

RESOLUTION NO. 2011-03

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF LAPORTE
COUNTY, INDIANA RELATING TO THE FINANCING OF AN ECONOMIC
DEVELOPMENT PROJECT**

WHEREAS, LaPorte County (the "County") is authorized to make loans to provide funding for economic development projects and facilities pursuant to Indiana Code 8-14-16 and 36-7-12; and

WHEREAS, the Board of Commissioners of LaPorte County, Indiana (the "County Commissioners"), pursuant to Resolution 2011-02 of the County Commissioners adopted on March 25, 2011 (the "Prior Resolution"), authorized LaPorte County, Indiana (the "County") to make a loan to Halfwassen Group, LLC ("Halfwassen") funded from monies in the LaPorte County Major Moves Construction Fund to complete a railway line extension that will connect a CSX main railway line to an industrial area within the Kingsbury Industrial Park Economic Development Area (the "Area") in the County (the "Rail Spur Project"); and

WHEREAS, it has become necessary to revise the structure of the loan transaction to allow for a non-profit property owners association, or such other entity to which the County may agree, to be the developer of the Rail Spur Project and the Borrower (as defined below); and

WHEREAS, Halfwassen and/or ILPK, LLC ("ILPK") (Halfwassen and ILPK, collectively, the "Owner") owns approximately 200 acres of real estate (the "Owner Parcel") located in the Area and the Kingsbury Industrial Park Allocation Area (the "Allocation Area"), and the Owner desires to develop and construct a multimodal distribution center on the Owner Parcel, offering rail and truck access to the users of the warehousing and distribution facilities to be constructed on the Owner Parcel; and

WHEREAS, there has been submitted a request to the LaPorte County Redevelopment Commission (the "Redevelopment Commission") to make an expenditure for certain local public improvements in the form of the Rail Spur Project; and

WHEREAS, a request has been submitted to the County to make such expenditure on behalf of the Redevelopment Commission in the form of a fifteen (15) year loan to the Owner and/or the Owner's assignee and/or designee, which may be a non-profit property owners association or other entity that will own the Rail Spur Project (the "Borrower"), which Loan shall be guaranteed by one or more guarantees (collectively, the "Guarantees") of Halfwassen, ILPK and/or such other persons and entities as the County may determine to be necessary or appropriate (collectively, the "Guarantors") of the obligations of the Borrower to the County pursuant to a promissory note from the Borrower to the County (the "Note"), in an amount not to exceed Six Million Dollars (\$6,000,000) (the "Loan") to finance economic development projects and facilities within the meaning of Indiana Code 8-14-16-5(3) and 36-7-12, consisting of the acquisition, construction, installation and equipping of local public improvements in the form of the Rail Spur Project; and

WHEREAS, the County Commissioners believe that developing the Owner Parcel and adjoining parcels and accomplishing the Rail Spur Project as described herein are in the best

interests of the health, safety and welfare of the County and its residents and comply with the public purposes and provisions of Indiana Code 36-7-12 and 36-7-14 and based upon the information presented to the County Commissioners by Owner, the County Commissioners have determined that the Rail Spur Project constitutes an economic development project and an economic development facility pursuant to, and complies with the purposes and provisions of, Indiana Code 8-14-16, 36-7-12 and 36-7-14; and

WHEREAS, the County shall be reimbursed for the Loan as set forth in the Reimbursement Agreement substantially in the form of the Reimbursement Agreement between the County and the Redevelopment Commission as presented to this meeting (the "Reimbursement Agreement"); and

WHEREAS, the County Commissioners desire to facilitate the development of the Owner Parcel and adjoining parcels by approving the County making the Loan to the Borrower to finance the Rail Spur Project subject to the conditions contained herein and in the Financing Agreement (as defined below), Loan Documents (as defined below) and related documents; and

WHEREAS, this Resolution shall supersede and replace the Prior Resolution.

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

1. The recitals contained in this Resolution are true and correct and are incorporated in this Resolution by this reference.
2. The acquisition, construction, installation and equipping of the Rail Spur Project and the use thereof, and the proposed financing of the Rail Spur Project as described in the proposed Development and Financing Agreement among the County, the Redevelopment Commission, ILPK and the Borrower presented to this meeting (the "Financing Agreement") will provide opportunities for gainful employment and the creation of business opportunities in the County, and will be of benefit to the health, safety, and general welfare of the citizens of the County, and such citizens will be benefitted by the acquisition, construction, installation and equipping of the Rail Spur Project.
3. The County Commissioners hereby approve the Financing Agreement and the Reimbursement Agreement, and the other definitive Loan documents (collectively, the "Loan Documents), including, among other documents, the Note, the Guarantees, and one or more mortgages and/or security agreements (collectively, the "Mortgages") to the County securing the Note and/or the Guarantees. The County Commissioners and the County Auditor are hereby authorized and directed to execute and deliver the Financing Agreement and the Reimbursement Agreement without further approval of the County Commissioners in substantially the form herein approved with such additions, deletions and modifications thereto as may be approved by the County Commissioners, the execution thereof being conclusive evidence of such approval; and the County Auditor, or any authorized representative of the County Auditor, is hereby authorized to affix the seal of the County to such documents and to attest the same.

4. A sum not to exceed Six Million Dollars (\$6,000,000) be and is hereby made available from moneys in the LaPorte County Major Moves Construction Fund for the funding of the Loan described in the Financing Agreement.

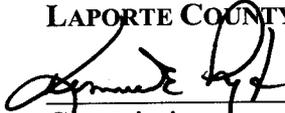
5. The County Commissioners hereby authorize the President of the County Commissioners, in consultation with the County Commissioners' legal counsel, Barnes & Thornburg LLP, to negotiate final terms of the Loan Documents.

6. This Resolution shall supersede and replace the Prior Resolution.

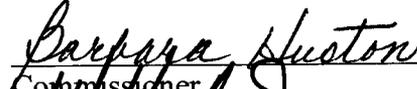
7. This Resolution shall be in full force and effect immediately upon adoption.

Passed and adopted by the Board of Commissioners of LaPorte County, Indiana, on the 21st day of June, 2011.

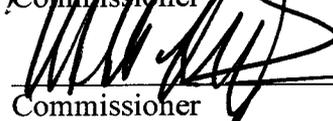
THE BOARD OF COMMISSIONERS OF
LAPORTE COUNTY, INDIANA



Commissioner

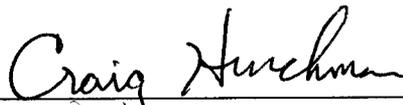


Commissioner



Commissioner

Attest:



LaPorte County, Auditor