

ORDINANCE NO. 2018-24

AN ORDINANCE AUTHORIZING THE CITY OF LEBANON, INDIANA TO ISSUE ITS TAXABLE ECONOMIC DEVELOPMENT REVENUE BONDS, SERIES 2019 (PATTERSON STREET PROJECT) AND AUTHORIZING AND APPROVING OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the City of Lebanon, Indiana ("City") is a municipal corporation and political subdivision of the State of Indiana and by virtue of Indiana Code 36-7-11.9 and Indiana Code 36-7-12 (collectively, "Act"), is authorized and empowered to adopt this ordinance (this "Bond Ordinance") and to carry out its provisions; and

WHEREAS, the Lebanon Redevelopment Commission ("Redevelopment Commission") has previously created the Patterson Street Economic Development Area ("Area"), has designated the entire area as the Patterson Street Allocation Area ("Allocation Area") for purposes of the allocation and distribution of property taxes under IC 36-7-14-39, and has created the Patterson Street Allocation Area Allocation Fund ("Allocation Fund") pursuant to IC 36-7-14-39; and

WHEREAS, Patterson Street Partners, LLC ("Developer") has advised the Lebanon Economic Development Commission ("Commission") and the City that it proposes that the City issue its Taxable Economic Development Revenue Bonds, Series 2019 (Patterson Street Project), in one or more series, in an amount not to exceed One Million Two Hundred Fifty Thousand Dollars (\$1,250,000) ("Bonds") under the Act for the purpose of financing all or a portion of the costs of the construction of an approximate 72,400 square foot speculative industrial building, and other related improvements and expenses, in connection with the demolition and remediation of the former Prairie Industries building located at 320 North Patterson Street, within the Allocation Area (collectively, "Project"), capitalized interest, if any, and certain costs related to the issuance of the Bonds; and

WHEREAS, the principal and interest on the Bonds shall be payable solely from the incremental real property taxes generated and collected in the Allocation Area less any expenses incurred in connection with the administration of the Bonds ("TIF Revenues"), as pledged by the Redevelopment Commission for such purpose; and

WHEREAS, the financing of all or a portion of the Project results in the diversification of industry, the creation and retention of jobs, the creation and retention of business opportunities in the City, and will be of public benefit to the health, safety and general welfare of the City and its citizens; and

WHEREAS, on December 5, 2018, the Commission conducted a public hearing in accordance with Act and Indiana Code 5-3-1, and adopted its resolution finding that the financing of all or a portion of the Project complies with the purposes and provisions of the Act and that such financing will be of benefit to the health and general welfare of the City; and

WHEREAS, the Commission has heretofore approved and recommended the adoption of this form of ordinance by this Council, has considered the issue of adverse competitive effect and has approved the forms of and has transmitted for approval by the Council, the forms of (i) a Financing Agreement, between the City and the Developer; (ii) a Trust Indenture, with respect to the Bonds ("Indenture"), between the City and a trustee to be selected ("Trustee") (clauses (i) and (ii), "Financing Documents"); and (iii) this Bond Ordinance; and

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF LEBANON, INDIANA, THAT:

Section 1. The Council hereby finds and determines that the Project involves the acquisition, construction and equipping of an "economic development facility" as that phrase is used in the Act; that the Project will create employment opportunities and diversification of economic development in the City, will improve and promote the economic stability, development and welfare in the City, will encourage and promote the expansion of industry, trade and commerce in the City and the location of other new industries in the City; that the public benefits to be accomplished by this Bond Ordinance, intending to overcome insufficient employment opportunities and insufficient diversification of industry, are greater than the cost of public services (as that phrase is used in the Act) which will be required by the Project; and, therefore, that the financing of the Project by the issue of the Bonds under the Act: (i) will be of benefit to the health and general welfare of the City and (ii) complies with the Act.

Section 2. The proposed financing of all or a portion of the Project, and the financing of certain costs related to the issuance of the Bonds, capitalized interest, if any, as further described in the Financing Documents, by the issuance of the Bonds, in one or more series, under the Act, in the form that such financing was approved by the Commission, is hereby approved.

Section 3. The issuance of the Bonds, payable solely from the revenues and receipts derived from the Financing Documents, is hereby authorized.

