

RESOLUTION NO. 2021-07

RESOLUTION OF THE LAFAYETTE REDEVELOPMENT
COMMISSION PLEDGING TAX INCREMENT

WHEREAS, the City of Lafayette ("City") Redevelopment Commission ("Commission") did on October 26, 2006, adopt Resolution No. LRC 2006 22 ("Consolidated Central Declaratory Resolution") establishing the Consolidated Central Lafayette Redevelopment Area ("Consolidated Central Area") and Consolidated Central Lafayette Allocation Area ("Consolidated Central Allocation Area") in accordance with IC 36-7-14-39 and approving the Consolidated Central Lafayette Redevelopment Plan, as amended ("Consolidated Central Plan") for the Consolidated Central Area which Consolidated Central Plan contained specific recommendations for redevelopment in the Consolidated Central Area;

WHEREAS, the Commission adopted Resolution No. LRC-2006-25 on November 16, 2006, as further amended on July 26, 2007 by Resolution No. LRC-2007-06, on May 24, 2012 by Resolution No. LRC-2012-08 and on February 25, 2013 by Resolution No. LRC-2013-06 (collectively, as amended, "Consolidated Creasy Lane Declaratory Resolution"), establishing and expanding the Consolidated Creasy Lane Economic Development Area ("Consolidated Creasy Lane Area") and Consolidated Creasy Lane Allocation Area ("Consolidated Creasy Lane Allocation Area") in accordance with IC 36-7-14-39 and approving the economic development plan for the Consolidated Creasy Lane Area, as amended ("Consolidated Creasy Lane Plan"), which Consolidated Creasy Lane Plan contained specific recommendations for economic development in the Consolidated Creasy Lane Area;

WHEREAS, the Consolidated Central Plan and the Consolidated Creasy Lane Plan are hereinafter collectively referred to as the "Original Plans;"

WHEREAS, the Commission adopted Resolution No. LRC-2013-06 on February 25, 2013, to, among other matters, (i) expand the Consolidated Creasy Lane Area and Consolidated Creasy Lane Allocation Area by adding approximately 196 new acres to the Consolidated Creasy Lane Area and the Consolidated Creasy Lane Allocation Area; (ii) re-characterize the Consolidated Central Area as an economic development area pursuant IC 36-7-14-41; (iii) consolidate the Consolidated Central Area and the Consolidated Creasy Lane Area, as therein expanded, into one economic development area to be known as the "Consolidated Creasy/Central Economic Development Area" ("2013 Consolidated Area"); and (iv) consolidate and amend the Original Plans ("2013 Consolidated Plan");

WHEREAS, the Commission adopted Resolution No. LRC-2014-10 on August 28, 2014, to, among other matters, (i) expand the 2013 Consolidated Area (the 2013 Consolidated Area, as so amended, the "Consolidated Area"); and (ii) amend the 2013 Consolidated Plan to add projects thereto (as amended, the "2014 Consolidated Plan");

WHEREAS, the Commission adopted Resolution No. LRC-2015-4 on May 28, 2015, amending the 2014 Consolidated Plan to add projects thereto (as amended, the "2015 Consolidated Plan");

WHEREAS, the Commission adopted Resolution No. LRC-2017-1 on July 27, 2017, amending the 2015 Consolidated Plan to add projects thereto (as amended, the "2017 Consolidated Plan");

WHEREAS, the Commission adopted Resolution No. LRC-2018-10 on August 23, 2018, amending the 2017 Consolidated Plan to add projects thereto (as amended, the "2018 Consolidated Plan");

WHEREAS, the Commission adopted Resolution No. LRC-2019-09 on December 19, 2019 amending the 2018 Consolidated Plan to add projects thereto (as amended, the "2019 Consolidated Plan");

WHEREAS, the Commission adopted Resolutions No. LRC-2020-06 and LRC-2020-12 on April 23, 2020 and September 24, 2020, respectively, each amending the 2019 Consolidated Plan to add projects thereto (as amended, the "2020 Consolidated Plan");

WHEREAS, the Consolidated Central Declaratory Resolution, as amended as set forth above, and the Consolidated Creasy Lane Declaratory Resolution, as amended as set forth above, are hereinafter collectively referred to as the "Original Area Resolutions;"

WHEREAS, on December 17, 2020, the Commission adopted a resolution ("Amending Declaratory Resolution") amending the Original Area Resolutions and 2020 Consolidated Plan to add the construction of a mixed-use, five story, approximately 170,000 square foot development, with approximately 10,000 square feet of first floor retail space, 112 interior parking spaces with 98 apartment units divided among studio, one and two bedroom units, together with any and all necessary appurtenances (collectively, "Project"), all in or physically connected to the Consolidated Area to the 2020 Consolidated Plan;

