

4 **A DECLARATORY RESOLUTION designating an**  
5 **"Economic Revitalization Area" under I.C. 6-1.1-12.1 for**  
6 **property commonly known as 7504 Aboite Center Road,**  
7 **7518 Aboite Center Road, 4127 Rosewood Drive, 4113**  
8 **Rosewood Drive, 7005 Oriole Circle, 6291 Oriole Circle,**  
9 **and 6911 Oriole Circle, Fort Wayne, Indiana 46804**  
10 **(Long Term Care Investments III, LLC)**

11 **WHEREAS,** Petitioner has duly filed its petition dated July 17, 2013 to have the  
12 following described property designated and declared an "Economic Revitalization Area"  
13 under Sections 153 13-153 24 of the Municipal Code of the City of Fort Wayne, Indiana, and  
14 I C 6-1 1-12 1, to wit

15 Attached hereto as "Exhibit A" as if a part herein,  
16 and

17 **WHEREAS,** said project will create 61 full-time and 34 part-time, permanent jobs for  
18 a total new, annual payroll of \$2,933,450, with the average new annual job salary being  
19 \$30,878; and

20 **WHEREAS,** the total estimated project cost is \$15,000,000, and

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

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

25 **SECTION 1.** That, subject to the requirements of Section 6, below, the  
26 property hereinabove described is hereby designated and declared an "Economic  
27 Revitalization Area" under I C 6-1 1-12 1 Said designation shall begin upon the effective  
28 date of the Confirming Resolution referred to in Section 6 of this Resolution and shall  
29 terminate on December 31, 2016, unless otherwise automatically extended in five year  
30 increments per I C 6-1.1-12 1-9

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

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 2288/\$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 2288/\$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 2288/\$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.** The deduction schedule from the assessed value of the real  
25 property pursuant to I C 6-1 1-12 1-17 shall look like this

Year of Deduction	Percentage
1	100%
2	85%
3	71%
4	57%
5	43%
6	29%
7	14%

1                   **SECTION 9.** That, the benefits described in the Petitioner's Statement of Benefits  
2 can be reasonably expected to result from the project and are sufficient to justify the  
3 applicable deductions

4                   **SECTION 10.** That, the taxpayer is non-delinquent on any and all property tax due  
5 to jurisdictions within Allen County, Indiana

6                   **SECTION 11.** That, pursuant to I C 6-1.1-12 1-12 et al, any property owner that  
7 has received a deduction under section 3 or 4 5 of this chapter may be required to repay the  
8 deduction amount as determined by the county auditor in accordance with section 12 of said  
9 chapter if the property owner ceases operations at the facility for which the deduction was  
10 granted and if the Common Council finds that the property owner obtained the deduction by  
11 intentionally providing false information concerning the property owner's plans to continue  
12 operation at the facility

13                   **SECTION 12.** That, this Resolution shall be in full force and effect from and after  
14 its passage and any and all necessary approval by the Mayor

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Member of Council

APPROVED AS TO FORM AND LEGALITY

  
Carol Helton, City Attorney



STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS

State Form 51767 (R4/12-13)
Prescribed by the Department of Local Government Finance

CITY OF F I WAYNE

20 PAY 20

JUL 17 2013

FORM SB-1 / Real Property

PRIVACY NOTICE

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1-12-1-5.1(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...
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, 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...
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

Name of taxpayer

Currently, Ridgewood Medical Park, LLC. Upon acquisition, Long Term Care Investments III, LLC

Address of taxpayer (number and street, city, state, and ZIP code)

Currently, 3838 N. Washington Rd., Fort Wayne, IN. Upon acquisition, 1620 N. Ironwood Drive, South Bend, IN 46635

Name of contact person

Andrew W. Place

Telephone number

( 574 ) 259-4858

E-mail address

andyplace@placebuilders.co

SECTION 2

Name of designating body

Long Term Care Investments III, LLC

Location of property

See attached Schedule A

County

Allen

DLGF taxing district number

Schedule A

Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary)

Construction of a 53,345 square foot skilled care nursing facility designed for approximately 85-90 skilled nursing care residents as well as water, sewer and storm infrastructure improvements.

