

IC 36-7-15.3

Chapter 15.3. Redevelopment Authority in Marion County

IC 36-7-15.3-1

Application of chapter

Sec. 1. This chapter applies to each unit having an authority.

As added by P.L.84-1987, SEC.14.

IC 36-7-15.3-2

"Authority" defined

Sec. 2. As used in this chapter, "authority" refers to the county convention and recreational facilities authority established by IC 36-10-9.1.

As added by P.L.84-1987, SEC.14.

IC 36-7-15.3-3

"Board" defined

Sec. 3. As used in this chapter, "board" refers to the board of directors of the authority.

As added by P.L.84-1987, SEC.14.

IC 36-7-15.3-4

"Bonds" defined

Sec. 4. As used in this chapter, "bonds" means bonds, notes, or other evidence of indebtedness issued by the authority.

As added by P.L.84-1987, SEC.14.

IC 36-7-15.3-5

"Commission" defined

Sec. 5. As used in this chapter, "commission" refers to a redevelopment commission established under IC 36-7-15.1 or a military base reuse authority established under IC 36-7-30 and located in a county with a consolidated city.

As added by P.L.84-1987, SEC.14. Amended by P.L.2-1989, SEC.41; P.L.26-1995, SEC.9.

IC 36-7-15.3-6

"Local public improvement" defined

Sec. 6. As used in this chapter, "local public improvement" means any redevelopment project or purpose of a commission or a unit under IC 36-7-15.1 or IC 36-7-30.

As added by P.L.84-1987, SEC.14. Amended by P.L.2-1989, SEC.42; P.L.26-1995, SEC.10.

IC 36-7-15.3-7

Additional purposes

Sec. 7. In addition to its purposes specified in IC 36-10-9.1-10, the authority is also organized for the following purposes:

- (1) Financing, constructing, and leasing local public improvements to the commission.

(2) Financing and constructing additional improvements to local public improvements owned by the authority and leasing them to the commission.

(3) Acquiring all or a portion of one (1) or more local public improvements from the commission by purchase or lease and leasing these local public improvements back to the commission, with any additional improvements that may be made to them.

(4) Acquiring all or a portion of one (1) or more local public improvements from the commission by purchase or lease to fund or refund indebtedness incurred on account of those local public improvements to enable the commission to make a savings in debt service obligations or lease rental obligations or to obtain relief from covenants that the commission considers to be unduly burdensome.

As added by P.L.84-1987, SEC.14.

IC 36-7-15.3-8

Additional powers

Sec. 8. (a) In addition to its powers under IC 36-10-9.1-11, the authority may also:

(1) finance, improve, construct, reconstruct, renovate, purchase, lease, acquire, and equip local public improvements;

(2) lease those local public improvements to the commission;

(3) sue, be sued, plead, and be impleaded, but all actions against the authority must be brought in the circuit or superior court of the county in which the authority is located;

(4) condemn, appropriate, lease, rent, purchase, and hold any real or personal property needed or considered useful in connection with local public improvements;

(5) acquire real or personal property by gift, devise, or bequest and hold, use, or dispose of that property for the purposes authorized by this chapter;

(6) enter upon any lots or lands for the purpose of surveying or examining them to determine the location of a local public improvement;

(7) design, order, contract for, and contract, reconstruct, and renovate any local public improvements or improvements thereto;

(8) employ managers, superintendents, architects, engineers, attorneys, auditors, clerks, construction managers, and other employees necessary for construction of local public improvements or improvements to them;

(9) make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this chapter; and

(10) take any other action necessary to implement its purposes as set forth in section 7 of this chapter.

(b) Whenever the board determines that the purposes for which the authority was formed have been substantially fulfilled and that all

bonds issued and all other obligations incurred by the authority have been fully paid or satisfied or provision for the payment of the bonds and obligations has been made in accordance with the terms of the resolution or trust indenture securing them, the board may declare the authority dissolved. On the effective date of the resolution of dissolution, the title to all funds and other property owned by the authority at the time of the dissolution vests in the commission on behalf of the unit creating the commission. However, if the commission is not in existence, the title vests in the unit.

As added by P.L.84-1987, SEC.14.

IC 36-7-15.3-9

Refunding of bonds

Sec. 9. (a) Bonds issued under IC 36-7-15.1 may be refunded as provided in this section.

