

CITY OF HOBART, INDIANA  
REDEVELOPMENT COMMISSION

Resolution No. 2016-09

**A Resolution to Repeal Resolution No. 2016-02, Amend the Memorandum and Record of Decision with the Hobart Sanitary District, the Agency Agreement Previously Concluded with the Hobart Redevelopment Authority and the Hobart Sanitary District and Authorize the Use and Expenditure of Proceeds Remaining from the 2015 Lease Rental Revenue Bond for Downtown Infrastructure Projects**

WHEREAS, the Hobart Redevelopment Authority (the "Authority") issued 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 "City of Hobart Redevelopment Authority Lease Rental Revenue Bonds of 2015" 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, 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 "District" or "HSD"), the construction of a parking lot and ornamental gateway structure under the primary administration of the Hobart Redevelopment Commission (the "Commission" or "RDC"); and certain other improvements, described below, to be undertaken from the remaining Lease-Rental Bond proceeds; and

WHEREAS, the Authority leased the infrastructure elements and other items improved as described above to the Commission by lease dated January 1, 2015 which was approved by the Commission and which pledged tax increment from the Greater Downtown and State Road 130 allocation 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 Commission has agreed with the District, in principle, to then enter into one or more agreements with the Sanitary District for the operation and maintenance of the sewer and storm water improvements, 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, through one or more future payments to the Commission, to be determined by forthcoming agreement between the Commission and the Sanitary District; and

WHEREAS, the Authority, by its Resolution Number 2015-03, adopted and approved an Agency Agreement ("Agreement") between the Commission and District on March 3, 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

45 WHEREAS, resolutions in substantially similar form also approving said Agency  
46 Agreement were then adopted and approved by the Commission on April 27, 2015 (Resolution  
47 No. 2015-04) and by the District, also on April 27, 2015 (Resolution No. 2015-04), and  
48

49 WHEREAS, the District also adopted an Amended Record of Decision in said Resolution  
50 Number 2015-04 which was approved and concurred in by the Commission on April 27, 2015 in  
51 its said Resolution No. 2015-04; and  
52

53 WHEREAS, the Agency Agreement as previously adopted by the Authority, Commission  
54 and Sanitary District, provided that the proceeds of the Bonds are to be used to finance certain  
55 public improvements consisting of all or any portion of the following:  
56

57 the (i) replacement and reconstruction of certain underground sanitary and storm  
58 sewers within the area bounded by 5<sup>th</sup> Street on the southeast, Lake George on the  
59 west, Duck Creek on the east and Deep River on the northwest,  
60

61 (ii) construction of a public parking lot on real estate owned by the City;  
62

63 (iii) construction of a “gateway” sign, monument and related road, sidewalk, trail  
64 and landscape enhancements at Main Street between 6<sup>th</sup> and 7<sup>th</sup> Streets;  
65

66 (iv) replacement of the roof on the building located at 705 E. 4<sup>th</sup> Street, Hobart,  
67 Indiana being part of what is commonly known as the Police Court Complex;  
68

69 (v) resurfacing and upgrading of the parking lot owned by the City located at 327  
70 East Street, Hobart, Indiana; and  
71

72 (vi) construction of not more than five (5) masonry structures each to surround a  
73 dumpster to be located upon the real estate located at 101 N. Lake Park, Hobart,  
74 Indiana and commonly known as the Lakefront Park;  
75

76 (vii) relining of segments of the sanitary interceptor sewer that begins at County  
77 Line Road and State Road 130 and continues to the Main Lift Station; and  
78

79 (viii) any related work, including without limitation, road reconstruction and  
80 widening, intersection improvement, traffic signal interconnection, utility  
81 relocation, utility and sidewalk installation, bridge improvements, wetland  
82 mitigation, and civil engineering, and other related improvements; and  
83

84 WHEREAS, the improvements included in items (i), (ii) and (iii) of the project as  
85 described above have been substantially completed, and the Authority, Commission and District  
86 have been advised that there is remaining in Bond proceeds, the sum of \$858,949.55; and  
87

88 WHEREAS, several projects in downtown Hobart, to be undertaken by the RDC or the  
89 District, and which may properly be funded from said remaining bond proceeds include the  
90 completion of Center Street Streetscape, downtown sewer relining, the reconstruction of Fourth

