

**REDEVELOPMENT COMMISSION OF THE CITY OF HOBART, INDIANA**

**Resolution Number 2013- 05**

**A Resolution Approving Modifications to Development Agreements  
Relating to the Silverstone Crossing Development**

WHEREAS, the Common Council ("Council") of the City of Hobart, Indiana ("City") previously approved and adopted the following instruments, all related to the "Silverstone Crossing" Development in the City:

A. Development Agreement by and between B3 properties, LLC, an Indiana Limited Liability Company ("Developer"), the City of Hobart, Indiana, a municipal corporation organized and existing under the laws of the State of Indiana ("City"), and the Hobart Redevelopment Commission ("RDC") a political subdivision of the State of Indiana and instrumentality of said City dated March 19, 2007, and recorded on March 21, 2007 as Document Number 2007 023797 in the Office of the Recorder of Lake County, Indiana;

B. Development Agreement by and between Diamond Veil Development, Inc., an Indiana Corporation ("Developer"), the City of Hobart, Indiana, a municipal corporation organized and existing under the laws of the State of Indiana ("City"), and the Hobart Redevelopment Commission ("RDC") a political subdivision of the State of Indiana and instrumentality of said City dated March 19, 2007, and recorded on March 21, 2007 as Document Number 2007 023796 in the Office of the Recorder of Lake County, Indiana;

C. Amendment to said Development Agreement with B3 Properties, LLC dated October 22, 2009, said Amendment being approved by Resolutions of the City Board of Public Works and Safety (Resolution No. 2009-04 adopted on August 5, 2009), the City Council (Resolution No. 2009-17 adopted on August 19, 2009) and the City Redevelopment Commission (Resolution No. 2009-06 adopted on June 23, 2009); and

D. Amendment to said Development Agreement with Diamond Veil Development, Inc. dated October 22, 2009, said Amendment being approved by Resolutions of the City Board of Public Works and Safety (Resolution No. 2009-04 adopted on August 5, 2009), the City Council (Resolution No. 2009-17 adopted on August 19, 2009) and the City Redevelopment Commission (Resolution No. 2009-06 adopted on June 23, 2009); and

and

WHEREAS, each of said Development Agreements, as amended, contained provisions in sub-section 4.12 thereof which, in the case of the Diamond Veil Development Agreement, requires the Developer to complete at least thirty percent (30%) of the Development in POD E within six (6) years of the Effective Date of the Agreement, March 19, 2007, and one hundred percent (100%) of the Development of POD E within fifteen (15) years of the Effective Date of the Agreement. Further, said sub-section requires that, if the Developer fails to meet such time commitments, the Developer must pay monetary damages in the amount of thirty percent (30%) of the costs of the Public Infrastructure Improvements in POD E for failing to meet the six (6) year time commitment and one hundred percent (100%) of the costs of the Public Infrastructure Improvements in POD E for failing to meet the fifteen (15) year time commitment; and

WHEREAS, in the case of the B3 Properties, LLC Development Agreement, requires the Developer to complete at least thirty percent (30%) of the Development in the PUD Commercial Area within six (6) years of the Effective Date of the Agreement, March 19, 2007, and one hundred percent (100%) of the Development in the PUD Commercial Area within fifteen (15) years of the Effective Date of the Agreement. Further, said sub-section requires that, if the Developer fails to meet such time commitments, the Developer must pay monetary damages in the amount of thirty percent (30%) of the costs of the Public Infrastructure Improvements in the PUD Commercial Area for failing to meet the six (6) year time commitment and one hundred percent (100%) of the costs of the Public Infrastructure Improvements in POD E for failing to meet the fifteen (15) year time commitment; and

WHEREAS, due to the delayed completion of the Public Infrastructure Improvements to Silverstone Crossings and the unforeseen recession affecting the real estate development industry since 2008, neither Developer has been able to achieve the development goals stated in Sub-

Section 4.12 of the respective Development Agreements. Accordingly, the RDC believes that it would be prudent to grant an extension of time of three (3) years, within which the Developers may achieve the completion of at least 30% completion of the Development in POD E and the PUD Commercial Area, without being required to pay the money damages required by that subsection in each Development Agreement. No change to the completion date for the entire project would be made; and

