

RESOLUTION NO. 06-2025

RESOLUTION OF THE AUBURN REDEVELOPMENT  
COMMISSION AUTHORIZING TAX INCREMENT  
EXPENDITURES

WHEREAS, the Auburn ("City") Redevelopment Commission ("Commission") has established the Northwest Economic Development Area ("Area") and the 2020 Expansion Area Allocation Area ("Allocation Area") and adopted an economic development plan, as supplemented and amended to date (collectively, "Plan") for the Area;

WHEREAS, the Commission has determined and acknowledges that the hereinafter defined Project is included in the current Plan and has determined that the use of the TIF Revenues (as hereinafter defined) to support portions of the Project is an appropriate use of TIF Revenues under the Plan;

WHEREAS, the construction of the Project by Auburn Development Group, LLC or an affiliate thereof ("Borrower") in the Area will: (i) assist in the creation of significant business enterprise in the Area; (ii) bring additional capital investment to the Area; (iii) be of public utility and benefit; (iv) strengthen the economic well-being of the Area and encourage additional growth in the Area; and (v) the project will house tenants who will work, shop, and play in the various other TIF areas of the city and, as such, will benefit and serve those other TIF areas along with the Area.

WHEREAS, the Commission is authorized to enter into an agreement with the Borrower to provide the incentives that will induce the Borrower to finance a portion of certain proposed economic development facilities consisting of the construction of a replica of the historic Auburn Hotel (as it was originally built) containing flexible commercial space on the ground floor, 14 market rate apartments on the second and third floors, and two private residences on the fourth floor, 10,000 sq/ft +/- of flex commercial space, parking, retail facilities, and public infrastructure, together with all necessary appurtenances, equipment, and related improvements thus, creating a number of temporary and full-time jobs, thus strengthening the economic well-being of the Area and encouraging additional growth;

WHEREAS, the City has the general corporate power to promote economic development and to make direct loans to providers of economic development facilities, with the loans to be secured by the pledge of secured or unsecured debt obligations of the Borrower;

WHEREAS, the Commission is a department of the City charged with the duties and purposes of promoting the use of land in a manner that best serves the interests of the City, promoting significant opportunities for gainful employment and creating significant businesses enterprises in the City;

WHEREAS, funding a forgivable loan to the Borrower in the amount not to exceed \$2,000,000 (currently estimated to be in equal installments of \$500,000 over four (4) years) ("Loan"), to be evidenced by the Borrower's Taxable Economic Development Revenue Note, Series 2025 ("Series 2025 Note"), by entering into a loan agreement and funding the Loan to induce

them to construct the Project in the City fosters and encourages economic development, promotes the use of the Project property in a manner that best serves the interest of the City and its citizens, promotes significant opportunities for gainful employment and helps create significant business enterprises in the City;

WHEREAS, the Commission will not undertake any debt related to the Project and will use the property tax proceeds on hand in the allocation fund from the original Northwest Economic Development Allocation Area and the 2008 Expansion Allocation Area and other legally available allocation areas from the assessed valuation of real property in the Allocation Area in excess of the assessed valuation described in IC 36-7-14-39(b)(1) as such statutory provisions exist on the date of the issuance of the Series 2025 Note ("TIF Revenues"); and

WHEREAS, the Series 2025 Note shall not constitute an indebtedness of the City or the Commission; and

WHEREAS, in order to finance the Project, the Commission has determined that it is in the best interest of the City and its residents to fund the Loan to the Borrower to fund a portion of the Project;

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

Section 1. The Commission hereby finds that authorizing the use of TIF Revenues (junior and subordinate to any existing or future outstanding obligations of the Commission) in an amount not to exceed \$2,000,000 to fund the Loan to finance a portion of the Project will help accomplish the Plan for the Area and will promote the economic development of the City and the Area.

Section 2. Subject to completion of all required legal processes and securing of any required governmental approvals, the Commission hereby authorizes the use of TIF Revenues to fund the Loan in an amount not to exceed \$2,000,000 for the support of a portion of the Project pursuant to a Loan Agreement that the Commission intends to consider for approval at an upcoming meeting; provided, however, that the Commission notes that the expenditure of TIF Revenues and the Loan must also be approved by the necessary public bodies and that the remaining statutory processes must be followed to effectuate said Loan.


Section 3. This resolution shall be effective upon passage.


Adopted this 2<sup>nd</sup> day of September, 2025.


AUBURN REDEVELOPMENT COMMISSION

  
\_\_\_\_\_  
President, Shelley Smaltz

  
\_\_\_\_\_  
Vice President, Daniel Braun

  
\_\_\_\_\_  
Secretary, Peter Kempf, Jr.

  
\_\_\_\_\_  
Member, Dennis Ketzenberger

  
\_\_\_\_\_  
Member, Eric Bowser

Attest:

  
\_\_\_\_\_  
Secretary, Peter Kempf, Jr.