

RESOLUTION NO. FCR-2018-11

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF FLOYD COUNTY, INDIANA, AUTHORIZING AND APPROVING THE LIMITED PLEDGE OF LIT REVENUES TO THE FLOYD COUNTY REDEVELOPMENT COMMISSION AS ADDITIONAL SECURITY FOR CERTAIN BONDS PROPOSED TO BE ISSUED BY THE FLOYD COUNTY REDEVELOPMENT COMMISSION

WHEREAS, pursuant to IC 6-3.5-7-5, as amended, Floyd County, Indiana (the "County"), has heretofore imposed a county economic development income tax ("EDIT") on the taxpayers of the County; and

WHEREAS, pursuant to Ordinance No. 2010-IV, adopted by the County Council on November 15, 2010, as amended by Ordinance No. 2011-01, adopted by the County Council on February 15, 2011, Floyd County issued its Economic Development Income Tax Revenue Bonds, Series 2010 dated December 30, 2010, in the aggregate principal amount of \$1,500,000 (the "2010 Bonds"), the County has heretofore pledged its distributive share of the Floyd County EDIT revenues to the payment of principal and interest under the Ordinance; and

WHEREAS, the 2010 Bonds provide that the County may authorize any additional bonds, payable from the EDIT Revenues or otherwise pledge the EDIT Revenues to secure other obligations, ranking on a parity with the 2010 Bonds (such bonds, lease rental payments or other obligations, "Parity Obligations") upon the meeting of certain conditions precedent set forth in the 2010 Bonds; and

WHEREAS, the County Commission has determined that all requirements for the issuance of parity bonds under the 2010 Ordinance have been met; and

WHEREAS, the Indiana General Assembly passed legislation to establish a new local income tax structure pursuant to IC 6-3.6 which includes a local income tax that in part is set aside for economic development purposes (the "LIT Economic Development"); and

WHEREAS, the LIT Economic Development tax may be pledged to the payment of principal and interest on bonds payable on behalf of the Redevelopment Commission for economic development projects (the "LIT Revenues"); and

WHEREAS, the Floyd County Redevelopment Commission (the "Redevelopment Commission") proposes to issue up to \$1,040,000 of its Redevelopment District Tax Increment Revenue Bonds, Series 2018 (With Limited County LIT Economic Development Pledge) (the "2018 Redevelopment Commission Bonds"); and

WHEREAS, the Redevelopment Commission will pledge tax increment revenues generated by the Edwardsville-Highland Point Gateway Economic Development Allocation Area (the

“Edwardsville-Highland Point Gateway Tax Increment Revenues”) to the payment of principal and interest on the 2018 Redevelopment Commission Bonds; and

WHEREAS, the Redevelopment Commission has requested that the County irrevocably pledges an amount of LIT Revenues to the Redevelopment Commission to enable the Redevelopment Commission to pay the principal and interest on the 2018 Redevelopment Commission Bonds to the extent Edwardsville-Highland Point Gateway Tax Increment Revenues are insufficient for such purpose.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF FLOYD AS FOLLOWS:

Section 1. The Board of Commissioners hereby authorizes and approves the irrevocable pledge by Floyd County of up to the annual debt service on the 2018 Bonds from LIT Revenues (the “LIT Pledge”) to the Redevelopment Commission to enable the Redevelopment Commission to pay the principal and interest on the 2018 Redevelopment Commission Bonds, to the extent that the Edwardsville-Highland Point Gateway Tax Increment Revenues are insufficient for such purpose.

Section 2. Subject to satisfaction of the conditions precedent set forth in the 2010 Ordinance, the LIT Pledge shall rank on a parity basis with the pledge of EDIT Revenues to the 2010 Bonds.

Section 3. The County reserves the right to authorize and issue additional bonds, payable from the LIT Revenues, upon the defeasance of the 2010 Bonds, or otherwise to pledge the LIT Revenues to secure lease rental payments or other obligations, ranking on a parity with the LIT Pledge and the 2010 Bonds (such bonds, lease rental payments or other obligations, “Parity Obligations”). The authorization and issuance of Parity Obligations shall be subject to the following conditions precedent:

(a) All interest and principal payments with respect to the LIT Pledge, the Prior Obligations, and any outstanding Parity Obligations shall have been paid in accordance with their terms.

(b) All required deposits into the sinking fund applicable to the LIT Pledge, the Parity Obligations and any outstanding Parity Obligations shall have been made in accordance with the provisions of the resolution or ordinance authorizing said obligations.

(c) Either: (1) the LIT Revenues of the County in the fiscal year immediately preceding the issuance of the additional Parity Obligations shall be not less than one hundred fifteen percent (115%) of the maximum annual interest and principal requirements of the then outstanding LIT Pledge, the Prior Obligations, and other Parity Obligations and the additional Parity Obligations proposed to be issued; or (2) the LIT Revenues for the first full fiscal year immediately succeeding the issuance of any such additional Parity Obligations shall be projected by a certified public accountant to be at least equal to one hundred fifteen percent (115%) of the maximum annual interest

and principal requirements of the then outstanding LIT Pledge, Prior Obligations, and other Parity Obligations and the additional Parity Obligations proposed to be issued. For purposes of this subsection, the records of the County shall be analyzed and all showings prepared by a certified public accountant or independent financial advisor employed by the County for that purpose.

(d) The interest on the additional Parity Obligations shall be payable semiannually on February 1 and August 1 in the years in which interest is payable and the principal of the additional Parity Obligations shall be payable semiannually on February 1 and August 1 in the years in which principal is payable.

Except as otherwise provided in this Section, so long as the LIT Pledge is outstanding, no additional bonds or other obligations secured by pledge of any portion of the LIT Revenues of the County shall be authorized, executed or issued by the County except such as shall be made subordinate and junior in all respects to the LIT Pledge, unless the LIT Pledge is redeemed and retired coincidentally with the delivery of such additional bonds or other obligations, or funds sufficient to effect such redemption are available and set aside for that purpose at the time of issuance of such additional bonds or other obligations.


Section 4. The Redevelopment Tax Increment Revenue Bonds, Series 2018 are hereby approved for the acquisition of land, relocation of utilities and infrastructure and the payment of incidental costs and costs of issuance of the Bonds, the public purpose, at a maximum interest rate of not to exceed five percent (5%) per annum, and redemption provisions as set by the County Auditor upon advice of the financial advisor, are all hereby approved.

Section 5. Authorization of Other Actions. Each of the Board of Commissioners of the County, the County Auditor, and any other officer, employee or agent of the County is hereby authorized and directed, for and on behalf of the County, to execute and deliver any contract, 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, agreement, certificate, instrument or other document or such person's taking of such action.

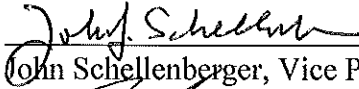
Section 6. This Resolution shall be in full force and effect from and upon its passage.

DULY PASSED on this 5 day of ~~May~~ ^{June}, 2018, by the Board of Commissioners.


BOARD OF COMMISSIONERS OF THE
COUNTY OF FLOYD, INDIANA



D. Mark Seabrook, President



John Schellenberger, Vice President



Billy Stewart, Commissioner

ATTEST:



Scott Clark, Auditor