

COMMON COUNCIL OF THE CITY OF HOBART, INDIANA

RESOLUTION NO. 2026- 06

A Resolution to Approve and Authorize the Execution of an Amended Development Agreement between the City of Hobart and Clay Street Devco, LLC

WHEREAS, the Common Council ("Council") of the City of Hobart, Lake County, Indiana ("City") adopted Resolution No. 2023-02 declaring that the area within the City's corporate limits commonly known as 8300 Clay Street, Merrillville, Lake County, Indiana 46410, as more particularly described in Exhibit A attached to that Resolution, is an Economic Revitalization Area for the purpose of encouraging development and occupancy therein by providing real property tax abatement in accordance with Ind. Code 6-1.1-12.1, *et seq.*;

WHEREAS, Declaratory Resolution No. 2023-02 was adopted pursuant to the application of Clay Street Devco, LLC ("Clay Street") for the construction of several commercial buildings, including office/warehouse buildings, as more fully described in the Development Agreement discussed below, and the Council adopted its Resolution No. 2023-03 on March 1, 2023 confirming its Resolution No. 2023-02;

WHEREAS, pursuant to Declaratory Resolution No. 2023-02, the City and Clay Street negotiated a Development Agreement that was attached to Board Resolution No. 2023-02 and Council Resolution 2023-04 (the "DA") setting forth the terms and conditions governing Clay Street's Redevelopment (as defined in the DA) and its receipt of a real property tax abatement;

WHEREAS, under the terms of the Council's Confirmatory Resolution No. 2023-03, Clay Street was required to execute and be in compliance with a development agreement between it and the City in order to receive the benefits of the property tax abatement contemplated in Council Resolution Nos. 2023-02 and 2023-03;

WHEREAS, the Council approved the DA in its Resolution No. 2023-04;

WHEREAS, Clay Street has encountered unforeseen construction delays due to causes beyond its reasonable control that have delayed the completion of the final phase of Clay Street's redevelopment, and the City and Clay Street have negotiated an Amended Development Agreement that delays the commencement of the abatement period by one year and extends the deadline for final completion of the Redevelopment until December 31, 2027 (the "Amended DA"), which is attached hereto as **Exhibit A**;

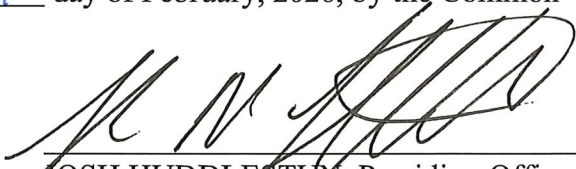
WHEREAS, the City's Board of Public Works and Safety (the "Board") at its public meeting earlier on this date, approved and authorized the execution of the Amended DA by and between Clay Street and the City by the adoption of Board Resolution No. 2026-01; and

WHEREAS, the Council desires to approve the Amended DA, thereby allowing it to be executed and to become effective and in force.

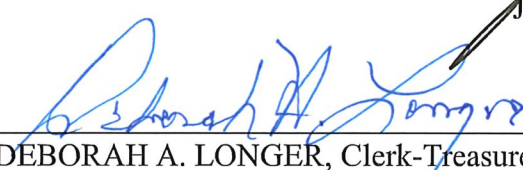
NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Hobart as follows:

The Amended Development Agreement by and between Clay Street Devco, LLC and the City of Hobart attached hereto is approved and shall become effective according to its terms.

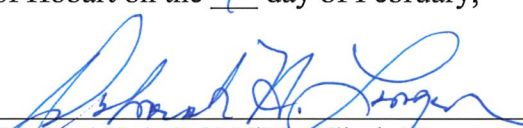
ALL OF WHICH IS ADOPTED on this 4th day of February, 2026, by the Common Council of the City of Hobart, Indiana.


JOSH HUDDLESTON, Presiding Officer

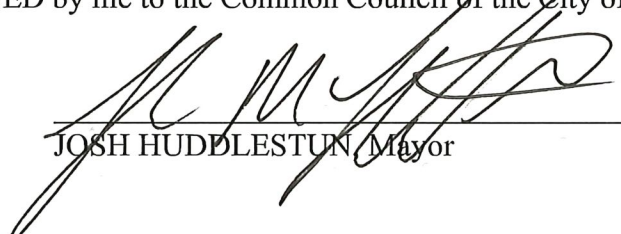
ATTEST:


DEBORAH A. LONGER, Clerk-Treasurer

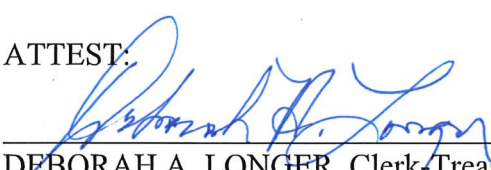
PRESENTED by me to the Mayor of the City of Hobart on the 4th day of February, 2026, at 7:10 ~~a.m.~~ p.m.


DEBORAH A. LONGER, Clerk-Treasurer

APPROVED, SIGNED, AND RETURNED by me to the Common Council of the City of Hobart, on this 4th day of February, 2026.


