

RESOLUTION NO. 12-8-2004-1

**RESOLUTION OF THE CITY OF VALPARAISO
REDEVELOPMENT COMMISSION AMENDING THE DECLARATORY
RESOLUTIONS AND DEVELOPMENT PLANS FOR ITS ECONOMIC
DEVELOPMENT AREAS AND REDEVELOPMENT AREAS
TO AMEND, EXPAND AND CONSOLIDATE CERTAIN OF SUCH AREAS AND
OTHER RELATED MATTERS**

WHEREAS, the City of Valparaiso Redevelopment Commission (the "Commission"), the governing body of the Department of Redevelopment of the City of Valparaiso, Indiana (the "City") and the Redevelopment District of the City (the "District"), exists and operates under the provisions of Indiana Code 36-7-14, as amended from time to time (the "Act"); and

WHEREAS, on February 6, 1995, the Commission adopted its Resolution No. 1, 1995 (the "Original Southeast Declaratory Resolution"), as subsequently confirmed, following a public hearing, by the adoption of a Confirmatory Resolution (Resolution No. 2, 1995) on March 15, 1995, declaring an area within the City, known as the "Southeast Economic Development Area" to be an economic development area within the meaning of the Act (the "Original Southeast Area"), and designating the Original Southeast Area as an allocation area for purposes of Section 39 of the Act (the "Original Southeast Allocation Area"), and approving an economic development plan for the Original Southeast Area (the "Original Southeast Plan"); and

WHEREAS, on January 29, 1996, following a public hearing, the Commission adopted its Resolution No. 1, 1996, which amended the Original Southeast Area and the Original Southeast Allocation Area to include property that was unintentionally omitted from the legal description for such areas upon their establishment; and

WHEREAS, on January 10, 2000 and February 28, 2000, following a public hearing, the Commission adopted its Resolution No. 1, 2000 and Resolution No. 2, 2000, respectively, deleting a portion of the Original Southeast Allocation Area in Washington Township (the "Removed Allocation Area"), creating a second allocation area comprised solely of the Removed Allocation Area (the "Washington Township Allocation Area") (the first allocation area remaining after such deletion is located entirely in Center Township and shall be referred to as the "Amended Southeast Allocation Area"), and amending the Original Southeast Plan; and

WHEREAS, on April 11, 2001, following a public hearing, the Commission adopted its Resolution No. 1, 2001, amending the Original Southeast Declaratory Resolution (the Original Southeast Declaratory Resolution, as amended, shall hereinafter be referred to as the "Southeast Declaratory Resolution") to expand the Original Southeast Area (the Original Southeast Area, as expanded, shall hereinafter be referred to as the "Southeast Area") and the Amended Southeast Allocation Area (the Amended Southeast Allocation Area, as expanded, shall hereinafter be referred to as the "Southeast Allocation Area") and amending the Original Southeast Plan (the Original Southeast Plan, as amended, shall hereinafter be referred to as the "Southeast Plan"); and

WHEREAS, on February 12, 2003, the Commission adopted its Resolution No. 1, 2003 (the "Original North Central Declaratory Resolution"), as subsequently confirmed, following a public hearing, by the adoption of a Confirmatory Resolution (Resolution No. 2, 2003) on April 9, 2003, declaring an area within the City, known as the "North Central Redevelopment Area" to be blighted within the meaning of the Act and thereby constituting a redevelopment area for purposes thereof (the "North Central Area"), and designating the North Central Area as an allocation area for purposes of Section 39 of the Act (the "North Central Allocation Area"), and approving a redevelopment plan for the North Central Area that incorporates a factual report supporting the Commission's blight findings (the "North Central Plan"); and

