

4 **A DECLARATORY RESOLUTION designating an**  
5 **"Economic Revitalization Area" under I.C. 6-1.1-12.1 for**  
6 **property commonly known as 9403 Avionics Drive, Fort**  
7 **Wayne, Indiana 46809 (Vita Nonwovens)**

8 **WHEREAS**, Petitioner has duly filed its petition dated April 15, 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 create nine full-time and eight part-time, permanent jobs  
15 for a total new, annual payroll of \$593,740, with the average new annual job salary being  
16 \$34,926 and retain thirty full-time and eighteen part-time, permanent jobs for a total current  
17 annual payroll of \$1,467,520, with the average current, annual job salary being \$30,573; and

18 **WHEREAS**, the total estimated project cost is \$960,000, and

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

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

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

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

30 Said Resolution shall be filed with the Allen County Assessor;

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";

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;

1                   **SECTION 3.** That, said designation of the hereinabove described property as an  
2 "Economic Revitalization Area" shall apply to a deduction of the assessed value of real  
3 estate.

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

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

11                   If the proposed development does not occur, the approximate current year tax  
12 rates for this site would be \$3.1850/\$100.

13                   If the proposed development does occur and no deduction is granted, the  
14 approximate current year tax rate for the site would be \$3.1850/\$100 (the  
15 change would be negligible).

16                   If the proposed development occurs and a deduction percentage of fifty percent  
17 (50%) is assumed, the approximate current year tax rate for the site would be  
18 \$3.1850/\$100 (the change would be negligible).

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

22                   **SECTION 7.** That, pursuant to I.C. 6-1.1-12.1, it is hereby determined that the  
23 deduction from the assessed value of the real property shall be for a period of seven years.


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

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

29                   **SECTION 10.** That, pursuant to I.C. 6-1.1-12.1-12 et al, any property owner that  
30 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.

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**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

CITY OF FORT WAYNE

12/2011



APR 15 2013 *api*

COMMUNITY DEVL.  
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:
- Total cost of manufacturing equipment improvements:
- 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:

GENERAL INFORMATION

Real property taxpayer's name: HBC Realty Corp.  
 Personal property taxpayer's name: Vita Nonwovens  
 Telephone number: 336-431-7187  
 Address listed on tax bill: 510 W. Washington Blvd.  
 Name of company to be designated, if applicable: Vita Nonwovens  
 Year company was established: 2003  
 Address of property to be designated: 9403 Avionics Drive  
 Real estate property identification number: 02-17-05-253-002.000-071  
 Contact person name: Guy A Woodward  
 Contact person telephone number: 260-747-0990      Contact person Email: gwoodward@vitanonwovens.com  
 Contact person address: 9403 Avionics Drive, Fort Wayne Indiana 46809  
 List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Jason Johnson	Exe. VP Operations	9403 Avionics Dr. Fort Wayne IN	336-688-5020 cell
Guy Woodward	Operations Manager	2215 Shore St. High Point NC	336-431-7187 304

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

NAME	PERCENTAGE
Jason Johnson	33.3%
Kevin Womble	33.3%
Cliff Lynch	33.4%

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 Do you plan to request state or local assistance to finance public improvements?

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 Does the company's business include a retail component? If yes, answer the following questions:

What percentage of floor space will be utilized for retail activities?

What percentage of sales is made to the ultimate customer?

What percentage of sales will be from service calls?

What is the percentage of clients/customers served that are located outside of Allen County? 100%

What is the company's primary North American Industrial Classification Code (NAICs)? 313230

Describe the nature of the company's business, product, and/or service:

Vita specializes in engineered applications utilizing nonwoven thermal bonded and mechanically entangle technologies. Vita is at the forefront of quality aspects like: web density, thickness accuracy, blending and insulation.