WHEREAS, a proposed Second Amendment to the Development Agreement with B3 Properties, LLC accomplishing the modification of Sub-Section 4.12 as described above is attached as Exhibit "A," and a proposed Second Amendment to the Development Agreement with Diamond Veil Development, Inc. accomplishing the modification of Sub-Section 4.12 as described above is attached as Exhibit "B;" and

WHEREAS, on March 6, 2013, the Common Council of the City and the City Board of Public Works and Safety approved and authorized execution of said Amendments upon their approval by the RDC; and

WHEREAS, the RDC now wishes to approve said Amendments, authorize their execution and spread same of record.

THEREFORE, BE IT RESOLVED by the Common Council of the City of Hobart, Indiana that:

1. The Second Amendment to the Development Agreement between B3 Properties, LLC (or its successor or successors in interest), the City of Hobart and the Hobart Redevelopment Commission, attached hereto as Exhibit "A," is approved in all respects. Upon its execution by the Developer or its successor or successors in interest, the Mayor and Clerk-Treasurer are authorized to execute and attest to the execution of said instrument.

2. The Second Amendment to the Development Agreement between Diamond Veil Development, Inc. (or its successor or successors in interest), the City of Hobart and the Hobart Redevelopment Commission, attached hereto as Exhibit "B," is approved in all respects. Upon its execution by the Developer or its successor or successors in interest, the Mayor and Clerk-Treasurer are authorized to execute and attest to the execution of said instrument.

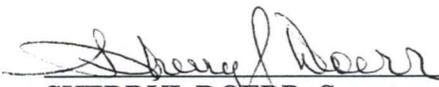
3. Upon execution of said amendments, all documents and records of the City shall be amended to reflect the corrections and amendments provided for in the Instruments of Amendment above.

4. A copy of this resolution with the attached Amendments shall be directed by the City Director of Development to such other governmental entities she shall deem necessary.

ALL OF WHICH is adopted as the Resolution of the Redevelopment Commission of the City of Hobart, Indiana on this Sixth day of ~~February~~<sup>December</sup>, 2013.

  
\_\_\_\_\_  
SHEILA M. DeBONIS, President

ATTEST:

  
\_\_\_\_\_  
SHERRYL DOERR, Secretary

**EXHIBIT A**

**SECOND AMENDMENT TO DEVELOPMENT AGREEMENT  
BETWEEN B3 PROPERTIES, LLC, THE CITY OF HOBART, INDIANA  
AND THE HOBART REDEVELOPMENT COMMISSION**

THIS AGREEMENT is made and entered into on the \_\_\_\_ day of \_\_\_\_\_, 2013 by and between B3 properties, LLC, an Indiana Limited Liability Company (“Developer”), the City of Hobart, Indiana, a municipal corporation organized and existing under the laws of the State of Indiana (“City”), and the Hobart Redevelopment Commission (“City Commission”), a political subdivision of the State of Indiana and instrumentality of said City.

WHEREAS, the Developer, City and City Commission entered into a certain Development Agreement (“Development Agreement”) dated March 19, 2007, and recorded on March 21, 2007 as Document Number 2007 023797 in the Office of the Recorder of Lake County, Indiana, said Development Agreement containing the promises, covenants, terms, and conditions of the development by the Developer of a tract of land of approximately 233 acres, more or less, in the City of Hobart for a mixed-use Planned Unit Development to be known as “Silverstone Crossing;” and

WHEREAS, said Agreement was executed after approval of same by the City Commission, the City’s Board of Public Works and Safety and the Common Council of the City; and

WHEREAS, subsequent to the execution and recording of the Development Agreement, officials of the City and the Developer determined that certain corrections and amendments to the legal descriptions and other items contained in the Development Agreement’s Schedule of Exhibits would be required; and

WHEREAS, the parties entered into an Amendment to said Development Agreement dated October 22, 2009, said Amendment being approved by Resolutions of the City Board of Public Works and Safety (Resolution No. 2009-04 adopted on August 5, 2009), the City Council (Resolution No. 2009-17 adopted on August 19, 2009) and the City Commission (Resolution No. 2009-06 adopted on June 23, 2009); and

