

**CITY OF HOBART, INDIANA
REDEVELOPMENT COMMISSION**

Resolution No. 2018-03

A Resolution by the City of Hobart Redevelopment Commission to Provide a Portion of Local Matching Funds for BUILD and TRAX Grants if Awarded to the City

WHEREAS, the Redevelopment Commission (“RDC”) of the City of Hobart (“City”) has funded through accumulated tax increment financing (“TIF”) revenue and the issuance of several TIF bonds, significant capital improvement projects within the 61st Avenue and State Road 51 Economic Development Area including road widening improvements to 61st Avenue and a portion of Colorado Street; and

WHEREAS, the RDC intends to fund through existing and future TIF revenue accumulated in City Fund 410 for the 61st Avenue and State Road 51 TIF allocation area, the road widening improvements anticipated to be constructed in 2019 and 2020 along 69th Avenue including a roundabout at Colorado Street; and

WHEREAS, the RDC approved a two-year spending plan on May 21, 2018, which outlined as spending priorities the engineering and road widening improvements for 69th Avenue including the roundabout at Colorado Street (\$4,000,000) and also Education and Worker Training grants (\$60,000); and

WHEREAS, the RDC has received information from the City Engineer in regard to recommended and anticipated capital improvements to the thoroughfare system, including but not limited to a new interchange at I-65 at approximately 69th Avenue, an overpass over the Canadian National Railroad tracks on Colorado Street, and several roundabouts on 61st Avenue and on Marcella Boulevard, all within the southwest quadrant of the City of Hobart; and

WHEREAS, the RDC recognizes that the capital improvements recommended by the City Engineer will be needed in order to meet anticipated traffic demands generated by the development of future light industrial parks and the location of new businesses within existing light industrial parks; and

WHEREAS, on May 24, 2018, the RDC approved a \$25,000 contract with Butler Fairman & Seufert, Inc., consulting engineers, for the preparation of two grant applications (BUILD and TRAX) which can be used to fund, if awarded, some or all of the recommended capital improvements as outlined in Exhibit “A” attached to this resolution; and

WHEREAS, in the event that these grants are awarded at their maximum level to the City of Hobart (\$25,000,000 BUILD and \$5,000,000 TRAX), between \$7,500,000 and \$8,500,000 will be required in local matching funds for these federal (BUILD) and state (TRAX) grants; and

WHEREAS, the illustrative bond scenario prepared by H.J. Umbaugh & Associates Certified Public Accountants, LLP., financial advisor to the RDC, dated May 14, 2018, and

attached as Exhibit "B" to this resolution, shows that there is sufficient capacity within the State of Indiana's constitutional debt limit and TIF revenue available to support a future TIF bond with property tax backup to provide net proceeds in the amount of \$2,975,000 for future projects; and

WHEREAS, the City of Hobart has financial resources through other public funds or arrangements with Public-Private Partnerships ("3P") to provide for the remaining amount of funds needed for the local match; and

WHEREAS, the RDC desires through this Resolution to pledge its support for the City's applications for such grants, to express its intent to commit the above-described resources to support the required local matching funds requirements should the grants be awarded to the City, and to amend such of its plans and other documents necessary to implement the projects listed in Exhibit "A" attached, and related financing.

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

SECTION ONE: The RDC hereby supports and endorses the applications of the City of Hobart for the TRAX and BUILD grants referred to above for the purpose of constructing any one or more than one of the projects listed in Exhibit "A" which is attached hereto and made a part hereof.

SECTION TWO: The RDC further declares its intent to commit its available TIF funds from Fund 410 to supply local matching funds, in whole or in part, required for either or both of said grants, if awarded, and to leverage such funds through the issuance of TIF-supported bonds, or public-private partnerships.

SECTION THREE: The RDC shall undertake the amendment of its current plans and other documents as necessary to implement the projects ultimately funded through the above-described grants subsequent to their award.

ALL OF WHICH is adopted as the Resolution of the Redevelopment Commission of the City of Hobart on this 12TH day of JUNE, 2018.



CARLA HOUCK, President

SHAWN KELLY, VICE - PRESIDENT

ATTEST: Marsha Plesac
MARSHA PLESAC, Secretary

"EXHIBIT "A"

BUILD and TRAX Grant

Capital Improvement Project List

Below is a summary of transportation infrastructure projects proposed for the application of funding assistance through the BUILD and TRAX Grant Programs.

- 1) 61st Avenue and Marcella Blvd. Intersection Capacity and Safety Improvements
- 2) I-65 Interchange near 69th Avenue and roadway extension
- 3) Mississippi Street and 69th Avenue Intersection Improvements
- 4) 61st Avenue and Liverpool Road Intersection Improvements
- 5) 61st Avenue and Colorado Street Intersection Improvements
- 6) 61st Avenue and Arizona Street Intersection Improvements
- 7) 61st Avenue corridor Improvements between I-65 and Arizona Street
- 8) Colorado Street RR Overpass of the Canadian National Railroad
- 9) 69th/70th Avenue RR Overpass of the Canadian National Railroad

Projects listed above would include, but are not limited to, the following installations:

- a) Roadway lane reconfiguration
- b) Roadway segment partial or full reconstruction
- c) Roadway approach work
- d) Bridges
- e) Utility Coordination/relocation/installation
- f) Storm Water Control and Conveyance
- g) Curb and Gutter
- h) Medians
- i) Lighting
- j) Sidewalk or Multi-use pathways
- k) Landscaping

UMBAUGH

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 Fax: 574-935-5928
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May 14, 2018

Members of the City of Hobart
 Redevelopment Commission
 414 Main Street
 Hobart, IN 46342-4444

Re: 61st Avenue and SR 51 Economic Development Area

Dear Ms. Kane:

Per your request, we have prepared this analysis to assist you in the discussion and consideration of possible projects in the 61st Avenue and SR 51 Economic Development Area. The attached schedules (listed below) present unaudited and limited information. The use of these schedules should be restricted to this purpose, for internal use only, as the information is subject to future revision and final report.

