

**CITY OF HOBART, INDIANA  
REDEVELOPMENT COMMISSION**

**Resolution No. 2020-08**

**A Resolution Confirming an Interagency Agreement between the Hobart Sanitary District (“District”) and the Hobart Redevelopment Commission (“RDC”) for the Repayment of RDC Funds Expended on Behalf of the District for the Downtown Sewer Improvement Project to RDC Fund 406, Confirming Receipt of Said Payments and Other Arrangements**

WHEREAS, the Hobart Redevelopment Authority (the “Authority”) issued the “City of Hobart Redevelopment Authority Lease Rental Revenue Bonds of 2015” in the aggregate principal amount of Three Million Seven Hundred Seventy-five Thousand and 00/100 Dollars (\$3,775,000.00) pursuant to I.C. §36-7-14.5-19 (the “Lease-Rental Bond”) to finance certain improvements to City of Hobart Downtown infrastructure elements, such improvements including, among others, the construction of extensive sanitary and storm sewer improvements with accompanying street, sidewalk, drive, water main and other utility work under the primary administration of the joint Hobart Sanitary District Board of Commissioners and Storm Water District Board of Directors (the “Sanitary District” or “HSD”); and

WHEREAS, the Authority leased said infrastructure elements and other items constructed and improved from the proceeds of said bonds to the Hobart Redevelopment Commission (“RDC” or “Commission”) by lease dated January 1, 2015 which was approved by the Commission and which pledged tax increment from the State Road 130 Industrial Area and Greater Downtown Hobart Redevelopment Area to defray the lease payments to the Authority to be used by the Authority to pay the debt service upon said Bonds, and

WHEREAS, the RDC and District entered into, adopted and approved an Agency Agreement (“Agreement”) on April 23, 2015 for the purpose, among others, of allocating sums from bond proceeds to the various elements of the project and to establish agency responsibilities for administration, coordination and financial management, and the Authority, by its Resolution Number 2015-03, approved said Agreement; and

WHEREAS, in said Agreement, the RDC agreed with the District, to enter into one or more further agreements for the operation and maintenance of the sewer and storm water improvements and to reimburse the Commission for the full cost of the sewer and storm water improvements financed by the Lease-Rental Bond, including the Bond issuance costs and annual Bond Trustee Fees to be reimbursed and assumed by the District, through one or more scheduled payments to the RDC as set forth below; and

WHEREAS, resolutions in substantially similar form also approving said Agency Agreement were then adopted and approved by the District, on April 27, 2015 (Resolution No. 2015-04) and by the Commission on April 28, 2015 (Resolution No. 2015-04), and

46 WHEREAS, the Sanitary District also adopted an Amended Record of Decision in said  
47 Resolution Number 2015-04; and  
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49 WHEREAS, through RDC Resolution Number 2016-09 Adopted on June 28, 2016 and  
50 District Joint Resolution Number 2016-03 adopted on July 13, 2016, the Agreement and the  
51 above-referenced Record of Decision was further amended to provide for the use of remaining  
52 proceeds of the Lease-Rental Bond of 2015 among projects to be completed by the RDC and  
53 HSD, and included the following language in Section Four of the RDC Resolution and in Section  
54 Three of the District Resolution:  
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56 HSD affirms that it will reimburse to the Commission the  
57 cost of all sanitary sewer and storm-water improvements as well as  
58 the cost of items numbered 2 and 3 in Section Two of RDC  
59 Resolution 2016-09 and Section One of District Joint Resolution  
60 2016-03 (Fourth Street costs and downtown sewer relining). HSD  
61 also agrees to pay, in addition to the amounts required in  
62 subparagraph (b) above, the sum of \$500,000.00 toward such  
63 reimbursement to RDC Fund 406 on or before December 31, 2016.  
64 The District also agrees to re-pay to the RDC Fund 406 the balance  
65 of said reimbursement and reimbursement for the issuance costs of  
66 the 2015 Bond, less the amounts paid by the District to Fund 406  
67 in said subparagraph (b), and as otherwise provided above, through  
68 one or more future payments to the Commission Fund 406, in  
69 precise amounts to be due according to a payment schedule to be  
70 determined by forthcoming agreement between the Commission  
71 and the Sanitary District to be dated on or before December 31,  
72 2016. The District also agrees to pay directly the annual Bond  
73 Trustee Fees for the 2015 Bond and any other fees related to the  
74 maintenance of the Bonds including continuing disclosure fees.  
75 The RDC agrees to pay the issuance costs, Trustee fees, continuing  
76 disclosure fees and other related fees of the 2014 Lease Rental  
77 Revenue Bonds.  
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79 and  
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81 WHEREAS, the projects to be done by the use of the proceeds of the Lease-Rental Bond  
82 of 2015 have now been substantially completed, and the RDC and District desire, through this  
83 Resolution (a substantially similar version of which was previously adopted by the District's  
84 Board in its Resolution No. 2017-01 on March 8, 2017), to memorialize their agreements as to  
85 the details of the repayment of the Bond proceeds used by the District for the above-described  
86 purposes and its acceptance of operation and maintenance responsibilities with respect to the  
87 infrastructure elements to be paid for by the District; and  
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89 WHEREAS, the RDC desires through this Resolution to document the receipt of all  
90 payments and obligations of the District as specified in District Resolution No. 2017-01, to  
91 document the performance of all obligations of the RDC required under said resolution and the

