

RESOLUTION NO. LRC-2021-03

LAFAYETTE REDEVELOPMENT COMMISSION

RESOLUTION OF THE LAFAYETTE REDEVELOPMENT COMMISSION
APPROVING AND AUTHORIZING THE EXECUTION OF AN
AMENDMENT TO LEASE WITH THE CITY OF LAFAYETTE
REDEVELOPMENT AUTHORITY

WHEREAS, the City of Lafayette Redevelopment Commission (the “Commission”), as the governing body for the Department of Redevelopment of the City of Lafayette, Indiana (the “City”), pursuant to Indiana Code 36-7-14 and Indiana Code 36-7-25, each as amended (collectively, the “Act”), has previously approved, pursuant to its Resolution No. LRC-2020-13 adopted on November 19, 2020 (“Resolution 2020-13”), and entered into a Lease Agreement, dated as of November 19, 2020 (the “Lease”), with the City of Lafayette Redevelopment Authority (the “Authority”), all in accordance with and pursuant to the Act; and

WHEREAS, the Lease will enable the Commission, through the Authority, to finance the construction of a new multi-story municipal police station of approximately 65,000 square feet on the south side of Columbia Street between 6th and 7th streets in the City, together with a new parking garage of 500-600 spaces of which approximately 150 will be secured for police department parking and the remaining for City employee and public use, together with any necessary appurtenances, related improvements and equipment (collectively, the “Project”); and

WHEREAS, since the execution of the Lease, the Commission has been advised that the estimated costs of the Project as originally contemplated at not to exceed \$45,000,000 have increased to an amount not to exceed \$57,100,000 and that it is necessary to amend the Lease to reflect increased annual lease rental payments thereunder to account therefore, as reflected in the substantially final form of First Amendment to Lease attached hereto as Exhibit A and incorporated herein by reference (the “First Amendment”); and

WHEREAS, the Commission has been advised that the Authority will adopt a resolution approving the First Amendment as well as authorizing the issuance of lease rental revenue bonds (“Bonds”) and, if necessary, bond anticipation notes (“BANs”), in one or more series, in an aggregate principal amount not to exceed \$57,100,000 to finance (i) the costs of acquiring and constructing the Project which is located in, serving or benefitting the Consolidated/Creasy Central Economic Development Area (the “Consolidated Area”), (ii) capitalized interest on the Bonds and BANs, if necessary, (iii) a debt service reserve for the Bonds, if necessary, and (iv) costs of issuing the Bonds and BANs; and

WHEREAS, the Commission ratifies and affirms its findings in Resolution 2020-13 that (i) the term of the Lease, as amended by the First Amendment, does not exceed twenty-five (25) years, (ii) the rentals due under the Lease, as amended by the First Amendment, are payable from a combination of (a) a designated portion of tax increment revenues from the allocation area in the Consolidated Area (the “TIF Revenues”) as set forth in the Lease, as amended by the First Amendment (such designated portion of the TIF Revenues, herein the “Pledged TIF Revenues”), on a parity with certain of the outstanding obligations of the Commission payable from the TIF Revenues and (b) the public safety portion of the local income tax revenues received by the City

pursuant to Indiana Code 6-3.6-6, as amended (the “Public Safety LIT Revenues”), pledged by the City to the Commission, and, to the extent the Pledged TIF Revenues and Public Safety LIT Revenues are not sufficient, (c) a special benefits tax levied under Indiana Code 36-7-14-27 (the “District Tax”), (iii) the terms of the Lease, as amended by the First Amendment, are based upon the value of the facilities leased thereunder, based upon the advice of the Commission’s municipal advisor and architect, and (iv) the service to be provided throughout the term of the Lease, as amended by the First Amendment, will serve the public purpose of the City and is in the best interests of its residents; and

WHEREAS, there has been presented to this meeting, following a public hearing thereon duly advertised in accordance with Indiana Code 5-3-1 and at which all interested parties had an opportunity to be heard, for consideration and approval of the Commission the Lease, together with the First Amendment, between the Commission and the Authority; and

WHEREAS, the Act permits the Lease and the First Amendment thereto; and

WHEREAS, the Commission deems it advisable to approve and authorize the execution of the First Amendment; and

WHEREAS, the Common Council of the City has approved the Lease and will approve the First Amendment; and

WHEREAS, in connection with the approval of the Lease, the Commission adopted its Resolution No. LRC-2020-16 on November 19, 2020 (the “Resolution 2020-16”), approving forms of financing documents in connection with the proposed issuance of the Bonds and, if necessary, BANs by the Authority to finance the Project; and

WHEREAS, the Commission has been advised that it is necessary to amend Resolution 2020-16 to reflect the maximum authorized amount of Bonds and, if necessary, BANs thereunder to an amount not to exceed \$57,100,000;

NOW, THEREFORE, BE IT RESOLVED BY THE LAFAYETTE REDEVELOPMENT COMMISSION AS FOLLOWS:

Section 1. The First Amendment, attached hereto as Exhibit A, is hereby approved and the President and Secretary of the Commission are authorized to execute and attest said First Amendment. The Commission hereby finds that (i) the term of the Lease, as amended by the First Amendment, does not exceed twenty-five (25) years, (ii) the lease rentals under the Lease, as amended by the First Amendment, are payable from a combination of (a) the Pledged TIF Revenues, on a parity with certain of the outstanding obligations of the Commission payable from the TIF Revenues, and (b) the Public Safety LIT Revenues, pledged by the City to the Commission, and to the extent the Pledged TIF Revenues and Public Safety LIT Revenues are not sufficient, (c) the District Tax, (iii) the terms of the Lease, as amended by the First Amendment, are based upon the value of the facilities leased thereunder, based upon the advice of the Commission’s municipal advisor and architect, and (iv) the service to be provided throughout the term of the Lease, as amended by the First Amendment, will serve the public

purpose of the City and is in the best interests of its residents. The plans and specifications for the Project have been submitted to the Commission and are hereby ratified and approved.

