

SPECIAL MEETING - October 23, 2006

The Common Council of the City of Michigan City, Indiana, met in special session on Monday evening, October 23, 2006, at the hour of 7:30 p.m., local time, in the Common Council Chambers, located in the lower level of the City Hall Building, 100 East Michigan Boulevard, Michigan City, Indiana.

The meeting was called to order at 7:30 p.m. by Council President Ron Meer, who presided.

The Pledge of Allegiance to the Flag and a short period of silent prayer were observed.

Roll call was authorized and the following were noted present and/or absent:

PRESENT: COUNCIL MEMBERS Evelyn D. Baker; Patricia Boy; Joseph Doyle; Phillip Jankowski; Charles Lungren; Ronald Meer; Willie Milsap; and Paul Przybylinski (8).

ABSENT: COUNCIL MEMBER Virginia Martin (1).

A QUORUM WAS NOTED PRESENT.

As requested by Council President Meer, the Clerk read the special call, as follows:

TO THE CITY CLERK:

Please issue a CALL FOR A SPECIAL MEETING of the Common Council of the City of Michigan City, Indiana, to be held at **7:30 P.M., Monday, October 23, 2006**, in the Council Chambers of the City Hall Building, located at 100 East Michigan Boulevard, Michigan City, Indiana.

Said meeting is to be held to **hear the following Ordinances on third reading:**

1. **ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF MICHIGAN CITY, INDIANA TO AMEND ZONING ORDINANCE NO. 2114** (Re: approximately thirty (30) acres currently zoned R-3 Residential by Ordinance No. 2132/Pahs Road)
2. **ORDINANCE AUTHORIZING THE CITY OF MICHIGAN CITY TO ISSUE ITS "VARIABLE RATE DEMAND AND MULTIFAMILY HOUSING REVENUE BONDS (GARDEN ESTATES WEST APARTMENTS PROJECT), SERIES 2006" AND APPROVING AND AUTHORIZING OTHER ACTIONS IN RESPECT THERETO**

/s/ Ron Meer

Ron Meer, President
Michigan City Common Council

Council President Meer requested the Clerk to read the first Ordinance on third reading by title only.

The Clerk read on third reading by title only, there being no objections,

ORDINANCE NO. 3991

**ORDINANCE OF THE COMMON COUNCIL
OF THE CITY OF MICHIGAN CITY, INDIANA
TO AMEND ZONING ORDINANCE NO. 2114**

WHEREAS, ON MAY 3, 2006, THE COMMON COUNCIL OF MICHIGAN CITY, INDIANA THE CITY DID ADOPT RESOLUTION NO. 4333 THE RESOLUTION RECOMMENDING THAT THE PLAN COMMISSION THE PLAN COMMISSION CONSIDER A CORRECTION TO THE ZONING MAP FOR MICHIGAN CITY, INDIANA BY CHANGING THE ZONING OF A 30 ACRE PARCEL OF REAL ESTATE MORE PARTICULARLY DESCRIBED AS THE SOUTH THIRTY 30 ACRES OF THE REAL ESTATE DESCRIBED IN EXHIBIT A ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE THE SUBJECT PARCEL FROM THE R 3 RESIDENTIAL CLASSIFICATION TO THE R 1 RESIDENTIAL CLASSIFICATION THE RESOLUTION AND

WHEREAS, ON MARCH 21, 1972, THE COMMON COUNCIL PURSUANT TO ORDINANCE NO. 2132, PURPORTED TO REZONE A PARCEL OF REAL ESTATE OF APPROXIMATELY 36.665 ACRES WHICH PREVIOUSLY HAD AN AGRICULTURAL CLASSIFICATION SUCH THAT A PORTION OF SAID REAL ESTATE WAS REZONED PURSUANT TO SUCH ORDINANCE TO AN R 3 RESIDENTIAL CLASSIFICATION AND A PORTION

OF SAID REAL ESTATE WAS REZONED PURSUANT TO SUCH ORDINANCE TO A B 2 BUSINESS CLASSIFICATION AND

WHEREAS, THE SUBJECT PARCEL INCLUDES SOME OR ALL OF THE REAL ESTATE REZONED BY ORDINANCE NO. 2132 FROM AN AGRICULTURAL CLASSIFICATION TO A R 3 RESIDENTIAL CLASSIFICATION AND

