

MINUTES OF A MEETING OF THE  
HUNTINGBURG ECONOMIC DEVELOPMENT COMMISSION  
HELD ON NOVEMBER 21, 2017

The Huntingburg Economic Development Commission ("Commission") held a meeting at 7:00 p.m. on November 21, 2017, at the Council Chambers of City Office Building, 508 E. Fourth Street, in Huntingburg, Indiana. The Commission members were present or absent as follows:

Present: John Mundy, Jamie Rasche, Michael Uebelhor, Eric Olinger and Lorena Gonzalez.

Absent: None

Also present were Philip C. Schneider as Counsel for the Commission, Mayor Dennis Spinner, members of the Huntingburg Common Council, Angie Steeno and Craig Lotz of Crowe-Horwath, Ted Seger of Farbest Foods, Inc, William Kaiser as counsel to Farbest Foods, Inc. and other citizens and patrons.

The meeting of the Economic Development Commission was called to order by John Mundy, President. Mr. Mundy noted that the Commission was meeting in joint session with the Common Council who were present to hear presentations and participate in the public hearing regarding a proposed economic development project by Farbest Foods, Inc.

The minutes of the August 15, 2017 meeting were presented, and upon motion by E. Olinger, seconded by J. Rasche, the minutes were unanimously approved.

Mr. Mundy stated that the next order of business was consideration of a request by Farbest Foods, Inc. ("Company"), for financing the renovation and modernization of manufacturing facilities, together with all necessary appurtenances and related improvements, including the: (i) purchase of new manufacturing equipment and building renovations in or physically connected to the 400 West Economic Development Area; and (ii) the acquisition of transportation equipment, together with all necessary appurtenances, improvements and related equipment in or physically connected to the OFS Economic Development Area (collectively, "Projects") and the refunding of the City's Taxable Economic Development Revenue Bonds, Series 2006.

Mr. Schneider led a discussion regarding financing the Projects and then introduced William Kaiser, counsel to Farbest Foods, Inc. and Ted Seger, President of Farbest Foods, Inc. Mr. Kaiser and Mr. Seger made presentations describing the proposed Projects, as well as the need and benefits of them. Mr. Seger stated that the Projects included the investment of approximately \$13,540,681 in real property improvements, and approximately \$8,259,319 in depreciable

personal property and equipment. He stated that the Company currently supports approximately 737 full time jobs with an estimated annual payroll of \$29,633,814. He stated that the Projects were necessary in order for the Company to increase efficiencies, stay competitive in the industry and to position itself for future growth and demand.

Next Mr. Schneider introduced Ms. Angie Steeno of Crowe-Horwath, the financial advisors for the proposed tax incremental financing of the Projects. Ms. Steeno explained that the Company was requesting the issuance of taxable economic development revenue bonds, with a pledge of tax increment from the 400W Industrial Economic Development Area and the OFS Economic Development Area, to refund outstanding 2006 economic development bonds and to apply to the costs of the Projects. She presented her firm's Preliminary Tax Incremental Financing Analysis for the Projects. She explained that based on her firm's preliminary analysis, the Projects could support the issuance of \$3,329,000 in taxable economic development revenue bonds from the anticipated investments in the 400 W. Area; and the issuance of \$177,000 in taxable economic development revenue bonds from the anticipated investments in the OFS Area. The proceeds of 400 W Area bonds would be used to refund the 2006 bonds, pay the costs of issuance, and applied to capital investments in the 400 W Area. The proceeds of the OFS Area bonds would be used to pay the costs of issuance and applied to investment in depreciable personal property in the OFS Area.

After Commission questions and discussions were had, Mr. Schneider presented a proposed Report of the City entitled "Project Report of the Huntingburg Economic Development Commission Concerning the Proposed Financing of Economic Development Facilities for Farbest Foods, Inc." as attached hereto. After consideration of the proposed report, upon motion duly made by Commissioner M. Uebelhor and seconded by Commissioner L. Gonzalez, the report was approved and adopted by the following vote:

Ayes: Mundy, Rasche, Ueblehor, Olinger and Gonzalez

Nays: None

Thereafter, upon motion duly made, seconded and carried, the Secretary of the Commission was instructed to submit a copy of the report to the Executive Director, Chairman or President of the Huntingburg Plan Commission for comments, if any.

The proof of publication of a notice published on November 10, 2017, of a public hearing for this date before the Commission, regarding the refunding and the economic development financing for the Company was presented. The public was invited to comment thereon as to the public purpose of the financing and as to any adverse competitive effect that it might have. No comment was offered by members of the public to show an adverse competitive effect.

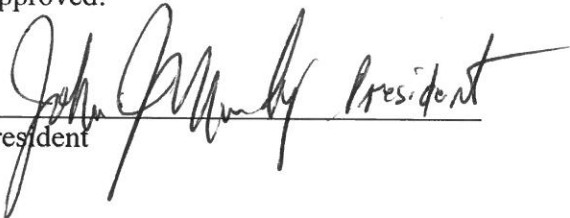
After all comments were heard and considered, the President closed the public hearing. Mr. Schneider then presented the substantially final forms of the Financing and Covenant Agreement; the Bond Purchase Agreement; the Trust Indenture; and the proposed form of bond ordinance (all such documents collectively to be considered the Financing Agreement referred to in the Indiana Code, Title 36, Article 7, Chapters 11.9 and -12).

Thereafter, Mr. Schneider presented proposed Resolution No. EDC 2017-01 regarding the proposed Projects and the financing thereof. After a discussion and upon motion duly made by Commissioner E. Olinger, seconded by Commissioner J. Rasche, and, on call of the roll, carried by a unanimous vote, Resolution No. EDC 2017-01 attached hereto was adopted.

There being no further business to come before the meeting, the meeting was thereupon adjourned.

  
Secretary

Approved:

  
President