

**A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 8727 Clinton Park Drive, Fort Wayne, Indiana 46825 (Nemcomed FW, LLC)**

**WHEREAS**, Petitioner has duly filed its petition dated April 21, 2011 to have the following described property designated and declared an "Economic Revitalization Area" under Sections 153.13-153.24 of the Municipal Code of the City of Fort Wayne, Indiana, and I.C. 6-1.1-12.1, to wit:

**Attached hereto as "Exhibit A" as if a part herein;**

and

**WHEREAS**, said project will create 60 full-time, permanent jobs for a total new, annual payroll of \$2,900,000, with the average new annual job salary being \$48,333 and retain 128 full-time, permanent jobs for a total current annual payroll of \$6,259,000, with the average current, annual job salary being \$48,708; and

**WHEREAS**, the total estimated project cost is \$2,782,000; and

**WHEREAS**, it appears the said petition should be processed to final determination in accordance with the provisions of said Division 6.

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

**SECTION 1.** That, subject to the requirements of Section 6, below, the property hereinabove described is hereby designated and declared an "Economic Revitalization Area" under I.C. 6-1.1-12.1. Said designation shall begin upon the effective date of the Confirming Resolution referred to in Section 6 of this Resolution and shall terminate on December 31, 2011, unless otherwise automatically extended in five year increments per I.C. 6-1.1-12.1-9.

**SECTION 2.** That, upon adoption of the Resolution:

- (a) Said Resolution shall be filed with the Allen County Assessor;
- (b) Said Resolution shall be referred to the Committee on Finance requesting a recommendation from said committee concerning the advisability of designating the above area an "Economic Revitalization Area";
- (c) Common Council shall publish notice in accordance with I.C. 6-1.1-12.1-2.5 and I.C. 5-3-1 of the adoption and substance of this resolution and setting this designation as an "Economic Revitalization Area" for public hearing;

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**SECTION 3.** That, said designation of the hereinabove described property as an "Economic Revitalization Area" shall apply to both a deduction of the assessed value of real estate and personal property for new manufacturing and information technology equipment.

**SECTION 4.** That, the estimate of the number of individuals that will be employed or whose employment will be retained and the estimate of the annual salaries of those individuals and the estimate of the value of redevelopment or rehabilitation and the estimate of the value of new manufacturing and information technology equipment, all contained in Petitioner's Statement of Benefits, are reasonable and are benefits that can be reasonably expected to result from the proposed described redevelopment or rehabilitation and from the installation of new manufacturing and information technology equipment.

**SECTION 5.** That, the current year approximate tax rates for taxing units within the City would be:

- (a) If the proposed development does not occur, the approximate current year tax rates for this site would be \$3.0527/\$100.
- (b) If the proposed development does occur and no deduction is granted, the approximate current year tax rate for the site would be \$3.0527/\$100 (the change would be negligible).
- (c) If the proposed development occurs and a deduction percentage of fifty percent (50%) is assumed, the approximate current year tax rate for the site would be \$3.0527/\$100 (the change would be negligible).
- (d) If the proposed new manufacturing equipment is not installed, the approximate current year tax rates for this site would be \$3.0527/\$100.
- (e) If the proposed new manufacturing equipment is installed and no deduction is granted, the approximate current year tax rate for the site would be \$3.0527/\$100 (the change would be negligible).
- (f) If the proposed new manufacturing equipment is installed and a deduction percentage of eighty percent (80%) is assumed, the approximate current year tax rate for the site would be \$3.0527/\$100 (the change would be negligible).
- (g) If the proposed new information technology equipment is not installed, the approximate current year tax rates for this site would be \$3.0527/\$100.
- (h) If the proposed new information technology equipment is installed and no deduction is granted, the approximate current year tax rate for the site would be \$3.0527/\$100 (the change would be negligible).
- (i) If the proposed new information technology equipment is installed and a deduction percentage of eighty percent (80%) is assumed, the approximate

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current year tax rate for the site would be \$3.0527/\$100 (the change would be negligible).

**SECTION 6.** That, this Resolution shall be subject to being confirmed, modified and confirmed, or rescinded after public hearing and receipt by Common Council of the above described recommendations and resolution, if applicable.

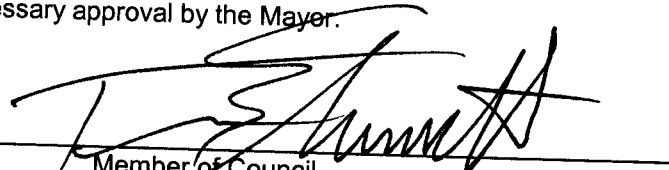
**SECTION 7.** That, pursuant to I.C. 6-1.1-12.1, it is hereby determined that the deduction from the assessed value of the real property shall be for a period of ten years, and the deduction from the assessed value of the new manufacturing and information technology equipment shall be for a period of ten years.

**SECTION 8.** That, the benefits described in the Petitioner's Statement of Benefits can be reasonably expected to result from the project and are sufficient to justify the applicable deductions.

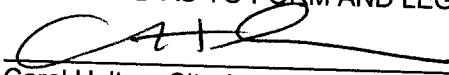
**SECTION 9.** That, the taxpayer is non-delinquent on any and all property tax due to jurisdictions within Allen County, Indiana.

**SECTION 10.** That, pursuant to I.C. 6-1.1-12.1-12 et al, any property owner that has received a deduction under section 3 or 4.5 of this chapter may be required to repay the deduction amount as determined by the county auditor in accordance with section 12 of said chapter if the property owner ceases operations at the facility for which the deduction was granted and if the Common Council finds that the property owner obtained the deduction by intentionally providing false information concerning the property owner's plans to continue operation at the facility.

**SECTION 11.** That, this Resolution shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

  
Member of Council

APPROVED AS TO FORM AND LEGALITY

  
Carol Helton, City Attorney

Read the first time in full and on motion by Smith, and duly adopted, read the second time by title and referred to the Committee on Finance (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Common Council Conference Room 128, City-County Building, Fort Wayne, Indiana, on \_\_\_\_\_, the \_\_\_\_\_, day of \_\_\_\_\_, 2011, at \_\_\_\_\_ o'clock \_\_\_\_\_ M., E.S.T.

DATED: 5-10-11

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

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

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>
<u>TOTAL VOTES</u>	<u>9</u>	_____	_____	_____
<u>BENDER</u>	<u>✓</u>	_____	_____	_____
<u>BROWN</u>	<u>✓</u>	_____	_____	_____
<u>DIDIER</u>	<u>✓</u>	_____	_____	_____
<u>GOLDNER</u>	<u>✓</u>	_____	_____	_____
<u>HARPER</u>	<u>✓</u>	_____	_____	_____
<u>HINES</u>	<u>✓</u>	_____	_____	_____
<u>PAPE</u>	<u>✓</u>	_____	_____	_____
<u>SHOAFF</u>	<u>✓</u>	_____	_____	_____
<u>SMITH</u>	_____	_____	_____	_____

DATED: 5-10-11

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ANNEXATION) (APPROPRIATION) (GENERAL) (SPECIAL) (ZONING) ORDINANCE (RESOLUTION) NO. R-20-11 on the 10th day of May, 2011

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

SEAL  
Mitchell Henry  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 11th day of May, 2011, at the hour of 11:00 o'clock A. M., E.S.T.

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 11th day of May, 2011, at the hour of 3:30 o'clock P. M., E.S.T.

Thomas C. Henry  
THOMAS C. HENRY, MAYOR

## EXHIBIT A

Part of the Northeast Quarter of Fractional Section 7, Township 31 North, Range 13 East of the Second Principal Meridian in Allen County, Indiana, more particularly described as follows:

Commencing at the intersection of the South line of said Northeast Quarter and the centerline of Leo Road; thence North 24 degrees 24 minutes 27 seconds East (assumed bearing and basis of bearings to follow), a distance of 634.1 feet (deed) along the centerline of said Leo Road to the southeast corner of an existing 0.571 acre tract; thence continuing North 24 degrees 24 minutes 27 seconds East, a distance of 1062.81 feet along said center line to a North line of an existing 7.204 acre tract described in Document Number 200047927 in the Office of the Recorder of Allen County, Indiana; thence South 89 degrees 29 minutes 51 seconds West, a distance of 349.09 feet; thence continuing South 89 degrees 29 minutes 51 seconds West, a distance of 180.00 feet along said North line to a ¾" pipe on the East line of an existing tract described in Document Number 79-28240 in the Office of the Recorder of Allen County, Indiana; thence North 01 degrees 36 minutes 30 seconds West, a distance of 143.10 feet along said East line to a 5/8" steel rebar on the North line of an existing 0.725 acre tract described in Document Number 205061068 in the Office of the Recorder of Allen County, Indiana, said point also being the POINT OF BEGINNING of the herein described tract; thence continuing North 01 degree 36 minutes 30 seconds West, a distance of 11.99 feet along said East line of Document Number 79-28240 to a point on the Easterly right-of-way line of Interstate Highway #69, said point being referenced by a 5/8" steel rebar found 0.64 feet West; thence North 23 degrees 25 minutes 26 seconds East, a distance of 115.46 feet along said right-of-way line to a 5/8" steel rebar; thence North 23 degrees 38 minutes 50 seconds East, a distance of 276.01 feet along said right-of-way line to a 5/8" steel rebar; thence North 22 degrees 22 minutes 32 seconds East, a distance of 390.33 feet to a 5/8" steel rebar on the South line of an existing tract described in Document Number 80-3532 in the Office of the Recorder of Allen County, Indiana; thence North 89 degrees 08 minutes 02 seconds East, a distance of 267.74 feet along said South line to a 5/8" steel rebar on the West line of an existing tract described in Document Number 90-34727 in the Office of the Recorder of Allen County, Indiana, said point being 232.2 feet (deed) South of the North line of said Northeast Quarter; thence South 01 degrees 32 minutes 23 seconds East, a distance of 62.58 feet along said West line to a 5/8" steel rebar on the South line of said Document Number 90-24727; thence South 76 degrees 41 minutes 04 seconds East, a distance of 109.12 feet along said South line to a 5/8" steel rebar set on the South line of an existing tract described in Document Number 98-0019807; thence South 29 degrees 32 minutes 48 seconds West, a distance of 358.75 feet to a 5/8" steel rebar set; thence South 67 degrees 06 minutes 53 seconds East, a distance of 166.73 feet to a 5/8" steel rebar set on the Westerly line of an existing 0.201 acre tract described in Document Number 200071805 in the Office of the Recorder of Allen County, Indiana; thence South 24 degrees 32 minutes 48 seconds West, a distance of 159.37 feet along said West line to a 5/8" steel rebar on the North line of an existing tract described in Document Number 94-70272 in the Office of the Recorder of Allen County, Indiana; thence South 89 degrees 08 minutes 02 seconds West, a distance of 270.43 feet along said North line to a 5/8" steel rebar on the East line of an existing 0.726 acre tract described in Document Number 205063538; thence South 27 degrees 23 minutes 03 seconds West, a distance of 133.09 feet along said East line to a 5/8" steel rebar on the North line of said 0.725 acre tract; thence South 89 degrees 08 minutes 02 seconds West, a distance of 259.35 feet along said North line to the Point of Beginning. Containing 6.616 Acres, more or less.

Together with an easement of ingress/egress as set out in Easement Agreement by and between 1100 Airport North Partnership, LLC and Leo Wallen Development, LLC dated October 7, 2005, recorded October 10, 2005 as Document Number 205066639, in the Office of the Recorder of Allen County, Indiana.

DIGEST SHEET

**TITLE OF ORDINANCE: Declaratory Resolution**

**DEPARTMENT REQUESTING ORDINANCE: Community Development Division**

**SYNOPSIS OF ORDINANCE: Nemcomed FW, LLC is requesting the designation of an Economic Revitalization Area for both real and personal property improvements in the amount of \$2,782,000. In order to expand, Nemcomed FW, LLC will construct a 13,000 square foot addition to their existing facility. The company will also purchase new manufacturing and information technology equipment.**

**EFFECT OF PASSAGE: Nemcomed FW, LLC will construct additional manufacturing space to its facility to remain competitive and grow its operation. 60 full-time jobs will be created and 128 full-time jobs will be retained as a result of the project.**

**EFFECT OF NON-PASSAGE: Potential loss of development and 60 full-time jobs**

**MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS): No expenditures of public funds required.**

**ASSIGNED TO COMMITTEE (PRESIDENT): Thomas E. Smith and Elizabeth M. Brown**

# MEMORANDUM



**To:** City Council  
**FROM:** Elissa McGauley, Economic Development Specialist  
**DATE:** April 28, 2011  
**RE:** Request for designation by Nemcomed FW, LLC as an ERA for real and personal property improvements

## BACKGROUND

PROJECT ADDRESS:	<b>8727 Clinton Park Drive</b>	PROJECT LOCATED WITHIN:	<b>Not Applicable</b>
PROJECT COST:	<b>\$ 2,782,000</b>	COUNCILMANIC DISTRICT:	<b>2</b>

COMPANY PRODUCT OR SERVICE:	<b>Nemcomed is a manufacturer of orthopedic instruments and implants.</b>
PROJECT DESCRIPTION:	<b>Nemcomed will construct a 13,000 square foot addition to their existing facility. The company will also purchase new manufacturing and information technology equipment.</b>

CREATED		RETAINED	
JOB'S CREATED (FULL-TIME):	<b>60</b>	JOB'S RETAINED (FULL-TIME):	<b>128</b>
JOB'S CREATED (PART-TIME):	<b>0</b>	JOB'S RETAINED (PART-TIME):	<b>0</b>
TOTAL NEW PAYROLL:	<b>\$ 2,900,000</b>	TOTAL RETAINED PAYROLL:	<b>\$ 6,259,000</b>
AVERAGE SALARY (FULL-TIME NEW):	<b>\$ 48,333</b>	AVERAGE SALARY (FULL-TIME RETAINED):	<b>\$ 48,708</b>

## COMMUNITY BENEFIT REVIEW

Yes  No  N/A

Project will encourage vacant or under-utilized land appropriate for commercial or industrial use?

Yes  No  N/A

Real estate to be designated is consistent with land use policies of the City of Fort Wayne?

**Explain: Property to be designated is zoned IN1, a limited industrial zoning classification. Use of property is consistent with the land use policies of the City of Fort Wayne.**

Yes  No  N/A

Project encourages the improvement or replacement of a deteriorated or obsolete structure?

**Explain: A 13,000 square foot addition will be constructed.**

Yes  No  N/A

Project encourages the improvement or replacement of obsolete manufacturing and/or research and development and/or information technology and/or logistical distribution equipment?

**Explain: New manufacturing and information technology equipment will be purchased and installed.**

Yes  No  N/A 

Project will result in significant conversion of solid waste or hazardous waste into energy or other useful products?

Yes  No  N/A 

Project encourages preservation of an historically or architecturally significant structure?

Yes  No  N/A 

Construction will result in Leadership in Energy and Environmental Design (LEED) certification by the U.S. Green Building Council?

Yes  No  N/A 

Construction will use techniques to minimize impact on combined sewer overflows? (i.e. rain gardens, bio swales, etc.)

Yes  No  N/A ERA designation induces employment opportunities for Fort Wayne area residents?  
**Explain: 60 full-time jobs will be created as a result of the project.**Yes  No  N/A 

Average wage of all full-time jobs to be created is at least 150% of current Federal minimum wage.

**Explain: The average wage of full-time jobs created is 321% of the current Federal minimum wage rate.**Yes  No  N/A 

Average wage of all full-time jobs to be retained is at least 150% of current Federal minimum wage.

