ORDINANCE NO. O-CC-12-3

PERRY COUNTY COUNCIL

AN ORDINANCE REGARDING APPROVAL OF A LEASE BETWEEN THE PERRY COUNTY REDEVELOPMENT AUTHORITY AND THE PERRY COUNTY REDEVELOPMENT COMMISSION AND PLEDGING ADDITIONAL EDIT REVENUES TO JAIL FACILITY BONDS OF THE PERRY COUNTY REDEVELOPMENT AUTHORITY

WHEREAS, the Perry County Redevelopment Commission ("Commission") has established the Perry County Economic Development Area No. 1 ("Area") in Perry County, Indiana ("County") in accordance with IC 36-7-14;

WHEREAS, the Commission, following a public hearing to be held on or about May 30, 2012, is expected to adopt a resolution approving the execution of a lease ("Lease") with the Perry County Redevelopment Authority ("Authority") for the construction of jail facilities ("Project") in, serving or benefiting the Area;

WHEREAS, the Authority has been created as a body corporate and politic, pursuant to IC 36-7-14, IC 36-7-14.5 and IC 36-7-25 for the purpose of financing, constructing, acquiring and leasing local public improvements and economic development and redevelopment projects, including the Project, to the Commission;

WHEREAS, the economic development income tax ("EDIT") is currently imposed on the resident County taxpayers pursuant to IC 6-3.5-7;

WHEREAS, IC 6-3.5-7-27.5 authorizes the County to impose additional EDIT on the adjusted gross income of County taxpayers;

WHEREAS, the County Council imposed an additional EDIT rate of five-tenths of one percent (0.5%) for the Project on the adjusted gross income of county taxpayers effective

October 1, 2012, all of which is to be distributed to the County ("Additional EDIT Revenues") pursuant IC 6-3.5-7-22.5;

WHEREAS, the County Council has determined to pledge the Additional EDIT Revenues to the payment of lease rentals;

WHEREAS, the estimated total cost of financing the Project and incidental costs associated therewith and on account of the issuance of bonds therefor by the Authority is estimated to be not greater than $12,000,000; and

WHEREAS, rentals due under the Lease shall be payable solely from Additional EDIT Revenues and, to the extent Additional EDIT Revenues and amounts in the County Jail Revenue Fund are not sufficient, from the Special Benefits Tax (each as defined in the Lease);

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY COUNCIL OF PERRY COUNTY, INDIANA, THAT:

Section 1. The County Council hereby finds that the execution of the Lease is necessary and wise and is for a project that will promote economic development of the Area, will provide services that will serve the public purpose of the County and is in the best interests of the County's residents, and further finds that the lease rentals provided for in the Lease are fair and reasonable.

Section 2. The execution of the Lease between the Commission and the Authority is hereby approved.

Section 3. Providing for the financing, acquisition and construction of the Project by the Authority and the leasing of the Project to the Commission is in the public interest of the citizens of the County and it is a proper public purpose for which the County Council agrees to

cooperate with the Authority to assist in fulfilling the requirements of all agencies of the federal, state and County government.

Section 4. In consideration of the Authority's desire to proceed with the financing of the Project, the County Council hereby irrevocably pledges Additional EDIT Revenues for the payment of lease rentals due under the ("Lease").

Section 5. The County Council further covenants that it will take no action to rescind or repeal the Additional EDIT Revenues or to take any action that would result in the County receiving a smaller certified share of Additional EDIT Revenues than the certified share of Additional EDIT Revenues to which it was entitled on the effective date of this ordinance. The County Council further covenants that it will take no action to rescind the Additional EDIT Revenues or reduce the Additional EDIT Revenue rates as long as lease rentals are payable under the Lease.

Section 6. The County has not pledged or otherwise encumbered its Additional EDIT Revenues, and there are no prior liens, encumbrances or other restrictions on the Additional EDIT Revenues or on the County's ability to pledge Additional EDIT Revenues to the payment of lease rentals.

Section 7. The County reserves the right to enter into leases or other obligations entitled to the pledge of Additional EDIT Revenues on a parity with the Lease in accordance with the requirements set forth in Section 15 of the Lease.

Section 8. This ordinance shall be in full force and effect immediately upon its passage.

Adopted this 24th day of May, 2012, by a vote of 6 ayes and 0 nays.

COUNTY COUNCIL OF
PERRY COUNTY, INDIANA

Alan Cassidy

Stanley E Goffinet

Myles E Nicoson

Steve Sowder

Chet Mathews

Ron Crawford Sr.

ATTEST:

Connie A Berger
Auditor

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