<u>Page(s)</u>	
3	Estimated Annual Combined Tax Increment
4	Comparison of Estimated Annual Tax Increment and Outstanding Obligations
5	Estimated Annual Tax Increment from Real Property – Hobart Township
6-7	Estimated Annual Tax Increment from Real Property – Ross Township
8	Estimated Annual Tax Increment from Personal Property
9	Amortization of \$925,000 of Outstanding Principal Amount of Redevelopment District Special Taxing District Bonds of 2009, Series B
10	Amortization of \$495,000 of Outstanding Principal Amount of Redevelopment District Special Taxing District Bonds of 2010, Series A
11	Amortization of \$2,240,000 of Outstanding Principal Amount of Redevelopment District Taxable Special Taxing District Bonds of 2010, Series B (Recovery Zone Economic Development Bonds)
12	Amortization of \$4,705,000 of Outstanding Principal Amount of Lease Rental Revenue Bonds of 2014
13	Amortization of \$2,760,000 of Outstanding Principal Amount of Redevelopment District Special Taxing District Refunding Bonds, Series 2016
14	Illustrative Project Costs and Funding
15	Illustrative Amortization of \$3,485,000 Principal Amount of Redevelopment District Special Taxing District Bonds
16	Comparison of Estimated Annual Tax Increment and Illustrative Obligations
17	Redevelopment District Debt Limit

Members of the City of Hobart
Redevelopment Commission
Re: 61st Avenue and SR 51 Economic Development Area
May 14, 2018
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In the preparation of these schedules, certain assumptions were made as noted regarding certain future events. As is the case with such assumptions regarding future events and transactions, some or all may not occur as expected and the resulting differences could be material. We have not examined the underlying assumptions nor have we audited or reviewed the historical data. Consequently, we express no opinion thereon nor do we have a responsibility to prepare subsequent reports.

We would appreciate your questions or comments on this information and would provide additional information upon request.

Very truly yours,

UMBAUGH

A handwritten signature in black ink, appearing to read "Matthew R. Eckerle", written in a cursive style.

Matthew R. Eckerle

HOBART REDEVELOPMENT COMMISSION

61st Avenue and SR 51 Economic Development Area

ESTIMATED ANNUAL COMBINED TAX INCREMENT

Taxes Payable Year	Estimated Tax Increment			Total
	Hobart Twp. Real Property (1)	Ross Twp. Real Property (2)	Ross Twp. Personal Property (3)	
2018	\$742,660	\$1,206,220	\$43,960	\$1,992,840
2019	636,630	1,318,000	55,140	2,009,770
2020	568,820	1,429,840	66,730	2,065,390
2021	568,820	1,656,460	95,000	2,320,280
2022	568,820	1,730,440	104,660	2,403,920
2023	568,820	1,879,550	133,760	2,582,130
2024	568,820	1,925,810	133,760	2,628,390
2025	568,820	1,969,190	133,760	2,671,770
2026	568,820	1,995,840	133,760	2,698,420
2027	568,820	2,012,540	133,760	2,715,120
2028	568,820	2,019,600	133,760	2,722,180
Totals	<u>\$6,498,670</u>	<u>\$19,143,490</u>	<u>\$1,168,050</u>	<u>\$26,810,210</u>

(1) See page 5.

(2) See pages 6-7.

(3) See page 8.

(Subject to the attached letter dated May 14, 2018)

(Preliminary - Subject to Change)

(For Internal Use Only)

HOBART REDEVELOPMENT COMMISSION

*61st Avenue and SR 51 Economic Development Area*COMPARISON OF ESTIMATED ANNUAL TAX INCREMENT AND OUTSTANDING OBLIGATIONS

Taxes Payable Year	Estimated Tax Increment	Outstanding Obligations					Estimated Remaining Tax Increment	Estimated Coverage	
		2009 B Bonds	2010 Bonds		2014 Bonds	2016 Bonds			Total
	(1)	(2)	Series A (3)	Series B (4)	(5)	(6)			
2018	\$1,992,840	(\$117,254)	(\$249,835)	(\$269,517)	(\$350,000)	(\$313,900)	(\$1,300,506)	\$692,335	153%
2019	2,009,770	(129,054)	(266,814)	(263,996)	(366,000)	(328,600)	(1,354,464)	655,306	148%
2020	2,065,390	(125,032)		(297,824)	(575,000)	(332,950)	(1,330,806)	734,584	155%
2021	2,320,280	(130,754)		(290,511)	(680,000)	(337,100)	(1,438,365)	881,915	161%
2022	2,403,920	(131,129)		(292,985)	(688,000)	(341,050)	(1,453,164)	950,756	165%
2023	2,582,130	(131,157)		(304,807)	(688,000)	(339,850)	(1,463,814)	1,118,316	176%
2024	2,628,390	(125,884)		(301,098)	(701,000)	(348,450)	(1,476,432)	1,151,958	178%
2025	2,671,770	(130,428)		(296,982)	(706,000)	(346,850)	(1,480,260)	1,191,510	180%
2026	2,698,420	(129,608)		(292,423)	(711,000)	(345,100)	(1,478,130)	1,220,290	183%
Totals	<u>\$21,372,910</u>	<u>(\$1,150,298)</u>	<u>(\$516,649)</u>	<u>(\$2,610,143)</u>	<u>(\$5,465,000)</u>	<u>(\$3,033,850)</u>	<u>(\$12,775,939)</u>	<u>\$8,596,971</u>	

