

ORDINANCE NO. 18-2015

ORDINANCE AUTHORIZING THE CITY OF VALPARAISO, INDIANA,  
TO ISSUE ITS "ECONOMIC DEVELOPMENT REVENUE BOND,  
SERIES 2015 (VALPARAISO FAMILY YMCA PROJECT)"  
AND APPROVING OTHER ACTIONS IN RESPECT THERETO

WHEREAS, the City of Valparaiso, Indiana (the "Issuer"), is authorized by IC 36-7-11.9 and 12 (collectively, the "Act") to issue revenue bonds for the financing and refinancing of economic development facilities, the funds from said revenue bonds to be used for financing or refinancing the acquisition, construction, expansion, renovation and equipping of said economic development facilities, and said facilities to be either sold or leased to a company or directly owned by a company; and

WHEREAS, the Young Men's Christian Association of Valparaiso, Indiana, Inc., an Indiana nonprofit corporation (the "Borrower"), has proposed that the Issuer lend proceeds of an economic development financing to the Borrower for financing the advance refunding in whole of the City of Valparaiso, Indiana Economic Development Revenue Bonds, Series 2007 (Valparaiso Family YMCA Project), issued on December 6, 2007 in the original aggregate principal amount of \$14,430,000 (the "Series 2007 Bonds"); and

WHEREAS, the Series 2007 Bonds were issued to finance (i) the acquisition, construction and equipping of a two-story, approximately 84,000 square foot YMCA facility, including a family/instructional warm water pool, a 25 meter competition/fitness pool, a fitness and wellness center, an aerobics/multipurpose exercise studio, indoor adult and family gymnasiums, an indoor walking/running track, a youth fitness area, a child watch area, specialized locker room facilities, accommodations for preschool, before and after school and kindergarten programs, a parking lot with a child drop-off area, staff offices, outdoor recreational space, and a gathering social area, and (ii) the acquisition, construction and equipping of various

related economic development facilities for the Borrower, including streets, grounds, landscaping and site improvements related to such facilities (the “Prior Project”); and

WHEREAS, the Prior Project now to be refinanced is located on the Borrower’s campus at 1201 Cumberland Crossing Drive, in the City of Valparaiso, Indiana; and

WHEREAS, the Valparaiso Economic Development Commission conducted a public hearing on July 27, 2015, on behalf of itself and the Common Council of the City of Valparaiso, Indiana, and adopted a Resolution on July 27, 2015, which Resolution has been transmitted hereto, finding that the advance refunding of the Series 2007 Bonds, and the refinancing of the Prior Project, complies with the purposes and provisions of the Act and that such advance refunding and refinancing will be of benefit to the health and welfare of the City of Valparaiso, Indiana and its citizens; and

WHEREAS, the Valparaiso Economic Development Commission has heretofore approved and recommended the adoption of this form of Ordinance by this Common Council, has considered the issue of adverse competitive effect and has approved the forms of and has transmitted for approval by the Common Council the Bond Purchase and Loan Agreement (the “Bond Purchase and Loan Agreement”), the Escrow Agreement (the “Escrow Agreement”), and the Series 2015 Bond (as hereinafter defined); and

WHEREAS, the advance refunding of the Series 2007 Bonds and the refinancing of the Prior Project will help to preserve existing jobs and payroll of the Borrower; will be of public benefit to the health, safety and general welfare of the Issuer and its citizens; and will not have an adverse competitive effect on any similar facility already constructed or operating in or near the City of Valparaiso, Indiana; and

WHEREAS, the advance refunding of the Series 2007 Bonds and the refinancing of the Prior Project complies with the purposes and provisions of the Act;

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA THAT:

Section 1. The Common Council hereby finds, determines, ratifies and confirms that the promotion of diversification of economic development and job opportunities in and near the City of Valparaiso, Indiana, is desirable to preserve the health, safety and general welfare of the citizens of the Issuer; and that it is in the public interest that the Issuer take such action as it lawfully may to encourage economic development, diversification of industry and promotion of job opportunities in and near the Issuer.

Section 2. The Common Council hereby approves, determines, ratifies and confirms that the issuance and sale by the Issuer of an Economic Development Revenue Bond in an amount of not to exceed \$7,000,000, under the Act, for the lending of the proceeds of the revenue bond to the Borrower for the advance refunding of the Series 2007 Bonds and the refinancing of the Prior Project, will serve the public purposes referred to above, will be of benefit to the health and welfare of the City of Valparaiso, Indiana and its citizens in accordance with the Act, and will comply with the purposes and provisions of the Act.

