

RESOLUTION NO. CR-21-00

A RESOLUTION APPROVING THE REQUEST OF BANNER REALTY, L.L.C.
FOR THE ISSUANCE OF NOT TO EXCEED \$14,000,000.00 OF MULTI-FAMILY
HOUSING REVENUE BONDS FOR THE PURPOSE OF FINANCING THE
ACQUISITION AND RENOVATION OF A RESIDENTIAL RENTAL HOUSING FACILITY

WHEREAS, the City of Grove City, Ohio ("City") has been advised by Banner Realty L.L.C., an Illinois limited liability corporation ("Borrower"), that the Borrower desires to acquire and renovate an existing 406-unit residential rental housing facility located at 2898 Parlin Drive, Grove City, County of Franklin, Ohio 43123 (the "Project"); and

WHEREAS, the Borrower has evidenced its desires to have the costs of acquiring and renovating the Project financed with the proceeds of multi-family housing revenue bonds ("Bonds") issued by the City, pursuant to the authority of Article VIII, Section 1 of the Constitution of the State of Ohio and Section 133.51, Ohio Revised Code, in a principal amount currently estimated not to exceed \$14,000,000.00; and

WHEREAS, Treasury Regulation §1.150-2 (the "Reimbursement Regulations") issued pursuant to Section 150 of the Internal Revenue Code of 1986, as amended, (the "Code") prescribes certain requirements by which proceeds of the Bonds may be used to reimburse advances made for Capital Expenditures (as hereinafter defined) paid before the issuance of the Bonds; and

WHEREAS, the Borrower anticipates expenses for items properly depreciable or amortizable for purposes of the Code (the "Capital Expenditures") and desires the reimbursement of such Capital Expenditures from proceeds of the Bonds; and

WHEREAS, the City at the request of and for the sole benefit of the Borrower wishes to ensure compliance with the Reimbursement regulations; and

WHEREAS, the City has determined that an Agreement between the City and the Borrower in the form attached hereto (the "Agreement"), which is incorporated by reference herein, adequately sets forth the general terms and conditions upon which the City is willing to proceed with the financing of the Project; and

WHEREAS, the City and the Borrower anticipate that the Project would improve the economic and general well-being of the City and its people by preserving and providing decent, safe and sanitary housing for individuals and families.

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GROVE CITY, STATE OF OHIO, THAT:

SECTION 1. The City will undertake to authorize and issue the Bonds from time to time, in one or more series, in a principal amount currently estimated not to exceed \$14,000,000.00 for the purpose of financing the Project, and both the City and its officers will take all further action necessary or desirable for that purpose, all subject, however, to the conditions stated in the Agreement, and upon the terms therein provided.

SECTION 2. The City intends that this resolution, including the Agreement, shall constitute "official action" with respect to the issuance of Bonds to finance the costs of the Project, within the meaning of the Reimbursement Regulations.

SECTION 3. The law firm of Peck, Shaffer & Williams LLP is appointed as Bond Counsel in connection with the issuance of the Bonds.

SECTION 4. The Agreement in the form attached hereto is hereby approved and the City Administrator be and is hereby authorized to execute such Agreement on behalf of the City.

SECTION 5. This resolution shall take effect at the earliest opportunity allowed by law.



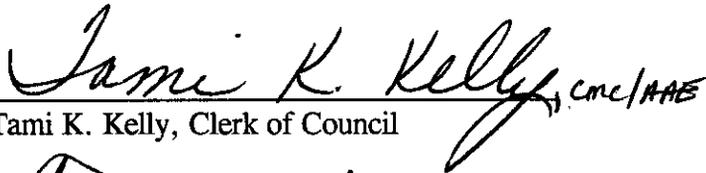
Steven M. Bennett, President of Council



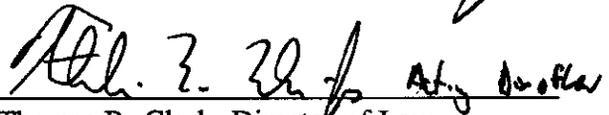
Cheryl L. Grossman, Mayor

Passed: 3-20-00
Effective: 3-20-00

Attest:



Tami K. Kelly, Clerk of Council



Thomas R. Clark, Director of Law

I Certify that this resolution is correct as to form.

AGREEMENT

THIS AGREEMENT is entered into as of the 22 day of March, 2000, between the City of Grove City, Ohio, a municipality and political subdivision of the State of Ohio (the "City"), and Banner Realty L.L.C., an Illinois limited liability corporation (such entity or its assignee being referred to as the "Borrower"), under the following circumstances:

A. The Borrower desires to acquire, renovate and improve an existing multifamily residential rental apartment facility currently containing approximately 406-unit residential rental housing facility located at 2898 Parlin Drive, Grove City, Ohio 43123, known as the Regency Arms Apartments (the "Project"), within the boundaries of the City.