WHEREAS, on June 18, 2003, following a public hearing, the Commission adopted its Resolution No. 4 (the "Consolidating Resolution"), which amended the Southeast Declaratory Resolution (as so amended, the "Amended Southeast Declaratory Resolution") and the Original North Central Declaratory Resolution (as so amended, the "North Central Declaratory Resolution") to consolidate the Southeast Area and North Central Area into a single economic development area known as the "Center Economic Development Area" (the "Center Area") by setting forth additional statutory findings of economic development for the North Central Area; however, the Consolidating Resolution retained distinct allocation areas (Southeast Allocation Area, Washington Township Allocation Area and North Central Allocation Area) with their respective base assessment dates and ratified and confirmed the continued applicability of the Southeast Plan and the North Central Plan and the findings contained therein to the respective portions of the Center Area (formerly, the Southeast Area and North Central Area); and

WHEREAS, on June 1, 1998, the Commission adopted its Resolution No. 1, 1998 as amended (the "Franklin Street Declaratory Resolution"), as subsequently confirmed, following a public hearing, by the adoption of a Confirmatory Resolution on July 14, 1998, declaring an area within the City, known as the "Franklin Street Redevelopment Area" to be blighted within the meaning of the Act and thereby constituting a redevelopment area for purposes thereof (the "Franklin Street Area"), and designating the Franklin Street Area as an allocation area for purposes of Section 39 of the Act (the "Franklin Street Allocation Area"), and approving a redevelopment plan for the Franklin Street Area (the "Franklin Street Plan") that incorporates a factual report supporting the Commission's blight findings; and

WHEREAS, on July 26, 1999, the Commission adopted its Resolution No. 2, 1999 (the "South 49 Declaratory Resolution" and, together with the Amended Southeast Declaratory Resolution, the North Central Declaratory Resolution and the Franklin Street Declaratory Resolution, the "Declaratory Resolutions"), as subsequently confirmed, following a public hearing, by the adoption of a Confirmatory Resolution (Resolution No. 4, 1999) on September 13, 1999, declaring an area within the City, known as the "South 49 Economic Development Area" to be an economic development area within the meaning of the Act (the "South 49 Area"), and designating the South 49 Area as an allocation area for purposes of Section 39 of the Act (the "South 49 Allocation Area"), and approving an economic development plan for the South 49 Area (the "South 49 Plan" and together with the Southeast Plan, the North Central Plan and the Franklin Street Plan, the "Plans"); and

WHEREAS, the City Plan Commission and the Common Council of the City, as applicable, have previously approved the Declaratory Resolutions and the Plans; and

WHEREAS, the Commission now desires to take action to (i) amend the Amended Southeast Declaratory Resolution and the North Central Declaratory Resolution (collectively, the "Center Declaratory Resolutions") and the Southeast Plan for the purpose of expanding the Center Area by two (2) separate expansion areas (collectively, the "Expansion Area") as set forth in the Consolidated Plan (as hereinafter defined) attached hereto as Exhibit A, the combined area of the Expansion Area not exceeding twenty percent (20%) of the Center Area; (ii) re-characterize the Franklin Street Area as an economic development area within the meaning of Section 41 of the Act (as re-characterized, the "Franklin Street Economic Development Area"); (iii) divide the Center Area into two areas: (a) the area subject to the North Central Plan (the "North Central Plan Area"), and (b) the remaining area (the "Remaining Center Area"), with each such area retaining their distinct allocation areas; (iv) remove the economic development area designation from the North Central Plan Area; (v) amend and restate the North Central Plan attached hereto as Exhibit B to further refine the goals and objectives of the Commission, outline a revised project description, and add certain properties that may be acquired by the Commission to the acquisition list; (vi) consolidate the Remaining Center Area, the Franklin Street Economic Development Area and the South 49 Area into a single economic development area (the "Consolidated Valparaiso Economic Development Area"); (vii) consolidate the Southeast Allocation Area, the Washington Township Allocation Area, the Franklin Street Allocation Area and the South 49 Allocation Area into a single allocation area (the "Consolidated Valparaiso Allocation Area"), while retaining their respective base assessment dates for each of the aforementioned allocation areas; (viii) amend and consolidate the Southeast Plan, the Franklin Street Plan and the South 49 Plan into a single consolidated economic development plan for the Consolidated Valparaiso Economic Development Area (the "Consolidated Plan"); and (ix) remove certain properties from the Consolidated Valparaiso Allocation Area that are currently producing a tax decrement thereto, as set forth in Exhibit C attached hereto (collectively, the "Amendments"); and

