

*Synopsis: This resolution, if adopted, authorizes the Redevelopment Commission to enter into a lease agreement with the City of Huntington Redevelopment Authority concerning the existing City Services Building, the LTCP Project 5 Rabbit Run lift station improvements and the LTCP Project 6 combined sewer overflow and roadway improvements, authorizes the Redevelopment Authority to issue lease rental bonds to pay for capital improvement projects and all expenses in connection therewith, and appropriates the proceeds received from the Redevelopment Authority from the sale of the Real Estate. The lease rental payments owed by the Redevelopment Commission would be payable from property taxes and would be used to secure the repayment of the Redevelopment Authority's lease rental bonds.*

**RESOLUTION NO. 16-R-24**

**RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF HUNTINGTON,  
INDIANA, APPROVING A LEASE BETWEEN THE CITY OF HUNTINGTON  
REDEVELOPMENT AUTHORITY AND THE CITY OF HUNTINGTON  
REDEVELOPMENT COMMISSION AND TAKING  
OTHER ACTIONS RELATED THERETO**

WHEREAS, the City of Huntington Redevelopment Authority (the "Authority") has been created pursuant to Indiana Code 36-7-14.5 as a separate body corporate and politic, and as an instrumentality of the City of Huntington, Indiana (the "City") to finance local public improvements for lease to the City of Huntington Redevelopment Commission (the "Commission"), as the governing body of the City of Huntington Redevelopment District (the "District"); and

WHEREAS, the Authority has adopted, or is expected to adopt, a resolution indicating its intent to issue one or more series of its lease rental bonds in the maximum original principal amount of Ten Million Dollars (\$10,000,000) (collectively, the "Bonds"), to provide funds for the purposes of: (a) financing the acquisition by the Authority from the City of the real estate described in Exhibit B to the Lease (as hereinafter defined) (the "Real Estate"), and the use by the City and the Commission of the proceeds of such sale to finance or reimburse the costs of all or any portion of: (i) improvements and interior renovations to the City Building to better utilize spaces formerly occupied by fire and police stations, respectively, including without limitation an overhaul of building mechanicals to improve efficiency and reliability, (ii) various public improvements in the City's downtown area, including without limitation improvements to and replacement of sidewalks in the downtown business district, installation of snowmelt systems, mill and resurfacing of streets in the downtown area, and various other capital improvements to downtown public spaces, (iii) acquisition, construction, installation and equipping of a community pool at Drover Park, (iv) parking and ADA accessibility improvements to Sunken Gardens and design and landscaping improvements to Shakespeare Gardens, (v) completion of remaining sections of the Little River Trail and connection of the trail to the Riverfork Industrial Park, and (vi) other miscellaneous facility improvements, equipping and land improvements and/or acquisition projects throughout the City; (b) if necessary, funding a debt service reserve fund or paying the premiums for one or more municipal bond insurance policies and/or one or more debt service reserve fund credit facilities, if any; (c) if necessary, paying capitalized interest on the Bonds (as defined herein); and (d) paying all costs incurred on account of or in connection

with the issuance and sale of the Bonds, including the premiums for any credit enhancement or credit facility purchased in connection with the issuance of the Bonds (clauses (a) through and including (d), collectively, the “Project”); and

WHEREAS, the Authority and the Commission have adopted, or are expected to adopt, resolutions approving a proposed Lease Agreement in the form presented at this meeting (the “Lease”) for the purpose of paying the principal and interest on the Bonds issued pursuant to Indiana Code 36-7-14.5 to finance the Project; and

WHEREAS, the annual rentals (the “Lease Rentals”) payable by the Commission under the Lease will be pledged by the Authority to pay debt service on the Bonds; and

WHEREAS, the payment of the Lease Rentals will be secured by and payable solely from the revenues derived by the Commission from a special benefits tax to be levied and collected by the Commission on all taxable property within the geographical boundaries of the District pursuant to Indiana Code 36-7-14-27; and

WHEREAS, the Commission scheduled a public hearing regarding the Lease pursuant to Indiana Code 36-7-14-25.2, as amended, and published a notice of such public hearing pursuant to Indiana Code 5-3-1, and said public hearing has been held and all interested parties were provided the opportunity to be heard at the hearing; and

WHEREAS, pursuant to Indiana Code 36-7-14.5-14 and Indiana Code 36-7-14-25.2, the Commission has adopted a resolution finding that the lease rental payments to be paid by the Commission to the Authority pursuant to the Lease are fair and reasonable, and that the terms of the Lease are based upon the value of the Leased Premises (as defined in the Lease) and the use of the Leased Premises and the Project throughout the term of the Lease will serve the public purpose of the City and is in the best interests of its residents; and

