

RESOLUTION NO. 2015-09

RESOLUTION OF THE  
CITY OF HOBART, INDIANA, REDEVELOPMENT COMMISSION  
AMENDING THE ECONOMIC DEVELOPMENT PLAN  
FOR THE 61<sup>ST</sup> AVENUE AND STATE ROAD 51  
ECONOMIC DEVELOPMENT AREA

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WHEREAS, the City of Hobart, Indiana, Redevelopment Commission (the "Commission"), the governing body of the City of Hobart, Indiana, Department of Redevelopment and the Redevelopment District of the City of Hobart, Indiana, exists and operates under the provisions of Indiana Code 36-7-14, as amended from time to time (the "Act"); and

WHEREAS, the Commission has previously designated and declared an area in the City of Hobart, Indiana (the "City"), known as the 61<sup>st</sup> Avenue and State Road 51 Economic Development Area (the "Area"), as an economic development area and as an allocation area for purposes of tax increment finance pursuant to Section 39 of the Act; and

WHEREAS, the Commission has previously approved an economic development plan the Area, which plan is known as the 61<sup>st</sup> Avenue and State Road 51 Economic Development Area Economic Development Plan (the "Plan; and

WHEREAS, the Commission desires to amend the Plan to address multi-family housing projects in the Area; and

WHEREAS, the Commission may amend the Plan pursuant to Section 41(c) of the Act when such amendment does not increase the size of the Area or otherwise affect the designation of the Area as an allocation area for purposes of Section 39 of the Act; and

WHEREAS, the Commission has determined that amendment of the Plan is reasonable and appropriate; and

NOW, THEREFORE, BE IT RESOLVED by the City of Hobart, Indiana, Redevelopment Commission as follows:

1. The Commission hereby approves and adopts the amendments to the Plan which is set forth at Exhibit A attached hereto and incorporated herein which amendments are set forth in the Plan in bold and italics (such amending language collectively referred to herein as the "Amendments").

2. The Commission hereby directs the Commission staff to incorporate the Amendments into the Plan and make the Plan, as amended, available for review by the public and also available for use by the other departments of the City.

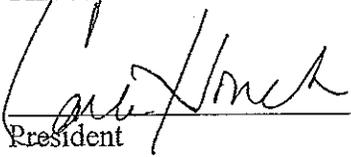
3. All other findings, determinations and conclusions contained in the Plan with respect to the Area shall remain as stated therein.

4. This resolution shall be in full force and effect after its adoption by the Commission.

\* \* \* \* \*

ADOPTED AND APPROVED at a meeting of the City of Hobart, Indiana, Redevelopment Commission held on the 9<sup>th</sup> day of October, 2015, at 414 Main Street, Hobart, Indiana.

CITY OF HOBART, INDIANA,  
REDEVELOPMENT COMMISSION

  
\_\_\_\_\_  
President

ATTEST:

  
\_\_\_\_\_  
Secretary

EXHIBIT A

PLAN AMENDMENT

# City of Hobart Redevelopment Commission

## 61<sup>st</sup> Avenue & State Road 51 Economic Development Area

### Economic Development Plan

September 5, 2006

*April 30, 2008 amendment*

March 29, 2010 amendment via Resolution 2010-02

*October 9, 2015 amendment via Resolution 2015-09*

#### Purpose and Introduction

The City of Hobart Redevelopment Commission (the "Commission"), the governing body of the Department of Redevelopment of the City of Hobart and the Redevelopment District of the City of Hobart (the "District"), proposes to designate and declare an economic development area and an allocation area (TIF Area) for the purpose of distribution and allocation of property taxes within the City of Hobart, Indiana (the "City") to be known as the "61<sup>st</sup> Avenue Economic Development Area" (the "Area"). This document is the plan for the Area (the "Plan"), provided that this Plan may be amended in the future as provided in Indiana Code 36-7-14, as amended from time to time (the "Act") and in this Plan.

Pursuant to Sections 15 and 16 of the Act, the Plan must be approved by the Commission, the City of Hobart Plan Commission and the Common Council of the City of Hobart. Upon such approvals, the Commission will hold a public hearing on the Plan as required under Section 17 of the Act, before confirming (or modifying and confirming) the designation of the Area and the approval of the Plan.

