

TERRE HAUTE COMMON COUNCIL
RESOLUTION NO. 17

FILED

SEP 30 2016

APPROVING THE ORDER OF THE
VIGO COUNTY AREA PLAN COMMISSION

CITY CLERK

WHEREAS, on September 21, 2016 the Terre Haute ("City") Redevelopment Commission ("Commission") initially approved an Economic Development Plan ("Plan") for the ICON Economic Development Area ("Area") in the City and adopted a declaratory resolution initially declaring that the Area is an economic development area ("Declaratory Resolution") and subject to economic development activities pursuant to IC 36-7-14 and IC 36-7-25 (collectively, "Act");

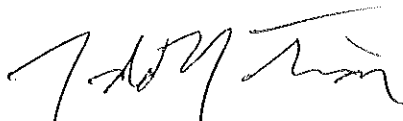
WHEREAS, the Vigo County Area Plan Commission ("Plan Commission") approved the Plan and Declaratory Resolution; and

WHEREAS the Act requires approval of the action of the Plan Commission by the Common Council of the City;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF TERRE HAUTE, INDIANA, AS FOLLOWS:

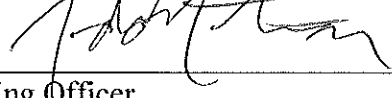
1. The action of the Plan Commission on October 5, 2016 is hereby approved.
2. The Council hereby finds and determines that the Plan and the Declaratory Resolution conform to the comprehensive plan of the City and are in all respects approved by the Common Council.
3. The Clerk is hereby directed to file a copy of the Declaratory Resolution, the Plan and the approval of the Plan Commission with the permanent minutes of this meeting.
4. This resolution shall be effective from and after its passage.

PRESENTED BY COUNCILPERSON

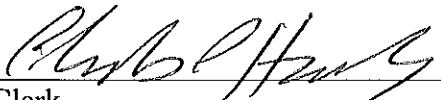

TODD NATION

PASSED AND ADOPTED by the Common Council of the City of Terre Haute, Indiana, this 13th day of October, 2016.

COMMON COUNCIL OF THE CITY OF
TERRE HAUTE, INDIANA


Presiding Officer

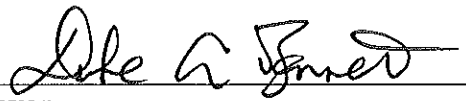
ATTEST:


Clerk

Presented by me to the Mayor of the City of Terre Haute, Indiana, this 14th day of October, 2016 at 2:05 p.m.


Clerk

Signed and approved by me, the Mayor of the City of Terre Haute, Indiana, on this 14th day of October, 2016 at 1:20 p.m.


Mayor

ATTEST:


Clerk

FILED

OCT 05 2016

RESOLUTION NO. 25, 2016

DECLARATORY RESOLUTION OF THE
TERRE HAUTE REDEVELOPMENT COMMISSION

CITY CLERK

WHEREAS, the Terre Haute Redevelopment Commission ("Commission") has investigated, studied and surveyed economic development areas within the corporate boundaries of the City of Terre Haute, Indiana ("City"); and

WHEREAS, the Commission has selected an economic development area to be developed under IC 36-7-14 and IC 36-7-25 (collectively, "Act"); and

WHEREAS, the Commission has prepared an economic development plan ("Plan") for the selected economic development area, which Plan is attached to and incorporated by reference in this resolution; and

WHEREAS, the Commission has caused to be prepared:

(1) A map and plat showing:

(A) the boundaries of the area; and

(B) the location of various parcels of property, streets, alleys, and other features that may affect the clearance, replatting, replanning, rezoning or economic development of the area, if any;

(2) An estimate of the costs to be incurred for the economic development of property;
and

(3) List of various parcels of property that may be affected, other than by acquisition, by establishment of the plan attached as Exhibit B; and

WHEREAS, the Commission has caused to be prepared a factual report ("Report") in support of the findings contained in this resolution, which Report is attached to and incorporated by reference in this resolution;

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

(1) The Commission has selected an area within its corporate boundaries, which area the Commission is hereby designating as the ICON Economic Development Area ("Area") and which Area is set forth on the map attached hereto as Exhibit A-1.