91 Street between Main Street and Center Street, engineering work for NIPSCO electric relocation  
92 along Third Street and other downtown areas, other engineering work for conduit burial along  
93 Third Street and other downtown areas, the burial of that conduit itself, burial of overhead  
94 electric lines along Third Street adjacent to its crossing of Duck Creek, and electric utility line  
95 burial near the Clock Tower on Third Street (included within the description of Item (viii) above;  
96 and  
97

98 WHEREAS, the District under the Agency Agreement and District Record of Decision  
99 was limited to the expenditure of \$1,807,253.00 which has been substantially expended by item  
100 (i) above, thereby requiring the District or other City instrumentalities to defray the cost of the  
101 Main Street, Fourth Street, sewer relining, and some of the other projects remaining from other  
102 funds; and  
103

104 WHEREAS, the Commission and District have negotiated an agreement whereby any  
105 one or more than one of the above-mentioned remaining projects will be completed from the  
106 remaining bond funds, and the District agrees to make certain timely payments during the work  
107 by way of repayment for the use of Bond funds thereby making them available to the  
108 Commission for the performance of other listed projects, to be completed by December 31, 2016,  
109 and other terms and conditions set forth below; and  
110

111 WHEREAS, the Commission now wishes, by this Resolution, to adopt and approve the  
112 above-described arrangement, subject only to the approval of substantially similar resolutions by  
113 the Authority and the District.  
114

115 THEREFORE, BE IT RESOLVED by the Redevelopment Commission of the City of  
116 Hobart that:  
117

118 SECTION ONE: The Commission hereby repeals Resolution No. 2016-  
119 02 in its entirety.  
120

121 SECTION TWO: The Commission agrees that the projects named below,  
122 with estimated costs, shall be carried out by the City instrumentality listed, and  
123 the costs of same paid from the remaining proceeds of the 2015 Redevelopment  
124 Authority Lease Rental Revenue Bonds:  
125

No.	Project	Agency	Cost
1	Center Street Streetscape	RDC	\$ 100,000.00 <sup>1</sup>
2	Downtown Sewer Relining	HSD	300,000.00
3	Fourth Street Improvements	HSD	445,000.00 <sup>2</sup>

<sup>1</sup> To be paid by RDC to contractor directly from Bond proceeds.

<sup>2</sup> RDC will make \$25,000.00 contribution toward sidewalks from Bond proceeds.

131	4	NIPSCO Engineering—RDC share		
132		(For electric line burial project on		
133		Third Street)	RDC	49,874.00 <sup>3</sup>
134				
135	5	RDC share of Butler, Fairman &		
136		Seufert, Inc. (BF & S) cost of		
137		preparation of conduit burial		
138		package for Third Street and other		
139		downtown areas	RDC	13,525.00 <sup>4</sup>
140				
141	6	Conduit burial on Third Street near		
142		Duck Creek (and elsewhere down-		
143		town if funding permits)	RDC	250,000.00 <sup>5</sup>
144				
145	7	Overhead electric lines burial on		
146		Third Street near Duck Creek (and		
147		elsewhere downtown if funding		
148		permits)	RDC	450,000.00 <sup>6</sup>
149				
150	8	Overhead electric line burial work		
151		At the Clock Tower on Main Street		
152		and Third	RDC	TBD
153				
154	9	RDC contribution of \$25,000.00		
155		From Bond proceeds to cover		
156		Fourth Street sidewalks	RDC	25,000.00
157				

158            *SECTION THREE:* The Commission agrees to the amendment of the  
159 Agency Agreement previously adopted by the Authority, the Commission and the  
160 Sanitary District as authorized by Section 1 (c) of Authority Resolution No. 2015-  
161 03 as follows:

162  
163            “The District is authorized to undertake, with respect to the above-  
164 described work remaining, as follows:  
165

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<sup>3</sup> This is the RDC’s share of the total of \$99,748.00 for NIPSCO engineering work for the Third Street and other downtown areas’ electric line relocation (burial). The balance will be paid by the Board of Public Works & Safety (BOW), and the RDC amount will be reimbursed from Bond proceeds after completion.

