### SYNOPSIS

IC 18-6-4.5 authorizes the City of Bloomington to issue revenue bonds for the financing of economic development facilities. The I.U. Foundation wants to construct a retirement community in Bloomington and this inducement resolution states that if all necessary statutory, planning, legal and financial requirements are met then the Council will pass an ordinance authorizing the issuance of bonds for the construction and development of the Meadowwood Retirement Community. A similar resolution was passed by the Economic Development Commission on April 25, 1979. The City has no liability or responsibility for these bonds if they are approved.

FISCAL IMPACT STATEMENT

Appropriation Ordinance # \_\_\_\_\_ Ordinance # \_\_\_\_\_ Resolution # 79-13

Type of Legislation:

Appropriation _____	End of Program _____	Penal Ordinance _____
Budget Transfer _____	New Program _____	Grant Approval _____
Salary Change _____	Bonding <u>X</u>	Administrative Change _____
Zoning Change _____	Investments _____	Short-Term Borrowing _____
New Fees _____	Annexation _____	Other _____

If the legislation directly affects City funds, the following must be completed by the City Controller:

Cause of Request: No effect with possible exception of building permit.

Planned Expenditure \_\_\_\_\_ Emergency \_\_\_\_\_  
 Unforeseen Need \_\_\_\_\_ Other \_\_\_\_\_

Funds Affected by Request:

Fund(s) Affected		
Fund Balance as of January 1	\$ _____	\$ _____
Revenue to Date	_____	_____
Revenue Expected for Rest of Year	_____	_____
Appropriations to Date	_____	_____
Unappropriated Balance	_____	_____
Effect of Proposed Legislation (+/-)	_____	_____
Projected Balance	\$ _____	\$ <u>0</u>

Signature of Controller Yatricia A. Shon

Will the legislation have a major impact on existing City appropriations, fiscal liability or revenues? Yes \_\_\_\_\_ No X

If the legislation will not have a major fiscal impact, explain briefly the reason for your conclusion.

*Proposed site is not in city limits; will be required to sign waiver of annexation to hook on to sewer; bond issue is approx. \$9,000,000; will create approx. 109 jobs;*

If the legislation will have a major fiscal impact, explain briefly what the effect on City costs and revenues will be and include factors which could lead to significant additional expenditures in the future. Be as specific as possible. (Continue on second sheet if necessary)

Agency submitting legislation D. U. Foundation / Legal Dept.

By William J. Fish Date 4-27-79