

4 **A DECLARATORY RESOLUTION designating an "Economic**
5 **Revitalization Area" under I.C. 6-1.1-12.1 for property commonly**
6 **known as 115 Chambeau Road, Fort Wayne, Indiana 46805**
7 **(F&M Tile & Terrazzo Company, Inc.)**

8 **WHEREAS**, Petitioner has duly filed its petition dated February 8, 2013 to have the
9 following described property designated and declared an "Economic Revitalization Area"
10 under Sections 153 13-153 24 of the Municipal Code of the City of Fort Wayne, Indiana, and
11 I.C 6-1.1-12.1, to wit:

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

13 and

14 **WHEREAS**, said project will retain 48 full-time, permanent jobs for a total current
15 annual payroll of \$1,483,778, with the average current, annual job salary being \$30,912; and

16 **WHEREAS**, the total estimated project cost is \$670,000; and

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

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

21 **SECTION 1.** That, subject to the requirements of Section 6, below, the
22 property hereinabove described is hereby designated and declared an "Economic
23 Revitalization Area" under I.C. 6-1.1-12.1. Said designation shall begin upon the effective
24 date of the Confirming Resolution referred to in Section 6 of this Resolution and shall
25 terminate on December 31, 2016, unless otherwise automatically extended in five year
26 increments per I.C 6-1.1-12.1-9.

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

28 Said Resolution shall be filed with the Allen County Assessor,

29 Said Resolution shall be referred to the Committee on Finance requesting a
30 recommendation from said committee concerning the advisability of designating
the above area an "Economic Revitalization Area",

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;

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 manufacturing equipment

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

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

10 If the proposed development does not occur, the approximate current year tax
11 rates for this site would be \$3.0261/\$100

12 If the proposed development does occur and no deduction is granted, the
13 approximate current year tax rate for the site would be \$3.0261/\$100 (the
14 change would be negligible)

15 If the proposed development occurs and a deduction percentage of fifty percent
16 (50%) is assumed, the approximate current year tax rate for the site would be
17 \$3.0261/\$100 (the change would be negligible).

18 If the proposed new manufacturing equipment is not installed, the approximate
19 current year tax rates for this site would be \$3.0261/\$100

20 If the proposed new manufacturing equipment is installed and no deduction is
21 granted, the approximate current year tax rate for the site would be
22 \$3.0261/\$100 (the change would be negligible)

23 If the proposed new manufacturing equipment is installed and a deduction
24 percentage of eighty percent (80%) is assumed, the approximate current year
25 tax rate for the site would be \$3.0261/\$100 (the change would be negligible)

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

29 **SECTION 7.** That, pursuant to I.C. 6-1.1-12.1, it is hereby determined that the
30 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 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.


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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



FEB 08 2013

**ECONOMIC REVITALIZATION AREA APPLICATION
CITY OF FORT WAYNE, INDIANA**

APPLICATION IS FOR: (Check appropriate box(es))

- Real Estate Improvements
- Personal Property Improvements
- Vacant Commercial or Industrial Building

Total cost of real estate improvements: 230,000.00
 Total cost of manufacturing equipment improvements: 440,000.00
 Total cost of research and development equipment improvements:
 Total cost of logistical distribution equipment improvements:
 Total cost of information technology equipment improvements:

TOTAL OF ABOVE IMPROVEMENTS: 670,000.00

GENERAL INFORMATION

Real property taxpayer's name: F & M Tile & Terrazzo Company, Inc.
 Personal property taxpayer's name: F & M Tile & Terrazzo Company, Inc.
 Telephone number: 260-483-6389
 Address listed on tax bill: 115 Chambeau Road Fort Wayne, IN. 46805
 Name of company to be designated, if applicable:
 Year company was established: 1958
 Address of property to be designated: Same
 Real estate property identification number: Parcel Number 02-073-0001120
 Contact person name: Jon Maraldo
 Contact person telephone number: 260-483-6389 Contact person Email: jon@fandmtile.com
 Contact person address: 115 Chambeau Road Fort Wayne, TN. 46805
 List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Jon Maraldo	President	115 Chambeau Road FW IN. 46805	483-6389
Tim Hinrichsen	Secretary/Treasurer	115 Chambeau Road FW IN. 46805	483-6390

List all persons or firms having ten percent or more ownership interest in the applicant business and the percentage each holds:

NAME	PERCENTAGE
Jon Maraldo	80%
Tim Hinrichsen	20%

- Yes No Are any elected officials shareholders or holders of any debt obligation of the applicant or operating business? If yes, who? (name/title)
- Yes No Is the property for which you are requesting ERA designation totally within the corporate limits of the City of Fort Wayne?
- Yes No Is the property for which you are requesting ERA designation located in an Economic Development Target Area (EDTA)? (see attached map for current areas)
- Yes No Is the property for which you are requesting ERA designation located in a HUBzone? (see attached map for current areas)
- Yes No Do you plan to request state or local assistance to finance public improvements?

Describe the product or service to be produced or offered at the project site: Fabrication of granite, quartz & marble products

In order to be considered an Economic Revitalization Area (ERA), the area must be within the corporate limits of the City of Fort Wayne and must have become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property. It also includes any area where a facility or group of facilities that are technologically, economically, or energy obsolete is located and where the obsolescence may lead to a decline in employment and tax revenues.

How does the property for which you are requesting designation meet the above definition of an ERA?
Equipment to be purchased will allow us to expand to new markets as well as to our current customer base.

REAL PROPERTY INFORMATION

Complete this section of the application if you are requesting a deduction from assessed value for real property improvements.

Describe any structure(s) that is/are currently on the property: 2-Builings Front Building 3,201
& Back Builidng 3,560.

Describe the condition of the structure(s) listed above: Front Building completely remodeled
Back Building to be torn down & rebuilt

Describe the improvements to be made to the property to be designated for tax abatement purposes:
A new 90x60 (5,400 SF) fabrication facility

Projected construction start (month/year): March 2013

Projected construction completion (month/year): July 2013

Yes No Will construction result in Leadership in Energy and Environmental Design (LEED) certification by the U.S. Green Building Council?

Yes No Will construction use techniques to minimize impact on combined sewer overflows? (i.e. rain gardens, bio swales, etc.)

PERSONAL PROPERTY INFORMATION

Complete this section of the application if you are requesting a deduction from assessed value of new manufacturing, research and development, logistical distribution or information technology equipment.

List below the equipment for which you are seeking an economic revitalization area designation.

Manufacturing equipment must be used in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property at the site to be designated. Research and development equipment consists of laboratory equipment, research and development equipment, computers and computer software, telecommunications equipment or testing equipment used in research and development activities devoted directly and exclusively to experimental or laboratory research and development for new products, new uses of existing products, or improving or testing existing products at the site to be designated. Logistical distribution equipment consists of racking equipment, scanning or coding equipment, separators, conveyors, fork lifts or lifting equipment, transitional moving equipment, packaging equipment, sorting and picking equipment, software for technology used in logistical distribution, is used for the storage or distribution of goods, services, or information. Information technology equipment consists of equipment, including software used in the fields of information processing, office automation, telecommunication facilities and networks, informatics, network administration, software development and fiber optics: (use additional sheets, if necessary)

Edge Cutter, CNC Northwood Ultimate Fabrication Center

Yes No Has the above equipment for which you are seeking a designation, ever before been used for any purpose in Indiana? If yes, was the equipment acquired at an arms length transaction from an entity not affiliated with the applicant? Yes No

Yes No Will the equipment be leased?

Equipment purchase date (month/year): January 1, 2013

Equipment installation date (month/year): August 1, 2013

Please provide the depreciation schedule term for equipment under consideration for personal property tax abatement:

10 Year

ELIGIBLE VACANT BUILDING INFORMATION

Complete this section of the application if you are requesting a deduction from the current assessed value of a vacant building

Yes No Has the building for which you are seeking designation for tax abatement been unoccupied for at least one year? Please provide evidence of occupation. (i.e. certificate of occupancy, paid utility receipts, executed lease agreements)

Describe any structure(s) that is/are currently on the property:

Describe the condition of the structure(s) listed above:

Projected occupancy date (month/year):

Describe the efforts of the owner or previous owner in regards to selling, leasing or renting the eligible vacant building during the period the eligible vacant building was unoccupied including how much the building was offered for sale, lease, or rent by the owner or a previous owner during the period the eligible vacant building was unoccupied.

PUBLIC BENEFIT INFORMATION

EMPLOYMENT INFORMATION FOR FACILITY TO BE DESIGNATED

ESTIMATE OF EMPLOYEES AND PAYROLL FOR FORT WAYNE FACILITY REQUESTING ECONOMIC REVITALIZATION AREA DESIGNATION

Please be specific on job descriptions. To fill out information on occupation and occupation code, use data available through Occupation Employment Statistics for Fort Wayne
http://www.bls.gov/oes/current/oes_23060.htm

Current Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Management	11-0000	8	380,478.00
Field Workers	47-0000	32	856,217.00
Production	51-0000	8	247,083.00

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Management	11-0000	8	380,478.00
Field Workers	47-0000	32	856,217.00
Production	51-0000	8	247,083.00

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
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PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
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Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
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Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
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Check the boxes below if the existing jobs and the jobs to be created will provide the listed benefits:

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> Pension Plan | <input checked="" type="checkbox"/> Major Medical Plan | <input type="checkbox"/> Disability Insurance |
| <input type="checkbox"/> Tuition Reimbursement | <input type="checkbox"/> Life Insurance | <input checked="" type="checkbox"/> Dental Insurance |

List any benefits not mentioned above: 401K

When will you reach the levels of employment shown above? (month/year):

REQUIRED ATTACHMENTS

The following must be attached to the application.

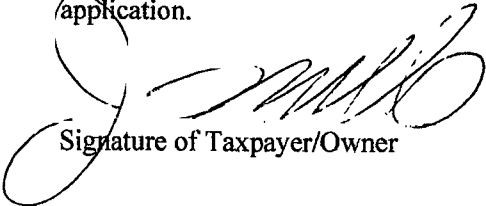
1. **Statement of Benefits Form(s) (first page/front side completed)**
2. **Full legal description of property and a plat map identifying the property boundaries. (Property tax bill legal descriptions are not sufficient.) Should be marked as Exhibit A.**
3. **Check for non-refundable application fee made payable to the City of Fort Wayne.**

ERA filing fee (either real or personal property improvements)	.1% of total project cost not to exceed \$500
ERA filing fee (both real and personal property improvements)	.1% of total project cost not to exceed \$750
ERA filing fee (vacant commercial or industrial building)	\$500
ERA filing fee in an EDTA	\$100
Amendment to extend designation period	\$300
Waiver of non compliance with ERA filing	\$500 + ERA filing fee
4. **Owner's Certificate (if applicant is not the owner of property to be designated) Should be marked as Exhibit B if applicable.**

CERTIFICATION

I, as the legal taxpayer and/or owner, hereby certify that all information and representations made on this application and its attached exhibits are true and complete and that neither an Improvement Location Permit nor a Structural Permit has been filed for construction of improvements, nor has any manufacturing, research and development, logistical distribution or information technology equipment which is a part of this application been purchased and installed as of the date of filing of this application. I also certify that the taxpayer is not delinquent on any and all property tax due to taxing jurisdictions within Allen County, Indiana. I understand that any incorrect information on this application may result in a rescission of any tax abatements which I may receive.

I understand that I must file a correctly completed Compliance with Statement of Benefits Form (CF-1/Real Property for real property improvements and CF-1/PP for personal property improvements) with **BOTH** the City of Fort Wayne Community Development Division, **AND** the County Auditor in each year in which I receive a deduction. Failure to file the CF-1 form with either agency may result in a rescission of any tax abatement occurring as a result of this application.



Signature of Taxpayer/Owner

Jon Maraldo President
Printed Name and Title of Applicant

February 7, 2013
Date



STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS

State Form 51767 (R3 / 12-11)
Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

20 PAY 20

FORM SB-1 / Real Property

This statement is being completed for real property that qualifies under the following Indiana Code (check one box)
 Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
 Eligible vacant building (IC 6-1.1-12.1-4.8)

FEB 07 2013
cifu

COMMUNITY DEVL

INSTRUCTIONS

- 1 This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body BEFORE the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS (IC 6-1.1-12.1) BEFORE a deduction may be approved
- 2 Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitation.
- 3 To obtain a deduction, application Form 322 ERA/RE or Form 322 ERA/VBD. Whichever is applicable, must be filed with the County Auditor by the later of (1) May 10, or (2) thirty (30) days after the notice of addition to assessed valuation or new assessment is mailed to the property owner at the address shown on the records of the township assessor, if any, or the county assessor
- 4 Property owners whose Statement of Benefits was approved after June 30, 1991, must attach a Form CF-1/Real Property annually to the application to show compliance with the Statement of Benefits [IC 6-1.1-12.1-5.1(b) and IC 6-1.1-12.1-5.3(j)]
- 5 The schedules established under IC 6-1.1-12.1-4(d) for rehabilitated property and under IC 6-1.1-12.1-4.8(1) for vacant buildings apply to any statement of benefits approved on or after July 1, 2000, unless an alternative deduction schedule is adopted by the designating body (IC 6-1.1-12.1-17). The schedules effective prior to July 1, 2000, shall continue to apply to a statement of benefits filed before July 1, 2000.

SECTION 1

Name of taxpayer [REDACTED] TAXPAYER INFORMATION [REDACTED]
F & M Tile & Terrazzo Company, Inc.

Address of taxpayer (number and street city, state, and ZIP code)
115 Chambeau Road Fort Wayne, IN. 46805

Name of contact person Telephone number E-mail address
Jon Maraldo 260-483-5389 jon@fandmtile.com

SECTION 2

Name of designating body LOCATION AND DESCRIPTION OF PROPOSED PROJECT [REDACTED]
Fort Wayne Common Council Resolution number

Location of property County DLGF taxing district number
115 Chambeau Road Fort Wayne, IN. 46805 Allen 073 FW Washington

Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Estimated start date (month, day, year)
Building new 90x60 (5,400 SF) back building 3-1-13

Estimated completion date (month, day, year)
7-31-13

SECTION 3

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
48	1,483,778.00	48	1,483,778.00	0	0

SECTION 4

NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.

	COST	ASSESSED VALUE
Current values		
Plus estimated values of proposed project	84,700.00	84,700.00
Less values of any property being replaced	230,000.00	230,000.00
Net estimated values upon completion of project	314,700.00	314,700.00

SECTION 5

Estimated solid waste converted (pounds) Estimated hazardous waste converted (pounds)

Other benefits

SECTION 6

(hereby) certify that the representations in this statement are true.

Signature of authorized representative Title Date signed (month, day year)
Jon Maraldo President February 7, 2013

We have reviewed our prior actions relating to the designation of this Economic Revitalization Area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1, provides for the following limitations:

- A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is December 31, 2016.
- B. The type of deduction that is allowed in the designated area is limited to:
 - 1. Redevelopment or rehabilitation of real estate improvements Yes No
 - 2. Residentially distressed areas Yes No
 - 3. Occupancy of a vacant building Yes No
- C. The amount of the deduction applicable is limited to \$ unlimited.
- D. Other limitations or conditions (specify) NF
- E. The deduction is allowed for ten years* (see below).
- F. Did the designating body adopt an alternative deduction schedule per IC 6-1.1-12.1-17? Yes No
If yes, attach a copy of the alternative deduction schedule to this form.

We have also reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved (signature and title of authorized member of designating body)

Telephone number

Date signed (month, day, year)

Attested by (signature and title of attester)

(260) 427-1221

2-26-13

Designated body

Common Council

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.12-12.1-4.

- A. For residentially distressed areas, the deduction period may not exceed five (5) years.
- B. For redevelopment and rehabilitation or real estate improvements:
 - 1. If the Economic Revitalization Area was designated prior to July 1, 2000, the deduction period is limited to three (3), six (6), or ten (10) years.
 - 2. If the Economic Revitalization Area was designated after June 20, 2000, the deduction period may not exceed ten (10) years.
- C. For vacant buildings, the deduction period may not exceed two (2) years.



STATEMENT OF BENEFITS
PERSONAL PROPERTY

State Form 51764 (R2 / 12-11)
Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

FORM SB-1 / PP

FEB 08 2013

COMMUNITY DEVL
PRIVACY NOTICE

The cost and any specific individual salary information is confidential, the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

INSTRUCTIONS

- 1 This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing...
2 Approval of the designating body (City Council, Town Board, County Council, etc) must be obtained prior to installation...
3 To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return...
4 Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually...
5 The schedules established under IC 6-1.1-12 1-4.5(d) and (e) apply to equipment installed after March 1, 2001...

SECTION 1

Name of taxpayer: F & M Tile & Terrazzo Company, Inc.
Address of taxpayer: 115 Chambeau Road Fort Wayne, IN. 46805
Name of contact person: Jon Maraldo

Telephone number: 260-483-6389

SECTION 2

Name of designating body: Fort Wayne Common Council
Location of property: 115 Chambeau Road Fort Wayne, IN. 46805
County: Allen

Resolution number (s):
DLGF taxing district number: 730 FW Washington

Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment.

ESTIMATED
START DATE COMPLETION DATE

Edge Cutter, CNC Fabrication Center

Manufacturing Equipment

8-1-13 8-30-13

R & D Equipment

Logist Dist Equipment

IT Equipment

SECTION 3

Table with 6 columns: Current number, Salaries, Number retained, Salaries, Number additional, Salaries. Values: 48, 1,483,778.00, 48, 1,483,778.00, 0, 0.

SECTION 4

NOTE: Pursuant to IC 6-1.1-12.1-5 1 (d) (2) the COST of the property is confidential.

Table with 8 columns: MANUFACTURING EQUIPMENT, R & D EQUIPMENT, LOGIST DIST EQUIPMENT, IT EQUIPMENT, COST, ASSESSED VALUE.

Current values
Plus estimated values of proposed project 440,000 440,000
Less values of any property being replaced
Net estimated values upon completion of project 440,000 440,000

SECTION 5

Estimated solid waste converted (pounds)
Estimated hazardous waste converted (pounds)

SECTION 6

I hereby certify that the representations in this statement are true.

Signature of authorized representative

Title

Jon Maraldo

President

Date signed (month day, year)

February 7, 2013

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed calendar years * (see below). The date this designation expires is December 31, 2016.

- B. The type of deduction that is allowed in the designated area is limited to:
- 1. Installation of new manufacturing equipment; Yes No
 - 2. Installation of new research and development equipment; Yes No
 - 3. Installation of new logistical distribution equipment. Yes No
 - 4. Installation of new information technology equipment; Yes No

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ unlimited cost with an assessed value of \$ unlimited.

D. The amount of deduction applicable to new research and development equipment is limited to \$ N/A cost with an assessed value of \$ N/A.

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ N/A cost with an assessed value of \$ N/A.

F. The amount of deduction applicable to new information technology equipment is limited to \$ N/A cost with an assessed value of \$ N/A.

G. Other limitations or conditions (specify) N/A

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction on or after July 1, 2000, is allowed for:

- 1 year
- 2 years
- 3 years
- 4 years
- 5 years **
- 6 years
- 7 years
- 8 years
- 9 years
- 10 years **

** For ERA's established prior to July 1, 2000, only a 5 or 10 year schedule may be deducted.

I. Did the designating body adopt an alternative deduction schedule per IC 6-1.1-12.1-17? Yes No
If yes, attach a copy of the alternative deduction schedule to this form.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved, (signature and title of authorized official)

Telephone number (260) 427-1221 Date signed (month, day, year) 2-26-13

Attested by: [Signature]

Designated body Common Council

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5

Exhibit A

5-26-2-147
CHAMBEAU PLACE
LOT 3

Admn. Appr.

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **F&M Tile & Terrazzo Company, Inc. is requesting the designation of an Economic Revitalization Area for both real and personal property improvements in the amount of \$670,000. In order to expand, F&M Tile & Terrazzo Company, Inc. will remodel one building and rebuild a second building. They will also purchase and install new manufacturing equipment.**

EFFECT OF PASSAGE: **Completing the real and personal property improvements will allow F&M Tile & Terrazzo Company, Inc. to expand to new markets as well as to their current customer base. Forty-eight full-time jobs will be retained.**

EFFECT OF NON-PASSAGE: **Potential loss of development**

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

ASSIGNED TO COMMITTEE (PRESIDENT): **John Crawford and Tom Smith**

MEMORANDUM



TO: City Council
FROM: Adam Welch, Economic Development Specialist
DATE: February 12, 2013
RE: Request for designation by F&M Tile & Terrazzo Company, Inc. as an ERA for real and personal property improvements

BACKGROUND

PROJECT ADDRESS: **115 Chambeau Road** PROJECT LOCATED WITHIN: **N/A**
 PROJECT COST: **\$ 670,000** COUNCILMANIC DISTRICT: **3**

COMPANY PRODUCT OR SERVICE: **F&M Tile & Terrazzo Company, Inc. is a supplier and installer of tile, terrazzo, and a wide variety of stone surfaces, serving residential and commercial customers throughout Fort Wayne, Indiana, Ohio, and Michigan.**

PROJECT DESCRIPTION: **F&M Tile and Terrazzo Company, Inc. will remodel one of their buildings while tearing down and rebuilding the other structure. The new building will be a 90x60 (5,400 square foot) fabrication facility. They will also purchase and install new manufacturing equipment.**

CREATED

JOBS CREATED (FULL-TIME):
 JOBS CREATED (PART-TIME)
 TOTAL NEW PAYROLL:
 AVERAGE SALARY (FULL-TIME NEW):

RETAINED

N/A JOBS RETAINED (FULL-TIME): **48**
N/A JOBS RETAINED (PART-TIME) **N/A**
N/A TOTAL RETAINED PAYROLL: **\$1,483,778**
N/A AVERAGE SALARY (FULL-TIME RETAINED) **\$30,912**

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 CM2; Limited Retail & Commercial

Yes No N/A

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

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?

- 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?
- Yes No N/A Average wage of all full-time jobs to be created is at least 150% of current Federal minimum wage.
- 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 205% 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.

POLICY

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.

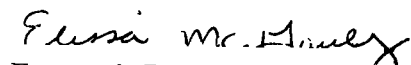
Under Fort Wayne Common Council's tax abatement policies and procedures, F&M Tile & Terrazzo Company, Inc. is eligible for ten year deductions on real and personal property improvements. Attached is a spreadsheet that shows how the application scored under the review system. Also attached is an estimate of the taxes saved and paid over the length of the ten year deduction schedule.

COMMENTS

Signed:


Economic Development Specialist

Reviewed:


Economic Development Specialist

COMMUNITY DEVELOPMENT DIVISION

Real Property Abatements

Tax Abatement Review System

	Points Possible	Points Awarded
Total new investment in real property (new structures and/or rehabilitation)		
Over \$1,000,000	10	
\$500,000 to \$999,999	8	
\$100,000 to \$499,999	6	6
Under \$100,000	4	
Total number of jobs created and/or retained		
Over 150	10	
75 to 149	8	
25 to 74	6	6
10 to 24	4	
Under 10	2	
Current # of employees increases 50-99%	6	
Current # of employees increases 100% or more	8	
Average annual salary of full-time jobs created and/or retained are % of the Federal Minimum Wage		
Greater than 300% of the Federal Minimum Wage	10	
201% to 300% of the Federal Minimum Wage	7	7
151% to 200% of the Federal Minimum Wage	3	
150% of the Federal Minimum Wage	1	
Health insurance provided by the company	5	5
Project involves reinvestment at current location of a business	10	10
Project involves new or startup business	5	
Construction uses green building techniques (ie LEED Certification)	5	
Construction uses techniques to minimize impact on Combined Sewer Overflows (CSOs)	2	
Project is located in a HUBzone	10	
	Total	34