**Explain: The average wage rate of full-time jobs retained is 323% of the current Federal minimum wage rate.**Yes  No  N/A 

Taxpayer is NOT delinquent on any or all property tax due to any taxing jurisdiction within Allen County.

<b>POLICY</b>
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**Per the policy of the City of Fort Wayne, the following guidelines apply to this project:**

1. The period of deduction for real property is ten years.
2. The period of deduction for personal property is ten years.

Under Fort Wayne Common Council's tax abatement policies and procedures, Nemcomed FW, LLC is eligible for a ten deduction on real and personal property improvements. Attached is a spreadsheet that shows how the application scored under the review system.

<b>COMMENTS</b>
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Signed:

*Elissa McManley*  
Economic Development Specialist

<b>COMMUNITY DEVELOPMENT DIVISION</b>
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## Real Property Abatements

Tax Abatement Review System

Real Property Abatements	Points Possible	Points Awarded
<b>Total new investment in real property (new structures and/or rehabilitation)</b>		10
Over \$1,000,000	10	
\$500,000 to \$999,999	8	
\$100,000 to \$499,999	6	
Under \$100,000	4	
<b>Total number of jobs created and/or retained</b>		10
Over 150	10	
75 to 149	8	
25 to 74	6	
10 to 24	4	
Under 10	2	
<b>Current # of employees increases 50-99%</b>	6	
<b>Current # of employees increases 100% or more</b>	8	
<b>Average annual salary of full-time jobs created and/or retained are % of the Federal Minimum Wage</b>		10
Greater than 300% of the Federal Minimum Wage	10	
201% to 300% of the Federal Minimum Wage	7	
151% to 200% of the Federal Minimum Wage	3	
150% of the Federal Minimum Wage	1	
<b>Health insurance provided by the company</b>	5	5
<b>Project involves reinvestment at current location of a business</b>	10	10
<b>Project involves new or startup business</b>	5	
<b>Construction uses green building techniques (ie LEED Certification)</b>	5	
<b>Construction uses techniques to minimize impact on Combined Sewer Overflows (CSOs)</b>	2	2
<b>Project is located in a HUBzone</b>	10	

**Total** 47

7 to 11 points	Three Year Abatement
12 to 16 points	Five Year Abatement
17 to 23 points	Seven Year Abatement
24 to 67 points	Ten Year Abatement

## Personal Property Abatements

Tax Abatement Review System

### Personal Property Abatements

	Points Possible	Points Awarded
<b>Total new investment in equipment</b>		8
Over \$5,000,000	10	
\$1,000,000 to \$4,999,999	8	
\$500,000 to \$999,999	6	
\$0 to \$499,999	4	
<b>Total number of jobs created and/or retained</b>		10
Over 150	10	
75 to 149	8	
25 to 74	6	
10 to 24	4	
Under 10	2	
<b>Current # of employees increases 50-99%</b>	6	
<b>Current # of employees increases 100% or more</b>	8	
<b>Average annual salary of full-time jobs created and/or retained are % of the Federal Minimum Wage</b>		10
Greater than 300% of the Federal Minimum Wage	10	
201% to 300% of the Federal Minimum Wage	7	
151% to 200% of the Federal Minimum Wage	3	
150% of the Federal Minimum Wage	1	
<b>Health insurance provided by the company</b>	5	5
<b>Project involves reinvestment at current location of a business</b>	10	10
<b>Project involves new or startup business</b>	5	
<b>Construction uses green building techniques (ie LEED Certification)</b>	5	
<b>Construction uses techniques to minimize impact on Combined Sewer Overflows (CSOs)</b>	2	
		2
<b>Project is located in a HUBzone</b>	10	
<b>Total</b>	45	

7 to 11 Points	Three Year Abatement
12 to 16 Points	Five Year Abatement
17 to 23 Points	Seven Year Abatement
24 to 60 Points	Ten Year Abatement