- (1) See page 3.
(2) See page 9.
(3) See page 10.
(4) See page 11.
(5) See page 12.
(6) See page 13.

(Subject to the attached letter dated May 14, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

HOBART REDEVELOPMENT COMMISSION

61st Avenue and SR 51 Economic Development Area

ESTIMATED ANNUAL TAX INCREMENT FROM REAL PROPERTY
Hobart Township

	Parcel Number	Abatement Term (Years)	Abatement First Tax Year	Abated Assessed Value	Taxes Payable Year		
				Taxes Payable Year 2018	2018	2019	2020
Unabated assessed value (1)					\$55,944,458 (2)	\$32,936,958 (3)	\$32,936,958
Abated properties (4)							
Bailiwyck Properties LLC	45-13-06-181-027.000-018	10	2010	\$3,306,500	2,975,850	3,141,175	3,306,500
Total net assessed value					38,920,308	36,078,133	36,243,458
Less: Base assessed value (5)					(17,588,930)	(17,588,930)	(17,588,930)
Incremental assessed value					21,331,378	18,489,203	18,654,528
Tax rate (6)					\$3.7308	\$3.7308	\$3.7308
Estimated tax increment					795,830	689,800	695,960
Circuit breaker tax credit (7)					(53,170)	(53,170)	(127,140)
Net tax increment					\$742,660	\$636,630	\$568,820

(1) Per assessed value information provided by the Lake County Auditor's office.

(2) Assumes parcel #45-13-06-278-004.000-018 and parcel #45-13-06-403-001.000-018 are appealed and their net assessed value is reduced by 20%.

(3) Adjusted for the change in tax status for parcel #45-13-06-476-002.000-018 from taxable to tax exempt beginning with taxes payable in 2019.

(4) Per abatement assessed value information provided by the Lake County Auditor's office.

(5) Per the Lake County Auditor's office, represents the pay 2018 base assessed value for the 018 Hobart Area.

(6) Represents the certified pay 2018 tax rate for the Hobart Corp.-Hobart Twp.-Hobart City Schools taxing district.

(7) Assumes the Circuit Breaker Tax Credit is applied, and accounts for the sunset of the debt service tax rate exemption after 2019. Accounts for the application of the pay 2018 LIT PTRC of 13.0011%.

Note: There has been no assumption of additional growth or trending of real property assessed values beyond what is outlined in this analysis. Changes to the assumptions used in this analysis may have a material effect on the tax increment revenue estimates contained within this analysis.

(Subject to the attached letter dated May 14, 2018)

(Preliminary - Subject to Change)

(For Internal Use Only)

HOBART REDEVELOPMENT COMMISSION

61st Avenue and SR 51 Economic Development Area

ESTIMATED ANNUAL TAX INCREMENT FROM REAL PROPERTY
Ross Township

Parcel Number	Abatement Term (Years)	Abatement First Tax Year	Abated Assessed Value	Taxes Payable Year					
			Taxes Payable Year 2018	2018	2019	2020	2021	2022	
Unabated assessed value (1)					\$29,360,032	\$29,360,032	\$29,360,032	\$29,360,032	\$29,360,032
Abated properties (2)									
Hanson Cold Storage Co. of Indiana	45-12-11-328-002.000-046	10	2009	\$6,792,658	6,453,025	6,792,658	6,792,658	6,792,658	6,792,658
Indiana Land Becknell Investors LLC	45-12-11-126-004.000-046	10	2010	6,838,700	6,154,830	6,496,765	6,838,700	6,838,700	6,838,700
Hanson Cold Storage Co. of Indiana	45-12-11-328-002.000-046	10	2012	4,163,242	2,914,269	3,330,594	3,746,918	3,955,080	4,163,242
ITR America LLC	45-12-11-177-002.000-046	10	2015	4,759,700	1,665,895	2,379,350	2,855,820	3,331,790	3,807,760
Hanson Cold Storage Co. of Indiana	45-12-11-328-002.000-046	6	2015	6,000,000	1,200,000	900,000	1,200,000	6,000,000	6,000,000
Indiana Land Becknell Investors LLC	45-12-11-301-005.000-046	10	2016	1,932,950	386,590	676,533	966,475	1,159,770	1,353,065
Indiana Land Becknell Investors LLC	45-12-11-177-005.000-046	10	2017	6,479,600	323,980	1,295,920	2,267,860	3,239,800	3,887,760
Hanson Cold Storage Co. of Indiana	45-12-11-328-002.000-046	6	2017	4,945,000	247,250	989,000	1,236,250	1,483,500	1,730,750
Indiana Land Becknell Investors LLC	45-12-11-328-004.000-046	10	2018	4,736,900	0	236,845	947,380	1,657,915	2,368,450
Total net assessed value					48,705,871	52,458,197	56,212,095	63,819,245	66,302,417
Less: Base assessed value (3)					(8,181,252)	(8,181,252)	(8,181,252)	(8,181,252)	(8,181,252)
Incremental assessed value					40,524,619	44,276,945	48,030,841	55,637,993	58,121,165
Tax rate (4)					\$2.9791	\$2.9791	\$2.9791	\$2.9791	\$2.9791
Estimated tax increment					1,207,270	1,319,050	1,430,890	1,657,510	1,731,490
Circuit breaker tax credit (5)					(1,050)	(1,050)	(1,050)	(1,050)	(1,050)
Net tax increment					\$1,206,220	\$1,318,000	\$1,429,840	\$1,656,460	\$1,730,440