WHEREAS, IN CONJUNCTION WITH THE PROCEEDINGS RELATING TO THE ADOPTION OF THE RESOLUTION, THE COMMON COUNCIL HAS CONSIDERED WHETHER THE PRIOR REZONING OF THE REAL ESTATE DESCRIBED IN ORDINANCE NO. 2132 FROM THE AGRICULTURAL CLASSIFICATION TO THE R 3 RESIDENTIAL CLASSIFICATION IS EFFECTIVE GIVEN THE RECORD RELATING TO THE PUBLIC NOTICE FOR THE PUBLIC HEARINGS CONDUCTED IN CONJUNCTION WITH THE REZONING DESCRIBED IN ORDINANCE NO. 2132 INDICATES THE PUBLIC COULD NOT KNOW WITH REASONABLE CERTAINTY THE PROPERTY TO BE REZONED TO THE R 3 CLASSIFICATION AND THE PROPERTY TO BE REZONED TO THE B 2 BUSINESS CLASSIFICATION AND

WHEREAS, THE RESOLUTION INITIATED A PROPOSAL PURSUANT TO IC 36 7 4 602 THAT THE PLAN COMMISSION CONSIDER A CHANGE TO THE ZONING MAP FOR THE SUBJECT PARCEL FROM THE R 3 RESIDENTIAL CLASSIFICATION TO THE R 1 RESIDENTIAL CLASSIFICATION THE PROPOSAL AND

WHEREAS, SUCH PROPOSAL WAS FORWARDED TO THE PLAN COMMISSION FOR CONSIDERATION OF A CHANGE IN THE ZONING MAP FOR THE CITY APPLICABLE TO THE SUBJECT PARCEL FROM THE R 3 RESIDENTIAL CLASSIFICATION TO THE R 1 RESIDENTIAL CLASSIFICATION AND

WHEREAS, THE PLAN COMMISSION DID PROVIDE NOTICE OF A PUBLIC HEARING AS REQUIRED BY IC 36 7 4 604 REGARDING SUCH PROPOSAL AND

WHEREAS, THE PLAN COMMISSION DID, ON SEPTEMBER 26, 2006, HOLD A PUBLIC HEARING ON SUCH PROPOSAL AS REQUIRED BY IC 36 7 4 604 AND

WHEREAS, THE PLAN COMMISSION DID CERTIFY THE PROPOSAL TO THE COMMON COUNCIL OF MICHIGAN CITY, INDIANA WITH AN UNFAVORABLE RECOMMENDATION AND

WHEREAS, THE COMMON COUNCIL WISHES TO ACT SO AS TO SECURE ADEQUATE LIGHT, AIR, CONVENIENCE OF ACCESS, AND SAFETY FROM FIRE, FLOOD AND OTHER DANGER LESSEN OR AVOID CONGESTION IN PUBLIC WAYS PROMOTE THE PUBLIC HEALTH, SAFETY, COMFORT, MORALS, CONVENIENCE, AND GENERAL WELFARE AND ACCOMPLISH THE PURPOSES OF IC 36 7 4 ET. SEQ. AND

WHEREAS, THE COMMON COUNCIL HAS PAID REASONABLE REGARD TO THE COMPREHENSIVE PLAN CURRENT CONDITIONS AND THE CHARACTER OF CURRENT STRUCTURES AND USES IN EACH DISTRICT THE MOST DESIRABLE USE FOR WHICH THE LAND IN EACH DISTRICT IS ADAPTED THE CONSERVATION OF PROPERTY VALUES THROUGHOUT THE JURISDICTION AND RESPONSIBLE DEVELOPMENT AND GROWTH AS REQUIRED BY IC 36 7 4 603.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF MICHIGAN CITY, INDIANA

SECTION 1. THAT THE SUBJECT PARCEL, WHICH IS LOCATED IN COOLSPRING TOWNSHIP, LAPORTE COUNTY, INDIANA AND IS BOUNDED ON THE NORTH BY U.S. HIGHWAY NO. 20 AND ON THE SOUTH BY PANS ROAD IN THE CITY AND WHICH SUBJECT PARCEL IS SUBJECT TO ADMINISTRATION UNDER AN ORDINANCE KNOWN AS ZONING ORDINANCE NO. 2114 OF THE CITY TOGETHER WITH ALL AMENDMENTS AND SUPPLEMENTS THERETO, BE, AND SAID SUBJECT PARCEL IS HEREBY RECLASSIFIED AND REZONED TO AN R 1 RESIDENTIAL CLASSIFICATION, AND ALL AMENDMENTS, SUPPLEMENTS, CHARTS, MAPS AND PLATS RELATING THERETO BE, AND THEY ARE HEREBY, AMENDED AND REVISED ACCORDINGLY.

