

## RESOLUTION NO. 192

### **RESOLUTION OF THE SOUTH BEND REDEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE OF THE SOUTH BEND REDEVELOPMENT AUTHORITY LEASE RENTAL REVENUE BONDS OF 2015 AND REGARDING RELATED MATTERS**

WHEREAS, the South Bend Redevelopment Authority (the "Authority") has been created pursuant to Indiana Code 36-7-14.5 as a separate body, corporate and politic, and as an instrumentality of the City of South Bend, Indiana (the "City"), to finance local public improvements for lease to the South Bend Redevelopment Commission (the "Commission"); and

WHEREAS, the Authority proposes to issue bonds in the aggregate principal amount not to exceed Twenty-five Million and 00/100 Dollars (\$25,000,000.00) pursuant to Indiana Code 36-7-14.5-19 to be known as the "South Bend Redevelopment Authority Lease Rental Revenue Bonds of 2015" (the "Bonds"), the proceeds of which are to be used to finance the acquisition, construction and installation of certain local public improvements as part of the City's Smart Streets initiative and Westside Main Streets Revitalization Plan which local public improvements shall consist of all or any portion of the acquisition, construction and installation of the following: pavement, streetscape, and sidewalk improvements, bulb-out installation, street signage and markings, installation of bicycle facilities, road widening, intersection and traffic signal interconnection improvements, utility relocation, utility and sidewalk improvements, and installation of lighting and right-of-way improvements, all of which local public improvements are to be located along the following stretches of road: (i) Bartlett Street between Lafayette Blvd and Riverside Drive; (ii) Michigan Street between Riverside Drive and Barbie Street; (iii) Main Street between Park Lane and Barbie Street; (iv) St. Joseph Street between LaSalle Avenue and Western Avenue; (v) Lafayette Blvd between Park Lane and Indiana Avenue; (vi) Western Avenue between Michigan Street and Mayflower Road; (vii) Lincolnway West between West LaSalle Avenue and

the City limits (Woodland Avenue); (viii) Marion and Madison Streets between Michigan Street and Lincolnway West; and (ix) any cross streets related to the foregoing stretches and various expenses related thereto (collectively, the "Project") and to pay the cost of issuance of the Bonds; and

WHEREAS, the Authority intends to lease the Project to the Commission pursuant to a lease dated as of February 1, 2015, as may be amended from time to time (the "Lease"), which Lease was heretofore approved and executed by this Authority; and

WHEREAS, the Common Council of the City adopted Resolution No. 4423-15 at a meeting held on February 9, 2015 approving of (i) the execution of the Lease by the Commission and (ii) the issuance of bonds by the Authority for the purpose of obtaining money to pay the costs of the Project and the issuance of the Bonds, all pursuant to Indiana Code 36-7-14.5-19 and Indiana Code 36-7-14-25.1 and 25.2; and

WHEREAS, the Authority desires to provide for the preparation and execution of a Trust Agreement to be dated as of the first day of the month in which the Bonds are to be delivered to the purchasers thereof between the Authority and a trustee to be selected pursuant to this Resolution (the "Trust Agreement"), which Trust Agreement shall provide for, among other things, the issuance of such Bonds to finance the Project; and

WHEREAS, the Authority desires to authorize the execution of an Agency Agreement (the "Agency Agreement") between the Authority and the Board of Public Works of the City (the "Board"), pursuant to which Agency Agreement the Board shall serve as agent for the Authority in connection with the completion of the Project; and

WHEREAS, the Authority desires to provide for the preparation of a Preliminary Official Statement, relating to the issuance of the Bonds (the "Official Statement") by H.J.

Umbaugh & Associates Certified Public Accountants LLP, as financial advisor to the Authority (the "Financial Advisor");

NOW, THEREFORE, BE IT RESOLVED, by the South Bend Redevelopment Authority as follows:

1. In order to pay and finance the costs of the Project and to pay costs of issuance, there is hereby authorized and there shall be executed, issued, and delivered by and on behalf of the Authority, pursuant to Indiana Code 36-7-14.5 et seq., the Bonds in the aggregate principal sum not to exceed Twenty-five Million and 00/100 Dollars (\$25,000,000.00) or such lesser amount as determined by the President of the Authority (the "President") prior to the sale of the Bonds as set forth in a certificate of the President or Vice President of the Authority setting forth such information as well as the maturity schedule for the Bonds and any other information relevant to the sale of the Bonds (the "Issuer's Certificate").