JOSH HUDDLESTON, Mayor

ATTEST:


DEBORAH A. LONGER, Clerk-Treasurer

**AMENDED DEVELOPMENT AGREEMENT
FOR REAL PROPERTY TAX ABATEMENT**

by and among

**THE CITY OF HOBART, INDIANA,
THE CITY OF HOBART BOARD OF
PUBLIC WORKS AND SAFETY**

And

CLAY STREET DEVCO, LLC
an Indiana limited liability company

February __, 2026

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SCHEDULE OF EXHIBITS

- Exhibit A:** Legal Description of Subject Property
- Exhibit B:** Illustrative Property Tax Abatement Analysis by Baker Tilly Municipal Advisors, LLC – October 28, 2022
- Exhibit C:** Company's Subcontractor Spreadsheet

AMENDED DEVELOPMENT AGREEMENT

THIS AMENDED DEVELOPMENT AGREEMENT is made and entered into on **February __, 2026** by and among **CLAY STREET DEVCO, LLC**, an Indiana limited liability company with principal offices located at 14201 N. 87th Street, Suite 135, Scottsdale, AZ, 85260 (the "**Company**"), and the **CITY OF HOBART, INDIANA**, a municipal corporation organized and existing under the laws of the State of Indiana with principal offices at 414 Main Street, Hobart, Indiana 46342 (the "**City**"), and the **BOARD OF PUBLIC WORKS AND SAFETY OF THE CITY OF HOBART**, an instrumentality of the City, with offices at the same address ("**Board**"). The City and the Board together are referred to as the "**City Parties**." The Company and the City Parties are collectively referred to as the "**Parties**".

RECITALS

WHEREAS, the Company is in the business of real estate development for commercial properties, and the Company, as majority owner, and several tenants in common, each as a minority owner, who are more fully described in Section 3.e.i. below, have acquired undeveloped real estate in the City of Hobart at 8300 Clay Street just south of U.S. 30;

WHEREAS, the real estate that Company will develop, which is referred to in this Amended Development Agreement ("**Amended DA**") as the "**Subject Property**," consists of six parcels totaling approximately 14.6 acres with parcel number 45-12-24-426-020.000-046. The Subject Property is more fully described in **Exhibit A**.

WHEREAS, the Company will construct all aspects of the development in conformity with the site plan approved by the City's Plan Commission;

WHEREAS, the City is an Indiana municipality of approximately 30,000 persons, strategically situated in Lake County along U.S. 30 on the south, I-65 on the west near its junction with Interstate Highways 80, 90, 94, and several rail lines; and the Board is an instrumentality of the City empowered to issue and approve City contracts and to supervise the City's Public Works and emergency services departments;

WHEREAS, the Company expects to construct a business park subdivision on the Subject Property with approximately thirteen commercial buildings, consisting of five office/warehouse buildings of approximately 11,000 square feet each and eight self-storage buildings with square footage of approximately 2,625, 4,763, 5,250, 5,700, 5,715, 5,750, 6,615, and 7,200, respectively, for a total new square feet of commercial buildings of approximately 99,778 (hereinafter referred to as the "**Redevelopment**");

WHEREAS, the Company now estimates its total cost of construction for the Redevelopment to be Nine Million Five Hundred Thousand Dollars (\$9,500,000) (the "**Cost of Construction**");

WHEREAS, the Company also plans to make significant investments in the construction of new water and sanitary sewer mains to serve the Subject Property, which are discussed in more

detail in Section 3.f. below and which can be anticipated to help spur additional development along Clay Street;

WHEREAS, the Company estimates that its project will create approximately 80-100 construction jobs with labor wages of approximately Three Million Dollars (\$3,000,000), and approximately 40 to 75 permanent, full-time jobs with salaries of approximately One Million Five Hundred Thousand Dollars (\$1,500,000) to Three Million Seven Hundred Fifty Thousand Dollars (\$3,750,000);

WHEREAS, the Company estimates that the assessed value of the Redevelopment to be approximately Four Million Two Hundred Nine Thousand Two Hundred Ten Dollars (\$4,209,210);

WHEREAS, in connection with the construction of the new development, the Company has applied to the City for the grant of a real estate tax abatement under Ind. Code §6-1.1-12.1;

WHEREAS, the City and the Company reached agreement as to the promises, terms, and conditions upon which the City is willing to grant such tax abatement to the Company, which abatement is important to the Company in assuring the economic viability of the project, and the City is willing to grant the requested real property tax abatement upon approval by the City of Hobart Common Council in its Resolution Nos. 2023-02 and 2023-03, the latter of which was considered at the Council's meeting on March 1, 2023;

WHEREAS, the Company, the City, and the Board executed the original Development Agreement ("DA") on March 1, 2023, stating the promises, terms, and conditions under which the Company would receive the City's economic incentive through real property tax abatement, and the Company would deliver the promised benefits of the project, upon the adoption and approval of the DA by action of the Common Council through its Resolution No. 2023-04 and by the Board on the same date through the Board's Resolution Number 2023-03;

WHEREAS, due to construction delays beyond the Company's reasonable control, the Company has been unable to meet the May 31, 2025 deadline stated in the Section 3.e.vi.B. of the DA, by which date the Redevelopment was to have been completed, assessed, and occupied;

WHEREAS, the Company has requested an extension of the aforementioned deadline and of the commencement of the tax abatements;

WHEREAS, the Company, the City, and the Board intend to execute this Amended DA stating the promises, terms, and conditions under which the Company would receive the City's economic incentive through real property tax abatement, and the Company would deliver the promised benefits of the project, upon the adoption and approval of the Amended DA by action of the Common Council through its Resolution No. 2026-_____ and by the Board on the same date through the Board's Resolution Number 2026-_____; and

WHEREAS, this Amended DA shall take effect when executed by the Board, and approved by the Common Council;

