

RESOLUTION NO. 2025-02

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF
A \$593,000 GENERAL OBLIGATION PROMISSORY NOTE

WHEREAS, on January 7, 2025, the Village Board of the Village of Hobart, Brown County, Wisconsin (the "Village") adopted a resolution (the "Set Sale Resolution"), providing for the sale of a general obligation promissory note for public purposes, including paying the cost of acquiring and improving a building to house public works vehicles and equipment (collectively, the "Project");

WHEREAS, the Village Board hereby finds and determines that the Project is within the Village's power to undertake and therefore serves a "public purpose" as that term is defined in Section 67.04(1)(b), Wisconsin Statutes;

WHEREAS, the Village is authorized by the provisions of Section 67.12(12), Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purposes; and

WHEREAS, it is the finding of the Village Board that it is necessary, desirable and in the best interest of the Village to sell a general obligation promissory note (the "Note") to Huntington Public Capital Corporation (the "Purchaser"), pursuant to the terms and conditions of the Final Term Sheet attached hereto as Exhibit A and incorporated herein by this reference (the "Proposal").

NOW, THEREFORE, BE IT RESOLVED by the Village Board of the Village that:

Section 1. Authorization and Sale of the Note. For the purpose of paying the cost of the Project, there shall be borrowed pursuant to Section 67.12(12), Wisconsin Statutes, the principal sum of FIVE HUNDRED NINETY-THREE THOUSAND DOLLARS (\$593,000) from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal is hereby accepted and the President and Village Clerk or other appropriate officers of the Village are authorized and directed to execute an acceptance of the Proposal on behalf of the Village. To evidence the obligation of the Village, the President and Village Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the Purchaser for, on behalf of and in the name of the Village, the Note in the principal amount of FIVE HUNDRED NINETY-THREE THOUSAND DOLLARS (\$593,000) for a sum equal to the principal amount of the Note, plus accrued interest to the date of delivery.

Section 2. Terms of the Note. The Note shall be designated as a "General Obligation Promissory Note"; shall be issued in the principal amount of \$593,000; shall be dated its date of issuance; shall be in the denomination of \$5,000 or any integral multiple of \$1,000 in excess thereof; shall initially be numbered R-1; shall bear interest at the rate of 4.75% per annum; and shall be payable in installments of principal due on March 1 of each year, in the years and principal amounts as set forth on the Debt Service Schedule attached hereto as Exhibit B and incorporated herein by this reference (the "Schedule"). Interest shall be payable semi-annually

on March 1 and September 1 of each year commencing on March 1, 2026. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months.

Section 3. Redemption Provisions. The Note shall be subject to redemption prior to maturity, at the option of the Village, on March 1, 2027 or on any date thereafter. The Note shall be redeemable as a whole but not in part, at the principal amount thereof, plus accrued interest to the date of redemption.

Section 4. Form of the Note. The Note shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit C and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Note as the same becomes due, the full faith, credit and resources of the Village are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the Village a direct annual irrepealable tax in the years 2025 through 2034 for the payments due in the years 2026 through 2035 in the amounts set forth on the Schedule.

(B) Tax Collection. So long as any part of the principal of or interest on the Note remains unpaid, the Village shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Note, said tax shall be, from year to year, carried onto the tax roll of the Village and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the Village for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Note when due, the requisite amounts shall be paid from other funds of the Village then available, which sums shall be replaced upon the collection of the taxes herein levied.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There shall be and there hereby is established in the treasury of the Village, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the Village may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for General Obligation Promissory Note, - 2025" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Note is fully paid or otherwise extinguished. There shall be deposited into the

Debt Service Fund Account (i) all accrued interest received by the Village at the time of delivery of and payment for the Note; (ii) any premium which may be received by the Village above the par value of the Note and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Note when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Note when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Note until all such principal and interest has been paid in full and the Note canceled; provided (i) the funds to provide for each payment of principal of and interest on the Note prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Note may be used to reduce the next succeeding tax levy, or may, at the option of the Village, be invested by purchasing the Note as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When the Note has been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the Village, unless the Village Board directs otherwise.