2. The Bonds shall bear interest at a rate or rates not exceeding six percent (6.0%) per annum and shall mature semiannually on February 1 and August 1 in the years and in the amounts beginning not earlier than August 1, 2017, and having a final maturity of not later than February 1, 2037, or such earlier final maturity date as determined by the President of the Authority prior to the sale of the Bonds and as set forth in the Issuer's Certificate.

3. The Bonds may be redeemed prior to maturity, at the option of the Authority in whole or in part in whole multiples of \$5,000, in order of maturity determined by the Authority and by lot within maturities, on any date beginning not later than ten (10) years from the issue date of the Bonds or such earlier date as may be set forth in the Issuer's Certificate, from any moneys made available for that purpose, at face value and without premium, plus accrued interest to the date fixed for redemption. At the option of the successful bidder for the Bonds, all or a portion of

the Bonds may be aggregated into one or more term bonds payable from mandatory sinking fund redemption payments (the "Term Bonds") required to be made as set forth in the Trust Agreement. The Term Bonds shall have a stated maturity or maturities on February 1 and August 1 of the years beginning not earlier than August 1, 2017, and ending not later than February 1, 2037, or such other years as may be set forth in the Issuer's Certificate or as determined by the successful bidder.

4. The Authority hereby directs the Financial Advisor to solicit proposals from banks qualified to serve as trustee for the Bonds to be issued by the Authority. The President of the Authority is hereby authorized to select a trustee upon the advice of counsel and the Financial Advisor. The trustee for the Bonds shall be charged with and shall by the Trust Agreement undertake the duties and responsibilities customarily associated with such position, as evidenced by the Trust Agreement.

5. Said Bonds shall be issued in accordance with and shall be secured by a trust agreement. The President and the Secretary-Treasurer of the Authority are hereby authorized to approve and execute a form of Trust Agreement containing provisions necessary or appropriate to effectuate these resolutions and to consummate the sale of the Bonds, said officers' execution and attestation thereof to be conclusive evidence of their approval of such Trust Agreement.

6. Upon its execution, the Secretary-Treasurer is authorized and directed to place a copy of the Trust Agreement in the minute book immediately following the minutes of this meeting and said Trust Agreement is made a part of this Resolution as if the same were fully set forth herein.

7. The Authority hereby directs the Financial Advisor to prepare the Preliminary Official Statement for distribution to potential bidders on the Bonds. The President

of the Authority is hereby authorized to approve the Official Statement upon the advice of counsel and the Financial Advisor, and the President is further authorized to deem such Official Statement final for purposes of the provisions of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). The Financial Advisor is hereby authorized and directed to cause to be distributed such deemed final Official Statement substantially in the form approved by the President, with such changes which are approved by the Authority's legal counsel as the Financial Advisor might recommend to describe adequately the Bonds and information related thereto, to all parties who in their judgment may be interested in bidding on such Bonds. The President shall place a copy of such deemed final Official Statement with the minutes of this meeting. The President and the Secretary-Treasurer are, and each of them is, further authorized to execute and attest, respectively, an agreement in connection with the offering of the Bonds in accordance with the Rule by which the Authority agrees to undertake such continuing disclosure obligations as may be required under the Rule.

8. Prior to the sale of the Bonds, the Secretary-Treasurer of the Authority shall cause to be published a notice of intent to sell once each week for two weeks in the South Tribune, the Tri-County News and The Indianapolis Commercial. The notice must state that any person interested in submitting a bid for the Bonds may furnish in writing at the address set forth in the notice, the person's name, address, and telephone number, and email address. The notice must also state: (1) the amount of the Bonds to be offered; (2) the denominations; (3) the dates of maturity; (4) the maximum rate or rates of interest; (5) the place of sale; and (6) the time within which the name, address and telephone number must be furnished, which must not be less than seven days after the last publication of the notice. Each person so registered shall be notified of the final principal maturity schedule (if the final schedule is not provided in the notice) and of the

date and time bids will be received not less than twenty-four (24) hours before the date and time of sale. The notification shall be made by telephone at the number furnished by the person, and also by email or facsimile if the person furnishes an email address or a facsimile number.

