

RESOLUTION 79-28

Inducement Resolution for Issuance of Economic Development  
Bonds for Mallor and Prall, re: 116 West Sixth Street

- WHEREAS, the City of Bloomington, Indiana (the "City"), has been authorized by Indiana Code 18-6-4.5, (the "Act"), to create an economic development commission and to issue revenue bonds for the financing of economic development facilities by loan, sale or lease; and
- WHEREAS, the Common Council of the City adopted Ordinances 74-10 and 75-69 creating the Bloomington Economic Development Commission; and
- WHEREAS, Fred Prall and Andrew Mallor (the "Partnership"), have advised the City through the City of Bloomington Economic Development Commission that they have under consideration a program for the acquisition, reconstruction, redevelopment and equipping of certain economic development facilities (the "Facilities") at 116 West Sixth Street in the City of Bloomington; and
- WHEREAS, such Facilities will include the reconstruction and redevelopment of a building and the purchase of equipment which will result in an immediate employment of approximately ten to fifteen persons at a presently estimated cost of \$600,000; and
- WHEREAS, the Partnership have further advised the City through the City of Bloomington Economic Development Commission that a determination by the City to issue its revenue bonds under the act to finance the acquisition, reconstruction, redevelopment and equipping of the Facilities will constitute a substantial inducement to the Partnership to proceed with the acquisition, reconstruction, redevelopment and equipping of the Facilities; and,
- WHEREAS, the principal of, interest on and all other expenses necessary in issuing and providing the debt service on said bonds will be made from payments by the Partnership to the City or a trustee and will not require any expenditure of the City's funds; and
- WHEREAS, the diversification of industry and increase of job opportunities to be achieved by the acquisition, reconstruction, redevelopment and equipping of the Facilities will benefit the prosperity, economic stability and general welfare of the City, its inhabitants and surrounding areas; and
- WHEREAS, subject to all required approvals under the act and the advice of the City of Bloomington Economic Development Commission, the City intends to use its best efforts to cooperate with the Partnership by issuing the City's revenue bonds to finance the Facilities;

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 and determines that the diversification of industry and increase in job opportunities is desirable to benefit the prosperity, economic stability and general welfare of the City, its inhabitants and surrounding areas and that it is in the public interest that the City take such action as it lawfully may to promote said diversification of industry and increased job opportunities.

SECTION II. The Common Council further finds and determines that the issuance and sale of revenue bonds of the City under the Act and the use of the proceeds derived therefrom to finance the acquisition, reconstruction, redevelopment and equipping of such Facilities, and the expenses incidental thereto, will serve the public purposes referred to above, in accordance with the Act.

SECTION III. In order to induce the Partnership to proceed with the acquisition, reconstruction, redevelopment and equipping of the Facilities, the Common Council hereby determines that it will (a) authorize the issuance of one

or more series of revenue bonds of the City pursuant to the Act in an aggregate principal amount sufficient to finance all the cost (currently estimated to be approximately Six Hundred Thousand Dollars (\$600,000) of acquiring, reconstruction, redevelopment and equipping the Facilities, including expenditures for engineering, design, acquisition, construction and equipment, all costs and expenses involved in the authorization, issuance, sale and delivery of the bonds, plus certain other expenses permitted by the Act, including any monies expended by the Partnership for acquisition, reconstruction, redevelopment and equipment after the date of this Resolution, (b) enter into contractual arrangements with the Partnership to apply the proceeds derived from the issuance and sale of such revenue bonds to the financing of the acquisition, reconstruction, redevelopment and equipping of the facilities and expenses incidental thereto, and whereby payments to be made by the Partnership shall be sufficient to pay said bonds and the interest thereon, as and when the same shall become due and payable, (c) adopt such ordinances and resolutions and authorize the issuance and delivery of such instruments and the taking of such actions as may be necessary or advisable for the authorization, issuance and sale of said bonds, and (d) take or cause to be taken such other actions as may be required to implement the aforesaid or as it may deem appropriate in pursuance thereof; provided that all the foregoing shall be as authorized by law and mutually acceptable to the City and the Partnership.

SECTION IV. This resolution shall be in full force and effect from and after its passage by the Common Council and approval by the Mayor.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 18<sup>th</sup> day of October, 1979.

Tomilea Allison  
 Tomilea Allison, President  
 Bloomington Common Council

SIGNED and APPROVED by me upon this 23<sup>rd</sup> day of October, 1979.

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 the City of Bloomington to issue revenue bonds for the financing of economic development facilities. Fred Prall and Andrew Mallor plan to acquire and reconstruct the building at 116 W. Sixth Street for office space, providing approximately ten to fifteen new jobs. This 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 in the amount of approximately \$600,000. The Economic Development Commission passed a similar resolution on October 18, 1979. The City of Bloomington has no liability for these bonds if they are approved.