92 other agreements cited above, and to close-out said agreements, with the exception of the  
93 payment of future scheduled payments, and to spread same upon the public record.

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95 THEREFORE, BE IT RESOLVED by the Redevelopment Commission of the City of  
96 Hobart that:

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98 *SECTION ONE:* The RDC hereby agrees that the total sum expended  
99 from the City of Hobart Redevelopment Authority Lease Rental Revenue Bonds  
100 of 2015 for Downtown Hobart Sanitary and Storm Sewer improvements and  
101 related street, sidewalk, drive, water main and utility work undertaken under the  
102 administration of the District amounts to One Million Nine Hundred Thousand  
103 and no/100 Dollars (\$1.9 million). The District and RDC concur that payments  
104 provided for in Sections Two and Three, below, which were to be subject to  
105 adjustment to reflect any grant payments received from the Indiana Department of  
106 Transportation (“INDOT”), require no further adjustment, and are now final.

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108 *SECTION TWO:* The RDC accepts, concurs and acknowledges receipt in  
109 full of the scheduled payments required by HSD Resolution No. 2017-01 by the  
110 District out of District funds to RDC Fund 406 (such Fund being the source of  
111 RDC lease- rental payments to the Authority), in the following amounts on or  
112 before the dates specified below:

	<u>Amount</u>	<u>Due Date</u>	<u>Source</u>
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115			
116	Payment 1: \$ 500,000.00	December 31, 2016	Sanitary District
117	Payment 2: 250,000.00	March 31, 2017	Sanitary District
118	Payment 3: 250,000.00	July 31, 2017	Storm Water Dept.
119	Payment 4: 300,000.00	July 31, 2018	\$150,000 each Sanitary & Storm
120	Payment 5: 300,000.00	July 31, 2019	\$150,000 each Sanitary & Storm
121	Payment 6: 300,000.00	July 31, 2020	\$150,000 each Sanitary & Storm
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123 *SECTION THREE:* The scheduled payments of the District required by Section  
124 Two above were in addition to, and not inclusive of other obligations of the District  
125 agreed between RDC and HSD and documented in HSD Resolution No. 2017-01 as  
126 follows:

127 1. The reimbursement of 2015 Lease Rental Revenue Bonds  
128 issuance costs, capitalized interest, debt service reserve and underwriter’s  
129 discount in the total sum of \$498,858.20. The reimbursement amounts  
130 due and payable under this subsection 1 were paid by the District, and  
131 received by the RDC according to the schedule prescribed in District  
132 Resolution No. 2017-01 as follows:

134	Payment 1:	\$ 50,000.00	due by July 31, 2017
135	Payment 2:	150,000.00	due by July 31, 2018
136	Payment 3:	150,000.00	due by July 31, 2019
137	Payment 4:	148,858.20	due by July 31, 2020

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Said payments were made by the Clerk-Treasurer to RDC Fund 406. These payments are in addition to the amounts paid and due to be paid under Section Two, above, and subsections 2, 3 and 4 of this Section Three, as follows

2. The payment by the District to the RDC of the annual “I/O amount” which is the difference between the total lease payments made annually by the RDC less the total debt service payments due to the Bond Trustee. This I/O Amount defrays the fees of the Bond Trustee and is available for other expenses related to the maintenance of the lease rental bond of 2015. The I/O Amount for each year of the Lease is given on the exhibit attached hereto and made a part hereof. The total I/O amount, including capitalized interest as specified in the Bond Schedules, is \$124,518.48. The amounts stated on the attached exhibit through 2020 have been paid in full.

3. Any other Trustee Fees for the 2015 Bond not otherwise covered by the I/O Amount, and any other fees related to the maintenance of the Bonds including continuing disclosure fees which are to be paid by the District directly to the Trustee or the City’s financial advisor, as the case may be, when due, and which are not otherwise paid by the I/O Amount.

