

**RESOLUTION 19-15**

**PRELIMINARY APPROVAL TO ISSUE ECONOMIC DEVELOPMENT BONDS  
AND LEND THE PROCEEDS FOR THE RENOVATION OF AFFORDABLE HOUSING  
- Re: Walnut Woods, 818 E. Miller Drive, and Reverend Butler Apartments, 1202  
W. 11th Street (Bloomington RAD I, LP, Petitioner)**

WHEREAS, the City of Bloomington, Indiana (the "Issuer"), is authorized by IC 36-7-11.9 and 12 (collectively, the "Act") to issue revenue bonds for the financing of economic development facilities, the funds from said financing to be used for the acquisition, renovation, improvement 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, Bloomington RAD I, LP, an Indiana limited partnership, on behalf of itself or an affiliated to-be-formed Indiana limited partnership or limited liability company (the "Applicant"), has advised the Bloomington Economic Development Commission (the "Commission") and the Issuer that it proposes that the Issuer lend proceeds of an economic development financing to the Applicant for the acquisition, renovation, improvement and equipping of multifamily housing facilities consisting of (a) an apartment complex known as Walnut Woods, containing approximately 60 apartment units located at 818 E. Miller Drive, Bloomington, Indiana, and (b) an apartment complex known as Reverend Butler Apartments containing approximately 56 units, each together with functionally related and subordinate facilities such as carports, garages and parking areas, located at 1202 W. 11<sup>th</sup> Street, Bloomington, Indiana (the "Project"); and

WHEREAS, on August 21, 2019, the Commission unanimously voted in support of RAD I, LP, to proceed with its application and to pursue issuing bonds as memorialized in Commission Resolution 19-04; and

WHEREAS, the retention of job opportunities (approximately 8 existing jobs to be retained) to be achieved by the acquisition, renovation, improvement 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, the Common Council has considered whether the Project will have an adverse competitive effect on any similar facility already constructed or operating in Bloomington, Indiana;

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

SECTION 1. The Common Council of the City of Bloomington, Indiana, 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 2. The Common Council of the City of Bloomington, Indiana, approves, determines, ratifies and confirms that the issuance and sale of economic development revenue bonds in an amount not to exceed \$11,000,000 under the Act for the lending of the proceeds of the revenue bonds to the Applicant, for the acquisition, renovation, improvement and equipping of the Project will serve the public purposes referred to above, in accordance with the Act.

SECTION 3. In order to induce the Applicant to proceed with the acquisition, renovation, improvement and equipping of the Project, and subject to the further final approval of the Common Council of the City of Bloomington, Indiana, the Common Council of the City of Bloomington, Indiana, 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 that the aforementioned purposes comply with the provisions of the Act; and (iii) it will use its best efforts at the request of Applicant to authorize the issuance of additional bonds for refunding and refinancing the outstanding principal amount of the bonds, for completion of the Project and 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 at the time of authorization of such additional bonds), and that the aforementioned purposes comply with the provisions of the Act; provided that all of the foregoing shall be mutually acceptable to the Issuer and the Applicant.

SECTION 4. All costs of the Project incurred after the date permitted by applicable federal tax and state laws, including reimbursement or repayment to the Applicant of moneys expended by the Applicant for planning, engineering, a portion of the interest paid during acquisition, improvement and equipping, underwriting expenses, attorney and bond counsel fees, acquisition, improvement 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 lend 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 5. This resolution shall constitute "official action" for purposes of compliance with federal and state laws requiring governmental action as authorization for future reimbursement from the proceeds of bonds, particularly Treas. Reg. 1.150-2.

PASSED by the Common Council of the City of Bloomington, Monroe County, Indiana upon this 2<sup>nd</sup> day of October, 2019.



DAVID ROLLO, President  
Bloomington Common Council

ATTEST:



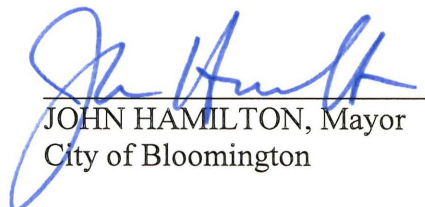
NICOLE BOLDEN, Clerk  
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 4<sup>th</sup> day of October, 2019.



NICOLE BOLDEN, Clerk  
City of Bloomington

SIGNED and APPROVED by me upon this 7<sup>th</sup> day of October, 2019.



JOHN HAMILTON, Mayor  
City of Bloomington

## SYNOPSIS

This Resolution is for Preliminary Approval for the City of Bloomington to Issue Economic Development Revenue Bonds pursuant to Indiana Code 36-7-11.9 and 36-7-12 in an amount not to exceed Eleven Million Dollars (\$11,000,000.00). The City would lend the funds from this Economic Development Revenue Bond to Bloomington RAD I, LP, an Indiana limited partnership and its affiliated limited partner or limited liability company for the acquisition, rehabilitation, and renovation of the affordable housing developments currently known as Walnut Woods Apartments, 818 E. Miller Drive, and Reverend Butler Apartments, 1202 W. 11<sup>th</sup> Street in Bloomington. Bloomington RAD I, LP, and its partners would fully indemnify the City and take full responsibility for payment of the bond – the City would bear no cost. This renovation would modernize these housing developments, restore structural integrity, and bring them into compliance with current building codes.

*Note: At the Regular Session on 02 October 2019, the Council adopted Am 01, which removed reference to “diversification of industry and increase or” as it appears in the fourth Whereas clause.*