

GRANT AGREEMENT

Between the Franklin Redevelopment Commission and the Franklin Development Corporation

\$250,000 for 97 East Monroe Street, Franklin, Indiana

THIS GRANT AGREEMENT dated as of the ___ day of _____, _____, between the Franklin Redevelopment Commission of Franklin, Indiana (the "City"), as the governing body of the City of Franklin Redevelopment District (the "District") under IC 36-7-14 *et seq.* (the "Act"), and the FRANKLIN DEVELOPMENT CORPORATION, an Indiana nonprofit corporation ("FDC"),

WHEREAS, the Act permits the Commission to create allocation areas in the District for the purposes of capturing and allocating property taxes commonly known as tax increment finance revenues ("TIF Revenues"); and

WHEREAS, the Commission has previously established the Franklin / I-65 Integrated Economic Development Area (the "Area"), has designated the Area as an allocation area (the "Allocation Area") for purposes of capturing TIF Revenues, has created an allocation fund or funds (the "Allocation Fund") for the Area into which the TIF Revenues are deposited, and has approved the Franklin / I-65 Integrated Economic Development Plan (the "Plan"); and

WHEREAS, the Commission on ___ day of _____, _____, adopted a resolution (the "RDC Resolution") authorizing the use of unobligated funds from the Fund to facilitate the construction, rehabilitation, and repair of 97 East Monroe Street, Franklin, Indiana (the "Property")(all of which, the "Project"), which Project is located in the Area, in an amount not to exceed \$250,000 (the "Project Funds"), in furtherance of the objectives of the Plan; and

WHEREAS, Franklin Development Corporation ("FDC") has been organized as a nonprofit, 501(c)(3) organization whose purposes include promoting redevelopment and economic development activities in the City, including the site of the Project; and

WHEREAS, the RDC Resolution authorized the officers of the RDC to enter into such agreements as they deem necessary to effectuate the authorizations set forth therein, the RDC now desires to implement the funding and construction of the Project by granting the Project Funds to FDC pursuant to Indiana Code Section 36-7-14-12.2(a)(25), which provides that the Redevelopment Commission can, "Provide financial assistance (including grants and loans) to neighborhood development corporations to permit them to ... construct, rehabilitate, or repair commercial property within the district", and the FDC desires to accept the grant and to contribute the Project Funds to the Project;

NOW THEREFORE, IN CONSIDERATION OF THE ABOVE RECITALS AND THE MUTUAL COVENANTS CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

1. Pursuant to Section 12.2(a)(25) of the Act, the Commission hereby agrees to grant the Project Funds to FDC on the date hereof, to be applied solely to costs of the Project. Pursuant to the RDC Resolution, the Clerk-Treasurer, as fiscal officer of the Commission and the District, shall transfer from the Allocation Fund \$250,000 in Project Funds to a separate account designated by the FDC for such purpose. The grant evidenced hereby shall be funded to the FDC on the date hereof in accordance with the transfer instructions provided by the FDC and attached hereto as Exhibit A.
2. The Commission's obligations under Section 1 of this Agreement shall be payable solely from TIF Revenues derived from the Allocation Areas, on a pro rata basis, and deposited in the Allocation Fund, as permitted by the Act.
3. The FDC hereby agrees to accept the grant of the Project Funds in the amount of \$250,000 and to use such funds solely to pay or reimburse costs of the Project. The FDC agrees to enter into a project agreement with the developer of the Property and to disburse or provide for the disbursement of Project Funds only upon submission of proper evidence of work completed on the Project and the value of such work. Any interest earned on the Project Funds shall be returned to the Commission. If the FDC has not spent all of the Project Funds on the Project eighteen (18) months after the dates of this agreement, any remaining balance shall be returned to the Commission.
4. This Agreement shall take effect immediately upon execution by the parties hereto.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Grant Agreement as of the date first above written.

FRANKLIN REDEVELOPMENT
COMMISSION

By: _____
Robert D. Heuchan, President

FRANKLIN DEVELOPMENT
CORPORATION, an Indiana nonprofit
corporation

By: _____
Steven Woods, President

EXHIBIT A

[Attach Transfer Instructions for the Payment of the Grant Funds]