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To: Wabash County Board of Commissioners
Fr: Economic Development Group
Da: November 20, 2006
Re: Amendment to the Capital Improvement Plan of Wabash Count

The Economic Development Group of Wabash County, Inc. (EDG) respectfully requests that the Board of Commissioners amend the Capital Improvements Plan (CIP) and grant the sum of one hundred thousand dollars (\$100,000.00) to the EDG for the purpose of developing an agricultural – industrial park outside of Lafountaine, Indiana. The funds are to be used to initiate design of the park, including the structuring of a Tax Incremental Financing (TIF) of the park.

The EDG intends to contract with VIESTE, LLC of Indianapolis to oversee the capital project on our behalf. The anchor tenant of the park will be a proposed 88 million gallon per year ethanol production facility situated on approximately fifty (50) acres within the park. VIESTE, LLC specializes in the public/private marketplace with a growing resume of alternative fuels experience. VIESTE and its institutional grade team are actively engaged in similar alternative energy initiatives throughout the Midwest. VIESTE and its affiliate companies; International Facilities Group and Mercantile Capital Group have provided services for capital management projects with an aggregate value in excess of three billion dollars.

The tax increment generated by the park is expected to amortize and service the total debt incurred to acquire and develop the ground. Preliminary estimates are that the tax increment will generate enough revenue to amortize and service up to five million dollars of debt.

The grant of CEDIT funds is intended to pay the costs associated with deal structuring, including the TIF. The \$100,000 will be refunded to EDG from the proceeds of the TIF and will be used by the EDG to market the balance of the Agricultural Industrial Park throughout the world. All of these funds will be maintained in separate accounts and will not be used by the EDG to pay the costs of operations. All of the funds, upon return, will be dedicated to the marketing efforts.

Due diligence of the ethanol plant is underway and will be completed as soon as possible. Some of the due diligence has been completed with positive indications. For example, preliminary grain availability analysis indicates that there is surplus grain available in quantities sufficient to undertake the project. In addition, a long term agreement has already been reached with Noble Americas Corp; the U.S. subsidiary of Nober Group of Energy Companies from Singapore. This agreement calls for Noble to purchase all of the ethanol produced by this plant for a period of ten years, with an additional four year option. The product is to be purchased at market prices for resale. This is a crucial step required of the due diligence.

The long range goal for this development s to be a life cycle agricultural industrial park. We intend to attract complimentary business opportunities enabling the EDG to focus upon two of the strengths of Wabash County; agriculture and manufacturing. The EDG shall seek to attract value-added agricultural processing operations creating tax base, economic and employment opportunities for the people and businesses of Wabash County.

The President of the EDG will make monthly progress reports to the Board of Commissioners. The EDG will report upon how the grant funds are spent and the fund into which these funds will be dedicated will be audited in accordance with the procedures of the EDG.