SECTION 2.

SECTION 3. BY VIRTUE OF THIS REZONING, THIS ORDINANCE SHALL NOT BE CONSTRUED TO CONSTITUTE A RECOGNITION OF THE PRIOR R 3 RESIDENTIAL CLASSIFICATION, AND THE COMMON COUNCIL FINDS THAT THE PRIOR REZONING OF THE SUBJECT PARCEL FROM THE AGRICULTURAL CLASSIFICATION TO THE R 3 RESIDENTIAL CLASSIFICATION WAS VOID AND OF NO FURTHER FORCE OR EFFECT AS THE PUBLIC NOTICE FOR THE PUBLIC HEARINGS CONDUCTED PURSUANT TO SAID REZONING WERE DEFECTIVE.

SECTION 4.

SECTION 5. IF ANY SECTION OF THIS ORDINANCE SHALL BE HELD INVALID BY A COURT OF COMPETENT JURISDICTION, ITS INVALIDITY SHALL NOT AFFECT ANY OTHER PROVISIONS OF THIS ORDINANCE THAT CAN BE GIVEN EFFECT WITHOUT THE INVALID PROVISION, AND FOR THIS PURPOSE, THE PROVISIONS OF THIS ORDINANCE ARE HEREBY DECLARED TO BE SEVERABLE.

SECTION 6.

SECTION 7. THIS ORDINANCE SHALL BE EFFECTIVE WITHIN THE INCORPORATED AREAS OF THE MICHIGAN CITY, LAPORTE COUNTY, INDIANA UPON ITS ADOPTION BY THE COMMON COUNCIL AS PROVIDED IN I.C. 36 7 4.

SECTION 8.

THIS ORDINANCE SHALL BE IN FULL FORCE AND EFFECT AFTER PASSAGE AND APPROVAL BY THE MAYOR OF MICHIGAN CITY.

INTRODUCED BY PATRICIA A. BOY

EXHIBIT A
LEGAL DESCRIPTION
FOR ZONING PURPOSES ONLY

THE SUBJECT PARCEL IS THE SOUTH THIRTY 30 ACRES OF THE FOLLOWING DESCRIBED TRACT OF LAND

A TRACT OF LAND SITUATED IN THE SOUTHEAST ONE QUARTER SE 1/4 OF SECTION THREE 3, TOWNSHIP THIRTY SEVEN 37 NORTH, RANGE FOUR 4 WEST, LAPORTE COUNTY, INDIANA CONTAINING THIRTY SIX AND SIX HUNDRED SIXTY FIVE THOUSANDTHS 36.665 ACRES, MORE OR LESS, MORE PARTICULARLY DESCRIBED AS FOLLOWS

COMMENCING AT THE EAST ONE QUARTER E 1/4 CORNER OF SECTION THREE 3, TOWNSHIP THIRTY SEVEN 37 NORTH, RANGE FOUR 4 WEST, LAPORTE COUNTY, INDIANA THENCE WEST W ALONG THE EAST WEST E W CENTER LINE OF SAID SECTION 3 A DISTANCE OF SIX HUNDRED FIFTY NINE AND FORTY HUNDREDTHS 659.40 FEET THENCE SOUTH NO DEGREES TWENTY SEVEN MINUTES WEST S 0 27 W A DISTANCE OF FIFTY 50 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF U. S. HIGHWAY NO. 20 AND THE PLACE OF BEGINNING FOR THE FOLLOWING DESCRIPTION THENCE CONTINUE SOUTH NO DEGREES TWENTY SEVEN MINUTES WEST S 0 27 W A DISTANCE OF ONE THOUSAND TWO HUNDRED SIXTY THREE AND TWENTY SEVEN HUNDREDTHS 1263.27 FEET THENCE SOUTH EIGHTY NINE DEGREES FIFTY FOUR MINUTES THIRTY SECONDS WEST S 89 54 W A DISTANCE OF THREE HUNDRED TWENTY NINE AND TWELVE HUNDREDTHS 329.12 FEET THENCE SOUTH NO DEGREES TWENTY FIVE MINUTES THIRTY SECONDS WEST S 0 25 30 W A DISTANCE OF ONE THOUSAND THREE HUNDRED THIRTEEN AND SEVENTY NINE HUNDREDTHS 1313.79 FEET TO A POINT ON THE SOUTH LINE OF SAID SECTION 3 THENCE SOUTH EIGHTY NINE DEGREES FORTY NINE MINUTES WEST S 89 49 W ALONG THE SOUTH LINE OF SAID SECTION 3 A DISTANCE OF SIX HUNDRED FIFTY SEVEN AND TEN HUNDREDTHS 657.10 FEET THENCE NORTH NO DEGREES TWENTY TWO MINUTES THIRTY SECONDS EAST N 0 22 30 E A DISTANCE OF ONE THOUSAND THREE HUNDRED FOURTEEN AND EIGHTY HUNDREDTHS 1314.80 FEET THENCE NORTH EIGHTY NINE DEGREES FIFTY FOUR MINUTES THIRTY SECONDS EAST N 89 54 30 E A DISTANCE OF THREE HUNDRED TWENTY NINE AND TWELVE HUNDREDTHS 329.12 FEET THENCE NORTH NO DEGREES TWENTY FOUR MINUTES N 0 24 E A DISTANCE OF SEVEN HUNDRED SIXTY FOUR AND THIRTY HUNDREDTHS 764.30 FEET THENCE EAST E A DISTANCE OF TWO HUNDRED 200 FEET THENCE NORTH NO DEGREES TWENTY FOUR MINUTES EAST N 0 24 E A DISTANCE OF FIVE HUNDRED 500 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF U. S. HIGHWAY NO. 20 THENCE EAST PARALLEL WITH THE EAST WEST E W CENTER LINE OF SAID SECTION 3 A DISTANCE OF