WHEREAS, prior to the Commission's consideration of the Amendments, all of the economic development areas, redevelopment areas, allocation areas and respective areas subject to the development plans in the District are delineated in the map set forth in Exhibit D attached hereto; and

WHEREAS, pursuant to Section 17.5(a) of the Act, the Commission caused to be published, in accordance with Indiana Code 5-3-1, a notice of public hearing regarding the Amendments, and caused all such further notices to be provided as required by law; and

WHEREAS, at the public hearing held by the Commission on December 8, 2004, at 8:30 a.m. (local time) in the City Council Chambers at the City Hall, 166 West Lincolnway, Valparaiso, Indiana, the Commission considered all written remonstrances and objections filed, if any, and heard all persons interested in or affected by the proceedings and such other evidence presented;

NOW, THEREFORE, BE IT RESOLVED by the City of Valparaiso Redevelopment Commission as follows:

1. After considering the evidence presented at the hearing on the 8th day of December, 2004, the Commission hereby finds that the proposed Amendments are reasonable

and appropriate when considered in relation to the Declaratory Resolutions, the Plans and the purposes of the Act.

2. The Commission hereby finds that the Declaratory Resolutions and the Plans, with the proposed Amendments, conform to the comprehensive plan for the City.

3. The Center Declaratory Resolutions and the Southeast Plan are hereby amended to expand the Center Area by the Expansion Area as set forth in the Consolidated Plan attached hereto as Exhibit A. The Commission hereby finds that the combined area of the Expansion Area is not in excess of twenty percent (20%) of the Center Area.

4. The Southeast Allocation Area is hereby expanded to include the Expansion Area (the expanded portion of the Southeast Allocation Area shall be hereinafter referred to as the "Expansion Allocation Area"). The allocation provisions of Section 39 of the Act shall, with respect to the Expansion Allocation Area, expire on December 7, 2034.

5. The base assessment date for property in the Expansion Allocation Area (as provided in the Center Declaratory Resolutions and Section 39 of the Act) shall be March 1, 2004.

6. The Franklin Street Declaratory Resolution is hereby amended to re-characterize the Franklin Street Area as the Franklin Street Economic Development Area, an economic development area within the meaning of Section 41 of the Act. The Franklin Street Plan is hereby amended to substantiate this re-characterization as the Franklin Street Economic Development Area and the Franklin Street Plan is re-designated as an economic development plan and incorporated in the Consolidated Plan. The Commission hereby finds and determines that the Consolidated Plan as it relates to the Franklin Street Economic Development Area:

(a) Promotes significant opportunities for the gainful employment of the citizens of the City.

(b) Cannot be achieved by regulatory processes or by the ordinary operation of private enterprise without resort to the powers allowed the Commission under Sections 2.5, 41 and 43 of the Act because of conditions similar to those enumerated in Section 41(b)(2) of the Act.

(c) The public health and welfare will be benefited by accomplishment of the Consolidated Plan as it relates to the Franklin Street Economic Development Area.

(d) The accomplishment of the Consolidated Plan as it relates to the Franklin Street Economic Development Area will be a public utility and benefit as measured by:

(i) The attraction or retention of permanent jobs;

(ii) An increase in the property tax base; and

(iii) Other similar public benefits.

(e) The Consolidated Plan as it relates to the Franklin Street Economic Development Area conforms to the development and redevelopment plans for the City.