<sup>4</sup> This is the RDC’s approximate share of the cost of BF & S services to develop the conduit burial package for Third Street and other downtown areas. The total fee is \$23,925.00. The balance will be paid by the BOW.

<sup>5</sup> This will be an RDC contracted project.

<sup>6</sup> The contract for this work with NIPSCO calls for payment of four-fifths of the contract amount in advance in the Fall of 2016 and the balance paid as part of a contractual true-up post project implementation.

166 a. The reconstruction of approximately 300 feet of Fourth  
167 Street including 12 inch storm sewer, 8 inch sanitary sewer, decorative  
168 lighting, traffic signal, sidewalks, ADA ramps, and other required  
169 appurtenances. The District will obtain reimbursement from the BOW for  
170 elements of the Fourth Street work which are properly not included in  
171 sanitary or storm water sewer improvements;

172  
173 b. The relining of certain Downtown sanitary sewers in an  
174 amount not to exceed \$300,000.00.  
175

176 c. The completion of Center Street Streetscape subject to  
177 payment by the Commission for those elements of the Center Street work  
178 that are not eligible District expenses. This work may be done via the  
179 contract award by the District to Walsh & Kelly, Inc., or by change order  
180 to the existing contract with Hasse Construction Co., Inc.

181 The District shall prepare or cause to be prepared design and bid documents,  
182 solicitations to bidders, to make award of the contract or contracts for the work, to  
183 inspect, administer and oversee construction on behalf of the Authority as owner,  
184 to authorize change orders as necessary, to report to the Authority and  
185 Commission on the progress of construction, and to perform all related matters  
186 necessary and desirable for the efficient, timely and cost effective completion of  
187 the work.

188 The Commission is authorized to undertake, with respect to the above-  
189 described work remaining, as follows:

190  
191 a. Engineering work for NIPSCO electric relocation along  
192 Third Street and other downtown areas;

193  
194 b. Other engineering work for conduit burial along Third  
195 Street and other downtown areas;

196  
197 c. The burial of the conduit along Third Street and other  
198 downtown areas;

199  
200 d. The Burial of overhead electric lines along Third Street  
201 adjacent to its crossing of Duck Creek, near the Clock Tower on Third  
202 Street and in other downtown areas.  
203

204 The Commission or Board of Public Works and Safety shall prepare or cause to  
205 be prepared design and bid documents and solicitations to bidders, to make award  
206 of the contract or contracts for the work, to inspect, administer and oversee  
207 construction on behalf of the Authority as owner, to authorize change orders as  
208 necessary, to report to the Authority and Commission on the progress of  
209 construction, and to perform all related matters necessary and desirable for the  
210 efficient, timely and cost-effective completion of the work.”

211  
 212            *SECTION FOUR:* The Commission agrees to amend and concurs with  
 213 the Memorandum and Record of Decision adopted by the Board of  
 214 Commissioners of the District on February 11, 2015 and amended by said Board  
 215 in Resolution Number 2015-04 and previously concurred in by the Commission,  
 216 as follows:

217  
 218            The second and third paragraphs of Section 2 of said Memorandum and  
 219 Record entitled “Financing and Cost Sharing” is amended by striking out said  
 220 paragraphs and inserting the following paragraphs in lieu thereof:

221  
 222            “The bond issue will yield proceeds for construction, after  
 223 operating costs, of approximately \$3.125 million. These funds will  
 224 be allocated among the three parts of the project as follows:

225		
226	Sewer Improvements:	\$ 1,807,010.02
227		
228	Gateway and Parking Lot Construction:	
229	Including engineering, design and	
230	Construction Administration	577,789.71
231		
232	Additional work required to complete	
233	Main Street, Fourth Street, and other	
234	projects allocated to either the Sanitary	
235	District or RDC as described in RDC	
236	Resolution No. 2016-09	891,342.07
237		
238	Total	\$ 3,276,141.80
239		

240            HSD will be solely responsible for financing, from its own  
 241 resources, all project costs in excess of \$2,532,010.02, which is the  
 242 sum of the completed downtown sewer improvements and priority  
 243 items 2 and 3 in Section Two of RDC Resolution 2016-09 (Fourth  
 244 Street costs and downtown sewer relining). Additionally, HSD  
 245 will cover its engineering and other soft costs for the sewer  
 246 portion. HSD will have no administrative role or responsibility  
 247 with respect to the Parking Lot and Gateway, but may be requested  
 248 to participate in the financing of storm water BMPs for the parking  
 249 lot.