Section 7. Proceeds of the Note; Segregated Borrowed Money Fund. The proceeds of the Note (the "Note Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Note into the Debt Service Fund Account created above) shall be deposited into a special fund (the "Borrowed Money Fund") separate and distinct from all other funds of the Village and disbursed solely for the purpose or purposes for which borrowed. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purpose or purposes for which the Note has been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purpose(s) shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Note to be an "arbitrage bond" within the meaning of Section 148 of the Code or the Regulations and an officer of the Village, charged with the responsibility for issuing the Note, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Note to the Purchaser which will permit the conclusion that the Note is not an "arbitrage bond," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The Village represents and covenants that the projects financed by the Note and the ownership, management and use of the projects will not cause the Note to be a "private activity bond" within the meaning of Section 141 of the Code. The Village further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Note including, if applicable, the rebate requirements of Section 148(f) of the Code. The Village further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Note) if taking, permitting or omitting to take such action would cause the Note to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Note to be included in the gross income of the recipients thereof for federal income tax purposes. The Village Clerk or other officer of the Village charged with the responsibility of issuing the Note shall provide an appropriate certificate of the Village certifying that the Village can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The Village also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Note provided that in meeting such requirements the Village will do so only to the extent consistent with the proceedings authorizing the Note and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Designation as a Qualified Tax-Exempt Obligation. The Note is hereby designated as a "qualified tax-exempt obligation" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 11. Execution of the Note; Closing; Professional Services. The Note shall be issued in printed form, executed on behalf of the Village by the manual or facsimile signatures of the President and Village Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the Village of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Note may be imprinted on the Note in lieu of the manual signature of the officer but, unless the Village has contracted with a fiscal agent to authenticate the Note, at least one of the signatures appearing on the Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Note shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Note and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The Village hereby authorizes the officers and agents of the Village to enter into, on its behalf, agreements and contracts in conjunction with the Note, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Note is hereby ratified and approved in all respects.

Section 12. Payment of the Note; Fiscal Agent. The principal of and interest on the Note shall be paid by Zions Bancorporation, National Association, Chicago, Illinois, which is hereby appointed as the Village's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The Village hereby authorizes the President and Village Clerk or other appropriate officers of the Village to enter into a Fiscal Agency Agreement between the Village and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Note.

Section 13. Persons Treated as Owners; Transfer of the Note. The Village shall cause books for the registration and for the transfer of the Note to be kept by the Fiscal Agent. The person in whose name the Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on the Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

The Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the President and Village Clerk shall execute and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of such transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer.

The Village shall cooperate in any such transfer, and the President and Village Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 14. Record Date. The 15th day of the calendar month next preceding each interest payment date shall be the record date for the Note (the "Record Date"). Payment of principal and interest on the Note on any payment date (except the last) shall be made to the registered owners of the Note as they appear on the registration book of the Village at the close of business on the Record Date. The final installment of principal and interest on the Note shall be payable upon presentation and surrender of the Note at the office of the Fiscal Agent.

Section 15. Record Book. The Village Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Note in the Record Book.

Section 16. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Village Board or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted, approved and recorded February 4, 2025.

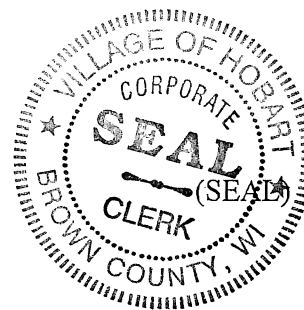


Richard R. Heidel
President

ATTEST:



Lisa Vanden Heuvel
Village Clerk



Final Term Sheet dated February 4, 2025

VILLAGE OF HOBART (the "Village" or "Issuer")
Brown County, Wisconsin

\$593,000 General Obligation Promissory Note (the "Note")
Bank Qualified

Par Amount: \$593,000.
Award Date: February 4, 2025.
Dated Date/Closing Date: March 4, 2025.
Maturity Structure:
(Installments) \$593,000 Due March 1, 2035 - Rate: 4.75%

Installment Payments

<u>Date</u>	<u>Amount</u>
March 1, 2026	\$35,000
March 1, 2027	51,000
March 1, 2028	53,000
March 1, 2029	56,000
March 1, 2030	59,000
March 1, 2031	61,000
March 1, 2032	65,000
March 1, 2033	68,000
March 1, 2034	71,000
March 1, 2035	74,000

Interest Due: Commencing March 1, 2026 and on each September 1 and March 1 thereafter. Interest on the Note will be computed on the basis of a 30-day month and a 360-day year.

Purchase Price: Par.

Redemption Provision: The Note is subject to call and prior redemption, at the option of the Village, on March 1, 2027 or on any date thereafter, in whole but not in part, at a price of par plus accrued interest to the date of redemption upon 30 days prior written notice to the Purchaser.

