

RESOLUTION NO. 2020-10

RESOLUTION OF THE YORKTOWN REDEVELOPMENT COMMISSION PLEDGING TAX INCREMENT GENERATED IN THE REBAR ALLOCATION AREA

WHEREAS, the Yorktown ("Town") Redevelopment Commission ("Commission") adopted a declaratory resolution on September 9, 2002 as amended on December 14, 2016 (collectively, as amended, "Downtown Declaratory Resolution"), establishing the Yorktown Economic Development Area No. 1 ("Downtown EDA") and an allocation area ("Downtown Allocation Area") in accordance with IC 36-7-14-39 for the purpose of capturing property taxes generated from the incremental assessed value of real property located in the Downtown Allocation Area and approving the economic development plan for the Downtown Allocation Area (as amended, "Downtown Plan"), which Downtown Plan contained specific recommendations for economic development in the Downtown EDA;

WHEREAS, the Commission adopted a declaratory resolution on February 12, 2007 ("600/332 Declaratory Resolution"), establishing the Yorktown Economic Development Area No. 2 ("600/332 EDA"), and establishing the 600/332 Allocation Area ("600/332 Allocation Area") in accordance with IC 36-7-14-39 for the purpose of capturing property taxes generated from the incremental assessed value of real property located in the 600/332 Allocation Area and approving the economic development plan for the 600/332 EDA ("600/332 Plan"), which 600/332 Plan contained specific recommendations for economic development in the 600/332 EDA;

WHEREAS, on March 12, 2020 the Commission adopted an amending declaratory resolution ("Original Consolidation Resolution") consolidating the Downtown EDA and the 600/332 EDA designated as the "2020 Consolidated Economic Development Area" ("Consolidated EDA") and consolidated the Downtown Plan and the 600/332 Plan ("Original Consolidated Plan");

WHEREAS, the Downtown Allocation Area and the 600/332 Allocation Area were not consolidated;

WHEREAS, on October 14, 2020 the Commission adopted an amending declaratory resolution ("Amending Declaratory Resolution") to amend the Original Consolidation Resolution to: (i) amend the Downtown Allocation Area to remove the parcels set forth on Exhibit B attached thereto from the Downtown Allocation Area (collectively, "Parcels"); (ii) designate the Parcels as the Rebar Allocation Area; and (iii) amend the Original Plan to include the construction of a mixed-use building or buildings to include market rate apartments, "Class A" residential amenities, commercial space, "live/work" studios, co-working office suites and

conference rooms and parking, together with all necessary appurtenances, related improvements and equipment in the Original Consolidated Plan (collectively, "2020 Consolidated Plan");

WHEREAS, the Town is issuing its Taxable Economic Development Revenue Bonds of 2020 (Rebar Project) ("Bonds"), pursuant to a Trust Indenture dated as of December 1, 2020 between the Town and a financial institution to be selected to serve as trustee ("Trust Indenture"), the proceeds of which will be used to finance a portion of the costs of construction of infrastructure and a mixed-use development, together with all necessary appurtenances, related improvements and equipment (collectively, "Project"), in or physically connected to the Consolidated EDA; (iii) funding a debt service reserve, if required; and (iv) paying costs of issuance;

WHEREAS, the Delaware County Redevelopment Commission has entered into an interlocal agreement with the Commission to provide to the Commission \$300,000 annually for a period of ten (10) years, beginning in 2020 ("County TIF");

WHEREAS, the Commission has determined to pledge all Tax Increment and County TIF received by the Commission, minus annual fees not to exceed \$5,000, to the Town for payment of the debt service on the Bonds ("TIF Revenues");

WHEREAS, in order to finance the Project, the Commission has determined that it is in the best interest of the Town and its residents to pledge the TIF Revenues; and

WHEREAS, the Commission believes that pledging the TIF Revenues will help further the accomplishment of the 2020 Consolidated Plan;

NOW, THEREFORE, BE IT RESOLVED BY THE YORKTOWN REDEVELOPMENT COMMISSION, THAT:

1. The Commission hereby finds that the pledge of TIF Revenues to finance the Project will help accomplish the 2020 Consolidated Plan for the Area and will promote the economic and redevelopment of the Town and the Area.
2. The Commission hereby irrevocably pledges TIF Revenues to the payment of debt service on the Bonds.
3. The Commission has no prior liens, encumbrances or other restrictions on its ability to pledge the TIF Revenues.
4. The Commission reserves the right to enter into other obligations or leases payable from Tax Increment, in whole or in part, and to pledge the Tax Increment on a parity with the pledge of Tax Increment to the Bonds to be issued for the Project in accordance with the following requirements for the purpose of raising money for future local public improvements in,

serving or benefiting the Area ("Parity Obligations"). The authorization and issuance of such Parity Obligations shall be subject to the following conditions precedent:

(a) All interest and principal payments due under the Bonds and any Parity Obligations payable from Tax Increment shall be current to date in accordance with the terms thereof, with no payment in arrears;

(b) For Parity Obligations payable from Tax Increment without a special benefits tax levy, an ad valorem property tax or a pledge of local income taxes, the Commission shall have received a certificate prepared by an independent, qualified accountant ("Certifier") certifying the amount of the Tax Increment estimated to be received in each succeeding year, adjusted as provided below, which estimated amount shall be at least equal to one hundred twenty-five percent (125%) of the lease rental and debt service requirements with respect to the outstanding Bonds and the proposed Parity Obligations for each respective year during the term of the outstanding Bonds and proposed Parity Obligations. In estimating the Tax Increment to be received in any future year, the Certifier shall base the calculation on assessed valuation actually assessed or estimated to be assessed as of the assessment date immediately preceding the issuance of the Parity Obligations and any new property for which a building permit has been issued. For any proposed Parity Obligations with a special benefits tax levy, ad valorem tax levy or pledge of local income taxes, the requirements of this Section 4(b) need not be met; and

(c) Principal of and interest on any Parity Obligations or junior obligations and lease rentals on Parity Obligations which are leases shall be payable semiannually on January 15 and July 15.

5. This resolution shall be effective upon passage.

Adopted November 12, 2020.

YORKTOWN REDEVELOPMENT
COMMISSION



President

Attest:



Secretary