

RESOLUTION NO. 2013-01

**A RESOLUTION OF THE CITY OF HOBART, INDIANA, ECONOMIC DEVELOPMENT COMMISSION PROVIDING PRELIMINARY APPROVAL OF THE ISSUANCE OF BONDS FOR THE PURPOSE OF FINANCING CERTAIN ECONOMIC DEVELOPMENT FACILITIES FOR ITR AMERICA, LLC**

WHEREAS, the City of Hobart, Indiana (the "City"), is authorized by I.C. 36-7-11.9 and 12, as supplemented and amended (the "Act") to issue revenue bonds for the financing of economic development facilities, the funds from said financing to be used for the acquisition, expansion, construction, installation and equipping of said facilities; and

WHEREAS, ITR America, LLC (the "Applicant") has requested that the Commission give preliminary approval to the issuance of economic development revenue bonds in one (1) or more series in an aggregate principal amount not to exceed \$5,850,000, which request includes the financing by the Applicant of a portion of certain economic development facilities consisting of the acquisition, construction, installation and equipping of distribution facility to be located on a parcel of land located at 6301 NorthWind Parkway in the City (the "Project"); and

WHEREAS, the real estate, the building and the equipment comprising the Project will be owned by Applicant for use in its business of manufacturing, assembling and distributing track groups for use on bulldozers; and

WHEREAS, it appears from the application submitted to the Commission, and the Report approved by the Commission, that the creation of opportunities for gainful employment and the creation of business opportunities to be achieved by the Project will serve a public purpose and will be of benefit to the health and general welfare of the City, and that the proposed financing complies with the provisions of the Act; and

WHEREAS, it appears from the application submitted to the Commission, and the Report approved by the Commission, that the Project will not have an adverse competitive effect on any similar facility which may be operating in the City;

NOW, THEREFORE BE IT RESOLVED, by the City of Hobart, Indiana, Economic Development Commission, based upon the evidence submitted and representations made by the Applicant, its agents and counsel, as required by the Act, that;

1. The creation of opportunities for gainful employment and the creation of business opportunities to be achieved by the Project in the City will be of benefit to the health and general welfare of the citizens of the City, and it is in the public interest that this Commission take such action as it lawfully may to encourage diversification of industry and promotion of job opportunities in the City.

2. The issuance and sale of economic development revenue bonds of the City in one (1) or more series under the Act in an amount not to exceed \$5,850,000 for the Project and the loan of the proceeds of the economic development revenue bonds to the Applicant will serve the public purposes referred to above, in accordance with the Act.

3. The proposed economic development facilities will not have an adverse competitive effect on any similar facilities which may be already under construction or in operation in the City.

4. In order to induce the Applicant to proceed with negotiations for the Project, the Commission hereby determines that:

- (i) It will take or cause to be taken such actions pursuant to the Act as may be reasonably required to implement the aforesaid financing, or as it may deem reasonably appropriate in pursuance thereof, provided that all of the foregoing shall be as authorized by law and is mutually acceptable to the City and the Applicant; and
- (ii) It will adopt such resolutions and authorize the execution and delivery of such instruments and the taking of such action as may be reasonably necessary and advisable for the authorization, issuance and sale of said economic development revenue bonds; provided that all of the foregoing shall be as authorized by law and is mutually acceptable to the City and the Applicant.

5. All costs of the Project incurred for planning, engineering, interest paid during construction, underwriting expenses, attorney and bond counsel fees, and acquisition, installation and equipping of the Project will be permitted to be included as part of the costs of the Project to be financed out of the loan of the proceeds from the sale of the bonds to the extent permitted by the Act and applicable regulations promulgated under the Internal Revenue Code of 1986, as amended.

6. All action taken and approvals given by the Commission with regard to the Applicant are based upon the evidence submitted and representations made by the Applicant, its agents or counsel. No independent examination, appraisal or inspection of the Project was made, requested, or is contemplated by the Commission or the City.

7. The Commission 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.

8. The Commission 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. The Commission is in no way responsible to the holders of any bonds for any payment obligation created by the bonds.

9. The Commission 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.

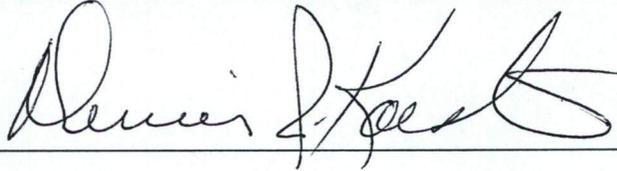
10. The bonds shall be special, limited obligations of the City payable solely from the funds provided therefor as described in the indenture authorizing the bonds, and shall not

constitute an indebtedness of the Commission or the City or a loan of the credit thereof within the meaning of any constitutional or statutory provisions.

11. This resolution does not constitute a binding obligation of the Commission or the City to issue the bonds, but instead, is a commitment by the Commission to proceed with negotiations for the financing described herein with the Applicant and is subject to the adoption of a bond ordinance by the fiscal body of the City in accordance with the provisions of the Act.

ADOPTED this <sup>26<sup>th</sup></sup>~~26~~ day of February, 2013.