Security: The Note is being issued pursuant to Section 67.12(12) of the Wisconsin Statutes. The Note will be a general obligation of the Village for which its full faith and credit and taxing powers are pledged which taxes may, under current law, be levied without limitation as to rate or amount.

Tax Status: Under existing law, interest on the Note is excludable from gross income and is not an item of tax preference for federal income tax purposes; however, interest on the Note is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). Interest on the Note is not exempt from present Wisconsin income or franchise taxes.

Purpose: The proceeds from the sale of the Note will be used for public purposes, including paying the cost of acquiring and improving a building to house public works vehicles and equipment.

Bank Qualification: The Note shall be designated as a "qualified tax-exempt obligation".

Rating: The Village has not requested that a rating be assigned to the Note.

Authorization: **Set Sale Resolution**

By way of a resolution adopted on January 7, 2025, the Village Board provided for the sale of a general obligation promissory note in an amount of approximately \$593,000 for public purposes, including paying the cost of acquiring and improving a building to house public works vehicles and equipment.

Wisconsin Statutes permit general obligation promissory notes such as the Note to be issued by the Village without a referendum.

Award Resolution

By way of a resolution adopted on February 4, 2025 (the "Award Resolution"), the Village Board accepted the bid of the Purchaser (defined herein) for the purchase of the Note, provided the details and form of the Note, and set out certain covenants with respect thereto. The Award Resolution pledges the full faith, credit and resources of the Village to payments of the principal of and interest on the Note. Pursuant to the Award Resolution, the amount of direct, annual, irrevocable taxes levied for collection in the years 2026 through 2035 which will be sufficient to meet the principal and interest payments on the Note when due will be specified (or monies to pay such debt service will otherwise be appropriated). The Award Resolution establishes separate and distinct from all other funds of the Village a debt service fund with respect to payment of principal of and interest on the Note.

Type of Note: Typewritten note. (Not DTC eligible).

Denominations: \$5,000 or any integral multiple of \$1,000 in excess thereof.

Record Date: The 15th day of the calendar month next preceding each interest payment date.

Paying Agent: Zions Bancorporation, National Association, Chicago, Illinois.

Population

	<u>Brown</u> <u>County</u>	<u>Village of</u> <u>Hobart</u>
Estimate, 2024	274,899	10,905
Estimate, 2023	273,233	10,808
Estimate, 2022	273,160	10,486
Estimate, 2021	267,612	10,717
Census, 2020	268,740	10,211

Source: Wisconsin Department of Administration, Demographic Services Center and U.S. Census Bureau.

Largest Taxpayers

Listed below are the largest taxpayers in the Village.

<u>Taxpayer</u>	<u>Type of Business/Property</u>	<u>2024 Assessed Valuation</u>	<u>2024 Equalized Valuation⁽¹⁾</u>
Oneida Tribe of Indians ⁽²⁾	Various	\$34,018,500	\$44,031,188
PDK Investments LLC	Apartments	31,423,000	40,671,753
Centennial Centre Development Partners LLC	Apartments	16,661,000	21,564,844
SCR Properties LLC Etal	Retirement Community	15,433,900	19,976,570
Hobart Logistics LLC	Warehouse	13,051,800	16,893,345
Aria Place LLC	Apartments	10,454,000	13,530,933
Hobart Crossing 4 LLC	Apartments	8,820,000	11,415,997
Wyndham Lake Villas LLC	Apartments	8,802,500	11,393,346
Encore Apartments LLC	Apartments	8,665,000	11,215,375
Portofino, LLC	Apartments	8,009,000	10,366,294
		<u>\$155,338,700</u>	<u>\$201,059,646</u>

⁽¹⁾Calculated by dividing the 2024 Assessed Values by the 2024 Aggregate Ratio of assessment for the Village.

⁽²⁾See "RELATIONSHIP WITH ONEIDA TRIBE" herein for a discussion of the potential future exclusion from taxation of certain parcels owned by the Oneida Tribe of Indians.

The above taxpayers represent 12.00% of the Village's 2024 Equalized Value (TID IN) (\$1,675,587,900).

Source: The Village.

Set forth in the table below is a comparison of the outstanding indebtedness of the Village, as of the closing of the Note, as a percentage of the applicable debt limit.

