

**RESOLUTION CONFIRMING THAT THE
COOPERATION AGREEMENT WILL
REMAIN IN FORCE AND EFFECT FOR
MCCORMICK PLACE**

WHEREAS, the City of Fort Wayne, Indiana (the "City") and the Housing Authority of the City of Fort Wayne, Indiana ("FWHA") entered into a Cooperation Agreement dated January 13, 1970, as thereafter amended (the "Cooperation Agreement") to establish a payment in lieu of taxes for improved real estate owned by FWHA on which are located public housing units operated as low-income housing (the "PILOT"); and

WHEREAS, the Cooperation Agreement provides that FWHA shall pay a PILOT annually in the amount of either (i) ten percent (10%) of the aggregate Shelter Rent (as defined in the Cooperation Agreement) charged by FWHA on its properties during the fiscal year or (ii) the amount permitted to be paid by applicable State law on the date such payment is made, whichever is lower; and

WHEREAS, the City and FWHA intended for the PILOT to apply with respect to such public housing units from their date of acquisition by FWHA and continuing thereafter for so long as such public housing units are owned by a public body or governmental agency and operated as low-income housing; and

WHEREAS, FWHA currently owns the public housing units operated as low-income housing which are commonly known as "McCormick Place", located at 2811 McCormick Avenue, Fort Wayne, Indiana, and which receive a Section 9 public housing subsidy (the "Property"); and

1 **WHEREAS**, the Property currently requires substantial renovation; and

2
3 **WHEREAS**, FWHA intends to renovate the Property by converting the
4 Property to Rental Assistance Demonstration Housing ("RAD"), administered by
5 the U.S. Department of Housing and Urban Development ("HUD"), which will
6 provide access to funding for the required renovations under a Section 8 contract
7 for the Property; and

8 **WHEREAS**, as a condition of RAD, the subsidy for the Property will
9 convert from Section 9 operating and capital funds to a more stable Section 8
10 project-based rental assistance platform under a renewable 20-year Housing
11 Assistance Payments Contract between the owner of the Property and HUD; and

12 **WHEREAS**, RAD will maintain public stewardship of the Property
13 following conversion through the filing of a RAD Use Agreement in the Office of
14 the Recorder of Allen County, Indiana, which will encumber the Property and
15 preserve the Property's ongoing ownership and use as affordable housing for
16 persons and families of low income; and

17 **WHEREAS**, in order to of obtain equity for the renovation costs through
18 the sale of low income housing tax credits awarded by Indiana Housing &
19 Community Development Authority, FWHA will lease the Property to McCormick
20 Rehabilitation, LLC; and

21 **WHEREAS**, McCormick Manager, LLC, is the managing member of
22 McCormick Rehabilitation, LLC; and

23
24 **WHEREAS**, HOFW-McCormick, LLC is a member of McCormick
25 Manager, LLC; and

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27 **WHEREAS**, Housing Opportunities of Fort Wayne, Inc. ("HOFW") is the
28 sole member of HOFW-McCormick, LLC; and
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WHEREAS, HOFW is the affiliated tax exempt non-profit and instrumentality of FWHA; and

WHEREAS, FWHA will continue to own the Property and the improvements located thereon in fee simple; and

WHEREAS, FWHA will retain an interest in the operation of the Property through HOFW and HOFW-McCormick, LLC; and

WHEREAS, FWHA will continue to oversee and administer the Property through FWHA's role as the RAD project-based voucher administrator; and

WHEREAS, the City and FWHA seek to continue to encourage the availability and sustainability of affordable housing in the City; and

WHEREAS, the City desires to confirm that the Cooperation Agreement will remain in force and effect with respect to the Property following conversion to RAD and the lease of the Property to McCormick Rehabilitation, LLC.

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:

SECTION 1. The City hereby confirms that the Cooperation Agreement will remain in force and effect with respect to the Property following conversion to RAD and the lease of the Property to McCormick Rehabilitation, LLC.

