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RESOLUTION CONFIRMING THE RESOLUTION OF THE EAST CHICAGO REDEVELOPMENT COMMISSION ADOPTED ON JANUARY 21, 1998, ENTITLED "DECLARATORY RESOLUTION OF THE EAST CHICAGO REDEVELOPMENT COMMISSION"

RESOLUTION NO. 1246

AUG 03 1999

WHEREAS, the City of East Chicago ("City") Redevelopment Commission ("Commission") did on January 21, 1998, adopt a declaratory resolution (Resolution No. 1245) entitled "Declaratory Resolution of the City of East Chicago Redevelopment Commission" ("Declaratory Resolution") establishing the Riley Redevelopment Area ("Area") as a Redevelopment Area under IC 36-7-14 and IC 36-7-25, and

WHEREAS, the Declaratory Resolution approved the Redevelopment Plan presented at the January 21, 1998, meeting of the Commission, which Redevelopment Plan contained specific recommendations for redevelopment uses in the Area, including financing, land or equipment acquisition as further described in the Redevelopment Plan (the "Project") and

WHEREAS, the Declaratory Resolution recognized that there were current plans for the acquisition of real estate within the Area; and

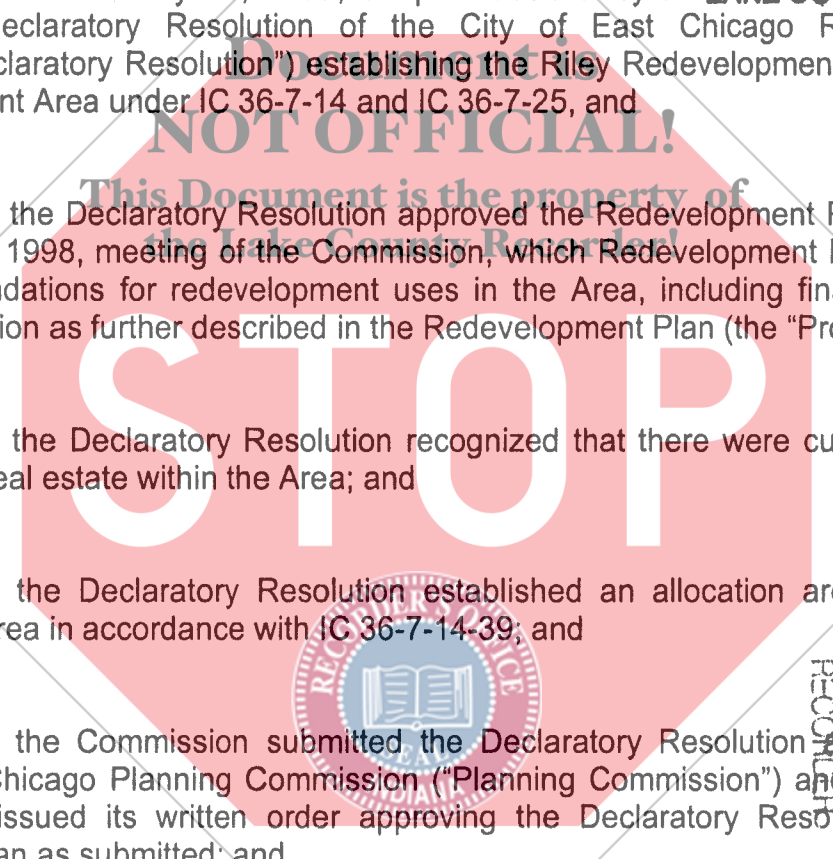
WHEREAS, the Declaratory Resolution established an allocation area ("Allocation Area") within the Area in accordance with IC 36-7-14-39; and

WHEREAS, the Commission submitted the Declaratory Resolution and supporting data to the East Chicago Planning Commission ("Planning Commission") and the Planning Commission has issued its written order approving the Declaratory Resolution and the Redevelopment Plan as submitted; and

WHEREAS, the Common Council, by resolution adopted February 9, 1998, approved the order of the Planning Commission;

WHEREAS, the Commission has found that there will be no residents of the Area who will be displaced by the Project; and

WHEREAS, the Commission published notice in the Designated Newspapers of the adoption and substance of the Declaratory Resolution in accordance with IC 36-7-14-17 and



PETER BENDAMIN
LAKE COUNTY AUDITOR

990615695

STATE OF INDIANA
LAKE COUNTY
FILED FOR REC'D
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REC'D
MORRIS V. CAMBER
RECORDER

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Joseph C. Costanza
720 W. Chicago Ave C.C. 4312 ←

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IC 5-3-1 on February 13, 1998, which notice also gave notice of a hearing on the proposed Project to be held by the Commission; and

WHEREAS, the notice described in the preceding paragraph was also filed in the office of the Planning Commission, the Board of Zoning Appeals, the Public Works Board, the Park Board, the Building Commissioner and any other departments, bodies or officers having to do with City planning, variances from zoning ordinances, land use or the issuance of building permits, and

WHEREAS, copies of the notice were also filed on February 13, 1998, with the officer authorized to fix budgets, tax rates and tax levies under IC 6-1.1-17-5 for each taxing unit that is either wholly or partly located within the proposed Allocation Area, together with a statement disclosing the impact of the Allocation Area, including the following:

- (A) The estimated economic benefits and costs incurred by the Allocation Area, as measured by increased employment and anticipated growth of real property, personal property and inventory assessed values; and
- (B) The anticipated impact on tax revenues of each taxing unit; and

WHEREAS, the Commission on February 23, 1998, conducted a public hearing at which the Commission heard all persons interested in the proceedings and considered all written remonstrances and objections that were filed;

NOW, THEREFORE, BE IT RESOLVED by the East Chicago Redevelopment Commission that:

1. The Commission has considered the evidence presented and now finds and determines that it will be of public utility and benefit to proceed with the establishment of the Area and the Project in the Area.
2. The Declaratory Resolution and Redevelopment Plan approved by the Commission on January 21, 1998, copies of which are attached hereto and incorporated herein, are hereby confirmed.
3. The Declaratory Resolution, as confirmed, shall be attached to and incorporated in this Resolution. The Secretary is hereby director to record this Resolution with the Lake County Recorder, immediately to notify the State Board of Tax Commissioners of the Designation of the Allocation Area within the Area and to file this resolution with the Lake County Auditor.