(2) The Commission finds that the Plan for the Area:

(A) Assists in the promotion of significant opportunities for the gainful employment of the citizens of the City;

- (B) Increases the economic well-being of the City and the State of Indiana; and
- (C) Serves to protect and increase property values in the City and the State of Indiana.

(3) The Commission finds that the Plan cannot be achieved by regulatory processes or by the ordinary operation of private enterprise without resort to the powers provided to the Commission under IC 36-7-14 because of the costs of construction of local public improvements such as road and street infrastructure improvements that are necessary and contemplated by the Plan and the costs to rehabilitate existing buildings, prevent the improvements from being undertaken solely by private enterprise. There is no regulatory process available to provide funds for these improvements nor to provide incentives to encourage economic growth in the Area.

(4) The Commission finds that the public health and welfare will be benefited by the accomplishment of the Plan for the Area specifically by providing road and street infrastructure improvements and the rehabilitation of the approximately 190,000 square-foot ICON building into residential apartments and the construction of on-site parking facilities for residents ("Projects") in order to encourage more people to live and work in the Area and improve quality of life of the residents in the Area.

(5) The Commission finds that the accomplishment of the Plan will be of public utility and benefit as measured by a reasonable expectation of:

- (A) The attraction of permanent jobs;
- (B) An increase in the property tax base;
- (C) Improved diversity of the economic base; and

(D) Other similar benefits, specifically by providing essential road and street infrastructure and providing housing in the Area, making the Area more attractive and desirable for economic development.

(6) The plan for the Area conforms to other development and redevelopment plans for the City.

(7) (A) The Commission now proposes to acquire interests in real property within the boundaries of the Area as set forth on Exhibit B.

(B) The Commission hereby finds that the property so described in Exhibit B is the property that may be affected by the establishment of the Area because the properties are in the Area and property values would reasonably be expected to increase as a result of creating the Area and implementing the Plan.

(8) The Commission estimates that the initial costs of the Projects to be incurred by the Commission for accomplishment of the Plan is estimated to be approximately \$5,000,000.

(9) The Commission finds that no residents of the Area will be displaced by any projects resulting from the Plan; and, therefore, the Commission finds that it does not need to give consideration to transitional and permanent provisions for adequate housing for the residents.

(10) This paragraph shall be considered the allocation provision for the purposes of IC 36-7-14-39. The portion of the Area set forth on the map attached as Exhibit A-2 shall constitute an allocation area as defined in IC 36-7-14-39 ("Allocation Area"). The remaining portion of the Area shall not constitute an allocation area. Any property taxes levied on or after the effective date of this resolution by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the Allocation Area shall be allocated and distributed in accordance with IC 36-7-14-39 or any applicable successor provision. These allocation provisions shall expire no later than 25 years after the date on which the first obligation is incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues.

(11) The Commission hereby finds that the adoption of the allocation provisions are reasonably expected to result in new property taxes in the Area that would not have been generated but for the adoption of the allocation provision, as shown in the Factual Report.

(12) All of the rights, powers, privileges, and immunities that may be exercised by the Commission in a Redevelopment Area or Urban Renewal Area may be exercised by the Commission in the Area, subject to the limitations in IC 36-7-14-43.

(13) The presiding officer of the Commission is hereby authorized and directed to submit this resolution, the Plan and the Report to the Vigo County Area Plan Commission ("Plan Commission") for its approval.

(14) The Commission also directs the presiding officer, after receipt of the written order of approval of the Plan Commission which has been approved by the Common Council to publish notice of the adoption and substance of this resolution in accordance with IC 5-3-1-4 and to file notice with the Plan Commission, the Board of Zoning Appeals, the Director of Planning and Building and any other departments or agencies of the City concerned with unit planning, zoning variances, land use or the issuance of building permits. The notice must state that maps and plats have been prepared and can be inspected at the office of the City's department of Planning and Building and must establish a date when the Commission will receive and hear remonstrances and objections from persons interested in or affected by the proceedings pertaining to the proposed Projects and will determine the public utility and benefit of the proposed Projects. Copies of the notice must also be filed with the officer authorized to fix budgets, tax rates and tax levies under IC 6-1.1-17-5 for each taxing unit that is either wholly or partly located within the proposed Allocation Area.

(15) The Commission also directs the presiding officer to prepare or cause to be prepared a statement disclosing the impact of the Allocation Area, including the following:

(A) The estimated economic benefits and costs incurred by the Allocation Area, as measured by increased employment and anticipated growth of real property, personal property and inventory assessed values; and

(B) The anticipated impact on tax revenues of each taxing unit that is either wholly or partly located within the Allocation Area. A copy of this statement shall be filed with each such taxing unit with a copy of the notice required under Section 17 of the Act at least 10 days before the date of the hearing described in Section 14 of this resolution.

(16) The Commission further directs the presiding officer to submit this resolution to the Common Council for its approval of the establishment of the Area.

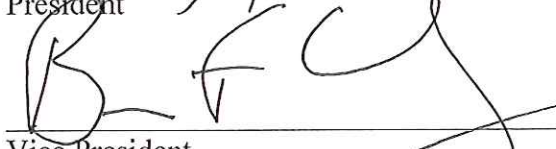
(17) This resolution shall be effective as of its date of adoption.

Adopted September 21, 2016.

TERRE HAUTE REDEVELOPMENT
COMMISSION



President



Vice President

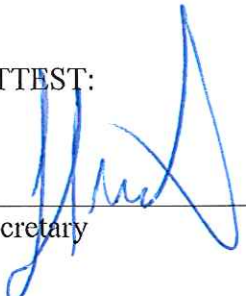
Secretary

Member



Member

ATTEST:

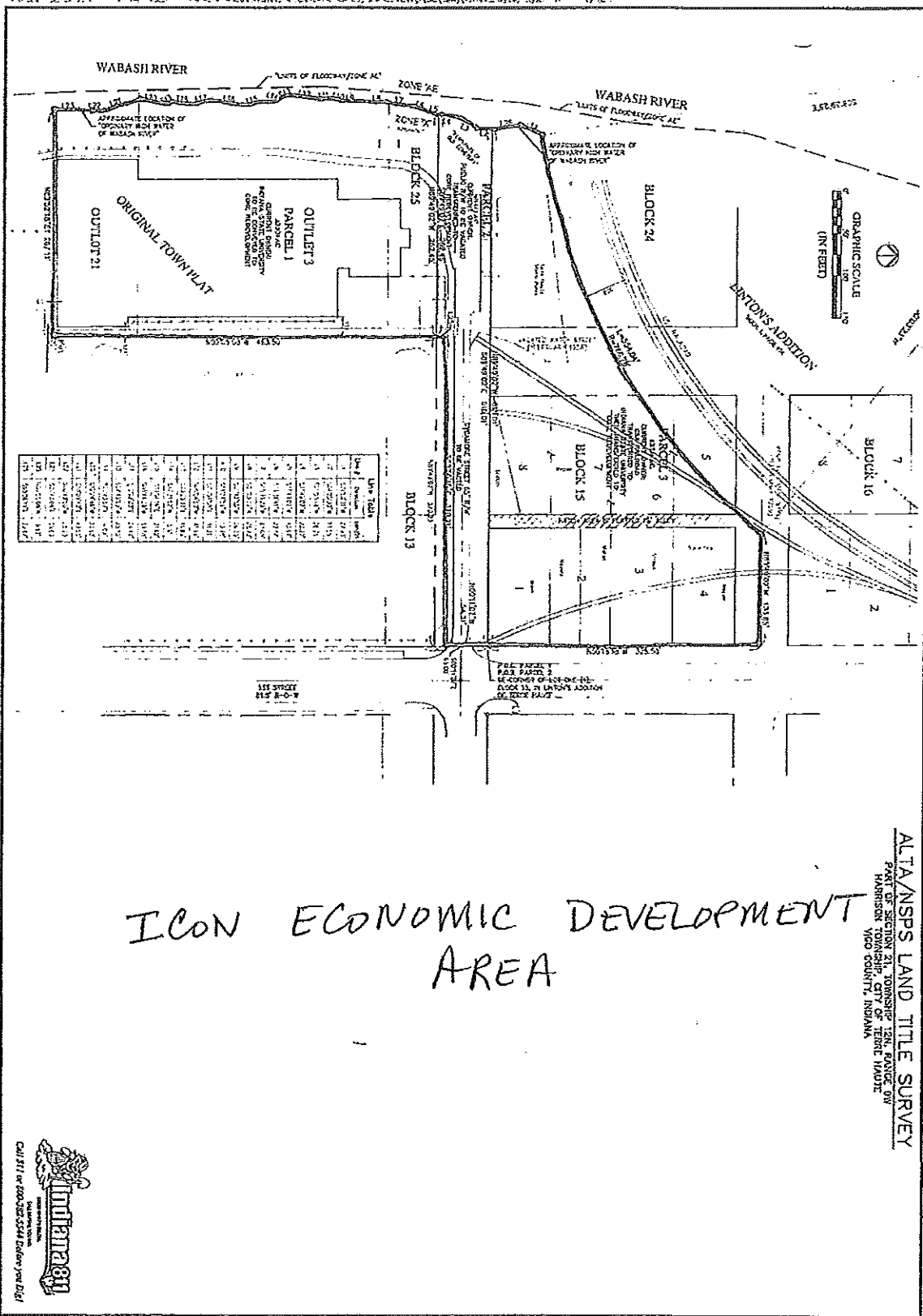


Secretary

EXHIBIT A-1

Map of ICON Economic Development Area

EXHIBIT A-1



ICON ECONOMIC DEVELOPMENT AREA

ALTA/NSPS LAND TITLE SURVEY
 PART OF SECTION 21, TOWNSHIP 13N, RANGE 09W
 HARRISON TOWNSHIP, CITY OF TERRE HAUTE
 VIGO COUNTY, INDIANA



S1.1
 XXXXIII
 01-1-2011
 01-1-2011

INDIANAPOLIS
 SURVEYING
 1111 W. WASHINGTON ST.
 INDIANAPOLIS, IN 46202

CORE REDEVELOPMENT
 TERRE HAUTE, IN
 ALTA/NSPS LAND TITLE SURVEY



DATE	REVISION	BY

EXHIBIT A-2

Map of ICON Allocation Area

EXHIBIT B

List of Owners of Real Property
Proposed to Be Acquired for, or Otherwise
Affected By, the Establishment of the Area

Acquired Property

<u>Owner</u>	<u>Parcel No.</u>	<u>Price to be Offered</u>
Indiana State University	_____*	**

* See Map of ICON Economic Development Area above. Parcel numbers will be approved in conjunction with the commission's exercise of the option to purchase.

** The average of two appraisals unless approved otherwise by the Commission in a public meeting.

Affected Property

All parcels of property in the Area are reasonably expected to be positively affected by accomplishment of the Plan due to an expected increase in property values if the Plan is implemented and the Projects constructed.

FACTUAL REPORT IN SUPPORT
OF FINDINGS CONTAINED IN
RESOLUTION NO. 25, 2016 OF THE
TERRE HAUTE REDEVELOPMENT COMMISSION

1. The planning, replanning, development, and redevelopment of the Area will: (i) increase the economic well-being of the City and the State of Indiana; and (ii) serve to protect and increase property values in the City and the State of Indiana by providing for the rehabilitation of the 190,000 square foot ICON building into residential apartments and an on-site park for the apartment residents.

2. The Plan for the Area cannot be achieved by regulatory processes or by the ordinary operation of private enterprise without resort to IC 36-7-14 (the redevelopment statute) because of the cost of construction of road and street infrastructure improvements along with the rehabilitation and construction of the 190,000 square foot ICON building into residential apartments and an on-site park for the apartment residents that are contemplated by the Plan, prevent the improvements from being undertaken solely by private enterprise. Also, there is no regulatory process available to provide funds for such improvements nor to provide incentives to encourage growth in the Area.

3. The accomplishment of the Plan for the Area will be of public utility and benefit as measured by a reasonable expectation of:

(a) An estimated increase in the property tax base; and

(b) Improved diversity of the economic base with the construction of road and street infrastructure improvements and the rehabilitation and construction of the ICON Building into residential apartments.

