

RESOLUTION NO. 3414

A RESOLUTION OF THE SOUTH BEND REDEVELOPMENT COMMISSION PRELIMINARILY DETERMINING TO ISSUE BONDS OF THE REDEVELOPMENT DISTRICT OF THE CITY OF SOUTH BEND, INDIANA

WHEREAS, the South Bend Redevelopment Commission (the “Commission”), the governing body of the South Bend Department of Redevelopment and the Redevelopment District of the City of South Bend, Indiana (the “District”), exists and operates under the provisions of Indiana Code 36-7-14, as amended from time to time (the “Act”); and

WHEREAS, the Commission previously established the River West Development Area as an economic development area and as an allocation area pursuant to Section 39 of the Act (the “Area”); and

WHEREAS, the Commission desires to finance the cost of certain local public improvements in or serving the Area, including without limitation (i) renovations and upgrades at Pulaski, Leeper and Seitz Parks and improvements to the mixed use riverfront trail; (ii) other infrastructure improvements to park and recreation areas in or serving the Area, all of which will enhance the cultural attractiveness of the Area and the City; and (iii) any and all improvements related to any of the improvements described in clauses (i) or (ii) (clauses (i) through and including (iii), collectively, the “Projects”); and

WHEREAS, the Commission reasonably expects to reimburse expenditures for the Projects with proceeds of bonds issued by or on behalf of the Commission (the “Bonds”), in the maximum principal amount of Twelve Million Two Hundred Thousand Dollars (\$12,200,000) for the purpose of financing the Projects; and

WHEREAS, the Commission desires to establish its intent, pursuant to Treas. Reg. §1.150-2 and Indiana Code 5-1-14-6(c), that costs of the Projects are to be reimbursed from the proceeds of the Bonds; and

WHEREAS, the Commission anticipates that sufficient funds will be available to the Commission to make the payments of the principal of and interest on the Bonds with such funds being derived from tax increment revenues collected in the Area (the “TIF Revenues”) without such TIF Revenues being formally pledged; however, if such funds, including the TIF Revenues, are insufficient for such purpose, the Commission will levy a special tax upon the taxable property of the District, which is coterminous with the City, pursuant to Section 27 of the Act (the “Special Tax”); and

WHEREAS, Indiana Code 6-1.1-20-1 provides that a project is not a “controlled project” for the purpose of the Indiana Code 6-1.1-20 if a political subdivision reasonably expects to pay debt service from funds exempt from the levy limitations of Indiana Code 6-1.1-18.5, even though the political subdivision pledges to levy a property tax for the payments of such debt service to the extent such other funds are insufficient; and

WHEREAS, the TIF Revenues are exempt from the levy limitations of Indiana Code 6-1.1-18.5, and the Commission reasonably expects that the TIF Revenues will be sufficient to pay debt service on the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH BEND REDEVELOPMENT COMMISSION, AS FOLLOWS:

Section 1. The Commission hereby makes a preliminary determination to issue the Bonds in one or more series for the purpose of financing the Projects and paying related costs. The Bonds shall be in the maximum principal amount of Twelve Million Two Hundred Thousand Dollars (\$12,200,000), with a final maturity not later than January 15, 2033, and shall bear a per annum interest rate not to exceed five percent (5.0%). The Bonds shall be payable from the TIF Revenues, and, if the TIF Revenues are ever insufficient for such purpose, from the Special Tax.

Section 2. The Commission hereby finds that the Projects do not constitute a “controlled project” for purposes Indiana Code 6-1.1-20 as the Commission reasonably expects to pay the principal of and interest on the Bonds from the TIF Revenues.

Section 3. The Commission hereby declares its intent, pursuant to Treas. Reg. §1.105-2 and Indiana Code 5-1-14-6(c), that any costs incurred by or on behalf of the Commission in completing the Projects be reimbursed from the proceeds of the Bonds.

Section 4. The Commission hereby authorizes the publication of a notice of public hearing on the appropriation of the proceeds of the Bonds pursuant to Indiana Code 5-3-1.

Section 5. The President, Vice President, Secretary or any other officer or member of the Commission is 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 such officer or member executing the same shall deem proper, to be conclusively evidenced by the execution thereof.

Section 6. This Resolution shall be in full force and effect immediately from and after its passage.

[Signature Page Follows]

ADOPTED at a meeting of the South Bend Redevelopment Commission held on September 28, 2017, in Room 1308, County-City Building, 227 West Jefferson Boulevard, South Bend, Indiana 46601.

SOUTH BEND
REDEVELOPMENT COMMISSION

Marcia I. Jones, President

ATTEST:

Donald E. Inks, Secretary