

TOWN OF GEORGETOWN, INDIANA
Georgetown Economic Development Area
Economic Development Plan

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REQUIRED FINDING OF FACT TO SUPPORT THE STATUTORY REQUIREMENTS

FACTS

1. The Economic Development Plan (the "Plan") promotes significant opportunities for gainful employment of the citizens of the Town of Georgetown, Indiana (the "Town"), attracts major business investment/enterprise to the Town, retains or expands significant business enterprises existing in the boundaries of the Town and meets other statutory purposes, as set forth in Indiana Code Sections 36-7-14-2.5 and 36-7-14-43.
2. The Plan for the Georgetown Economic Development Area (the "EDA") cannot happen by regulatory process or by the ordinary operation of private enterprise because of the lack of public infrastructure or other similar conditions.
3. The public health and welfare will benefit from the accomplishment of the Plan for the EDA.
4. The achievement of the Plan for the EDA will serve and benefit the Town as measured by the attraction or retention of permanent jobs, an increase in the property values, thus equating to increased assessed value (which herein is defined as "assessed value"), and improved diversity of the economic base through the enhanced mix of property and other public benefits and the expansion of clean and affordable water services to a significant portion of the Town, which is in direct alignment with the goals of the Town.
5. The Plan for the EDA conforms to other development and redevelopment plans for the Town.

ECONOMIC DEVELOPMENT PLAN
GEORGETOWN ECONOMIC DEVELOPMENT AREA

TOWN OF GEORGETOWN REDEVELOPMENT COMMISSION
FOR THE TOWN OF GEORGETOWN

Purpose

This document is the Town's Economic Development Plan (the "Plan") for the Georgetown Economic Development Area (the "EDA") contained within the Town. This document is intended to be approved by the Georgetown Plan Commission, the Georgetown Town Council and the Town of Georgetown Redevelopment Commission in conformance with IC 37-14.

Introduction

Georgetown is a town located in Floyd County, Indiana with a total population of 3,210. The total number of house units in the Town is 1,166 and the average household size is 2.64. The median household income is \$69,167. The Town dates back to the first settlement in 1805 by Patrick Shields. The Town was recorded as being among the most agriculturally productive regions, and many people were settling there for that reason.

Educational services, health care and social assistance, and manufacturing form the basis of the Town's economy. However, in recent years the global economy has had a severe impact on the Town's employment base. The town has experienced the same gradual decline that is overtaking most of Indiana's small towns. Decline and urban sprawl are eating away at opposite sides of the Town.

In order to grow, the community must develop and maintain adequate infrastructure to support the needs of current and prospective businesses. This can be achieved by the development of an area such as this EDA.

Description of the EDA

The EDA consists of all the area within the boundaries of the Town attached hereto as **Exhibit A**. It is the intention of this Plan to create an Allocation Area within the EDA, the Indiana American Water Allocation Area, that consists solely of the personal property of Indiana American Water and necessary or related real property and improvements, which personal property consists of water utility lines and related equipment that will be placed underground, depending upon where the existing water utility lines lie and the above ground water storage tank and boost station for water distribution. The EDA includes the parcels owned by Indiana American Water upon which the storage tank and pumping equipment set. The Allocation Area will, by definition, be where the personal property of

Indiana American Water exists, and can move when the water utility lines are moved (the "Allocation Area") attached hereto as **Exhibit B**. The designation of the Allocation Area is to delineate where the water utility lines may be located, but is not in and of itself the Allocation Area.

Project Description

Georgetown Potential Project List Within TIF Area/EDA

Permissible Projects

Tax increment revenues from the Allocation Area or other sources of funds available to the Redevelopment Commission may be used to finance the cost of infrastructure improvements in or serving the Allocation Area, including without limitation, curbs, gutters, water lines, waste water lines, street paving and construction, storm sewer lines, improvement grants, and storm water basin improvement, as well as demolition, in, serving or benefiting the Allocation Area. Although the precise nature of infrastructure that may be necessary from time to time to attract and retain prospective redevelopment and economic development opportunities in the Allocation Area cannot be predicted with certainty, the availability of adequate infrastructure is of fundamental importance in attracting and retaining such opportunities in the Allocation Area.

