

METROPOLITAN DEVELOPMENT COMMISSION

OF

MARION COUNTY, INDIANA

RESOLUTION NO. 2023-E-012

**A RESOLUTION OF THE REDEVELOPMENT DISTRICT OF THE
CITY OF INDIANAPOLIS, INDIANA PLEDGING TAX INCREMENT FROM THE
CITY MARKET NORTH ALLOCATION AREA AND CITY MARKET EAST
ALLOCATION AREA TO THE PAYMENT OF CERTAIN
ECONOMIC DEVELOPMENT REVENUE BONDS**

WHEREAS, the Metropolitan Development Commission of Marion County, Indiana, acting as the Redevelopment Commission of the City of Indianapolis, Indiana (the “Commission”), being the governing body of the Redevelopment District of the City of Indianapolis, Indiana (the “District”), exists and operates pursuant to the provisions of Indiana Code 36-7-15.1 and Indiana Code 36-7-25, each as amended from time to time (collectively, the “Act”); and

WHEREAS, the Commission, on behalf of the District, has previously adopted and confirmed resolutions (collectively, the “Declaratory Resolution”) which (i) declared and confirmed designation of an area of the City of Indianapolis, Indiana (the “City”), known as the City Market Redevelopment Area (the “Redevelopment Area”), a “redevelopment area” within the meaning of Indiana Code 36-7-15.1, as amended, (ii) designated the City Market North Allocation Area (the “North Allocation Area”) as an “allocation area” for purposes of the Indiana Code 36-7-15.1-26, (iii) created the City Market North Allocation Fund (the “North Allocation Fund”), pursuant to Indiana Code 36-7-15.1-26, into which taxes on real property located in the North Allocation Area are to be deposited in accordance with, and for the purposes stated in, the Act and the Declaratory Resolution, (iv) designated the City Market East Allocation Area (the “East Allocation Area”) as an “allocation area” for purposes of the Indiana Code 36-7-15.1-26, (v) created the City Market East Allocation Fund (the “East Allocation Fund”), pursuant to Indiana Code 36-7-15.1-26, into which taxes on real property located in the East Allocation Area are to be deposited in accordance with, and for the purposes stated in, the Act and the Declaratory Resolution, and (vi) adopted a redevelopment plan for the Redevelopment Area (the “Plan”); and

WHEREAS, Gershman Partners/Citimark, and/or one or more subsidiaries, affiliates, designees and/or joint ventures thereof (collectively, the “Developer”), desires to finance certain projects, additions or improvements within the Allocation Area, including all or any portion of the Project (as defined herein); and

WHEREAS, the City intends to enter into the Financing Agreement with the Developer (the “Financing Agreement”) and a Project Agreement (the “Project Agreement”) with the Developer in connection with the Developer’s development and construction of the Project, including Phase I and Phase II thereof; and

WHEREAS, the Developer desires to finance costs in connection with a mixed-use project, including a multi-family development consisting of the acquisition, rehabilitation, renovation, construction, development, improvement, and equipping of 222 East Market Street (“City Market”), 151 North Delaware Street (“Gold Building”), 251 East Ohio Street (“Brick Building”), and an adjacent parking structure, including conversion of the Gold Building from office use to 350 luxury multi-family units, including affordable units, upgrades/updates to the parking structure and Brick Building, construction of a pedestrian corridor along Wabash Alley between the Gold Building, Brick Building, and City Market, and renovations to the west wing/plaza of the City Market in partnership with the City of Indianapolis and the City Market (collectively, the “Phase I Project”); and

WHEREAS, the Commission has been advised that the City intends to authorize and issue certain economic development revenue bonds of the City, in one or more series, all or any portion of which may be taxable or tax-exempt for federal income tax purposes, designated as the “City of Indianapolis, Indiana, Economic Development Tax Increment Revenue Bonds, Series 2023 (Federally Taxable – City Market North Project)” (with such additional or different series designation as may be necessary, desirable or appropriate, including such series designation to indicate the year in which the bonds are issued), in an aggregate principal amount not to exceed Twelve Million Three Hundred Thousand Dollars (\$12,300,000) (the “Phase I Bonds”), for the purposes of providing funds to pay for the financing of a portion of the Phase I Project, in accordance with the terms of the Financing Agreement, the Project Agreement, and other such documents as deemed necessary; and (b) costs and expenses incurred in connection with or on account of the issuance of the Bonds authorized herein, and the proceeds of the Bonds will be deposited with a financial institution serving as trustee pursuant to a trust indenture (the “Indenture”) between the City and such trustee and disbursed to the Developer during construction of the Project, as provided for in the Indenture, the Financing Agreement and the Project Agreement; and

