

2010-031

A RESOLUTION DECLARING DELAWARE COUNTY, INDIANA A RECOVERY ZONE

WHEREAS, certain provisions of the American Recovery and Reinvestment Act of 2009, 26 U.S.C. Section 1400U-1 through 1400U-3 (the "Act"), create a category of tax exempt municipal obligations known as recovery zone facility bonds which may be issued by or on behalf of state, county or local governments to ameliorate the economic downturn and resulting job losses, high rate of mortgage foreclosures, and general economic distress manifested in counties within the United States since December 2008, which tax exempt obligations are issued to pay or reimburse the financing of "recovery zone property" the counties of each state, all within the meaning of the Act ; and


WHEREAS, due to the economic pressures of the recent recession, Delaware County, Indiana (the "County") finds that existing negative economic circumstances compel the County to find and declare that the County is an area of general distress and a "recovery zone" within the meaning of the Act, to wit, the records maintained by the United States Bureau of Labor Statistics demonstrate an increase in unemployment within the County since the national recession began as follows:

2007 Unemployment Rate	5.3%
2008 Unemployment Rate	6.6%
2009 Unemployment Rate (January – July)	10.9%.

NOW THEREFORE BE IT RESOLVED by the County of Delaware, Indiana, acting by and through its County Commission, that in light of the general negative economic conditions affecting employment, housing and poverty within the County, and in particular, the jobs loss rate suffered within the County during the relevant time period, it is hereby expressly found that the County is and should be designated a "recovery zone" within the meaning of the American Recovery and Reinvestment Act of 2009.

Passed and Approved this 1st day of November, 2010.

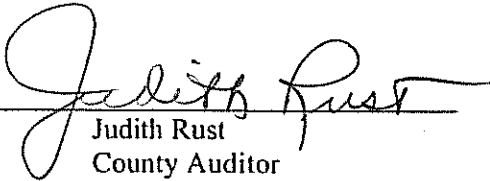
DELAWARE COUNTY COMMISSION

By: 
Todd Donati, President

By: 
Don Dunning, Vice President

By: 
Larry Bledsoe, Member

Attestation:

By: 
Judith Rust
County Auditor

REPORT OF THE INDIANA FINANCE AUTHORITY
CONCERNING THE PROPOSED FINANCING OF
A RECOVERY ZONE FACILITY PROJECT FOR
THE ANDERSONS, INC., AS APPLICANT

The Indiana Finance Authority, a body corporate and politic created pursuant to Indiana Code 4-4-11 *et seq.* (the "Authority"), proposes to loan the proceeds of an industrial development revenue bond financing in an amount not to exceed \$9,150,000 to The Andersons, Inc. an Ohio corporation duly qualified to conduct business within the State of Indiana, its affiliates, subsidiaries, and assigns (collectively hereafter, the "Applicant") for the acquisition, construction, renovation, equipping and installing of a recovery zone facilities project comprised of the following:

1. Grain storage and holding facilities located on or about 3854 N. Anderson Drive, Delphi, 46923, within Carroll County, Indiana (Estimated Capital Expenditures on Bond Financed Assets ("Est. Cap. Ex.") \$5,000,000);
2. Dry and liquid fertilizer distribution terminals, storage and blending facilities located on or about 8086 E 900, Walton, 46932, within Cass County, Indiana;
3. Grain storage and ethanol production facilities located on or about 3389 West CR 300 South, Logansport 46947, within Cass County, Indiana;
4. Dry and liquid fertilizer distribution terminals, storage and blending facilities located on or about 2345 South 400 East, Logansport 46947, within Cass County, Indiana (Total Est. Cap. Ex. Within County \$500,000);
5. Dry and liquid fertilizer distribution terminals, storage and blending facilities located on or about 4743 County Road 28, Waterloo, 46793, within DeKalb County, Indiana (Est. Cap. Ex. \$300,000);
6. Grain storage and handling facilities located on or about 430 Oakville Road, Oakville, 47367, within Delaware County, Indiana (Est. Cap. Ex. \$2,727,000);
7. Dry fertilizer and pelleted lime distribution terminals, and storage facilities located on or about 101 Agrico Lane, Seymour, 47274, within Jackson County, Indiana (Est. Cap. Ex. \$750,000);
8. Grain storage and handling facilities located on or about 4678 South 1100 W, Dunkirk, 47336, within Jay County, Indiana (Est. Cap. Ex. \$500,000);
9. Farm Center located on or about 4806 W SR 114, North Manchester, 46962, within Wabash County, Indiana (Est. Cap. Ex. \$200,000); and
10. Dry and liquid fertilizer distribution terminals, storage and blending facilities located on or about 219 West State Road 218, Poneto, 46781, within Wells County, Indiana (Est. Cap. Ex. \$500,000)