- 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

* If Average annual salary of the full-time jobs created by listed occupation is 10% or greater than the average salary for Allen County using current occupational employment statistics, then the applicant is eligible for an alternate deduction schedule.

10 Year	
Year 1	100%
Year 2	100%
Year 3	100%
Year 4	100%
Year 5	100%
Year 6	90%
Year 7	80%
Year 8	65%
Year 9	50%
Year 10	40%
7 Year	
Year 1	100%
Year 2	100%
Year 3	100%
Year 4	100%
Year 5	100%
Year 6	71%
Year 7	43%

Personal Property Abatements

Tax Abatement Review System

	Points Possible	Points Awarded
Total new investment in equipment		
Over \$5,000,000	10	
\$1,000,000 to \$4,999,999	8	
\$500,000 to \$999,999	6	
\$0 to \$499,999	4	4
Total number of jobs created and/or retained		
Over 150	10	
75 to 149	8	
25 to 74	6	6
10 to 24	4	
Under 10	2	
Current # of employees increases 50-99%	6	
Current # of employees increases 100% or more	8	
Average annual salary of full-time jobs created and/or retained are % of the Federal Minimum Wage *		
Greater than 300% of the Federal Minimum Wage	10	
201% to 300% of the Federal Minimum Wage	7	7
151% to 200% of the Federal Minimum Wage	3	
150% of the Federal Minimum Wage	1	
Health insurance provided by the company	5	5
Project involves reinvestment at current location of a business	10	10
Project involves new or startup business	5	
Construction uses green building techniques (ie LEED Certification)	5	
Construction uses techniques to minimize impact on Combined Sewer Overflows (CSOs)	2	
Project is located in a HUBzone	10	
Total		32

- 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

* If Average annual salary of the full-time jobs created by listed occupation is 10% or greater than the average salary for Allen County using current occupational employment statistics, then the applicant is eligible for an alternate deduction schedule.

10 Year	
Year 1	100%
Year 2	100%
Year 3	100%
Year 4	100%
Year 5	100%
Year 6	90%
Year 7	80%
Year 8	65%
Year 9	50%
Year 10	40%
7 Year	
Year 1	100%
Year 2	100%
Year 3	100%
Year 4	100%
Year 5	100%
Year 6	71%
Year 7	43%

**POOL #2 FORT WAYNE COMMUNITY DEVELOPMENT DIVISION
TAX ABATEMENT - ESTIMATE OF SAVINGS**

*New tax abatement percentages have been changed to reflect change in state law

PERSONAL PROPERTY TAX ABATEMENT - 10 yr Schedule

Year	True Cash Value	"Pool 2" True Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable A V	Tax Rate	Tax Paid	Tax Saved
1	\$440,000	\$176,000	\$176,000	100%	0%	\$176,000	\$0	0.030261	\$0	\$5,326
2	\$440,000	\$246,400	\$246,400	90%	10%	\$221,760	\$24,640	0.030261	\$746	\$6,711
3	\$440,000	\$184,800	\$184,800	80%	20%	\$147,840	\$36,960	0.030261	\$1,118	\$4,474
4	\$440,000	\$140,800	\$140,800	70%	30%	\$98,560	\$42,240	0.030261	\$1,278	\$2,983
5	\$440,000	\$132,000	\$132,000	60%	40%	\$79,200	\$52,800	0.030261	\$1,598	\$2,397
6	\$440,000	\$132,000	\$132,000	50%	50%	\$66,000	\$66,000	0.030261	\$1,997	\$1,997
7	\$440,000	\$132,000	\$132,000	40%	60%	\$52,800	\$79,200	0.030261	\$2,397	\$1,598
8	\$440,000	\$132,000	\$132,000	30%	70%	\$39,600	\$82,400	0.030261	\$2,796	\$1,198
9	\$440,000	\$132,000	\$132,000	20%	80%	\$26,400	\$105,600	0.030261	\$3,196	\$799
10	\$440,000	\$132,000	\$132,000	10%	90%	\$13,200	\$118,800	0.030261	\$3,595	\$399
11	\$440,000	\$132,000	\$132,000	0%	100%	\$0	\$132,000	0.030261	\$3,994	\$0