- (1) Per assessed value information provided by the Lake County Auditor's office.
- (2) Per abatement assessed value information provided by the Lake County Auditor's office.
- (3) Per the Lake County Auditor's office, represents the pay 2018 base assessed value for the 046 Hobart Ross Area.
- (4) Represents the certified pay 2018 tax rate for the Hobart Corp.-Ross Twp. taxing district.
- (5) Assumes the Circuit Breaker Tax Credit is applied, and accounts for the sunset of the debt service tax rate exemption after 2019. Accounts for the application of the pay 2018 LIT PTRC of 13.0011%.

Note: There has been no assumption of additional growth or trending of real property assessed values beyond what is outlined in this analysis. Changes to the assumptions used in this analysis may have a material effect on the tax increment revenue estimates contained within this analysis.

(Subject to the attached letter dated May 14, 2018)
(Preliminary - Subject to Change)
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HOBART REDEVELOPMENT COMMISSION

61st Avenue and SR 51 Economic Development Area

ESTIMATED ANNUAL TAX INCREMENT FROM REAL PROPERTY (cont'd)
Ross Township

Parcel Number	Abatement Term (Years)	Abatement First Tax Year	Abated Assessed Value Taxes Payable Year 2018	Taxes Payable Year					
				2023	2024	2025	2026	2027	2028
Unabated assessed value (1)				\$29,360,032	\$29,360,032	\$29,360,032	\$29,360,032	\$29,360,032	\$29,360,032
Abated properties (2)									
Hanson Cold Storage Co. of Indiana	45-12-11-528-002.000-046	10	2009	\$6,792,658	6,792,658	6,792,658	6,792,658	6,792,658	6,792,658
Indiana Land Becknell Investors LLC	45-12-11-126-004.000-046	10	2010	6,838,700	6,838,700	6,838,700	6,838,700	6,838,700	6,838,700
Hanson Cold Storage Co. of Indiana	45-12-11-328-002.000-046	10	2012	4,163,242	4,163,242	4,163,242	4,163,242	4,163,242	4,163,242
ITR America LLC	45-12-11-177-002.000-046	10	2015	4,759,700	4,283,730	4,521,715	4,759,700	4,759,700	4,759,700
Hanson Cold Storage Co. of Indiana	45-12-11-328-002.000-046	6	2015	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Indiana Land Becknell Investors LLC	45-12-11-177-005.000-046	10	2016	1,932,950	1,546,360	1,739,655	1,836,303	1,932,950	1,932,950
Indiana Land Becknell Investors LLC	45-12-11-301-005.000-046	10	2017	6,479,600	4,535,720	5,183,680	5,831,640	6,155,620	6,479,600
Hanson Cold Storage Co. of Indiana	45-12-11-301-005.000-047	6	2017	4,945,000	4,945,000	4,945,000	4,945,000	4,945,000	4,945,000
Indiana Land Becknell Investors LLC	45-12-11-301-005.000-047	10	2018	4,736,900	2,842,140	3,315,830	3,789,520	4,263,210	4,500,055
Total net assessed value				71,307,582	72,860,512	74,316,795	75,211,112	75,771,937	76,008,782
Less: Base assessed value (3)				(8,181,252)	(8,181,252)	(8,181,252)	(8,181,252)	(8,181,252)	(8,181,252)
Incremental assessed value				63,126,330	64,679,260	66,135,543	67,029,860	67,590,685	67,827,530
Tax rate (4)				\$2.9791	\$2.9791	\$2.9791	\$2.9791	\$2.9791	\$2.9791
Estimated tax increment				1,880,600	1,926,860	1,970,240	1,996,890	2,015,590	2,020,650
Circuit breaker tax credit (5)				(1,050)	(1,050)	(1,050)	(1,050)	(1,050)	(1,050)
Net tax increment				\$1,879,550	\$1,925,810	\$1,969,190	\$1,995,840	\$2,012,540	\$2,019,600

- (1) Per assessed value information provided by the Lake County Auditor's office.
- (2) Per abatement assessed value information provided by the Lake County Auditor's office.
- (3) Per the Lake County Auditor's office, represents the pay 2018 base assessed value for the 046 Hobart Ross Area.
- (4) Represents the certified pay 2018 tax rate for the Hobart Corp-Ross Twp. taxing district.
- (5) Assumes the Circuit Breaker Tax Credit is applied, and accounts for the sunset of the debt service tax rate exemption after 2019. Accounts for the application of the pay 2018 LIT PTRC of 13.0011%.

Note: There has been no assumption of additional growth or trending of real property assessed values beyond what is outlined in this analysis. Changes to the assumptions used in this analysis may have a material effect on the tax increment revenue estimates contained within this analysis.

