

REPORT OF THE FRANKLIN ECONOMIC DEVELOPMENT COMMISSION CONCERNING THE PROPOSED FINANCING OR REFINANCING OF ECONOMIC DEVELOPMENT FACILITIES FOR OTTERBEIN HOMES, THE FRANKLIN UNITED METHODIST HOME, INC., OR AN AFFILIATE THEREOF.

The Franklin Economic Development Commission (the “Commission”) proposes to recommend to the Common Council of the City of Franklin, Indiana (the “City”), that it loan the proceeds of economic development revenue bonds to be issued by the City in an amount not to exceed [Twenty-Five Million] Dollars (\$[25,000,000]) to Otterbein Homes, an Ohio nonprofit corporation (“Otterbein”), The Franklin United Methodist Home, Inc., an Indiana nonprofit corporation (“FUMH”), or an affiliate thereof (as applicable, the “Borrower”) for the purposes of (a) refunding a taxable loan incurred by Otterbein (the “Prior Loan”), the proceeds of which were used to finance certain improvements to the continuing care retirement community located in the City and commonly known as The Franklin United Methodist Community or Otterbein Franklin (the “Facility”) and to refund the City’s Economic Development Revenue Refunding and Improvement Bonds, Series 2015 (The Franklin United Methodist Home, Inc. Project), the proceeds of which, together with the proceeds of other revenue bonds previously issued by the City for the benefit of FUMH, were used to finance or refinance the costs of acquisition, construction, renovation, installation and/or equipping of certain improvements to the Facility; and (b) paying certain costs of issuance related to the Series 2019 Bonds (collectively, the “Project”). The total costs of the Project are estimated not to exceed [Twenty-Five Million] Dollars (\$[25,000,000])).

No additional public works or services will be necessary or desirable on account of the Project.

As set out in the attached “Findings of Fact Regarding Competitive Impact of the Project Regarding Otterbein Franklin,” which findings of fact are incorporated herein, the Commission has tentatively concluded that the proposed Project will not have an adverse competitive effect on similar facilities already constructed or operating in or near the City because the Project consists solely of the refinancing of outstanding debt associated with the Facility.

It is further estimated that upon the completion of the Project, the Project will result in the preservation and retention of approximately three hundred (300) permanent jobs with an estimated total annual payroll of \$10,393,033 and provide continued future opportunities for employment.

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Adopted this _____, 2019.

**FRANKLIN ECONOMIC
DEVELOPMENT COMMISSION**

President

Vice-President

Secretary

FINDINGS OF FACT REGARDING THE COMPETITIVE IMPACT OF THE PROJECT REGARDING OTTERBEIN FRANKLIN.

Based on a careful consideration of evidence and testimony submitted to the Franklin Economic Development Commission (the “Commission”), the Commission hereby makes the following findings of fact with respect to the competitive impact on similar facilities already constructed or operating in the City of Franklin, Indiana (the “City”), as a result of a proposed refinancing of one or more economic development facilities projects with respect to the continuing care retirement community located in the City and commonly known as The Franklin United Methodist Community or Otterbein Franklin (the “Facility”):

1. The project consists of (a) the refunding of a taxable loan incurred by Otterbein Homes, an Ohio nonprofit corporation (“Otterbein”) and certain of its affiliates, including The Franklin United Methodist Home, Inc. (“FUMH”), in connection with the acquisition of the Facility by Otterbein (the “Prior Loan”), the proceeds of which were used to finance certain improvements to the Facility and to refund the City’s Economic Development Revenue Refunding and Improvement Bonds, Series 2015 (The Franklin United Methodist Home, Inc. Project), the proceeds of which, together with the proceeds of other revenue bonds previously issued by the City for the benefit of FUMH, were used to finance or refinance the costs of acquisition, construction, renovation, installation and/or equipping of certain improvements to the Facility; and (b) the payment of certain costs of issuance related to the Series 2019 Bonds (collectively, the “Project”).

2. The total cost of the Project is presently estimated not to exceed [Twenty-Five Million] Dollars (\$[25,000,000]).

3. It is presently estimated that upon completion of the Project, the Project will result in the preservation and retention of approximately three hundred (300) permanent jobs with an estimated total annual payroll of \$10,393,033 and provide continued future opportunities for employment.

4. The Project will be of benefit to the health, prosperity, economic stability and general welfare of the City and its citizens and complies with the purposes and provisions of Title 36, Article 7, Chapters 11.9 and 12 of the Indiana Code.

5. The Project will not have an adverse competitive effect on similar facilities already constructed or operating in the City, because the Project consists solely of the refinancing of outstanding debt associated with the Facility.

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Adopted this _____, 2019.

**FRANKLIN ECONOMIC DEVELOPMENT
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