(these facilities collectively referred to as "The Project"). The Project will be owned and operated by the Applicant.

No public works or services not already existing or available, or for which provision has not been made, will be made necessary or desirable on account of the Project as such facilities are or will be provided either by the Applicant, private utilities, or existing public facilities.

The total cost of the Project will approximate \$10,477,000, of which an aggregate amount not to exceed \$9,150,000 will be financed by industrial development revenue bonds to be issued by the Authority. Such bonds are a limited obligation of the Authority and do not constitute a debt, liability, general obligation or pledge of the faith and credit of the Authority, the State of Indiana (the "State") or any political subdivision thereof, and are not backed by the moral obligation, taxing power or any other funds of the State.

The Applicant currently employs approximately 275 persons within the State of Indiana, as follows:

Carroll County	56 Persons
Cass County	127 Persons
DeKalb County	17 Persons
Delaware County	14 Persons
Jackson County	20 Persons
Jay County	26 Persons
Wabash County	11 Persons
Wells County	5 Persons

with an annual payroll of [SPAYROLL] and anticipates maintaining the employment of these persons, but the Applicant will not create additional full time jobs related to the Project within one year following completion of the Project.

The acquisition, construction, renovation, equipping and installing of the Project will not have an adverse competitive effect on any similar facilities already constructed or operating in Carroll, Cass, DeKalb, Delaware, Jackson, Jay, Wabash or Wells Counties (the "Counties"), within the State of Indiana.

This proposed financing of the Project will be of benefit to the health, safety, morals and general welfare of the citizens of the Counties and the State of Indiana, and complies with the purposes and provisions of Indiana Code Sections 4-4-10.9 and 11 et seq., as amended.

The undersigned, a duly authorized officer of the Applicant, hereby represents and warrants that the foregoing report regarding a certain industrial development project to be owned by the Applicant is correct in all material respects and is based upon the most recent information available to the Applicant on the date hereof.

Report to Plan Commission

Dated: November ____, 2010

THE ANDERSONS, INC.,
an Ohio Corporation

By: _____

APPROVED this ____ day of November, 2010.

INDIANA FINANCE AUTHORITY

By: _____
[Name], Public Finance Director

Delivery to:

[NAMES/ADDRESS]

KASSON & ASSOCIATES, LLC

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441 VINE STREET
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PETER J. MILLER

EMAIL: pmiller@kassonlaw.com

October 28, 2010

VIA FACSIMILE: (765) 747-7730

To the Board of County Commissioners
Delaware County, Indiana
c/o Ms. Pattie Lackey, Office Manager

Re: Designation of Delaware County, Indiana as a Recovery Zone

Greetings:

I am writing in connection with a matter that has been scheduled to appear on your agenda involving a resolution declaring your county as a recovery zone for purposes of the Recovery Act below.