*The Commission proposes to amend the Plan so that the economic development area and allocation area (TIF Area) are expanded for the purpose of adding eligible capital improvement projects and collecting tax increment captured from future development within this expanded area to finance such capital improvement projects, on either a pay-as-you-go basis or through the issuance of bonds. The amendment is also proposed so that certain economic development incentives using tax increment revenue can be offered to future types of development that may require such economic development incentives.*

*The Area, after amendment, shall be known as the 61<sup>st</sup> Avenue and State Road 51 Economic Development Area (the "Area, as amended") and the Plan, after amendment, shall be known as the 61<sup>st</sup> Avenue and State Road 51 Economic Development Area Economic Development Plan (the "Plan, as amended").*

*In addition to other economic development projects that may be supported or undertaken as a result of this Plan, the Commission desires to support the efforts of developers to locate low to moderate income residential housing for seniors at the*

*former Prudential Building site at 10<sup>th</sup> and Lake Park Avenue in the City. The Commission believes that such a project will provide further residential housing opportunities for City residents as they continue to live in the City. Such a project will provide opportunities for residents to age in place which will lead to additional employment opportunities for City residents in the healthcare and service industries.*

### Project Objectives

The purposes of the Plan are to benefit the public health, safety, morals and welfare of the citizens of the City; increase the economic well-being of the City and the State of Indiana; and serve to protect and increase property values in the City and the State of Indiana. The Plan is designed to promote significant opportunities for the gainful employment of citizens of the City, retain and expand existing significant business enterprises in the City, provide for local public improvements in the Area, retain permanent jobs, and increase the property tax base.

More specifically, the proposed Plan will accomplish the following:

- 1) Provide local funds to match federal transportation grants awarded by the Northwest Indiana Regional Plan Commission and the Indiana Department of Transportation to the City to improve the first phase of 61<sup>st</sup> Avenue from I-65 to just east of Colorado Street.
- 2) Provide local funds for part of the work required to improve the second phase of 61<sup>st</sup> Avenue (from just east of Colorado Street to Deep River Drive) which will secure a commitment from a private party to improve the third phase of 61<sup>st</sup> Avenue (from Deep River Drive to State Road 51).
- 3) Utilize special development incentives available under Indiana Law within an Economic Development Area to recruit new industries and encourage development in order to create economic opportunities for its citizens, including the use of tax increment financing.
- 4) Encourage the development of 61<sup>st</sup> Avenue as a major east-west commercial corridor within the City anchored to the west by NorthWind Crossings Industrial Park and anchored to the east by the St. Mary Medical Center Planned Unit Development.
- 5) *Encourage the commercial development or redevelopment of certain parcels located adjacent to State Road 51, which is a major north-south transportation corridor within this portion of the City, that is anchored on the north by the former Park Place Office complex located at the southwest corner of 10<sup>th</sup> Street and Lake Park Avenue/State Road 51.*
- 6) *Encourage non-residential development to occur at the southeast corner of Colorado Street and 61<sup>st</sup> Avenue which will reduce the impact on City services, add employment opportunities, and increase the City's tax base.*

- 7) *Provide local funds, possibly to match a federal transportation grant submitted to the Northwest Indiana Regional Plan Commission and the Indiana Department of Transportation, to the City to improve and widen Colorado Street south of 61<sup>st</sup> Avenue to 69<sup>th</sup> Avenue to improve and reconstruct Colorado Street South of its intersection with 61<sup>st</sup> Avenue to a point not more than 200 feet South of its intersection with 69<sup>th</sup> Avenue.*
- 8) *In the event that the private party referenced in 2) will not commit to improve the third phase of 61<sup>st</sup> Avenue (from Deep River Drive to State Road 51), provide local funds, possibly to match a federal transportation grant submitted to the Northwest Indiana Regional Plan Commission and the Indiana Department of Transportation, to the City to improve the third phase of 61<sup>st</sup> Avenue.*
- 9) *Provide funds to develop rail spurs in those areas appropriate for such.*
- 10) *Provide funds to extend or upgrade water utilities or sewer utilities or improve drainage in those areas where such is needed to serve non-residential development.*
- 11) *Provide funds to improve or extend public ways and roads within the Area, as amended, specifically but not limited to Wisconsin Street, Colorado Street, and 69<sup>th</sup> Avenue.*
- 12) *Encourage the development of a multi-family low to moderate income senior residential housing project at the site of the old Prudential Building located at 10<sup>th</sup> and Lake Park Avenue in the City in order to create new residential housing opportunities for City senior residents, improve the City property tax base through the completion of the project, and increase employment opportunities for service industries such as healthcare.*