WHEREAS; said Amendment was recorded in the Office of the Recorder of Lake County on October 28, 2009 as Document Number 2009 072395; and

WHEREAS, the parties desire to amend the Development Agreement by changing the provision contained in sub-section 4.12 entitled “Completion of Development’ to provide for an additional three (3) years, to and including March 19, 2016, in which the Developer may complete at least thirty percent (30%) of the Development in POD E; and

WHEREAS, the parties have executed this Agreement with the purpose and intent to give effect to such amendment, to have same adopted in the manner required by law, and that upon

the execution of this Agreement, the parties intend that such amendments relate back to the initial adoption of the Development Agreement.

THEREFORE, IT IS AGREED by and between the parties, in consideration for the mutual promises, terms and conditions hereinafter set forth, and intending themselves to be legally bound, as follows:

**1. Amendment to Sub-Section 4.12.** Sub-Section 4.12 of the Development Agreement, on page 8 thereof, is amended by striking out all of the language of that sub-section and inserting in lieu thereof the following new language:

4.12 Completion of Development. Developer agrees to complete at least thirty percent (30%) of the Development in the PUD Commercial Area within nine (9) years of the Effective Date of the Agreement and one hundred percent (100%) of the Development of in the PUD Commercial Area within fifteen (15) years of the Effective Date of the Agreement. If the Developer fails to meet the time commitments, the Developer agrees to pay monetary damages in the amount of thirty percent (30%) of the costs of the Public Infrastructure Improvements in the PUD Commercial Area for failing to meet the nine (9) year time commitment and one hundred percent (100%) of the costs of the Public Infrastructure Improvements in the PUD Commercial Area for failing to meet the fifteen (15) year time commitment.

**2. Other Provisions Unaffected.** All other provisions of the Development Agreement and its exhibits, as previously amended, which are not amended by this Agreement are affirmed and ratified.

**3. Replaces Prior Amendment.** This instrument is intended to supersede and replace that prior Second Amendment to Development Agreement between B3 Properties, LLC, the City of Hobart and the Hobart Redevelopment Commission executed in March of 2013 for the purpose of correcting an error in Section 1, above.

IN WITNESS WHEREOF, the parties have executed and adopted this Agreement as of the date first written above.

B3 PROPERTIES, LLC ("Mortgagor")

By: \_\_\_\_\_  
DAVID B. LASCO, Managing Member

APPROVED and ADOPTED by the REDEVELOPMENT COMMISSION of the CITY OF HOBART, INDIANA ("Mortgagee") on this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
SHEILA M. DeBONIS, President

ATTEST:

\_\_\_\_\_  
SHERRYL DOERR, Secretary

APPROVED and ADOPTED by the CITY of HOBART, INDIANA on this \_\_\_\_\_  
day of \_\_\_\_\_, 2013.

CITY OF HOBART, BOARD OF PUBLIC WORKS  
AND SAFETY

By: \_\_\_\_\_  
BRIAN K. SNEDECOR, President

ATTEST:

\_\_\_\_\_  
DEBORAH A. LONGER, Clerk-Treasurer

STATE OF INDIANA                    )  
  ) SS:  
LAKE COUNTY                            )

BEFORE ME, A NOTARY PUBLIC in and for said County and State, personally  
appeared David B. Lasco, the Managing Member of B3 Properties, LLC who acknowledged the  
execution of the foregoing Amendment to Development Agreement and who, having been duly  
sworn, stated that the representations contained therein are true.

WITNESS my hand and Notarial Seal on this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

[SEAL]

\_\_\_\_\_  
Notary Public  
Printed: \_\_\_\_\_

I am a resident of \_\_\_\_\_ County, Indiana.

My commission expires: \_\_\_\_\_.

STATE OF INDIANA )  
 ) SS:  
LAKE COUNTY )

BEFORE ME, A NOTARY PUBLIC in and for said County and State, personally appeared Sheila M. DeBonis and Sherryl Doerr, the President and Secretary, respectively, of the City of Hobart Redevelopment Commission, who acknowledged the execution of the foregoing Amendment to Development Agreement on behalf of said Commission, for the uses and purposes stated therein.

