

**RESOLUTION NO. 2025-R-013**

**RESOLUTION OF THE METROPOLITAN DEVELOPMENT  
COMMISSION AUTHORIZING THE EXECUTION OF A LEASE  
OF CERTAIN LAND AND IMPROVEMENTS THEREON  
IN THE CITY OF INDIANAPOLIS, INDIANA, ESTABLISHING  
CERTAIN FUNDS AND ACCOUNTS RELATED TO SUCH LEASE,  
COVENANTING TO LEVY A SPECIAL TAX TO MAKE LEASE RENTAL  
PAYMENTS TO THE EXTENT REQUIRED UNDER THE LEASE,  
AND OTHER RELATED MATTERS**

WHEREAS, TWG Development Group, LLC, or a subsidiary or affiliate thereof (“TWG”), has approached the City of Indianapolis, Indiana (the “City”) with its desire to develop a project consisting of the rehabilitation, redevelopment and preservation of the Old City Hall building located at 202 North Alabama Street, including incorporation of the Old City Hall building into TWG’s adjacent hotel development and development of commercial space available for rent (the “Project”); and

WHEREAS, TWG has requested that the City assist with the financing of a portion of the construction, renovation, installation and equipping of the Project, and related costs, through the issuance of bonds as hereinafter described; and

WHEREAS, the Project will be located at 202 North Alabama Street in the Alabama Street Allocation Area, as heretofore established by the Metropolitan Development Commission of Marion County, Indiana (the “MDC”), acting as the Redevelopment Commission of the City; and

WHEREAS, TWG has advised the City concerning the Project, and requested that the City issue one or more series of its Taxable Economic Development Lease Rental Revenue Bonds, Series 2025 (Old City Hall Reuse Project) (the “Bonds”), in an aggregate principal amount not to exceed Sixty-Six Million Dollars (\$66,000,000), and loan the proceeds of such Bonds to the Circle Area Community Development Corporation, an Indiana nonprofit corporation (the “CAC”), which will then loan such proceeds to TWG for the purpose of financing a portion of the costs of the Project, including costs of issuance of the Bonds and, if necessary, funding capitalized interest and a debt service reserve for the Bonds; and

WHEREAS, the City-County Council of the City of Indianapolis and Marion County, Indiana (the “City-County Council”) is considering an ordinance authorizing the issuance of the Bonds and further authorizing the execution of a Trust Indenture to set forth the terms of and secure the Bonds (the “City Indenture”), between the City and a corporate trustee to be selected by the City (the “Trustee”), and a Loan Agreement to set forth the terms of the loan of the proceeds described above (the “Loan Agreement”), by and among the City, the CAC and TWG; and

WHEREAS, the principal of and interest on the Bonds will be payable from (a) loan payments to be made by the CAC under the Loan Agreement (from loan payments received from

TWG) (the “Loan Payments”), (b) to the extent the Loan Payments are insufficient, then from certain guaranty payments made by TWG and/or its affiliates and its chief executive officer under one or more guaranty agreements (the “Guaranty Payments”), and (c) to the extent the Loan Payments, the Guaranty Payments and such other revenues as may be made available for the payment of the Bonds under the City Indenture are insufficient, then from lease rentals due under a Lease Agreement of the Project (the “Lease”) to be entered into between the CAC, as lessor, and the MDC, as lessee, entered into pursuant to Indiana Code 36-7-15.1-17.1 and Indiana Code 36-7-15.1-17.2, which lease rentals will be assigned to the City, the form of which Lease has been presented to the MDC at this meeting; and

WHEREAS, the CAC is expected to adopt a resolution approving the Lease and the execution thereof by the CAC; and