(b) The commission may:

(1) lease all or a portion of a local public improvement or improvements to the authority, which may be at a nominal lease rental with a lease back to the commission, conditioned upon the authority assuming bonds issued under IC 36-7-15.1 and issuing its bonds to refund those bonds; and

(2) sell all or a portion of a local public improvement or improvements to the authority for a price sufficient to provide for the refunding of those bonds and lease back the local public improvement or improvements from the authority.

As added by P.L.84-1987, SEC.14.

IC 36-7-15.3-10

Requirements for lease of local improvements to commission

Sec. 10. (a) Before a lease may be entered into, the commission must find that the lease rental provided for is fair and reasonable.

(b) A lease of local public improvements from the authority to the commission:

(1) must comply with IC 36-7-15.1-17.1, IC 36-7-15.1-46, or IC 36-7-30-20;

(2) may not require payment of lease rental for a newly constructed local public improvement or for improvements to an existing local public improvement except to the extent that the local public improvement or improvements thereto have been completed and are ready for occupancy;

(3) may contain provisions:

(A) allowing the commission to continue to operate an existing local public improvement until completion of the improvements, reconstruction, or renovation; and

(B) requiring payment of lease rentals for an existing local public improvement being used, reconstructed, or renovated;

(4) may contain an option to renew the lease for the same or shorter term on the conditions provided in the lease;

(5) must contain an option for the commission to purchase the local public improvement upon the terms stated in the lease

during the term of the lease for a price equal to the amount required to pay all indebtedness incurred on account of the local public improvement, including indebtedness incurred for the refunding of that indebtedness;

(6) may be entered into before acquisition or construction of a local public improvement;

(7) may provide that the commission shall agree to:

(A) pay all taxes and assessments thereon;

(B) maintain insurance thereon for the benefit of the authority; and

(C) assume responsibility for utilities, repairs, alterations, and any costs of operation; and

(8) may provide that the lease rental payments by the commission shall be made from any one (1) or more of the sources set forth in IC 36-7-14-25.2, IC 36-7-15.1-17.1, IC 36-7-15.1-46, or IC 36-7-30-20.

As added by P.L.84-1987, SEC.14. Amended by P.L.26-1995, SEC.11; P.L.102-1999, SEC.26.

IC 36-7-15.3-11

Authorization for leases between the authority and commission; exception

Sec. 11. This chapter and IC 36-7-15.1-17.1, IC 36-7-15.1-46, or IC 36-7-30-20 contain full and complete authority for leases between the authority and the commission. No law, procedure, proceedings, publications, notices, consents, approvals, orders, or acts by the board or the commission or any other officer, department, agency, or instrumentality of the state or any political subdivision is required to enter into any lease, except as prescribed in this chapter and IC 36-7-15.1-17.1 or IC 36-7-30-20.

As added by P.L.84-1987, SEC.14. Amended by P.L.26-1995, SEC.12; P.L.102-1999, SEC.27.

IC 36-7-15.3-12

Local public improvements; plans and specifications

Sec. 12. If the lease provides for a local public improvement or improvements thereto to be constructed by the authority, the plans and specifications shall be submitted to and approved by the commission.

As added by P.L.84-1987, SEC.14.

IC 36-7-15.3-13

Common wall or other agreements

Sec. 13. The authority and the commission may enter into common wall (party wall) agreements or other agreements concerning easements or licenses. These agreements shall be recorded with the recorder of the county.

As added by P.L.84-1987, SEC.14.

IC 36-7-15.3-14

Local public improvement; sale or nominal rental to authority

Sec. 14. (a) The commission may lease for a nominal lease rental, or sell to the authority, one (1) or more local public improvements or portions thereof or land upon which a local public improvement is located or is to be constructed.

(b) Any lease of all or a portion of a local public improvement by the commission to the authority must be for a term equal to the term of the lease of that local public improvement back to the redevelopment commission.

(c) The commission may sell property to the authority for such amount as it determines to be in the best interest of the commission, which amount may be paid from the proceeds of bonds of the authority.

As added by P.L.84-1987, SEC.14.

IC 36-7-15.3-15

Issuance of bonds; purpose; conditions

Sec. 15. (a) The authority may issue bonds for the purpose of obtaining money to pay the cost of:

- (1) acquiring property;
- (2) constructing, improving, reconstructing, or renovating one (1) or more local public improvements; or
- (3) funding or refunding bonds issued under this chapter or IC 36-7-15.1.

(b) The bonds are payable solely from the lease rentals from the lease of the local public improvement for which the bonds were issued, insurance proceeds, and any other funds pledged or available.

(c) The bonds shall be authorized by a resolution of the board.

