

ORDINANCE NO. 9251

**ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF HAMMOND,
INDIANA, AUTHORIZING THE CITY TO ISSUE ITS TAXABLE ECONOMIC
DEVELOPMENT REVENUE BONDS, SERIES 2014 (GATEWAY AREA PROJECT),
AND APPROVING OTHER ACTIONS IN RESPECT THERETO**

WHEREAS, the City of Hammond Economic Development Commission (the "Commission") has rendered its Report (the "Report") regarding the financing of a portion of certain proposed economic development facilities for a certain project to be undertaken thereon by AMC Hammond Real Estate, Inc., and said Report has been submitted to the City of Hammond Plan Commission; and

WHEREAS, the Commission has heretofore (i) conducted a public hearing in accordance with Indiana Code 36-7-12-24; and (ii) adopted a resolution subsequent to such public hearing and approved the Report of even date of such resolution, the same having been transmitted hereto, finding that the financing of a portion of certain economic development facilities of AMC Hammond Real Estate, Inc. (the "Borrower") complies with the purposes and provisions of Indiana Code 36-7-11.9 and Indiana Code 36-7-12, each as amended (collectively, the "Act"), and that such financing will be of benefit to the health, prosperity, economic stability and general welfare of the City of Hammond, Indiana (the "City") and its citizens; and

WHEREAS, the Commission has heretofore approved and recommended the adoption of this form of Ordinance by the Common Council of the City (the "Common Council"), has considered the issue of adverse competitive effect and has approved and transmitted for approval by the Common Council the forms of a certain Financing Agreement and Bond Purchase Agreement;

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NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF HAMMOND, INDIANA, AS FOLLOWS:

SECTION 1. It is hereby found that the financing of a portion of the economic development facilities referred to in the Financing Agreement approved by the Commission and presented to the Common Council, the issuance and sale of the City of Hammond, Indiana, Taxable Economic Development Revenue Bonds, Series 2014 (Gateway Area Project) (the "Bonds"), in one or more series (with the series designation to reflect the calendar year of issuance in the event the Bonds are issued in a calendar year other than 2014, together with a letter designation in the event multiple series of Bonds are issued), the provision of the proceeds of the Bonds to the Borrower for the financing of a portion of the costs of the Project (as hereinafter defined), the payment of the Bonds from TIF Revenues (as defined in the Financing Agreement), and the securing of said Bonds under the Bond Purchase Agreement complies with the purposes and provisions of the Act and will be of benefit to the health, prosperity, economic stability and general welfare of the City and its citizens.

SECTION 2. A portion of the proceeds of the Bonds in the amount of Eight Hundred Thousand Dollars (\$800,000) will be provided to the Borrower and used for the financing of a portion of the acquisition, construction, installation and equipping of an approximately 7,000 square foot restaurant (the "Project"). The Project is to be located in the area within the City heretofore designated as the "Gateway Redevelopment Area." Notwithstanding anything in this Ordinance to the contrary, the proceeds of the Bonds provided to the Borrower shall be used to finance "economic development facilities" as defined in the Act.

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SECTION 3. At the public hearing held before the Commission, the Commission considered whether the Project would have an adverse competitive effect on any similar facilities located in the City, and subsequently found, based on the findings of fact approved in connection with the Report of the Commission, that the Project would not have an adverse competitive effect because there are no other similar businesses located in the proximity of the Area. The Common Council hereby confirms the findings set forth in the Commission's resolution and Report, and concludes that the Project will not have an adverse competitive effect on any other similar facilities located in the Area, and the facilities will be of benefit to the health, prosperity, economic stability and general welfare of the citizens of the City.

SECTION 4. The substantially final forms of the Financing Agreement and the Bond Purchase Agreement approved by the Commission are hereby approved (herein collectively referred to as the "Financing Documents"), and the Financing Documents shall be incorporated herein by reference and shall be inserted in the minutes of the Common Council and kept on file by the Clerk of the City (the "Clerk"). In accordance with the provisions of Indiana Code 36-1-5-4, two (2) copies of the Financing Documents are on file in the office of the Clerk for public inspection.