Equalized Valuation (2024) as certified by Wisconsin Department of Revenue	\$1,675,587,900
Legal Debt Percentage Allowed	<u>5.00%</u>
Legal Debt Limit	\$83,779,395
General Obligation Debt Outstanding (including the Note)	<u>\$44,841,921</u>
Unused Margin of Indebtedness	\$38,937,474
Percent of Legal Debt Incurred	53.52%
Percentage of Legal Debt Available	46.48%

**Relationship with
Oneida Tribe:**

Introduction

All of the property within the Village of Hobart is within the historic boundaries of the reservation established for the Oneida Indians by treaty in 1838. The majority of this land was allotted to Tribal members under the federal allotment process during the late 1800s and early 1900s and later sold to third parties. The Oneida Tribe of Indians of Wisconsin ("OTI") has declared its intention to reacquire all of the land that was originally part of its reservation. The Mission Statement of the OTI Division of Land Management describes its intention with respect to this land as follows:

"In coordination with the goals and objectives of the "Seven Generations," it is the intent of the Division of Land Management to reestablish tribal jurisdiction of the lands within the 1838 Oneida Indian Reservation boundaries of Wisconsin and to preserve, maintain and distribute such lands according to the needs of our General Tribal Council."

The OTI and the Village have competing interests regarding development within the Village.

Property In and Out of Trust

There are 161 parcels in the Village that are held in trust with the United States government and not subject to property taxation. The majority of these parcels consist of land held in trust for the OTI; however, there is also land held in trust for members of the OTI.

There are 322 parcels in the Village that are owned directly (in "fee") by the OTI, and are subject to property taxation. The preliminary 2024 assessed value of the 322 parcels in fee is \$40,449,300, which makes the OTI the largest single taxpayer in the Village. Individual tribal members also own land in fee, but are excluded from the mentioned 322 parcels.

The OTI has been seeking to have these parcels placed in trust, which would mean that those parcels would not be subject to property taxation nor, purportedly, local jurisdiction. The Village intends to contest every parcel applied for trust status. The OTI presently has numerous applications pending before the Bureau of Indian Affairs ("BIA") to place land in trust, representing 148 parcels and approximately 2,926 acres of land valued at approximately \$9,643,400 at the time of application, most of which have been pending since 2008. On January 19, 2017, the BIA issued a Notice of Decision accepting 21 parcels consisting of 499.02 acres in trust for the OTI. On February 21, 2017, the Village filed a Notice of Appeal to the Interior Board of Indian Appeals ("IBIA") challenging the decision. On September 21, 2023, the IBIA affirmed the decision of the BIA accepting the 499.02 acres into trust. On November 11, 2023, the Village filed an appeal of the IBIA's decision in the Eastern District of Wisconsin Federal Court. The answer to the complaint was filed on February 15, 2024 and the tribe filed a motion to intervene on the same date.

Additionally, on October 15, 2019, the Village received a Notice of Decision ("NOD") to place .22 acres of land into trust for an individual tribal member. The Village appealed that NOD, and the final brief was filed on April 9, 2020. On September 24, 2021, the IBIA dismissed the appeal as moot and vacated the previous decisions, leaving the property in fee simple.

On September 30, 2019, the Village received another NOD, to place 11.18 acres of land into trust for the Tribe. The Village filed its opening brief on May 26, 2020. In response to the Village's Brief, on November 9, 2020, the Regional Director of the BIA filed a Motion requesting that the September 30, 2019 decision to accept the land into trust be vacated and remanded. On November 12, 2020, the IBIA issued an Order vacating and remanding that decision.

On September 16, 2021, the Village received notice that the OTI was submitting additional comments on a fee to trust application that was originally submitted on June 6, 2018 for 0.447 acres. The Village reasserted its objection to the application on October 6, 2021. No decision has been made by the IBIA relative to this application.

On June 8, 2022, the Village received notice that the OTI was submitting additional comments on a fee trust application that was originally submitted on April 1, 2019 for 1.375 acres. The Village reasserted its objection to the application on July 7, 2022. No decision has been made by the IBIA relative to this updated application.

On June 10, 2022, the Village received notice that the OTI was submitting additional comments on a fee trust application that was originally submitted on June 17, 2019 for 1.946 acres. The Village reasserted its objection to the application on July 7, 2022. No decision has been made by the IBIA relative to this updated application.