(d) The terms and form of the bonds shall either be set out in the resolution or in a form of trust indenture approved by the resolution.

(e) The bonds shall mature within:

- (1) fifty (50) years, for bonds issued before July 1, 2008; or
- (2) twenty-five (25) years, for bonds issued after June 30, 2008.

(f) The board shall sell the bonds at public or private sale upon such terms as determined by the board.

(g) All money received from any bonds issued under this chapter shall be applied solely to the payment of the cost of the acquisition or construction, or both, of local public improvements, or the cost of refunding or refinancing outstanding bonds, for which the bonds are issued. The cost may include:

- (1) planning and development of the facility and all buildings, facilities, structures, and improvements related to it;
- (2) acquisition of a site and clearing and preparing the site for construction;
- (3) equipment, facilities, structures, and improvements that are necessary or desirable to make the local public improvements suitable for use and operations;
- (4) architectural, engineering, consultant, and attorney fees;
- (5) incidental expenses in connection with the issuance and sale of bonds;

- (6) reserves for principal and interest;
- (7) interest during construction and for a period thereafter determined by the board, but in no event to exceed five (5) years;
- (8) financial advisory fees;
- (9) insurance during construction;
- (10) municipal bond insurance, debt service reserve insurance, letters of credit, or other credit enhancement; and
- (11) in the case of refunding or refinancing, payment of the principal of, redemption premiums, if any, and interest on, the bonds being refunded or refinanced.

As added by P.L.84-1987, SEC.14. Amended by P.L.146-2008, SEC.768.

IC 36-7-15.3-16

Issuance of bonds; full and complete authority; status

Sec. 16. (a) This chapter contains full and complete authority for the issuance of bonds. No law, procedure, proceeding, publication, notice, consent, approval, order, or act by the board of any other officer, department, agency, or instrumentality of the state or of any political subdivision is required to issue any bonds, except as prescribed by this chapter.

(b) Bonds issued under this chapter are legal investments for private trust funds and the funds of banks, trust companies, insurance companies, building and loan associations, credit unions, banks of discount and deposit, savings banks, loan and trust and safe deposit companies, rural loan and savings associations, guaranty loan and savings associations, mortgage guaranty companies, small loan companies, industrial loan and investment companies, and other financial institutions organized under Indiana law.

As added by P.L.84-1987, SEC.14. Amended by P.L.42-1993, SEC.98.

IC 36-7-15.3-17

Trust indenture; provisions

Sec. 17. (a) The authority may secure bonds issued under this chapter by a trust indenture between the authority and a corporate trustee, which may be any trust company or national or state bank within Indiana that has trust powers.

(b) The trust indenture may:

- (1) pledge or assign lease rentals, receipts, and income from leased local public improvements, but may not mortgage land or local public improvements;
- (2) contain reasonable and proper provisions for protecting and enforcing the rights and remedies of the bondholders, including covenants setting forth the duties of the authority and board;
- (3) set forth the rights and remedies of bondholders and trustee; and
- (4) restrict the individual right of action of bondholders.

(c) Any pledge or assignment made by the authority under this

section is valid and binding in accordance with IC 5-1-14-4 from the time that the pledge or assignment is made, against all persons whether they have notice of the lien or not. Any trust indenture by which a pledge is created or an assignment need not be filed or recorded. The lien is perfected against third parties in accordance with IC 5-1-14-4.

As added by P.L.84-1987, SEC.14.

IC 36-7-15.3-18

Option to purchase leased property; bonds

Sec. 18. If the commission exercises its option to purchase leased property, it may issue its bonds as authorized by statute.

As added by P.L.84-1987, SEC.14.

IC 36-7-15.3-19

Exemption from taxation; exception

Sec. 19. All:

- (1) property owned by the authority;
- (2) revenues of the authority; and
- (3) bonds issued by the authority, the interest on the bonds, the proceeds received by a holder from the sale of bonds to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of interest in proceeds;

are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.

As added by P.L.84-1987, SEC.14. Amended by P.L.21-1990, SEC.54; P.L.254-1997(ss), SEC.31.

IC 36-7-15.3-20

Validity of bonds; contest; limitations

Sec. 20. Any action to contest the validity of bonds to be issued under this chapter may not be brought after the fifteenth day following:

- (1) the receipt of bids for the bonds, if the bonds are sold at public sale; or
- (2) the publication one (1) time in a newspaper of general circulation published in the county of notice of the execution and delivery of the contract for the sale of bonds;

whichever occurs first.

As added by P.L.84-1987, SEC.14.