

RESOLUTION NO. R062022C

**RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF FISHERS, INDIANA
MAKING A PRELIMINARY DETERMINATION TO ENTER INTO TO A
LEASE WITH THE FISHERS TOWN HALL BUILDING CORPORATION
AND APPROVING MATTERS RELATED THERETO**

WHEREAS, the Common Council of the City of Fishers, Indiana (the “Common Council”) has given consideration to all or a portion of the acquisition of property and the construction, renovation, installation, and equipping of an Arts & Municipal Complex comprising municipal office spaces for the City of Fishers, Indiana (the “City”), an art center facility, a theater facility, and related improvements all to be located in the City of Fishers, Indiana. (the “Project”); and

WHEREAS, Indiana Code §6-1.1-20-0.7 provides that for a political subdivision in Hamilton County, other than a school corporation, in determining whether the Project is a controlled project for purposes of Indiana Code §6-1.1-20, the cost of the Project shall not include the expenditures that will be paid from money that has accumulated or has been deposited by the political subdivision, if before the preliminary determination is made, the political subdivision segregates the money for use in the project as provided in a capital improvement plan; and

WHEREAS, in accordance with Indiana Code §6-1.1-20-0.7(b), on May 16, 2022, the Common Council adopted Resolution No. 051622B, approving the 2022 Capital Plan (the “Capital Plan”) which allocates an amount not to exceed Six Million Nine Hundred Thousand Dollars (\$6,900,000) from the City’s General Fund Cash Reserves (the “General Fund Cash Reserves”) to costs of the Project; and

WHEREAS, the total cost of the Project, excluding the expenditures paid from the General Fund Cash Reserves in accordance with Indiana Code §6-1.1-20-0.7, but including, and not limited to, costs of acquisition of real estate, construction of improvements, architects’ and engineers’ fees, consultants’ services, legal and financing expenses including the costs of issuance of bonds by the Fishers Town Hall Building Corporation (the “Corporation”), certain expenses of operation of the Corporation during construction, capitalized interest and repayment of any funds advanced by the City to meet preliminary expenses necessary to be paid prior to the issuance of bonds by the Corporation, is not greater than Seventeen Million Four Hundred and Forty Thousand Dollars (\$17,440,000); and

WHEREAS, pursuant to IC 6-1.1-20-3.1, if the Common Council proposes to impose property taxes to pay lease rentals on any construction, renovation, improvement, remodeling, alteration or expansion project, which is not excluded under IC 6-1.1-20-1.1, it must conduct two public hearings on the preliminary determination to proceed with such project prior to the Common Council’s adopting any resolution making a preliminary determination to enter into a lease; and

WHEREAS, notice of said hearings has been given in accordance with Indiana law; and

WHEREAS, interested people have been given the opportunity to present testimony and ask questions concerning the Project, and the Common Council has heard public input at public hearings, held on June 20, 2022, and on the date hereof concerning the Project; and

WHEREAS, the Common Council, being duly advised, finds that it is in the best interests of the City and its citizens for the purpose of financing, or reimbursing, all or any portion of the Project, to enter into negotiations with the Corporation to enter into a lease with the Corporation (the "Lease"), as lessor, for all or any portion of certain real estate in the City, including, but not limited to all or any portion of the real estate located at 3 Municipal Drive, Fishers, Indiana 46038 and the City Services Building located thereon, and the Project, in order to better serve the residents of the City (the "Lease"); and

WHEREAS, the form of proposed Lease has been presented to the Common Council at this meeting; and

WHEREAS, the Common Council desires to approve the proposed Lease and publish notice of a public hearing and conduct a public hearing on the proposed Lease pursuant to IC 36-1-10-13; and

WHEREAS, after receipt of a petition signed by fifty (50) or more taxpayers of the City and a determination by the Common Council after investigation that the Project is needed pursuant to IC 36-1-10-7, and after the public hearing the Common Council may adopt a resolution pursuant to IC 36-1-10-13 authorizing the execution of the proposed Lease on behalf of the City if it finds that the service to be provided throughout the term of the proposed Lease will serve the public purpose of the City and is in the best interests of its residents, and that the Lease rentals provided for are fair and reasonable.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF FISHERS, INDIANA, AS FOLLOWS:

1. The Common Council hereby makes a preliminary determination that there exists a need for the Project. Accordingly, the Common Council hereby makes a preliminary determination that to the extent permitted by law, the Common Council will take all of the necessary steps for the City to enter into the Lease with the Corporation pursuant to which the Corporation and the City will finance all or any portion of the Project. The City and the Corporation will finance all or any portion of the Project through one or more series of bonds and/or bond anticipation notes issued by the Corporation (the "Bonds") and other funds of the City. The City's lease payments under such Lease will be payable solely from the revenues of an *ad valorem* property tax levied by the City pursuant to IC 36-1-10-17 (the "Property Tax"). The City may, but is not required to, pay the lease payments under the Lease from any other revenues legally available to the City. The proposed Lease will have a term no longer than twenty (20) years, commencing on the date of issuance of the Bonds.

