

RESOLUTION NO. 18-2013

RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA, CONFIRMING THE PROPOSED LEASE OF A NEW PUBLIC WORKS BUILDING FOR USE BY THE CITY, AUTHORIZING AND DIRECTING THE EXECUTION OF THE LEASE AND THE PUBLICATION OF A NOTICE OF ITS EXECUTION, AND AUTHORIZING OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, a petition signed by at least fifty (50) real property owners in the City of Valparaiso, Indiana (the “City”), has been previously filed with and accepted by the Common Council (the “Council”) of the City requesting that the City enter into negotiations with an Indiana nonprofit building corporation for: (1) (a) (i) the acquisition, construction and equipping of a new public works building for use by the City, to be located at 1855 Joliet Road in the City; and (ii) the acquisition of the site thereof (the “Site”); and (b) the expenses incurred in connection with or on account of the issuance of bonds by such building corporation (clauses (a) and (b), collectively, the “Project”); and (2) entering into a lease of the Project; and

WHEREAS, the City of Valparaiso Building Corporation (the “Building Corporation”) has now been incorporated as a nonprofit corporation to assist the City in financing the Project; and

WHEREAS, it is deemed desirable to proceed with the necessary negotiations and all other steps looking toward: (1) the acquisition, construction and equipping of the Project by the Building Corporation; and (2) the leasing of the Project by the Building Corporation to the City; and

WHEREAS, the Council has previously examined and approved a form of a lease for the Project by and between the Building Corporation, as lessor, and the City, as lessee (the “Lease”); and

WHEREAS, notice of a public hearing on the Lease was given by publication in accordance with the applicable statutes; and

WHEREAS, on August 12, 2013, a public hearing was conducted in accordance with Indiana Code 36-1-10-13, as amended, as to whether the execution of the Lease is necessary and whether the rentals in the Lease are fair and reasonable for the proposed Project; and

WHEREAS, the Council has considered the testimony and other evidence presented at the public hearing; and

WHEREAS, the City intends, to the extent permitted by law, to enter into the Lease with the Building Corporation pursuant to Indiana Code 36-1-10, as amended, to finance the cost of the Project and all costs associated with, or otherwise related to, the Project; and

WHEREAS, the Building Corporation intends to issue its first mortgage bonds (the “Bonds”) to pay the cost of the Project; and

WHEREAS, the City has heretofore appointed two appraisers to appraise the fair market value of the Site; and

WHEREAS, the City intends to convey the Site to the Building Corporation at a price no less than the amount set forth in the appraisal; and

WHEREAS, the City intends to use the proceeds (the “Sale Proceeds”) it receives from the sale of the Site to the Building Corporation for the purpose of financing all or a portion of the cost of the Project;

NOW, THEREFORE, THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA, RESOLVES THE FOLLOWING:

Section 1. The Council hereby assigns to the Building Corporation any contracts that may hereafter be entered into by the City in connection with the acquisition, construction and equipping of the Project.

Section 2. The Lease, as described in the notice of the public hearing, is hereby confirmed in accordance with Indiana Code 36-1-10-13, as amended. The Lease provides for a fair and reasonable rental of the Project, and the execution of the Lease is necessary and wise.

Section 3. The Mayor of the City (the “Mayor”) is hereby authorized and directed to execute the Lease, including the addenda attached as exhibits to the Lease, in the name and on behalf of the City, and the Clerk-Treasurer of the City (the “Clerk-Treasurer”) is hereby authorized and directed to attest such execution of the Lease.

Section 4. The Clerk-Treasurer is hereby authorized and directed, on behalf and in the name of the City, to publish notice of the execution of the Lease in accordance with Indiana Code 36-1-10-13, as amended, and a notice of decision to enter into the Lease in accordance with Indiana Code 6-1.1-20-5, as amended.

Section 5. The Clerk-Treasurer is hereby authorized and directed to initial and date a copy of the Lease and to place the same in the minutes book of the Council immediately following the minutes of this meeting, and the Lease is hereby made a part of this Resolution in full as if the same were set forth herein.

Section 6. An annual tax levy shall be authorized each year during the term of the Lease to provide for the necessary funds from which to pay the rent due under the Lease.

Section 7. The issuance, sale and delivery by the Building Corporation of the Bonds in an aggregate principal amount not to exceed Five Million Two Hundred Fifty Thousand

Dollars (\$5,250,000) and in accordance with the terms approved by the officers of the Building Corporation is hereby approved.

Section 8. The Building Corporation may enter into contracts for the sale of the Bonds and the acquisition, construction and equipping of the Project.

Section 9. The Mayor shall execute and deliver a Special Warranty Deed, in such form and substance as counsel to the City deems necessary or advisable, in the name and on behalf of the City, to convey to the Building Corporation the Site, at a price not less than the appraised value, and any such execution and delivery hereby is approved.

Section 10. The City shall apply the Sale Proceeds for the purpose of financing all or a portion of the cost of the Project.

Section 11. The Mayor, the Clerk-Treasurer or any other officer of the City is hereby authorized and directed to take any action as such officer deems necessary or desirable to effectuate this Resolution, and any such actions heretofore taken are hereby ratified and approved.

DULY PASSED on this 12th day of August, 2013, by the Common Council of the City of Valparaiso, Indiana.

/s/ Jon Costas, Presiding Officer

ATTEST:

/s/ Sharon Swihart, Clerk-Treasurer

This resolution presented by me, the Clerk-Treasurer of the City of Valparaiso, Indiana, to the Mayor for his approval this 12th day of August, 2013.

/s/ Sharon Swihart, Clerk-Treasurer

This resolution signed and approved by me, the Mayor of the City of Valparaiso, Indiana, this 12th day of August, 2013.

/s/ Jon Costas, Mayor

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