All bids for Bonds shall be sealed and shall be presented to the Financial Advisor, acting on behalf of the Secretary-Treasurer at the office of the Financial Advisor, and the Financial Advisor, acting on behalf of the Secretary-Treasurer, shall continue to receive all bids offered until the hour fixed for the sale of the Bonds, at which time and place he shall open and consider each bid. Bidders for the Bonds shall be required to name the rate or rates of interest which the Bonds are to bear, not exceeding the maximum rate set forth herein. The interest rate on Bonds of a given maturity must be at least as great as the interest rate on Bonds of any earlier maturity. Bids specifying more than one interest rate shall also specify the amount and maturities of the Bonds bearing each rate, and all Bonds maturing on the same date shall bear the same single rate of interest. Such rate or rates of interest shall be in multiples of one-eighth ( $1/8$ ) or one-hundredth ( $1/100$ ) of one percent (1%). Subject to the provisions contained below, the Secretary-Treasurer shall award the Bonds to the bidder offering the lowest net interest cost to the Authority, to be determined by computing the total interest on all of the Bonds from the date thereof to their maturities and deducting therefrom the premium bid, if any, or adding thereto the amount of any discount, if any. No bid for less than ninety-nine percent (99%) of the aggregate principal amount of the bonds, plus accrued interest at the rate or rates named to the date of delivery, will be considered. The Secretary-Treasurer shall have full right to reject any and all bids. In the event no acceptable bid is received at the time fixed for the sale of said Bonds, the Secretary-Treasurer shall be authorized to continue to receive bids from day to day thereafter for a period not to exceed thirty (30) days, without readvertising; provided, however, that if said sale be continued, no bid

shall be accepted which offers an interest cost which is equal to or higher than the best bid received at the time fixed for the sale of the Bonds. The winning bidder will be notified and instructed to submit a good faith deposit (the "Deposit") in the form of either a certified check or cashier's check or wire transfer in the amount of one percent (1%) of the principal amount of the Bonds made payable to the order of the Authority not later than 3:00 p.m. (EST) on the next business day following the award. If such Deposit is not received by that time, the Authority may reject the bid. No interest on the Deposit will accrue to the successful bidder. The Deposit will be applied to the purchase price of the Bonds. In the event the successful bidder fails to honor its accepted bid, the Deposit will be retained by the Authority as liquidated damages.

9. Prior to the delivery of the Bonds, the Secretary-Treasurer shall be authorized to obtain a legal opinion as to the validity of the Bonds from Faegre Baker Daniels LLP, bond counsel for the Authority, and to furnish such opinion to the purchaser or purchasers of the Bonds. The cost of such opinion shall be considered as part of the costs incidental to the issuance of the Bonds and shall be paid out of proceeds of said

10. If the President and the Secretary-Treasurer, with the advice of the financial advisor to the Authority, determine that market conditions at the time of the sale of the Bonds are such that the Authority is able to finance the Project by issuing Bonds in an aggregate principal amount which is less than \$25,000,000.00, then the Authority shall issue such lesser principal amount of Bonds.

11. The Authority directs the President and the Secretary-Treasurer to enter into an Agency Agreement with the Board to provide for the construction of the Project.

12. The President, Vice President, and Secretary-Treasurer of this Authority and each of them is hereby authorized to take all such actions and to execute all such instruments

as are desirable to carry out the transactions contemplated by this Resolution, in such forms as the President, Vice President, and Secretary-Treasurer executing the same shall deem proper, to be evidenced by the execution thereof.

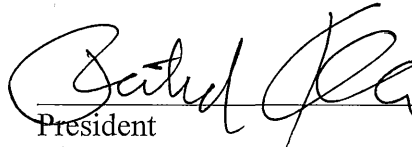
13. The provisions of this Resolution and the Trust Agreement shall constitute a contract between the Issuer and the holders of the Bonds, and, after the issuance of the Bonds, this Resolution shall not be repealed or amended in any respect which would adversely affect the rights of such holders so long as the Bonds or the interest thereon remains unpaid.

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ADOPTED at a meeting of the South Bend Redevelopment Authority held on February 18, 2015.

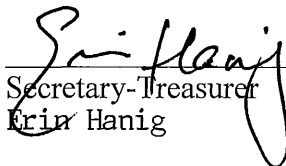
SOUTH BEND  
REDEVELOPMENT AUTHORITY

BY:



\_\_\_\_\_  
President  
Richard Klee

ATTEST:

  
\_\_\_\_\_  
Secretary-Treasurer  
Erin Hanig