(Subject to the attached letter dated May 14, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

HOBART REDEVELOPMENT COMMISSION

61st Avenue and SR 51 Economic Development Area

ESTIMATED TAX INCREMENT FROM PERSONAL PROPERTY

Ross Township

Taxes Payable Year	Adjusted True Tax Value	Abated Assessed Value	Estimated Net Assessed Value	Tax Rate	Estimated Tax Increment		
					Property Taxes	Circuit Breaker Tax Credit	Net Property Taxes
	(1)	(2)		(3)		(4)	
2018	\$4,544,228	(\$3,068,741)	\$1,475,487	\$2.9791	\$43,960	\$0	\$43,960
2019	4,489,985	(2,638,973)	1,851,012	2.9791	55,140	0	55,140
2020	4,489,985	(2,249,905)	2,240,080	2.9791	66,730	0	66,730
2021	4,489,985	(1,301,000)	3,188,985	2.9791	95,000	0	95,000
2022	4,489,985	(976,944)	3,513,041	2.9791	104,660	0	104,660
2023	4,489,985		4,489,985	2.9791	133,760	0	133,760
2024	4,489,985		4,489,985	2.9791	133,760	0	133,760
2025	4,489,985		4,489,985	2.9791	133,760	0	133,760
2026	4,489,985		4,489,985	2.9791	133,760	0	133,760
2027	4,489,985		4,489,985	2.9791	133,760	0	133,760
2028	4,489,985		4,489,985	2.9791	133,760	0	133,760
Totals					<u>\$1,168,050</u>	<u>\$0</u>	<u>\$1,168,050</u>

- (1) Based upon information from the Ross Township Assessor's audit report dated December 19, 2017 and the January 1, 2017 Business Tangible Personal Property Assessment returns completed by Hanson Cold Storage Co. of Indiana.
- (2) Based upon information from the Ross Township Assessor's audit report dated December 19, 2017 and the January 1, 2017 Scheduled of Deduction from Assessed Valuation Personal Property in Economic Revitalization Area completed by Hanson Cold Storage Co. of Indiana. Accounts for the application of the amendment to Resolution No. 2013-07 through Resolution No. 2018-10 adopted by the Hobart Common Council on May 2, 2018.
- (3) Represents the certified pay 2018 tax rate for the Hobart Corp.-Ross Twp. taxing district.
- (4) Assumes the Circuit Breaker Tax Credit is applied following the sunset of the exemption of certain debt service tax rates beginning with taxes payable in 2020.

(Subject to the attached letter dated May 14, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

HOBART REDEVELOPMENT COMMISSION

*61st Avenue and SR 51 Economic Development Area***AMORTIZATION OF \$925,000 OF OUTSTANDING PRINCIPAL AMOUNT OF REDEVELOPMENT
DISTRICT SPECIAL TAXING DISTRICT BONDS OF 2009, SERIES B**

Bonds dated November 18, 2009

Payment Date	Principal Outstanding	Principal	Interest Rate	Interest	Total Debt Service	Fiscal Year Debt Service
08/01/18	\$925,000	\$35,000	4.000%	\$21,476.88	\$56,476.88	
02/01/19	890,000	40,000	4.000%	20,776.88	60,776.88	\$117,253.75
08/01/19	850,000	45,000	4.000%	19,976.88	64,976.88	
02/01/20	805,000	45,000	4.625%	19,076.88	64,076.88	129,053.75
08/01/20	760,000	45,000	4.625%	18,036.25	63,036.25	
02/01/21	715,000	45,000	4.625%	16,995.63	61,995.63	125,031.88
08/01/21	670,000	50,000	4.625%	15,955.00	65,955.00	
02/01/22	620,000	50,000	4.625%	14,798.75	64,798.75	130,753.75
08/01/22	570,000	50,000	4.625%	13,642.50	63,642.50	
02/01/23	520,000	55,000	4.625%	12,486.25	67,486.25	131,128.75
08/01/23	465,000	55,000	4.625%	11,214.38	66,214.38	
02/01/24	410,000	55,000	4.850%	9,942.50	64,942.50	131,156.88
08/01/24	355,000	55,000	4.850%	8,608.75	63,608.75	
02/01/25	300,000	55,000	4.850%	7,275.00	62,275.00	125,883.75
08/01/25	245,000	60,000	4.850%	5,941.25	65,941.25	
02/01/26	185,000	60,000	4.850%	4,486.25	64,486.25	130,427.50
08/01/26	125,000	60,000	4.850%	3,031.25	63,031.25	
02/01/27	65,000	65,000	4.850%	1,576.25	66,576.25	129,607.50
Totals		<u>\$925,000</u>		<u>\$225,297.50</u>	<u>\$1,150,297.50</u>	<u>\$1,150,297.50</u>

Note: The 2009 Series B Bonds maturing on or after February 1, 2020 are subject to optional redemption by the Commission beginning August 1, 2019, upon 30 days' notice at face value plus accrued interest.