WHEREAS, pursuant to the terms of the Lease, the CAC would lease its interest in the Project and related real estate to the MDC, and the MDC would pay lease rentals thereunder to the CAC (the "Rental Payments"), to the extent necessary, in an amount not to exceed Thirty Million Eight Hundred Fifty-Six Thousand Dollars (\$30,856,000) in the maximum lease rental year and payable in semiannual installments (provided that the average annual lease rental payment over the term of the Lease will not exceed Seven Million Five Hundred Sixty-Two Thousand Dollars (\$7,562,000) per year in semiannual installments), for a period not to exceed twenty-five (25) years, beginning as provided in the Lease, through the expiration of the Lease, which Rental Payments shall be payable from a special tax to be levied on all taxable property in the Redevelopment District of the City (the “Special Tax”); and

WHEREAS, a notice of public hearing on the Lease was published on February 21, 2025 in the Indianapolis Star and the Indianapolis Business Journal, pursuant to and in accordance with Indiana Code 5-3-1; and

WHEREAS, on this date such public hearing has been held and all interested parties have been provided the opportunity to be heard at the hearing; and

WHEREAS, it is necessary for the MDC to (i) establish certain funds and accounts for the payment of the Rental Payments owed by the MDC pursuant to the Lease, and (ii) covenant to levy the Special Tax to pay the Lease Rentals to the extent the Loan Payments, the Guaranty Payments and such other revenues as may be made available for the payment of the Bonds under the City Indenture are insufficient to pay debt service on the Bonds; and

WHEREAS, the MDC anticipates that the Loan Payments, the Guaranty Payments and, to the extent required, other revenues to be made available by the MDC or the City to pay the principal of and interest on the Bonds will be sufficient to pay such principal and interest, such that the MDC reasonably anticipates that it will not be required to levy the Special Tax to pay the Lease Rentals, and therefore, the Project will not constitute a “controlled project” pursuant to Indiana Code 6-1.1-20-1.1; and

WHEREAS, it is expected that the Bonds will be purchased by The Indianapolis Local Public Improvement Bond Bank (the “Bond Bank”) from the proceeds of bonds issued by the

Bond Bank (the “Bond Bank Bonds”), subject to the approval of such purchase by the Board of Directors of the Bond Bank; and

WHEREAS, it is expected that the Bond Bank Bonds would be secured under a Trust Indenture between the Bond Bank and a corporate trustee selected by the Bond Bank (the “Bond Bank Indenture”);

NOW, THEREFORE, BE IT RESOLVED, by the Metropolitan Development Commission of Marion County, Indiana, as follows:

1. The President and the Secretary of the MDC are hereby authorized and directed, on behalf of the City, to execute and attest, respectively, and to deliver the Lease in substantially the form presented at this meeting with such changes in form or substance as the President of the MDC shall approve, such approval to be conclusively evidenced by the execution thereof, following the approval of the Lease by the City-County Council.

2. The Rental Payments to be paid by the MDC, to the extent necessary, pursuant to the terms of the Lease, in an amount not to exceed Thirty Million Eight Hundred Fifty-Six Thousand Dollars (\$30,856,000) in the maximum lease rental year and payable in semiannual installments (provided that the average annual lease rental payment over the term of the Lease will not exceed Seven Million Five Hundred Sixty-Two Thousand Dollars (\$7,562,000) per year in semiannual installments), for a period not to exceed twenty-five (25) years, beginning as provided in the Lease, through the expiration of the Lease, are fair and reasonable, and the use of 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.

3. There is hereby continued a City of Indianapolis Redevelopment District Bond Fund and hereby created thereunder a 2025 Old City Hall Lease Payment Account (the “Lease Payment Account”) and such other accounts as the MDC shall from time to time establish. From the Lease Payment Account, all required Rental Payments under the Lease shall be made by the MDC to the CAC, provided that such Rental Payments by the MDC shall be made directly to the Trustee pursuant to the City Indenture and the Lease.

