

**COMMON COUNCIL OF BEECH GROVE, INDIANA**

**ORDINANCE NO. 1, 2023**

**AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF BEECH GROVE, INDIANA, MAKING DETERMINATIONS RELATED TO NEED FOR A NEW GUN RANGE FOR THE CITY'S POLICE DEPARTMENT, AUTHORIZING THE FORM OF AND EXECUTION OF LEASE, APPROPRIATING THE LEASE RENTALS TO SUCH PURPOSES, APPROVING THE ISSUANCE OF BONDS AND RELATED MATTERS**

WHEREAS, the Common Council (the "Common Council") of the City of Beech Grove, Indiana (the "City"), after investigation and the receipt of a taxpayer petition, has previously determined that there is a need for and is in the best interest of the City to construct improvements and expansions within the City including, without limitation, the construction of a new gun range facility for use by the City's Police Department and paying all necessary and incidental costs of issuance of such lease financing (collectively, the "Project");

WHEREAS, the Common Council reasonably expects the Beech Grove Building Corporation (the "Building Corporation"), formed as a not-for-profit corporation to assist in the financing of public facilities, such as the Project, to finance the costs of the Project, including all other necessary and incidental costs of issuance, with the proceeds of lease revenue bonds issued for or on behalf of the City by the Building Corporation;

WHEREAS, the Common Council, being duly advised, finds that there are not sufficient funds available and that it is in the best interests of the City and its citizens to enter into negotiations with the Building Corporation to enter into a lease agreement with the Building Corporation (the "Lease"), as Lessor, for all or a portion of the Project pursuant to Ind. Code § 36-1-10, for the purpose of financing all or a portion of the Project, including the necessary and incidental costs related thereto, and issuance of the bonds by the Building Corporation to finance the Project in an amount not to exceed Five Million Dollars (\$5,000,000);

WHEREAS, the Common Council finds that there are not sufficient funds available or provided for in existing tax levies with which to pay the total cost of said Project and that it is necessary to authorize the Lease and the issuance of bonds by the Building Corporation for the purpose of providing funds to be applied to the Project;

WHEREAS, preliminary drawings, plans, specifications and estimates for the acquisition, construction and equipping of the Project, and a proposed form of Lease, have been prepared and submitted to the Common Council;

WHEREAS, the Lease provides that lease rentals will be payable from a general obligation pledge of *ad valorem* property taxes of the City, and that the proposed lease with the Building Corporation, as Lessor, provides for fair and reasonable lease rentals;

WHEREAS, prior to the adoption of this Ordinance, a notice of a hearing on the terms and reasonableness of the Lease were given by publication in the *Indianapolis Star* and *Indianapolis*

*Business Journal*, pursuant to Ind. Code § 36-1-10, and said public hearing has been held in accordance with said notices;

WHEREAS, the Common Council reasonably expects and intends to pay for a portion of the costs of the Project prior to the Building Corporation's issuance of bonds;

WHEREAS, the Common Council now determines that it is necessary and a proper exercise of the powers of the City to provide and appropriate funds related to the cost of the Project;

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

Section 1. The Common Council hereby determines, after investigation and testimony from the City of Beech Grove Police Department, that a need exists for the financing of the construction and equipping of the Project by the Building Corporation, and the leasing of the Project to the City, is in the public interest of the citizens of the City and it is a proper public purpose for which this Common Council agrees to cooperate with the Building Corporation and to assist it in fulfilling the needs of the community.

Section 2. The petition of taxpayers submitted to the City and filed with this Council is hereby accepted and approved.

Section 3. The terms and conditions of the proposed form of the Lease and the preliminary drawings, plans, specifications and estimates for the acquisition, construction, renovation and equipping of the Project, which are on file with the City, are approved and agreed to, and that prior to the adoption of this Ordinance, a public hearing was held on the determination to make lease rental payments to support the financing of the Project and the necessity for the execution of such Lease and whether the lease rentals provided therein are fair and reasonable rentals for the proposed Project.

Section 4. The Common Council finds that the preliminary drawings, plans, specifications and estimates of the Project are reasonable and necessary for the citizens of this City and are hereby approved.

Section 5. The Common Council, after investigating the need for the Project and holding a public hearing related to the Project and the Lease, hereby determines that the City shall enter into a Lease to support the financing of the Project and further finds that the proposed Lease with the Building Corporation, as Lessor, provides for a fair and reasonable rental.

Section 6. The Common Council further finds that the execution of the Lease is necessary and wise, and hereby approves the execution of the Lease by the Mayor and the Mayor and the Clerk-Treasurer are each hereby authorized and directed to execute the Lease on behalf of the City upon the completion of all statutory requirements relating to the Lease. The Clerk-Treasurer is authorized and directed to initial and date a copy of the proposed Lease and to place the same in the minute book immediately following the minutes of this meeting. The Lease is made a part of this Ordinance as fully as if the same were set forth herein.

Section 7. The issuance, sale and delivery by the Building Corporation of lease rental bonds, in one or more series, designated as its Ad Valorem Property Tax Lease Rental Bonds of 2023 (with series designation completed as relevant) in the aggregate principal amount not to exceed Five Million Dollars (\$5,000,000) is hereby approved (the “Bonds”).