SECTION 2. That this Ordinance shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

Council Member

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2 APPROVED AS TO FORM AND LEGALITY
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5 Carol Helton, City Attorney
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**COMMISSIONERS**

Christopher Payne
Chairperson

George Guy
CEO/Executive Director

Donna Bolinger
Jomare Bowers-Mizzell
Constance Causey
Andrew Downs
DeLois McKinley-Eldridge
James Morlan

FAX

260.267.9305 Administration
260.267.9306 Housing Choice Voucher
260.267.9307 Public Housing
260.267.9308 Accounting

August 28, 2019

Fort Wayne Economic Development Commission
c/o Carman Young
200 E. Berry St, Ste 320
Fort Wayne, IN

CITY OF FT. WAYNE

SEP 04 2019 *cel*

Re: McCormick Place PILOT

COMMUNITY DEVELOPMENT

Dear Economic Development Commission:

I hope this letter finds you well. The Fort Wayne Housing Authority ("FWHA") requests confirmation from the City of Fort Wayne, Indiana (the "City") that upon the conversion of McCormick Place (the "Project"), a 94-unit public housing development located at 2811 McCormick Avenue, under the U.S. Department of Housing and Urban Development's ("HUD") Rental Assistance Demonstration ("RAD") program, the Project will continue to be exempt from property taxes under Indiana Code 6-1.1-10-16.7 and fall under the Cooperation Agreement (the "Agreement") from December 5, 1995 and amended on July 8, 2002 between FWHA and the City. The Agreement provides that FWHA's properties, including the Project, make a payment in lieu of property taxes ("PILOT Payments") equal to ten percent (10%) of FWHA's rent collections less its utility costs, in consideration for the City's provision of City services to the housing sites.

HUD currently provides funds to FWHA for the operation of the 94 public housing units located at the Project pursuant to Section 9 of the Housing Act of 1937. Due to the serious repair needs at public housing properties, the RAD program will allow FWHA to leverage the equity in its housing stock in order to revitalize and improve the public housing buildings at the site. Upon the RAD conversion, all rental units will receive rental subsidy assistance from HUD. There will be no permanent displacement of residents, who will continue to pay 30% of their adjusted income as rent. Currently, the Project is subject to a Declaration of Trust from FWHA in favor of which restricts the units to being used as affordable housing. As part of the RAD conversion, the Declaration of Trust will be released by HUD and a RAD Use Agreement will be recorded which will continue to restrict the Project to its use as affordable housing.

Under the RAD program, the Project will be operated as follows:

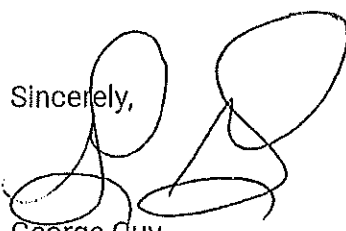
1. The Project is an existing 94-unit public housing development located at 2811 McCormick Avenue and is owned by FWHA, subject to HUD restrictions. The Project will continue to be operated as low income housing with financial assistance from HUD.

2. The property on which the Project is located is currently exempt from property taxes under Indiana law which provides an exemption from property taxes for properties owned by public housing authorities.
3. The Project is aging and in need of repair. As part of the RAD conversion, FWHA will apply for and use low-income housing tax credits ("LIHTC") pursuant to Internal Revenue Code Section 42 to assist FWHA in rehabilitating the units. Under the LIHTC program, the units will remain affordable to individuals earning 60% or less of the area median income for a period of 30 years. Residents of the LIHTC units will pay 30% of their adjusted income as rent.
4. FWHA will continue to own the property and will ground lease the property to McCormick Rehabilitation, LLC in order to undertake the rehabilitation. McCormick Rehabilitation, LLC is a single purpose entity that was formed for the sole purpose of undertaking the re-development. Housing Opportunities of Fort Wayne, Inc. ("HOFW"), an Indiana nonprofit corporation exempt from tax pursuant to Internal Revenue Code Section 501(c)(3), is an instrumentality of FWHA organized to undertake the development efforts of FWHA. HOFW-McCormick, Inc., an Indiana corporation whose sole shareholder is HOFW, will be a member of McCormick Rehabilitation, LLC
5. HOFW-Property Management, LLC, an Indiana limited liability company, is an instrumentality of FWHA, will be the property manager of the Project.
6. The Project will continue to be operated solely as low income housing with financial assistance from HUD in accordance with the applicable HUD and RAD regulations, which is consistent with the Cooperation Agreement.