Estimated start date (month, day, year)

08/01/2013

Estimated completion date (month, day, year)

11/30/2014

SECTION 3

Current number

0.00

Salaries

\$0.00

Number retained

0.00

Salaries

\$0.00

Number additional

95.00

Salaries

\$2,933,450.00

SECTION 4

REAL ESTATE IMPROVEMENTS

COST

ASSESSED VALUE

Current values

950,000.00

194,000.00

Plus estimated values of proposed project

15,000,000.00

0.00

Less values of any property being replaced

0 00

0.00

Net estimated values upon completion of project

15,950,000.00

194,000.00

SECTION 5

Estimated solid waste converted (pounds)

Estimated hazardous waste converted (pounds)

Other benefits

SECTION 6

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

Signature of authorized representative

[Handwritten signature]

Title

Authorized Agent

Date signed (month, day, year)

07/15/2013

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be 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 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
- 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

Date signed (month, day, year)

(260) 427-1221

7-23-13

Attested by (signature and title of attester)

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.

- A. For residentially distressed areas, the deduction period may not exceed five (5) years.
- B. For redevelopment and rehabilitation of 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 30, 2000, and is not in a residentially distressed area, the deduction period may not exceed ten (10) years.

Public Hearing Date, if applicable

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

	AYES	NAYS	ABSTAINED	ABSENT
TOTAL VOTES	8			1
BENDER	✓			
CRAWFORD				✓
DIDIER	✓			
HARPER	✓			
HINES	✓			
JEHL	✓			
PADDOCK	✓			
SHOAFF	✓			
SMITH	✓			

DATED: 7-23-13 Sandra E. Kennedy, City Clerk  
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as  
(ANNEXATION) (AMENDMENT) (GENERAL) (SPECIAL) (ZONING) ORDINANCE  
(RESOLUTION) NO. 68-13 on the 23<sup>rd</sup> day of  
July, 2013

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

Thomas F. Didier  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 24<sup>th</sup> day  
of July, 2013, at the hour of 10:00 o'clock A.M. .E.S.T.

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 24<sup>th</sup> day of July  
2013, at the hour of 3:00 o'clock P.M. .E.S.T.

Thomas C. Henry  
THOMAS C. HENRY, MAYOR



JUL 17 2013 *apj*

**ECONOMIC REVITALIZATION REAPPLICATION  
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: \$15,000,000  
 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: \$15,000,000**

**GENERAL INFORMATION**

Real property taxpayer's name: Currently, Ridgewood Medical Park, LLC. Upon acquisition, the record owner of the real property will be Long Term Care Investments III, LLC, an Indiana limited liability company.

Personal property taxpayer's name: N/A

Telephone number: N/A

Address listed on tax bill: Currently, Ridgewood Medical Park, LLC, 3838 N. Washington Road, Fort Wayne, Indiana 46804. Upon acquisition, the address will be 1620 N. Ironwood Drive, South Bend, Indiana 46635.

Name of company to be designated, if applicable: Long Term Care Investments III, LLC

Year company was established: April 9, 2012

Address of property to be designated: See, Schedule 1 attached hereto.

Real estate property identification number: See, Schedule 1 attached hereto.

Contact person name: Andrew W. Place

Contact person telephone number: (574) 259-4858      Contact person Email: AndyPlace@placebuilders.com

Contact person address: 1620 N. Ironwood Road, South Bend, Indiana 46635

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Ralph Inabnit	Managing Partner	25912 Northshore Drive Elkhart, IN	574-532-2958
Ahmed Latief	Partner	50601 Hedgewood Ct Granger, IN	574-243-0884

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

	<b>NAME</b>	<b>PERCENTAGE</b>
	Ralph Inabnit	50%
	Ahmed Latief	50%

- 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? Approximately 10%

What is the company's primary North American Industrial Classification Code (NAICs)? 623110 Nursing Care Facilities (Skilled Nursing Facilities)

Describe the nature of the company's business, product, and/or service: Skilled nursing and rehabilitation care services.