Section 3. The Common Council hereby approves, determines, ratifies and confirms that (i) it will take or cause to be taken such actions pursuant to the Act as may be required to implement the aforesaid advance refunding and refinancing, or as it may deem appropriate in pursuance thereof; and (ii) it will consider any future request by the Borrower to authorize the issuance of additional bonds for refunding and refinancing the outstanding principal amount of the Series 2015 Bond, or for completion of the Prior Project or for additions to the Prior Project,

including the costs of issuance (providing that the financing of such addition or additions to the Prior Project is found to have a public purpose as defined in I.C. 36-7-12-1 at the time of authorization of such additional bonds), and that the aforementioned purposes comply with the provisions of the Act; provided, that all of the foregoing shall be mutually acceptable to the Issuer and the Borrower.

Section 4. The Common Council hereby finds that (i) the advance refunding of the Series 2007 Bonds, as referred to in the Bond Purchase and Loan Agreement approved by the Valparaiso Economic Development Commission and presented to this Common Council; (ii) the issuance and sale of the City of Valparaiso, Indiana Economic Development Revenue Bond, Series 2015 (Valparaiso Family YMCA Project) (the "Series 2015 Bond"); (iii) the loan of the proceeds of the Series 2015 Bond to the Borrower for the advance refunding of the Series 2007 Bond and for refinancing the acquisition, construction, expansion, renovation and equipping of the Prior Project; (iv) the payment of the Series 2015 Bond by the payments of the Borrower under the Bond Purchase and Loan Agreement and the Series 2015 Bond; and (v) the securing of the Series 2015 Bond under the Bond Purchase and Loan Agreement, complies with the purposes and provisions of the Act, and will be of benefit to the health and welfare of the City of Valparaiso, Indiana, and its citizens.

Section 5. The economic development facilities financing will consist of (i) financing the advance refunding in whole of the Series 2007 Bonds; and (ii) paying certain costs of issuance associated with the issuance of the Series 2015 Bond.

Section 6. At the public hearing held before the Valparaiso Economic Development Commission, on behalf of itself and the Common Council, the Commission considered whether the advance refunding of the Series 2007 Bond and the refinancing of the Prior Project would

have an adverse competitive effect on any similar facilities located in or near the City of Valparaiso, and subsequently found, based on special findings of fact set forth in the Resolution transmitted hereto, that the advance refunding of the Series 2007 Bond and the refinancing of the Prior Project would not have an adverse competitive effect. This Common Council hereby confirms the findings set forth in the Commission's Resolution, and concludes that the advance refunding of the Series 2007 Bond and the refinancing of the Prior Project will not have an adverse competitive effect on any other similar facilities in or near the City of Valparaiso, and that the advance refunding of the Series 2007 Bond and the refinancing of the Prior Project will be of benefit to the health and welfare of the citizens of the City of Valparaiso.

Section 7. The Common Council hereby approves the substantially final forms of the Bond Purchase and Loan Agreement, the Escrow Agreement and the Series 2015 Bond approved by the Valparaiso Economic Development Commission (herein collectively referred to as the "Financing Agreement" referred to in the Act), and the Financing Agreement 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. In accordance with the provisions of I.C. 36-1-5-4, two (2) copies of the Financing Agreement are on file in the office of the Clerk-Treasurer for public inspection.

Section 8. The Issuer shall issue the Series 2015 Bond in the total principal amount not to exceed \$7,000,000 and maturing no later than December 1, 2035. Said Series 2015 Bond is to be issued for the purpose of procuring funds to finance (i) the advance refunding in whole of the Series 2007 Bonds, as more particularly set out in the Bond Purchase and Loan Agreement incorporated herein by reference, and (ii) certain costs of issuance. The Series 2015 Bond will be payable as to principal, premium, if any, and interest from the payments made by the

Borrower under the Bond Purchase and Loan Agreement and the Series 2015 Bond or as otherwise provided in the above described Bond Purchase and Loan Agreement. The Series 2015 Bond shall be issued in fully registered form in a single denomination representing the entire principal amount thereof, and shall be redeemable as provided in Article III of the Bond Purchase and Loan Agreement. Payments of principal and interest are payable in lawful money of the United States of America by check or draft mailed or delivered to the registered owner as provided in the Bond Purchase and Loan Agreement. The Series 2015 Bond shall never constitute a general obligation of, an indebtedness of, or a charge against the general credit of the City of Valparaiso, Indiana, nor is the Series 2015 Bond payable in any manner from revenues raised by taxation.