Section 4. The Bonds, in one or more series, and in the aggregate principal amount not to exceed One Million Two Hundred Fifty Thousand Dollars (\$1,250,000), shall (i) be executed at or prior to the closing date by the manual or facsimile signatures of the Mayor and the Clerk-Treasurer of the City; (ii) be dated as of the date of issuance; (iii) mature on a date not later than twenty-five (25) years after the date of issuance; (iv) bear interest at a rate not to exceed five percent (5.0%), with such interest to be payable as provided in the Financing Documents; (v) be issuable in such denominations as set forth in the Financing Documents; (vi) be issuable only in fully registered form; (vii) be subject to registration on the bond register as provided in the Indenture; (viii) be payable in lawful money of the United States of America; (ix) be payable at an office of the Trustee as provided in the Indenture; (x) be subject to optional redemption prior to maturity and subject to redemption as otherwise provided in the Financing Documents; and (xi) contain such other terms and provisions as may be provided in the Financing Documents. The Bonds shall be payable solely from the TIF Revenues.

The Bonds and the interest thereon do not and shall never constitute an indebtedness of, or a charge against the general credit or taxing power of, the City, but shall be special and limited obligations of the City, payable solely from TIF Revenues. Forms of the Financing Documents are before this meeting and are by this reference incorporated in this Bond Ordinance, and the Clerk-Treasurer of the City is hereby directed, in the name and on behalf of the City, to insert them into the minutes of the Council and to keep them on file.

Section 5. The Mayor and Clerk-Treasurer are authorized and directed to sell the Bonds, to the original purchasers thereof at a price not less than the par value thereof. The Mayor and Clerk-Treasurer are hereby authorized to approve and execute a bond purchase agreement, if applicable, for the Bonds with the Purchaser in a form approved by such officers, such approval to be conclusively evidenced by the execution thereof.

Section 6. The Mayor and the Clerk-Treasurer of the City are hereby authorized and directed, in the name and on behalf of the City, to execute or endorse and deliver the Financing Documents, submitted to the Council, which are hereby approved in all respects. The Mayor and the Clerk-Treasurer of the City are hereby authorized and directed, to select a financial institution to serve as the Trustee.

Section 7. The Mayor and the Clerk-Treasurer of the City are hereby authorized, in the name and on behalf of the City, without further approval of the Council or the Commission, to approve such changes in the Financing Documents as may be permitted by the Act, such approval to be conclusively evidenced by their execution thereof.

Section 8. The Mayor and the Clerk-Treasurer of the City, and each of them, are hereby authorized and directed, in the name and on behalf of the City, to execute or endorse any and all agreements, documents and instruments, perform any and all acts, approve any and all matters, and do any and all other things deemed by them, or either of them, to be necessary or desirable in order to carry out and comply with the intent, conditions and purposes of this Bond Ordinance (including the preambles hereto and the documents mentioned herein), the Project, the issuance and sale of the Bonds, and the securing of the Bonds under the Financing Document, including, and any such execution, endorsement, performance or doing of other things heretofore effected be, and hereby is, ratified and approved.

Section 9. The provisions of this Bond Ordinance and the Financing Documents shall constitute a binding contract between the City and the holders of the Bonds, and after issuance of the Bonds this Bond Ordinance shall not be repealed or amended in any respect which would adversely affect the rights of the holders of the Bonds as long as the Bonds or interest thereon remains unpaid.

Section 10. All ordinance or parts of ordinances in conflict herewith are hereby repealed.

Section 11. This Bond Ordinance shall be in full force and effect immediately upon adoption.

Section 12. Two copies of the Financing Agreements incorporated into this Bond Ordinance were duly filed in the office of the Clerk-Treasurer of the City, and are available for public inspection in accordance with Indiana Code § 36-1-5-4.

[Signature page follows]

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ALL OF WHICH IS ADOPTED this 14 day January, 2019 by the Lebanon Common Council of the City of Lebanon, Indiana.

Voting For

Voting Against

Abstain

Keith Campbell
Keith Campbell

Keith Campbell

Keith Campbell

John Copeland
John Copeland

John Copeland

John Copeland

Dan Fleming
Dan Fleming

Dan Fleming

Dan Fleming

ABSENT
Mike Kincaid

Mike Kincaid

Mike Kincaid

Morris Jones
Morris Jones

Morris Jones

Morris Jones

Dick Robertson
Dick Robertson

Dick Robertson

Dick Robertson

Brent Wheat
Brent Wheat

Brent Wheat

Brent Wheat

ATTEST:

Tonya Thayer
Tonya Thayer, Clerk-Treasurer

14 I hereby certify that Ordinance 2018-24 was delivered to the Mayor of Lebanon on the day of January, 2019, at 8:10 p. m.

Tonya Thayer
Tonya Thayer, Clerk-Treasurer

I hereby APPROVE ORDINANCE 2018-24 this 14 day of January, 2019, at 8:28 p.m.

[Signature]
Matthew T. Gentry, Mayor

I hereby VETO ORDINANCE 2018-24 this _____ day of _____, 2019, at _____:_____ m.

Matthew T. Gentry, Mayor

ATTEST:

Tonya Thayer
Tonya Thayer, Clerk-Treasurer