THEREFORE, IN CONSIDERATION of the mutual promises, terms, and conditions hereinafter set forth and intending themselves to be legally bound, the Parties agree as follows:

1. **Duties of the Company.** The Company agrees to undertake and perform the following duties:

a. Cause the timely and workmanlike construction of its Redevelopment in Hobart, Indiana in substantial conformance to the tax abatement application and statement of benefits (with all attachments thereto) as approved by the Common Council, and the plans and specifications submitted to, and as approved by, the City;

b. Comply with all applicable requirements of the Hobart Municipal Code ("HMC"), including, without limitation, the City's Zoning Ordinance, Building Codes, all other Land Usage ordinances, and the orders and actions of the City's Plan Commission, Board of Zoning Appeals, and Common Council;

c. Comply with the requirements of the City's Responsible Bidding Practices Ordinance (HMC §§33.200 through 207), as amended, as to any contractor and subcontractor engaged by the Company, unless Company's project is exempted from the application of such Ordinance by the Common Council of the City;

d. Pay In full, when required, all City fees prescribed by ordinance in connection with the construction of its Redevelopment and the tax deduction and abatement process, including, but not limited to, building permit fees, abatement application and exaction fees, financial impact and analysis fees, and compliance review fees—and the Company shall pay to the City the exaction fee required by City Council Resolution No. 2008-16 in the amount of one percent of the total value of the improvements (estimated to be \$85,400);

e. Make or cause to be made all filings of applications and forms SB-1 (statement of benefits), 322/RE (application for deduction from assessed valuation), and CF-1 (compliance with statement of benefits) when due under I.C. §6-1.1-12.1, particularly I.C. §§6-1.1-12.1-3 and -5;

f. Pay or cause to be paid all property taxes levied upon the real property of the Company in connection with the Subject Property and the Redevelopment when due, subject only to Section 3.d. below as to tax appeals;

g. Within 30 days of the effective date of this Amended DA, sign and deliver to the City an affidavit pursuant to I.C. §22-5-1.7-11 that affirms that the Company has enrolled and is participating in the E-Verify program, provides documentation to the City that the Company is participating in the E-Verify program (for the duration of the Redevelopment work if the E-Verify program remains in existence during that period of time), and signs an affidavit affirming that the Company does not knowingly employ an unauthorized alien;

h. Refrain from any discrimination in employment on account of race, religion, gender, color, national origin, sexual orientation, disability, or age under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans

with Disabilities Act, and any other federal law, similar state law, or local ordinance applicable to the Company's construction of the Redevelopment;

i. Comply with all applicable laws of the City, the State of Indiana, and the United States in the construction of the Redevelopment; and

j. Comply with all provisions of this Amended DA.

2. **Duties of the City.** The City, the Board, and their officials and employees agree to undertake and perform the following duties:

a. Approve the designation of the Subject Property as an Economic Revitalization Area pursuant to I.C. §6-1.1-12.1 for the purpose of qualifying the Redevelopment for the grant of real property tax abatement. The parties agree that the abatement to be granted by the City will conform to the following terms. These tax years are based upon information provided by the Company. The Company agrees to notify the City in writing if completion of the Redevelopment is delayed or accelerated, which may affect the tax years in the following tables:

Real Property:

Estimated Cost:	\$8,543,800.00	
Estimated Assessed Value:	\$4,209,210.00	
Deduction Period:	Ten years	
Deduction Schedule:	Year one	100% (2025 Pay 2026)
	Year two	95%
	Year three	80%
	Year four	65%
	Year five	50%
	Year six	40%
	Year seven	30%
	Year eight	20%
	Year nine	10%
	Year ten	5%

The foregoing deduction schedule was included in Common Council Resolution No. 2023-02 as set forth on page 3 of the Baker-Tilly analysis dated October 28, 2022 (though it contemplated the deduction schedule beginning with taxes payable year 2025).

b. Provide assistance, advice, and guidance to the Company at its request concerning any of the matters discussed in this Amended DA. Such guidance shall be provided to the Company at no cost unless the City's staff reasonably determines that it does not have the capability to respond to the Company's request and would be required to consult persons not employed by the City in assisting the Company; in such event, the City will notify the Company in writing and will not engage any expert consultant to the City at the Company's expense without the Company's written authorization to do so. The

Company shall also pay the reasonable cost of the City's employee time in consulting with others.

c. Provide all City services customarily provided by the City to businesses similar to the Company located in Ross Township including, but not limited to, police, fire prevention and suppression, storm water management, street and infrastructure management of City thoroughfares. The Company understands that:

i. Wastewater collection, treatment and disposal is not the responsibility of the City of Hobart, but of the Merrillville Conservancy District, and that water service is the responsibility of Indiana American Water Company, a privately-owned public utility; and

ii. The assessment of real property is the responsibility of the Ross Township Assessor and the application of the deduction to the Company's assessed value is the responsibility of the Lake County Auditor; and

d. Record this fully-executed and approved Amended DA in the office of the Lake County Recorder, Crown Point, IN, and deliver a copy of the recorded Amended DA to Company.