WHEREAS, the Original Area Resolutions, as amended by the Amending Declaratory Resolution ("Consolidated Area Resolution"), approved the 2020 Consolidated Plan, as amended (collectively, as amended, "Consolidated Plan") for the Consolidated Area which Consolidated Plan contained specific recommendations for economic development in the Consolidated Area, and the Consolidated Area Resolution established, expanded and consolidated the Consolidated Central Allocation Area and the Consolidated Creasy Lane Allocation Area as allocation areas in accordance with IC 36-7-14-39 (collectively, "Allocation Areas") for the purpose of capturing all real property tax proceeds attributable to the assessed valuation within the Allocation Areas as of each assessment date in excess of the base assessed value (collectively, "Tax Increment");

WHEREAS, the City is issuing its Taxable Economic Development Subordinate Revenue and Refunding Revenue Bonds, Series 2021 ("Bonds") pursuant to a Trust Indenture ("Trust Indenture"), between the City and Old National Wealth Management, a portion of the proceeds of which will be provided to Upper Main Development LLC, its affiliates or designees ("Company") for the financing of all or a portion of the construction of the Project, in or physically connected to the Consolidated Area, and, if economically feasible, the refunding of the hereinafter defined Refunded Obligations, funding costs of issuance, including a debt service reserve, if necessary, and premiums for municipal bond insurance and/or a debt service reserve surety, if necessary,

pursuant to a Financing and Covenant Agreement dated as of March 1, 2021, between the Company and the City;

WHEREAS, the Tax Increment has previously been pledged to the payment of: (i) principal of and interest on bonds of the Commission designated as the "Refunding Revenue Bonds of 2012," now outstanding in the amount of \$880,000 and maturing semiannually over a period ending February 1, 2025 ("2012 Bonds"); (ii) lease rentals which are pledged to pay principal of and interest on bonds of the Lafayette Redevelopment Authority ("Authority") designated as the "Lease Rental Refunding Bonds, Series 2013A," now outstanding in the amount of \$785,000 and maturing semiannually over a period ending January 15, 2026 ("2013A Bonds") (the 2012 Bonds and the 2013A Bonds are hereinafter collectively referred to as the "Outstanding Senior Obligations");

WHEREAS, the Tax Increment has previously been pledged to the payment of: (i) lease rentals which are pledged to pay principal of and interest on bonds of the Authority designated as the "Lease Rental Bonds of 2014," now outstanding in the amount of \$14,985,000 and maturing semiannually over a period ending August 1, 2039 ("2014 Bonds"); (ii) principal of and interest on bonds of the Commission designated as the "Economic Development Subordinate Tax Increment Revenue Bonds, Series 2015," now outstanding in the amount of \$3,610,000 and maturing semiannually over a period ending February 1, 2035 ("2015 Bonds"); (iii) principal of and interest on bonds of the Commission designated as the "Economic Development Subordinate Tax Increment Revenue Bonds, Series 2017," now outstanding in the amount of \$2,385,000 and maturing semiannually over a period ending February 1, 2023 ("2017 Bonds"); (iv) principal of and interest on bonds of the Commission designated as the "Taxable Economic Development Subordinate Revenue Bonds of 2019," now outstanding in the amount of \$1,200,000 and maturing semiannually over a period ending February 1, 2035 ("2019 Bonds"); (v) principal of and interest on bonds of the Commission designated as the "Taxable Economic Development Subordinate Revenue Bonds of 2020 (Ellsworth Project)," now outstanding in the amount of \$3,435,000 and maturing semiannually over a period ending August 1, 2039 ("2020 Ellsworth Bonds"); and (vi) principal of and interest on bonds of the Commission designated as the "Taxable Economic Development Subordinate Revenue Bonds of 2020 (Nova Tower Project)," now outstanding in the amount of \$1,673,000 and maturing semiannually over a period ending February 1, 2035 ("2020 Nova Tower Bonds");

WHEREAS, the 2015 Bonds, the 2019 Bonds and the 2020 Nova Tower Bonds are hereinafter collectively referred to as the "Refunded Obligations;"

WHEREAS, the 2014 Bonds, the 2017 Bonds and the 2020 Ellsworth Bonds are hereinafter collectively referred to as the "Outstanding Parity Obligations;"