### Description of Area

The Area is generally located in the western and middle portion of the City and is bounded on the north by Turkey Creek on the west end, the northern right-of-way line of 61<sup>st</sup> Avenue through the middle, and Csokasy Lane and 14<sup>th</sup> Street on the east end. The Area is bounded on the south by 69<sup>th</sup> Avenue on the west end, the southern right-of-way line of 61<sup>st</sup> Avenue through the middle, and the southern boundary of non-flood plain property north of Deep River on the east end. The Area is bounded on the west by Mississippi Street for the southern two-thirds portion and an irregular boundary of undeveloped property just to the east of Marcella Boulevard and developed property that is in line with Marcella Boulevard for the northern third portion. The Area is bounded on the east by State Road 51 for the portion north and south of 61<sup>st</sup> Avenue and for the portion north of 14<sup>th</sup> Street by the east right-of-way line of Wisconsin Street. A map and legal description of the Area is attached to this Plan as Exhibit A hereto.

*The Area, as amended, is still located in the western and middle portion of the City. The amended area includes as a major addition to the original area, a 320 acre parcel located at the southeast corner of 61<sup>st</sup> Avenue and Colorado Street. This addition is adjacent to the current boundary of the Area in two locations, along Colorado Street and along 61<sup>st</sup> Avenue. There has also been added to the original area additional width along 61<sup>st</sup> Avenue, 69<sup>th</sup> Avenue, and Colorado Street for the purpose of possible right-of-way for future road improvements or utility extensions or improvements. The total addition equals 346.65 acres. A map and legal description of this portion of the Area, as amended, is attached to this Plan, as amended, as Exhibit B hereto.*

*The Area, as amended, also includes as an addition to the original area, an irregular shaped collection of parcels totaling 142 acres which are located on both the east and west side of State Road 51. The northern boundary is 10<sup>th</sup> Street and the southern boundary is 62<sup>nd</sup> Place. This addition is adjacent to the current boundary of the Area in two locations, along State Road 51 in the mid to southern area and along the northern boundary of the St. Mary Medical Planned Unit Development in the northern area. A map and legal description of this portion of the Area, as amended, is attached to this Plan, as amended, as Exhibit C hereto.*

### **Project Description**

The Commission currently contemplates that to accomplish the Plan, it will carry out the development of the Area, including certain local public improvements in or serving the Area, including the acquisition of road right-of-way necessary to widen and resurface 61<sup>st</sup> Avenue and the interconnection of traffic signals along this road (collectively, the "Project").

*The Commission currently contemplates that to accomplish the Plan, as amended, it will carry out the development of the Area, including certain local public improvements in the Area, including the acquisition of road right-of-way necessary to widen and resurface a portion of Colorado Street (collectively, the "Secondary Project"). In addition the Commission contemplates that if necessary and funds allow it will further undertake those capital improvements listed in 9), 10), and 11) under Project Objectives (collectively, the Tertiary Project).*

### **Financing of the Project**

The Commission intends to issue bonds payable solely or in part from tax proceeds allocated under Section 39(b)2 of the Act or other revenues of the District. The bonds would be issued in an amount sufficient to finance all or a portion of the project costs, plus capitalized interest on the bonds, if necessary, a debt service reserve, if any, costs of issuing such bonds, and any other costs permitted or authorized by the Act.

*The Commission intends to issue bonds payable solely or in part from tax proceeds allocated under Section 39(b)2 of the Act or other revenues of the District. The bonds*

would be issued in an amount sufficient to finance all or a portion of the project costs for the Project, the Secondary Project or the Tertiary Project, plus capitalized interest on the bonds, if necessary, a debt service reserve, if any, costs of issuing such bonds, and any other costs permitted or authorized by the Act.

The Commission may also choose to finance certain portions of the Project, the Secondary Project, or the Tertiary Project directly from tax increment revenues not needed to support bond issues.

