FOR ACTION: Hearing on the Amendment to the Lease with the MCCSC 1996 School Building Corporation

Recommendation:

Following the hearing on the proposed Amendment to the Lease with the MCCSC 1996 School Building Corporation the administration recommends the Board adopt the following resolution:

RESOLUTION AUTHORIZING EXECUTION OF AMENDMENT TO LEASE AND SALE OF REAL ESTATE

WHEREAS, this Board of School Trustees has previously examined and approved a form of Amendment to Lease proposed by MCCSC 1996 School Building Corporation on December 15, 2009; and,

WHEREAS, notice of a hearing on the proposed Amendment to Lease was given by publication in The Herald Times on December 18, 2009, and said hearing has been held in accordance with said notice; now, therefore,

BE IT RESOLVED by the Board of School Trustees of the Monroe County Community School Corporation, that this Board now finds that the preliminary plans, specifications and estimates provide the necessary facilities for the pupils of this School Corporation and the same now are hereby approved, and the members of the Board of School Trustees be, and they are hereby authorized and directed to endorse their approval upon such plans, specifications and estimates.

BE IT FURTHER RESOLVED, that the proposed Amendment to Lease with MCCSC 1996 School Building Corporation, as lessor, provides for a fair and reasonable rental and further that the execution of said Amendment to Lease is necessary and wise.

BE IT FURTHER RESOLVED, that the Secretary is authorized and directed to initial and date a copy of the proposed Amendment to Lease and to place the same in the minute book immediately following the minutes of this meeting, and said Amendment to Lease is made a part of this resolution as fully as if the same were set forth herein.

BE IT FURTHER RESOLVED, that the President and Secretary of the Board of School Trustees be, and they are hereby authorized and directed to execute the aforesaid third amendment to lease on behalf of Monroe County Community School Corporation.

Passed and Adopted this 19th day of January, 2010.

____________________________________
President

____________________________________
Secretary
AMENDMENT TO LEASE BETWEEN
MCCSC 1996 SCHOOL BUILDING CORPORATION
AND
MONROE COUNTY COMMUNITY SCHOOL CORPORATION

WHEREAS, the Monroe County School Building Corporation, an Indiana corporation (hereinafter called “Lessor”), and Monroe County Community School Corporation, a school corporation existing under the laws of the State of Indiana and located in Monroe County, Indiana (hereinafter called “Lessee”), did heretofore on October 29, 2002, enter into a Lease Agreement (the "Original Lease") of the real estate described in Exhibit A attached hereto, as authorized by I.C. 20-47-3, formerly known as I.C. 21-5-12, which Original Lease was duly recorded in the office of the Recorder of Monroe County, Indiana, on December 17, 2003, and appears as Instrument Number 2003035515; and

WHEREAS, the Lessor in 2003 issued its First Mortgage Bonds, Series 2003 in the amount of Thirty-Eight Million Five Hundred Sixty Thousand Dollars ($38,560,000) (hereinafter referred to as the "2003 Bonds") to complete the renovation of and expansion of Bloomington High School North and the construction of a new elementary school; and

WHEREAS, Lessor and Lessee desire to amend the Lease to increase the rent otherwise payable under the Lease; and

WHEREAS, in exchange for the increase, Lessor has agreed to improve and renovate such Leased Premises; now therefore,

WHEREAS, the Lessor and Lessee have also agreed to refinance the outstanding 2003 Bonds in order to achieve an interest rate savings; now therefore,

IT IS AGREED by and between the Lessor and the Lessee that the Lease made and executed between them shall be amended as follows effective with the issuance and delivery by the Lessor of the additional bonds to fund the renovation and improvements contemplated hereby:

Section 2 of the Lease is amended by adding at the end thereof new paragraphs as follows:

"Notwithstanding the foregoing provisions of this Section 2, the lease rental shall be increased by $100,000 per payment beginning upon the later of July 5, 2010 or the completion of the renovation and improvements to the Leased Premises through and including January 5, 2027.

