

VILLAGE OF LITTLE CHUTE
RESOLUTION NO. 3, SERIES 2017

**AN INITIAL RESOLUTION REGARDING INDUSTRIAL DEVELOPMENT BONDS
FOR DARBOY DEVELOPMENT, LLC/HEARTLAND TECHNOLOGY GROUP, INC.**

WHEREAS, the Village of Little Chute, Wisconsin, (the "Village") is authorized by Section 66.1103, Wisconsin Statutes, as amended (the "Act"), to acquire, construct, equip, reconstruct, improve, maintain, repair, enlarge or remodel industrial projects, and to enter into revenue producing agreements for same, in order to promote the right to gainful employment, business opportunities and general welfare of its inhabitants and to preserve and finance costs related to such industrial projects through the issuance of industrial development revenue bonds, which bonds are to be payable solely out of the revenues derived pursuant to the revenue agreement pertaining to the project to be financed by the bonds so issued and which bonds may be secured by a mortgage or other security interest on the project; and

WHEREAS, the Village is authorized to refund bonds previously issued under the Act with refunding bonds also issued under the Act; and

WHEREAS, Darboy Development, LLC, a Wisconsin limited liability company, (the "Eligible Participant") desires to expand, acquire, construct, improve and/or equip its manufacturing facility located in the Village which is leased to Heartland Technology Group, Inc., a Wisconsin corporation (such expansion, acquisition, construction, improvement and/or equipping is hereinafter referred to as the "Project"); and

WHEREAS, the Eligible Participant desires to refund the outstanding balance on the \$1,200,000 Village of Little Chute, Outagamie County, Wisconsin Industrial Development Revenue Bonds (Heartland Label Printers, Inc. Project) Series 2010 Bonds (hereinafter referred to as the "Refunding"); and

WHEREAS, the Project and the Refunding is estimated to require the issuance of bonds in an amount not to exceed \$4,000,000; and

WHEREAS, the Eligible Participant has represented that the Project qualifies to be financed with industrial development revenue bonds under Wis. Stat. 66.1103(2)(k)1. as a manufacturing facility; and

WHEREAS, the Eligible Participant desires and has requested assistance from the Village in financing the cost of the Project and the Refunding through the issuance by the Village of its industrial development revenue bonds pursuant to the Act;

NOW, THEREFORE, BE IT RESOLVED BY THIS VILLAGE BOARD OF THE VILLAGE OF LITTLE CHUTE, WISCONSIN, THAT:

(1) In view of the considerable benefits to be derived by the Village from the development of the Project and the Refunding, the Village intends to work toward the consummation of a project financing agreement pursuant to which the Village shall:

(a) issue, sell and deliver to purchasers (to be obtained by the Eligible Participant) its industrial development revenue bonds in an aggregate principal amount not to exceed \$4,000,000 (the "Bonds") in order to finance costs related to the Project and to accomplish the Refunding, which Bonds shall be payable solely out of the revenues derived from a note and mortgage or other security agreement on the Project or from such other revenue agreement as may be permitted by law; and

(b) lend the proceeds of the Bonds to the Eligible Participant who will use the proceeds to help finance the Project and accomplish the Refunding (and for any other purposes permitted by the Act) and enter into a note and mortgage agreement or other security agreement with the Eligible Participant or enter into other lawful revenue-producing agreements with respect to the Project and the Refunding providing revenues sufficient to pay principal of and interest on the Bonds when due; and

(c) assign the note and mortgage agreement or other security agreement or other revenue agreement and pledge the revenues and other amounts therefrom to the bondholders, or to a servicer, or a trustee under an indenture of trust, in order to secure the payment of principal and interest on the Bonds.

(2) THE BONDS SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE VILLAGE WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE VILLAGE OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS.

(3) All expenses incurred in connection with the transactions herein contemplated shall be paid by the Eligible Participant from the proceeds of the Bonds, or otherwise, and shall not be the responsibility of the Village.

(4) Taxes shall be assessed in accordance with applicable law to the Eligible Participant with respect to the Project in the same manner and amount as though the Project was not being financed by an industrial development revenue bond.

(5) The appropriate officers of the Village are hereby authorized to negotiate the terms of a project financing agreement, note and mortgage or other security agreement or other revenue agreement, instruments of conveyance, mortgage and indenture of trust, if any, and any other documents required to properly complete the financing, provided that all such terms and procedures followed shall be subject to the conditions of this resolution and the provisions of Section 66.1103, Wisconsin Statutes, as amended, and shall not be binding unless and until:

(a) the details of the project financing agreement and all documents pertinent thereto are reviewed, authorized and approved by a definitive resolution of this Village Board.

(b) the electors of the Village have been given the opportunity to petition within 30 days from the date of publication of notice of adoption of this initial resolution for a referendum on the question of the issuance of the Bonds as provided by law;

(c) either no such valid petition for referendum shall have been timely filed or if such petition has been filed the said bond issue shall have been approved by a referendum; and

(d) all documents required in connection with the financing shall have been duly executed by the parties thereto and delivered to the extent required; and

(e) all applicable provisions of Federal law including Section 103 of the Internal Revenue Code of 1986, as amended, have been complied with.

(6) Notice of the adoption of this resolution of intent shall be published as a Class 1 notice in the official newspaper of the Village, the Times-Villager in the form attached hereto.

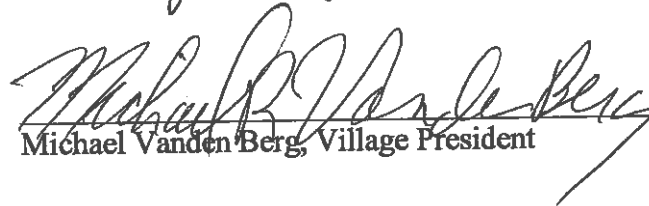
(7) The Village Clerk, or the law firm of Nelson & Schmeling, shall file a copy of (a) this resolution, and (b) the notice referred to in paragraph (6) above with the Wisconsin Economic Development Corporation within twenty (20) days following the publication of such notice.

(8) This resolution shall be effective for two (2) years after the date it is initially adopted.

Adopted January 18, 2017


Laurie Decker, Village Clerk

Approved January 18, 2017


Michael Vanden Berg, Village President