

COMMON COUNCIL OF THE CITY OF HOBART, INDIANA

Resolution Number 2019- 02

**A Resolution of the Common Council of the City of Hobart, Indiana
Concerning Certain Actions and Proceedings with Respect to the
Financing of Certain Affordable Multifamily Housing Facilities**

WHEREAS, the City of Hobart, Indiana (the “City”), is authorized by IC 36-7-11.9 and 12 (collectively, the “Act”) to issue revenue bonds for the financing of economic development facilities, the funds from said financing to be used for the acquisition, construction and equipping of said facilities or the reimbursement of costs incurred in connection therewith, and said facilities to be either sold or leased to another company or directly owned by another company; and

WHEREAS, a representative of A Safe Haven Foundation or entities formed by it (collectively, the “Borrower”) has advised the City that the Borrower proposes that the City lend proceeds of an economic development financing to the Borrower to provide a portion of the funds to pay the costs of acquisition, design, construction, improvement and/or equipping of the affordable multifamily housing facilities to be located in the City at 7930 Iowa Street consisting of approximately 75 living units and certain functionally-related improvements (the “Development”), which are intended to be utilized in connection with the HUD-Veterans Affairs Supportive Housing program (“HUD-VASH”), (ii) paying capitalized interest on the bonds (if necessary), (iii) funding a debt service reserve fund (if necessary), and (iv) paying incidental expenses incurred on account of the issuance of the bonds and acquiring any credit enhancement with respect thereto (if necessary); and

WHEREAS, the Development will be owned and operated by the Borrower for use as a multifamily housing facility which will provide affordable rental housing; and

WHEREAS, the diversification of industry, creation of job opportunities and providing affordable rental housing to be achieved by the acquisition, construction and equipping of the Development will be of public benefit to the health, safety and general welfare of the City and its citizens; and

WHEREAS, it would appear that the financing of the Development would be of public benefit to the health, safety and general welfare of the City and its citizens.

THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF HOBART AS FOLLOWS:

1. It is hereby found and determined that the promotion of diversification of economic development and job opportunities in and near the City, and the providing of affordable rental housing is desirable to preserve the health, safety and general welfare of the citizens of the City, and that it is in the public interest that the City take such action as they lawfully may to encourage economic development, diversification of industry, promotion of job opportunities and affordable rental housing in and near the City.

2. It is hereby found and determined that the issuance and sale of economic development revenue bonds of the City in one or more series which may be tax-exempt or taxable under the Act in an aggregate principal amount not to exceed \$11,000,000 for the lending of the proceeds of the revenue bonds to the Borrower for the purpose of financing a portion of the cost of the acquisition, construction and equipping of the Development will serve the public purposes referred to above, in accordance with the Act.

3. All costs of the Development which may be financed under the Act will be permitted to be included as part of the bond issue to finance the Development, and the City will loan the proceeds from the sale of the bonds to the Borrower for the same purposes.

4. All action taken and approvals given by this Council with regard to the Borrower, are based upon the evidence submitted and representations made by the Borrower, its agents or counsel. No independent examination, appraisal or inspection of the Development was made, requested, or is contemplated by this Council or the City.

5. This Council does not, by this or any other approval or finding, guarantee, warrant or even suggest that the bonds, coupons or series thereof will be a reasonable investment for any person, firm or corporation.

6. This Council shall not be obligated, directly or indirectly, to see to the application or use of the proceeds from the sale of the bonds or to see that the contemplated improvements, if any, are constructed. This Council is in no way responsible to the holders of any bonds for any payment obligation created by the bonds.

7. This Council does not warrant, guarantee or even suggest that interest to be paid to or income to be received by the holders of any bond, coupon, or series thereof is exempt from taxation by any local, state or federal government.

8. The bonds shall be special, limited obligations of the City payable solely from the funds provided therefor and shall not constitute an indebtedness of the Hobart Economic Development Commission or the City or a loan of the credit thereof within the meaning of any constitutional or statutory provisions.

9. In order to induce the Borrower to proceed with the acquisition, construction and equipping of the Development, this Council hereby finds and determines that (i) it will take or cause to be taken such actions pursuant to the Act as may be required to implement the aforesaid financing, or as it may deem appropriate in pursuance thereof; provided that all of the foregoing shall be mutually acceptable to the City and the Borrower; and (ii) it will adopt such resolutions or ordinances and authorize the execution and delivery of such instruments and the taking of such action as may be necessary and advisable for the authorization, issuance and sale of said economic development revenue bonds; and (iii) it will use its best efforts to assist the Borrower in procuring the issuance of additional economic development revenue bonds, if such additional bonds become necessary for refunding or refinancing the outstanding principal amount of the economic development revenue bonds, for completion of the Development and for additions to the Development, including the costs of issuing additional bonds (provided that the financing of such addition or additions to the Development is found to have a public purpose (as defined in the Act) at the time of the authorization of such additional bonds), and that the aforementioned purposes comply with the provisions of the Act.

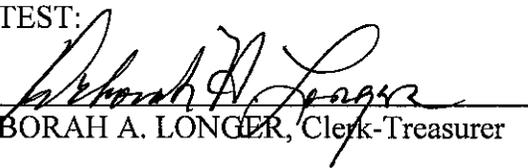
10. All costs of the Development incurred after the date permitted by applicable federal tax and state laws, including reimbursement or repayment to the Borrower of moneys expended by the Borrower for application fees, planning, engineering, a portion of the interest

paid during acquisition, construction and equipping, underwriting expenses, attorney and bond counsel fees, and acquisition, construction and equipping of the Development will be permitted to be included as part of the bond issue to finance the Development, and the City will lend the proceeds from the sale of the bonds to the Borrower for the same purposes. Also, certain indirect expenses, including but not limited to, planning, architectural work and engineering incurred prior to this inducement resolution will be permitted to be included as part of the bond issue to finance the Development. This resolution shall constitute "official action" for purposes of compliance with federal and state laws requiring governmental action as authorization for future reimbursement from the proceeds of bonds.

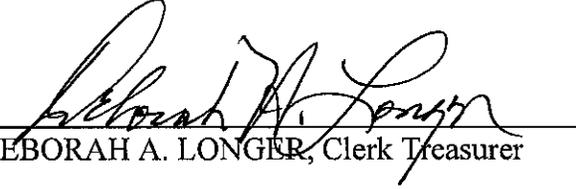
11. This resolution shall be in full force and effect immediately upon passage by this Council and signing by the President of this Council and by the Mayor.

ALL OF WHICH is adopted as the Resolution of the Common Council of the City of Hobart on this 16th day of JANUARY, 2019.


PRESIDING OFFICER

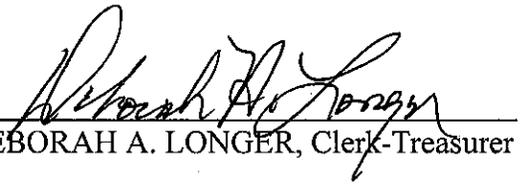
ATTEST:

DEBORAH A. LONGER, Clerk-Treasurer

PRESENTED by me to the Mayor of the City of Hobart on the 16th day of JANUARY, 2019 at the hour of 6:35 p.m.


DEBORAH A. LONGER, Clerk Treasurer

APPROVED, EXECUTED AND RETURNED by me to the Common Council of the City of Hobart on this on this this 16th day of JANUARY, 2019.


BRIAN K. SMEDECOR, Mayor

ATTEST: 
DEBORAH A. LONGER, Clerk-Treasurer