CITY OF HOBART, INDIANA,  
ECONOMIC DEVELOPMENT COMMISSION

  
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**REPORT OF THE CITY OF HOBART, INDIANA, ECONOMIC DEVELOPMENT  
COMMISSION CONCERNING THE PROPOSED FINANCING OF ECONOMIC  
DEVELOPMENT FACILITIES FOR ITR AMERICA, LLC**

The City of Hobart, Indiana, Economic Development Commission (the "Commission") has recommended to the City of Hobart, Indiana (the "City"), Common Council, that it loan the proceeds of an economic development revenue bond financing (the "Bonds") in an amount not to exceed \$5,850,000 to ITR America, LLC (the "Applicant").

The Applicant has requested that the Commission give preliminary approval to the issuance of economic development revenue bonds in two (2) series with one (1) series to be issued on a tax-exempt basis and the other series to be issued on a taxable basis with the total aggregate principal amount of said revenue bonds to be issued not to exceed \$5,850,000, which request includes the financing by the Applicant of a portion of certain economic development facilities consisting of the acquisition, construction, installation and equipping of a distribution facility to be located at 6301 NorthWind Parkway in the City (the "Project").

That portion of the Project consisting of the real estate and the building located thereon and the equipment to be located therein will be owned by the Applicant for use in its business of manufacturing, assembling and distributing track groups for use on bulldozers.

The Applicant does not anticipate a need for any additional public services as a result of the Project that are not otherwise available or contemplated.

The total cost of the Project will approximate \$5,850,000 of which an amount not to exceed \$5,850,000 will be financed by economic development revenue bonds.

The Applicant anticipates retaining twenty (20) full and part-time jobs and creating an additional twenty (20) full-time jobs as a result of the Project with an estimated total annual payroll of \$31,000 per employee.

The acquisition, construction, installation and equipping of the Project will not have an adverse competitive effect on any similar distribution facilities already constructed or operating in or about the City because there are no such facilities.

The proposed financing of the Project will be of benefit to the health and general welfare of the citizens of the City.

The proposed financing of the Project complies with the purposes and provisions of I.C. §§ 36-7-11.9 and 12 et seq., as supplemented and amended.

The foregoing report is true and correct in all material respects and has been prepared by and submitted to the Issuer by the Applicant as of this 26th day of February, 2013, and incorporates the evidence presented from representatives of the Applicant at a meeting of the Commission held on February 26, 2013, as more specifically set forth in the Findings of Fact attached hereto and made a part hereof as Exhibit A.

ITR AMERICA, LLC

By: Brett Adams

Its: PRESIDENT

APPROVED THIS 26<sup>th</sup> DAY OF  
FEBRUARY, 2013

Demetri J. Kest

President  
City of Hobart, Indiana,  
Economic Development Commission

**EXHIBIT A**

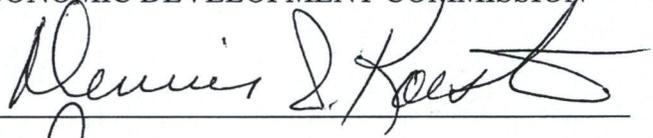
**FINDINGS OF FACT OF THE CITY OF HOBART, INDIANA  
ECONOMIC DEVELOPMENT COMMISSION  
RE: ITR AMERICA, LLC**

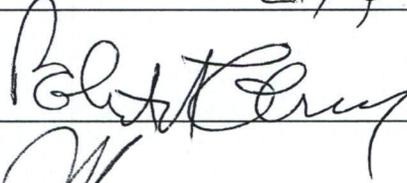
Comes now the City of Hobart, Indiana, Economic Development Commission and upon evidence presented makes the following findings of fact re: ITR America, LLC (the "Applicant"):

1. The proposed economic development facilities consist of the acquisition, construction, installation and equipping of a distribution facility located within the City of Hobart, Indiana (the "City") at 6301 NorthWind Parkway (the "Project"). The real estate, building and equipment will be owned by Applicant for use in its business of manufacturing, assembling and distributing track groups for use on bulldozers. The estimated cost of the Project is approximately \$5,850,000 of which not more than \$5,850,000 has been requested by the Applicant to be financed through the issuance of economic development revenue bonds by the City under the provisions of I.C. § 36-7-11.9 and 12, as supplemented and amended, in two (2) series with one (1) series to be issued on a tax-exempt basis and the other series to be issued on a taxable basis with the total aggregate principal amount of said revenue bonds to be issued not to exceed \$5,850,000.
2. No public works or services not already existing or available will be necessary or desirable due to the economic development facilities proposed by the Applicant.
3. The Applicant estimates that as a result of the acquisition, installation and equipping of the Project, it will retain twenty (20) full and part-time jobs and creating an additional twenty (20) full-time jobs with an estimated annual payroll of approximately \$31,000 per employee.
4. The Project will not have an adverse competitive effect on any other distribution facilities within the geographic limits of the City as there are not any other similar distributors.

ADOPTED this 26<sup>th</sup> day of February, 2013.

CITY OF HOBART, INDIANA,  
ECONOMIC DEVELOPMENT COMMISSION

  
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