4. The establishment of the allocation area and accomplishment of the Plan will result in new property taxes in the Area that would not have been generated but for the adoption of the allocation provision through the rehabilitation of the 190,000 square foot ICON building into residential apartments as illustrated in the materials provided by Core Redevelopment, LLC attached hereto as Item A.

5. The Commission estimates that it will need to issue bonds or enter into a lease financing of approximately \$5,000,000 to implement the Plan because neither the City nor the Commission have funds on hand to complete the projects.

ITEM A

Core Redevelopment, LLC Material

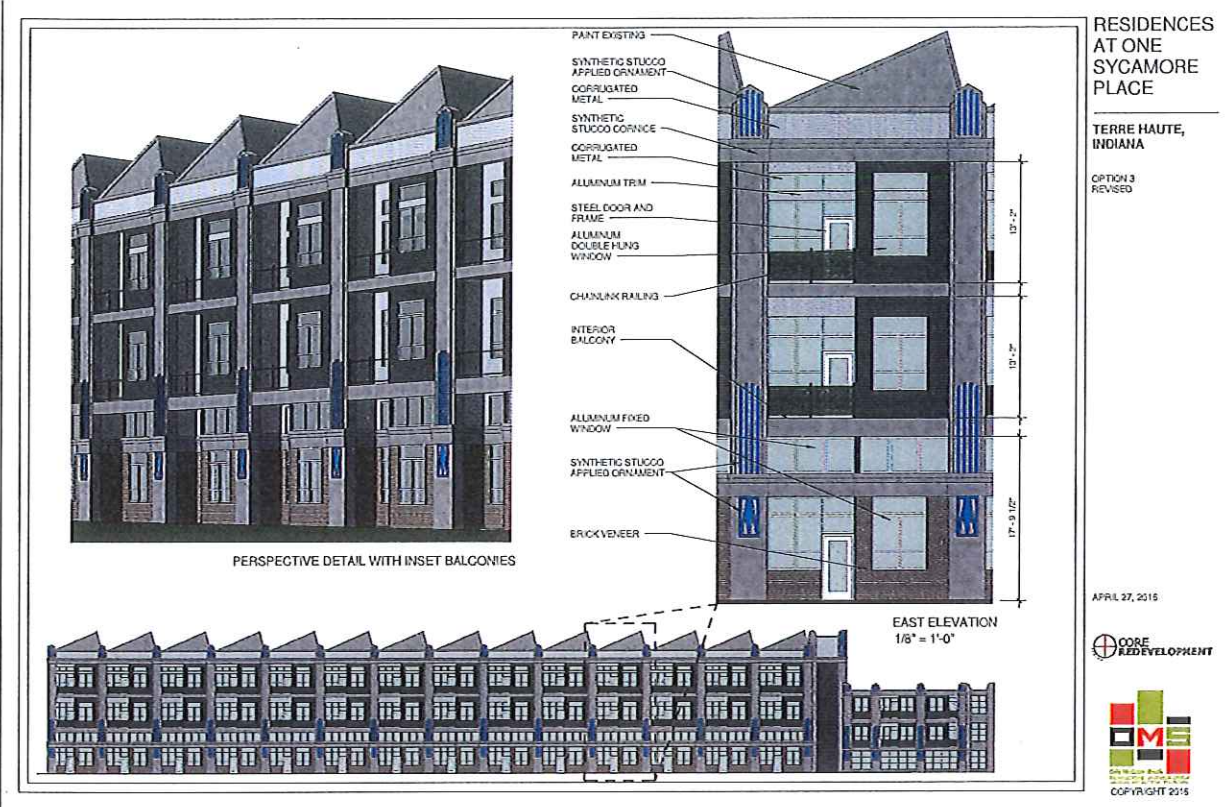
(See attached)

The Redevelopment

Core intends to redevelop the Property into market-rate residential apartments.

Exterior. The Property's exterior elevations will receive substantial improvements, including thorough repair of the existing masonry, the installation of entirely new windows, the application of new paint and design accent features to highlight and complement the building's concrete frame and the addition of exterior decks, both recessed within and projecting beyond the building's existing walls. Given the proximity of ISU's new track facilities, as well as ISU's future plans to locate additional sports facilities near the Property, substantial care will be taken to ensure, to the extent practicable, that required mechanical systems will be designed and constructed to be hidden from public view.