B. The Borrower has evidenced a desire to have the costs of the Project financed with the proceeds of multifamily housing revenue bonds (the "Bonds") issued by the City pursuant to the authority of Article VIII, Section 16, of the Constitution of the State of Ohio and Section 133.51 of the *Ohio Revised Code*, in a principal amount currently estimated not to exceed \$14,000,000.

C. The parties anticipate that the Project would improve the economic and general well-being of the City and its people by preserving and providing decent, safe and sanitary housing for individuals and families.

D. In order to obtain for the residents of the City the benefit of the housing and economic improvement which the acquisition, renovation, improvement and operation of the Project would create and preserve, the City desires to encourage and induce the Borrower to proceed with the Project.

NOW, THEREFORE, the City and the Borrower agree as follows:

1. At the request of the Borrower, and subject to the public hearing requirement under Section 147(f) of the Internal Revenue Code of 1986, the City will enact the necessary ordinances to

authorize the issuance of the Bonds and execution on its behalf of the Financing Agreement, as hereinafter defined, and other necessary documents. The Bonds, the Financing Agreement, the resolutions and other necessary documents shall have such terms as shall be approved by Peck, Shaffer & Williams LLP as Bond Counsel and by the City, the purchaser(s) of the Bonds, the Borrower and the respective counsel to such parties, and the City will deliver the Bonds to the purchaser(s) thereof and will cooperate to the fullest extent in consummating the transaction.

2. Pending issuance of the Bonds, the Borrower will provide without expense to the City, any necessary interim financing for the Project. The Borrower also agrees that upon issuance of the Bonds for the Project it will enter into an agreement (the "Financing Agreement") with the City providing for the payment by the Borrower of amounts sufficient to pay when due the principal of and premium, if any, and interest on the Bonds. The City shall have no financial responsibility with respect to the Bonds or the Project except from the proceeds of the Bonds or revenues produced pursuant to the Financing Agreement.

3. If the Borrower abandons the Project or decides not to utilize the financing contemplated by this Agreement, it shall notify the City, whereupon this Agreement shall terminate. In addition, this Agreement shall terminate one year after completion of the Project if for any reason the Borrower has not by then requested the City to issue the Bonds. Upon any termination of this Agreement under this paragraph, neither the City nor the Borrower shall have any further rights or obligations hereunder, except that the obligations of the Borrower under paragraph 4 hereof shall survive any such termination.

4. In order to induce the City to execute and deliver this Agreement, the Borrower hereby agrees to defend, indemnify and hold the City and its officials harmless against any and all loss, cost, expense, claims or actions arising out of or connected with or the execution and

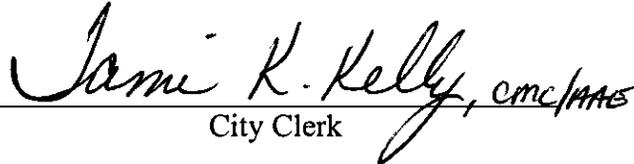
delivery of this Agreement and the consummation of the transactions provided for herein and contemplated hereunder. The provisions of this paragraph shall be superseded by a similar agreement by the Borrower in the Financing Agreement.

IN WITNESS WHEREOF, the City, pursuant to a resolution duly adopted by its City Council, has caused this Agreement to be executed by the City Administrator and the Borrower has duly executed this Agreement, as of the day and year first above written.

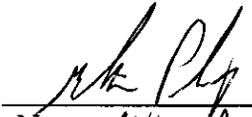
CITY OF GROVE CITY, OHIO

By: 
Name: Richard L. Stage
Title: City Administrator

ATTEST:

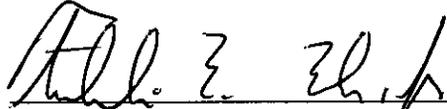
By: 
City Clerk

BANNER REALTY L.L.C.

By: 
Name: Milton Pinsky
Title: Trustee of Member

The form of this Agreement is approved by the Director of Law.