Adopted at a meeting of the East Chicago Redevelopment Commission held February 23, 1998, in the City Hall, in the City of East Chicago, Lake County, Indiana

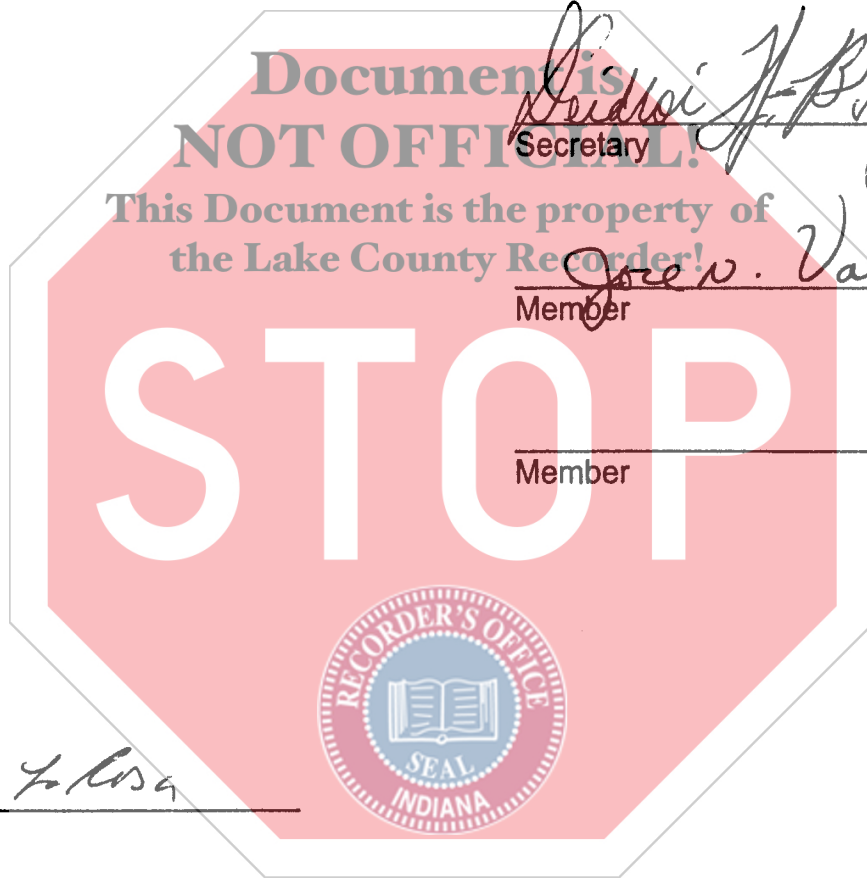
EAST CHICAGO REDEVELOPMENT
COMMISSION

Robert C. Dorn
Vice-President

David J. Puggi
Secretary

Joseph W. Vally
Member

Member



ATTEST:

Rita De Felice
Secretary

**NOTICE TO TAXPAYERS AND ALL OTHER PERSONS
AFFECTED OF ADOPTION AND CONTENT OF RESOLUTION OF THE
EAST CHICAGO REDEVELOPMENT COMMISSION AND NOTICE
OF PUBLIC HEARING ON RESOLUTION**

Taxpayers of the East Chicago Redevelopment District ("District") and all other persons affected hereby are notified that the East Chicago Redevelopment Commission ("Commission"), at a meeting held on January 21, 1998, adopted Declaratory Resolution No. 1245 establishing the Riley Redevelopment Area ("Area") and an allocation area ("Allocation Area") within the Area. The Commission will use incremental real and depreciable property taxes levied and collected in the Allocation Area in accordance with IC 36-7-14 and IC 36-7-25 to finance land or equipment acquisition in, benefiting or serving the Area (the "Project"). The Declaratory Resolution, the Redevelopment Plan, and supporting data including maps and plats describing the Area, have been prepared and can be inspected at the office of the Department of Redevelopment, in the City of East Chicago, Indiana.

Notice is further given that the Commission on February 23, 1998, at the hour of 6:00 p.m., local time, at the City Hall, East Chicago, Indiana, will receive and hear remonstrances from persons interested in or affected by the proceedings pertaining to the proposed redevelopment project and will determine the public utility and benefit of the proposed Project. At the time fixed for hearing or at any time prior thereto any person interested in the proceedings may file a written remonstrance with the Secretary of the Commission. At such hearing, which shall be a joint hearing with the East Chicago Planning Commission, and which may be adjourned from time to time, the Commission will hear all persons interested in the proceedings and all remonstrances that have been filed. After considering this evidence, the Commission will take final action by either confirming, modifying and confirming, or rescinding the Declaratory Resolution.

Dated this 10th day of February, 1998.

**EAST CHICAGO REDEVELOPMENT
COMMISSION**

Peter Serna
Vice-President

SPONSORS: FRANK KOLLINTZAS
JOHN GOMEZ

RESOLUTION NO. R-98-0001

RECEIVED

FEB 4 1998

EAST CHICAGO COMMON COUNCIL

CITY CLERK'S OFFICE

**APPROVING A DECLARATORY RESOLUTION
AND REDEVELOPMENT PLAN OF THE
REDEVELOPMENT COMMISSION OF
EAST CHICAGO, INDIANA, AND APPROVING
ORDER OF THE EAST CHICAGO PLANNING COMMISSION**

WHEREAS, the City of East Chicago ("City") Redevelopment Commission ("Commission"), has, on the 21st day of January, 1998, initially approved a Redevelopment Plan ("Plan") for the Riley Redevelopment Area ("Area") in the City, and

WHEREAS, the Commission has, on the 21st day of January, 1998, adopted a declaratory resolution initially approving the Area as a redevelopment area and subject to redevelopment activities pursuant to IC 36-7-14 and IC 36-7-25 ("Act"); and

WHEREAS, the East Chicago Planning Commission ("Planning Commission"), on the 26th day of January, 1998, approved the Plan and Declaratory Resolution; and

WHEREAS, the Act requires approval of the Declaratory Resolution and the Plan and the action of the Planning Commission by the Common Council of the City,

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City, as follows:

1. That the Plan for the Area is in all respects approved, ratified, and confirmed by the Common Council.
2. That the Action of the Planning Commission on January 26, 1998, approving the Plan and the Declaratory Resolution is in all respects approved, ratified, and confirmed by the Common Council.
3. That the Clerk is hereby directed to file a copy of the Declaratory Resolution, the Plan and the approved Order of the Planning Commission with the permanent minutes of this meeting.
4. This Resolution shall be effective from and after passage and approval by the Mayor on the effective date of the Declaratory Resolution.

