

ORDINANCE #80-10

AN ORDINANCE AUTHORIZING THE CITY OF LEBANON TO ISSUE ITS "ECONOMIC DEVELOPMENT FIRST MORTGAGE REVENUE BONDS, SERIES 1980 PRAIRIE INDUSTRIES, INC. PROJECT)" AND APPROVING OTHER ACTIONS IN RESPECT THERETO

WHEREAS, the Lebanon Economic Development Commission has rendered its Project Report for the Prairie Industries, Inc. Project regarding the financing of proposed economic development facilities for Prairie Industries, Inc. and the Lebanon Plan Commission has commented favorably thereon; and

WHEREAS, the Lebanon Economic Development Commission conducted a public hearing on April 14, 1980, and also adopted a Resolution on April 14, 1980, which Resolution has been transmitted hereto, finding that the financing of certain economic development facilities of Prairie Industries, Inc. complies with the purposes and provisions of I.C. 18-6-4.5 and such financing will be of benefit to the health and welfare of the City of Lebanon and its citizens; and

WHEREAS, the Lebanon Economic Development Commission has heretofore approved and recommended the adoption of this form of Ordinance by this Common Council and has approved the forms of and has transmitted for approval by the Common Council the Loan Agreement, Note, Mortgage and Indenture of Trust, and Guaranty Agreement; now therefore,

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

Section 1. It is hereby found that the financing of the economic development facilities referred to in the Loan Agreement approved by the Lebanon Economic Development Commission and presented to this Common Council, issuance and sale of revenue bonds, the loan of the proceeds of the revenue bonds to Prairie Industries, Inc. for the acquisition and construction of such facilities and the equipping thereof, the payment of the revenue bonds by the note payments of Prairie Industries, Inc. under the Loan Agreement and Note, the guaranty of the payment of the revenue bonds by General Foam Plastics Corp. under the Guaranty Agreement, and the securing of said bonds by the mortgaging of such facilities to the Trustee under the Mortgage and indenture of Trust complies with the purposes and provisions of I.C. 18-6-4.5 and will be of benefit to the health and welfare of the City of Lebanon and its citizens.

Section 2. The final forms of the Loan Agreement, Note, Mortgage and Indenture of Trust and Guaranty Agreement approved by the Lebanon Economic Development Commission are hereby approved and all such documents (herein collectively referred to as the "Financing Agreement" referred to in I.C. 18-6-4.5), shall be incorporated herein by reference and shall be inserted in the minutes of the Common Council and kept on file by the Clerk-Treasurer.

Section 3. The City of Lebanon shall issue its Economic Development First Mortgage Revenue Bonds, Series 1980 (Prairie Industries, Inc. Project), in the total principal amount of One Million Five Hundred Thousand Dollars (\$1,500,000.00) for the purpose of procuring funds to pay the costs of acquisition, construction and equipping of the economic development facilities as more particularly set out in the Mortgage and Indenture of Trust and Loan Agreement incorporated herein by reference, which bonds will be payable as to principal, premium, if any, and interest from the note payments made by Prairie Industries, Inc. under the Loan Agreement and Note or as otherwise provided in the above-described Mortgage and Indenture of Trust. The Bonds shall never constitute a general obligation of, an indebtedness of, or a charge against the general credit of the City of Lebanon.

Section 4. The Mayor and Clerk-Treasurer are authorized and directed to sell such bonds to the purchasers thereof at a rate of interest on the bonds not to exceed 10½% per annum and at a price not less than 100% of the principal amount thereof.

Section 5. The Mayor and Clerk-Treasurer are authorized and directed to execute the documents constituting the Financing Agreement approved herein on behalf of the City and any other document which may be necessary or desirable to consummate the transaction including the bonds authorized herein. The signature of the Mayor and Clerk-Treasurer on the bonds may be facsimile signatures. The Clerk-Treasurer is authorized to arrange for delivery of such bonds to the Trustee named in the Mortgage and Indenture of Trust, payment for which will be made to the Trustee names in the Mortgage and Indenture of Trust and delivered by the Trustee to the purchasers thereof.

Section 6. The provisions of this Ordinance and the Mortgage and Indenture of Trust securing the bonds shall constitute contract binding between the City of Lebanon and the holder of the Economic Development First Mortgage Revenue Bonds Series 1980 (Prairie Industries, Inc. Project), and after the issuance of said bonds this Ordinance shall not be repealed or amended in any respect which would adversely affect the rights of such holders so long as any of said bonds or the interest therein remains unpaid.

Section 7. This Ordinance shall be in full force and effect from and after its passage and signing by the Mayor.

Passed and adopted this 8th day of May, 1980.

ATTEST:

Clerk-Treasurer