The grounds for the appeals include an argument that the OTI is not eligible to have land placed into trust pursuant to the Indian Reorganization Act ("IRA") 25 USC § 5108, because it was not a tribe under federal jurisdiction in 1934 as required by the United States' Supreme Court's decision interpreting the IRA, in *Carcieri v. Salazar*, 555 U.S. 379 (2009). The OTI's reservation was allotted prior to 1934 pursuant to the Indian General Allotment Act, Ch. 19, 24 Stat. 383 after which the OTI had little, if any, contact with the federal government and, therefore, was arguably not under federal jurisdiction at the requisite time. Additional grounds for the appeal are that the IBIA did not follow the regulations implementing the IRA, found at 25 CFR § 151, in a proper or complete manner. Arguments relating to the constitutionality of the federal government's action to remove land from state and local jurisdiction, by placing it in trust, have also been raised. Additionally, the Village has claimed the process is biased because the OTI, along with those other tribes in the Midwest region, contribute funds to the Bureau of Indian Affairs to process their applications.

Fee to Trust Procedure

The statutory authority for the OTI to apply to have its land placed into trust is found at 25 U.S.C. § 5108, commonly referred to as the IRA. The procedure to put land in trust pursuant to the IRA is governed by the Code of Federal Regulations, specifically 25 CFR § 151. The requesting tribe submits an application to the BIA describing, among other things, the properties in question, the current use of those properties, the need for additional land, and the purposes for which the land will be used. Property may only be placed in trust at the discretion of the BIA. The application must also describe the impact the proposed trust acquisition will have on the state and its political subdivisions, as well as describe or include copies of any steps taken to mitigate negative effects, such as service agreements between the tribe and any affected state-based governments.

After receipt of the application by the BIA, a notice of the application is sent to the state and local governments having regulatory jurisdiction over the land to be acquired. The state and local governments have 30 days in which to submit written objections to the proposal. Objections are reviewed and the tribe is given an opportunity to respond. The BIA also undergoes an environmental-compliance investigation of the property at question and receives a preliminary title commitment. All of this information is reviewed before the BIA issues its Notice of Decision. Adverse decisions can be appealed to the IBIA. An IBIA decision can be appealed to federal district court.

Village Objections

The consistent position of elected officials of the Village has been to object to all efforts of the OTI to place any further land into federal trust, and to appeal every Notice of Decision rendered by the BIA to the IBIA. The Village also intends to appeal any adverse decision of the IBIA to the United States district court. This occurred on November 11, 2023 when the Village appealed the IBIA decision to federal court. This position has preserved in the current property tax base, some 2,924 acres submitted for federal "trust." Thus far, no parcels have been removed from the Village's property tax base

since January 2008, but the Village cannot predict the success of any continuing or future efforts by the OTI to remove parcels from the Village's property tax base.

If the OTI were ultimately to prevail in the fee-to-trust procedure, it is likely that the OTI will submit virtually all of its parcels for trust status. The OTI could acquire additional parcels of land within the Village and attempt to have those parcels placed in trust by the BIA. Because trust land is exempt from property taxes, this could represent a significant erosion of the Village's tax base and would force other taxpayers to pay an increasingly large share of the cost of local government.

Effect on Jurisdiction

Arguably, pursuant to 25 CFR § 1.4 and case law interpreting the IRA, once land is placed in trust, none of the laws, ordinances, codes, resolutions, rules or other regulations of any state or political subdivision apply. The loss of local jurisdiction can be an impediment to the orderly development and use of property within the Village. The potential loss of jurisdiction is another reason why the Village is opposing all current fee-to-trust applications.

Current Litigation

As referenced previously, the Village has filed administrative appeals with the IBIA relative to the BIA's 2017 decisions, as well as its two 2019 decisions, to accept certain parcels of land in trust for the OTI. In 2021, one appeal was dismissed as moot and the prior decision accepting the land into trust was vacated, resulting in the land remaining in fee. The Village's appeal of the IBIA's September 21, 2023 decision relating to the 499.02 acres is the only matter currently pending in federal court. The Village filed an appeal in Federal District Court for the Eastern District of Wisconsin on November 10, 2023 challenging the IBIA's decision to uphold the Regional Director's decision to allow the 499.02 acres to be placed into trust. A motion is currently pending regarding whether the Village is entitled to engage in additional discovery or if the appeal must be based solely on the Administrative Record as it currently exists. That motion is scheduled for oral argument on January 9, 2025. After that decision is rendered by the Court the parties will either engage in additional discovery or the Court will issue a briefing schedule to brief the matter to the case. The parties are waiting for the decisions from the IBIA for the other appeals.