Section 2. The President and Secretary of the Commission are hereby authorized and empowered to approve such amendments, additions, deletions and changes to the First Amendment, as they deem necessary or advisable, and their approval shall be signified by their execution of said First Amendment.

Section 3. Upon execution of the First Amendment, the Secretary of the Commission is hereby directed to publish notice of the execution of the First Amendment and its approval in accordance with Indiana Code 5-3-1 and pursuant to the provisions of Indiana Code 36-7-14-25.2.

Section 4. The Commission hereby affirms the pledge of the Pledged TIF Revenues and Public Safety LIT Revenues, and to the extent the Pledged TIF Revenues and Public Safety LIT Revenues are ever insufficient, the District Tax, to the payment of lease rentals under the Lease, as amended by the First Amendment, all as more particularly described therein.

Section 5. Except as amended hereby to reflect the increased costs of the Project and changes to the Lease as contemplated by the First Amendment approved hereby, Resolution 2020-13 is ratified and confirmed in all other respects and is in full force and effect.

Section 6. Resolution 2020-16 is hereby amended to reflect the maximum authorized amount of Bonds and, if necessary, BANs thereunder to an amount not to exceed \$57,100,000. Resoluton 2020-16, except as amended hereby, is ratified and confirmed in all other respects and is in full force and effect.

Section 7. This resolution shall take effect immediately upon its adoption by the Commission.

ADOPTED AND PASSED by the Lafayette Redevelopment Commission this 25th day of February, 2021.

LAFAYETTE REDEVELOPMENT COMMISSION

Jos Holman, President

Shelly Henriott, Vice President

T.J. Thieme, Secretary

Jim Terry

ATTEST:

Dave Moulton

Josh Loggins

EXHIBIT A

Form of First Amendment

FIRST AMENDMENT TO LEASE BETWEEN
CITY OF LAFAYETTE REDEVELOPMENT AUTHORITY, LESSOR
AND CITY OF LAFAYETTE REDEVELOPMENT COMMISSION, LESSEE

THIS FIRST AMENDMENT TO LEASE (this "First Amendment"), entered into as of this ____ day of _____, 2021, by and between City of Lafayette Redevelopment Authority (the "Lessor"), and City of Lafayette Redevelopment Commission (the "Lessee");

WITNESSETH:

WHEREAS, the Lessor entered into a lease with the Lessee dated as of November 19, 2020 (the "Lease"); and

WHEREAS, it is provided in the Lease that the maximum amount of Bonds (as defined in the Lease) to be issued for the Project (as defined in the Lease) is not to exceed \$45,000,000, and the estimated cost of the Project is not to exceed \$45,000,000; and

WHEREAS, the Lessor and Lessee hereby desire to amend the Lease to reflect the maximum amount of Bonds to be issued for the Project as not to exceed \$57,100,000, and the estimated cost of the Project as not to exceed \$57,100,000; and

WHEREAS, the Lessor and Lessee hereby further desire to amend the maximum annual Fixed Annual Rental (as defined in the Lease) from \$3,400,000 to \$4,000,000;

NOW, THEREFORE, IT IS HEREBY AGREED, CERTIFIED AND STIPULATED by the undersigned that the Lease is hereby amended as follows:

1. All references in the Lease to the maximum amount of Bonds to be issued for the Project are amended to be not to exceed \$57,100,000 and all references in the Lease to the estimated cost of the Project are amended to be not to exceed \$57,100,000.
2. The first sentence of the first paragraph of Section 3(a) of the Lease is hereby amended and restated as follows:

"The Lessee agrees to pay fixed annual rental for the use and occupancy of the Leased Premises at a maximum annual rate of Four Million Dollars (\$4,000,000) (the "Fixed Annual Rentals")."

The terms and provisions of this First Amendment are deemed to constitute part of and be incorporated into the Lease. This First Amendment may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same First Amendment. Except as amended hereby, all other provisions of the Lease shall remain unchanged and be in full force and effect.

IN WITNESS WHEREOF, the undersigned have caused this First Amendment to Lease to be executed for and on their behalf as of the day and year first above written.

LESSOR

LESSEE:

CITY OF LAFAYETTE REDEVELOPMENT
AUTHORITY

CITY OF LAFAYETTE REDEVELOPMENT
COMMISSION

President

President

ATTEST:

ATTEST:

Secretary

Secretary

STATE OF INDIANA)
) SS:
COUNTY OF TIPPECANOE)

Before me, the undersigned, a Notary Public in and for this City and State, personally appeared _____ and _____, personally known to be the President and Secretary, respectively, of the City of Lafayette Redevelopment Authority (the “Authority”), and acknowledged the execution of the foregoing First Amendment to Lease for and on behalf of the Authority.

WITNESS my hand and notarial seal this ____ day of _____, 2021.

(Seal)

(Written Signature)

(Printed Signature)
Notary Public

My Commission expires:

My county of residence is:

STATE OF INDIANA)
) SS:
COUNTY OF TIPPECANOE)

Before me, the undersigned, a Notary Public in and for this City and State, personally appeared _____ and _____, personally known to be the President and Secretary, respectively, of the City of Lafayette Redevelopment Commission (the “Commission”), and acknowledged the execution of the foregoing First Amendment to Lease for and on behalf of the Commission.

WITNESS my hand and notarial seal this _____ day of _____, 2021.

(Seal)

(Written Signature)

(Printed Signature)
Notary Public

My Commission expires:

My county of residence is:
