

ECONOMIC DEVELOPMENT COMMISSION OF THE CITY OF HOBART

RESOLUTION NO. 2022-01

RESOLUTION OF THE CITY OF HOBART ECONOMIC DEVELOPMENT COMMISSION APPROVING AND AUTHORIZING CERTAIN ACTIONS AND PROCEEDINGS WITH RESPECT TO CERTAIN PROPOSED ECONOMIC DEVELOPMENT TAX INCREMENT REVENUE BONDS AND RELATED MATTERS

WHEREAS, the City of Hobart, Indiana (the “City”), is authorized by I.C. 36-7-11.9 and I.C. 36-7-12 (collectively, the “Act”) to issue revenue bonds for the financing of economic development facilities, and to provide the proceeds of the revenue bond issue to another entity to finance the acquisition, construction, renovation, installation and equipping of said facilities; and

WHEREAS, SIR RLJ, LLC, or an affiliate thereof (the “Company”) desires to finance certain improvements to the Albanese Confectionary Group, Inc. operations in the City, specifically to be located in Allocation Area No. 2 (the “Allocation Area”) of the US 30 and 69th Avenue Economic Development Area (the “Area”) previously designated by the City of Hobart Redevelopment Commission (the “Redevelopment Commission”), as more particularly described in the Development Agreement (the “Company Project”) and in connection with the Company Project, certain road improvements will be completed in the Area (the “Improvements” and collectively with the Company Project, the “Project”) in the City; and

WHEREAS, the Company has advised the City of Hobart Economic Development Commission (the “Commission”) and the City that it proposes that the City issue economic development tax increment revenue bonds in an amount not to exceed Eleven Million Seven Hundred Fifty Thousand Dollars (\$11,750,000) (the “Bonds”) under the Act for the purpose of procuring funds to (a) pay all or a portion of the cost of acquisition, design, construction, renovation, improvement and equipping of the Company Project and the Improvements, (b) pay capitalized interest on the Bonds (if necessary), (iii) fund a debt service reserve fund (if necessary), and (d) pay all incidental expenses on account of the issuance of the Bonds and acquiring any credit enhancement with respect thereto; and

WHEREAS, the Commission has studied the Project and the proposed financing of the Project and its effect on the health and general welfare of the City and its citizens;

WHEREAS, the completion of the Company Project is expected to result in the further diversification of industry and the creation of approximately seventy-five (75) new permanent jobs with respect to the first phase of the Company Project and, if the second phase of the Company Project is completed, the creation of an additional approximately fifty-five (55) new permanent jobs in the City and the creation of business opportunities in the City; and

WHEREAS, pursuant to I.C. § 36-7-12-24, the Commission published notice of a public hearing (the “Public Hearing”) on the proposed issuance of the Bonds to finance the Project; and

WHEREAS, on the date hereof the Commission held the Public Hearing on the Project and considered any adverse competitive effect the Project may have on competing similar facilities in the area served by the Project;

NOW, THEREFORE, BE IT RESOLVED by the City of Hobart Economic Development Commission, as follows:

SECTION 1. The Commission hereby finds, determines, ratifies and confirms that the diversification of industry, the creation of business opportunities and the creation of opportunities for gainful employment within the jurisdiction of the City are desirable, serve a public purpose, and are of benefit to the health and general welfare of the City; and that it is in the public interest that the City take such action as it lawfully may to encourage the diversification of industry, the creation of business opportunities, and the creation of opportunities for gainful employment within the jurisdiction of the City.

SECTION 2. In making the findings herein, the Commission has considered any adverse competitive effect the Project may have on any similar facilities already constructed or operating in or near the City.

SECTION 3. The Commission hereby approves the findings of fact and report with respect to the Project presented at this meeting. The Secretary of this Commission shall submit such report to the executive director or chairman of the plan commission of the City.

SECTION 4. The Commission finds, determines, ratifies and confirms that the issuance and sale of the Bonds in an amount not to exceed Eleven Million Seven Hundred Fifty Thousand Dollars (\$11,750,000) and the use of a portion of the proceeds of the Bonds for the Improvements and costs related to the issuance of the Bonds and the provision of the net proceeds of the Bonds to the Company for the financing of a portion of the cost the Company Project will be of benefit to the health and general welfare of the City, will serve the public purposes referred to above in accordance with the Act, and will fully comply with the Act.

SECTION 5. The financing of a portion of the costs of the Project through the issuance of the Bonds, in one or more series, in an amount not to exceed Eleven Million Seven Hundred Fifty Thousand Dollars (\$11,750,000), is hereby approved and recommended to the Common Council to the City (the "Common Council").

SECTION 6. The Commission hereby approves and recommends to the Common Council the terms of the following documents in the form presented at this meeting: (i) a Trust Indenture between the City and a trustee to be selected (with a form of the Bonds therein); (ii) a Financing Agreement between the City and the Company; and (iii) an Ordinance of the Common Council.

SECTION 7. Any officer of the Commission is hereby authorized and directed, in the name and on behalf of the Commission, to execute any and all other agreements, documents and instruments, perform any and all acts, approve any and all matters, and do any and all other things deemed by them, or any of them, to be necessary or desirable in order to carry out and comply with the intent, conditions and purposes of this resolution (including the preambles hereto and the documents mentioned herein), the Project and the issuance and sale of the Bonds, and any such

execution, performance, approval or doing of other things heretofore effected be, and hereby is, ratified and approved.

SECTION 8. The Secretary of this Commission shall transmit this resolution, together with the forms of the documents approved by this resolution, to the Common Council.

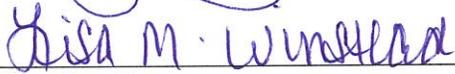
SECTION 9. This resolution shall be in full force and effect upon adoption.

Adopted this 11th day of January, 2022.

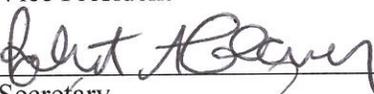
CITY OF HOBART ECONOMIC
DEVELOPMENT COMMISSION



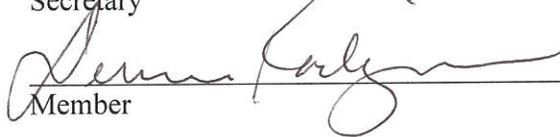
President



Vice President



Secretary



Member

Member

**REPORT OF THE CITY OF HOBART
ECONOMIC DEVELOPMENT COMMISSION CONCERNING
THE PROPOSED FINANCING OF ECONOMIC DEVELOPMENT
FACILITIES FOR SIR RLJ, LLC**

The City of Hobart Economic Development Commission (the “Commission”) proposes to recommend to the Common Council of the City of Hobart, Indiana (the “City”), that it provide the net proceeds of certain economic development revenue bonds (the “Bonds”) to SIR RLJ, LLC (or a related party, the “Company”) for the financing of a portion of certain economic development facilities relating to the Albanese Confectionary Group, Inc, operations in the City.

In connection therewith, the Commission hereby reports as follows:

A. The proposed economic development facilities consist of the acquisition, construction and equipping of a project in the City in two (2) phases with the first phase consisting of the construction of an approximately 276,000 square foot building addition, the construction and operation of a four (4) story employee/office center, the installation of an additional production line and warehousing racking system and the completion of miscellaneous production related capital projects (“Phase I”) and the second phase consisting of the construction of a distribution center and/or installation of an additional production line (“Phase 2” and collectively with Phase 1, the “Project”).

B. The Commission estimates that except for those public works and services for which funds of the City and other parties are expected to be available, there are no public works or services, including public ways, schools, water, sewer, street lights and fire protection, which will be made necessary or desirable by the Project, because any such works or services already exist or will be provided from proceeds of the Bonds or by the Company or other parties.

C. The Commission estimates that the total costs of the Project for which funding is not otherwise available will not exceed \$11,750,000.

D. The Commission estimates that Phase 1 of the Project will result in the creation of approximately seventy-five (75) new permanent full-time jobs in the City, with an average hourly wage starting at \$27 per hour and that Phase 2 of the Project, if undertaken by the Company, will result in the creation of approximately fifty-five (55) new permanent full-time jobs in the City with an average hourly wage range of \$29-32 per hour; and that the Project will result in the creation of business opportunities in the City.

E. The Project will have no adverse competitive effect on similar facilities already constructed or operating in the City for the reason that there are no competing similar facilities in the area served by the Company.

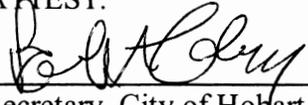
(Signatures follow on next page)

Adopted this 11TH day of January, 2022.



President, City of Hobart Economic
Development Commission

ATTEST:



Secretary, City of Hobart Economic
Development Commission