3. **Additional Covenants and Representations of the Company.** In addition to the duties of the Company specified in Section 1 above, the Company agrees to adhere to and carry out the following commitments and representations:

a. Employment. The Company represents and agrees that, after the Subject Property's Redevelopment is fully completed and leased, (i) the Redevelopment will result in the creation of approximately forty (40) to seventy-five (75) new and additional full-time jobs during the period of the tax abatement incentives granted by the City under this Amended DA (the "**Abatement Period**"), and (ii) the total payroll of the new and additional jobs will be approximately One Million Five Hundred Thousand Dollars (\$1,500,000.00) to Three Million Seven Hundred Fifty Thousand Dollars (\$3,750,000.00). ("**Full-time job**" shall mean an individual employee working at least forty (40) hours per week.) New and additional employees of the Company and any other entity who work exclusively or primarily at the Redevelopment site will included in the job count. The Company represents that during the period of construction (which the Company anticipates commencing in the second quarter of 2023 and concluding by the end of 2027), construction of the Redevelopment will result in the creation of approximately 80-100 full-time construction jobs, with an estimated labor cost of approximately Three Million Dollars (\$3,000,000.00). Compliance with the above employment commitment shall be determined solely by the actual total construction cost and payroll at the conclusion of construction, irrespective of the actual number of jobs achieved.

b. Local Subcontractors. The Company further represents and agrees that during the period of construction, any contractors or subcontractors based in the City of Hobart, Indiana with competitive bids shall be preferred for all work contracted by the Company for the construction of the Redevelopment.

c. Subcontractors Compliant with Ordinance. Notwithstanding any exemption that may be granted to Company under Section 1.c., Company will ensure that 80% or more of the value of contracts awarded to subcontractors in the construction of the Redevelopment (excluding the cost of building materials fabricated off-site), as represented in the spreadsheet attached hereto as Exhibit C, will be awarded to subcontractors who meet the requirements of the Responsible Bidding Practices Ordinance (HMC §§33.200 through 207).

d. Tax Payments and Appeals. The Company shall pay, or cause to be paid, when due, all real property taxes assessed on the Subject Property and the Redevelopment. Property tax appeals shall be governed by the following requirements:

i. Real Property Tax Appeals. The Company agrees, for itself and all affiliates, to refrain from filing or otherwise pursuing any real property tax appeal regarding the Redevelopment for any year during which the tax abatement incentives granted by the City under this Amended DA are in effect, and which would have the effect of reducing the minimum net real estate property taxes payable for the Redevelopment for the years stated in the following table; provided that, the assessed value of the real property improvements for the Redevelopment reaches Four Million Two Hundred Nine Thousand Two Hundred Ten Dollars (\$4,209,210). In the event that the assessed value of the Redevelopment is less than \$4,209,210, the amount indicated in the table below for that year will be reduced by the percentage by which the actual valuation is less than \$4,209,210, so that the minimum net taxes to be paid under this no-appeal-agreement is reduced proportionately.

Minimum Net Real Property Taxes Table

Taxes Payable Year	Minimum Net Real Property Taxes to be Paid on the Proposed Real Property Investment (per the Analysis by Baker Tilly Municipal Advisors LLC, attached as Exhibit B)
2026	0
2027	2,140
2028	11,940
2029	28,370
2030	44,860
2031	59,180
2032	70,150
2033	81,140
2034	92,140
2035	100,970

ii. No Pending or Anticipated Real Property Tax Appeals. The Company represents and affirms that, at the time of its execution of this Amended DA, there are no real property tax appeals currently pending or anticipated to be filed by the Company or any of its affiliates for any property owned within the City by the Company or any of its affiliates now or during the next eighteen (18) months.

iii. Requirement and Procedure for Notice if Appeal Filed. With respect to any real property tax appeal to be filed by the Company or any of its affiliates for property located in the City within the fifteen (15) year period after the effective date of this Amended DA, the Company agrees to comply with the following:

1. Provide written notice to the City at least fifteen (15) business days in advance of filing any real property tax appeal;
2. Direct such written notice to the City's Mayor, Director of Development, and Clerk-Treasurer; and
3. The notice shall include (a) a written explanation detailing the grounds for the appeal, including, without limitation, the assessed value being challenged and the proposed assessed value being sought by the Company, and (b) complete copies of the appeal documents, including, without limitation, all schedules, appraisals, exhibits, and all other supporting documentation that Company may file with the appeal.

iv. Representations and Agreements Incorporated by Reference. The material representations and agreements made by the Company and contained in its Applications for Tax Abatement, forms SB-1 (statement of benefits), 322/RE (application for deduction from assessed valuation), and CF-1 (compliance with statement of benefits), and all exhibits and schedules attached thereto or referenced therein, shall be deemed to be incorporated into this Amended DA by reference and made a part hereof, except the terms of this Amended DA shall govern in the event of any conflict.

e. Other Representations of the Company. The Company hereby makes the following representations and warranties, and acknowledges and agrees that such representations and warranties have been material to the City Parties' decisions to enter into this Amended DA, and further agrees that each representation and warranty shall be true, accurate and complete as of the execution of this Amended DA:

i. Clay Street Devco, LLC is a limited liability company validly organized and existing under the laws of the State of Indiana, authorized to do business in Indiana, and, as to the Subject Property, it owns an undivided sixty-two percent (62%) interest as a tenant in common with the following tenants in common: Indie Clay LLC, an Indiana limited liability company, as to an undivided ten percent (10%) interest; Joliet Street LLC, an Indiana limited liability company, as to an undivided ten percent (10%) interest; Brett Maas, an Individual, as to an undivided ten percent (10%) interest; Antony Miocic, an Individual, as to an

undivided five percent (5%) interest; and 8300 Clay Street LLC, an Indiana limited liability company, as to an undivided three percent (3%) interest;

