

RESOLUTION NO. 2018-R-002

SELLERSBURG TOWN COUNCIL

WHEREAS, the Sellersburg ("Town") Redevelopment Commission ("Commission") has determined to issue its: (i) "Redevelopment District Bond Anticipation Notes of \_\_\_\_" (to be completed with the year in which issued and the appropriate series designation, if any), in one or more series ("Notes"), in order to refund its outstanding Bond Anticipation Notes of 2013, dated August 1, 2013 ("Refunded Notes"); and (ii) Tax Increment Revenue Bonds of \_\_\_\_" (to be completed with the year in which issued and appropriate series designation, if any) ("Bonds"), to be issued in one or more series, to undertake certain capital improvements ("Project") in, serving or benefiting the Sellersburg Economic Development Area ("Area"), established by the Commission, redeem the Notes, fund a debt service reserve for the Bonds, capitalized interest and incidental expenses incurred in connection with the Project, including a premium for bond insurance if necessary; and costs associated with issuance of the Notes and the Bonds, pursuant to its bond resolution adopted on March 5, 2018 ("Bond Resolution");

WHEREAS, Clark County has previously imposed the economic development income tax pursuant to IC 6-3.5-7 and the Town was a recipient of a distributive share pursuant to IC 6-3.5-7;

WHEREAS, IC 6-3.5-7 has been repealed effective January 1, 2017 and replaced with IC 6-3.6 ("LIT Statute");

WHEREAS, IC 6-3.6-4-3 of the LIT Statute prohibits the adopting body from reducing the tax rate below a rate that would produce 1.25 times the total of the highest annual outstanding debt service or lease rental for the Bonds;

WHEREAS, IC 6-3.6-6-5 of the LIT Statute prohibits the adopting body from reducing the proportional allocation of the additional revenue that was allocated the preceding year below an amount necessary to pay the Bonds;

WHEREAS, IC 6-3.6-10-2(2) of the LIT Statute permits the issuance of bonds by the Town payable from the Town's economic development allocation set forth in IC 6-3.6-6-4(2) of the LIT Statute ("EDIT Allocation") for the retirement of bonds issued for economic development projects;

WHEREAS, the principal of and interest on the Notes will be payable from proceeds of the Notes and the Bonds; interest on the Notes shall also be payable from Tax Increment (as defined in the Bond Resolution);

WHEREAS, debt service on the Bonds will be payable from Tax Increment and, to the extent Tax Increment is not sufficient, from the EDIT Allocation;

WHEREAS, the Town Council has determined to pledge the EDIT Allocation to be used to pay debt service on the Bonds to the extent Tax Increment in the Area is not sufficient to pay debt service on the Bonds;

WHEREAS, the Project and the payment of debt service on the Bonds from the EDIT Allocation has been or will be included in the capital improvement plan of the Town regarding the use of the EDIT Allocation;

WHEREAS, the Town Council finds that the EDIT Allocation will not be subject to any prior pledge at the time the Bonds are expected to be issued; and

WHEREAS, approval of the Town Council of the Town of Sellersburg, Indiana is required by IC 36-7-14-25.1(p) for the issuance of bonds of the Commission;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF SELLERSBURG, INDIANA, THAT:

Section 1. The Town Council hereby approves the issuance of the Notes and the issuance of the Bonds in an aggregate principal amount not to exceed \$1,100,000, to apply on the cost of the refunding of the Refunded Notes and the Project, and the incidental costs associated therewith, including costs of issuance, funding a debt service reserve for the Bonds, capitalized interest and incidental expenses incurred in connection with the Project, including a premium for bond insurance, if necessary.

Section 2. In consideration of the Commission's desire to proceed with the financing of the Project, the Town Council hereby pledges the EDIT Allocation for payment of debt service on the Bonds if the Tax Increment collected in the Area is not sufficient.

Section 3. There are no other prior liens, encumbrances or other restrictions on the EDIT Allocation or on the Town's ability to pledge the EDIT Allocation to the payment of debt service on the Bonds.

Section 4. The Town reserves the right to authorize and issue additional obligations payable from the EDIT Allocation at any time ranking on a parity with the Bonds subject to the conditions set forth in the Bond Resolution.

Section 5. This resolution shall be in full force and effect from and after its passage.

WHEREAS, the Town Council has determined to pledge the EDIT Allocation to be used to pay debt service on the Bonds to the extent Tax Increment in the Area is not sufficient to pay debt service on the Bonds;

WHEREAS, the Project and the payment of debt service on the Bonds from the EDIT Allocation has been or will be included in the capital improvement plan of the Town regarding the use of the EDIT Allocation;

WHEREAS, the Town Council finds that the EDIT Allocation will not be subject to any prior pledge at the time the Bonds are expected to be issued; and

WHEREAS, approval of the Town Council of the Town of Sellersburg, Indiana is required by IC 36-7-14-25.1(p) for the issuance of bonds of the Commission;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF SELLERSBURG, INDIANA, THAT:

Section 1. The Town Council hereby approves the issuance of the Notes and the issuance of the Bonds in an aggregate principal amount not to exceed \$1,100,000, to apply on the cost of the refunding of the Refunded Notes and the Project, and the incidental costs associated therewith, including costs of issuance, funding a debt service reserve for the Bonds, capitalized interest and incidental expenses incurred in connection with the Project, including a premium for bond insurance, if necessary.

Section 2. In consideration of the Commission's desire to proceed with the financing of the Project, the Town Council hereby pledges the EDIT Allocation for payment of debt service on the Bonds if the Tax Increment collected in the Area is not sufficient.

Section 3. There are no other prior liens, encumbrances or other restrictions on the EDIT Allocation or on the Town's ability to pledge the EDIT Allocation to the payment of debt service on the Bonds.

Section 4. The Town reserves the right to authorize and issue additional obligations payable from the EDIT Allocation at any time ranking on a parity with the Bonds subject to the conditions set forth in the Bond Resolution.

Section 5. This resolution shall be in full force and effect from and after its passage.



PASSED AND ADOPTED by the Town Council of the Town of Sellersburg, this 26th day of March, 2018.

TOWN COUNCIL OF THE TOWN OF  
SELLERSBURG, INDIANA

Paul J. Ziegler  
Brad J. Gurns  
Martina P. Webster  
John H. LaMaster  
William Coulter

ATTEST:

Michelle D. Miller  
Clerk-Treasurer

Motion: Amos

Second: LaMaster

Vote: 5-aye, 0-nay