WHEREAS, the Phase I Bonds will be payable from the lesser of eighty percent (80%) of the tax increment revenues received from the newly created City Market North Allocation Area (the “City Market North TIF Revenues”) or the amortization amount of the Bonds and considering any prior year shortfalls, if applicable, except for the ability to fund a debt service reserve up to the maximum annual debt service on the Phase I Bonds, if deemed necessary or desired and approved by the City, held as a reserve for the payment of the Phase I Bonds and other matters in furtherance of the Project and that the pledge of TIF Revenues will not exceed the debt service on the Phase I Bonds and considering any prior year shortfalls, except for the ability to fund a debt service reserve within the eighty percent (80%) of the City Market North TIF Revenues and up to the maximum annual debt service on the Phase I Bonds; and

WHEREAS, pursuant to Indiana Code 36-7-15.1-26(b)(3)(D), the Commission now desires to pledge eighty percent (80%) of the City Market North TIF Revenues to the payment of the principal of, premium (if any), and interest on the Phase I Bonds as the same becomes due.

WHEREAS, the Developer desires to finance costs in connection with a mixed-use project consisting of the acquisition, rehabilitation, renovation, construction, development, improvement, and equipping of the current east wing structure of the City Market and development of a new

residential tower, new retail space, and new public amenity space (collectively, “Phase II”, and together with Phase I, the “Project”); and

WHEREAS, the Commission has been advised that the City intends to authorize and issue certain economic development revenue bonds of the City, in one or more series, all or any portion of which may be taxable or tax-exempt for federal income tax purposes, designated as the “City of Indianapolis, Indiana, Economic Development Tax Increment Revenue Bonds, Series 2023 (Federally Taxable – City Market East Project)” (with such additional or different series designation as may be necessary, desirable or appropriate, including such series designation to indicate the year in which the bonds are issued), in an aggregate principal amount not to exceed Six Million Five Hundred Thousand Dollars (\$6,500,000.00) (the “Phase II Bonds”), for the purposes of providing funds to pay for the financing of a portion of the Phase II Project, in accordance with the terms of the Financing Agreement, the Project Agreement, and other such documents as deemed necessary; and (b) costs and expenses incurred in connection with or on account of the issuance of the Bonds authorized herein, and the proceeds of the Bonds will be deposited with a financial institution serving as trustee pursuant to a trust indenture (the “Indenture”) between the City and such trustee and disbursed to the Developer during construction of the Project, as provided for in the Indenture, the Financing Agreement and the Project Agreement; and

WHEREAS, the Phase II Bonds will be payable from the lesser of eighty percent (80%) of the tax increment revenues received from the newly created City Market East Allocation Area (the “City Market East TIF Revenues”) or the amortization amount of the Phase II Bonds and considering any prior year shortfalls, if applicable, except for the ability to fund a debt service reserve up to the maximum annual debt service on the Phase II Bonds, if deemed necessary or desired and approved by the City, held as a reserve for the payment of the Phase II Bonds and other matters in furtherance of the Phase II Project and that the pledge of City Market East TIF Revenues will not exceed the debt service on the Phase II Bonds and considering any prior year shortfalls, except for the ability to fund a debt service reserve within the eighty percent (80%) of the City Market East TIF Revenues and up to the maximum annual debt service on the Phase II Bonds; and

WHEREAS, pursuant to Indiana Code 36-7-15.1-26(b)(3)(D), the Commission now desires to pledge eighty percent (80%) of the City Market East TIF Revenues to the payment of the principal of, premium (if any), and interest on the Phase II Bonds as the same becomes due.