ii. All necessary action has been taken to authorize the Company's execution of this Amended DA; the Company possesses the requisite power to enter into this Amended DA and all other agreements contemplated hereby, and to perform its obligations hereunder; and this Amended DA constitutes a legal, valid and binding obligation of the Company enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors rights heretofore or hereafter enacted and subject to the exercise of judicial discretion in accordance with general principles of equity;

iii. Neither the execution and delivery by the Company of this Amended DA, the consummation of the transactions contemplated herein, nor compliance with the provisions hereof violates, breaches, contravenes, conflicts with, or causes a default under any provision of the articles of organization, operating agreement, by-laws or other any other organic or governance document of the Company or any provision of any existing note, bond, mortgage, debenture, indenture, trust, license, lease, instrument, decree, order, judgment or agreement to which the Company is a party or by which it or its assets may be bound or affected;

iv. No litigation or proceeding in any court or before any other governmental authority or other person or entity is currently pending or, to the knowledge of the Company, threatened, which seeks to enjoin or otherwise could prevent the Company from entering into this Amended DA or any of the transactions contemplated hereby;

v. The Company is entering into this Amended DA for the sole purpose of providing for the construction of the Redevelopment described above, subject to and in accordance with the terms and conditions of this Amended DA; and

vi. The Company represents and agrees to use commercially reasonable efforts to construct the Redevelopment on time such that its anticipated completion date by the end of 2027 will be met, subject only to unforeseeable delay caused by one of the following events outside of the Company's commercially reasonable control that makes timely completion not reasonably possible: destruction of all or a substantial portion of one or more the buildings by an act of God, riot or civil insurrection, impracticability of obtaining adequate supplies, subcontractors or personnel to support construction despite the Company's commercially reasonable efforts to obtain them, strikes or work stoppages despite the Company's commercially reasonable efforts to avoid them, or epidemics or pandemics and any governmental orders, actions, shut-downs, mandates, restrictions, or quarantines resulting from the same.

A. In the event that the Redevelopment is delayed such that the assessment of the Redevelopment for real property tax purposes cannot be accomplished in time for tax payable year 2025, the City reserves the right to obtain an updated financial impact analysis from its financial and legal advisors at Company's expense and to establish an amended table of real

property taxes to be paid in Section 3.d.i. of this Amended DA, the methodology for the determination of which shall be consistent with that which resulted in the table above. The City shall give written notice to the Company of the updated analysis and newly established table, and allow the Company reasonable opportunity to review and comment on the updated analysis and new table prior to incorporating them into this Amended DA.

B. Notwithstanding the foregoing paragraph, in the event that the Redevelopment is not completed, assessed, and occupied by December 31, 2027, the City may, at its sole discretion, terminate this Amended DA and the tax abatement incentive granted herein in the manner provided by law.

f. Construction of Utility Infrastructure. The Company submitted to the City engineered plans that contemplate construction in two phases, including sanitary sewer and water mains and stormwater infrastructure. The Company shall construct or cause to be constructed the sanitary sewer and water mains, and their appurtenant structures, and the stormwater infrastructure according to plans submitted to the City for its review and approval. The Company shall comply with all requirements of the City's Plan Commission, Board of Commissioners of the Sanitary District, Department of Storm Water Management Board of Directors, and the Board of Public Works and Safety, including, without limitation, the approved site plan.

i. The Company shall complete phase one of the utility infrastructure construction no later than December 31, 2023, and phase two of the utility infrastructure construction no later than January 1, 2027. If all utility infrastructure construction is not completed by January 1, 2027, the City may, at its sole discretion, terminate this Amended DA and the tax abatement incentive granted herein in the manner provided by law.

ii. Prior to undertaking any of the infrastructure construction contemplated herein or prior to the issuance of final plat approval, whichever occurs first, the Company shall furnish the City with performance and payment bonds for such construction. The Company shall also furnish maintenance (or warranty) bonds as required by the City. The performance, payment, and maintenance bonds shall be in such amounts as are satisfactory to the City in its sole reasonable discretion, and on such forms and with such Indiana-licensed sureties as are satisfactory to the City in its sole discretion.

g. Construction of Frontage Road. The Company submitted to the City a subdivision plat which includes the dedication of certain parts of the Subject Property as right-of-way for the extension of an existing frontage road. The Company's site plan shall include the frontage road extension. The Company shall be responsible for the construction of that portion of the frontage road extension that is to lie within the area the Company will dedicate as right-of-way, running from west of the Subject Property south along the western boundary and east to Clay Street along the northern boundary of the Subject Property, as generally depicted on sheet two of Company's subdivision plat approved (or to be approved) by the City's Plan Commission. The frontage road shall be constructed according to the site plan and all applicable City standards, ordinances, and other

requirements—for avoidance of doubt the frontage road shall be constructed to the City's Local Residential Street standards (with the exception of sidewalks, which are not required to be installed as to the frontage road), with the Company to be responsible for constructing approximately one-half (1/2) of the width of the frontage road on the Subject Property, and with adjoining property owners responsible for constructing the remaining approximately one-half (1/2) of the width of the frontage road on such adjoining owners' property. The parties agree that because the adjacent properties to the northern part of Subject Property would be responsible for part of the construction of the frontage road when those properties are developed and because those properties are not yet under development, in lieu of Company constructing its portion of the frontage road at present, Company shall post the bond required by and described in HMC §§ 153.080 and 153.097, including, without limitation, § 153.097(C)(1)(b), for the construction of the frontage road when such adjacent properties are developed. The parties estimate that the amount of the bond to be required under HMC § 153.097(C)(1)(b) was approximately \$294,863 as of January 2023 for Company's portion of the road. The City agrees that it will not require Company to increase the amount of the bond, and Company agrees that it will not request that the City decrease the amount of the bond, more frequently than one time in any twelve-month period as estimated construction costs increase or decrease, as the case may be. If the adjacent properties are not developed before January 31, 2029, the Company shall commence construction of the portion of the frontage road for which it is responsible, which construction shall be completed by October 31, 2029.