PASSED AND ADOPTED by the Common Council of the City of East Chicago, Indiana, this 9th day of February, 1998, by a vote of 8 ayes and 0 nays.

COMMON COUNCIL OF THE CITY OF
EAST CHICAGO, INDIANA

Rose Parker, President

Document is _____
NOT OFFICIAL!

This Document is _____
the property of
the Lake County Recorder!

ATTEST:

Mary Morris Leonard
Clerk

Presented by me to the Mayor of the City of East Chicago this 12 day
of February, 1998 at 10 AM o'clock.



Mary Morris Leonard
Clerk

Signed and approved by me, the Mayor of the City of East Chicago on this
_____ day of _____, 1998 at _____ o'clock.

Mayor

**ORDER OF THE EAST CHICAGO PLAN COMMISSION
DETERMINING THAT A DECLARATORY RESOLUTION
AND REDEVELOPMENT PLAN APPROVED AND ADOPTED
BY THE EAST CHICAGO REDEVELOPMENT COMMISSION
CONFORM TO THE COMPREHENSIVE PLAN
AND APPROVING THAT RESOLUTION AND THE REDEVELOPMENT PLAN**

WHEREAS, the City of East Chicago ("City") Redevelopment Commission ("Commission") has on the 21st day of January, 1998, initially approved a Redevelopment Plan ("Plan") for the Riley Redevelopment Area ("Area") in the City; and

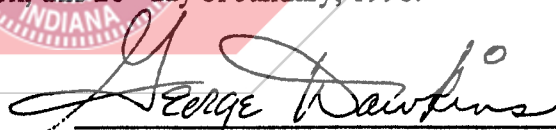
WHEREAS, the Commission on the 21st day of January, 1998, adopted a Declaratory Resolution declaring that the Area is a redevelopment area and subject to redevelopment activities pursuant to IC 36-7-14 and IC 36-7-25, and all acts supplemental and amendatory thereto ("Act"); and

WHEREAS, the Act requires approval of the Declaratory Resolution and the Plan by the East Chicago Plan Commission ("Plan Commission");


NOW, THEREFORE, BE IT ORDERED by the East Chicago Plan Commission, as follows:

1. That the Plan for the Area conforms to the Comprehensive Plan of Development for the City.
2. That the Plan is in all respects approved, ratified and confirmed.
3. That the Secretary of the Plan Commission is hereby directed to file a copy of the Declaratory Resolution and the Plan with the permanent minutes of this meeting.

PASSED by the East Chicago Plan Commission, this 26th day of January, 1998.


George Dawkins, President
East Chicago Plan Commission

ATTEST:


Secretary,
East Chicago Plan Commission

RESOLUTION NO. 1245

**DECLARATORY RESOLUTION OF THE
EAST CHICAGO REDEVELOPMENT COMMISSION**

WHEREAS, the City of East Chicago ("City") Redevelopment Commission ("Commission") has investigated, studied and surveyed blighted areas within the corporate boundaries of the City; and

WHEREAS, the Commission has selected a blighted area to be redeveloped under IC 36-7-14 and IC 36-78-25 (collectively, the "Act"), and

WHEREAS, the Commission has prepared a redevelopment plan ("Plan") for the selected blighted area, which Plan is attached to and incorporated by reference in this resolution; and

WHEREAS, the Commission has caused to be prepared:

- (1) Maps and plats showing:
 - (A) the boundaries of the redevelopment area, the location of various parcels of property, streets, alleys, and other features affecting the acquisition, clearance, replating, replanning, rezoning or redevelopment of the area, indicating any parcels of property to be excluded from the acquisition; and
 - (B) the parts of the acquired areas that are to be devoted to public ways, levees, sewerage, parks, playgrounds, and other public purposes under the Plan;
- (2) Lists of the owners of the various parcels of property proposed to be acquired; and
- (3) An estimate of the cost of acquisition and redevelopment; and

WHEREAS, IC 36-7-14-39.3 authorizes the Commission to designate a "designated taxpayer," if the Commission finds that:

- (1) The taxes to be derived from the taxpayer's depreciable personal property in the allocation area and all other depreciable property located and taxable on the designated taxpayer's site of operations within the allocation area, in excess of the taxes attributable to the base assessed value of that personal property, are needed to pay debt service on bonds issued under IC 36-7-14-25.1, or to make payments or to provide security

on leases payable under IC 36-7-14-25.2, in order to provide local public improvements for a particular allocation area;

- (2) The taxpayer's property in the allocation area consists primarily of industrial, manufacturing, warehousing, research and development, processing, distribution or transportation related projects; and
- (3) The taxpayer's property in the allocation area does not consist primarily of retail, commercial or residential projects; and

WHEREAS, IC 36-7-14-39.3 authorizes the Commission to modify the definition of property taxes in IC 36-7-14-39(a) for the purposes of including taxes imposed under IC 6-1.1 on the depreciable personal property of a designated taxpayer and all other depreciable property located and taxable on the designated taxpayer's site of operations within the allocation provision included in a declaratory resolution; and

WHEREAS, the Commission has caused to be prepared a factual report ("Report") in support of the findings contained in this resolution, which Report is attached to and incorporated by reference in this resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION THAT:

- (1) The Commission has selected as a blighted area an area within its corporate boundaries, which area the Commission is hereby designating as the Riley Redevelopment Area ("Redevelopment Area"), and which Redevelopment Area is described in Exhibit A.
- (2) The Commission finds that the Redevelopment Area is a menace to the social and economic interest of the City and its inhabitants; it will be of public utility and benefit to establish the Redevelopment Area and redevelop it under the Act; and the Plan conforms to other development and redevelopment Plans for the City.
- (3) The Commission further finds that:
 - (A) The Redevelopment Area is an area in which normal development is impossible because of deterioration of improvements, age, obsolescence, and substandard buildings;
 - (B) The Redevelopment Area has become blighted to an extent that cannot be corrected by regulatory processes or the ordinary operations of private enterprise without resort to the powers allowed under the Act for the reasons set forth in the Report; and

(C) The public health and welfare will be benefited by the redevelopment of the Redevelopment Area for the reasons set forth in the Report.