Based upon my review of the Agreement and the project summary outlined above, I trust that the Project will continue to be exempt from property taxes and remain eligible to pay the PILOT Payments outlined in the Agreement.

If I can be of further assistance, please contact me directly or FWHA's attorney, Chris Bandemer, at 260-428-2208 or chris@bandemerlaw.com

Sincerely,



George Guy
CEO/Executive Director

**AMENDMENT OF COOPERATION AGREEMENT BETWEEN THE HOUSING
AUTHORITY OF THE CITY OF FORT WAYNE, INDIANA AND THE CITY OF
FORT WAYNE, INDIANA**

WHEREAS, a Cooperation Agreement Between the Housing Authority of the City of Fort Wayne, Indiana and the City of Fort Wayne, Indiana (hereinafter "Cooperation Agreement") was entered into between the Housing Authority of the City of Fort Wayne and the City of Fort Wayne, Indiana on January 13, 1970; and

WHEREAS, Common Council, by Resolution of July 9, 2002 approved the ~~a~~ ^{MOB} "Transfer and Assignment Agreement" in order to assist with the transfer of the ^{TUH} McMillen Park Apartments to the Fort Wayne Housing Authority for both management and ownership purposes; and

WHEREAS, said "Transfer and Assignment Agreement," as approved by Council, provided that McMillen Park Apartments "shall receive the benefits of the tax abatement that are currently extended to other properties managed by FWHA pursuant to that certain Cooperation Agreement made by and between the City;" and ^{FWHA} ^{TUH} ^{MOB}

WHEREAS, it is desirable to amend the Cooperation Agreement to provide such benefits and tax abatement to the Housing Authority for McMillen Park Apartments; and

WHEREAS, Council Resolution of July 9, 2002 provided that "The Mayor and the City Clerk or their designee are hereby authorized and directed in the name and behalf of the City to execute any and all agreements, documents, instruments, and perform any and all acts approved and do any and all things deemed by them or either of them to be necessary or desirable in order to carry out and comply with the intent, conditions, and purposes of this Resolution and the agreement herein above approved;

NOW THEREFORE, in consideration of the mutual promises and subject to the conditions set out herein, the parties amend the Cooperation Agreement of January 13, 1970 as follows:

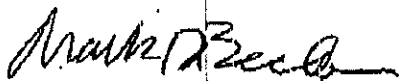
1. **Addition of McMillen Park Apartments:** The units known as McMillen Park Apartments, 4209 Plaza Drive, Fort Wayne, Indiana and consisting of 216 units are hereby added and covered by the Cooperation Agreement of January 13, 1970.
2. **No Further Changes:** The Cooperation Agreement will remain the same in all other respects.

3. **Condition of Agreement:** This Amendment is not effective until there has been receipt of fifty percent (50%) of the outstanding shares of McMillen Park GP, Inc. by FWHA, and the execution and delivery of a contract for the management of the Apartments by FWHA upon such terms and conditions as are acceptable to FWHA. Upon the closing and consummation of the transfer of the shares and the execution of the management contract, which shall be evidenced by the issuance and delivery of the appropriate shares in McMillen Park GP, Inc., and the written certification to City that the management contract has been executed and delivered, these conditions shall be deemed satisfied and this Agreement will take effect.

Dated this 31st day of January 2003.

City of Fort Wayne, Indiana

Housing Authority of the City
Of Fort Wayne, Indiana



By: Mark Becker,
Director of Community and Economic
Development



By: THOMAS J. HANNON

BILL NO. R-95-12- 06RESOLUTION NO. R- 85-95

RESOLUTION APPROVING A NEW
COOPERATION AGREEMENT
BETWEEN THE HOUSING
AUTHORITY OF THE CITY OF FORT
WAYNE, INDIANA, AND THE CITY OF
FORT WAYNE, INDIANA.