FOUR HUNDRED FIFTY NINE AND THIRTY TWO HUNDREDTHS 459.32 FEET TO THE PLACE OF BEGINNING CONTAINING THIRTY SIX AND SIX HUNDRED SIXTY FIVE THOUSANDTHS 36.665 ACRES, MORE OR LESS.

Councilwoman Boy moved for the adoption of the Ordinance, seconded by Council Members Przybylinski and Milsap. Council President Meer asked if there were any comments or questions by the Council and advised that Attorney Randolph R. Rompola, Barker and Daniels LLP, is present if there are any questions on this Ordinance on third reading. There was discussion among Attorney Randolph Rompola, Councilman Lungren, Councilman Meer and Council Attorney Alevizos.

Councilman Lungren commented on vacant units and affordable housing in Michigan City. Councilman Lungren said he is going to support that this gets changed to R-1 and allow for single-family dwellings and not allow for congestion, and not allow for warehousing of people. He said we already have plenty of that taking place right now in Michigan City. Councilman Lungren asked the other members of the Council to support this Ordinance.

Councilwoman Boy made various comments on numerous issues pertaining to the proposed development. She spoke on empty housing in Michigan City, the property that they plan to develop, faulty annexation and zoning, tax credits, and sites managed by Herman & Kittle.

Councilman Przybylinski apologized to the public and other Council members for not being at the second reading of the proposed Ordinance. He said he got out of work late this evening. Councilman Przybylinski made a couple of comments on the proposed Ordinance. Councilman Przybylinski said the real underlying issue is what does the community want. He said he has not had anyone give him a positive response to that housing development.

Council President Meer informed the public to limit their comments to five minutes or less.

Council President Meer opened public comment and the following individuals spoke on the Ordinance: Sue England (7383 Johnson Rd.), Dennis Metheny (6757 W. 450 N.), Earl Cunningham (6311 W. Shiva Drive), Kelly Foley (4744 Prairie Lane), Amanda Foley (4744 Prairie Lane), Chuck Barnhouse (4852 N. Clover Lane), Mary Rose (2401 Saint Lawrence Avenue), Rob Beckman (8515 W. Pahs Road), Jeff Ryan (Herman & Kittle Properties, Inc.) and Tom Bancsi (5271 N. Johnson Road).

Council President Meer directed the Clerk to call for the vote on the Ordinance to rezone from R-3 to R-1. He said a "Aye" vote would be in favor of changing the zoning to R-1 and a "Nay" vote would be to keep it as it is. The motion carried and the Ordinance was adopted by the following vote: **AYES: COUNCIL MEMBERS Doyle, Jankowski, Lungren, Meer, Milsap, Przybylinski, Baker, and Boy (8). NAYS: None (0).**

Council President Meer requested the Clerk to read the second Ordinance on third reading by title only.