CITY OF GROVE CITY, OHIO

By: 
Name: Franklin E. Eck, Jr.
Title: Director of Law
Acting

CR-21-00
EXHIBIT A
AGREEMENT

THIS AGREEMENT is entered into as of the ____ day of _____, 2000, between the City of Grove City, Ohio, a municipality and political subdivision of the State of Ohio (the "City"), and Banner Realty L.L.C., an Illinois limited liability corporation (such entity or its assignee being referred to as the "Borrower"), under the following circumstances:

A. The Borrower desires to acquire, renovate and improve an existing multifamily residential rental apartment facility currently containing approximately 406-unit residential rental housing facility located at 2898 Parlin Drive, Grove City, Ohio 43123, known as the Regency Arms Apartments (the "Project"), within the boundaries of the City.

B. The Borrower has evidenced a desire to have the costs of the Project financed with the proceeds of multifamily housing revenue bonds (the "Bonds") issued by the City pursuant to the authority of Article VIII, Section 16, of the Constitution of the State of Ohio and Section 133.51 of the *Ohio Revised Code*, in a principal amount currently estimated not to exceed \$14,000,000.

C. The parties anticipate that the Project would improve the economic and general well-being of the City and its people by preserving and providing decent, safe and sanitary housing for individuals and families.

D. In order to obtain for the residents of the City the benefit of the housing and economic improvement which the acquisition, renovation, improvement and operation of the Project would create and preserve, the City desires to encourage and induce the Borrower to proceed with the Project.

NOW, THEREFORE, the City and the Borrower agree as follows:

1. At the request of the Borrower, and subject to the public hearing requirement under Section 147(f) of the Internal Revenue Code of 1986, the City will enact the necessary ordinances to authorize the issuance of the Bonds and execution on its behalf of the Financing Agreement, as hereinafter defined, and other necessary documents. The Bonds, the Financing Agreement, the resolutions and other necessary documents shall have such terms as shall be approved by Peck, Shaffer & Williams LLP as Bond Counsel and by the City, the purchaser(s) of the Bonds, the Borrower and the respective counsel to such parties, and the City will deliver the Bonds to the purchaser(s) thereof and will cooperate to the fullest extent in consummating the transaction.

2. Pending issuance of the Bonds, the Borrower will provide without expense to the City, any necessary interim financing for the Project. The Borrower also agrees that upon issuance of the Bonds for the Project it will enter into an agreement (the "Financing Agreement") with the City providing for the payment by the Borrower of amounts sufficient to pay when due the principal of and premium, if any, and interest on the Bonds. The City shall have no financial responsibility with respect to the Bonds or the Project except from the proceeds of the Bonds or revenues produced pursuant to the Financing Agreement.

3. If the Borrower abandons the Project or decides not to utilize the financing contemplated by this Agreement, it shall notify the City, whereupon this Agreement shall terminate. In addition, this Agreement shall terminate one year after completion of the Project if for any reason the Borrower has not by then requested the City to issue the Bonds. Upon any termination of this Agreement under this paragraph, neither the City nor the Borrower shall have

any further rights or obligations hereunder, except that the obligations of the Borrower under paragraph 4 hereof shall survive any such termination.

4. In order to induce the City to execute and deliver this Agreement, the Borrower hereby agrees to defend, indemnify and hold the City and its officials harmless against any and all loss, cost, expense, claims or actions arising out of or connected with or the execution and delivery of this Agreement and the consummation of the transactions provided for herein and contemplated hereunder. The provisions of this paragraph shall be superseded by a similar agreement by the Borrower in the Financing Agreement.

IN WITNESS WHEREOF, the City, pursuant to a resolution duly adopted by its City Council, has caused this Agreement to be executed by the ^{City Administrator}~~President of City Council~~ and the Borrower has duly executed this Agreement, as of the day and year first above written.

CITY OF GROVE CITY, OHIO

By:

Name: _____
Title: ~~Mayor~~ *City Admin.*

ATTEST:

By: _____
City Clerk

BANNER REALTY L.L.C.

By:

Name: _____
Title: _____

The form of this Agreement is approved by the Director of Law.

CITY OF GROVE CITY, OHIO

By: _____

Name:

Title: Director of Law

IN WITNESS WHEREOF, the City, pursuant to a resolution duly adopted by its City Council, has caused this Agreement to be executed by the City Administrator and the Borrower has duly executed this Agreement, as of the day and year first above written.

CITY OF GROVE CITY, OHIO

By: _____
Name:
Title: City Administrator

ATTEST:

By: _____
City Clerk

BANNER REALTY L.L.C.