250  
 251            For the purpose of assuring that the proceeds of the 2015  
 252 Lease Rental Bond are fully expended on qualified projects, and, at  
 253 the same time, assuring that the Commission will have adequate  
 254 funds to cover the cost of items numbered 1, 4, 5, 6, 7, 8 and 9 in  
 255 Section Two of its Resolution No. 2016-09, the District and  
 256 Commission have agreed to the following procedure:

257  
258  
259 With respect to any claim submitted by the Sanitary  
260 District to the Bond Trustee of the 2015 Lease Rental  
261 Revenue Bonds, for payment from Bond proceeds for  
262 items numbered 2 and 3 in Section Two of RDC Resolution  
263 2016-09 and Section One of District Joint Resolution 2016-  
264 03 (Fourth Street costs and downtown sewer relining) to its  
265 contractor, the Sanitary District Board agrees:  
266

267 a. To submit a copy of such claim to  
268 the City Director of Development for review and  
269 approval prior to submission to the Bond Trustee,  
270 and  
271

272 b. To approve, at the same meeting as  
273 the claim is approved for submission to the Trustee,  
274 a payment in an equal amount from Sanitary  
275 District funds to Redevelopment Commission Fund  
276 406.  
277

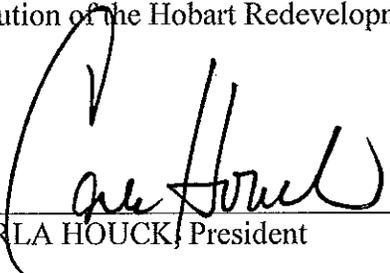
278 HSD affirms that it will reimburse to the Commission the  
279 cost of all sanitary sewer and storm-water improvements as well as  
280 the cost of items numbered 2 and 3 in Section Two of RDC  
281 Resolution 2016-09 and Section One of District Joint Resolution  
282 2016-03 (Fourth Street costs and downtown sewer relining). HSD  
283 also agrees to pay, in addition to the amounts required in  
284 subparagraph (b) above, the sum of \$500,000.00 toward such  
285 reimbursement to RDC Fund 406 on or before December 31, 2016.  
286 The District also agrees to re-pay to the RDC Fund 406 the balance  
287 of said reimbursement and reimbursement for the issuance costs of  
288 the 2015 Bond less the amounts paid by the District to Fund 406 in  
289 said subparagraph (b), and as otherwise provided above through  
290 one or more future payments to the Commission Fund 406, in  
291 precise amounts to be due according to a payment schedule to be  
292 determined by forthcoming agreement between the Commission  
293 and the District to be dated on or before December 31, 2016. The  
294 District also agrees to pay directly the annual Bond Trustee Fees  
295 for the 2015 Bond and any other fees related to the maintenance of  
296 the Bonds including continuing disclosure fees. The RDC agrees  
297 to pay the issuance costs, Trustee fees, continuing disclosure fees  
298 and other related fees of the 2014 Lease Rental Revenue Bonds.  
299

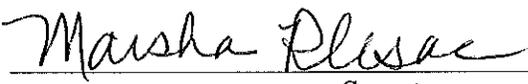
300 *SECTION FIVE:* The President and Secretary of the Commission, and  
301 each of them, is hereby authorized to take all such actions and to execute all such  
302 instruments as are desirable to carry out the transactions contemplated by this

303 Resolution, in such forms as the President and Secretary executing the same shall  
304 deem proper, to be evidenced by the execution thereof.

305  
306 *SECTION SIX:* This resolution shall be in full force and effect from and  
307 after the date of its adoption by all of the Authority, the Commission and the  
308 Sanitary District.

309  
310 ALL OF WHICH is adopted as the Resolution of the Hobart Redevelopment Commission  
311 on this 28th day of June, 2016.

312  
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314  
315  
316   
317 CARLA HOUCK, President

318 ATTEST:  
319   
320 \_\_\_\_\_  
321 \_\_\_\_\_, Secretary  
322