Abandoned Railroad Trail

An abandoned railroad runs through a portion of the Village. When the railroad company abandoned its use of the railroad the Tribe took the position that was held in trust by the United States for the Tribe's sole use and benefit. The Village, after engaging in extensive research including multiple Freedom of Information Act Requests to the BIA determined there was no evidence that the abandoned railroad parcel was in fact held in trust. Additionally, there are nontribal members who believe the segment of the abandoned railroad that bisects their property belongs to them in fee as the adjacent landowner. The Village has therefore continued its taxation and jurisdiction over those parcels. There have been discussions between the Tribe, the Village and Brown County, Wisconsin to convert the abandoned railroad strip of land into a public trail open to tribal and nontribal members alike regardless of the true ownership of any given segment of the abandoned railroad. The Village does not believe an agreement will be reached in the foreseeable future.

Legal Opinion: Mr. Jacob Lichter, Quarles & Brady LLP
Phone: (414) 277-5430
E-mail: jacob.lichter@quarles.com

Ms. Bridgette Keating, Quarles & Brady LLP
Phone: (414) 277-5790
E-mail: bridgette.keating@quarles.com

Ms. Sue Weber, Quarles & Brady LLP
Phone: (414) 277-5782
E-mail: sue.weber@quarles.com

Legal matters incident to the authorization and issuance of the Note are subject to the unqualified approving legal opinion of Quarles & Brady LLP, Bond Counsel. Such opinion will be issued on the basis of the law existing at the time of the issuance of the Note. A copy of such opinion will be available at the time of the delivery of the Note.

Bond Counsel has not assumed responsibility for this Term Sheet or participated in its preparation and has not performed any investigation as to its accuracy, completeness or sufficiency.

Inapplicability of Rule 15c2-12:

Securities and Exchange Commission Rule 15c2-12 (the "Rule") does not apply to the Note because the Note is being issued in an aggregate principal amount of less than \$1,000,000. Accordingly, no preliminary official statement or final official statement (within the meaning of the Rule) is being prepared, and the Village has not undertaken to provide continuing disclosure with respect to the Note pursuant the Rule.

Private Placement / Purchaser Eligibility:

The Purchaser will be required to execute a certificate ("Purchaser's Certificate") attesting that (i) it is a "qualified institutional buyer" as defined in Rule 144A promulgated under the Securities Act of 1933, as amended (the "Securities Act") or an "accredited investor" as defined in Regulation D promulgated under the Securities Act; (ii) it has conducted its own investigation relevant to its investment in the Note and has had the opportunity to ask questions and has requested and received all information with respect to the Note which it has requested; and (iii) it has made its decision to invest in the Note based solely on its review of such information and this Term Sheet.

Issuer Contact: Mr. Aaron Kramer, Village Administrator
Phone: (920) 869-3804
E-mail: aaron@hobartwi.gov

Issuer Tax ID: 39-1512217.


Placement Agent: Mr. Justin Fischer, Robert W. Baird & Co. Incorporated (the "Placement Agent")
Phone: (414) 765-3635
E-mail: jfischer@rwbaird.com

Ms. Rebekah Freitag, Robert W. Baird & Co. Incorporated
Phone: (414) 765-7031
E-mail: rfreitag@rwbaird.com

By their execution of this Term Sheet, the Village agrees to issue and sell to the Purchaser, and the Purchaser agrees to purchase from the Village (by wire transfer of immediately available funds to the account designated by the Village), the Note on the terms set forth above.

Purchaser: Huntington Public Capital Corporation

Signature & Date:



Carmel Viado, Vice President

02/04/2025
Date


Issuer: Village of Hobart, Wisconsin

Signature & Date:



Village President

02/04/2025
Date



Village Clerk

02/04/2025
Date

BOND PRICING

Village of Hobart
 General Obligation Promissory Note - FINAL
 BQ; Callable 3/1/2027 in Whole but Not in Part, Anytime With 30 Days Written Notice
 Huntington Securities Public Capital Corporation Private Placement

Note Component	Maturity Date	Amount	Rate	Yield	Price
Installment Payments:					
	03/01/2026	35,000	4.750%	4.750%	100.000
	03/01/2027	51,000	4.750%	4.750%	100.000
	03/01/2028	53,000	4.750%	4.750%	100.000
	03/01/2029	56,000	4.750%	4.750%	100.000
	03/01/2030	59,000	4.750%	4.750%	100.000
	03/01/2031	61,000	4.750%	4.750%	100.000
	03/01/2032	65,000	4.750%	4.750%	100.000
	03/01/2033	68,000	4.750%	4.750%	100.000
	03/01/2034	71,000	4.750%	4.750%	100.000
	03/01/2035	74,000	4.750%	4.750%	100.000
		593,000			