WHEREAS, the prior Cooperation Agreement dated January 13, 1970,
provide for the inclusion of the following properties including 832 units.

Miami Village	IN36P003-003	75
Miami Homes	IN36P003-004	48
Beacon Heights Apartments	IN36P003-005	100
McCormick Place	IN36P003-006	96
Brookmill Court	IN36P003-007	108
North Highlands	IN36P003-008	105
Tall Oaks	IN36P003-010	103
Maumee Terrace	IN36P003-011	16
Scattered Sites	IN36P003-012	50
River Cove	IN36P003-015	75
Set aside for additional public housing units		<u>54</u>
		832

WHEREAS, a New Cooperation Agreement between the City of Fort
Wayne, Indiana, and The Housing Authority of the City of Fort Wayne, Indiana
is desired to facilitate the acquisition of 50 additional houses for conversion to
Homeownership by the Housing Authority;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON
COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:

SECTION 1. The Common Council is hereby authorized and directed
to execute said New Cooperation Agreement, which said New Cooperation
Agreement shall be in substantially the following form;

NEW COOPERATION AGREEMENT

This Agreement entered into this ___ day of December 1995, by and between
The Housing Authority of the City of Fort Wayne, Indiana, (herein called the
"Local Authority"), and the City of Fort Wayne, Indiana, (herein called the
"Municipality"), witnesseth

In consideration of the mutual covenants hereinafter set forth, the parties hereto do agree as follows;

1. Whenever used in this Agreement:

(a) The term "Project" shall mean any low rent housing hereafter developed or acquired by the Local Authority with financial assistance of the United States of America acting through the Secretary of Housing and Urban Development (herein called the "Government"); excluding, however, any low-rent housing project covered by any contract for loans and annual contributions entered into between the Local Authority and the Government, or its predecessor agencies, prior to the date of this Agreement.

(b) The term "Taxing Body" shall mean the State or any political subdivision or taxing unit thereof in which a Project is situated and which would have authority to assess or levy real ~~or personal~~ property taxes or to certify such taxes to a taxing body or public officer to be levied for its use and benefit with respect to a Project if it were not exempt from taxation.

(c) The term "Shelter Rent" shall mean the total of all charges to all tenants of a Project for dwelling rents and non-dwelling rents (excluding all other income of such Project), less the cost to the Local Authority of all dwelling and non-dwelling utilities.

(d) The term "Slum" shall mean any area where dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitation facilities, or any combination of these factors, are detrimental to safety, health, or morals.

2. The Local Authority shall endeavor (a) to secure a contract or contracts with the Government and/or others for loans and subsidy payments comprising up to 50 units of low-rent housing and (b) to develop or acquire and administer Project or Projects, each of which shall be located within the corporate limits of the Municipality. The obligations of the parties hereto shall apply to each such Project.

3. (a) Under the constitution and statutes of the State of Indiana, all Projects are exempt from all real and personal property taxes levied or imposed by any Taxing Body. With respect to any Project so long as either (i) Project is owned by a public body or governmental agency and is used for low-rent housing purposes, or (ii) any contract between the Local Authority and the Government for loans or annual contributions, or both, in connection with such Project remains in force and effect, or (iii) any bonds issued in connection with such Project or any monies due to the Government in connection with such Project remain unsaid, whichever period is the longest, the Municipality agrees that it will not levy or impose any real or personal property taxes upon such Project or upon the Local Authority with respect thereto. During such period, the Local Authority shall make annual payments (herein called Payments in Lieu of Taxes) in lieu of such taxes and in payment for the public services and facilities furnished from time to time without other cost or charge for or with respect to such

(b) Each such annual Payment in Lieu of Taxes shall be made after the end of the fiscal year established for such Project, and shall be in an amount equal to either (i) ten Percent (10%) of the Shelter Rent charged by the Local Authority in respect to such Project during such fiscal year, or (ii) the amount permitted to be paid by applicable state

law in effect on the date such payment is made, whichever amount is the lower.