Section 8. Upon the redemption or retirement of the Bonds to be issued by the Building Corporation, the City will accept from the Building Corporation title to the Project, free and clear of any and all liens and encumbrances thereon.

Section 9. The Common Council finds that the Building Corporation may issue, sell and deliver its bonds, pursuant to the applicable laws of the State of Indiana, and may encumber any real property or equipment acquired by it for the purpose of financing the Project and may enter into contracts for the sale of the bonds, the acquisition of real estate, and the acquisition, construction, renovation and equipping of the Project. The Common Council hereby approves of the sale of the Bonds by the Building Corporation. The proceeds of the Bonds shall be used to finance the costs of the Project, including, without limitation, reimbursement of costs of the Project incurred by the City prior to the issuance of the Bonds, in accordance with Section 1.150-2 of the United States Treasury Regulations.

Section 10. Any member of the Common Council and Board, any officer or attorney of the City, and the Clerk-Treasurer is authorized on behalf of the City to approve and execute any certificates, documents and agreements in connection with the issuance and sale of the Bonds.

Section 11. The full faith and credit of the City are hereby irrevocably pledged to the punctual payment of the principal of and the interest on the lease rentals in accordance with the terms of the Lease. Commencing January 1, 2024, the City covenants that it will cause a property tax for the payment of the lease rentals to be levied, collected, appropriated and applied for that purpose as set forth in Ind. Code § 6-1.1-18.5-8. There shall be levied in each year upon all taxable property in the City, real and personal, and collected a tax in an amount and in such manner sufficient to meet and pay the lease rental payments as they become due under the Lease beginning January 1, 2025, and the proceeds of this tax are hereby pledged solely to the payment of the lease rentals due under the Lease.

Section 12. It is hereby determined that the annual lease rentals payable pursuant to the Lease providing for the proceeds derived from the sale of the Bonds, in an amount not to exceed Four Hundred Fifty Thousand Dollars (\$450,000), shall be and are hereby appropriated to support for the Project, together with expenses in connection with the issuance of the Bonds. Such appropriation shall be in addition to all appropriations provided for in the existing applicable budget and levy, and shall continue in effect until the lease rentals have resulted payment in full of the Bonds. The City has properly published notice in accordance with Ind. Code § 5-3-1 and Ind. Code § 6 1.1-18-5 regard appropriation of the lease rentals due on the Lease as provided herein and hereby authorizes the lease rentals due on the Lease pledged as payment for the debt service on the Bonds and related expenses, are appropriated to the cost of the Project pursuant to this Ordinance. A certified copy of this Ordinance shall be filed with the Indiana Department of Local

Government Finance in accordance with Ind. Code § 6-1.1-18-5 regarding the proposed additional appropriations.

Section 13. The Clerk-Treasurer is authorized and directed to have published notice of the execution of Lease upon its execution.

Section 14. The Common Council hereby ratifies and approves of the incorporation, establishment and formation of the Building Corporation and ratifies and approves the Articles of Incorporation and By-Laws of the Building Corporation for the purposes of financing the Project and other related projects for the benefit of the City and further ratifies and approves the appointment of Andrew Noone, Catherine Quinn and Matthew Nelis as members of the Board of Directors of the Building Corporation.

Section 15. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

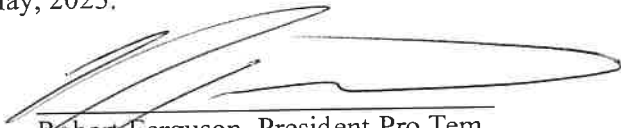
Section 16. All ordinances or parts thereof, in conflict with the provisions of this Ordinance, are, to the extent of such conflict, hereby repealed or amended.

Section 17. This Ordinance and the Lease may, from time to time hereafter, be amended and supplemented without the consent of the owners of the Bonds, if such amendment shall not adversely affect the rights of the owners of any of the Bonds.

Section 18. This Ordinance shall be in full force and effect immediately upon its execution by the Council.





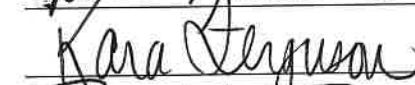

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Passed and adopted by the Common Council of the City of Beech Grove, Indiana by a vote of 6 Aye and 0 Nay on the 1<sup>st</sup> day of May, 2023.

  
Robert Ferguson, President Pro Tem  
City of Beech Grove Common Council

FOR:


AGAINST:

	Robert Ferguson	_____
_____	Elizabeth Lamping	_____
	Ryan Matkins	_____
	Kevin Day	_____
	Dave Harrison	_____
	Kara Ferguson	_____
	Buddy Templin	_____

ATTEST:

  
James W. Coffman, Clerk-Treasurer

The foregoing within and attached Ordinance No. 1, 2023 passed by the Common Council of the City of Beech Grove, Indiana, on the 1<sup>st</sup> day of May, 2023, is signed and approved by me this 1<sup>st</sup> day of May, 2023.

  
Dennis Buckley, Mayor of the City of Beech Grove, Indiana.