WITNESS my hand and Notarial Seal on this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

[SEAL]

\_\_\_\_\_  
Notary Public

Printed: \_\_\_\_\_

I am a resident of \_\_\_\_\_ County, Indiana.

My commission expires: \_\_\_\_\_.

STATE OF INDIANA )  
 ) SS:  
LAKE COUNTY )

BEFORE ME, A NOTARY PUBLIC in and for said County and State, personally appeared Brian K. Snedecor and Deborah A. Longer, the Presiding Officer of the City of Hobart Board of Public Works and Safety, and Clerk-Treasurer of the City of Hobart, respectively, who acknowledged the execution of the foregoing Amendment to Development Agreement on behalf of said City, for the uses and purposes stated therein.

WITNESS my hand and Notarial Seal on this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

[SEAL]

\_\_\_\_\_  
Notary Public

Printed: \_\_\_\_\_

I am a resident of \_\_\_\_\_ County, Indiana.

My commission expires: \_\_\_\_\_.

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law. Anthony DeBonis, Jr.

*This instrument was prepared by Anthony DeBonis, Jr., Hobart City Attorney,  
Anthony DeBonis, Jr. & Associates Attorneys at Law, LLC,  
214 Main Street, Hobart, Indiana 46322.*

## EXHIBIT B

### SECOND AMENDMENT TO DEVELOPMENT AGREEMENT BETWEEN DIAMOND VEIL DEVELOPMENT, INC., THE CITY OF HOBART, INDIANA AND THE HOBART REDEVELOPMENT COMMISSION

THIS AGREEMENT is made and entered into on the \_\_\_\_ day of \_\_\_\_\_, 2013 by and between Diamond Veil Development, Inc., an Indiana Corporation ("Developer"), the City of Hobart, Indiana, a municipal corporation organized and existing under the laws of the State of Indiana ("City"), and the Hobart Redevelopment Commission ("City Commission"), a political subdivision of the State of Indiana and instrumentality of said City.

WHEREAS, the Developer, City and City Commission entered into a certain Development Agreement ("Development Agreement") dated March 19, 2007, and recorded on March 21, 2007 as Document Number 2007 023796 in the Office of the Recorder of Lake County, Indiana, said Development Agreement containing the promises, covenants, terms, and conditions of the development by the Developer of a tract of land of approximately 233 acres, more or less, in the City of Hobart for a mixed-use Planned Unit Development to be known as "Silverstone Crossing;" and

WHEREAS, said Agreement was executed after approval of same by the City Commission, the City's Board of Public Works and Safety and the Common Council of the City; and

WHEREAS, subsequent to the execution and recording of the Development Agreement, officials of the City and the Developer determined that certain corrections and amendments to the legal descriptions and other items contained in the Development Agreement's Schedule of Exhibits would be required; and

WHEREAS, the parties entered into an Amendment to said Development Agreement dated October 22, 2009, said Amendment being approved by Resolutions of the City Board of Public Works and Safety (Resolution No. 2009-04 adopted on August 5, 2009), the City Council (Resolution No. 2009-17 adopted on August 19, 2009) and the City Commission (Resolution No. 2009-06 adopted on June 23, 2009); and

WHEREAS; said Amendment was recorded in the Office of the Recorder of Lake County on October 28, 2009 as Document Number 2009 072396; and

WHEREAS, the parties desire to amend the Development Agreement by changing the provision contained in sub-section 4.12 entitled "Completion of Development" to provide for an additional three (3) years, to and including March 19, 2016, in which the Developer may complete at least thirty percent (30%) of the Development in POD E; and

WHEREAS, the parties have executed this Agreement with the purpose and intent to give effect to such amendment, to have same adopted in the manner required by law, and that upon

the execution of this Agreement, the parties intend that such amendments relate back to the initial adoption of the Development Agreement.