SECTION 5. The City shall issue its Bonds, in one or more series, in an aggregate principal amount not to exceed Eight Hundred Fifty Thousand Dollars (\$850,000). Each series

of the Bonds shall finally mature not later than February 1, 2015. Said Bonds are to be issued for the purpose of procuring funds to pay the costs of a portion of the acquisition, construction, installation and equipping of the Project, as more particularly set out in the

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SECTION 6. Financing Agreement and the Bond Purchase Agreement, incorporated herein by reference, which Bonds will be payable as to principal and interest from TIF Revenues or as otherwise provided in the above-described Bond Purchase Agreement. The Bonds shall be issued in fully registered form in denominations of One Hundred Thousand Dollars (\$100,000) and integral multiples of One Thousand Dollars (\$1,000) in excess thereof or as otherwise provided in the Bond Purchase Agreement, and shall be subject to redemption or prepayment as provided in the Bond Purchase Agreement. Payments of principal and interest are payable in lawful money of the United States of America by check mailed or delivered to the registered owners as provided in the Bond Purchase Agreement. The Bonds shall never constitute a general obligation of, an indebtedness of, or a charge against the general credit of the City nor are the Bonds payable in any manner from revenues raised by taxation (except to the extent of the pledge of TIF Revenues). At the option of the Controller of the City (the "Controller"), any series of the Bonds may be issued as "draw down" bonds such that the principal of such series of Bonds shall not be payable and the interest thereon shall not accrue until such principal amount has been advanced pursuant to disbursements made pursuant to the Bond Purchase Agreement.

SECTION 7. The Mayor of the City (the "Mayor") and the Controller are authorized and directed to sell the Bonds to the original purchasers thereof at a price of not less than ninety-nine percent (99%) of the principal amount thereof. The Bonds shall bear interest at a taxable rate or rates not exceeding eight percent (8.0%) per annum.

SECTION 8. The Mayor, the Controller and the Clerk are, and each of them is, authorized and directed to execute, attest and affix or imprint by any means the seal of the City

SECTION 9. ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF HAMMOND, INDIANA, AUTHORIZING THE CITY TO ISSUE ITS TAXABLE ECONOMIC DEVELOPMENT REVENUE BONDS, SERIES 2014 (GATEWAY AREA PROJECT), AND APPROVING OTHER ACTIONS IN RESPECT THERETO

SECTION 10. to the documents constituting the Financing Documents approved herein on behalf of the City and any other document which may be necessary or desirable prior to, on or after the date hereof to consummate or facilitate the transaction, including the Bonds authorized herein. The Mayor and the Controller are, and each of them is, hereby expressly authorized to approve any modifications or additions to the documents constituting the Financing Documents which take place after the date of this Ordinance with the review and advice of counsel to the City, it being the express understanding of the Common Council that said Financing Documents are 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 terms of the Bonds described in Indiana

Code 36-7-12-27 as approved by the Common Council by this Ordinance without further consideration by the Common Council. The signatures of the Mayor and the Clerk on the Bonds may be either manual or facsimile signatures. The Controller is authorized to arrange for delivery of such Bonds to the purchaser or purchasers of the Bonds as set forth in the Bond Purchase Agreement after receipt of payment for the Bonds made to the Controller. The Bonds shall be originally dated the date of issuance and delivery thereof.

SECTION 11. The provisions of this Ordinance and the Bond Purchase Agreement securing the Bonds shall constitute a contract binding between the City and the holders of the Bonds, and after the issuance of said Bonds, this Ordinance shall not be repealed or amended in

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SECTION 13. any respect which would adversely affect the rights of such holders so long as said Bonds or the interest thereon remains unpaid.

SECTION 14. This Ordinance shall be effective upon its passage by the Common Council, in accordance with procedures as required by law.

SECTION 15. ADOPTED AND APPROVED BY the Common Council of the City of Hammond, Indiana, this 12th day of May, 2014.

Michael Opinker /s/
Hammond Common Council

ATTEST:

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana

PRESENTED BY ME, the undersigned City Clerk of the City of Hammond, Indiana, to the Mayor, for approval and signature, this 13th day of May, 2014.

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana

The foregoing Ordinance No. 9251 consisting of six (6) typewritten pages, including this page, was APPROVED AND SIGNED BY ME, the undersigned Mayor of the City of Hammond, Indiana, this 14th day of May, 2014.

Thomas M. McDermott, Jr., Mayor /s/
City of Hammond, Indiana

PASSED by the Common Council on the 12th day of May, 2014, and approved by the Mayor on the 14th day of May, 2014.

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana