

RESOLUTION NO. 2021-07

A RESOLUTION OF THE TOWN OF WHITESTOWN REDEVELOPMENT COMMISSION PLEDGING CERTAIN TAX INCREMENT REVENUES TO THE PAYMENT OF ECONOMIC DEVELOPMENT REVENUE BONDS OF THE TOWN OF WHITESTOWN

WHEREAS, the Town of Whitestown Redevelopment Commission (the “Commission”), governing body of the Town of Whitestown Department of Redevelopment (the “Department”), has created the Whitestown – Bridle Oaks Economic Development Area (the “Economic Development Area”), has designated all of such Economic Development Area as the Whitestown – Bridle Oaks Area Allocation Area (the “Allocation Area”) for purposes of the allocation and distribution of property taxes under Indiana Code 36-7-14-39 (the “Tax Increment”), and has created an allocation fund for the Allocation Area (the “Allocation Fund”); and

WHEREAS, Kite Harris Property Group, LLC (the “Company”) intends to finance all or a portion of the costs of the design and construction of the economic development project described on Exhibit A hereto (the “Project”); and

WHEREAS, the Project will be located at the northeast corner of South Main Street and Albert S. White Parkway (CR 400 S) in the Town, which is located in and physically connected to the Allocation Area; and

WHEREAS, the Town of Whitestown Economic Development Commission and the Town Council of the Town of Whitestown, Indiana (the “Town”) have approved the issuance of the Town of Whitestown, Indiana, Taxable Economic Development Revenue Bonds (Bridle Oaks Project), in one or more series (the “Bonds”), the proceeds of which will be loaned to the Company and applied to costs of the Project; and

WHEREAS, as an inducement to the Company to locate the Project in the Town, the Commission has agreed to pledge a portion of the Tax Increment generated from the Allocation Area to the payment of the Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Town of Whitestown Redevelopment Commission, as follows:

1. The Commission hereby finds that the pledge to the payment of the principal of and interest on the Bonds of eighty-percent (80%) of the Tax Increment generated from the Allocation Area and deposited in the Allocation Fund pursuant to Indiana Code 36-7-14-39 (the “TIF Revenues”) from the date of issuance of the Bonds until the Bonds shall no longer be outstanding (such pledge of Tax Increment, the “TIF Revenues”), will promote the economic development of the Town and the Economic Development Area and comply with the plan for the Economic Development Area, all in accordance with Indiana Code 36-7-14 and 36-7-25, each as amended (the “Act”). The Commission further finds and determines that the eighty-percent (80%) of the Tax Increment generated from the Project Site not pledged to the payment of the Bonds during the period that the Bonds remain outstanding (the “Surplus Increment”), shall be

used by the Commission for any purpose permitted by law, including the release of the Surplus Increment to the taxing units in the Allocation Area as provided under the Act.

2. There is hereby created within the Allocation Fund established by the Commission for purposes of capturing the Tax Increment the following accounts: (a) Debt Service Account, (b) General Account and (c) Surplus Account. The TIF Revenues shall be deposited to the Debt Service Account and General Account as described in Sections 3 through 5 below. The Surplus Increment shall be deposited to the Surplus Account as described in Section 6 below.

3. The TIF Revenues shall be distributed in the manner set forth in this section and in Sections 4 and 5 of this resolution. On or before each January 15 and July 15, the TIF Revenues shall be deposited in the Debt Service Account in an amount which, together with any moneys contained in such account, are sufficient to pay the principal of and interest due on the Bonds and any fiscal agency charges associated with the Bonds (collectively, the "Debt Service") cumulatively due on the following February 1 and August 1, until the amount on deposit in the Debt Service Account is sufficient to pay Debt Service payable during the next thirteen (13) months. No deposit need be made to the Debt Service Account to the extent that the available amount in the Debt Service Account is at least equal to the amount of Debt Service becoming due and payable on all outstanding Bonds during the next thirteen (13) months. All moneys in the Debt Service Account shall be used and withdrawn solely for the purpose of paying the Debt Service as it shall become due and payable to the extent it is required therefor, including accrued interest on any such obligations purchased or redeemed prior to maturity. Monies in the Debt Service Account shall be transferred to the trustee and paying agent for the Bonds immediately upon their receipt.

4. At any time Future Parity Obligations (as hereinafter defined) are outstanding, on or before each January 15 and July 15, TIF Revenues in an amount sufficient to pay the maximum debt service coming due on such Future Parity Obligations during the following thirteen (13) month period shall be deposited in the Debt Service Account and transferred to the trustee or paying agent for such Future Parity Obligations, on a pro rata basis with any transfers from the Debt Service Account to pay Debt Service on the Bonds, and used to pay debt service due on such Future Parity Obligations.