7. The Center Declaratory Resolutions are hereby amended to divide the Center Area into two areas: (a) the area subject to the North Central Plan (the "North Central Plan Area"), and (b) the remaining area, which includes the Expansion Area (the "Remaining Center Area"). The Commission hereby finds and ratifies that the North Central Allocation Area is coterminous with the North Central Plan Area and that the Washington Township Allocation Area and the Southeast Allocation Area (including the Expansion Allocation Area) exist within the Remaining Center Area.

8. The North Central Declaratory Resolution is hereby amended to remove the economic development area designation from the North Central Plan Area. The Commission hereby confirms that pursuant to the North Central Declaratory Resolution and the North Central Plan and the blight findings contained therein, the designation of the North Central Plan Area as a redevelopment area is hereby determined to remain in place and to continue in full force and effect (such area to be hereinafter designated as the "North Central Redevelopment Area").

9. The boundaries of the Remaining Center Area, the Franklin Street Economic Development Area and the South 49 Area are hereby consolidated into the Consolidated Valparaiso Economic Development Area, a single economic development area within the meaning of Section 41 of the Act.

10. The North Central Plan attached hereto as Exhibit B is hereby amended and restated to further refine the goals and objectives of the Commission for the North Central Redevelopment Area, outline a revised project description, and add certain properties in the North Central Redevelopment Area that may be acquired by the Commission to the acquisition list as described therein.

11. The boundaries of the Southeast Allocation Area (including the Expansion Allocation Area), the Washington Township Allocation Area, the Franklin Street Allocation Area and the South 49 Allocation Area are hereby consolidated into the Consolidated Valparaiso Allocation Area, a single allocation area within the meaning of Section 39 of the Act; however, each of the aforementioned allocation areas comprising the Consolidated Valparaiso Allocation Area shall retain their respective base assessment dates and shall sometimes be referred to as sub-allocation areas of the Consolidated Valparaiso Allocation Area. All property taxes levied on property in the Consolidated Valparaiso Allocation Area shall be collected and distributed as described in the Act and upon their allocation to the District, such property tax proceeds shall be deposited in a combined allocation fund hereby created for the Consolidated Valparaiso Allocation Area (the "Consolidated Valparaiso Allocation Fund").

12. The Southeast Plan, the Franklin Street Plan and the South 49 Plan are hereby amended and consolidated into the Consolidated Plan, a single consolidated economic development plan for the Consolidated Valparaiso Economic Development Area and the Consolidated Plan is hereby approved in all respects.

13. The Consolidated Valparaiso Allocation Area is hereby amended to remove certain property that is currently producing a tax decrement thereto, as set forth in Exhibit C attached hereto.

14. The provisions of this Resolution and the Consolidated Plan relating to the removal from the Consolidated Valparaiso Allocation Area of certain property that is currently producing a tax decrement thereto shall not be deemed to be effective for any given parcel of property until a filing is made with the Commission by its Executive Director that confirms the completion of all remaining due diligence deemed necessary by the Executive Director upon the direction of the Commission's financial advisor and confirmation of the Executive Director's provision of notice of the removal of such parcel of property to the Porter County Auditor.

15. Attached hereto as Exhibit E is a map delineating all of the economic development areas, redevelopment areas, allocation areas and respective areas subject to the development plans in the District after the Commission's approval of the Amendments.

16. The Secretary of the Commission is hereby directed to file a certified copy of this Resolution with the minutes of this meeting.

17. The officers and staff of the Commission are hereby directed to (i) record this Resolution pursuant to the requirements of Section 17.5(g) of the Act; (ii) submit the Resolution to the Common Council of the City for its approval of (a) the expansion of the Center Area, and (b) the re-characterization of the Franklin Street Area as the Franklin Street Economic Development Area; (iii) file the Resolution, and other necessary documentation in connection thereto, with the Porter County Auditor; and (iv) notify the Indiana Department of Local Government Finance regarding the Expansion Allocation Area.