By: _____
Name:
Title:

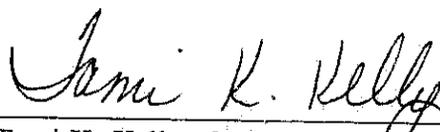
The City of Grove City, Ohio

Tami K. Kelly, Clerk of Council

March 22, 2000

CERTIFICATION

I, Tami K. Kelly, Clerk of Council of the City of Grove City, Ohio, do hereby Certify the attached is a true and correct copy of Resolution CR-21-00, a resolution Approving the Request of Banner Realty, L.L. C. for the Issuance of Not to Exceed \$14,000,000.00 of Multi-Family Housing Revenue Bonds for the purpose of Financing the Acquisition and Renovation of a Residential Rental Housing Facility, which was duly adopted by the Council of the City of Grove City, Ohio on March 20, 2000.



Tami K. Kelly, CMC/AAE, Clerk of Council

RESOLUTION NO. CR-21-00

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HOUSING REVENUE BONDS FOR THE PURPOSE OF FINANCING THE
ACQUISITION AND RENOVATION OF A RESIDENTIAL RENTAL HOUSING FACILITY

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WHEREAS, the Borrower has evidenced its desires to have the costs of acquiring and renovating the Project financed with the proceeds of multi-family housing revenue bonds ("Bonds") issued by the City, pursuant to the authority of Article VIII, Section 1 of the Constitution of the State of Ohio and Section 133.51, Ohio Revised Code, in a principal amount currently estimated not to exceed \$14,000,000.00; and

WHEREAS, Treasury Regulation §1.150-2 (the "Reimbursement Regulations") issued pursuant to Section 150 of the Internal Revenue Code of 1986, as amended, (the "Code") prescribes certain requirements by which proceeds of the Bonds may be used to reimburse advances made for Capital Expenditures (as hereinafter defined) paid before the issuance of the Bonds; and

WHEREAS, the Borrower anticipates expenses for items properly depreciable or amortizable for purposes of the Code (the "Capital Expenditures") and desires the reimbursement of such Capital Expenditures from proceeds of the Bonds; and

WHEREAS, the City at the request of and for the sole benefit of the Borrower wishes to ensure compliance with the Reimbursement regulations; and

WHEREAS, the City has determined that an Agreement between the City and the Borrower in the form attached hereto (the "Agreement"), which is incorporated by reference herein, adequately sets forth the general terms and conditions upon which the City is willing to proceed with the financing of the Project; and

WHEREAS, the City and the Borrower anticipate that the Project would improve the economic and general well-being of the City and its people by preserving and providing decent, safe and sanitary housing for individuals and families.

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GROVE CITY, STATE OF OHIO, THAT:

SECTION 1. The City will undertake to authorize and issue the Bonds from time to time, in one or more series, in a principal amount currently estimated not to exceed \$14,000,000.00 for the purpose of financing the Project, and both the City and its officers will take all further action necessary or desirable for that purpose, all subject, however, to the conditions stated in the Agreement, and upon the terms therein provided.

SECTION 2. The City intends that this resolution, including the Agreement, shall constitute "official action" with respect to the issuance of Bonds to finance the costs of the Project, within the meaning of the Reimbursement Regulations.

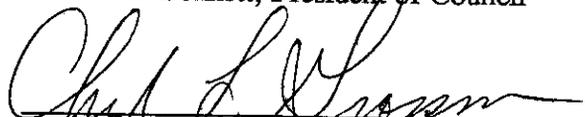
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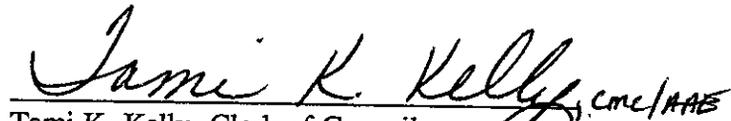
Steven M. Bennett, President of Council



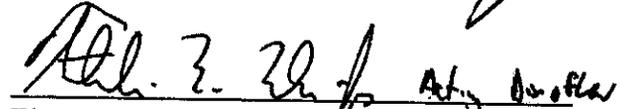
Cheryl L. Grossman, Mayor

Passed: 3-20-00
Effective: 3-20-00

Attest:



Tami K. Kelly, Clerk of Council



Thomas R. Clark, Director of Law

Certify that this resolution is correct as to form.

CR-21-00
EXHIBIT A
AGREEMENT

THIS AGREEMENT is entered into as of the ____ day of _____, 2000, between the City of Grove City, Ohio, a municipality and political subdivision of the State of Ohio (the "City"), and Banner Realty L.L.C., an Illinois limited liability corporation (such entity or its assignee being referred to as the "Borrower"), under the following circumstances:

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The form of this Agreement is approved by the Director of Law.

CITY OF GROVE CITY, OHIO

By: _____

Name:

Title: Director of Law