(Subject to the attached letter dated May 14, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

HOBART REDEVELOPMENT COMMISSION

61st Avenue and SR 51 Economic Development Area

**AMORTIZATION OF \$495,000 OF OUSTANDING PRINCIPAL AMOUNT OF REDEVELOPMENT
DISTRICT SPECIAL TAXING DISTRICT BONDS OF 2010, SERIES A**
Bonds dated August 19, 2010

<u>Payment Date</u>	<u>Principal Outstanding</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Fiscal Year Debt Service</u>
08/01/18	\$495,000	\$115,000	3.00%	\$8,280.00	\$123,280.00	
02/01/19	380,000	120,000	3.45%	6,555.00	126,555.00	\$249,835.00
08/01/19	260,000	125,000	3.45%	4,485.00	129,485.00	
02/01/20	135,000	<u>135,000</u>	3.45%	<u>2,328.75</u>	<u>137,328.75</u>	<u>266,813.75</u>
Totals		<u>\$495,000</u>		<u>\$21,648.75</u>	<u>\$516,648.75</u>	<u>\$516,648.75</u>

Note: The 2010 Series A Bonds maturing on or after August 1, 2020 are subject to optional redemption by the Commission beginning February 1, 2020, upon 30 days' notice at face value plus accrued interest.

(Subject to the attached letter dated May 14, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

HOBART REDEVELOPMENT COMMISSION

61st Avenue and SR 51 Economic Development Area

AMORTIZATION OF \$2,240,000 OF OUTSTANDING PRINCIPAL AMOUNT OF REDEVELOPMENT DISTRICT TAXABLE
SPECIAL TAXING DISTRICT BONDS OF 2010, SERIES B (RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS)

Bonds dated August 19, 2010

Payment Date	Principal Balance	Principal	Interest Rate	Interest	Total Debt Service	45% Credit	Net Debt Service	Fiscal Year Debt Service
08/01/18	\$2,240,000	\$100,000	4.46%	\$60,112.50	\$160,112.50	(1)	\$135,415.28	
02/01/19	2,140,000	100,000	4.76%	57,882.50	157,882.50	(\$24,697.22)	134,101.47	\$269,516.75
08/01/19	2,040,000	100,000	4.76%	55,502.50	155,502.50	(22,803.20)	132,699.30	
02/01/20	1,940,000	100,000	5.06%	53,122.50	153,122.50	(21,825.38)	131,297.12	263,996.42
08/01/20	1,840,000	120,000	5.06%	50,592.50	170,592.50	(20,785.93)	149,806.57	
02/01/21	1,720,000	120,000	5.21%	47,556.50	167,556.50	(19,538.59)	148,017.91	297,824.48
08/01/21	1,600,000	120,000	5.21%	44,430.50	164,430.50	(18,254.27)	146,176.23	
02/01/22	1,480,000	120,000	5.36%	41,304.50	161,304.50	(16,969.95)	144,334.55	290,510.78
08/01/22	1,360,000	120,000	5.36%	38,088.50	158,088.50	(15,648.66)	142,439.84	
02/01/23	1,240,000	130,000	5.40%	34,872.50	164,872.50	(14,327.37)	150,545.13	292,984.97
08/01/23	1,110,000	135,000	5.40%	31,362.50	166,362.50	(12,885.28)	153,477.22	
02/01/24	975,000	135,000	5.50%	27,717.50	162,717.50	(11,387.73)	151,329.77	304,806.99
08/01/24	840,000	135,000	5.50%	24,005.00	159,005.00	(9,862.45)	149,142.55	
02/01/25	705,000	140,000	5.60%	20,292.50	160,292.50	(8,337.17)	151,955.33	301,097.88
08/01/25	565,000	140,000	5.60%	16,372.50	156,372.50	(6,726.64)	149,645.86	
02/01/26	425,000	140,000	5.86%	12,452.50	152,452.50	(5,116.11)	147,336.39	296,982.25
08/01/26	285,000	140,000	5.86%	8,350.50	148,350.50	(3,430.80)	144,919.70	
02/01/27	145,000	145,000	5.86%	4,248.50	149,248.50	(1,745.50)	147,503.00	292,422.70
Totals		<u>\$2,240,000</u>		<u>\$628,266.50</u>	<u>\$2,868,266.50</u>	<u>(\$258,123.28)</u>	<u>\$2,610,143.22</u>	<u>\$2,610,143.22</u>

(1) Adjusted to account for the 8.7% reduction in the direct pay subsidy due to the effects of the federal government sequester.

Note: The 2010 Series B Bonds maturing on or after August 1, 2020 are subject to optional redemption by the Commission beginning February 1, 2020, upon 30 days' notice at face value plus accrued interest.

(Subject to the attached letter dated May 14, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

HOBART REDEVELOPMENT COMMISSION

61st Avenue and SR 51 Economic Development Area

**AMORTIZATION OF \$4,705,000 OF OUTSTANDING PRINCIPAL AMOUNT OF
LEASE RENTAL REVENUE BONDS OF 2014**
Bonds dated September 11, 2014

