

RESOLUTION NO. 2018-37

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF LEBANON, INDIANA, APPROVING A LEASE BETWEEN THE LEBANON REDEVELOPMENT AUTHORITY AND THE LEBANON REDEVELOPMENT COMMISSION, APPROVING THE ISSUANCE OF LEASE RENTAL BONDS BY THE LEBANON REDEVELOPMENT AUTHORITY AND OTHER MATTERS RELATED THERETO

WHEREAS, the Lebanon Redevelopment Authority ("Authority") has been created pursuant to Indiana Code 36-7-14, Indiana Code 34-7-14.5 and Indiana Code 36-7-25 (collectively, "Act"), as a separate body corporate and politic, and as an instrumentality of the City of Lebanon, Indiana ("City") to finance local public improvements for lease to the Lebanon Redevelopment Commission ("Commission), the governing body of the Lebanon Redevelopment District ("District"), existing and operating under the provisions of the Act; and

WHEREAS, the Commission, after a public hearing, adopted a resolution on October 9, 2018, approving the execution of a lease ("Lease") with the Authority of certain local public improvements to be constructed as more particularly described in Exhibit A attached to the Lease (collectively, "Project") in, serving or benefiting the Lebanon Consolidated Economic Development Area ("Area") in the City; and

WHEREAS, the Project will be leased by the Authority to the Commission pursuant to the terms and conditions set forth in the Lease in consideration of the Commission paying lease rentals to the Authority; and

WHEREAS, the Lease is necessary and wise, provides for fair and reasonable rentals of the Project and the services to be provided by the Project leased to the Commission, as lessee, will serve the public purpose of the City, and will be in the best interests of its residents, throughout the term of the Lease; and

WHEREAS, the rentals due under the Lease shall be payable from Tax Increment (as defined in the Lease) collected in the Area and, if the Tax Increment is not sufficient, from a redevelopment district special benefits tax levy; and

WHEREAS, the Authority, pursuant to Indiana Code 36-7-14.5-19, on October 9, 2018, adopted a resolution approving the execution of the Lease with the Commission and authorizing the issuance and sale of bonds designated as the "Lebanon Redevelopment Authority Lease Rental Bonds, Series 2018A (Downtown Projects – Phase II)" ("Bonds"), in an aggregate principal amount not to exceed \$5,750,000, pursuant to a trust indenture ("Trust Indenture"), between the Authority and a trustee to be named by the Authority ("Trustee"), for the purpose of providing funds to (a) finance all or a portion of the costs of the Project, (b) pay capitalized interest, if any, (c) fund a debt service reserve, if necessary, either from proceeds of the Bonds or by purchasing a reserve fund surety policy and (d) pay the costs of issuing the Bonds; and

WHEREAS, the Bonds (a) shall be issued in denominations of \$5,000 and integral multiples in excess thereof, (b) shall mature semi-annually on February 15 and August 15 over a period ending not later than February 15, 2040, (c) will bear an interest at a rate or rates not to exceed 6.0%, (d) shall be sold at a price not less than 99.0% of the par amount thereof, (e) shall

be payable as to interest by check or wire transfer by the Trustee and shall be payable as to principal, upon presentation of such Bonds as the office of the Trustee set forth in the Indenture and (f) shall not be subject to redemption prior to maturity; and

WHEREAS, pursuant to Indiana Code 36-7-14.5-19(a) and 36-7-14-25.2(c),-the Common Council of the City must approve the issuance of bonds by the Authority and certain terms of the Lease; and

WHEREAS, pursuant to Indiana Code 36-7-14.5-21(b) and (c), the Common Council of the City must approve the Trust Indenture prior to any pledge or assignment made therein; and

WHEREAS, the City currently owns or will own certain real estate ("Real Estate") upon which the Authority intends to construct the Project; and

WHEREAS, pursuant to Indiana Code 36-1-11-8, the City desires to transfer the Real Estate to the Authority, prior to issuance of the Bonds, in exchange for the Authority's commitment to issue the Bonds to finance the acquisition, construction and equipping of the Project; and

WHEREAS, the Common Council of the City now desires to approve the issuance of the Bonds, the Trust Indenture, the Leases required under the Act and the transfer of the Real Estate.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Lebanon, Indiana as follows:

Section 1. The Common Council hereby finds that the execution of the Lease is necessary and wise and is for a project that will promote economic development of the Area, will provide services that will serve the public purpose of the City and is in the best interests of the City's residents, and further finds that the lease rentals provided for in the Lease is fair and reasonable.

Section 2. Providing for the financing, acquisition and construction of the Project by the Authority and the leasing of the Project to the Commission is in the public interest of the citizens of the City and it is a proper public purpose for which the Common Council agrees to cooperate with the Authority to assist in fulfilling the requirements of all agencies of the federal, state and City government.

Section 3. The issuance of the Authority's Lease Rental Bonds, Series 2018A (Downtown Projects – Phase II) in an aggregate principal amount not to exceed \$5,750,000 is hereby approved.

Section 4. The Lease in the form presented at this meeting and the execution thereof between the Authority and the Commission is hereby approved

Section 5. The Trust Indenture in the form presented at this meeting is hereby approved.

Section 6. Pursuant to Indiana Code 36-1-11-8, the City shall transfer all of the City's interest in the Real Estate to the Authority in exchange for the Authority's commitment to issue of the Bonds. The Real Estate shall be conveyed to the Authority on or prior to the issuance of the Bonds.

Section 6. The Mayor, the Clerk-Treasurer and other appropriate officers of the City are hereby authorized to take all such actions and execute all such instruments as are necessary or desirable to carry out and comply with the intent of this resolution, including the transfer of the Real Estate and entering into of the Lease.

Section 7. The Commission and the Authority are each hereby authorized to publish notice of such determinations made herein as required by law.

Section 8. This Resolution shall be in effect from and after its passage by the Common Council and approval by the Mayor of the City of Lebanon, Indiana.

(Signature page follows)

PASSED AND ADOPTED THIS 9th day of October, 2018.

LEBANON COMMON COUNCIL

Voting For

Voting Against

Abstain


Keith Campbell

Keith Campbell

Keith Campbell

~~ABSENT~~
John Copeland


John Copeland

John Copeland


Dan Fleming


Dan Fleming

Dan Fleming


Mike Kincaid

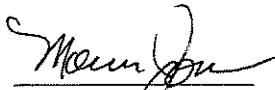
Mike Kincaid

Mike Kincaid


~~Corey Kutz~~
Brent Wheat

~~Corey Kutz~~
Brent Wheat

~~Corey Kutz~~
Brent Wheat


Morris Jones

Morris Jones

Morris Jones


Dick Robertson

Dick Robertson

Dick Robertson

I hereby certify that RESOLUTION 2018-37 was delivered to the Mayor of Lebanon on the 9th day of OCTOBER, 2018, at 8:20 p. m.

Tonya Thayer
Tonya Thayer, Clerk-Treasurer

I hereby APPROVE RESOLUTION _____
this 11 day of October, 2018

Matthew T. Gentry
Matthew T. Gentry, Mayor

I hereby VETO RESOLUTION _____
this ___ day of _____, 2018

Matthew T. Gentry, Mayor

ATTEST:

Tonya Thayer
Tonya Thayer, Clerk-Treasurer