

ORDINANCE NO. 2017-04

**AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF LEBANON,
INDIANA, AUTHORIZING THE ISSUANCE OF THE LEBANON ECONOMIC
DEVELOPMENT LEASE RENTAL REFUNDING BONDS, SERIES 2017 AND
AUTHORIZING OTHER ACTIONS RELATED THERETO**

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

WHEREAS, on February 15, 2011, the Lebanon Redevelopment Authority (the "Authority") issued its Economic Development Lease Rental Bonds of 2011 (the "2011 Bonds") in the aggregate principal amount of \$3,255,000, pursuant to a Trust Indenture between the Authority and U.S. Bank National Association, as trustee (the "Trustee"), for the purpose of procuring funds to pay the costs of the acquisition and construction of a fire station (the "Project") in, serving or benefitting the Lebanon Industrial Park Development Area (the "Area"), to fund a debt service reserve, to pay capitalized interest and to pay the cost of issuing the 2011 Bonds;

WHEREAS, in connection with the issuance of the 2011 Bonds, the Authority, as lessor, and the Commission, as lessee, entered into a Lease Agreement, dated as of December 15, 2010, as supplemented and amended by Addendum #1 to Lease, dated as of February 15, 2011 (collectively, the "Lease") for lease of the Project to the Commission by the Authority;

WHEREAS, Indiana Code 5-1-5 *et seq.* authorizes the refunding of the 2011 Bonds in order to achieve a savings and generate additional cash from the existing annual lease rental requirement under the Lease and the Authority has determined that such gross savings and additional cash may be achieved by refunding all of the 2011 Bonds;

WHEREAS, the Authority, pursuant to Indiana Code 36-7-14.5-19 *et seq.* has adopted a resolution authorizing the issuance and sale of bonds designated as the "Lebanon Redevelopment Authority Economic Development Lease Rental Refunding Bonds, Series 2017" (the "2017 Bonds"), in an aggregate principal amount not to exceed \$2,300,000, pursuant to a trust indenture (the "Trust Indenture"), between the Authority and U.S. Bank National Association, as trustee (the "Trustee"), for the purpose of providing funds to (a) effect the current refunding of all or a portion of the 2011 Bonds, currently outstanding in the principal amount of \$2,205,000, (b) fund a debt service reserve, if necessary, and (c) pay the costs of issuing the 2017 Bonds and the current refunding of the 2011 Bonds;

WHEREAS, the 2017 Bonds (a) shall be issued in denominations of \$100,000 and integral multiples of \$5,000 in excess thereof, (b) shall mature semi-annually on February 15 and August 15 over a period ending not later than February 15, 2026, (c) will bear an interest at a rate

or rates not to exceed 4.0%, (d) shall be sold at a price not less than 98.0% 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 Series 2017 Bonds as the office of the Trustee set forth in the Indenture and (f) shall not be subject to redemption prior to maturity;

WHEREAS, on March 13, 2017, the Commission held a public hearing and adopted a resolution approving an amendment to the Lease thereby reducing the annual lease rental payments under the Lease effective with the issuance and delivery of the 2017 Bonds by the Authority (the "First Amendment to Lease");

WHEREAS, the Common Council of the City now desires to approve the issuance of the 2017 Bonds, the Trust Indenture and the First Amendment to Lease as required under the Act;

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

Section 1. The City Council hereby finds that refunding the Series 2011 Bonds, the execution of the First Amendment to Lease and execution of the Trust Indenture are in the public interest of the citizens of the City and are proper public purposes of the Authority, the Commission and the City.

Section 2. The issuance of the Authority's Economic Development Lease Rental Refunding Bonds, Series 2017 in an aggregate principal amount not to exceed \$2,300,000 is hereby approved.

Section 3. The First Amendment to Lease in the form presented at this meeting is hereby approved.

Section 4. The Trust Indenture in the form presented at this meeting is hereby approved.

Section 4. The Commission and the Authority are each hereby authorized to publish notice of such determinations as required by law.

Section 5. This Ordinance shall be in effect from and after its passage by the Common Council and approval by the Mayor of the City of Lebanon, Indiana.

[Remainder of page intentionally left blank.]

PASSED AND ADOPTED THIS _____ day of _____, 2017.

LEBANON COMMON COUNCIL

Voting For

Voting Against

Abstain

Keith Campbell

Keith Campbell

Keith Campbell

John Copeland

John Copeland

John Copeland

Dan Fleming

Dan Fleming

Dan Fleming

Mike Kincaid

Mike Kincaid

Mike Kincaid

Corey Kutz

Corey Kutz

Corey Kutz

Jeremy Lamar

Jeremy Lamar

Jeremy Lamar

Dick Robertson

Dick Robertson

Dick Robertson

I hereby certify that ORDINANCE 2017-04 was delivered to the Mayor of Lebanon on the _____ day of _____, 2017, at _____ m.

Tonya Thayer, Clerk-Treasurer

I hereby APPROVE ORDINANCE 2017-04
this ___ day of _____, 2017

I hereby VETO ORDINANCE 2017-04
this ___ day of _____, 2017

Matthew T. Gentry, Mayor

Matthew T. Gentry, Mayor

ATTEST:

Tonya Thayer, Clerk-Treasurer

This ordinance prepared by:

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