Tax increment revenues from the Allocation Area or other sources of funds available to the Redevelopment Commission may also be used to offset payments by developers on promissory notes in connection with economic development revenue bond financings undertaken by the unit, or to pay principal or interest on economic development revenue bonds issued by the unit to provide incentives to developers, in furtherance of the economic development or redevelopment purposes of the Allocation Area. The provision of incentives by the application of tax increment revenues to offset developer promissory notes that secure economic development revenue bonds, or to pay principal or interest on economic development revenue bonds issued by the unit to provide incentives to developers, in furtherance of the economic development or redevelopment purposes of the Allocation Area, has become an established financing tool and an increasingly common form of incentive for attracting economic development and redevelopment

The acquisition or construction of projects to enhance the cultural attractiveness of the entire unit, including the EDA.

Acquisition or construction of projects to enhance the public safety of the entire unit, including the EDA.

THE PROCESS OF DESIGNATING AN ECONOMIC REDEVELOPMENT AREA

The following represents a general narrative summary of the sequence of actions to be undertaken in support of the designation of the EDA. Each step will be reviewed by the legal staff of the Town of Georgetown, by Bond Counsel and by the Financial Advisor.

This Plan will be submitted to the Georgetown Redevelopment Commission for consideration and approval. Upon presentation and discussion, the Redevelopment Commission may approve the Plan in its entirety, make modifications to the Plan and approve the Plan as amended, or reject the Plan and the designation of an EDA.

Declaratory Resolution

If the Redevelopment Commission desires to approve the Plan, it will pass a Declaratory Resolution. The Declaratory Resolution declares the intent of the Redevelopment Commission to create an EDA and related Allocation Area.

Plan Commission Review

After passing the Declaratory Resolution, the Redevelopment Commission must then submit the Plan to the Town of Georgetown Plan Commission for review to assure that it conforms to the plan of development for the Town. The Plan Commission's task is to determine whether the Plan conforms to the plan of development of the Town. The Plan can propose an alteration of land use or zoning to any of the jurisdictions in response to a specific economic development proposal, but if it does so, such alteration or rezoning must be approved by the Plan Commission. This Plan was developed in compliance with the current land use and zoning Plan and no deviation is anticipated.

Town Council Approval

Upon receiving approvals of the Redevelopment Commission and the Plan Commission, the Plan must be submitted to the Town of Georgetown Town Council for approval before it can be implemented. The Town Council may reject the Plan or approve the Plan. The Town Council also must approve the Redevelopment Commission's determination that the EDA is an economic development area under the redevelopment statute.

Notice of Public Hearing and Tax Impact Statement

Upon receipt of approval by the Town Council, the Redevelopment Commission must publish a notice of the adoption of the Declaratory Resolution and the date upon which the Redevelopment Commission will conduct a public hearing thereon, which must be no sooner than 10 days following the publication of the notice. The Redevelopment Commission also must deliver a copy of the notice, along with a

statement disclosing the impact of the EDA, to each taxing unit that is wholly or partially located in the EDA, and must also provide the notice to various planning bodies in the Town.

Confirmatory Resolution

The Redevelopment Commission must then conduct the public hearing and pass a Confirmatory Resolution which confirms the Redevelopment Commission's intention to designate the EDA as set forth in the Plan. The Redevelopment Commission is not required to take this action, but may consider whether the EDA designation is still appropriate. If the Redevelopment Commission passes the Confirmatory Resolution, the EDA is then finally declared and designated.

Bond Counsel for the project will ensure that all necessary and appropriate filings and administrative actions are taken. It is, therefore, important that the various agencies, bodies, elected officials and the general public understand the limitations which are imposed on subsequent decisions and actions by these various agencies and bodies.

EXAMPLES OF HOW THE TOWN INTENDS TO MEET THE STATUTORY FINDINGS

Indiana American Water

The water utility line system owned and operated by Indiana American Water (and its affiliated companies) will enhance economic development and improve the overall financial health of the Town by enhancing efforts to expand and diversify the economy by attracting businesses which rely upon clean, affordable water services in the Town. The purchase of the water utility will lead to an immediate reduction in water rates and provide corresponding incentives for businesses to locate in the Town.

It is crucial to the long term fiscal health of the Town that we are positioned to attract these businesses and especially those in logistics, advanced manufacturing, energy and agriculture. The local workforce is trained in these vocations and additional training will improve skill levels to a degree commensurate with those required by the aforementioned industries.

Financing the Projects

It is the intention of the Redevelopment Commission to create the EDA and to capture increases in assessed value of real property in the Allocation Area as well as the incremental assessed value of depreciable personal property of Indiana American Water within the EDA in order to finance the necessary projects. Upon the establishment of the

Allocation Area, a base assessment date will be established (January 1, 2017), and any increase in assessed values in real property and from Indiana American Water's personal property will generate tax increment.

It may be necessary to issue bonds sometime in the near future, based on the incremental *ad valorem* property taxes allocated under IC 36-7-14-39, in order to incentivize prospective businesses to move forward with the location and construction of the businesses in the Town.

The financing maybe used for part, or all, of the following:

- (1) All reasonable and necessary architectural, engineering, and construction, equipment, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition, development and expansion of the Project or the issuance of bonds;
- (2) Interest on, and principal of, the bonds issued by the Commission for the project.
- (3) Expenses that the Commission is required or permitted to pay under IC 8-23-17.

Amendment of the Plan

By following the procedures specified in IC 36-7-14-15 the Redevelopment Commission may amend the Plan for the EDA.

**FACTUAL REPORT IN SUPPORT
OF FINDINGS CONTAINED IN RESOLUTION NO. _____**

1. The Plan for the EDA will promote significant opportunities for growth and the gainful employment of citizens of the Town by providing the means to extend state-of-the-art infrastructure to the EDA. This infrastructure is necessary to attract employers. This infrastructure will improve Georgetown's ability to attract employers as follows:
 - A. To locate in the EDA, entities require sites that are shovel ready with all required infrastructure, including water, sewers and storm water utility line services. This Plan provides for the public funding of utility infrastructure to offer affordable and quality utility services to the EDA.
 - B. The Plan does provide for the improvement of streets, roads, and other non-utility related improvements in order to develop new business in the Town.
 - C. The Plan provides for these services to be brought to publicly owned sites that are developed or will be developed as shovel ready sites suitable for development by various businesses desiring to locate to or expand within the Town.
2. The Plan:
 - A. Will promote significant opportunities for the gainful and quality employment of the citizens of the Town;
 - B. Is likely to attract major new business and home grown enterprises as a result of the existence of affordable and reliable utility services;
 - C. Enables the use of public funding to guide infrastructure design and construction and thus development in the EDA to promote basic employment and mixed uses of the land, to an extent individual property owners would not otherwise attain;
 - D. Benefits the public health, safety, morals and welfare of the citizens of Georgetown, the County and State as follows: The Plan, when fully implemented, will add clean, affordable water services. Development of this infrastructure will permit the Town to approach land use development, public services, resources and public investments in a positive manner; and
3. The planning and development of the EDA will benefit the public health, safety, morals and welfare of the citizens of the Town and; will increase the economic well-being of the Town and serve to protect and increase property values in both the Town and the State of Indiana.

A. The Plan will create new employment opportunities; and

B. The Plan will diversify the local economy and add employment opportunities that do not now exist and cannot exist without the addition of enhanced water utilities.

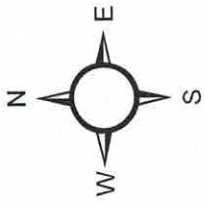
4. The Plan for the EDA cannot be achieved by the regulatory processes or by ordinary operation of private enterprise without resorting to IC 36-7-14 (the Redevelopment statutes) because of the lack of public improvements, the existence of geological impediments to industrial development, and multiple ownership of land.

5. The accomplishment of the Plan for the EDA will be of public utility and benefit, for the following reasons. First, it is estimated that the full development of the EDA, pursuant to the Plan will allow for the immediate attraction of numerous new jobs in the Town. Secondly, current employers in Georgetown have indicated a need for updated utility services and infrastructure. The expectation is that local jobs will be preserved and retained as a result of implementation of The Plan. This information has been developed through interviews of a number of existing employers. It is also estimated that, when fully developed in accordance with the Plan, the assessed value for Real Property and Depreciable Personal Property may be increased by approximately \$6,000,000. The foregoing estimate is based upon information based upon the sale of the water utility to Indiana American Water.

6. The Commission believes that, overtime, the Allocation Area will generate funds that, when combined with federal, state and local funds, will be sufficient to fully implement the Plan.