WHEREAS, in order to finance the Project, the Commission has determined that it is in the best interest of the City and its residents to pledge the Tax Increment, on a parity with the Outstanding Parity Obligations and junior and subordinate to the Outstanding Senior Obligations, received by the Commission to the City for payment of debt service on the Bonds consisting of all Tax Increment received by the Commission, minus Annual Fees (as defined in the Trust Indenture) (hereinafter, "TIF Revenues"), for as long as the Bonds remain outstanding (and, to the extent TIF

Revenues are not sufficient, the City may utilize General Revenues), and from Taxpayer Payments (each as defined in the Trust Indenture); and

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

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

1. The Commission hereby finds that the pledge of TIF Revenues, on a parity with the Outstanding Parity Obligations and junior and subordinate to the Outstanding Senior Obligations, to finance the construction of the Project will help accomplish the Plan for the Consolidated Area and will promote the economic development of the City and the Consolidated Area.

2. The Commission hereby irrevocably pledges the TIF Revenues, on a parity with the Outstanding Parity Obligations and junior and subordinate to the Outstanding Senior Obligations, to the payment of debt service on the Bonds for a term of years not to exceed the term of the Bonds. Except for the Outstanding Parity Obligations, the Outstanding Junior Obligations and the Refunded Obligations, there are no prior liens, encumbrances or other restrictions on the Commission's ability to pledge the Tax Increment.

3. So long as the Outstanding Senior Obligations remain outstanding, the Commission reserves the right to authorize and issue any additional bonds, lease rentals or other obligations ("Junior Parity Obligations") of the Commission payable ratably out of Tax Increment, in whole or in part, and entitled to the pledge of Tax Increment, which are junior and subordinate as to payment of the Outstanding Senior Obligations, and which rank on a parity with the pledge of Tax Increment to the payment of lease rentals and debt service due on the Outstanding Parity Obligations (including restoring deficiencies in reserves for the Bonds under the Trust Indenture) and the Bonds. The authorization and issuance of such Junior Parity Obligations shall be subject to the following conditions precedent:

(a) All interest and principal payments and lease rental payments with respect to all obligations payable from Tax Increment shall be current to date in accordance with the terms thereof, with no payment in arrears;

(b) The Commission shall have received a certificate prepared by an independent, certified public accountant or an independent financial consultant ("Certifier") certifying that 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 thirty-five percent (135%) of the lease rental and debt service requirements with respect to all outstanding obligations of the Commission payable from Tax Increment for each respective year during the term of the outstanding Bonds and Junior 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 Outstanding Parity Obligations; provided, however, the Certifier shall adjust such assessed values for the current and future reductions of real property tax abatements granted to property owners in

the Consolidated Area. No increase in the Tax Increment received in any future year shall be assumed which results from projected inflation in property values; and

(c) The Commission shall approve and confirm the findings set forth in the above described certificate in any resolution or other instrument authorizing Junior Parity Obligations. Any Junior Parity Obligations which are in the form of a lease obligation shall have rental payments due and payable on January 15 and July 15 and any Junior Parity Obligations which are in the form of bonds or other obligations shall have payments due and payable on February 1 and August 1.

(d) Upon payment in full of the Outstanding Senior Obligations, the conditions for issuance of Outstanding Parity Obligations shall become the conditions for issuance of parity obligations of the District whose payment is secured by a senior pledge of Tax Increment from the District's Consolidated Central Allocation Area and Consolidated Creasy Lane Allocation Area ("Parity Obligations"). Thereafter, the District may issue obligations payable from Tax Increment which are junior and subordinate to the Parity Obligations payable from a junior and subordinate pledge of Tax Increment. Any Outstanding Parity Obligations which are in the form of a lease obligation shall have rental payments due and payable on January 15 and July 15 and any Junior Parity Obligations which are in the form of a bond or other obligations shall have payments due and payable on February 1 and August 1.

(e) The Commission hereby confirms that the conditions for the pledge of Tax Increment to the payment of debt service on the Bonds (including restoring any deficiencies in reserves, if any, for the Bonds under the Trust Indenture), on a parity with the payment of the Outstanding Parity Obligations, will be satisfied prior to the issuance of the Bonds as evidenced by a certificate of the President, Vice-President or Secretary of the Commission.

(f) Except as provided in this resolution, the terms and conditions of any Parity Obligations shall be set forth in the resolution authorizing the issuance of such Parity Obligations.

4. This resolution shall be effective upon passage.

ADOPTED AND PASSED by the Lafayette Redevelopment Commission this 25th day of March, 2021.

LAFAYETTE REDEVELOPMENT COMMISSION

Jos Holman, President

Shelly Henriott, Vice President

T.J. Thieme, Secretary

Jim Terry

ATTEST:

Dave Moulton

Josh Loggins