There being no objections, the Clerk read on third reading by title only,

ORDINANCE No. 3992
ORDINANCE AUTHORIZING THE CITY OF MICHIGAN CITY TO ISSUE ITS VARIABLE RATE DEMAND MULTIFAMILY HOUSING REVENUE BONDS GARDEN ESTATES WEST APARTMENTS PROJECT, SERIES 2006 AND APPROVING AND AUTHORIZING OTHER ACTIONS IN RESPECT THERETO

WHEREAS, THE CITY OF MICHIGAN CITY ECONOMIC DEVELOPMENT COMMISSION ADOPTED A RESOLUTION ON OCTOBER 10 2006, WHICH RESOLUTION HAS BEEN TRANSMITTED HERETO, FINDING THAT THE FINANCING OF CERTAIN ECONOMIC DEVELOPMENT FACILITIES OF GARDEN ESTATES WEST APARTMENTS, LLC, AN INDIANA LIMITED LIABILITY COMPANY, COMPLIES WITH THE PURPOSES AND PROVISIONS OF I.C. 36 7 11.9 AND 12 COLLECTIVELY, THE ACT, AND THAT SUCH FINANCING WILL BE OF BENEFIT TO THE HEALTH AND WELFARE OF THE CITY OF MICHIGAN CITY THE ISSUER AND ITS CITIZENS AND

WHEREAS, THE ISSUER IS AUTHORIZED BY THE ACT TO ISSUE REVENUE BONDS FOR THE FINANCING OF ECONOMIC DEVELOPMENT FACILITIES AS DEFINED IN I.C. 36 7 11.9, THE FUNDS FROM SAID FINANCING TO BE USED FOR THE ACQUISITION, REHABILITATION AND EQUIPPING OF THE PROJECT AS HERINAFTER DEFINED AND

WHEREAS, PRIOR TO THE ADOPTION OF ITS RESOLUTION, THE MICHIGAN CITY ECONOMIC DEVELOPMENT COMMISSION CONDUCTED A PUBLIC HEARING ON OCTOBER 10 2006, FOR WHICH PUBLIC HEARING PRIOR NOTICE WAS PROVIDED TO THE MEMBERS OF THE GENERAL PUBLIC IN THE MANNER REQUIRED BY THE ACT AND BY FEDERAL TAX LAW AND

WHEREAS, THE CITY OF MICHIGAN CITY 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 LOAN AGREEMENT, THE TRUST INDENTURE, THE LAND USE RESTRICTION AGREEMENT, THE OFFICIAL STATEMENT AND THE BOND PURCHASE AGREEMENT, NOW THEREFORE,

BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF MICHIGAN CITY THAT

Section 9. It is hereby found that the financing of the economic development facilities referred to in the Loan Agreement approved by the City of Michigan City Economic Development Commission and presented to this Common Council, the issuance and sale by the Issuer of its Variable Rate Demand Multifamily Housing Revenue Bonds (Garden Estates West Apartments Project), Series 2006 (the "Bonds"), the loan of the proceeds of the Bonds to Garden Estates West Apartments, LLC, an Indiana limited liability company (the "Borrower") to pay a portion of the costs of the acquisition, rehabilitation and equipping of an apartment complex to be known as Garden Estates West Apartments, containing approximately 174 apartment units, together with functionally related and subordinate facilities such as carports, garages and parking areas, located in the City of Michigan City at 900 Pine Tree Court (the "Project"), and a portion of the costs of issuing the Bonds, complies with the purposes and provisions of I.C. 36-7-11.9 and -12, as amended, and will benefit the health and welfare of the City of Michigan City and its citizens.

Section 10. The proceeds of the Bonds will be used for the acquisition, rehabilitation and equipping of economic development facilities consisting of the Project.

Section 11. At the public hearing held by the City of Michigan City Economic Development Commission, the Commission considered whether the economic development facilities would have an adverse competitive effect on any similar facilities located in the City of Michigan City, and subsequently found, based on special findings of fact set forth in the Resolution transmitted hereto, that the facilities 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 economic development facilities will not have an adverse competitive effect on any other similar facilities in the City of Michigan City and the facilities will be of benefit to the health and welfare of the citizens of the City of Michigan City.

Section 12. The substantially final forms of the Loan Agreement, the Trust Indenture, the Land Use Restriction Agreement, the Official Statement and the Bond Purchase Agreement approved by the Michigan City Economic Development Commission are hereby approved (herein collectively referred to as the "Financing Agreement" referred to in I.C. 36-7-11.9 and -12, as amended), 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. 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 for public inspection.

