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BILL NO. R-13-09-03

DECLARATORY RESOLUTION NO. R- 79-13

A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 3601 Focus Drive, Fort Wayne, Indiana 46818 (Microtech Welding)

WHEREAS, Petitioner has duly filed its petition dated August 19, 2013 to have the following described property designated and declared an "Economic Revitalization Area" under Sections 153.13-153.24 of the Municipal Code of the City of Fort Wayne, Indiana, and I.C. 6-1.1-12.1, to wit:

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

WHEREAS, said project will create one full-time, permanent job for a total new, annual payroll of \$35,000, with the average new annual job salary being \$35,000 and retain sixteen full-time and two part-time, permanent jobs for a total current annual payroll of \$796,500, with the average current, annual job salary being \$44,250; and

WHEREAS, the total estimated project cost is \$540,000; and

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

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

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

SECTION 2. That, upon adoption of the Resolution:

... 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 both a deduction of the assessed value of real
3 estate and personal property for manufacturing equipment.

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 and the estimate
7 of the value of new manufacturing equipment, all contained in Petitioner's Statement of
8 Benefits, are reasonable and are benefits that can be reasonably expected to result from the
9 proposed described redevelopment or rehabilitation and from the installation of new
10 manufacturing equipment.

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

13 ... If the proposed development does not occur, the approximate current year tax
14 rates for this site would be \$3.1821/\$100.

15 ... If the proposed development does occur and no deduction is granted, the
16 approximate current year tax rate for the site would be \$3.1821/\$100 (the
17 change would be negligible).

18 ... If the proposed development occurs and a deduction percentage of fifty percent
19 (50%) is assumed, the approximate current year tax rate for the site would be
20 \$3.1821/\$100 (the change would be negligible).

21 ... If the proposed new manufacturing equipment is not installed, the approximate
22 current year tax rates for this site would be \$3.1821/\$100.

23 ... If the proposed new manufacturing equipment is installed and no deduction is
24 granted, the approximate current year tax rate for the site would be
25 \$3.1821/\$100 (the change would be negligible).

26 ... If the proposed new manufacturing equipment is installed and a deduction
27 percentage of eighty percent (80%) is assumed, the approximate current year
28 tax rate for the site would be \$3.1821/\$100 (the change would be negligible).

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

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

SECTION 8. The deduction schedule from the assessed value of the real
property pursuant to I.C. 6-1.1-12.1-17 shall look like this:

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Year of Deduction	Percentage
1	100%
2	80%
3	60%
4	40%
5	20%

SECTION 9. The deduction schedule from the assessed value of new manufacturing equipment pursuant to I.C. 6-1.1-12.1-17 shall look like this:

Year of Deduction	Percentage
1	100%
2	80%
3	60%
4	40%
5	20%

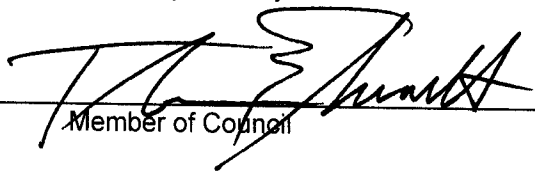
SECTION 10. That, the benefits described in the Petitioner's Statement of Benefits can be reasonably expected to result from the project and are sufficient to justify the applicable deductions.

SECTION 11. That, the taxpayer is non-delinquent on any and all property tax due to jurisdictions within Allen County, Indiana.

SECTION 12. 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.


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SECTION 13. 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

AUG 19 2013 *apw*



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: 240,000
 Total cost of manufacturing equipment improvements: 300,000
 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: \$0 540,000



Real property taxpayer's name: Christman LLC
 Personal property taxpayer's name: ROBERT & MELISSA CHRISTMAN
 Telephone number: 260-338-1255
 Address listed on tax bill: 18209 Hand Road, Huntertown, IN 46748
 Name of company to be designated, if applicable: Microtech Welding
 Year company was established: 1997
 Address of property to be designated: 3601 Focus Drive
 Real estate property identification number: 02-07-16-151-002.007-073
 Contact person name: ROBERT CHRISTMAN
 Contact person telephone number: 260-490-4005 Contact person Email: RCHRISTMAN@MICROTECH WELDING.COM
 Contact person address: 3601 FOCUS DR FT WAYNE 46818

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
ROBERT CHRISTMAN	CEO	3601 FOCUS DR	260-490-4005
MELISSA CHRISTMAN	SEC/TRE	" "	" "
MIKE ZEHNER	PRO. MAN G	" "	" "

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

NAME	PERCENTAGE
ROBERT CHRISTMAN	50%
MELISSA CHRISTMAN	49%
MIKE ZEHNER	1%

- 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? 70%
- What is the company's primary North American Industrial Classification Code (NAICs)? 238990
- Describe the nature of the company's business, product, and/or service: WELDING SERVICES TO MEDICAL AND MANUFACTURING

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2010	1.8 MIL
2011	1.85 MIL
2012	2.5 MIL

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

Customer Name	City/State	Annual Gross Sales
MICROPULSE INC.	COLUMBIA CITY IN	—
PARAGON MEDICAL	PIERCTON IN	—
LH MEDICAL	FORT WAYNE IN	—

List the company's three largest material suppliers, their locations and amount of annual purchases:

Supplier Name	City/State	Annual Gross Purchases
PRAXAIR	FORT WAYNE IN.	—
DYTRON CORP.	FRASER MICH.	—
ROFIN	PLYMOUTH MICH	—

List the company's top three competitors:

Competitor Name	City/State
PRECISION WEDDING	HANTERTOWN IN
—	
—	

Describe the product or service to be produced or offered at the project site: **HIGH TECH WEDDING SERVICES**

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?

ADDING ON FOR MORE CAPACITY AT 100% NOW.
 CONTINUE SUCCESS IN HIGH TECH WEDDING BY
 ADDING NEW TECHNOLOGY

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:

6,540 sf industrial building

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

Good

Describe the improvements to be made to the property to be designated for tax phase-in purposes:

4400 SQ FT ADDITION FOR NEW WELDING EQUIP

Projected construction start (month/year): 4/2013

Projected construction completion (month/year): 12/2013

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)

/ - HIGH POWER CNC LASER WELDER AND WORKSTATION

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): 9 / 2013

Date last piece of equipment will be installed (month/year): 12 / 2013

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

7yr LIFE

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

Current Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
CEO, MANAGEMENT	11-1011 11-1021	3	311,000
SECRETARY	43-6014	1	24,000
WELDERS	51-4121	12	430,000

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
CEO, MANAGEMENT	11-1011 11-1021	3	311,000
SECRETARY	43-6014	1	24,000
WELDERS	51-4121	12	430,000

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
WELDERS	51-4121	1 MIN.	35,000

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
OFFICE		1	5500
CONTRACT ENG.		1	26,000

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
OFFICE		1	5500
CONTRACT ENG.		1	26,000

Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll

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 checked="" type="checkbox"/> Life Insurance | <input checked="" type="checkbox"/> Dental Insurance. |

List any benefits not mentioned above: *VISION*

When will you reach the levels of employment shown above? (month/year): 12/2014



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (R / 1-06)
Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

AUG 19 2013 *apw*

COMMUNITY DEVL.

FORM SB-1 / PP

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).

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** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment 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)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, **BEFORE** a deduction may be approved
3. To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001. For equipment installed prior to March 2, 2001, the schedules and statutes in effect at the time shall continue to apply. (IC 6-1.1-12.1-4.5(f) and (g))

SECTION 1 TAXPAYER INFORMATION										
Name of taxpayer Microtech Welding Corporation										
Address of taxpayer (number and street, city, state, and ZIP code) 3601 FOCUS DR FORT WAYNE IN 46818										
Name of contact person ROBERT CHRISTMAN							Telephone number 260-490-4005			
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT										
Name of designating body Fort Wayne City Council							Resolution number (s)			
Location of property 3601 Focus Drive					County Allen		DLGF taxing district number 02073			
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (use additional sheets if necessary) HIGH POWER CNC LASER WELDER & WORKSTATION							ESTIMATED			
									START DATE	COMPLETION DATE
							Manufacturing Equipment		9/13	12/13
							R & D Equipment			
							Logist Dist Equipment			
IT Equipment										
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT										
Current number 18	Salaries 796,500		Number retained 18	Salaries 796,500		Number additional 1	Salaries 35,000 +			
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT										
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.			MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
			COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Current values										
Plus estimated values of proposed project			300,000							
Less values of any property being replaced										
Net estimated values upon completion of project										
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER										
Estimated solid waste converted (pounds) _____					Estimated hazardous waste converted (pounds) _____					
Other benefits:										
SECTION 6 TAXPAYER CERTIFICATION										
I hereby certify that the representations in this statement are true.										
Signature of authorized representative <i>Robert Christman</i>					Title CEO		Date signed (month, day, year) 8/16/13			

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; | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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:

- | | |
|--|--------------------------------------|
| <input type="checkbox"/> 1 year | <input type="checkbox"/> 6 years |
| <input type="checkbox"/> 2 years | <input type="checkbox"/> 7 years |
| <input type="checkbox"/> 3 years | <input type="checkbox"/> 8 years |
| <input type="checkbox"/> 4 years | <input type="checkbox"/> 9 years |
| <input checked="" type="checkbox"/> 5 years ** | <input type="checkbox"/> 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 member) <u>T. Thomas F. Disher</u>	Telephone number <u>(260) 427-1226</u>	Date signed (month, day, year) <u>9-10-13</u>
Attested by: <u>Daniel E. Kennedy</u>	Designated body <u>Common Council</u>	

* 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



**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R2 / 1-07)
Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

AUG 19 2013 *apw*

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) **COMMUNITY DEVL.**
 Eligible vacant building (IC 6-1.1-12.1-4.8)

INSTRUCTIONS:

- 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)
- 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.
- 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.
- 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)]
- 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. The schedules effective prior to July 1, 2000, shall continue to apply to a statement of benefits filed before July 1, 2000.

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer Christman LLC		
Address of taxpayer (number and street, city, state, and ZIP code) 18209 Hand Road, Hometown, IN 46748		
Name of contact person ROBERT CHRISTMAN	Telephone number 260-490-4005	E-mail address RCHRISTMAN@MICROTECH WELDING.COM

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body Fort Wayne City Council	Resolution number
Location of property 3601 Focus Drive	County Allen
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) 4400 SQFT ADDITION TO EXISTING BUILDING	DLGF taxing district number 02073
	Estimated start date (month, day, year) 9/2013
	Estimated completion date (month, day, year) 12/2013

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current number 18	Salaries 796,500	Number retained 18	Salaries 796,500	Number additional 1	Salaries 35,000 +
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SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values		
Plus estimated values of proposed project	240,000	
Less values of any property being replaced		
Net estimated values upon completion of project		

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

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

Other benefits

SECTION 6 TAXPAYER CERTIFICATION

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

Signature of authorized representative <i>Robert Christman</i>	Title CEO	Date signed (month, day, year) 8/16/13
---	---------------------	--

FOR USE OF THE DESIGNATING BODY

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 _____ 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
- 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 five 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) <i>Thomas F. Dillier</i>	Telephone number (260) 427-1229	Date signed (month, day, year) 9-10-13
Attested by (signature and title of attester) <i>James E. Kennedy</i>	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 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 30, 2000, and is not in a residentially distressed area, the deduction period may not exceed ten (10) years.

EXHIBIT A

FOCUS DRIVE

60' R/W

PROPOSED CONCRETE CURB TYPE 1-A

EX. STORM M.H.
EX. T.C. = 850.84
EX. CASTING TO BE
LOWERED TO 849.84
INV. = 842.62

SANITARY M.H. 5/8" IPS
T.C. = 850.64
INV. = 839.50

3" SANITARY SEWER

FUTURE SIGN
(ASO STANDARDS)

8" STORM DRAIN

1-HOLE

1" CONDUIT

SAN. TAP @ 2.0%
MIN. SLOPE

N 00°10'48" W
247.27'

TOE OF BANK

EX. 8" SANITARY SEWER

TOP OF BANK

5/8" IPS

SANITARY M.H.
T.C. = 848.14
INV. = 838.56

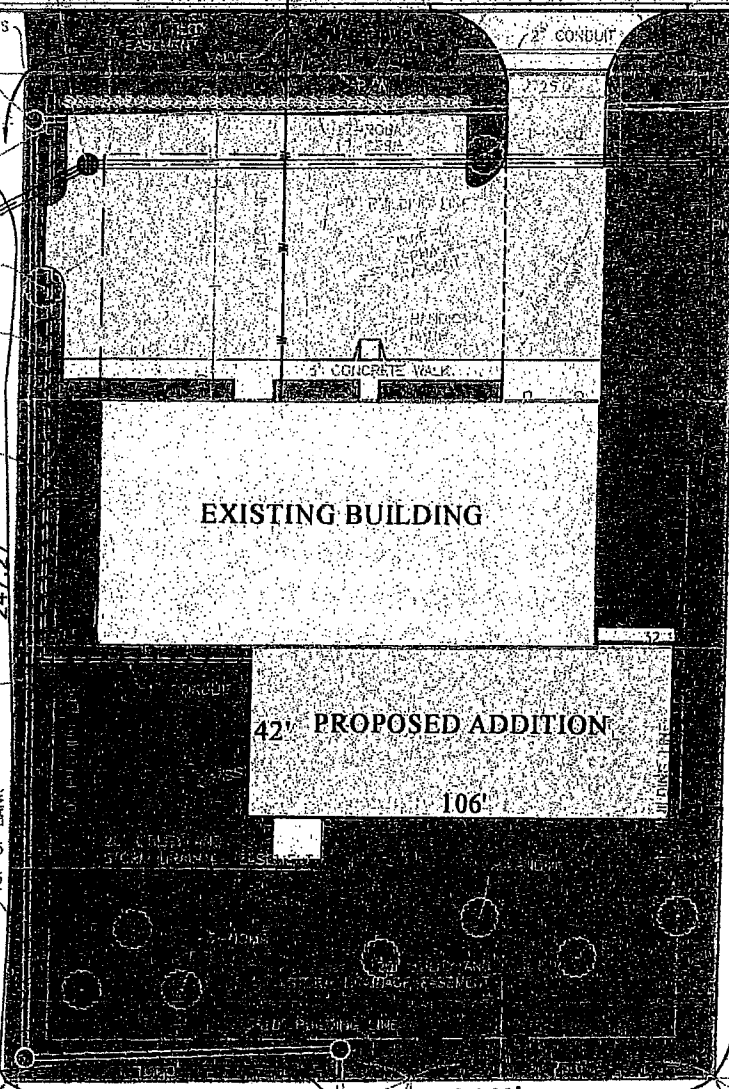


1" = 30'

0' 30' 60'

N 89°14'17" E
625.3'

LUDWIG ROAD



EXISTING BUILDING

42' PROPOSED ADDITION

106

1" PIPE FND.
(0.35'S, 0.3'N)

