

REDEVELOPMENT COMMISSION OF THE CITY OF HOBART

RESOLUTION NO. 2022-02

RESOLUTION OF THE CITY OF HOBART REDEVELOPMENT COMMISSION PLEDGING CERTAIN TAX INCREMENT REVENUES FROM ALLOCATION AREA NO. 2 OF THE US 30 AND 69TH AVENUE ECONOMIC DEVELOPMENT AREA TO THE PAYMENT OF CERTAIN ECONOMIC DEVELOPMENT REVENUE BONDS OF THE CITY OF HOBART FOR PROJECT TALON

WHEREAS, the City of Hobart Redevelopment Commission (the “Commission”), the governing body of the City of Hobart, Indiana, Department of Redevelopment (the “Department”) and the City of Hobart Redevelopment District (the “District”) 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 heretofore adopted a declaratory resolution (as subsequently confirmed and amended from time to time, the “Declaratory Resolution”) designating an area known as the US 30 and 69th Avenue Economic Development Area (the “Area”) as an economic development area pursuant to the Act, designating the Area as an allocation area pursuant to Section 39 of the Act (the “Allocation Area”), and approving an economic development plan for Area (the “Plan”); and

WHEREAS, the Commission has further amended the Declaratory Resolution and the Plan to designate a portion of the Allocation as a separate allocation pursuant to Section 39 of the Act (“Allocation Area No. 2”), designate Albanese Confectionary Group, Inc. (including any affiliate thereof, including without limitation, Paine, LLC, Hancock Enterprises, LLC, Jefferson LLC, and SIR RLJ, LLC, any entity resulting from consolidation or merger thereof, any successor thereto or acquirer thereof, and any acquirer of such designee’s real and personal property located in Allocation Area No. 2) as a “designated taxpayer” pursuant to Section 39.3 of the Act (collectively, the “Designated Taxpayer”), and to make certain other amendments to the Plan in connection with the designation of Allocation Area No. 2; and

WHEREAS, the City of Hobart, Indiana (the “City”) is considering the issuance of its City of Hobart, Indiana, Economic Development Revenue Bonds of 2022 (with such further series or different series designation as determined to be necessary or appropriate), in a maximum aggregate principal amount not exceeding \$11,750,000 (the “Bonds”), for the purpose of making a portion of the net proceeds of the Bonds available to SIR RLJ, LLC or an affiliate thereof (the “Company”) for the purpose of financing a portion of the costs of a proposed economic development project to be undertaken by the Company located in Allocation Area No. 2 (the “Company Project”) and funding certain road improvements in the Area which will facilitate the Company Project (the “Improvements”); and

WHEREAS, the Commission desires to pledge and make available certain incremental *ad valorem* taxes levied and collected on all real property and, with respect to the Designated Taxpayer, all personal property in Allocation Area No. 2 (the “Pledged TIF Revenues”); and

WHEREAS, the Commission has approved and authorized the execution of a Development Agreement (the “Development Agreement”) with the Company pursuant to which Company agrees to undertake the Company Project and the City and the Commission agree to provide certain economic incentives to the Company in the form of the issuance of the Bonds and the pledge of the Pledged TIF Revenues as described therein; and

WHEREAS, the Commission has determined that the undertaking of the Company Project and the completion of the Improvements, the issuance of the Bonds by the City and the pledge of the Pledged TIF Revenues as set forth herein will further the purposes of the Declaratory Resolution and the Plan, each as amended;

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

1. The Commission hereby pledges the Pledged Project TIF Revenues to the payment of the principal of and interest, if any, on the Bonds for a term of years not less than the term of the Bonds. The pledge made herein shall be effective as set forth in I.C. 5-1-14-4 without the recording of this Resolution other than in the records of the Commission or the filing of any other instrument. Notwithstanding the foregoing, in the event that the Pledged TIF Revenues are in excess of the amount necessary to make scheduled principal payments on the Bonds when due (the “Excess TIF Revenues”), the Commission shall retain such Excess TIF Revenues received for the years through and including 2027 and may use such Excess TIF Revenues for any purpose under the Act, including without limitation at the option of the Commission, to redeem a portion of the outstanding Bonds. Beginning with Excess TIF Revenues received for the year 2028 and thereafter, the Commission shall retain and use 50% of such Excess TIF Revenues for any purpose under the Act, including without limitation at the option of the Commission, to redeem a portion of the outstanding Bonds, and the Commission shall apply the remaining 50% of such Excess TIF Revenues to redeem a corresponding amount of the Bonds which remain outstanding as of the date thereof.

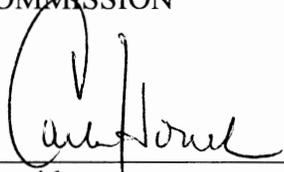
2. The President and Secretary of the Commission are hereby authorized and directed to enter into a pledge agreement on behalf of the Commission (the “Pledge Agreement”) providing that the Pledged TIF Revenues are pledged to the payment of the Bonds for the term of the Bonds, and containing such other terms consistent with this Resolution, to evidence the intent of the Commission to secure the Bonds solely with the Pledged TIF Revenues.

3. Any officer of the Commission is hereby authorized to take such further actions and execute on behalf of the Commission such further documents or agreements as any such officer deems necessary or appropriate to effectuate the purposes of this Resolution.

4. This Resolution shall be deemed to take effect immediately upon adoption by the Commission. The provisions of this Resolution shall constitute a contract binding between the Commission and the holder or holders of the Bonds and after the issuance of said Bonds, this Resolution shall not be repealed or amended in any respect which would adversely affect the right of such holder or holders of said Bonds.

Adopted the 2nd day of February, 2022.

CITY OF HOBART REDEVELOPMENT
COMMISSION



President

ATTEST



Secretary