Section 13. The Issuer shall issue its Bonds in the total principal amount not to exceed \$6,200,000.00 and maturing no later than 35 years from their date of issuance. Said Bonds are to be issued for the purpose of procuring funds to pay the costs of financing the Project, all as more particularly set out in the Trust Indenture and the Loan Agreement, incorporated herein by reference, which Bonds will be payable as to principal, premium, if any, and interest from the loan payments made by the Borrower under the Loan Agreement or as otherwise provided in the above-described Trust Indenture. The Bonds shall be issued in fully registered form in the denominations of \$100,000 and increments of \$5,000 in excess thereof while the Bonds bear interest at the Variable Rate (as defined in the Indenture) and \$5,000 denominations while the Bonds bear interest at the Fixed Rate (as defined in the Indenture) and shall be subject to optional and mandatory tender and are redeemable as provided in Articles III and IV, respectively, of the Trust Indenture. 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 owners as provided in the Trust Indenture. The Bonds shall never constitute a general obligation of, an indebtedness of, or a charge against the general credit of the City of Michigan City, nor are the Bonds payable in any manner from revenues raised by taxation.

Section 14. The Mayor and Clerk are authorized and directed to sell the Bonds to the original purchasers thereof at the price of 100% of the principal amount thereof. The Bonds shall bear interest at the rates per annum established pursuant to Section 2.2 of the Trust Indenture.

Section 15. The Mayor and Clerk are authorized and directed to execute, attest, affix or imprint by any means the City seal to the documents constituting the Financing Agreement 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 Clerk 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, the maximum interest rate on or maximum term of the Bonds as approved by the Common Council by this Ordinance without further consideration by the Common Council. The signatures of the Mayor and Clerk on the Bonds may be either manual or facsimile signatures. The Clerk is authorized to arrange for delivery of such Bonds to the Trustee named in the Trust Indenture. Payment for the Bonds will be made to the Trustee named in the Trust Indenture, and after such payment, the Bonds will be delivered by the Trustee to the original purchasers thereof. The Bonds shall be originally dated the date of their delivery, and shall bear interest from such date.

Section 16. The provisions of this Ordinance and the Trust Indenture securing the Bonds shall constitute a contract binding between the City of Michigan City and the holders of the Bonds, and after the issuance of said Bonds, this Ordinance shall not be repealed or amended, in any respect which would adversely affect the rights of such holders so long as any of said Bonds or the interest thereon remains unpaid.

Section 17. The Bonds shall not constitute a debt or pledge of the faith and credit of the Issuer, the State or any political subdivision thereof, and the holders or owners thereof shall have no right to have taxes levied by the Issuer, the State or of any political subdivision, for the payment of the principal thereof or interest thereon. Moneys raised by taxation shall not be obligated or pledged for the payment of principal of or interest on the Bonds, and the Bonds shall be payable solely from the revenues and security interests pledged for their payment as authorized by the Bond Purchase Agreement.

Section 18. The Issuer hereby finds and determines that the amount of tax credits to be allocated to the Project under Section 42 of the Internal Revenue Code of 1986, as amended, does not exceed the amount necessary for the financial feasibility of the Project and its viability as a qualified housing project throughout the credit period for the Project. In making the foregoing determination, the Issuer has relied solely upon representations of the Borrower. The foregoing determination

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ments for the allocation of a housing credit dollar amount under IHCD A's qualified allocation plan. Such determinations shall occur on or about the date of the sale of the Bonds to the purchasers thereof and on or about the date that each building of the Project is placed in service. In reliance upon the representations of the Borrower, it is hereby found and determined that the Project satisfies the

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Section 19. This Ordinance shall be in full force and effect from and after its passage.

Introduced by: Patricia A. Boy

Councilwoman Boy moved to adopt the Ordinance, seconded by the balance of the Council.

Council President Meer asked if there were any comments or questions by the Council and Councilman Lungren made various positive comments pertaining to the proposed Ordinance. He recommended the Council to support this Ordinance.

Council President Meer asked if anyone from the general public wished to speak on this Ordinance on third reading and hearing none, he directed the Clerk to call for the vote: **AYES: COUNCIL MEMBERS Jankowski, Lungren, Meer, Milsap, Przybylinski, Baker, Boy and Doyle (8). NAYS: None (0).**

ADJOURNMENT

On motion by Councilman Lungren, supported by the majority of the Council, and there being no further business to transact, President Meer declared the meeting ADJOURNED (approximately 8:30 p.m.).

Thomas F. Fedder, City Clerk