18. This Resolution shall be in full force and effect after its adoption by the Commission.

* * * * *

EXHIBIT A

Consolidated Valparaiso Area Economic Development Plan attached hereto

EXHIBIT B

North Central Redevelopment Plan attached hereto

EXHIBIT C

**List Of Parcels of Property to be Removed from the
CONSOLIDATED VALPARAISO ALLOCATION AREA**

TIF Duplicate No. Owner Name

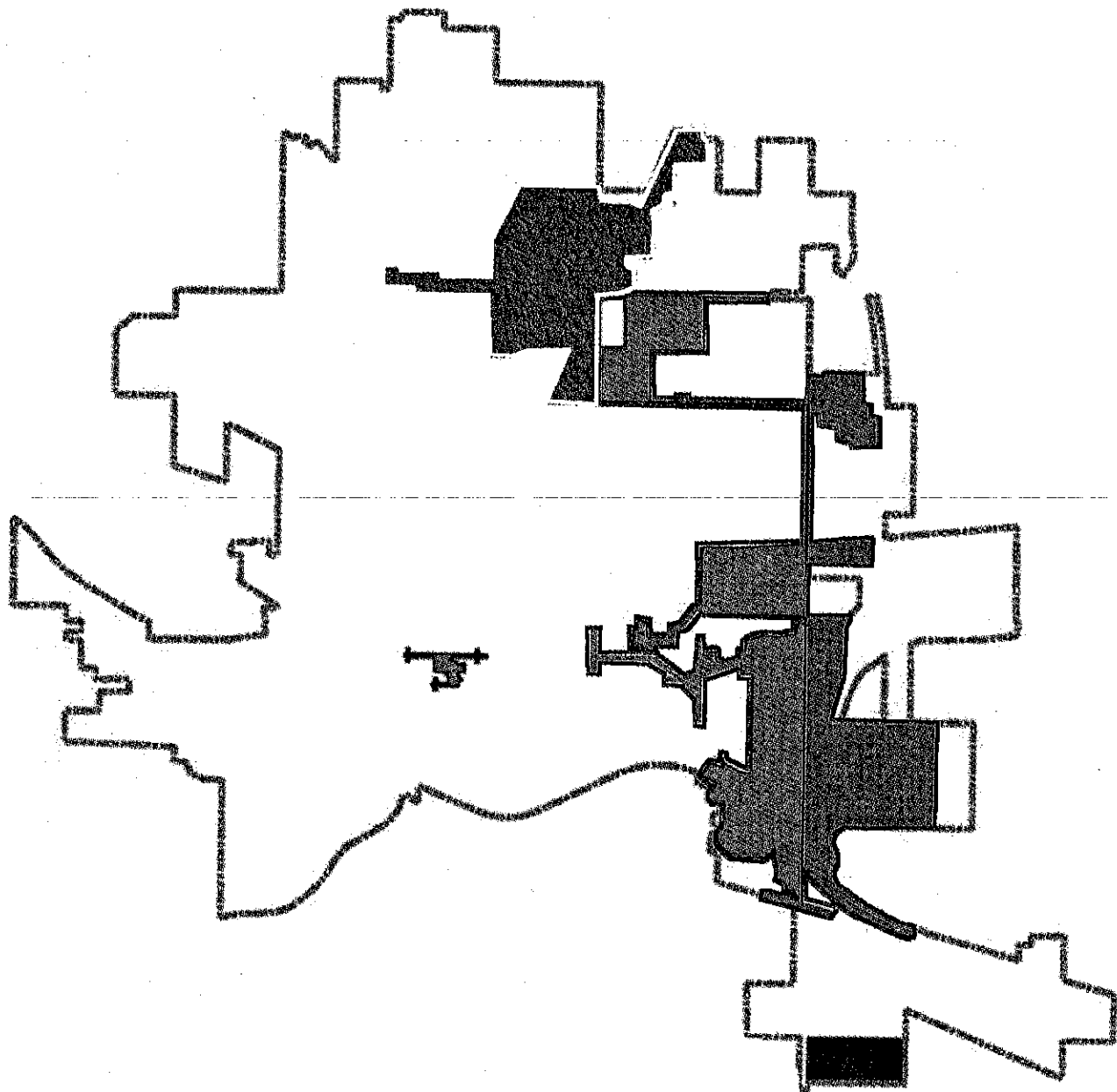
SUB-ALLOCATION AREA - SOUTHEAST (03)