4. **Return of Benefits.** Within 90 days of the occurrence of any one or more of the events stated below in Section 4.a. at any time in any year in which the tax abatement incentives under this Amended DA are in effect, the Company, and its successors or assigns, shall pay to the City the difference between (i) the full sum of all real property taxes for which the Company would have been liable for all years through the date of the occurrence but for the tax abatement incentive granted in this Amended DA and (ii) the sum of real property taxes actually paid for all years through the date of the occurrence (the "**Abated Taxes**"). The Company shall make the payment in the full amount of all Abated Taxes by check or wire transfer made payable to the City and delivered to the Office of Clerk-Treasurer, 414 Main Street, Hobart, Indiana 46342, or such other governmental entity as the City may direct in writing.

a. Events Requiring Reimbursement and Repayment. The events which shall require payment of the Abated Taxes are the following:

i. The seizure, attachment, or foreclosure, on or after December 1, 2029, of any part of the Redevelopment which results in the vacancy or abandonment of three or more of the five office/warehouse buildings;

ii. Any other vacancy or abandonment, on or after December 1, 2029, of two or more of the five office/warehouse buildings at the Redevelopment for a period of 180 days or more or for a cumulative 180 days or more out of any rolling 36-month period;

iii. Failure of the Company, at the end of construction, to achieve at least ninety percent (90%) of the Cost of Construction described in the Recitals;

iv. Failure of the Company, on or after December 1, 2029, to achieve the creation of at least thirty-six (36) of the approximately forty (40) to seventy-five (75) estimated new and additional full-time jobs, described above in Section 3.a.; or

v. Failure of the Company, on or after December 1, 2029, to achieve a total payroll for new and additional jobs of at least ninety percent (90%) of the \$1,500,000 described above in Section 3.a.

b. Termination of Tax Abatement. The City, at its sole discretion, may terminate this Amended DA and the tax abatement incentive granted herein for any or all remaining years upon the occurrence of any one or more of the events stated in Section 4.a. above.

c. Termination of Section 4. The effectiveness of the provisions of this Section 4 shall expire at the end of the Abatement Period.

5. Additional Reporting Obligations during Construction.

a. Upon substantial completion of the Redevelopment, the Company agrees to report or cause to be reported to the City, the total number of local contractors and subcontractors involved in the Redevelopment, and the actual total cost of construction expended by the Company. As used herein, the term "local" is defined to mean the City.

b. Not more often than every other month during construction of the Redevelopment, the Company, upon a written request from the City, will deliver to the City a written report which shall include the following information: (i) a general status report of the construction completed to date and (ii) an update on the project schedule. Upon the Redevelopment's completion, the Company will report the total monetary investment by the Company in the Redevelopment.

6. Material Consideration. The Company acknowledges and agrees that its agreements to perform and abide by the covenants and obligations set forth in this Amended DA are material consideration for the commitments of the City Parties to perform and abide by their covenants and obligations contained in this Amended DA.

7. Mutual Assistance. The Parties agree, subject to further proceedings required by law, to take such actions, including the execution and delivery of such reports, documents, instruments, petitions, and certifications, as may be necessary or appropriate in good faith, from time to time, to carry out the terms, provisions, and intent of this Amended DA and to aid and assist each other in carrying out said terms, provisions, and intent.

8. Community Engagement. The Company, as a Hobart business, acknowledges and agrees that it will in good faith fully engage with the community of Hobart, and it will support groups, organizations, initiatives, and institutions that contribute to the improvement of the quality of life in Hobart and the betterment of the City. Such engagement and support may include, but is not limited to, financial contributions, volunteering of time, and participating in social, cultural, civic, and religious events within the City. As a part of its annual filing of form CF-1, the Company shall include an overview outlining those actions the Company and its employees have undertaken

to meet the Company's obligation under this Section 8. Notwithstanding the foregoing, the Company's failure to meet its community engagement obligations set forth in this Section shall not constitute a default under this Amended DA.

9. **Cooperation.** In the event of any administrative, legal, or equitable action or other proceeding instituted by any person not a party to this Amended DA challenging its validity or the validity of any provision thereof, the Parties shall cooperate in defending such action or proceeding to settlement or final judgment including all appeals. Each Party shall select its own legal counsel and retain such counsel at its own expense, and in no event shall the City Parties be required to bear the fees and costs of the Company's attorneys, nor shall the Company be required to bear the fees and costs of the City Parties' attorneys. The Parties agree that this Section 9 shall constitute a separate agreement entered into concurrently with this Amended DA, and that, if any other provision of this Amended DA, or this Amended DA as a whole is invalidated, rendered null, or set aside by a court of competent jurisdiction, the Parties agree to be bound by the terms of this Section 9, which shall survive such invalidation, nullification, or setting aside.

10. **Enforcement and Attorney Fees.** The provisions of this Amended DA may be enforced by either of the City Parties or the Company through any and all remedies available at law or in equity. In the event of any litigation or arbitration by the Parties regarding an alleged breach of this Amended DA, the prevailing party will be entitled to recover its reasonable attorney fees and expenses of litigation.