5. After making the deposits described in Sections 3 and 4 above, any remaining TIF Revenues shall be deposited in the General Account of the Allocation Fund and shall be used in the following order of priority: (a) to pay unpaid prior Debt Service and unpaid prior debt service overdue on any Future Parity Obligations, on a pro rata basis; (b) to fund any reserve requirement for the Bonds or any Future Parity Obligations; (c) to reimburse the Company for interest and principal due on the Bonds that has been paid by the Company due to insufficient TIF Revenues; and (d) to pay the costs of other local improvements in or serving the Economic Development Area.

6. The Surplus Increment shall be distributed in the manner set forth in this section of this resolution. All Surplus Increment shall be deposited in the Surplus Account of the Allocation Fund and shall be used for any purposes permitted by the Act, including the release of Surplus Increment to the taxing units in the Allocation Area. When all Surplus Increment has

been spent from the Surplus Account and no money remains therein, the Surplus Account shall be dissolved.

7. Pursuant to Indiana Code 36-7-14-39(b)(3)(D) and Indiana Code 5-1-14-4, the Commission hereby irrevocably pledges the TIF Revenues to the payment of the Bonds so long as the Bonds remain outstanding under the terms of the trust indenture securing the Bonds. There are no other prior liens, encumbrances or other restrictions on the ability of the Commission to pledge the TIF Revenues to the payment of the Bonds.

8. The Commission reserves the right to issue bonds, enter into leases, or enter into additional pledges payable from TIF Revenues, in whole or in part, on a parity with the pledge thereof to the Bonds for the purposes of raising money for future capital projects in, serving or benefitting the Allocation Area (collectively, the "Future Parity Obligations"). The authorization and issuance of such Future Parity Obligations shall be subject to the following conditions precedent:

- (a) All payments due under the Bonds and any other obligations payable from the TIF Revenues shall be current to date in accordance with the terms thereof, with no payment in arrears;
- (b) As of the time of issuance of the Future Parity Obligations, to the extent the Bonds or any Future Parity Obligations then outstanding are secured by one or more debt service reserve funds, the balance in such debt service reserve funds is at least equal to the respective reserve requirements for the Bonds and Future Parity Obligations; provided, however, this condition shall be deemed satisfied if any required amount is to be provided from the proceeds of the proposed Future Parity Obligations or other funds of the Commission;
- (c) The Commission shall have received a certificate prepared by an independent certified public accountant or an independent financial consultant (the "Certifier") certifying that the TIF Revenues estimated to be received in each succeeding year during the term of the proposed Future Parity Obligations, adjusted as provided below, is estimated to be equal to at least 125% (or such higher percentage as is determined by certification of the President of the Commission at the time of the sale of such Future Parity Obligations upon advice of the Commission's financial advisor) of the combined principal and interest requirements on the outstanding Bonds, all then outstanding Future Parity Obligations and any proposed Future Parity Obligations. In estimating the TIF Revenues to be received in any future year, the Certifier shall base the calculation on assessed valuation actually assessed or to be assessed as of the assessment date immediately preceding the issuance of the Future Parity Obligations, adjusted for current and future reductions of property tax abatements granted to taxpayers in the Allocation Area without regard to any assumed increases in property values or property tax rates; provided, however, the Certifier may include in the calculation of TIF Revenues to be received in the Allocation Area, TIF Revenues based on the addition of new assessed value estimated to be derived from the real property under construction in the Allocation Area as of the date of issuance of the Future Parity Obligations,

even though not yet assessed, to the extent that the Certifier believes the amount to be reasonable; and

- (d) Principal of and interest on any proposed Future Parity Obligations and lease rentals on Future Parity Obligations that are leases shall be payable semiannually on February 1 and August 1.

9. Upon the defeasance of the Bonds and any Future Parity Obligations, the Debt Service Account and the General Account of the Allocation Fund shall be dissolved, and any moneys remaining in such accounts shall remain in the Allocation Fund and may be used by the Commission for any purpose permitted by law.

10. Once the Bonds have been issued, the provisions of this resolution shall not be repealed or amended in any respect which would adversely affect the rights of the holders of the Bonds with respect to the pledge of the TIF Revenues hereby for so long as the Bonds remain outstanding.

11. This resolution shall take effect immediately upon adoption by the Commission.

0 Adopted the 1st day of March, 2021, by a vote of 5 in favor and
_____ against.

TOWN OF WHITESTOWN
REDEVELOPMENT COMMISSION

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Bryan Brackemyre

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Bryan Brackemyre, President

ATTEST:

DocuSigned by:

Adam Hess

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Adam Hess, Secretary

EXHIBIT A

DESCRIPTION OF THE PROJECT

The Project shall consist of the installation necessary infrastructure to support the Company's Bridle Oaks mixed-use development located at the northeast corner of South Main Street and Albert S. White Parkway (CR 400 S) in the Town. The infrastructure includes but is not limited to water, sewer and stormwater improvements, as well as roadways, trails and drainage improvements.