(4) The Commission proposes to acquire the interests in land within the Redevelopment Area as described in Exhibit B.

(5) The Commission estimates that the cost of implementing the Plan will not exceed \$15,000,000.

(6) The Commission finds that no residents of the Redevelopment Area will be displaced by any project resulting from the Plan; and, therefore, the Commission finds that it does not need to give consideration to transitional and permanent provisions for adequate housing for the residents.

(7) This paragraph shall be considered the allocation provision for the purposes of IC 36-7-14-39. The entire Redevelopment Area shall constitute an allocation area as defined in IC 36-7-14-39. Any property taxes levied on or after the effective date of this resolution by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area shall be allocated and distributed in accordance with IC 36-7-14-39. The Commission hereby modifies the definition of property taxes in IC 37-7-14-39(a) for the purposes of including taxes imposed under IC 6-1.1 on the depreciable personal property of the designated taxpayer described below and all other depreciable property located and taxable on the designated taxpayer's site of operations within the allocation provision included in a declaratory resolution. This allocation provision shall expire no later than 30 years after the effective date of this resolution.

(8)(A) The Commission designates as a "designated taxpayer" United States Gypsum Company.

(B) The Commission finds that:

(1) The taxes to be derived for the designated taxpayer's depreciable personal property (as defined in the Act) in the allocation area, in excess of the taxes attributable to the base assessed value of the personal property, are needed to pay debt service on bonds issued under IC 36-7-14-25.1, or to make payments or to provide security on leases payable under IC 36-7-14-25.2, in order to provide local public improvements for the allocation area, as shown in the Factual Report;

(2) The designated taxpayer's property in the allocation area consists primarily of industrial and manufacturing projects; and

- (3) The designated taxpayer's property in the allocation area does not consist primarily of retail, commercial or residential projects
- (9) The presiding officer of the Commission is hereby authorized and directed to submit this resolution, the Plan, and the Report to the City of East Chicago Planning Commission for its approval.
- (10) The Commission also directs the presiding officer, after receipt of the written order of approval of the City of East Chicago Planning Commission which has been approved by the Common Council to publish notice of the adoption and substance of this resolution in accordance with IC 5-3-1-4 and to file notice with the City of East Chicago Planning Commission, the Board of Zoning Appeals, the Board of Public Works, the Park Board, the building commissioner and any other departments or agencies of the City concerned with unit planning, zoning variances, land use or the issuance of building permits. The notice must state that maps and plats have been prepared and can be inspected at the office of the City's department of redevelopment and must establish a date when the Commission will receive and hear remonstrances and objections from persons interested in or affected by the proceedings pertaining to the proposed project and will determine the public utility and benefit of the proposed project. Copies of the notice must also be filed with the officer authorized to fix budgets, tax rates and tax levies under IC 6-1.1-17-5 for each taxing unit that is either wholly or partly located within the proposed allocation area.
- (11) The Commission also directs the presiding officer to prepare or cause to be prepared a statement disclosing the impact of the allocation area, including the following:
- (A) The estimated economic benefits and costs incurred by the allocation area, as measured by increased employment and anticipated growth of real property, personal property and inventory assessed values; and
- (B) The anticipated impact on tax revenues of each taxing unit that is either wholly or partly located within the allocation area. A copy of this statement shall be filed with each such taxing unit with a copy of the notice required under Section 17 of the Act at least 10 days before the date of the hearing described in Section 14 of this resolution.
- (12) This Resolution shall be effective as of its date of adoption.

Adopted _____ 1998

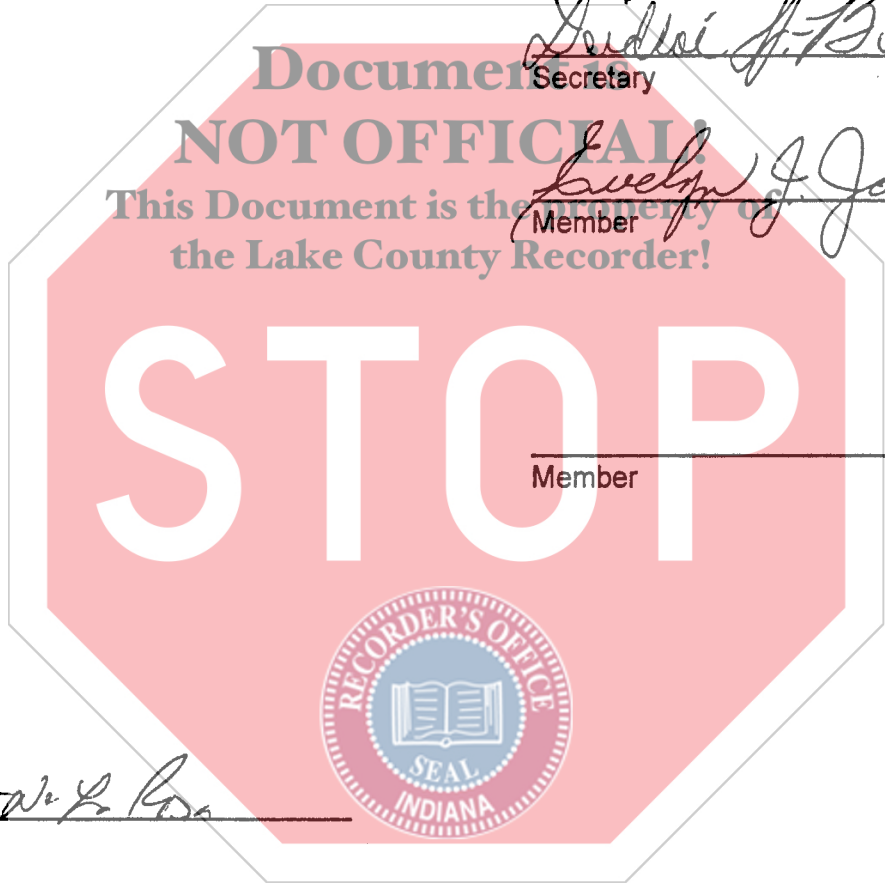
EAST CHICAGO
REDEVELOPMENT COMMISSION

Peter C. Serne
Vice-President

David J. Buggs
Secretary

Luelyn J. Jones
Member

Member



ATTEST:

Peter W. L. ...
Secretary

**NOTICE TO TAXPAYERS AND ALL OTHER PERSONS
AFFECTED OF ADOPTION AND CONTENT OF RESOLUTION OF THE
EAST CHICAGO REDEVELOPMENT COMMISSION AND NOTICE
OF PUBLIC HEARING ON RESOLUTION**

Taxpayers of the East Chicago Redevelopment District ("District") and all other persons affected hereby are notified that the East Chicago Redevelopment Commission ("Commission"), at a meeting held on January 21, 1998, adopted Declaratory Resolution No. 1245 establishing the Riley Redevelopment Area ("Area") and an allocation area ("Allocation Area") within the Area. The Commission will use incremental real and depreciable property taxes levied and collected in the Allocation Area in accordance with IC 36-7-14 and IC 36-7-25 to finance land or equipment acquisition in, benefiting or serving the Area (the "Project"). The Declaratory Resolution, the Redevelopment Plan, and supporting data including maps and plats describing the Area, have been prepared and can be inspected at the office of the Department of Redevelopment, in the City of East Chicago, Indiana.

Notice is further given that the Commission on February 23, 1998, at the hour of 6:00 p.m., local time, at the City Hall, East Chicago, Indiana, will receive and hear remonstrances from persons interested in or affected by the proceedings pertaining to the proposed redevelopment project and will determine the public utility and benefit of the proposed Project. At the time fixed for hearing or at any time prior thereto any person interested in the proceedings may file a written remonstrance with the Secretary of the Commission. At such hearing, which shall be a joint hearing with the East Chicago Planning Commission, and which may be adjourned from time to time, the Commission will hear all persons interested in the proceedings and all remonstrances that have been filed. After considering this evidence, the Commission will take final action by either confirming, modifying and confirming, or rescinding the Declaratory Resolution.

Dated this 10th day of February, 1998.

**EAST CHICAGO REDEVELOPMENT
COMMISSION**

Peter Serna
Vice-President

EXHIBIT "A"

DESCRIPTION OF RILEY REDEVELOPMENT AREA

Legal Description

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 21 AND THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 37 NORTH, RANGE 9 WEST OF THE 2ND PRINCIPAL MERIDIAN IN THE CITY OF EAST CHICAGO LAKE COUNTY, INDIANA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 37 NORTH, RANGE 9 WEST OF THE 2ND PRINCIPAL MERIDIAN IN THE CITY OF EAST CHICAGO, LAKE COUNTY, INDIANA, SAID POINT BEING A BRASS PLUG IN CONCRETE; THENCE SOUTH 01 DEGREES 16 MINUTES 30 SECONDS EAST ALONG THE EAST LINE OF SAID SECTION 20, A DISTANCE OF 14952 FEET TO A POINT ON THE NORTHWESTERLY RIGHT-OF-WAY LINE OF THE EAST CHICAGO BELT RAILROAD PER DEED DATED JUNE 4, 1901 AND RECORDED OCTOBER 25, 1901 IN BOOK 92, PAGE 409 IN THE OFFICE OF THE RECORDER OF LAKE COUNTY INDIANA, SAID POINT BEING THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID EAST LINE OF SECTION 20 A DISTANCE OF 9137 FEET TO THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF THE EAST CHICAGO BELT RAILROAD, SAID LINE BEING PARALLEL WITH AND 17400 FEET SOUTHEASTERLY AT RIGHT ANGLES FROM THE CENTERLINE OF RILEY ROAD; THENCE SOUTH 44 DEGREES 58 MINUTES 15 SECONDS WEST ALONG THE SOUTHEASTERLY LINE OF SAID EAST CHICAGO BELT RAILROAD, A DISTANCE OF 49654 FEET TO THE NORTHEASTERLY RIGHT-OF-WAY LINE OF CANAL STREET; THENCE SOUTH 45 DEGREES 29 MINUTES 45 SECONDS EAST, A DISTANCE OF 14658 FEET ALONG SAID RIGHT-OF-WAY OF CANAL STREET; THENCE SOUTH 83 DEGREES 35 MINUTES 58 SECONDS EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE ROUTE 912 A DISTANCE OF 28543 FEET; THENCE NORTH 45 DEGREES 31 MINUTES 36 SECONDS EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE ROUTE 912 A DISTANCE OF 45053 FEET; THENCE NORTH 76 DEGREES 43 MINUTES 51 SECONDS EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE ROUTE 912 A DISTANCE OF 19365 FEET; THENCE EASTERLY ALONG AN ARC CONCAVE TO THE SOUTH HAVING A RADIUS OF 699.20 FEET AND SUBTENDED BY A LONG CHORD BEARING SOUTH 85 DEGREES 57 MINUTES 46 SECONDS EAST 415.99 FEET IN LENGTH AND AN ARC LENGTH OF 422.39 FEET ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE ROUTE 912; THENCE SOUTHEASTERLY ALONG AN ARC CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 937.93 FEET AND SUBTENDED BY A LONG CHORD BEARING SOUTH 64 DEGREES 09 MINUTES 32 SECONDS EAST 147.18 FEET IN LENGTH AND AN ARC LENGTH OF 147.33 FEET ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE ROUTE 912; THENCE SOUTH 55 DEGREES 41 MINUTES 25 SECONDS EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE ROUTE 912 A DISTANCE OF 188.70 FEET; THENCE SOUTH 47 DEGREES 08 MINUTES 19 SECONDS EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE ROUTE 912, A DISTANCE OF 159.67 FEET; THENCE SOUTH 45 DEGREES 08 MINUTES 34 SECONDS EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE ROUTE 912, A DISTANCE OF 291.49 FEET; THENCE SOUTH 46 DEGREES 14 MINUTES 00 SECONDS WEST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE ROUTE 912, A DISTANCE OF 5200 FEET; THENCE SOUTH 43 DEGREES 46 MINUTES 00 SECONDS EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE ROUTE 912, A DISTANCE OF 10986 FEET TO THE RIGHT-OF-WAY LINE OF THE WATER WAY CONVEYED TO THE UNITED STATES OF AMERICA BY DEED DATED JULY 5, 1888 AND RECORDED APRIL 15, 1889 IN BOOK 44, PAGES 472 TO 475 IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA BETTER KNOWN AS THE INDIANA HARBOR CANAL, SAID LINE BEING PARALLEL WITH AND 10000 FEET NORTHWESTERLY FROM THE APPROXIMATE CENTERLINE OF THE CANAL; THENCE SOUTH 46 DEGREES 20 MINUTES 30 SECONDS WEST ALONG THE RIGHT-OF-WAY LINE OF SAID INDIANA HARBOR CANAL, A DISTANCE OF 72662 FEET TO THE SOUTHEASTERLY CORNER OF MODERN HARD CHROME PER DOCUMENT NUMBER 843698 RECORDED MARCH 1, 1985 IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA; THENCE NORTH 43 DEGREES 39 MINUTES 30 SECONDS WEST ALONG THE EASTERLY LINE OF THE AFORESAID MODERN HARD CHROME PARCEL, A DISTANCE OF 76946 FEET TO THE MOST NORTHERLY CORNER THEREOF; THENCE SOUTH 46 DEGREES 20 MINUTES 30 SECONDS WEST ALONG THE NORTHWESTERLY LINE OF THE AFORESAID MODERN HARD CHROME PARCEL AND CONTINUING IN A PROLONGATION OF SAID LINE A DISTANCE OF 5599 FEET TO A POINT ON A LINE PARALLEL TO AND 3000 FEET AT RIGHT ANGLES FROM THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF THE ELGIN, JOLIET AND EASTERN RAILWAY COMPANY PER DEED DATED JULY 22, 1896 AND RECORDED OCTOBER 27, 1896 IN BOOK 79, PAGES 304 THROUGH 311 IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA; THENCE NORTH 45 DEGREES 29 MINUTES 45 SECONDS WEST ALONG SAID LINE PARALLEL TO THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF THE E. J. + E. RAILWAY COMPANY, A DISTANCE OF 87459 FEET TO A POINT ON THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF SAID EAST CHICAGO BELT RAILROAD; THENCE SOUTH 44 DEGREES 58 MINUTES 15 SECONDS WEST ALONG THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF SAID EAST CHICAGO BELT RAILROAD, A DISTANCE OF 3000 FEET TO A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF SAID E. J. + E. RAILWAY COMPANY; THENCE SOUTH 45 DEGREES 29 MINUTES 45 SECONDS EAST ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 16447.5 FEET TO A POINT ON THE NORTHWESTERLY RIGHT-OF-WAY LINE OF SAID INDIANA HARBOR CANAL; THENCE SOUTH 46 DEGREES 30 MINUTES WEST ALONG THE SAID NORTHWESTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 9916 FEET; THENCE NORTH 37 DEGREES 40 MINUTES 09 SECONDS WEST, A DISTANCE OF 16362 FEET TO A POINT ON THE NORTHWESTERLY RIGHT-OF-WAY LINE OF SAID EAST CHICAGO BELT RAILROAD; THENCE NORTH 44 DEGREES 58 MINUTES 15 SECONDS EAST ALONG SAID NORTHWESTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 14617.9 FEET TO THE POINT OF BEGINNING CONTAINING 6250 ACRES, MORE OR LESS

**REDEVELOPMENT PLAN
FOR THE REDEVELOPMENT AREA**

EAST CHICAGO REDEVELOPMENT COMMISSION

Purpose and Introduction

This document is the Redevelopment Plan ("Plan") for the Riley Redevelopment Area ("Redevelopment Area") for the City of East Chicago, Indiana ("City"). It is intended for approval by the Common Council, the East Chicago Plan Commission and the East Chicago Redevelopment Commission ("Redevelopment Commission") in conformance with IC 36-7-14.

Project Objectives

The purpose of the Plan is to benefit the public health and welfare of the citizens of the City. The Plan is designed to alleviate blight and create or retain 209 jobs.

Create an improved economic climate for the purpose of economic growth, employment and a greater tax base for the long term.

The City shall, to the extent feasible under IC 36-7-14 and consistent with the needs of the City as a whole, afford a maximum opportunity for rehabilitation or redevelopment of the Redevelopment Area by private enterprise.

The factual report attached to this Plan contains the supporting data for the above declared purposes of the Plan.

Description of Project Area

The Redevelopment Area is located in the City and is described as that area contained in the maps and plats attached to this Plan. The general description of area is as follows:

SEE EXHIBIT "A"

Acquisition of Property

Whenever the Redevelopment Commission considers it necessary to acquire real property in the Redevelopment Area by the exercise of power of eminent domain, the Redevelopment Commission will adopt a resolution setting out its determination to exercise that power and directing its attorney to file a petition in the name of the City on behalf of the Department of Redevelopment in the Circuit or Superior Court of Lake

County. These eminent domain proceedings are governed by IC 32-11 and any other applicable statutory provisions for the exercise of the power of eminent domain.

Procedures With Respect to the Projects

In the planning and rezoning of real property acquired or to be used in the accomplishment of the Plan; the opening, closing, relocation and improvement of public ways; and the construction, relocation, and improvement of sewers and utility services; the Redevelopment Commission shall proceed in the same manner as private owners of the property. The Redevelopment Commission may negotiate with the proper officers and agencies of the City to secure the proper orders, approvals, and consents.

Any construction work required in connection with the projects may be carried out by the appropriate municipal or county department or agency. The Redevelopment Commission may carry out the construction work if all plans, specifications, and drawings are approved by the appropriate department or agency and the statutory procedures for the letting of the contracts by the appropriate department or agency are followed by the Redevelopment Commission.

The Redevelopment Commission may pay any charges or assessments made on account of orders, approval, consents, and construction work with respect to the Projects or may agree to pay these assessments in installments as provided by statute in the case of private owners.

None of the real property acquired for the Projects may be set aside and dedicated for public ways, parking facilities, sewers, levees, parks, or other public purposes until the Redevelopment Commission has obtained the consents and approval of the department or agency under whose jurisdiction the property will be placed.

Disposal of Property

The Redevelopment Commission may dispose of real property acquired by sale or lease to the public after causing to be prepared two (2) separate appraisals of the sale value or rental value to be made by independent appraisers. However, if the real property is less than five (5) acres in size and the fair market value of the real property or interest has been appraised by one (1) independent appraiser at less than Ten Thousand Dollars (\$10,000), the second appraisal may be made by a qualified employee of the Department of Redevelopment. The Redevelopment Commission will prepare an offering sheet and will maintain maps and plats showing the size and location of all parcels to be offered. Notice will be published of any offering in accordance with IC 5-3-1. The Redevelopment Commission will follow the procedures of IC 36-7-14-22 in making a sale or lease of real property acquired.

Financing of the Projects

It is the intention of the Redevelopment Commission to issue bonds payable from incremental ad valorem property taxes allocated under IC 36-7-14-39 in order to raise money for property acquisition and completion of the Projects in the Redevelopment Area. The amount of these bonds may not exceed the total, as estimated by the

Redevelopment Commission of all expenses reasonably incurred in connection with the Projects, including:

1. The total cost of all land, rights-of-way, and other property be acquired and redeveloped;
2. All reasonable and necessary architectural, engineering, legal, financing accounting, advertising, bond discount and supervisory expenses related to the acquisition and development of the Projects or the issuance of bonds.
3. Interest (not to exceed five years from the date of issuance) and a debt service reserve for the bonds to the extent the Redevelopment Commission determines that a reserve is reasonably required.
4. Expenses that the Redevelopment Commission is required or permitted to pay under IC 8-23-17.

In the issuance of bonds, the Redevelopment Commission will comply with IC 36-7-14-25.1.

As an alternative to the issuance of bonds or in conjunction with it, the Redevelopment Commission may enter into a lease of any property that could be financed with the proceeds of bonds under IC 36-7-14. The lease is subject to the provisions of IC 36-7-14-25.2 and IC 36-7-14-25.3

Amendment of the Plan

By following the procedures specified in IC 36-7-14-17.5, the Redevelopment Commission may amend the Plan for the Redevelopment Area.



Project Description

Raze obsolete 1920's era manufacturing buildings and warehouses. Grade property and construct new railroad spur and unloading area, new private roads and parking lots, install utility and fire protection piping. Acquire processing and production equipment for high capacity wallboard manufacturing facility or related facilities.

Acquisition of Property

The Redevelopment Commission plans to acquire the interests in land within the Redevelopment Area as described in Exhibit B.