| | |
|----------------|--------------------------------------|
| 01 - 000568680 | Whiteco Industries, Inc. |
| 01 - 000044770 | Bob Evans Farms Inc. |
| 01 - 000408482 | PFC of Valparaiso, Inc. |
| 01 - 090001946 | Church, First Christian |
| 01 - 000418607 | Porter Memorial Hospital |
| 01 - 000273921 | Kepak Inc. |
| 01 - 000178221 | GTE North Inc. |
| 01 - 000078002 | Casbon Personal Trust |
| 01 - 000179009 | Gainer Bank |
| 01 - 000568681 | Whiteco Industries, Inc. |
| 01 - 000353769 | Mercantile National Bank Trust #5352 |

SUB-ALLOCATION AREA - WASHINGTON TOWNSHIP (09)

| | |
|----------------|----------------------------------|
| 29 - 000049932 | Menard's Inc. |
| 29 - 000044510 | Lifestyle Properties LLC |
| 29 - 000059515 | Reliable Development Corporation |
| 29 - 000016800 | Crothers, Jeffery M & Beth E H/W |
| 29 - 000029822 | Hain, Dennis C Trust |
| 29 - 000011042 | Bulk Transportation Corporation |

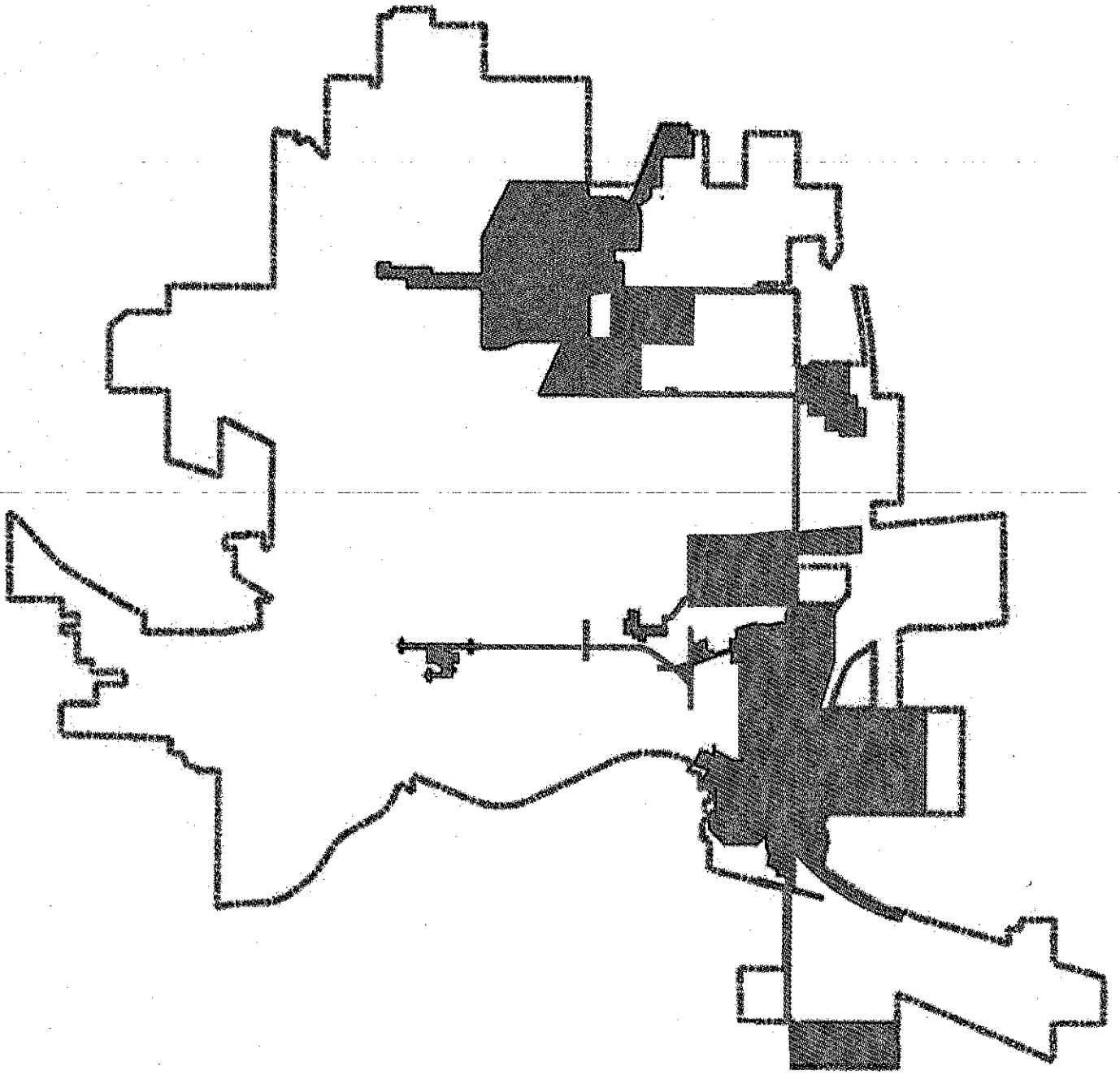
EXHIBIT D
Pre-December 8 Amendments



-  Center Economic Development Area
-  North Central Allocation Area
-  Southeast Allocation Area
-  Washington Township Allocation Area
-  Subject to North Central Redevelopment Plan
-  Subject to Southeast Economic Development Plan

-  Franklin Street Redevelopment Area;