Exhibit A

Georgetown Economic Development Area



Economic Development Boundary Georgetown Indiana

Legend

- Town Boundary/Economic Development Boundary
- Storage Tank

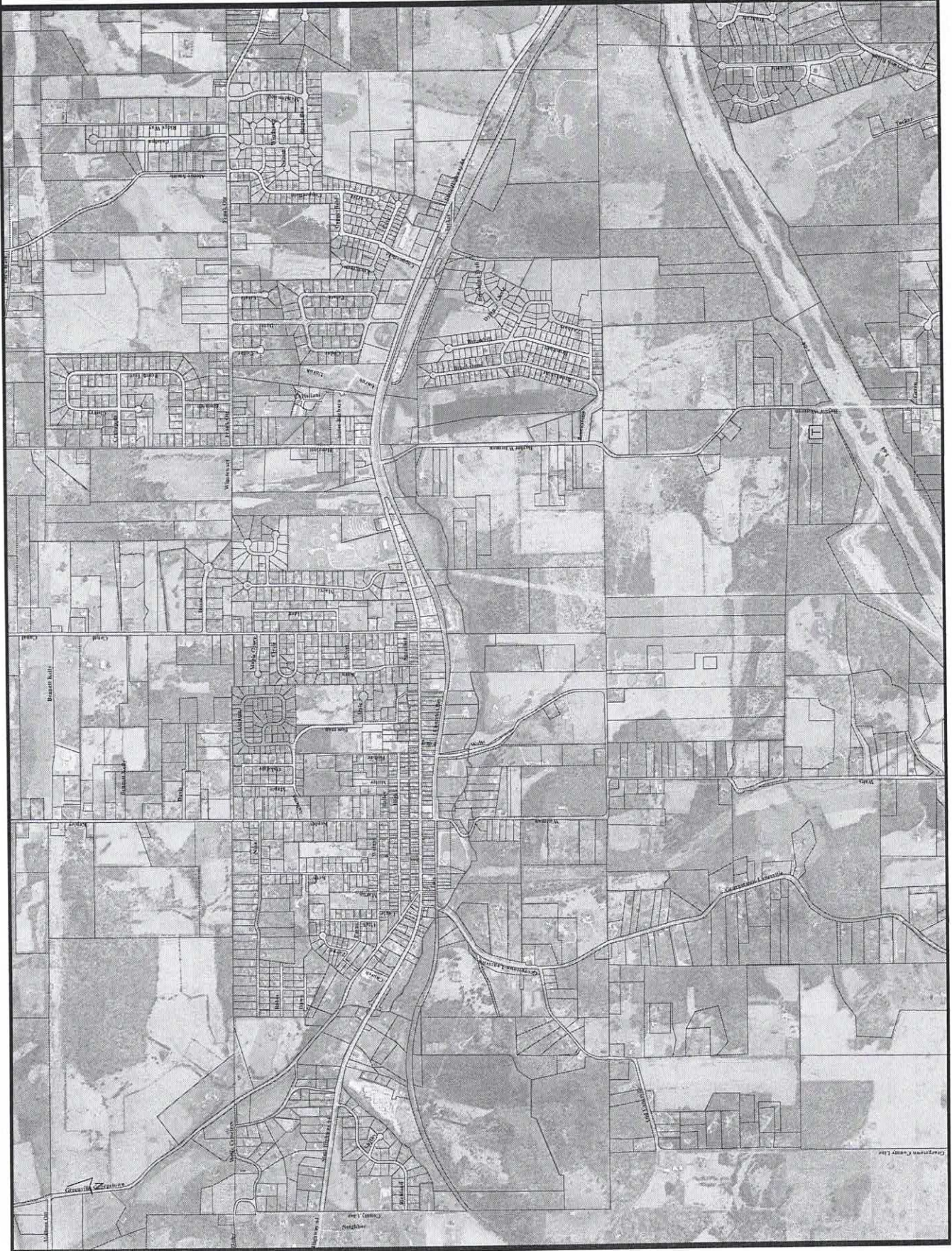


Exhibit B

Indiana American Water Allocation Area

All water lines and other personal property of Indiana American Water within the Economic Development Area and the following parcels: (a) 22-02-00-400-070.000-002; and (b) 22-02-02-800-116.000-002