11. **No Agency, Joint Venture, or Partnership.** It is specifically understood and agreed to by and between the Parties that the Redevelopment is a private development. The City Parties and the Company agree that there is no form of any agency relationship, joint venture, or partnership between them and agree that nothing contained herein or in any document executed in connection herewith shall be construed as creating any such relationship between the Parties.

12. **Conflict of Interest; Representatives of City Parties Not Individually Liable.** No member, official, or employee of the City Parties shall have any personal interest, direct or indirect, in this Amended DA, nor shall any such member, official, or employee participate in any decision related to this Amended DA which affects his/her personal interests or the interests of any corporation, partnership, or association in which he/she has a direct or indirect financial interest. No member, official, or employee of the City Parties shall be personally liable to the Company (or to any successor in interest) in the event of any default or breach by the City Parties, nor for any amount which may become due to the Company (or to any successor in interest) on any obligations under the terms of this Amended DA. No member, manager, shareholder, officer, director, employee, or agent of the Company (or its successors in interest) shall be personally liable to the City Parties under this Amended DA.

13. **Time of the Essence; Future Acts and Good Faith.** Time is of the essence of this Amended DA. The Parties acknowledge and understand that (a) the Parties must take future actions to implement and maintain their respective obligations under this Amended DA, and (b) certain of the representations, performance of the covenants, and agreements of the City Parties are subject to and contingent upon compliance with and completion of applicable statutory and administrative procedures, including, without limitation, any applicable public notice and public hearing requirements, official actions by governing bodies, and any remonstrance and appeal rights. Subject to compliance with and to the fullest extent permitted by applicable laws, each of the City Parties covenants that it shall diligently pursue and use its best efforts to do all things lawfully

within its power to take such future actions and to comply with all applicable statutory and administrative proceedings at such times and in such manner as to effectuate and implement the provisions and intent of this Amended DA to the fullest extent possible in accordance with the time limits set forth herein.

14. **Waiver of Jury Trial.** The parties acknowledge that disputes arising under this Amended DA are likely to be complex and they desire to streamline and minimize the cost of resolving the same. Each party irrevocably waives the right to trial by jury in any action, counterclaim, dispute, or proceeding based upon or related to the subject matter of this Amended DA. This waiver applies to all claims against all parties to such actions and proceedings. This waiver is knowingly, intentionally, and voluntarily made by the Parties.

15. **Severability.** If any one or more than one of the covenants, terms, or conditions of this Amended DA should be determined by a court of competent jurisdiction to be unenforceable or contrary to law, such covenant, term, or condition shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and the remaining provisions of this Amended DA shall be given effect to the extent practicable. Notwithstanding the foregoing, in the event any provision of this Amended DA is determined to be invalid under any applicable law and therefore deemed void hereunder, and such voided provision prevents the Company or the City Parties from realizing the intended benefits of this Amended DA, then the Company and the City Parties agree to modify this Amended DA in a manner that allows each of the Parties to realize the originally intended benefits of this Amended DA to the greatest extent possible. If the Amended DA cannot be so modified or amended to allow the Parties to realize all or nearly all of the originally intended benefits, then either the Company or the City Parties shall have the right to terminate this Amended DA and upon such termination all rights and obligations under this Amended DA shall be extinguished, except those under Section 4 as to Abated Taxes and Section 9 as to cooperation, and the Parties agree to execute such releases or other evidence of the extinguishment of such obligations as may be necessary.

16. **No Other Agreement.** With the exception of any written reimbursement agreements between the Company and the City concerning the reimbursement of expenses incurred by the City Parties in relation to this Amended DA, and as otherwise expressly provided herein, this Amended DA supersedes all other prior agreements, negotiations, and discussions related to the subject matter hereof and is a full integration of the agreement of the Parties.

17. **Counterparts.** This Amended DA may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. A digital copy of a manually executed original shall be deemed an original.

18. **Notices and Demands.** A notice, demand, or other communication under this Amended DA by any party to any other shall be sufficiently given or delivered if it is sent by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and in the case of the Company, is addressed to or delivered personally to:

Company:	Jeff Eriks
	14201 N. 87th Street, Suite 135
	Scottsdale, AZ 85260

With copies to: Anderson & Anderson, P.C.
9211 Broadway
Merrillville, IN 46410
Attn: Mark R. Anderson

In the case of the City Parties or either of them, addressed to or delivered personally to:

City: Mayor Josh Huddlestun
City of Hobart
414 Main Street
Hobart, IN 46342

With copies to: Marcos Rodriguez, Director of Development
City of Hobart
414 Main Street
Hobart, IN 46342

Heather A. McCarthy, City Attorney
Hobart Department of Law
705 East 4th Street
Hobart, IN 46342

or at such other address with respect to such Party as that Party may, from time to time, designate in writing and forward to the other Party as provided herein.

19. **Governing Law.** This Amended DA shall be construed and enforced under the laws of the State of Indiana. The Parties agree to submit to the exclusive jurisdiction and venue of the courts of the State of Indiana, including, if the City or Company so elects, its Commercial Court, sitting in Lake County, Indiana or the U.S. District Court for the Northern District of Indiana, Hammond Division.

20. **Authority.** The undersigned persons executing and delivering this Amended DA on behalf of each of the Parties represent and certify that they are the duly authorized officers of such Party and have been fully empowered to execute and deliver this Amended DA on behalf of such Party and that all necessary actions to execute and deliver this Amended DA have been taken by such Party.