THEREFORE, IT IS AGREED by and between the parties, in consideration for the mutual promises, terms and conditions hereinafter set forth, and intending themselves to be legally bound, as follows:

**1. Amendment to Sub-Section 4.12.** Sub-Section 4.12 of the Development Agreement, on page 8 thereof, is amended by striking out all of the language of that sub-section and inserting in lieu thereof the following new language:

4.12 Completion of Development. Developer agrees to complete at least thirty percent (30%) of the Development in POD E within nine (9) years of the Effective Date of the Agreement and one hundred percent (100%) of the Development of POD E within fifteen (15) years of the Effective Date of the Agreement. If the Developer fails to meet the time commitments, the Developer agrees to pay monetary damages in the amount of thirty percent (30%) of the costs of the Public Infrastructure Improvements in POD E for failing to meet the nine (9) year time commitment and one hundred percent (100%) of the costs of the Public Infrastructure Improvements in POD E for failing to meet the fifteen (15) year time commitment.

**2. Other Provisions Unaffected.** All other provisions of the Development Agreement and its exhibits, as previously amended, which are not amended by this Agreement are affirmed and ratified.

IN WITNESS WHEREOF, the parties have executed and adopted this Agreement as of the date first written above.

DIAMOND VEIL DEVELOPMENT, INC. ("Developer")

By: \_\_\_\_\_,  
\_\_\_\_\_, Authorized Signatory

APPROVED and ADOPTED by the REDEVELOPMENT COMMISSION of the CITY OF HOBART, INDIANA on this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
SHEILA M. DeBONIS, President

ATTEST:

\_\_\_\_\_  
SHERRYL DOERR, Secretary

APPROVED and ADOPTED by the CITY of HOBART, INDIANA on this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

CITY OF HOBART, BOARD OF PUBLIC WORKS AND SAFETY

By: \_\_\_\_\_  
BRIAN K. SNEDECOR, President

ATTEST:

\_\_\_\_\_  
DEBORAH A. LONGER, Clerk-Treasurer

STATE OF INDIANA                    )  
  ) SS:  
LAKE COUNTY                            )

BEFORE ME, A NOTARY PUBLIC in and for said County and State, personally appeared \_\_\_\_\_, the authorized signatory of Diamond Veil Development, Inc., who acknowledged the execution of the foregoing Amendment to Development Agreement and who, having been duly sworn, stated that the representations contained therein are true.

WITNESS my hand and Notarial Seal on this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

[SEAL]

\_\_\_\_\_  
Notary Public  
Printed: \_\_\_\_\_

I am a resident of \_\_\_\_\_ County, Indiana.

My commission expires: \_\_\_\_\_.

STATE OF INDIANA                    )  
  ) SS:  
LAKE COUNTY                            )

BEFORE ME, A NOTARY PUBLIC in and for said County and State, personally appeared Sheila M. DeBonis and Sherryl Doerr, the President and Secretary, respectively, of the City of Hobart Redevelopment Commission, who acknowledged the execution of the foregoing Amendment to Development Agreement on behalf of said Commission, for the uses and purposes stated therein.

WITNESS my hand and Notarial Seal on this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

[SEAL]

\_\_\_\_\_  
Notary Public

Printed: \_\_\_\_\_

I am a resident of \_\_\_\_\_ County, Indiana.

My commission expires: \_\_\_\_\_.

STATE OF INDIANA            )  
  ) SS:  
LAKE COUNTY                    )

BEFORE ME, A NOTARY PUBLIC in and for said County and State, personally appeared Brian K. Snedecor and Deborah A. Longer, the Presiding Officer of the City of Hobart Board of Public Works and Safety, and Clerk-Treasurer of the City of Hobart, respectively, who acknowledged the execution of the foregoing Amendment to Development Agreement on behalf of said City, for the uses and purposes stated therein.

WITNESS my hand and Notarial Seal on this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

[SEAL]

\_\_\_\_\_  
Notary Public

Printed: \_\_\_\_\_

I am a resident of \_\_\_\_\_ County, Indiana.

My commission expires: \_\_\_\_\_.

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law. Anthony DeBonis, Jr.

*This instrument was prepared by Anthony DeBonis, Jr., Hobart City Attorney,  
Anthony DeBonis, Jr. & Associates Attorneys at Law, LLC,  
214 Main Street, Hobart, Indiana 46322.*