Dollar amount of annual sales for the last three years:

<b>Year</b>	<b>Annual Sales</b>
N/A	N/A -- New Construction

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>
N/A		

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>

N/A

List the company's top three competitors:

<b>Competitor Name</b>	<b>City/State</b>
Coventry Meadows	Fort Wayne, IN
Covington Manor Health	Fort Wayne, IN
Englewood Health & Rehab	Fort Wayne, IN

Describe the product or service to be produced or offered at the project site: Skilled nursing and rehabilitation care services utilizing a eight-five (85) bed, 54,000 sq ft facility.

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 overall property to be developed comprises approximately 5.5 acres. The undeveloped parcels making up the 5.5 acres are located entirely within the City of Fort Wayne. The subject property and certain surrounding parcels are marked by a general lack of development and cessation of growth but ready for development. The applicant is a new business into the Fort Wayne area and the project subject to this application will include new building construction of a 54,000 square foot facility adding approximately 70-75 full-time jobs and 15-20 part-time jobs with an estimated aggregate annual payroll of nearly \$3,000,000. Because surrounding parcels to the development are also undeveloped, the project may create a catalyst for surrounding future development projects. For these reasons, the property fits the definition of an ERA.

**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: The real property is currently undeveloped.

Describe the condition of the structure(s) listed above: Not applicable – See previous response.

Describe the improvements to be made to the property to be designated for tax phase-in purposes: 54,000 square foot skilled nursing care facility.

Projected construction start (month/year): August, 2013

Projected construction completion (month/year): November, 2014

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)

Not applicable.

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?

Date first piece of equipment will be purchased (month/year):

Date last piece of equipment will be installed (month/year):

Please provide the depreciation schedule term for equipment under consideration for personal property tax phase-in:

**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 phase-in 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: None. The real property is currently undeveloped.

Describe the condition of the structure(s) listed above: Not applicable. See response above.

Projected occupancy date (month/year): Not applicable. See response above.

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. When listing the occupation codes, please avoid using the "Major Occupational Groupings" (i.e. 11-000, 13-000, 15-000, etc.) which are more general in nature. Instead, use specific occupation codes (i.e. 11-1021, 13-1081, 15-2041 etc) for each created and retained job. 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
N/A			

**Retained Full-Time Employment**

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			

**Additional Full-Time Employment**

Occupation	Occupation Code	Number of Jobs	Average Salary	Total Payroll
Management	11-91111	7	\$51,147	\$358,030
RN, LPN	29-1141 29-1171 29-1071	13	\$44,385	\$577,005
Cert. Nursing Ass't	31-1014	22	\$21,890	\$481,580
Clerical, Dietary, Housekeeping	31-9092 29-1031	15	\$25,910	\$388,650
Therapy	29-1123	4	\$89,065	\$356,260
<b>TOTAL</b>		<b>61</b>		<b>\$2,161,524</b>

**PUBLIC BENEFIT INFORMATION****Current Part-Time or Temporary Jobs**

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			

**Retained Part-Time or Temporary Jobs**

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			



Waiver of non compliance with ERA filing

\$500 + ERA filing fee

03/2013

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 proposed taxpayer and/or proposed owner, hereby certify that all information and representations made on this application and its attached exhibits are true and complete and that, to the best of my knowledge, 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 understand that any incorrect information on this application may result in a rescission of any tax phase-ins 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) and the Public Benefit Annual Update with the City of Fort Wayne Community Development Division in each year in which I receive a deduction. Further the CF-1/PP form must be filed with the county assessor and the CF-1/Real Property must be filed with the county auditor. Failure to file the CF-1 form with these agencies may result in a rescission of any tax phase-in occurring as a result of this application.

**Long Term Care Investments II, LLC**

By: 

Name: Andrew W. Place

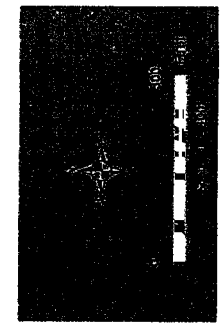
Its: Authorized Agent

Date: 7 15 13

<b>LOT NO.</b> <b>(SEE ATTACHED MAP)</b>	<b>PIN NUMBER</b>	<b>PARCEL ADDRESS</b>
6	02-11-13-378-011.000-075 (Partial)	7504 Aboite Center Road
7	02-11-13-378-010.000-075 (Partial)	7518 Aboite Center Road
8	02-11-13-378-009.000-075	7518 Aboite Center Road
9	02-11-13-378-008.000-075	4127 Rosewood Drive
10	02-11-13-378-006.000-075	4113 Rosewood Drive
11	02-11-13-378-005.000-075	4113 Rosewood Drive
12	02-11-13-378-001.000-075	7005 Oriole Circle
13	02-11-13-378-002.000-075 (Partial)	6291 Oriole Circle
14	02-11-13-378-003.000-075 (Partial)	6911 Oriole Circle
CA	02-11-13-378-007.000-075 (Partial)	Common Area



This map is for representational purposes only - Boundaries identified by bold colored lines represent the general location of the proposed project



Amended Primary Development Plan - Long Term Care at Ridgewood

Printed: June 1<sup>st</sup>, 2013  
 © 2004 Board of Commissioners of the County of Allen  
 North American Datum 1983  
 State Plane Coordinate System, Indiana East  
 Photo: Spring 2006, Contours: 1999

Although strict accuracy standards have been employed in the completion of this map, Allen County does not warrant or guarantee the accuracy of the information contained herein and disclaims any and all liability resulting from any error or omission in this map.



DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Long Term Care Investments III, LLC is requesting the designation of an Economic Revitalization Area for real property improvements in the amount of \$15,000,000. Long Term Care Investments III, LLC will construct a 53,345 square foot skilled care nursing facility designed for approximately 85 to 90 skilled nursing care residents as well as water, sewer, and storm infrastructure improvements.**

EFFECT OF PASSAGE: **Constructing the additional space will allow Long Term Care Investments III, LLC to develop 5.5 acres near Aboite Center Road and W. Jefferson Blvd. while providing an opportunity for employment for area citizens. Sixty-one full-time and 34 part-time jobs will be created.**

EFFECT OF NON-PASSAGE: **Potential loss of development, 61 full-time jobs, and 34 part-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:** July 17, 2013  
**RE:** Request for designation by Long Term Care Investments III, LLC as an ERA for real property improvements

## BACKGROUND

**PROJECT ADDRESS:** 7504 Aboite Center Road, 7518 Aboite Center Road, 4127 Rosewood Drive, 4113 Rosewood Drive, 7005 Oriole Circle, 6291 Oriole Circle, and 6911 Oriole Circle  
**PROJECT LOCATED WITHIN:** Economic Development Area (Pending)  
**PROJECT COST:** \$15,000,000  
**COUNCILMANIC DISTRICT:** 4

**COMPANY PRODUCT OR SERVICE:** Long Term Care Investments III, LLC provides skilled nursing and rehabilitation care services.  
**PROJECT DESCRIPTION:** Long Term Care Investments III, LLC will construct a 53,345 square foot skilled nursing care facility.

<b>CREATED</b>		<b>RETAINED</b>	
JOBS CREATED (FULL-TIME):	<b>61</b>	JOBS RETAINED (FULL-TIME):	N/A
JOBS CREATED (PART-TIME)	<b>34</b>	JOBS RETAINED (PART-TIME)	N/A
TOTAL NEW PAYROLL:	<b>\$ 2,933,450</b>	TOTAL RETAINED PAYROLL:	N/A
AVERAGE SALARY (FULL-TIME NEW):	<b>\$ 35,435</b>	AVERAGE SALARY (FULL-TIME RETAINED)	N/A

## 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 CM1; Professional Offices and Personal Services.**

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.

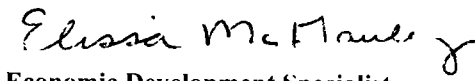
Under Fort Wayne Common Council's tax abatement policies and procedures, Long Term Care Investments III, LLC is eligible for a seven year deduction on real property improvements. Attached is a spreadsheet that shows how the application scored under the review system. Also attached is an estimate of the taxes saved and paid over the length of the seven year deduction schedule.