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2012	\$ 20,335,400.00
2011	\$ 18,874,100
2010	\$ 13,850,700

List the company's three largest customers, their locations and amount of annual gross sales:

<b>Customer Name</b>	<b>City/State</b>	<b>Annual Gross Sales</b>
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List the company's three largest material suppliers, their locations and amount of annual purchases:

<b>Supplier Name</b>	<b>City/State</b>	<b>Annual Gross Purchases</b>
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List the company's top three competitors:

<b>Competitor Name</b>	<b>City/State</b>
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Describe the product or service to be produced or offered at the project site:

Vita specializes in engineered applications utilizing nonwoven thermal bonded and mechanically entangle technologies. Vita is at the forefront of quality aspects like: web density, thickness accuracy, blending and insulation.

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?

The area is within the corporate limits of the City of Fort Wayne and where the obsolescence may lead to a decline in employment and tax revenues.

## 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: 105,728 sf manufacturing, warehousing and office space

Describe the condition of the structure(s) listed above: Good condition. Mild wear and tear. Annual service/inspections occur as routine maintenance.

Describe the improvements to be made to the property to be designated for tax abatement purposes: Adding 19,200 sf of manufacturing and warehousing space. The addition will be of similar construction, as well as 6 new loading docks and receiving space.

Projected construction start (month/year): 03/01/2013

Projected construction completion (month/year): 06/15/2013

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)

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):

Equipment installation date (month/year):

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

## **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](http://www.bls.gov/oes/current/oes_23060.htm)

#### **Current Full-Time Employment**

Occupation	Occupation Code	Number of Jobs	Total Payroll
Plant Manager	11-1021	1	108,500
Maintenance	49-9043	3	119,400
Process Engr.	17-2199	3	216,300
Direct Labor	51-9111	22	546,040
Admin	43-0000	1	30,520

#### **Retained Full-Time Employment**

Occupation	Occupation Code	Number of Jobs	Total Payroll
Plant Manger	11-1021	1	108,500
Maintenance	49-9043	3	119,400
Process Engr.	17-2199	3	216,300
Direct Labor	51-9111	22	546,040
Admin	43-0000	1	30,520

#### **Additional Full-Time Employment**

Occupation	Occupation Code	Number of Jobs	Total Payroll
Plant Manager	11-1021	0	0
Maintenance	49-9043	2	79,600
Process Engr	17-2199	3	216,300
Direct Labor	51-9111	4	99,280
Admin	43-0000	0	0

## PUBLIC BENEFIT INFORMATION

### Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
Direct Labor	51-9111	18	446,760

### Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
Direct Labor	51-9111	18	446,760

### Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
Direct Labor	51-9111	8	198,560

Check the boxes below if the existing jobs and the jobs to be created will provide the listed benefits:

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

List any benefits not mentioned above:

When will you reach the levels of employment shown above? (month/year): 8/1/2013

## 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

Randall L. Horstman, Assistant Secretary  
Printed Name and Title of Applicant

2/28/2013

Date



STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS

State Form 51767 (R4 / 2-13)
Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

20 PAY 20

FORM SB-1 / Real Property

APR 5 2013

COMMUNITY DEVL.
PRIVACY NOTICE

The cost and any specific individual's salary information is confidential, the balance of the filing is public record per IC 6-1 1-12 1-5 1(c) and (d)

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)
Residentially distressed area (IC 6-1 1-12 1-4 1)

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.
2 Approval of the designating body (City Council, Town Board, County Council, etc ) must be obtained prior to initiation of the redevelopment or rehabilitation, BEFORE a deduction may be approved
3 To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner
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
5 The schedules established under IC 6-1.1-12.1-4(d) for rehabilitated property apply to any economic revitalization areas designated after June 30, 2000, unless an alternative deduction schedule is adopted by the designating body

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer: HBC Realty Corporation
Address of taxpayer: 510 W. Washington Blvd
Telephone number and E-mail address fields are present but empty.

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body: Fort Wayne City Council
Location of property: 9403 Avioncis Drive
County: Allen
DLGF taxing district number: 02071
Description of improvements: Expansion of the current 105,728 sf manufacturing, warehousing and office space by adding 19,200 sf of manufacturing and warehousing space.
Estimated start date: 04/08/2013
Estimated completion date: 07/01/2013

SECTION 3 ESTIMATE OF EMPLOYMENT AND SALARIES

Table with 6 columns: Current number, Salaries, Number retained, Salaries, Number additional, Salaries. Values include 48.00, \$1,467,520.00, 48.00, \$1,467,520.00, 17.00, \$593,740.00.