4. The District shall be responsible for paying all of the amounts due or to become due, specified in subsections 2 and 3 above, in connection with the 2015 Lease-Rental Bond to Commission Fund 406, in the precise amount to be determined by the Clerk-Treasurer and Director of Development and paid by July 31, 2021 and by July 31 of each year thereafter, as such obligations shall become fixed and payable. The Clerk-Treasurer and District will establish a system of submission of timely regular claims for all payments due under Sections Two and Three so that no claims or invoices need be submitted by the RDC.

*SECTION FOUR:* The RDC concurs in the District’s agreement that, from and after the adoption of HSD Resolution 2017-01, the District shall be solely responsible, at its own expense, to defray in their entirety the costs of operation, maintenance and repair of the Downtown Sanitary and Storm Sewer improvements constructed with the proceeds of said Lease Rental Revenue Bond of 2015. The RDC hereby assign and transfer to the HSD all rights to any warranties and other remedies available against any engineer, contractor, supplier, manufacturer or materialman under the construction documents for said improvements without reservation and the District shall accept same unconditionally.

*SECTION FIVE:* The RDC further concurs in the agreement of the District that, upon the full payment by the District of the amounts due under Sections Two and Three

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above, the retirement of said Bonds and the expiration of the Lease referred to above, all right, title, and interest in and to the Downtown Hobart Sanitary and Storm Sewer improvements referenced above shall be transferred by the RDA to the District upon payment of the sum of One Dollar (\$1.00) by the District to the to the RDA, and no further payments by and between the District and the RDC shall be due..

*SECTION SIX:* The President and Secretary of the Commission, the RDA and the District, and each of them, is hereby authorized to take all such actions and to execute all such instruments as are desirable to carry out the transactions contemplated by this Resolution, in such forms as the President and Secretary of each such body executing the same shall deem proper, to be evidenced by the execution thereof.

*SECTION SEVEN:* This Resolution shall be in full force and effect from and after the date of its adoption. The provisions of prior agreements contained in the Agency Agreement, as amended and Record of Decision, as amended, referred to above, not in conflict with the agreements stated in this Resolution, shall remain in full force and effect. As to any matter in conflict between said Agency Agreement and Record of Decision, and this Resolution, this Resolution shall control.

ALL OF WHICH is adopted as the Resolution of the Hobart Redevelopment Commission on this 19<sup>TH</sup> day of October, 2020.

  
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CARLA HOUCK, President  
SHAWN KELLY, VICE-PRESIDENT

ATTEST:

  
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MARSHA PLESAC, Secretary

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**EXHIBIT TO RDC RESOLUTION 2020-08**

**2015 HOBART RDA LEASE RENTAL REVENUE BOND**

YEAR	LEASE PAYMENTS (\$)	DEBT SERVICE (\$)	DIFFERENCE (O/R amt.)( <del>\$</del> )
2016*	265,000.00	259,646.25	5,353.75
2017	268,000.00	262,771.25	5,228.75
2018	271,000.00	265,802.50	5,197.50
2019	274,000.00	268,502.50	5,497.50
2020	226,000.00	220,602.50	5,397.50
2021	229,000.00	223,202.50	5,797.50
2022	231,000.00	225,506.25	5,493.75
2023	233,000.00	227,711.25	5,288.75
2024	229,000.00	223,937.50	5,062.50
2025	230,000.00	224,812.50	5,187.50
2026	231,000.00	225,612.50	5,387.50
2027	232,000.00	226,187.50	5,812.50
2028	232,000.00	226,406.25	5,593.75
2029	232,000.00	226,287.50	5,712.50
2030	231,000.00	225,787.50	5,212.50
2031	235,000.00	229,925.00	5,075.00
2032	234,000.00	228,712.50	5,287.50
2033	233,000.00	227,412.50	5,587.50
2034	236,000.00	230,850.00	5,150.00
2035	234,000.00	228,937.50	5,062.50
2036	237,000.00	231,659.38	5,340.62
2037	235,000.00	229,046.88	5,953.12
2038	237,000.00	231,162.51	5,837.49
<b>TOTALS</b>	<b>\$ 5,495,000.00</b>	<b>5,370,482.52</b>	<b>124,517.48*</b>

\*These figures do not include capitalized interest payments of \$29,975.75 and \$55,057.50 made on 4/23/2015 and 8/01/2015, respectively. The Total O/R amount less these payments amounts to \$39,485.23.