(c) The Municipality shall distribute the Payments in Lieu of Taxes among the Taxing Bodies in the proportion which the real property taxes which would have been paid to each Taxing Body for such year if the Project were not exempt from taxation bears to the total real property taxes which would have been paid to all of the Taxing Bodies for such year if the Project were not exempt from taxation; Provided, however, that no payment shall be made to any Taxing Body in excess of the amount of the real property taxes which would have been paid to such Taxing Body for such year if the Project were not exempt from taxation.

(d) Upon failure of the local Authority to make any Payment in Lieu of Taxes, no lien against any Project or assets of the Local Authority shall attach, nor shall any interest or penalties accrue or attach on account thereof.

4. The Municipality agrees that, subsequent to the date of initiation (as defined in the United States Housing Act of 1937, as amended) of each Project and within five years after the completion thereof, or of such further period as may be approved by the Government, and in addition, to that number of unsafe or insanitary dwelling units which the Municipality is obligated to eliminate as a part of the low-rent housing project(s) heretofore undertaken by the Local Authority, there has been or will be elimination, as approved by the Government, by demolition, condemnation, effective closing, or compulsory repair or improvement, or unsafe or insanitary dwelling units situated in the locality in which such Project is located, substantially equal in number to the number of newly constructed dwelling units, provided by such Project; Provided, that where more than one family is living in an unsafe or insanitary dwelling unit, the elimination of such unit shall count as the elimination of units equal to the number of families accommodated therein; and Provided further that this Paragraph 4 shall not apply in the case of (i) any project developed by the site of a slum cleared subsequent to July 15, 1949, and that the dwelling units eliminated by the clearance of the site of such Project shall not be counted as elimination for any other Project or any other low income housing Project, or (ii) any Project located in a rural non-farm area.

5. During the period commencing with the date of the acquisition of any part of the site or sites of any Project and continuing so long as either (i) such Project is owned by a public body or governmental agency and is used for low rent housing purposes, or (ii) any contract between the Local Authority and the Government for loans or annual contributions, or both, in connection with such Project remains in force and effect, or (iii) any bonds issued in connection with such Project or any monies due to the Government in connection with such Project remain unpaid, whichever period is the longest, the Municipality without cost or charge to the Local Authority or the tenants of such Project (Other than Payments in Lieu of Taxes) shall:

(a) Furnish or cause to be furnished to the Local Authority and the tenants of such Project public services and facilities of the same character and to the same extent as are furnished from time to time without cost or charge to other dwellings and inhabitants in the Municipality;

(b) Vacate such streets, roads, and alleys within the area of such Project as may be necessary in the development thereof, and convey without charge to the Local Authority such interest as the Municipality may have in such vacated areas; and, in so far as it may be lawfully

able to do so without cost or expense to the Local Authority or to the Municipality, cause to be removed from such vacated areas, in so far as it may be necessary, all public or private utility lines and equipment;

(c) In so far as the Municipality may lawfully do so (i) grant such deviation from the building code of the Municipality as are reasonable and necessary to promote economy and efficiency in the development and administration of such Project, and at the same time safeguard health and safety, and (ii) make such changes in any zoning of the site and surrounding territory of such Project as are reasonable and necessary for the development and protection of such Project and the surrounding territory;

(d) Accept such grant of easements necessary for the development of such Project; and

(e) Cooperate with the Local Authority by other lawful action or ways as the Municipality and the Local Authority may find necessary in connection with the development and administration of such Project.

6. In respect to any Project the Municipality further agrees that within a reasonable time after receipt of a written request therefor from the Local Authority;

(a) It will accept the dedication of all interior streets, roads, alleys, and adjacent sidewalks within the area of such Project, together with all storm and sanitary sewer mains in such dedicated areas, after the Local Authority, at its own expense, has completed the grading, improvement, installation thereof in accordance with specifications acceptable to the Municipality;

(b) It will accept necessary dedications of land for, and will grade, improve, pave, and provide sidewalks for, all streets bounding such Project or necessary to provide adequate access thereto (in consideration whereof the Local Authority shall pay to the Municipality such as would be assessed against the Project site for such work if such site were privately owned); and

(c) It will provide, or cause to be provided, water mains, and storm and sanitary sewer mains, leading to such Project streets thereof (in consideration whereof the Local Authority shall pay to the Municipality such amount as would be assessed against the Project site for such work if such site were privately owned).