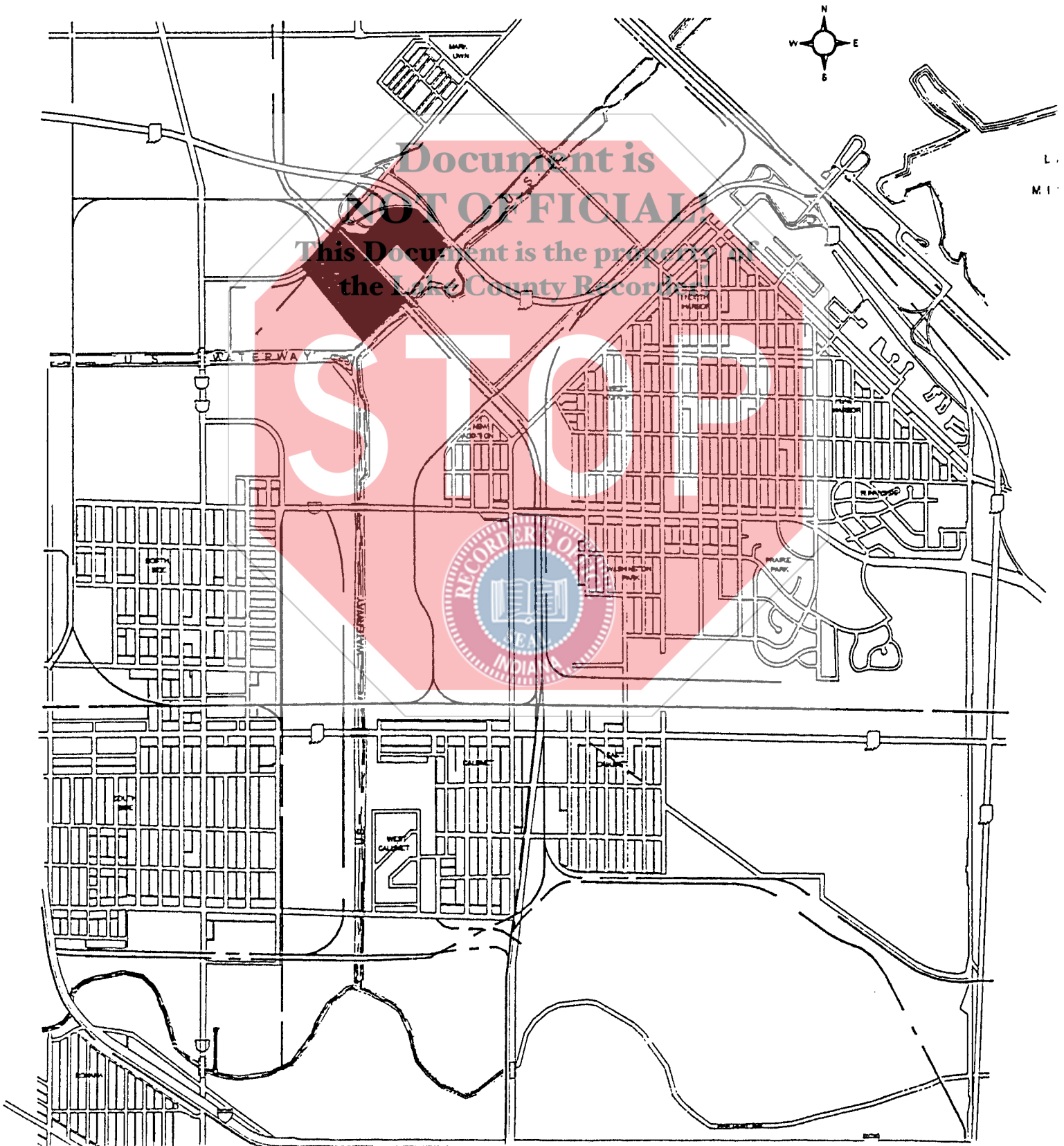


**FACTUAL REPORT IN SUPPORT OF FINDINGS CONTAINED IN
RESOLUTION NO. 1245, 1998
OF THE EAST CHICAGO REDEVELOPMENT COMMISSION**

1. **The Riley Redevelopment Area ("Area") is an area in which normal development is impossible because of deterioration of improvements, age, obsolescence and; substandard buildings; or development of property because:** The existing facility, built in the early 1920's, is no longer competitive in the Wall Board production business.
2. **The planning, replanning, development, and redevelopment of the Area will benefit the public health, safety and welfare:** The dismantling of a seventy (70) year old now obsolete manufacturing facility and building on site a new efficient operating facility, which uses recycled materials in its production process, will enhance public health, safety and welfare.
3. **The Plan for the Area cannot be achieved by regulatory processes or by the ordinary operation of private enterprise without resort to IC 36-7-14 (the redevelopment statute) for the following reasons:** But for the creation of the "Area", needed infrastructure and financing tools would not be available to spur and leverage a multimillion dollar development.
4. **The Area is a hindrance to the social and economic interest of the City; and its inhabitants because:** In its current state, continued economic viability will be lost in the near future; thereby, adversely impacting economic growth and employment opportunities for residents. 209 jobs will be created or retained by implementation of the Plan.
5. **The Commission estimates that it will need to issue bonds or enter into a lease financing of approximately \$15,000,000 to implement the Plan. Tax increments derived from United States Gypsum Company's taxes on increases in depreciable personal property is expected to be needed to pay debt service or lease rentals as shown in the attached Exhibit "A".**

25 acres of vacant property located across Canal Street from current plant site.

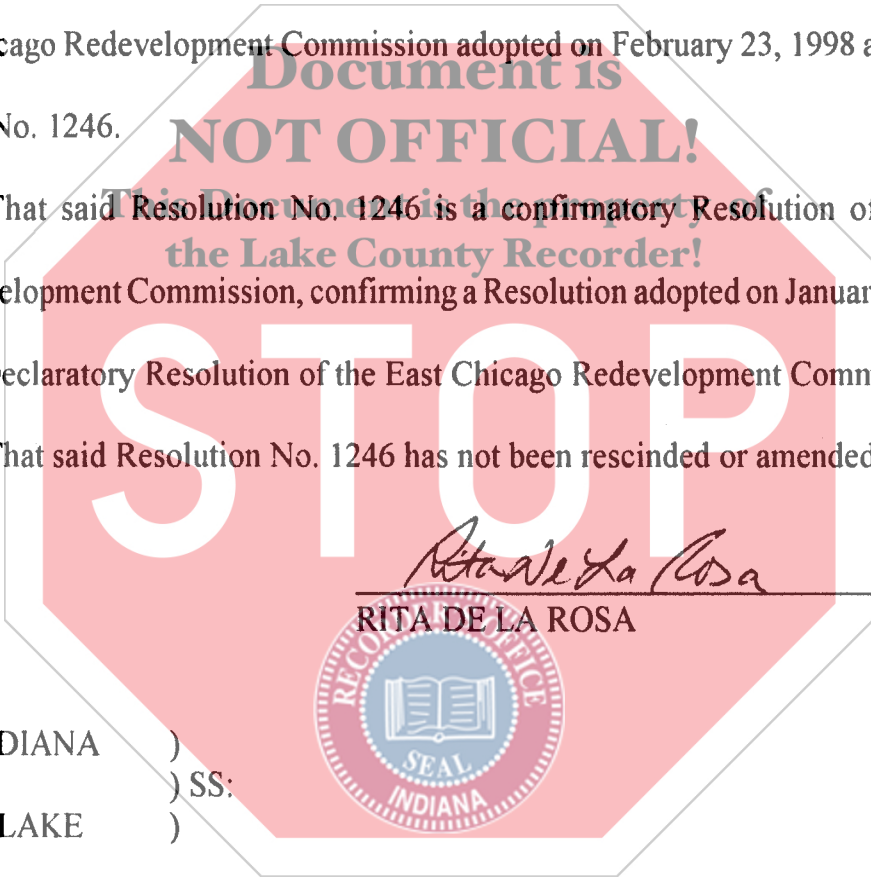
THE RILEY REDEVELOPMENT AREA



CERTIFICATION

Rita De La Rosa, being first duly sworn, states upon her oath as follows:

1. She serves as the Assistant Secretary to the East Chicago Redevelopment Commission.
2. That attached to this Certification is a true and accurate copy of a Resolution of the East Chicago Redevelopment Commission adopted on February 23, 1998 and known as Resolution No. 1246.
3. That said Resolution No. 1246 is a confirmatory Resolution of the East Chicago Redevelopment Commission, confirming a Resolution adopted on January 21, 1998 and entitled "Declaratory Resolution of the East Chicago Redevelopment Commission".
4. That said Resolution No. 1246 has not been rescinded or amended.



STATE OF INDIANA)
) SS:
 COUNTY OF LAKE)

Before me, a Notary Public, personally appeared Rita De La Rosa, personally known to me to be the Assistant Secretary to the East Chicago Redevelopment Commission, and acknowledged the execution of the foregoing Certification.

Witness my hand and Notarial Seal this 30th day of July, 1999.

Lisa Moreno
 Lisa Moreno, Notary Public

My Commission Expires: 11-15-06
 County of Residence: Lake