If the completion date is later than July 5, 2010, the additional rental payment due upon completion shall be in an amount calculated at the semi-annual rate from the date of payment to the next January 5 and July 5. Thereafter, rental shall be payable in advance in semiannual installments on January 5 and July 5 of each year."
IT IS HEREBY FURTHER AGREED that all other provisions of the Lease, shall remain in effect. 
Dated as of January 19, 2010.

MCCSC 1996 SCHOOL BUILDING CORPORATION

By: ___________________________________
    President

Attest:

_______________________________
Secretary

MONROE COUNTY COMMUNITY SCHOOL CORPORATION

By: _____________________________________
    President, Board of School Trustees

Attest:

________________________________
Secretary, Board of School Trustees
STATE OF INDIANA )
)
COUNTY OF MONROE )

Before me, the undersigned, a Notary Public in and for said County and State, this ______ day of ______________, 2010 personally appeared ________________ and ________________, personally known to me to be the President and Secretary, respectively, of MCCSC 1996 School Building Corporation, and acknowledged the execution of the foregoing Amendment to Lease for and on behalf of said Corporation.

WITNESS my hand and notarial seal.

(Seal) ____________________________________________________________

(Written Signature) ____________________________

(Printed Signature) ____________________________

Notary Public

My commission expires: ____________________________

My county of residence is: ____________________________
STATE OF INDIANA

COUNTY OF MONROE

Before me, the undersigned, a Notary Public in and for said County and State, this _____ day of ________, 2010, personally appeared ______________ and ____________, personally known to me to be the President and the Secretary, respectively, of the Monroe County Community School Corporation, and acknowledged the execution of the foregoing Amendment to Lease for and on behalf of said School Corporation.

WITNESS my hand and notarial seal.

(Seal) __________________________

(Written Signature)

(Printed Signature)

Notary Public

My commission expires: ________________

My county of residence is: ________________
Exhibit A-Legal Description

20, Township 9 North, Range 1 West, Monroe County, Indiana, described as follows: Beginning at a point which is 25.00 feet South of the Northeast corner of the Southwest quarter of the said Section, said point being on the East line of the said quarter, thence South 89° 29' 47" West for a distance of 25.00 feet, thence North 00° 35' 36" West for a distance of 50.00 feet, thence South 89° 29' 47" West for a distance of 275.00 feet, thence North 00° 35' 36" West for a distance of 800.00 feet, thence North 89° 29' 47" East for a distance of 275.00 feet, thence North 00° 35' 36" West for a distance of 50.00 feet, thence South 89° 29' 47" West for a distance of 775.00 feet, thence South 00° 35' 36" East for a distance of 495.00 feet, thence South 89° 29' 47" West for a distance of 511.37 feet, and to a point 25.00 feet East of the centerline of Prow Road, thence South 00° 26' 13" East for a distance of 456.44 feet, said line being parallel and 25.00 feet East of the centerline of Prow Road, thence North 89° 29' 47" East for a distance of 512.79 feet, thence South 00° 35' 36" East for a distance of 100.00 feet, thence North 89° 24' 24" East for a distance of 105.00 feet, thence South 00° 35' 36" East for a distance of 351.00 feet, thence North 89° 24' 24" East for a distance of 94.75 feet, thence South 00° 35' 36" East for a distance of 129.66 feet, thence South 44° 24' 24" West for a distance of 32.00 feet, thence North 45° 35' 36" West for a distance of 32.00 feet, thence South 44° 24' 24" West for a distance of 128.00 feet, thence South 45° 35' 36" West for a distance of 128.00 feet, thence South 44° 24' 24" West for a distance of 128.00 feet, thence South 45° 35' 36" West for a distance of 128.00 feet, thence South 45° 35' 36" West for a distance of 128.00 feet, thence South 44°

Background Information:
This resolution is needed in connection with the refunding of the 2003 bonds and will provide funds for renovations and improvements needed at Bloomington High School North.

A copy of the amendment to the lease is provided above for reference.