Section 9. The Mayor and Clerk-Treasurer are authorized and directed to sell the Series 2015 Bond to Centier Bank (or any subsidiary or affiliate thereof), the original and sole purchaser thereof (the "Purchaser"), at the price of 100% of the principal amount thereof. The Series 2015 Bond shall bear interest during an initial term of not to exceed ten years at a fixed rate of interest as described in the Bond Purchase and Loan Agreement, not to exceed 4.00%.

Section 10. The Mayor and Clerk-Treasurer are authorized and directed to execute, attest, affix or imprint by any means the Issuer's seal to the documents constituting the Financing Agreement approved herein on behalf of the Issuer and any other document which may be necessary or desirable to consummate the transaction, including the Series 2015 Bond authorized herein. The Mayor and Clerk-Treasurer are hereby expressly authorized to approve any modifications or additions to the documents constituting the Financing Agreement which take place after the date of this Ordinance with the review and advice of the City Attorney; it being the express understanding of this Common Council that said Financing Agreement is in

substantially final form as of the date of this Ordinance. The approval of said modifications or additions shall be conclusively evidenced by the execution and attestation thereof and the affixing of the seal thereto or the imprinting of the seal thereon; provided, however, that no such modification or addition shall change the maximum principal amount of, maximum interest rate on or maximum term of the Series 2015 Bond as approved by the Common Council by this Ordinance without further consideration by the Common Council. The signatures of the Mayor and the Clerk-Treasurer on the Series 2015 Bond may be either manual or facsimile signatures. The Clerk-Treasurer is authorized to arrange for delivery of such Bond to the Purchaser named in the Bond Purchase and Loan Agreement. Payment for the Series 2015 Bond will be made by the Purchaser named in the Bond Purchase and Loan Agreement, and after such payment the Series 2015 Bond will be delivered to the Purchaser directly. The Clerk-Treasurer shall execute and deliver the Series 2015 Bond to the Purchaser subsequent to the adoption of this Ordinance. The Series 2015 Bond shall be originally dated the date of its delivery (or such other date as may be determined by the Clerk-Treasurer).

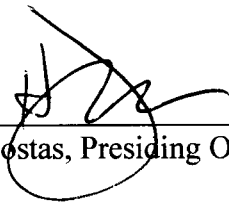
Section 11. The provisions of this Ordinance and the Bond Purchase and Loan Agreement securing the Series 2015 Bond shall constitute a contract binding between the City of Valparaiso, Indiana, and the Purchaser of the Series 2015 Bond, and after the issuance of the Series 2015 Bond this Ordinance shall not be repealed or amended in any respect which would adversely affect the rights of such Purchaser so long as the Series 2015 Bond or the interest thereon remains unpaid.

Section 12. The liability and obligation of the Valparaiso Economic Development Commission, the Common Council, and the City of Valparaiso, Indiana, including their officers and agents, shall be limited solely to good faith efforts to consummate such proceedings and

issue the Series 2015 Bond, and neither the Valparaiso Economic Development Commission, the Common Council, nor the City of Valparaiso, Indiana, or their officers or agents, shall incur any liability whatsoever if for any reason the proposed issuance of such Series 2015 Bond is not consummated.

Section 13. This Ordinance shall be in full force and effect from and after its passage and execution by the Mayor.

This Ordinance is passed by the Common Council of the City of Valparaiso, Indiana on the 10<sup>th</sup> day of August, 2015.

  
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Jon Costas, Presiding Officer

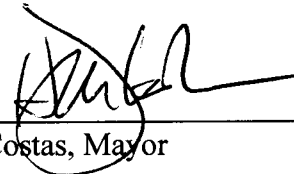
Attest:

  
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Sharon E. Swihart, Clerk-Treasurer

This Ordinance, having been passed by the Common Council, is presented by me to the Mayor on the 10<sup>th</sup> day of Aug, 2015 at 7:30 a.m./p.m.

  
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Sharon E. Swihart, Clerk-Treasurer

This Ordinance, having been passed by the Common Council and presented to me, is approved by me and adopted on the 10<sup>th</sup> day of Aug, 2015.

  
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Jon Costas, Mayor