TOTAL TAX SAVED (10 yrs on 10 yr deduction) **\$27,881**
TOTAL TAX PAID (10 yrs on 10 yr deduction) **\$18,721**

NOTE: Above calculations assume a constant tax rate over the abatement period. Time value of money is not considered.

REAL PROPERTY TAX ABATEMENT - 10 yr Schedule

Year	Cash Value	True Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable AV	Tax Rate	Tax Paid	Tax Saved
1	\$230,000	\$230,000	\$230,000	100%	0%	\$230,000	\$0	0.030261	\$0	\$6,960
2	\$230,000	\$230,000	\$230,000	95%	5%	\$218,500	\$11,500	0.030261	\$348	\$6,612
3	\$230,000	\$230,000	\$230,000	80%	20%	\$184,000	\$46,000	0.030261	\$1,392	\$5,568
4	\$230,000	\$230,000	\$230,000	65%	35%	\$149,500	\$80,500	0.030261	\$2,436	\$4,524
5	\$230,000	\$230,000	\$230,000	50%	50%	\$115,000	\$115,000	0.030261	\$3,480	\$3,480
6	\$230,000	\$230,000	\$230,000	40%	60%	\$92,000	\$138,000	0.030261	\$4,176	\$2,784
7	\$230,000	\$230,000	\$230,000	30%	70%	\$69,000	\$161,000	0.030261	\$4,872	\$2,088
8	\$230,000	\$230,000	\$230,000	20%	80%	\$46,000	\$184,000	0.030261	\$5,568	\$1,392
9	\$230,000	\$230,000	\$230,000	10%	90%	\$23,000	\$207,000	0.030261	\$6,264	\$696
10	\$230,000	\$230,000	\$230,000	5%	95%	\$11,500	\$218,500	0.030261	\$6,612	\$348
11	\$230,000	\$230,000	\$230,000	0%	100%	\$0	\$230,000	0.030261	\$6,960	\$0

TOTAL TAX SAVED REAL PROPERTY (10 yrs on 10 yr deduction) **\$34,452**
TOTAL TAX PAID REAL PROPERTY (10 yrs) (10 yrs on 10 yr deduction) **\$35,148**
TOTAL TAX SAVED MACHINERY & BUILDING (10 yrs on 10 yr deduction) **\$62,333**
TOTAL TAX PAID MACHINERY & BUILDING (10 yrs on 10 yr deduction) **\$53,869**

NOTE: Above calculations assume a constant tax rate over the abatement period. Time value of money is not considered.

Public Hearing Date, if applicable

Read the first time in full and on motion by Councilman *John Crawford*
Read the second time by title and referred to the *Finance Committee*
Committee. Read the third time in full and on motion by Councilman
Crawford, placed on passage by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT
TOTAL VOTES	9			
BENDER	✓			
CRAWFORD	✓			
DIDIER	✓			
HARPER	✓			
HINES	✓			
JEHL	✓			
PADDOCK	✓			
SHOAF	✓			
SMITH	✓			

DATED:

2-26-13

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-22-13* on the *27th* day of
February, 2013

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

T. Hines Didier
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the *27th* day
of *February*, 2013, at the hour of *2* o'clock *P.M.* .E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this *1st* day of *MARCH*
2013, at the hour of *2:00* o'clock *P.M.* .E.S.T.

Thomas C. Henry
THOMAS C. HENRY, MAYOR