2. The maximum estimated interest rate that will be paid in connection with the Bonds is six percent (6%) per annum, the estimated interest rates that will be paid in connection with the Bonds are 2.40% to 4.40%, and the total estimated interest cost is \$7,718,335. Including interest costs, the maximum annual lease rental to be paid by the City under the proposed Lease is \$1,750,000, and the maximum lease rental over the term of the Lease is \$35,000,000. The City's current debt service levy is \$9,372,970 and its current debt service rate is \$0.1342 per \$100 of assessed valuation. The estimated amount of the City's debt service levy and rate that will result during the following ten (10) years if the City enters into the Lease (considering any changes that

may occur to the debt service levy and rate during that same period on account of any outstanding bonds or lease obligations that mature or terminate during said ten (10) year period is as follows:

	Debt Service Levy (assuming the City does not enter into the Lease)	Debt Service Levy (assuming the City enters into the Lease)	Debt Service Rate (assuming the City does not enter into the Lease)	Debt Service Rate (assuming the City enters into the Lease)
2023	\$4,692,000	\$5,956,450	\$0.0632	\$0.0802
2024	4,710,440	5,972,990	0.0634	0.0804
2025	4,708,630	5,972,130	0.0634	0.0804
2026	4,711,520	5,974,070	0.0634	0.0804
2027	4,555,580	5,817,180	0.0613	0.0783
2028	4,555,700	5,818,250	0.0613	0.0783
2029	3,752,640	5,015,190	0.0505	0.0675
2030	2,951,020	4,217,370	0.0397	0.0568
2031	2,393,030	3,655,580	0.0322	0.0492
2032	2,398,920	3,661,470	0.0323	0.0493

If the City enters into the Lease, the estimated increase to the City’s debt service levy over the debt service levy that would have been in place had the Lease not been entered into will be \$1,266,350 and the estimated increase to the City’s debt service rate over the debt service rate that would have been in place had the Lease not been entered into will be \$0.0171 per \$100 of assessed valuation. The percent of the City’s current annual debt service payments compared to the net assessed value of taxable property within the City is approximately 0.1262%, and the percent of the City’s projected annual debt service payments if the City enters into the Lease compared to the net assessed value of taxable property within the City is approximately 0.0804%, which is 0.0458% above what the percent would have been had the City not entered into the Lease due to the roll off of other existing obligations. The percent of the City’s outstanding long term debt, together with the outstanding long term debt of other taxing units that include any of the territory of the City, compared to the net assessed value of taxable property within the City is approximately 8.60%.

3. A notice of the foregoing preliminary determination that to the extent permitted by law the Common Council will take all of the necessary steps to enter into the Lease to finance all or a portion of the costs of all or a portion of the Project shall be given in accordance with Indiana Code § 6-1.1-20-3.1 and Indiana Code § 5-3-1. Owners of property located within the City or registered voters residing within the City who want to initiate a petition and remonstrance process against the proposed lease rental payments under the Lease must file a petition that complies with Indiana Code § 6-1.1-20-3.1(b)(4) and (5) not later thirty (30) days after publication of the notice.

4. The Common Council hereby approves the proposed Lease between the Corporation and the City in the form presented at this meeting. The Common Council hereby sets the public hearing on the Lease for a date and time to be determined by the President of the Common Council, in the City Hall, One Municipal Drive, Fishers, Indiana. The Common Council hereby authorizes the publication of a notice of the public hearing on the Lease pursuant to IC 5-3-1.

5. Any and all actions previously taken by any member of the Common Council, the Controller of the City, or the Clerk of the City in connection with the foregoing preliminary determination, including, but not limited to, publication of the notice of the public hearing held in connection with such preliminary determination, be, and hereby are, ratified and approved.

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

ALL OF WHICH IS SO RESOLVED by the Common Council of the City of Fishers, Indiana, this 20th day of June, 2022.

**COMMON COUNCIL OF THE CITY OF FISHERS,
HAMILTON COUNTY, INDIANA**

R062022C

YAY

NAY

ABSTAIN

	Todd Zimmerman, President		
	John Weingardt, Vice President		
	C. Pete Peterson, Member		
	Cecilia C. Coble, Member		
	Brad DeReamer, Member		
	Selina Stoller, Member		
	Jocelyn Vare, Member		
	Crystal Neumann, Member		
	David Giffel, Member		

I hereby certify that the foregoing Ordinance/ Resolution was delivered to City of Fishers Mayor Scott Fadness on the 20th day of June 2022, at _____ m.

ATTEST: _____
Jennifer L. Kehl, City Clerk

MAYOR'S APPROVAL

Scott A. Fadness, Mayor

DATE

MAYOR'S VETO

Scott A. Fadness, Mayor

DATE

This instrument prepared by: Richard J. Hall, Barnes & Thornburg LLP, 11 South Meridian, Indianapolis, IN 46204

"I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law."

/s/ Richard J. Hall

(Name)