SECTION 4 ESTIMATE OF TOTAL COST AND VALUE OF PROPOSED PROJECT

Table with 2 columns: REAL ESTATE IMPROVEMENTS COST, ASSESSED VALUE. Values include 960,000.00.

SECTION 5 WASTE CONVERSION AND OTHER BENEFITS FROM SOURCE SEPARATION

Estimated solid waste converted (pounds) and Estimated hazardous waste converted (pounds) fields are present but empty.

Other benefits field is present but empty.

SECTION 6 TAXPAYER CERTIFICATION

I hereby certify that the representations in this statement are true
Signature of authorized representative: [Handwritten Signature]
Title: Assistant Secretary
Date signed: 04/04/2013

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 <sup>42</sup> December 31, 2016 calendar years \* (see below). The date this designation expires is
- 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) N/A
- E. The deduction is allowed for seven 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  
(260) 427-1221

Date signed (month, day, year)  
May 14, 2013

Attested by (signature and title of attester)  
[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 6-1.12-12.1-4.

- 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.



EXHIBIT A

AIRPORT BUSINESS CENTER SEC I BLOCK 4

Admn. Appr.

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Vita Nonwovens is requesting the designation of an Economic Revitalization Area for real property improvements in the amount of \$960,000. In order to expand, Vita Nonwovens will add 19,200 square feet of manufacturing and warehousing space.**

EFFECT OF PASSAGE: **Constructing the additional manufacturing and warehousing space will allow Vita Nonwovens to stay competitive in the market and ensure future growth for the company. Nine full-time jobs will be created.**

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

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:** April 24, 2013  
**Re:** Request for designation by Vita Nonwovens as an ERA for real property improvements

## BACKGROUND

PROJECT ADDRESS: **9403 Avionics Drive** PROJECT LOCATED WITHIN: **N/A**  
 PROJECT COST: **\$960,000** COUNCILMANIC DISTRICT: **4**  
 COMPANY PRODUCT OR SERVICE: **Vita Nonwovens is a manufacturer of non-woven fiber used in the automotive, filtration, medical, and mattress industries**  
 PROJECT DESCRIPTION: **Vita Nonwovens will add 19,200 square feet of manufacturing and warehousing space.**

<b>CREATED</b>		<b>RETAINED</b>	
JOBS CREATED (FULL-TIME):	<b>9</b>	JOBS RETAINED (FULL-TIME):	<b>30</b>
JOBS CREATED (PART-TIME)	<b>8</b>	JOBS RETAINED (PART-TIME)	<b>18</b>
TOTAL NEW PAYROLL:	<b>\$ 593,740</b>	TOTAL RETAINED PAYROLL:	<b>\$1,467,520</b>
AVERAGE SALARY (FULL-TIME NEW):	<b>\$ 43,909</b>	AVERAGE SALARY (FULL-TIME RETAINED)	<b>\$34,025</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 IN2; General Industrial**

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 

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 seven years.

Under Fort Wayne Common Council's tax abatement policies and procedures, Vita Nonwovens is eligible for a seven year deduction on real 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 seven year deduction schedule.

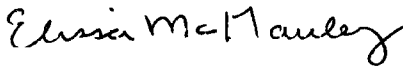
After reviewing the City's Procedures and Policies on Economic Revitalization Areas (ERA) which are provided with each ERA Application Vita Nonwovens informed City staff that prior to their application submission, they filed for an Improvement Location Permit. To allow an economic revitalization area designation after the initiation of development, Indiana Code 6-1.1-12.1-11.3 permits for an adoption of a resolution to waive non-compliance due to a failure to file a statement of benefits (SB-1) form prior to the initiation of development. The confirming resolution for this project contains language to waive non-compliance that will allow for the final approval of an economic revitalization area designation on this property for tax abatement. A letter from Randall Horstman of HBC Realty Corporation is attached explaining their request for a waiver of non-compliance.

## COMMENTS

Signed:

  
Economic Development Specialist

Reviewed:

  
Economic Development Specialist

**HBC REALTY CORPORATION**  
P. O. Box 10690  
FORT WAYNE, IN 46853-0690

April 15, 2013

Fort Wayne Common Council and  
Allen County Council  
Citizens Square 200 East Berry Street, Suite 320  
Fort Wayne, IN 46802

Re: Vita Nonwovens  
9403 Avionics Drive  
Fort Wayne, IN

Gentlemen:

HBC Realty Corporation, owner of the subject building, is requesting a waiver of noncompliance for the expansion underway at the subject building.

This request is made due to the unfamiliarity, by all parties involved in this matter, of the procedures now in place to apply for Property Tax Abatement (now called property tax phase-in). Vita Nonwovens completed the forms at our direction, but between completing and submitting the forms, the forms were revised and when submitted, rejected. The new forms are complete and attached.

Please contact me with any questions.

Cordially yours,

**HBC REALTY CORPORATION**



Randall L. Horstman

RLL/skc  
Enclosures

# Real Property Abatements

Tax Abatement Review System

	Points Possible	Points Awarded
<b>INVESTMENT (20 points possible)</b>		
<b>Total new investment in real property (new structures and/or rehabilitation)</b>		
Over \$1,000,000	10	
\$500,000 to \$999,999	8	8
\$100,000 to \$499,999	6	
Under \$100,000	4	
<b>Investment per employee (both jobs created and retained)</b>		
\$35,000 or more	10	
\$18,500 to \$34,999	8	
\$6,250 to \$18,499	6	6
\$1,250 to \$6,249	4	
less than \$1,250	2	
<b>Estimated local income taxes generated from jobs retained</b>		
\$80,000 or more	5	
\$30,000 to \$79,999	4	
\$10,000 to \$29,999	3	3
\$5,000 to \$9,999	2	
less than \$5,000	1	
<b>Estimated local income taxes generated from jobs created (Double points for start-up)</b>		
\$30,000 or more	5	
\$10,000 to \$29,999	4	
\$5,000 to \$9,999	3	3
\$3,000 to \$4,999	2	
less than \$3,000	1	
<b>ECONOMIC BASE (20 points possible)</b>		
<b>Location Quotient in designated Occupation Code (use majority Occupation Code of all created and retained jobs)</b>		
Greater than 1.0	5	5
<b>Estimated Percent of Business done outside Allen County</b>		
Greater than 75%	15	15
50% to 74%	10	
25% to 49%	5	
<b>JOBS (20 points possible)</b>		
<b>Total number of permanent jobs retained</b>		
Over 250	10	
100 to 249	8	
50 to 99	6	
25 to 49	4	4
10 to 24	2	
1 to 9	1	
<b>Total number of permanent jobs created (Double for start-up)</b>		
Over 100	10	
50-99	8	
25-49	6	
10-24	4	4
1 to 9	2	
<b>WAGES (20 points possible)</b>		
<b>Median salary of the full time jobs created and/or retained</b>		
Over \$45,000	20	
\$40,000 to \$44,999	16	
\$35,000 to \$39,999	12	
\$30,000 to \$34,999	8	
\$25,000 to \$29,999	4	
under \$25,000	0	0

**BENEFITS (10 points possible)**

Major Medical Plan	7	7
Pension, Tuition Reimbursement, Life Insurance, Dental Insurance,		
Disability Insurance,	3	3

**SUSTAINABILITY**

Construction uses green building techniques (ie LEED Certification)	5	
Construction uses techniques to minimize impact on Combined Sewer Overflows (CSOs)	5	5
<b>Total</b>		<b>63</b>

**Length of Abatement**

- 20 to 39 points - 3 year abatement**
- 40 to 59 points - 5 year abatement**
- 60 to 79 points - 7 year abatement**
- 80 to 100 points - 10 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 95%
- Year 3 80%
- Year 4 65%
- Year 5 50%
- Year 6 40%
- Year 7 30%
- Year 8 20%
- Year 9 10%
- Year 10 5%
- Year 11 0%