4. (a) Subject to Section 4(b) and 4(c) hereof, the Rental Payments to be paid from the Lease Payment Account under the Lease shall be payable from the Special Tax. Subject to Section 4(b) and 4(c) hereof, upon receipt of Special Tax revenues, the MDC shall immediately deposit with the Trustee such Special Tax revenues in an amount at least equal to the next Rental Payment (or, if applicable, Rental Payments) due under the Lease.

(b) Notwithstanding anything herein or in the Lease to the contrary, the MDC shall receive a credit towards its requirement to pay Rental Payments to the extent that the Loan Payments, the Guaranty Payments and/or such other revenues as may be made available for the payment of the Bonds are deposited in the Bond Fund under the City Indenture on or before the date of such Rental Payments.

(c) If, on August 2 of any year while there are any Bonds outstanding, (i) the amounts then on deposit or expected to be on deposit within the next eighteen (18) calendar months in the Lease Payment Account and available to make Rental Payments under the Lease (after taking into consideration any other moneys legally available), plus (ii) the amounts then on deposit or expected to be on deposit within the next eighteen (18) calendar months under the City Indenture (including amounts held in the Bond Fund and the Debt Service Reserve Fund under the City Indenture, which include, without limitation, capitalized interest held under the Bond Fund and the amount available to be drawn under a debt service reserve fund credit facility deposited in the Debt Service Reserve Fund, and further including amounts or credit facilities held under the Bond Bank Indenture which serve as a credit towards the City's obligation to make payments on the Bonds or to maintain a debt service reserve), are, together, insufficient to pay all of the Rental Payments under the Lease for the next three Lease rental payment dates (*i.e.*, the next January 15, July 15, and next succeeding January 15 Lease rental payment dates), then the MDC shall cause to be levied the Special Tax for the next succeeding calendar year at a level sufficient to pay the shortfall resulting from any such insufficiency of revenues, all as more particularly provided in the Lease and the City Indenture. Upon receipt, the Special Tax revenues shall be deposited with the Trustee. To the extent that the City is required to replenish any debt service reserve fund securing the Bonds or the Bond Bank Bonds or to reimburse any credit facility provider for draws made under a debt service reserve fund credit facility deposited in any such debt service reserve fund, Special Tax revenues may additionally be used for such replenishment or reimbursement.

(d) The MDC, in consideration of the Lease, in order to secure the payment of rentals due thereunder and the performance and observance of the covenants thereunder, hereby pledges to the CAC and the holders of the Bonds, the Special Tax revenues, along with any investment earnings thereon, such pledge to be effective as set forth in Indiana Code 5-1-14-4 without filing or recording of the Lease, this Resolution or any other instrument. The pledge of Special Tax revenues shall be effective only to the extent and for the term that the MDC is obligated to make Rental Payments under the Lease. The obligation of the MDC to make Rental Payments under the Lease is limited to Special Tax revenues, and investment earnings thereon, and shall not be considered a debt of the City or the Redevelopment District of the City for purposes of the Constitution or laws of the State of Indiana.

5. The President and the Secretary of the MDC are, and each of them is, hereby authorized and directed to take all such further actions and to execute all such instruments as are desirable to carry out the transactions contemplated by this Resolution, in such form as the President and the Secretary of the MDC executing the same shall deem proper, to be evidenced by the execution thereof.

6. The President, the Vice President and the Secretary of the MDC are, and each of them is, hereby authorized to take all such actions and to execute all such instruments (including, without limitation, an addendum to the Lease reducing lease rentals based on the results of the sale of the Bonds) as are necessary and desirable to carry out the transactions contemplated by this Resolution, in such forms as the President, the Vice President and the Secretary of the MDC executing the same shall deem proper, to be evidenced by the execution thereof.

7. This Resolution shall be in full force and effect after its adoption by the MDC.

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ADOPTED AND APPROVED at a meeting of the Metropolitan Development Commission of Marion County, Indiana held on the 5th day of March, 2025.

METROPOLITAN DEVELOPMENT  
COMMISSION OF MARION COUNTY

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President

ATTEST:

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Secretary