

GRANT AGREEMENT

Between the Franklin Redevelopment Commission and the Franklin Development Corporation

\$100,000 to Assist Individuals and Families in Purchasing or Leasing a Home \$400,000 to Construct, Rehabilitate, and Repair Commercial Properties

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 17th day of November, 2015 adopted a resolution (the “RDC Resolution”) authorizing the use of unobligated monies in the Fund to pay for a grant to the Franklin Development Corporation to enable it to provide:

- up to One Hundred Thousand Dollars (\$100,000) in financial assistance (including grants and loans) to enable individuals and families at or below the unit's median income to purchase or lease residential units within the district, and
- up to Four Hundred Thousand Dollars (\$400,000) in financial assistance for the construction, rehabilitation, and repair of commercial properties (all of which, the “Property” and the “Project”), which Project is located in the Area, all in furtherance of the objectives of the Plan.

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) and (26), which provides that the Redevelopment Commission can provide financial assistance (including grants and loans) to neighborhood development corporations to permit them to enable individuals and families at or below the unit's median income to purchase or lease residential units within the district, and to provide financial assistance 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) and (26) of the Act, the Commission hereby agrees to grant the Project Funds to FDC 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 Five Hundred Thousand Dollars (\$500,000.00), in Project Funds to a separate account designated by the FDC for such purpose.
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 Five Hundred Thousand Dollars (\$500,000.00), 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 and/or owner of each 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 date 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: _____
Jeff Mercer, President