21. **No Third-Party Beneficiaries.** Nothing in this Amended DA, express or implied, is intended or shall be construed to confer upon any person, firm, or corporation other than the Parties hereto and their respective successors or assigns, any remedy or claim under or by reason of this Amended DA or any term, covenant, or condition hereof, as third-party beneficiaries or otherwise, and all of the terms, covenants, and conditions hereof shall be for the sole and exclusive benefit of the Parties.

22. **Assignment.** Upon written consent of the City Parties, the Company may assign its rights and obligations under this Amended DA to another party that has demonstrated its capability

of performing all of the terms, covenants, and conditions of this Amended DA that are binding on the Company. Such consent shall not, in such case, be unreasonably withheld.

23. **Amendments.** This Amended DA may only be amended, in whole or in part, by a written agreement executed by the Parties and adopted in like manner as this Amended DA.

24. **Default.** If any material failure by any Party to perform any term or provision of this Amended DA continues uncured for a period of thirty (30) days following written notice of such failure provided to the defaulting Party by a non-defaulting Party, such failure shall constitute a material breach of this Amended DA ("Default"), unless the cure period is extended by written mutual consent (but any such extension is at the non-defaulting Party's sole discretion). Any notice given pursuant to the preceding sentence shall specify the nature of the alleged failure and, where appropriate, the manner in which said failure may be cured satisfactorily. If the nature of the alleged failure is such that it cannot reasonably be cured within such 30-day period (provided that economic considerations may not be a factor in any delay), then the commencement of the cure within such time period, and the diligent prosecution to completion of the cure thereafter, shall be deemed to be a cure within the 30-day period. Upon the occurrence of a Default, a non-defaulting Party may institute legal proceedings at law or in equity (including any action to compel specific performance) to enforce the observance and performance of any covenant, condition, obligation, or agreement of the defaulting Party under this Amended DA; provided, that, in no event shall any Party have the right to terminate this Amended DA, except as otherwise provided herein. If the Default is cured, then no Default shall exist and the noticing Party shall take no further action.

IN WITNESS WHEREOF, the Parties have executed this Amended Development Agreement as of the date stated in the preamble above.

CLAY STREET DEVCO, LLC

By: Region Rentals, LLC, an Arizona limited liability company, as Manager

By: _____
JEFFREY ERIKS, Member

By: _____
BRYAN YOUNG, Member

STATE OF _____)
) ss:
_____ COUNTY)

BEFORE ME, a duly appointed Notary Public in and for said county and state, appeared JEFFREY ERIKS, as Member of Region Rentals, LLC, as Manager of CLAY STREET DEVCO, LLC, signatory to the above instrument and a person known to me, who acknowledged execution of same in such capacities as his free and voluntary acts for the uses and purposes stated therein.

IN WITNESS WHEREOF, I have affixed my signature and official seal on this __ day of _____, 2026.

Notary Public
Name Printed: _____

County of Residence: _____

My Commission Expires: _____

STATE OF _____)
) ss:
_____ COUNTY)

BEFORE ME, a duly appointed Notary Public in and for said county and state, appeared BRYAN YOUNG as Member of Region Rentals, LLC, as Manager of CLAY STREET DEVCO, LLC, signatory to the above instrument and a person known to me, who acknowledged execution of same in such capacity as his free and voluntary act for the uses and purposes stated therein.

IN WITNESS WHEREOF, I have affixed my signature and official seal on this __ day of _____, 2026.

Notary Public

Name Printed: _____

County of Residence: _____

My Commission Expires: _____

CITY OF HOBART, INDIANA ("CITY"),
a municipal corporation

By: _____
JOSH HUDDLESTUN, Mayor

ADOPTED and APPROVED by the City of Hobart Board of Public Works & Safety on this
____ day of _____, 2026.

CITY OF HOBART BOARD OF PUBLIC
WORKS AND SAFETY ("Board")

JOSH HUDDLESTUN, Presiding Officer

DEBORAH A. LONGER, Member

MARIA GALKA, Member

ATTEST: _____
DEBORAH A. LONGER, Clerk-Treasurer

STATE OF INDIANA)
) ss:
LAKE COUNTY)

BEFORE ME, a duly appointed Notary Public in and for said county and state, appeared JOSH HUDDLESTUN and DEBORAH A. LONGER, Mayor-Presiding Officer of the City of Hobart Board of Public Works and Safety and Clerk-Treasurer of the City of Hobart, Indiana, respectively, signatories to the above instrument and persons known to me, who acknowledged execution of same in such capacities on behalf of said City, as their free and voluntary acts, for the uses and purposes stated therein.

IN WITNESS WHEREOF, I have affixed my signature and official seal on this __ day of _____, 2026.

Notary Public

Name Printed: _____

County of Residence: _____

My Commission Expires: _____

STATE OF INDIANA)
) ss:
LAKE COUNTY)

BEFORE ME, a duly appointed Notary Public in and for said county and state, appeared DEBORAH A. LONGER and MARIA GALKA, Members of the Board of Public Works and Safety of the City of Hobart, Indiana, signatories to the above instrument and persons known to me, who acknowledged execution of same in such capacities on behalf of said Board, as their free and voluntary acts, for the uses and purposes stated therein.

IN WITNESS WHEREOF, I have affixed my signature and official seal on this __ day of _____, 2026.

Notary Public

Name Printed: _____

County of Residence: _____

My Commission Expires: _____

This instrument prepared by: Ryan A. Cook, Esq., Eichhorn & Eichhorn, LLP
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 Ph. 219-931-0560; Email: rcook@eichhorn-law.com