Units. While unit layouts and the mix of unit types remain subject to change, Core presently expects the Property’s redevelopment to yield approximately 178 units. Critical to achieving these projected unit numbers is creating a lightwell by cutting open the roof and opening up approximately 24 feet down the center of the building (between the two center-most sets of internal columns) in a North-South direction all the way to ground level on the first floor. Doing so will allow Core to place units on either side of a double-loaded, racetrack-style corridor throughout the building, with some of those units facing outward and the remainder facing inward toward the newly-created lightwell. All units will have loft-like design and be finished to a consistently high quality level -- stainless steel appliances, dishwashers, garbage disposals, microwaves, in-unit washers and dryers, granite countertops, modern wood cabinets, modern energy-efficient windows, polished concrete floors, two-color paint schemes and entirely new residential HVAC, plumbing and electrical systems. Floorplans will be open and loft-like, some with two-story mezzanines, and above-average ceiling heights will create a strong sense of volume.

Parking. Core expects to have sufficient on-site parking for all of the Property’s residents, in lots both north and north-northeast of the building. It is currently expected that these lots may be open to the public and thus available to be used not only by the Property’s residents, but also by participants in and attendees of ISU sporting events and others interested in accessing the Wabash River, including new trails and overlooks expected to be part of the Redevelopment.

Amenities. The Property will have a limited set of amenities common for properties of this type – a modern fitness facility, functional gathering and meeting rooms, gated on-site parking and professional on-site management and maintenance. Outdoor meeting areas with grills, firepits

and the like are also expected to be created on the Wabash River side of the building. Substantial effort will be made to ensure that site-related investments on the Property (a) promote greater appreciation for and use of the Wabash River, not only by the Property's residents but also, more generally, by the public at large and (b) complement well ISU's current expected future uses on adjoining properties.

Sources and Uses

Sources	Amount	Note
First Mortgage	\$15,300,000	(1)
Industrial Recovery Tax Credit	\$3,049,755	(2)
Deferred Developer Fee	\$2,685,988	(3)
Developer Investment	\$2,000,000	(4)
Total Sources	\$23,035,743	
Uses		
Hard Construction Costs	\$18,003,593	(5)
Soft Project Costs	\$1,774,130	(6)
Financing Costs	\$115,889	(7)
Operating Reserve	\$456,143	(8)
Developer Fee	\$2,685,988	
Purchase Price	\$1	
Total Uses	\$23,035,743	

Notes

- (1) Standard first mortgage loan from commercial bank; loan sized in reliance on issuance to Developer of a 25-year, \$6,000,000 TIF bond bearing 6% interest
- (2) Gross industrial recovery tax credit of approximately \$4,700,000 monetized at 65% net after tax; investor(s) not yet identified
- (3) Core receives no fees at closing; entire Developer Fee is re-invested in the project
- (4) Amount of cash invested by affiliates of Core Redevelopment
- (5) Includes large construction contingency
- (6) Used to fund professional fees, interest reserves, permits and carrying costs during redevelopment
- (7) Approximately 0.75% of the First Mortgage
- (8) Used to fund initial operating shortfalls, if any

Closing and Redevelopment Timeline

IEDC DINO Tax Credit Approval	July 2016
ISU Board of Trustees Approval	August 2016
Terre Haute TIF Bond Approval	November 2016
Closing of Financing	January 2017
Commencement of Construction	January 2017
Begin Lease-Up	February 2018
Construction Completion	May 2018
Grand Opening	June 2018

ECONOMIC DEVELOPMENT PLAN
FOR THE ICON ECONOMIC DEVELOPMENT AREA

TERRE HAUTE REDEVELOPMENT COMMISSION

Purpose and Introduction.

This document is the Economic Development Plan ("Plan") for the ICON Economic Development Area ("Area") for the City of Terre Haute, Indiana ("City"). It is intended for approval by the Common Council, the Vigo County Area Plan Commission and the Terre Haute Redevelopment Commission ("Commission") in conformance with IC 36-7-14.

Project Objectives.