7. If by reason of the Municipality's failure or refusal to furnish or cause to be furnished any public services or facilities which it has agreed hereunder to furnish or to cause to be furnish to the Local Authority or to the tenants of any Project, the Local Authority incurs any expense to obtain such services or facilities then the Local Authority may deduct the amount of such expense from any Payments in Lieu of Taxes due or to become due to the Municipality in respect to any Project or any other low-rent housing projects owned or operated by the Local Authority.


8. No Cooperation Agreement heretofore entered into between the Municipality and the Local Authority shall be construed to apply to any Project covered by this Agreement.

9. No member of the governing body of the Municipality or any other public official of the Municipality who exercises any responsibilities or functions with respect to any Project during his tenure or for one year thereafter shall have any interest, direct or indirect, in any Project or any property included or planned to be included in any project, or any contracts

1 in connection with such Projects or property. If any such governing body
2 member or such other public official of the Municipality involuntarily
3 acquires or had acquired prior to the beginning of his tenure any such
4 interest, he shall immediately disclose such interest to the Local Authority.

5 10. So long as any contract between the Local Authority and the
6 Government for loans (including preliminary loans) or annual contributions,
7 or both, in connection with any Project remains in force and effect, or so
8 long as any bonds issued in connection with any Project or any monies due
9 to the Government in connection with any Project remain unpaid, this
10 Agreement shall not be abrogated, change, or modified without the consent
11 of the Government. The privileges and obligations of the Municipality
12 hereunder shall remain in full force and effect with respect to each Project
13 so long as the beneficial title to such Project is held by the local Authority
14 or by any other public body or governmental agency including the
15 Government, authorized by law to engage in the development or
16 administration of low-rent housing projects. If at any time the beneficial
17 title to, or possession of, any Project is held by such other public body or
18 governmental agency, including the Government, the provisions hereof shall
19 inure to the benefit of and may be enforced by such other public body or
20 governmental agency, including the Government.

21 SECTION 2. That this Resolution shall remain in full force and effect
22 from and after its passage and any and all necessary approval by the Mayor.

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Council Member

APPROVED AS TO FORM
AND LEGALITY


J. Timothy McCaulay, City Attorney

Read the first time in full and on motion by Ravine, seconded by Ravine, and duly adopted, read the second time by title and referred to the Committee on Legislation (and the City Plan Commission for recommendation) and public hearing to be held after due legal notice, at the Common Council Conference Room 120, City-County Building, Fort Wayne, Indiana, on the 12-5-95 day of 12-5-95, 1995, at 10 o'clock P.M., E.S.T.

DATED: 12-5-95

Sandra E. Kennedy, City Clerk

Read the third time in full and on motion by Ravine, seconded by Ravine, and duly adopted, placed on its passage. PASSED LOST by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT
TOTAL VOTES	8			1
BEADBURY	✓			
EDMONDS	✓			
GIAQUINTA	✓			
HENRY				✓
LONG	✓			
LUNSEY	✓			
RAVINE	✓			
SCHMIDT	✓			
TALARICO	✓			

DATED: 12-19-95

Sandra E. Kennedy, City Clerk

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ANNEXATION) (APPROPRIATION) (GENERAL) (SPECIAL) LEGISLATION ORDINANCE RESOLUTION NO. R 15-95 on the 20th day of December, 1995

ATTEST:
Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

(SEAL)
Don J. Schmider
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 20th day of December, 1995, at the hour of 3:00 o'clock P.M., E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 20th day of December, 1995, at the hour of 3:30 o'clock P.M., E.S.T.

PAUL HELMKE, MAYOR