### COMMENTS

Signed:

  
Economic Development Specialist

Reviewed:

  
Economic Development Specialist

# Real Property Abatements

Tax Abatement Review System

	Points Possible	Points Awarded
<b>INVESTMENT (30 points possible)</b>		
<b>Total new investment in real property (new structures and/or rehabilitation)</b>		
Over \$1,000,000	10	10
\$500,000 to \$999,999	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	10
\$18,500 to \$34,999	8	
\$6,250 to \$18,499	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	
\$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	8
\$5,000 to \$9,999	3	
\$3,000 to \$4,999	2	
less than \$3,000	1	
<b>LOCATION QUOTIENT (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	
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	
10 to 24	2	
1 to 9	1	
<b>Total number of permanent jobs created (Double for start-up)</b>		
Over 100	10	16
50-99	8	
25-49	6	
10-24	4	
1 to 9	2	
<b>WAGES (20 points possible)</b>		
<b>Median salary of the 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	4
under \$25,000	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	
<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 69 points - 7 year abatement
- 70 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.

<b>10 year</b>	<b>10 Year</b>
Year 1 100%	Year 1 100%
Year 2 95%	Year 2 100%
Year 3 80%	Year 3 100%
Year 4 65%	Year 4 100%
Year 5 50%	Year 5 100%
Year 6 40%	Year 6 90%
Year 7 30%	Year 7 80%
Year 8 20%	Year 8 65%
Year 9 10%	Year 9 50%
Year 10 5%	Year 10 40%
Year 11 0%	
<b>7 year</b>	<b>7 Year</b>
Year 1 100%	Year 1 100%
Year 2 85%	Year 2 100%
Year 3 71%	Year 3 100%
Year 4 57%	Year 4 100%
Year 5 43%	Year 5 100%
Year 6 29%	Year 6 71%
Year 7 14%	Year 7 43%
Year 8 0%	
<b>5 year</b>	
Year 1 100%	
Year 2 80%	
Year 3 60%	
Year 4 40%	
Year 5 20%	
Year 6 0%	
<b>3 year</b>	
Year 1 100%	
Year 2 66%	
Year 3 33%	
Year 4 0%	

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

REAL PROPERTY TAX ABATEMENT - 7 yr Schedule

Year	Cash Value	True Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable AV	Tax Rate	Tax Paid	Tax Saved
1	\$15,000,000	\$15,000,000	\$15,000,000	100%	0%	\$15,000,000	\$0	0.032288	\$0	\$484,320
2	\$15,000,000	\$15,000,000	\$15,000,000	85%	15%	\$12,750,000	\$2,250,000	0.032288	\$0	\$484,320
3	\$15,000,000	\$15,000,000	\$15,000,000	71%	29%	\$10,650,000	\$4,350,000	0.032288	\$72,648	\$411,672
4	\$15,000,000	\$15,000,000	\$15,000,000	57%	43%	\$8,550,000	\$6,450,000	0.032288	\$140,453	\$343,867
5	\$15,000,000	\$15,000,000	\$15,000,000	43%	57%	\$6,450,000	\$8,550,000	0.032288	\$208,258	\$276,062
6	\$15,000,000	\$15,000,000	\$15,000,000	29%	71%	\$4,350,000	\$10,650,000	0.032288	\$276,062	\$208,258
7	\$15,000,000	\$15,000,000	\$15,000,000	14%	86%	\$2,100,000	\$12,900,000	0.032288	\$343,867	\$140,453
8	\$15,000,000	\$15,000,000	\$15,000,000	0%	100%	\$0	\$15,000,000	0.032288	\$484,320	\$0

TOTAL TAX SAVED REAL PROPERTY (7 yrs on 7 yr deduction) **\$1,932,437**  
TOTAL TAX PAID REAL PROPERTY (7 yrs on 7 yr deduction) **\$1,942,123**

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

BILL NO. R-13-07-13

## REPORT OF THE COMMITTEE ON FINANCE

**JULY 23, 2013**

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

A **DECLARATORY RESOLUTION** designating an Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 7504 Aboite Center Road, 7518 Aboite Center Road, 4127 Rosewood Drive, 4113 Rosewood Drive, 7005 Oriole Circle, 6291 Oriole Circle, and 6911 Oriole Circle, Fort Wayne, Indiana 46804 (Long Term Care Investments III, LLC). **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

*1- Smith*  
*John Crawford*  
*Tom Smith*  
*John Crawford*  
*Robert A. Bender*  
*Tom Smith*  
*M. H.*

SANDRA E. KENNEDY  
CITY CLERK