The purposes of the Plan are to: (i) increase the economic well-being of the City and the State of Indiana; and (ii) serve to protect and increase property values in the City and the State of Indiana. The Plan is designed to: (i) provide for local public improvements in the Area; (ii) increase the property tax base; and (iii) improve the diversity of the economic base of the City.

The factual report attached to this Plan contains the supporting data for the above declared purposes of the Plan.

Description of Project Area.

The Area is located in the City and is described as that area set forth on the map attached as Exhibit A to the Declaratory Resolution.

Project Description.

The economic development of the Area is described as follows ("Projects"):

- Construct or reconstruct road and street improvements;
- Construct, reconstruct or relocate or extend sewer lines and sewer improvements.
- Construct, reconstruct or relocate or extend water lines and water improvements.
- Construct or reconstruct alleyways;
- Construct or reconstruct sidewalks;
- Construct or reconstruct curbs;
- Construct or reconstruct signalization, traffic control and lighting;
- Rehabilitate and renovate existing structures;
- Construct on-site parking facilities; and
- Rehabilitation of the 190,000 square foot ICON building into residential apartments and an on-site park.

All Projects are in, physically connected to, serving or benefiting the Area.

Acquisition of Property.

The Commission has plans to acquire interests in real property as set forth on Exhibit B to the Declaratory Resolution.

The Commission shall follow procedures in IC 36-7-14-19 in any current or future acquisition of property. The Commission may not exercise the power of eminent domain in an economic development area.

Procedures with respect to the Projects.

In accomplishing the Projects, the Commission may proceed with the Projects before the acquisition of all interests in land in the Area.

All contracts for material or labor in the accomplishment of the Projects shall, to the extent required by law, be let under IC 36-1.

In the planning and rezoning of real property acquired or to be used in the accomplishment of the Plan; the opening, closing, relocation and improvement of public ways; and the construction, relocation, and improvement of sewers and utility services; the Commission shall proceed in the same manner as private owners of the property. The Commission may negotiate with the proper officers and agencies of the City to secure the proper orders, approvals, and consents.

Any construction work required in connection with the Projects may be carried out by the appropriate municipal or county department or agency. The Commission may carry out the construction work if all plans, specifications, and drawings are approved by the appropriate department or agency and the statutory procedures for the letting of the contracts by the appropriate department or agency are followed by the Commission.

The Commission may pay any charges or assessments made on account of orders, approval, consents, and construction work with respect to the Projects or may agree to pay these assessments in installments as provided by statute in the case of private owners.

None of the real property acquired for the Projects may be set aside and dedicated for public ways, parking facilities, sewers, levees, parks, or other public purposes until the Commission has obtained the consents and approval of the department or agency under whose jurisdiction the property will be placed.

Disposal of Property.

The Commission may dispose of real property acquired, if any, by sale or lease to the public after causing to be prepared two (2) separate appraisals of the sale value or rental value to be made by independent appraisers. However, if the real property is less than five (5) acres in size and the fair market value of the real property or interest has been appraised by one (1) independent appraiser at less than Ten Thousand Dollars (\$10,000), the second appraisal may be made by a qualified employee of the Department of Redevelopment. The Commission will prepare an offering sheet and will maintain maps and plats showing the size and location of all parcels to be offered. Notice will be published of any offering in accordance with IC 5-3-1. The

Commission will follow the procedures of IC 36-7-14-22 in making a sale or lease of real property acquired.

Financing of the Projects.

It is the intention of the Commission to issue bonds payable from incremental ad valorem property taxes allocated under IC 36-7-14-39 in order to raise money for property acquisition and completion of the Projects in the Area. The amount of these bonds may not exceed the total, as estimated by the Commission of all expenses reasonably incurred in connection with the Projects, including:

- (b) The total cost of all land, rights-of-way, and other property to be acquired and developed;
- (c) All reasonable and necessary architectural, engineering, construction, equipment, legal, financing, accounting, advertising, bond discount and supervisory expenses related to the acquisition and development of the Projects or the issuance of bonds;
- (d) Interest on the bonds (not to exceed 5 years from the date of issuance) and a debt service reserve for the bonds to the extent the Commission determines that a reserve is reasonably required; and
- (e) Expenses that the Commission is required or permitted to pay under IC 8-23-17.