Franklin Street Allocation Area; and
Subject to Franklin Street Development Plan
-  South 49 Economic Development Area
South 49 Allocation Area; and
Subject to South 49 Economic Development Plan

EXHIBIT E
Post-December 8 Amendments



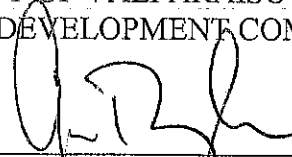
■ North Central Redevelopment Area;
North Central Allocation Area; and
Subject to North Central Redevelopment Plan

■ Consolidated Valparaiso Economic Development Area;
Consolidated Valparaiso Allocation Area; and
Subject to Consolidated Valparaiso Area Economic Development Plan

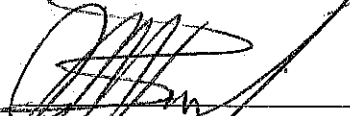
* As described the Consolidated Valparaiso Economic Development Plan, certain parcels in the Consolidated Valparaiso Allocation Area causing tax decrement thereto have been removed.

ADOPTED AND APPROVED at a meeting of the City of Valparaiso Redevelopment Commission held on the 8th day of December, 2004.

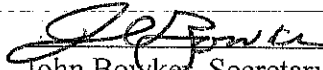
CITY OF VALPARAISO
REDEVELOPMENT COMMISSION



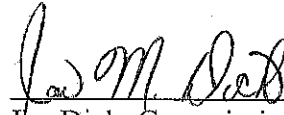
George Douglas, President



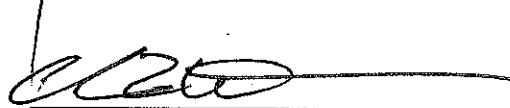
Michael Baird, Vice President



John Bowker, Secretary

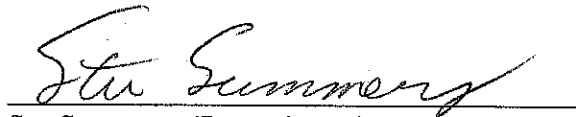


Jan Dick, Commissioner



Chuck Williams, Commissioner

ATTEST:


Stu Summers, Executive Director