WHEREAS, the Common Council of the City (the “Common Council”) desires to approve the Lease pursuant to Indiana Code 36-7-14-25.2, which provides that any lease approved by a resolution of the Commission must be approved by an ordinance or resolution of the fiscal body of the City; and

WHEREAS, the proceeds of the sale of the Real Estate to the Authority (the “Sale Proceeds”) have not been included in the existing budget for the City, and the City now desires to appropriate the Sale Proceeds for the purpose of being applied to the payment of the costs of the Project; and

WHEREAS, notice of a hearing on said appropriation has been duly given by publication as required by law, and the hearing on said appropriation has been held, at which all taxpayers had an opportunity to appear and express their views as to such appropriation;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF HUNTINGTON, INDIANA, as follows:

Section 1. Approval of Lease and Bonds. The Common Council hereby approves the issuance of the Bonds and the execution and delivery of the Lease, as approved by the

Commission, pursuant to Indiana Code 36-7-14-25.2, including the levy by the Commission of a special benefits tax pursuant to Indiana Code 36-7-14-27 during the term of the Lease to provide necessary funds from which to pay the Lease Rentals under the Lease, all upon the following conditions: (a) the maximum aggregate original principal amount of the Bonds shall not exceed \$10,000,000; (b) the maximum annual lease rental payment during the term of the Lease shall not exceed \$1,400,000; (c) the maximum interest rate on the Bonds shall not exceed five percent (5.00%) per annum; (d) the Bonds may be subject to redemption prior to maturity on any date not earlier than ten (10) years following the date of issuance of the Bonds, with such specific dates and redemption terms determined at the time of the sale of the Bonds and approved by the Authority in the purchase agreement for the Bonds, all upon the advice of the municipal advisor to the Authority; (e) the maximum term of the Lease shall not exceed twenty (20) years; and (f) interest on any series of the Bonds may be capitalized for a period not longer than two (2) years after the date of issuance of such series of Bonds.

Section 2. Sale of Real Estate; Appropriation of Sale Proceeds. The Common Council hereby authorizes the sale to the Authority of the Real Estate which will comprise or be included in the Leased Premises under the Lease, for a price sufficient to cover the costs of the Project, but in any event not to exceed \$10,000,000. The Mayor, Clerk-Treasurer and other officers of the City are hereby authorized to take such actions and execute such documents as may be necessary to effectuate such sale and transfer. There is hereby appropriated a sum not to exceed \$10,000,000, together with all investment earnings thereon, to be provided for out of the Sale Proceeds for the purpose of providing funds to be applied to any costs of the Project not paid by the Authority. Such appropriation shall be in addition to all appropriations provided for in the existing budget and shall continue in effect until the completion of the Project. The Mayor and the Clerk-Treasurer are hereby authorized to take all such actions and execute all such instruments as are necessary or desirable to effectuate this appropriation, including the filing of a report of this appropriation with the Indiana Department of Local Government Finance.

Section 3. Authorization of Other Actions. Each of the Mayor, any member of the Common Council and the Clerk-Treasurer, and any other officer, employee or agent of the City is hereby authorized and directed, for and on behalf of the City, to execute and deliver any contract, deed, agreement, certificate, instrument or other document and to take any action as such person determines to be necessary or appropriate to accomplish the purposes of this Resolution, such determination to be conclusively evidenced by such person's execution of such contract, deed, agreement, certificate, instrument or other document or such person's taking of such action.

Section 4. Severability. If any part of this Resolution shall be adjudged to be invalid by a court of proper jurisdiction, it shall be conclusively presumed that the Common Council would have passed the remainder of this Resolution without such invalid part.

Section 5. Repeal of Conflicting Resolutions. All ordinances, resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed.

Section 6.      Effectiveness. This Resolution shall be in full force and effect from and after its adoption by the Common Council and upon compliance with the procedures required by law.

[Signature Block Next Page]

**RESOLUTION NO. 16-R-24**

Passed on final reading this \_\_\_ day of \_\_\_\_\_, 2024 by a vote of \_\_\_ in favor and \_\_\_ in opposition.

**CITY OF HUNTINGTON, INDIANA by its COMMON COUNCIL**

Voting in Favor:

Voting in Opposition:

_____	Charles Chapman (President)	_____
_____	Paul Pike	_____
_____	Todd Johnson	_____
_____	Dave Funk	_____
_____	Dwight Brautigam	_____
_____	Andrew Rensberger	_____
_____	P.J. Felton	_____

Attest:

\_\_\_\_\_  
Christi A. McElhaney, Clerk-Treasurer

Presented by me to the Mayor for approval or veto, this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Christi A. McElhaney, Clerk-Treasurer

This Resolution having been adopted by the Common Council and presented to me is [APPROVED or VETOED], this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Richard Strick, Mayor