### Acquisition List

In connection with the accomplishment of the Plan, the Commission has no present plans to acquire any interests in real property. (The City through its Board of Public Works and Safety has pursued the necessary acquisition of right-of-way needed for the Project.) In the event the Commission determines to acquire additional property in the future, it shall follow procedures set forth in Section 19 of the Act. The Commission may not exercise the power of eminent domain in an economic development area.

*In connection with the accomplishment of the Plan, as amended, the Commission may be required to acquire interests in real property for the purpose of road-right-of-way or utility or drainage easements. It shall follow procedures set forth in Section 19 of the Act. The Commission may not exercise the power of eminent domain in an economic development area.*

*Hereto attached to the Plan, as amended, as Exhibit D is a list of the parcels that may be possibly acquired by the Commission for the purpose of right-of-way related to future road improvements or utility extensions or improvements.*

### Estimate of the Cost of Acquisition and Economic Development

Because the Commission does not intend to acquire property for the Project, the Commission will not incur any costs of acquisition although the Commission may choose to reimburse the City for these acquisition costs. However, the Commission will incur certain costs in connection with the development of the Project. The estimated cost of the Project is approximately \$7.9 million dollars for phase one; \$3.5 million dollars for phase two; and \$4.2 million dollars for phase three.

*If the City's Board of Public Works and Safety is not able to afford to do so, the Commission intends to acquire the property needed for the Project, the Secondary Project, and the Tertiary Project. An estimated cost of these acquisitions is not available but a list of possible parcels has been identified. The estimated cost of the Secondary Project is \$4,260,000.00 without right-of-way acquisition costs. The estimated cost for the rail spur to NorthWind Crossing's Hanson Logistics listed as part of the Tertiary Project is \$750,000.00. Costs have not yet been estimated or specific projects identified*

*in the Area, as amended, for other rail spurs or for the extension or upgrading of water or sewer utilities or improvements related to drainage. Costs have also not yet been estimated or specific project identified in the Area, as amended, for improvements or extensions of public ways and roads other than the extension of Wisconsin Street and improvement of 69<sup>th</sup> Avenue which have been identified as possible future projects.*

*In supporting the development of senior residential housing at the former Prudential Building site at 10<sup>th</sup> and Lake Park Avenue in the City, the Commission does not expect to expend any funds. The Commission understands that the developer may request tax abatement of the City; however, the Commission does not expect to undertake any economic development projects specifically related to this project. Development of the Area generally which has been on-going as described herein provides good support for the development of the housing project specifically.*

### Disposal of Property

The Redevelopment Commission may dispose of real property acquired in the future by sale or lease to the public pursuant to procedures set forth in Section 22 of the Act.

### Statutory Findings

The Plan for the Area meets the following required findings under Section 41(b) of the Act:

1. The Plan for the Area promotes significant opportunities for the gainful employment of the citizens of the City, attracts a major new business enterprise to the City, retains or expands a significant business enterprise existing in the boundaries of the City, or meets other purposes of Sections 2.5, 41, and 43 of the Act.

Improvements for 61<sup>st</sup> Avenue will facilitate vehicular traffic and delivery from I-65 and State Road 51 to the Northwind Crossings Industrial Park which will encourage attraction, retention, and expansion of industries in the Area.

*Improvements for Colorado Street will meet increasing local transportation needs and will facilitate the flow of vehicular traffic and ~~delivery~~ deliveries from I-65 and State Road 51 to the adjacent 320 acre parcel which will encourage development, attraction, retention, and expansion of industries in the Area as previously amended. , as amended.*

*Improvements in the form of rail spurs will encourage the attraction of industries to the Area, as amended, or will enhance the operation of existing industries.*

*Development of a senior housing project at the site of the former Prudential Building will provide additional employment opportunities for healthcare related jobs as more seniors in the City age in place.*

2. The Plan for the Area can not be achieved by regulatory processes or by the ordinary operation of private enterprise without resort to the powers allowed under Section 2.5, 41, and 43 of the Act because of a lack of local public improvements, the existence of improvements or conditions that lower the value of the land below that of nearby land, multiple ownership of land, or other similar conditions.

The City has received federal transportation funds for phase one of the 61<sup>st</sup> Avenue road improvements but has limited means to fund the required local share without issuing a bond supported by the tax increment revenues generated in the Allocation Area.

