

RESOLUTION NO. 15, 2016

A RESOLUTION OF THE BEECH GROVE COMMON
COUNCIL APPROVING THE ISSUANCE OF BONDS BY THE
BEECH GROVE REDEVELOPMENT COMMISSION

WHEREAS, the Beech Grove Redevelopment Commission ("Commission") has determined to issue its Redevelopment District Tax Increment Refunding Revenue Bonds, Series 2016 ("Bonds"), in the aggregate principal amount not to exceed \$2,400,000, to finance the cost of refunding its outstanding Redevelopment District Tax Increment Revenue Bonds, Series 2005, dated October 7, 2005, and Redevelopment District Tax Increment Revenue Bonds, Series 2007, dated August 23, 2007 (collectively, "Refunded Bonds"), including incidental expenses incurred in connection with the refunding of the Refunded Bonds and costs associated with the issuance of the Bonds pursuant to the Commission's resolution adopted on December 1, 2016 ("Bond Resolution");

WHEREAS, the debt service on the Bonds shall be payable from incremental real and depreciable personal property taxes levied and collected in the City of Beech Grove Integrated Redevelopment Allocation Area ("Tax Increment") allocated and deposited as provided in the Bond Resolution;

WHEREAS, the Common Council ("Council") of the City of Beech Grove, Indiana is required by IC 36-7-14-25.1(p) to approve an issuance of the Bonds of the Commission; and

WHEREAS, pursuant to IC 36-7-14-25.1(c), the public purpose of the Bonds is to finance the refunding of the Refunded Bonds to achieve a savings which savings will be used in one or more of the following ways: (a) to fund a debt service reserve for the Bonds; (b) to pay debt service on the outstanding obligations; or (c) reduce the amount of Tax Increment needed annually to pay debt service on the Bonds, all pursuant to IC 51518(b);

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

Section 1. The Council hereby approves the issuance of the Bonds in an aggregate principal amount not to exceed \$2,400,000, at a purchase price of the par value thereof, with a term ending no later than January 15, 2022, and a maximum interest rate of four percent (4.0%) per annum (actual rates will be determined by negotiation).

Section 2. The Bonds are redeemable at the option of the Commission, on thirty (30) days' notice, in whole or in part, in the order of maturity as determined by the Commission and by lot within maturities, at face value, together with no premium, beginning no earlier than January 15, 2020, plus accrued interest to the date fixed for redemption, and shall be subject to mandatory sinking fund redemption as determined upon the sale of the Bonds.

Section 3. This resolution shall be in full force and effect from and after its passage and execution by the Mayor.

PASSED AND ADOPTED by the Common Council of the City of Beech Grove, Indiana, this 5th day of December, 2016.

COMMON COUNCIL OF THE CITY OF BEECH GROVE, INDIANA

Presiding Officer

ATTEST:

Clerk-Treasurer

Presented by me to the Mayor of the City of Beech Grove, Indiana, this ___ day of December, 2016 at __:__.m.

Clerk-Treasurer

Signed and approved by me, the Mayor of the City of Beech Grove, Indiana, on this ___ day of December, 2016 at __:__.m.

Mayor

City of Beech Grove Indiana Redevelopment Commission
 Series 2005 & Series 2007 Tax Increment Revenue Bond Refunding Analysis
 Present Value Savings Proof
 Revised November 21, 2015 {DRAFT}

Present Value Date 12/15/2016

Discount Rate (@ bond yield) 2.405772%

Payment Date	Outstanding Debt Service (1)	Refunding Bonds (2)	Difference	Annual Savings	Present Value
1/15/2017	230,610.87	224,800.00	5,810.87		\$5,810.80
7/15/2017	278,614.25	246,160.00	32,454.25	38,265.12	\$32,002.53
1/15/2018	278,509.25	248,520.00	29,989.25		\$29,220.35
7/15/2018	278,271.50	250,820.00	27,451.50	57,440.75	\$26,429.75
1/15/2019	277,871.50	253,060.00	24,811.50		\$23,604.08
7/15/2019	282,335.00	260,240.00	22,095.00	46,906.50	\$20,769.94
1/15/2020	281,516.00	262,300.00	19,216.00		\$17,848.89
7/15/2020	280,558.50	264,300.00	16,258.50	35,474.50	\$14,922.30
1/15/2021	279,432.00	266,240.00	13,192.00		\$11,963.91
7/15/2021	143,165.00	133,120.00	10,045.00	23,237.00	\$9,001.60
1/15/2022	140,012.50	131,560.00	8,452.50		\$7,484.48
7/15/2022	146,860.00	0.00	146,860.00	155,312.50	\$128,495.32
1/15/2023	143,430.00	0.00	143,430.00	143,430.00	\$124,002.63
	<u>3,041,186.37</u>	<u>2,541,120.00</u>	<u>500,066.37</u>	<u>500,066.37</u>	<u>451,556.60</u>

Excludes Accrued Interest 07/15/16 - 12/15/16

(1) See Page 5.	Less Prior Funds on Hand	(584,842.97)
	Plus Refunding Funds on Hand (DSR)	240,000.00
	Plus Refunding Funds on Hand	64,842.97
(2) See Page 4.	Less Cost of Issuance	<u>(37,500.00)</u>
	Net Present Value Savings	<u>134,056.60</u>
	As % of Bonds Refunded	<u>5.59%</u>

BEECH GROVE REDEVELOPMENT COMMISSION
TAX INCREMENT REFUNDING REVENUE BONDS

PROPOSED TIMETABLE

<u>Date</u>	<u>Activity</u>
By November 18, 2016	<u>Deliver</u> notice of public hearing on additional appropriation to newspapers DONE
November 21, 2016	Notice of public hearing on additional appropriation <u>published</u> in the newspapers (at least 10 days prior to public hearing) DONE
December 1, 2016	Redevelopment Commission holds public hearing, adopts additional appropriation resolution and adopts bond resolution (SPECIAL MEETING)
December 5, 2016	Common Council adopts resolution approving issuance of bonds
December 6, 2016	Purchase Agreement executed
December 15, 2016	Closing

Assumptions:

- All bodies comply with Indiana Open Door Law
- Common Council meets on 1st Monday of the month at 7:00 p.m.
- Redevelopment Commission meets 4th Thursday of the month at 7:00 p.m.
- Bonds payable solely from tax increment
- *Court & Commercial Record* published Monday, Wednesday and Friday
- *Indy Star* published daily

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December 1, 2016