**7 year**

- Year 1 100%
- Year 2 85%
- Year 3 71%
- Year 4 57%
- Year 5 43%
- Year 6 29%
- Year 7 14%
- Year 8 0%

**5 year**

- Year 1 100%
- Year 2 80%
- Year 3 60%
- Year 4 40%
- Year 5 20%
- Year 6 0%

**3 year**

- Year 1 100%
- Year 2 66%
- Year 3 33%
- Year 4 0%

**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

#### REAL PROPERTY TAX ABATEMENT - 7 yr Schedule

Year	Cash Value	rue Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable AV	Tax Rate	Tax Paid	Tax Saved
1	\$960,000	\$960,000	\$960,000	100%	0%	\$960,000	\$0	0.031850	\$0	\$30,576
2	\$960,000	\$960,000	\$960,000	85%	5%	\$816,000	\$48,000	0.031850	\$1,529	\$25,990
3	\$960,000	\$960,000	\$960,000	71%	20%	\$681,600	\$192,000	0.031850	\$6,115	\$21,709
4	\$960,000	\$960,000	\$960,000	57%	35%	\$547,200	\$336,000	0.031850	\$10,702	\$17,428
5	\$960,000	\$960,000	\$960,000	43%	50%	\$412,800	\$480,000	0.031850	\$15,288	\$13,148
6	\$960,000	\$960,000	\$960,000	29%	100%	\$278,400	\$960,000	0.031850	\$30,576	\$8,867
7	\$960,000	\$960,000	\$960,000	14%	100%	\$134,400	\$960,000	0.031850	\$30,576	\$4,281
8	\$960,000	\$960,000	\$960,000	0%	100%	\$0	\$960,000	0.031850	\$30,576	\$0
9	\$960,000	\$960,000	\$960,000	0%	100%	\$0	\$960,000	0.031850	\$30,576	\$0
10	\$960,000	\$960,000	\$960,000	0%	100%	\$0	\$960,000	0.031850	\$30,576	\$0
11	\$960,000	\$960,000	\$960,000	0%	100%	\$0	\$960,000	0.031850	\$30,576	\$0
TOTAL TAX SAVED REAL PROPERTY										<b>\$121,998</b>
TOTAL TAX PAID REAL PROPERTY										<b>\$186,514</b>

(10 yrs on 7 yr deduction)  
(10 yrs on 7 yr deduction)

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  
, placed on passage by the following vote:

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

DATED: *May 14, 2013* *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) ~~OR FINANCE~~  
(RESOLUTION) NO. *R-45-13* on the *14<sup>th</sup>* day of  
*May*, 2013

*Sandra E. Kennedy*  
SANDRA E. KENNEDY,  
CITY CLERK

*T. Thomas Didier*  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the *20<sup>th</sup>* day  
of *MAY*, 2013, at the hour of *1:00* o'clock *PM* . E.S.T.

*Sandra E. Kennedy*  
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this *20<sup>th</sup>* day of *MAY*  
2013, at the hour of *2:00* o'clock *PM* . E.S.T.

*Thomas C. Henry*  
THOMAS C. HENRY, MAYOR

BILL NO R-13-05-01

# REPORT OF THE COMMITTEE ON FINANCE

## MAY 14, 2013

JOHN CRAWFORD – CHAIR  
TOM SMITH – CO-CHAIR  
ALL COUNCIL MEMBERS

*Cy was A. was led. didn't vote*

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS REFERRED A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property ~~column~~ only known as 9403 Avionics Drive, Fort Wayne, Indiana 46809 (Vita Nonwovens) COMMITTEE OF FINANCE HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE

DO PASS

DO NOT PASS

ABSTAIN

NO REC

*John Crawford*  
*Tom Smith*  
*James H. Reder*  
*Martin D. B...*  
*...*  
*...*

SANDRA E. KENNEDY  
CITY CLERK