Dated Date	03/04/2025	
Delivery Date	03/04/2025	
First Coupon	03/01/2026	
Par Amount	593,000.00	
Original Issue Discount		
Production	593,000.00	100.000000%
Underwriter's Discount		
Purchase Price	593,000.00	100.000000%
Accrued Interest		
Net Proceeds	593,000.00	

EXHIBIT A

Final Term Sheet

To be provided by Robert W. Baird & Co. Incorporated and incorporated into the Resolution.

(See Attached)

EXHIBIT B

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Robert W. Baird & Co. Incorporated and incorporated into the Resolution.

(See Attached)



BOND DEBT SERVICE

Village of Hobart
General Obligation Promissory Note - FINAL
BQ; Callable 3/1/2027 in Whole but Not in Part, Anytime With 30 Days Written Notice
Huntington Securities Public Capital Corporation Private Placement

Dated Date 03/04/2025
Delivery Date 03/04/2025

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
03/04/2025					
03/01/2026	35,000	4.750%	27,932.76	62,932.76	
09/01/2026			13,252.52	13,252.52	76,185.28
03/01/2027	51,000	4.750%	13,252.52	64,252.52	
09/01/2027			12,041.27	12,041.27	76,293.79
03/01/2028	53,000	4.750%	12,041.27	65,041.27	
09/01/2028			10,782.50	10,782.50	75,823.77
03/01/2029	56,000	4.750%	10,782.50	66,782.50	
09/01/2029			9,452.51	9,452.51	76,235.01
03/01/2030	59,000	4.750%	9,452.51	68,452.51	
09/01/2030			8,051.27	8,051.27	76,503.78
03/01/2031	61,000	4.750%	8,051.27	69,051.27	
09/01/2031			6,602.50	6,602.50	75,653.77
03/01/2032	65,000	4.750%	6,602.50	71,602.50	
09/01/2032			5,058.77	5,058.77	76,661.27
03/01/2033	68,000	4.750%	5,058.77	73,058.77	
09/01/2033			3,443.74	3,443.74	76,502.51
03/01/2034	71,000	4.750%	3,443.74	74,443.74	
09/01/2034			1,757.50	1,757.50	76,201.24
03/01/2035	74,000	4.750%	1,757.50	75,757.50	
09/01/2035					75,757.50
	593,000		168,817.92	761,817.92	761,817.92

EXHIBIT C

(Form of Note)

NUMBER	UNITED STATES OF AMERICA STATE OF WISCONSIN BROWN COUNTY VILLAGE OF HOBART	DOLLARS
R-1	GENERAL OBLIGATION PROMISSORY NOTE	\$593,000

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE:

March 1, 2035

March 4, 2025

4.75%

REGISTERED OWNER: HUNTINGTON PUBLIC CAPITAL CORPORATION

PRINCIPAL AMOUNT: FIVE HUNDRED NINETY-THREE THOUSAND DOLLARS
(\$593,000)

FOR VALUE RECEIVED, the Village of Hobart, Brown County, Wisconsin (the "Village"), hereby acknowledges itself to owe and promises to pay to the registered owner identified above (or to registered assigns), the principal amount identified above in installments of principal due on the dates and in the amounts set forth on Schedule A attached hereto, and to pay interest thereon at the rate of interest per annum identified above until such principal amount is fully repaid, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on March 1 and September 1 of each year commencing on March 1, 2026 until the aforesaid principal amount is paid in full.

Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States by Zions Bancorporation, National Association (the "Fiscal Agent").

Payment of each installment of principal and interest (except the last) shall be made to the registered owner hereof who shall appear on the registration books of the Village maintained by the Fiscal Agent at the close of business on the 15th day of the calendar month next preceding each interest payment date (the "Record Date") and shall be paid by check or draft of the Village mailed to such registered owner at his address as it appears on such registration books or at such other address as may be furnished in writing by such registered owner to the Fiscal Agent. The final installment of principal and interest on this Note shall be payable only upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Note together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the Village are hereby irrevocably pledged.

This Note is issued by the Village pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, for public purposes, including paying the cost of acquiring and improving a

building to house public works vehicles and equipment, as authorized by a resolution adopted on February 4, 2025. Said resolution is recorded in the official minutes of the Village Board for said date.

The Note is subject to redemption prior to maturity, at the option of the Village, on March 1, 2027 or on any date thereafter. The Note is redeemable as a whole but not in part, at the principal amount thereof, plus accrued interest to the date of redemption.

Before the redemption of any of the Note, unless waived by the registered owner, the Village shall give written notice of such redemption at least thirty (30) days prior to the date fixed for redemption to the registered owner of each Note to be redeemed, at the address shown on the registration books. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Note shall cease to bear interest on the specified redemption date, provided that federal or other immediately available funds sufficient for such redemption are on deposit with the registered owner at that time. Upon such deposit of funds for redemption the Note shall no longer be deemed to be outstanding.

The Note is issued in registered form in the denomination of \$5,000 or any integral multiple of \$1,000 in excess thereof. This Note may be exchanged at the office of the Fiscal Agent for a like aggregate principal amount of Note of the same maturity in other authorized denominations.

This Note is transferable by a written assignment duly executed by the registered owner hereof or by such owner's duly authorized legal representative. Upon such transfer a new registered Note, in authorized denomination or denominations and in the same aggregate principal amount, shall be issued to the transferee in exchange hereof.

The Village may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof, premium, if any, hereon and interest due hereon and for all other purposes, and the Village shall not be affected by notice to the contrary.

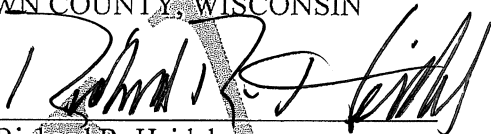
It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the Village, including this Note and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrepealable tax has been levied sufficient to pay this Note, together with the interest thereon, when and as payable.


This Note is a "qualified tax-exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the Village of Hobart, Brown County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified President and Village Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

VILLAGE OF HOBART
BROWN COUNTY, WISCONSIN

By: 
Richard R. Heidel
President

By: 
Lisa Vanden Heuvel
Village Clerk



COPIES

SCHEDULE A

Principal Installments

(See Attached)

COPY



BOND DEBT SERVICE

Village of Hobart
General Obligation Promissory Note - FINAL
BO: Callable 3/1/2027 in Whole but Not in Part, Anytime With 30 Days Written Notice
Huntington Securities Public Capital Corporation Private Placement

COPY

Dated Date 03/04/2025
Delivery Date 03/04/2025

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
03/04/2025					
03/01/2026	35,000	4.750%	27,932.76	62,932.76	
09/01/2026			13,252.52	13,252.52	76,185.28
03/01/2027	51,000	4.750%	13,252.52	64,252.52	
09/01/2027			12,041.27	12,041.27	76,293.79
03/01/2028	53,000	4.750%	12,041.27	65,041.27	
09/01/2028			10,782.50	10,782.50	75,823.77
03/01/2029	56,000	4.750%	10,782.50	66,782.50	
09/01/2029			9,452.51	9,452.51	76,235.01
03/01/2030	59,000	4.750%	9,452.51	68,452.51	
09/01/2030			8,051.27	8,051.27	76,503.78
03/01/2031	61,000	4.750%	8,051.27	69,051.27	
09/01/2031			6,602.50	6,602.50	75,653.77
03/01/2032	65,000	4.750%	6,602.50	71,602.50	
09/01/2032			5,058.77	5,058.77	76,661.27
03/01/2033	68,000	4.750%	5,058.77	73,058.77	
09/01/2033			3,443.74	3,443.74	76,502.51
03/01/2034	71,000	4.750%	3,443.74	74,443.74	
09/01/2034			1,757.50	1,757.50	76,201.24
03/01/2035	74,000	4.750%	1,757.50	75,757.50	
09/01/2035					75,757.50
	593,000		168,817.92	761,817.92	761,817.92

COPY

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Note and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company
or Securities Firm)

(Registered Owner)

(Authorized Officer)

NOTICE: This signature must correspond with the name of the registered owner as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

*The Internal Revenue Code of 1986 (IRC Section 149) requires that for interest on a municipal obligation with a term greater than one year to be exempt from federal income tax, the obligation must be issued and remain in registered form.

Section 67.09, Wisconsin Statutes provides that the Fiscal Agent when acting as the registrar shall record the registration of each note or bond in its bond registrar. Therefore, if this Note is to be assigned, the Fiscal Agent should be notified and a copy of this Assignment should be sent to the Fiscal Agent for his or her records.