Payment Date	Principal Outstanding	Principal	Interest Rate	Interest	Total Debt Service	Fiscal Year Debt Service	Annual Lease Rentals
08/01/18	\$4,705,000	\$110,000	2.000%	\$60,428.13	\$170,428.13		
02/01/19	4,595,000	115,000	2.000%	59,328.13	174,328.13	\$344,756.26	\$350,000
08/01/19	4,480,000	120,000	2.000%	58,178.13	178,178.13		
02/01/20	4,360,000	125,000	2.000%	56,978.13	181,978.13	360,156.26	366,000
08/01/20	4,235,000	230,000	2.000%	55,728.13	285,728.13		
02/01/21	4,005,000	230,000	2.000%	53,428.13	283,428.13	569,156.26	575,000
08/01/21	3,775,000	285,000	2.000%	51,128.13	336,128.13		
02/01/22	3,490,000	290,000	2.125%	48,278.13	338,278.13	674,406.26	680,000
08/01/22	3,200,000	295,000	2.125%	45,196.88	340,196.88		
02/01/23	2,905,000	300,000	2.500%	42,062.50	342,062.50	682,259.38	688,000
08/01/23	2,605,000	305,000	2.500%	38,312.50	343,312.50		
02/01/24	2,300,000	305,000	3.000%	34,500.00	339,500.00	682,812.50	688,000
08/01/24	1,995,000	320,000	3.000%	29,925.00	349,925.00		
02/01/25	1,675,000	320,000	3.000%	25,125.00	345,125.00	695,050.00	701,000
08/01/25	1,355,000	330,000	3.000%	20,325.00	350,325.00		
02/01/26	1,025,000	335,000	3.000%	15,375.00	350,375.00	700,700.00	706,000
08/01/26	690,000	340,000	3.000%	10,350.00	350,350.00		
02/01/27	350,000	350,000	3.000%	5,250.00	355,250.00	705,600.00	711,000
Totals		<u>\$4,705,000</u>		<u>\$709,896.92</u>	<u>\$5,414,896.92</u>	<u>\$5,414,896.92</u>	<u>\$5,465,000</u>

Note: The 2014 Bonds maturing on or after February 1, 2023 are subject to optional redemption by the Authority beginning August 1, 2022, upon 30 days' notice, at face value plus accrued interest.

(Subject to the attached letter dated May 14, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

HOBART REDEVELOPMENT COMMISSION

*61st Avenue and SR 51 Economic Development Area***AMORTIZATION OF \$2,760,000 OF OUTSTANDING PRINCIPAL AMOUNT OF REDEVELOPMENT
DISTRICT SPECIAL TAXING DISTRICT REFUNDING BONDS, SERIES 2016**

Bonds dated June 23, 2016

<u>Payment Date</u>	<u>Principal Outstanding</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Fiscal Year Debt Service</u>
08/01/18	\$2,760,000	\$130,000	2.000%	\$27,600.00	\$157,600.00	
02/01/19	2,630,000	130,000	2.000%	26,300.00	156,300.00	\$313,900.00
08/01/19	2,500,000	140,000	2.000%	25,000.00	165,000.00	
02/01/20	2,360,000	140,000	2.000%	23,600.00	163,600.00	328,600.00
08/01/20	2,220,000	145,000	2.000%	22,200.00	167,200.00	
02/01/21	2,075,000	145,000	2.000%	20,750.00	165,750.00	332,950.00
08/01/21	1,930,000	150,000	2.000%	19,300.00	169,300.00	
02/01/22	1,780,000	150,000	2.000%	17,800.00	167,800.00	337,100.00
08/01/22	1,630,000	155,000	2.000%	16,300.00	171,300.00	
02/01/23	1,475,000	155,000	2.000%	14,750.00	169,750.00	341,050.00
08/01/23	1,320,000	155,000	2.000%	13,200.00	168,200.00	
02/01/24	1,165,000	160,000	2.000%	11,650.00	171,650.00	339,850.00
08/01/24	1,005,000	165,000	2.000%	10,050.00	175,050.00	
02/01/25	840,000	165,000	2.000%	8,400.00	173,400.00	348,450.00
08/01/25	675,000	165,000	2.000%	6,750.00	171,750.00	
02/01/26	510,000	170,000	2.000%	5,100.00	175,100.00	346,850.00
08/01/26	340,000	170,000	2.000%	3,400.00	173,400.00	
02/01/27	170,000	170,000	2.000%	1,700.00	171,700.00	345,100.00
Totals		<u>\$2,760,000</u>		<u>\$273,850.00</u>	<u>\$3,033,850.00</u>	<u>\$3,033,850.00</u>

Note: The 2016 Bonds maturing on or after February 1, 2025 are subject to optional redemption by the Commission beginning August 1, 2024, upon 30 days' notice, at face value plus accrued interest.

(Subject to the attached letter dated May 14, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

HOBART REDEVELOPMENT COMMISSION*61st Avenue and SR 51 Economic Development Area***ILLUSTRATIVE PROJECT COSTS AND FUNDING**

Illustrative Project Costs:

Net proceeds available for projects	\$2,975,000
Debt service reserve	348,500
Allowance for underwriter's discount (1.0%)	34,850
Bond issuance costs and contingencies	<u>126,650</u>
Total Illustrative Project Costs	<u><u>\$3,485,000</u></u>

Illustrative Project Funding:

Illustrative Special Taxing District Bonds (1)	<u><u>\$3,485,000</u></u>
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- (1) Assumes the illustrative bonds are payable from Tax Increment with a property tax backup. The illustrative bonds could be issued as lease rental bonds in order to maintain the Redevelopment District's debt limit capacity.