In addition, the subdivision process that typically would achieve the dedication of public road right-of-way as a requirement of approval is not planned for all property along 61<sup>st</sup> Avenue at the same time due to varied development and land use needs of the property owners. The City must acquire the road right-of-way in order to construct the Project and this necessitates a comprehensive approach to right-of-way acquisition since there are multiple owners of the land.

*The City has requested federal transportation funds for phase three of the 61<sup>st</sup> Avenue road improvements but has limited means to fund the required local share without issuing a bond supported by the tax increment revenues generated in the Allocation Area.*

*The City has also requested federal transportation funds to improve and widen Colorado Street from 61<sup>st</sup> Avenue to 69<sup>th</sup> Avenue but has limited means to fund the required local share without issuing a bond supported by the tax increment revenues generated in the Allocation Area.*

The City, acting by and through the Mayor and planning and development staff, have determined that improvements for Colorado Street will be joined with phase II of the expansion of 61<sup>st</sup> Avenue as a local project financed by a bond retired through the tax increment revenues generated in the Allocation Area.

*In addition, the subdivision process that typically would achieve the dedication of public road right-of-way as a requirement of approval is not planned for all property along Colorado Street or 69<sup>th</sup> Avenue or the extension of Wisconsin Street at the same time due to varied development and land use needs of the property owners. The City must acquire the*

*road right-of-way in order to construct the Secondary Project and Tertiary Project and this necessitates a comprehensive approach to right-of-way acquisition since there are multiple owners of the land.*

3. The public health and welfare will be benefited by accomplishment of the Plan for the Area.

The improvements to 61<sup>st</sup> Avenue will facilitate attraction, retention, and expansion of industries in the Area thereby benefiting the public's health and welfare through job creation and expansion of the City's tax base.

*The improvements to Colorado Street and 69<sup>th</sup> Avenue will facilitate attraction, retention, and expansion of industries in the Area, as amended, thereby benefiting the public's health and welfare through job creation and expansion of the City's tax base.*

*The extension of Wisconsin Street will facilitate attraction, retention, and expansion of commercial and industries in the Area, as amended, thereby benefiting the public's health and welfare through job creation and expansion of the City's tax base.*

*The public health and welfare of the City will benefit by the development of senior residential housing at the site of the old Prudential Building at 10<sup>th</sup> and Lake Park Avenue in the City because the project will provide opportunities for City residents to age in place which will lead to additional employment opportunities and increased economic activity in the City.*

4. The accomplishment of the Plan for the Area will be a public utility and benefit as measured by the attraction or retention of permanent jobs, an increase in the property tax base, improved diversity of the economic base, or other similar public benefits.

The enhancement of the transportation system in the Area and the wider range of economic development incentives that can be offered within an Area will assist with the attraction of new industries which will create jobs and diversify the City's tax base.

*The enhancement of the transportation system in the Area, as amended, and the wider range of economic development incentives that can be offered within an Area, as amended, will assist with the attraction of new industries which will create jobs and diversify the City's tax base.*

*The development of a senior residential housing project at the site of the old Prudential Building at 10<sup>th</sup> and Lake Park Avenue in the City will*

*diversify the tax base of the Area, provide additional assessed value in the Area, and lead to the creation of new employment opportunities for City residents.*

5. The Plan for the Area conforms to other development and redevelopment plans for the City.

The Plan conforms to the Comprehensive Master Plan for the City.

*The Plan, as amended, conforms to the Comprehensive Master Plan for the City.*

### Statutory Authority

The designation of the Area as an Economic Development Area and an allocation area for the purposes of tax increment finances are to be completed in accordance with the provisions of the Act.

*The designation of the Area, as amended, as an Economic Development Area and an allocation area for the purposes of tax increment finances are to be completed in accordance with the provisions of the Act.*

### Amendment of the Plan

~~This Plan may be amended by following the procedures described in Section 17.5 of the Act.~~

~~*The Plan may be amended by following the procedures described in IC 36-7-14.*~~

Pursuant to I.C. 36-7-14-41(c), the Plan may be amended by the Redevelopment Commission of the City of Hobart by following the procedure prescribed by I.C. 36-7-14.