NOW, THEREFORE, BE IT RESOLVED BY THE METROPOLITAN DEVELOPMENT COMMISSION OF MARION COUNTY, INDIANA, ACTING AS THE REDEVELOPMENT COMMISSION OF THE CITY OF INDIANAPOLIS, INDIANA, AS FOLLOWS:

1. The Commission hereby finds that the pledge of the City Market North TIF Revenues and the City Market East TIF Revenues to the payment of principal of and interest on the Phase I Bonds and Phase II Bonds, respectively, to finance the Project, and the funding of a reserve fund, if necessary, will help accomplish the Plan for the Redevelopment Area and will promote the economic development of the City and the Redevelopment Area.

2. The Commission hereby irrevocably pledges the lesser of eighty percent (80%) of the City Market North TIF Revenues or the amortization amount of the Phase I Bonds and considering any prior year shortfalls to the payment of principal of and interest on the Phase I Bonds and the funding of a primary reserve fund for not more than the maximum annual debt service on the Phase I Bonds, if necessary, on parity basis with all other bonds or obligations payable from the City Market North TIF Revenues on a senior basis, currently outstanding or to be issued in the future, in accordance with and subject to the terms and conditions of the Financing Agreement, the Project Agreement and the Indenture.

3. The Commission hereby irrevocably pledges the lesser of eighty percent (80%) of the City Market East TIF Revenues or the amortization amount of the Phase II Bonds and considering any prior year shortfalls to the payment of principal of and interest on the Phase II Bonds and the funding of a primary reserve fund for not more than the maximum annual debt service on the Phase II Bonds, if necessary, on parity basis with all other bonds or obligations payable from the City Market East TIF Revenues on a senior basis, currently outstanding or to be issued in the future, in accordance with and subject to the terms and conditions of the Financing Agreement, the Project Agreement and the Indenture.

4. The Commission and the District hereby covenant that on or before one (1) business day prior to each Interest Payment Date (as defined in the Indenture), the trustee shall deposit all TIF Revenues (as received from the Controller, acting on behalf of the Redevelopment Commission) into the appropriate Bond Fund (as the same shall be defined in the Indenture), but no more than shall be necessary for (i) the payment of the principal of and interest on the Bonds on the immediately succeeding Interest Payment Date (taking into consideration any amounts currently deposited therein), together with Annual Fees (as defined in the Indenture) coming due within the next six (6) months, and (ii) the funding of the reserve fund, if necessary.

4. The Commission and the District reserve the right to authorize and issue additional senior and parity bonds payable from the City Market North TIF Revenues of the City Market North Allocation Area and the City Market East TIF Revenues of the City Market East Allocation Area, respectively.

5. In connection with the Project, the Commission hereby authorizes any officer of the Commission or the Department of Metropolitan Development (“DMD”) to enter into a one or more project and financing agreements with the Developer and/or such other entities as may be necessary, desirable or appropriate, in form and substance and on terms and conditions acceptable to such officer of the Commission or DMD, together with any and all changes as may be necessary, desirable or appropriate, which shall be evidence by such officer’s execution thereof.

6. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

7. All resolutions and orders, or parts thereof, in conflict with the provision of this Resolution, are, to the extent of such conflict, hereby repealed or amended.

8. This Resolution shall be in full force and effect immediately upon its passage and signing. The Secretary of the Commission is hereby directed to deliver a certified copy of this Resolution to the Controller of the City.

9. The Mayor, the Controller and any other officer of the City and the Commission are hereby authorized and directed, in the name and on behalf of the City, acting for and on behalf of the District, to execute and deliver such further documents and to take such further actions as such person deems necessary, desirable or appropriate to effect the purposes of this Resolution, and any such documents heretofore executed and delivered and any such actions heretofore taken, be, and hereby are, ratified and approved.

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ADOPTED AND APPROVED at a meeting of the Metropolitan Development Commission of Marion County, Indiana, held on the 15th day of March, 2023.

METROPOLITAN DEVELOPMENT COMMISSION OF
MARION COUNTY, INDIANA, acting as the Redevelopment
Commission of the City of Indianapolis, Indiana

John J. Dillon III, President

Bruce Schumacher, Vice-Secretary

Approved for Legal Adequacy:

Office of Corporation Counsel

By: _____

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law. /s/ Cameron G. Starnes, Taft Stettinius & Hollister LLP.

This Resolution prepared by Cameron G. Starnes, Taft Stettinius & Hollister LLP, One Indiana Square, Suite 3500, Indianapolis, Indiana 46204.