A few words on the background of this request may assist you. In short, The Andersons, Inc., an agribusiness corporation active throughout the State of Indiana (the "Andersons") is planning to expand its operating facilities within eight counties in Indiana and is seeking financing assistance for this expansion through issuance of tax exempt revenue bonds to be issued by Indiana Finance Authority, the statewide economic development finance issuer. In Delaware County, The Andersons maintains full-time employment for 14 individuals at its grain storage and handling facilities located at 430 Oakville Road in Oakville. The Andersons' capital plan includes an additional approximately \$2,727,000 in capital improvements at this site or sites. My client, W.R. Taylor & Company, LLC, is advising The Andersons, Inc. with respect to the facility financing and is preparing to act as bond underwriter for up to \$9,150,000 of these revenue bonds to be issued by Indiana Finance Authority.

The financing can occur as the result of those provisions of the American Recovery and Reinvestment Act of 2009 (the "Recovery Act") that created a bond program known as the recovery zone facility bonds. Where such conditions are found, the county itself or portions thereof may be designated as one or more "recovery zones" by your official resolution. In very general terms, bond financing proceeds can pay or reimburse those capital expenditures that relate to equipment and fixtures first used by most actively run businesses in "recovery zones", but only *on or after the date upon which the recovery zone is designated by your resolution.*

To the Board of County Commissioners
Delaware County, Indiana
c/o Ms. Pattie Lackey, Office Manager
October 28, 2010
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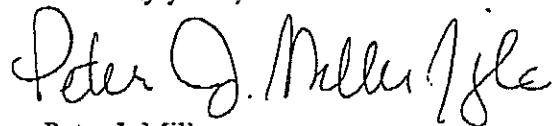
The Andersons are requesting that you consider and adopt a resolution at the next regularly scheduled meeting, designating the county as a recovery zone. It is important to note that this is not a direct benefit to The Andersons, but will benefit any company in your county that desires to access this bond finance program for capital expansion. There is no liability of any kind that can attach to the county or financial commitment of any county resources associated with this request or the accompanying form of resolution. According to guidance provided by the Internal Revenue Service on this matter, the county may act based upon a good faith belief that there have been negative economic consequences of the recession such as job losses, increases in the rate of home mortgage foreclosure, or an increase in general poverty. If made in good faith, based upon the facts supplied to you in the resolution, this determination is unimpeachable.

The attached resolution designates the county as a recovery zone based upon statistics on unemployment assembled by the U.S. Bureau of Labor Statistics. I appreciate that your understanding of unemployment within the county may be different; however, it is the statistics provided by this bureau that are used by the federal government with respect to these kinds of determinations and therefore they are an appropriate resource for your consideration and to support your good faith belief that the county has experienced an economic downturn that makes it a recovery zone.

I have also enclosed herein is a rough draft of the notification of county plan commissions with respect to the intention of IFA to issue project bonds. The notice includes additional factual information regarding the nature and size of the bond financed project with some additional detail concerning where capital will be spent. In addition to these amounts, The Andersons also contemplate spending approximately \$1,400,000 on improvements that are not to be paid by bond proceeds.

I appreciate your consideration of this matter and urge the adoption of the resolution. I have also had personal contact with your county attorney and/or economic development advisor regarding this matter. If, during deliberations, you wish to ask any questions of me, I will be available by telephone. I would have preferred to be with you personally in regard to this matter but the press of business prevents this from happening. I hope and trust that you will allow this letter to serve in place of such an appearance.

Sincerely yours,



Peter J. Miller

Enclosures: Form of Bond Resolution
Draft of Report of Indiana Finance Authority

To the Board of County Commissioners
Delaware County, Indiana
c/o Ms. Pattie Lackey, Office Manager
October 28, 2010
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cc: W.R. Taylor & Company, LLC
4740 Woodmere Boulevard
Montgomery, Alabama 36106
Attention: Belle Walker

The Andersons, Inc.
480 W. Dussel Drive
Maumee, Ohio 43537
Attention: Mr. Russ Mitchell

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Quirk, Rivers & Hunter
117 E. Main Street
Muncie, Indiana 47305