In the issuance of bonds the Commission will comply with IC 36-7-14-25.1.

As an alternative to the issuance of bonds or in conjunction with it, the Commission may enter into a lease of any property that could be financed with the proceeds of bonds under IC 36-7-14. The lease is subject to the provisions of IC 36-7-14-25.2 and IC 36-7-14-25.3.

As a further alternative, the Commission may pledge tax increment pursuant to IC 36-7-14-39(b)(2)(D) to any bonds issued by the City.

Amendment of the Plan.

By following the procedures specified in IC 36-7-14-17.5, the Commission may amend the Plan for the Area. However, any enlargement of the boundaries of the Area must be approved by the Common Council.



TERRE HAUTE
A LEVEL ABOVE

Area Planning Department For Vigo County

159 Oak Street, Terre Haute, Indiana 47807

Telephone: (812) 462-3354 Fax: (812) 234-3248

Terre Haute • West Terre Haute • Riley • Seelyville

DATE: October 6, 2016

REPORT TO THE TERRE HAUTE CITY COUNCIL ON DECLARATORY RESOLUTION, 2016

Order of the Vigo County Area Plan Commission Determining That A Declaratory Resolution and Economic Development Plan Approved and Adopted By The Terre Haute Redevelopment Commission Conforms To The Plan of Development for The City and Approving That Resolution and Economic Development Plan

TO: The Honorable Terre Haute City Council:

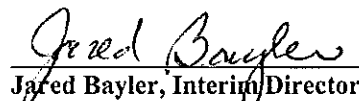
Dear Members:

The Vigo County Area Plan Commission offers you the following report and certification on Declaratory Resolution above. .

The Vigo County Area Plan Commission considered the Declaratory Resolution at a public hearing held on Wednesday, October 5, 2016. A quorum was present throughout the meeting pursuant to I.C. 36-7-4-301, and the Area Plan Commission took official action on the Declaratory Resolution as required by I.C. 36-7-4-401 (a) (7) and I.C. 36-7-4-605 ©.

Therefore, Area Plan Commission's certified recommendation on this Declaratory Resolution is FAVORABLE.


Fred L. Wilson, President, APC


Jared Bayler, Interim Director

Received this 6th day of October, 2016

PLANNING COMMISSION RECORDING AFFIDAVIT

ORDER OF THE VIGO COUNTY AREA PLAN COMMISSION
DETERMINING THAT A DECLARATORY RESOLUTION AND
ECONOMIC DEVELOPMENT PLAN APPROVED AND ADOPTED BY THE
TERRE HAUTE REDEVELOPMENT COMMISSION CONFORMS TO THE
PLAN OF DEVELOPMENT FOR THE CITY AND APPROVING THAT
RESOLUTION AND ECONOMIC DEVELOPMENT PLAN

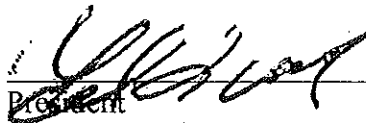
WHEREAS, the Terre Haute ("City") Redevelopment Commission ("Commission") on the 21st day of September, 2016, initially approved an Economic Development Plan ("Plan") for the ICON Economic Development Area ("Area") in the City and adopted a Declaratory Resolution declaring that the Area is an economic development area and subject to economic development activities pursuant to IC 36-7-14 and IC 36-7-25 and all acts supplemental and amendatory thereto ("Act"); and

WHEREAS, the Act requires approval of the Declaratory Resolution and the Plan ("Plan") by the Vigo County Area Plan Commission ("Plan Commission");

NOW, THEREFORE, BE IT ORDERED BY THE VIGO COUNTY AREA PLAN COMMISSION, AS FOLLOWS:

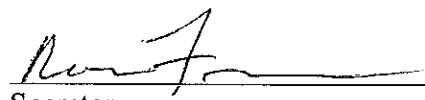
1. The Plan for the Area conforms to the plan of development for the City.
2. The Plan is in all respects approved.
3. The Secretary of the Plan Commission is hereby directed to file a copy of the Declaratory Resolution and the Plan with the permanent minutes of this meeting.

Passed by the Vigo County Area Plan Commission, this 5th day of October, 2016.



President

ATTEST:



Secretary