(Subject to the attached letter dated May 14, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

HOBART REDEVELOPMENT COMMISSION

*61st Avenue and SR 51 Economic Development Area***ILLUSTRATIVE AMORTIZATION OF \$3,485,000 PRINCIPAL AMOUNT OF
REDEVELOPMENT DISTRICT SPECIAL TAXING DISTRICT BONDS**

Assumes Bonds dated February 1, 2019

Payment Date	Principal Outstanding	Principal	Assumed Interest Rate (1)	Assumed Interest	Assumed Total Debt Service	Assumed Fiscal Year Debt Service
08/01/19	\$3,485,000	\$75,000	1.70%	\$47,885	\$122,885	
02/01/20	3,410,000	80,000	2.10%	47,248	127,248	\$250,133
08/01/20	3,330,000	110,000	2.10%	46,408	156,408	
02/01/21	3,220,000	115,000	2.30%	45,253	160,253	316,660
08/01/21	3,105,000	165,000	2.30%	43,930	208,930	
02/01/22	2,940,000	165,000	2.50%	42,033	207,033	415,963
08/01/22	2,775,000	195,000	2.50%	39,970	234,970	
02/01/23	2,580,000	195,000	2.65%	37,533	232,533	467,503
08/01/23	2,385,000	265,000	2.65%	34,949	299,949	
02/01/24	2,120,000	270,000	2.80%	31,438	301,438	601,386
08/01/24	1,850,000	285,000	2.80%	27,658	312,658	
02/01/25	1,565,000	285,000	2.90%	23,668	308,668	621,325
08/01/25	1,280,000	310,000	2.90%	19,535	329,535	
02/01/26	970,000	310,000	3.05%	15,040	325,040	654,575
08/01/26	660,000	330,000	3.05%	10,313	340,313	
02/01/27	330,000	330,000	3.20%	5,280	335,280	675,593
Totals		<u>\$3,485,000</u>		<u>\$518,136</u>	<u>\$4,003,136</u>	<u>\$4,003,136</u>

(1) We have prepared the interest rate assumptions using our evaluation of the underlying credit pledge to this financing and current market conditions. These factors are subject to change. Changes may result in the actual interest rates varying from the interest rates assumed for this analysis and that variance may be material.

(Subject to the attached letter dated May 14, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

HOBART REDEVELOPMENT COMMISSION

61st Avenue and SR 51 Economic Development Area

COMPARISON OF ESTIMATED ANNUAL TAX INCREMENT AND ILLUSTRATIVE OBLIGATIONS

Taxes Payable Year	Estimated Tax Increment	Obligations							Estimated Remaining Tax Increment	Estimated Coverage
		2009 B Bonds	Outstanding		2014 Bonds	2016 Bonds	Illustrative 2019 Bonds	Total		
			2010 Bonds Series A	2010 Bonds Series B						
(1)	(2)	(3)	(4)	(5)	(6)	(7)				
2018	\$1,992,840	(\$117,254)	(\$249,835)	(\$269,517)	(\$350,000)	(\$313,900)		(\$1,300,506)	\$692,335	153%
2019	2,009,770	(129,054)	(266,814)	(263,996)	(366,000)	(328,600)	(\$250,133)	(1,604,596)	405,174	125%
2020	2,065,390	(125,032)		(297,824)	(575,000)	(332,950)	(316,660)	(1,647,466)	417,924	125%
2021	2,320,280	(130,754)		(290,511)	(680,000)	(337,100)	(415,963)	(1,854,327)	465,953	125%
2022	2,403,920	(131,129)		(292,985)	(688,000)	(341,050)	(467,503)	(1,920,666)	483,254	125%
2023	2,582,130	(131,157)		(304,807)	(688,000)	(339,850)	(601,386)	(2,065,200)	516,930	125%
2024	2,628,390	(125,884)		(301,098)	(701,000)	(348,450)	(621,325)	(2,097,757)	530,633	125%
2025	2,671,770	(130,428)		(296,982)	(706,000)	(346,850)	(654,575)	(2,134,835)	536,935	125%
2026	2,698,420	(129,608)		(292,423)	(711,000)	(345,100)	(675,593)	(2,153,723)	544,697	125%
Totals	<u>\$21,372,910</u>	<u>(\$1,150,298)</u>	<u>(\$516,649)</u>	<u>(\$2,610,143)</u>	<u>(\$5,465,000)</u>	<u>(\$3,033,850)</u>	<u>(\$4,003,136)</u>	<u>(\$16,779,076)</u>	<u>\$4,593,834</u>	

- (1) See page 3.
- (2) See page 9.
- (3) See page 10.
- (4) See page 11.
- (5) See page 12.
- (6) See page 13.
- (7) See page 15.

(Subject to the attached letter dated May 14, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

HOBART REDEVELOPMENT COMMISSION

*61st Avenue and SR 51 Economic Development Area*REDEVELOPMENT DISTRICT DEBT LIMIT

Pay 2018 City of Hobart certified net assessed value (1)		\$1,563,990,860
Multiplied by 2% debt limit		<u>2%</u>
Subtotal		31,279,817
Divided by three		<u>3</u>
Redevelopment District debt limit		10,426,606
Less outstanding debt subject to debt limit (2):		
Special Taxing District Bonds of 2009, Series B	(\$925,000)	
Special Taxing District Bonds of 2010, Series A	(495,000)	
Taxable Special Taxing District Bonds of 2010, Series B	(2,240,000)	
Special Taxing District Refunding Bonds, Series 2016	<u>(2,760,000)</u>	
Subtotal		<u>(6,420,000)</u>
Estimated available Redevelopment District debt limit		<u><u>\$4,006,606</u></u>

(1) Per the Department of Local Government Finance.

(2) Represents outstanding principal as of May 4, 2018.

(Subject to the attached letter dated May 14, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)