177.60'
S 89°14'17" W

245.47'
S 00°10'48" E

VACANT

ZUMBRUN
CONSTRUCTION
COMPANY, INC.
3110 EDWARDS ST.
FT WAYNE, IN 46302
WWW.ZUMBRUN.COM

PRANGER GROUP INC.
ARCHITECTURE-ENGINEERING

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Microtech Welding is requesting the designation of an Economic Revitalization Area for both real and personal property improvements in the amount of \$540,000. In order to expand, Microtech Welding will construct a 4,400 square foot addition to their existing building and will also purchase and install a new high power CNC laser welder and workstation.**

EFFECT OF PASSAGE: **Completing the real and personal property improvements will allow Microtech Welding to operate at 100% while also maintaining their market position. One full-time job will be created.**

EFFECT OF NON-PASSAGE: **Potential loss of development and one full-time job**

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: August 23, 2013
RE: Request for designation by Microtech Welding as an ERA for real and personal property improvements

BACKGROUND

PROJECT ADDRESS:	3601 Focus Drive	PROJECT LOCATED WITHIN:	N/A
PROJECT COST:	\$ 540,000	COUNCILMANIC DISTRICT:	3

COMPANY PRODUCT OR SERVICE:	Microtech Welding specializes in CNC laser welding, micro welding, and TIG welding processes and provides medical, tool and die, prototyping, and production welding services.
PROJECT DESCRIPTION:	Microtech Welding will construct a 4,400 square foot addition to their existing building and will also purchase and install a new high power CNC laser welder and workstation.

CREATED

RETAINED

JOBS CREATED (FULL-TIME):	1	JOBS RETAINED (FULL-TIME):	16
JOBS CREATED (PART-TIME):	0	JOBS RETAINED (PART-TIME):	2
TOTAL NEW PAYROLL:	\$35,000	TOTAL RETAINED PAYROLL:	\$796,500
AVERAGE SALARY (FULL-TIME NEW):	\$35,000	AVERAGE SALARY (FULL-TIME RETAINED):	\$47,813

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 five years.
2. The period of deduction for personal property is five years.

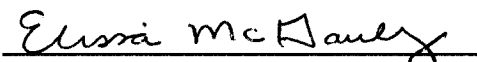
Under Fort Wayne Common Council's tax abatement policies and procedures, Microtech Welding is eligible for five year deductions on real and personal property improvements. Attached is a spreadsheet that shows how the application scored under the review system. Also attached is an estimate of the taxes saved and paid over the length of the five year deduction schedules.

COMMENTS

Signed:


Economic Development Specialist

Reviewed:


Economic Development Specialist

COMMUNITY DEVELOPMENT DIVISION

Real Property Abatements

Tax Abatement Review System

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

Total 56

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.

10 year	10 Year
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%	
7 year	7 Year
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%	
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%	

Personal Property Abatements

Tax Abatement Review System

	Points Possible	Points Awarded
--	--------------------	-------------------

INVESTMENT (30 points possible)

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

Investment per employee (both jobs created and retained)

\$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	

Estimated local income taxes generated from jobs retained

\$80,000 or more	5	
\$30,000 to \$79,999	4	
\$10,000 to \$29,999	3	
\$5,000 to \$9,999	2	2
less than \$5,000	1	

Estimated local income taxes generated from jobs created (Double points for start-up)

\$30,000 or more	5	
\$10,000 to \$29,999	4	
\$5,000 to \$9,999	3	
\$3,000 to \$4,999	2	
less than \$3,000	1	1

ECONOMIC BASE (20 points possible)

Location Quotient in designated Occupation Code (use majority Occupation Code of all created and retained jobs)

Greater than 1.0	5	5
------------------	---	---

Estimated Percent of Business done outside

Allen County		
Greater than 75%	15	
50% to 74%	10	10
25% to 49%	5	

JOBS (20 points possible)

Total number of permanent jobs retained

Over 250	10	
100 to 249	8	
50 to 99	6	
25 to 49	4	
10 to 24	2	2
1 to 9	1	

Total number of permanent jobs created (Double for start-up)

Over 100	10	
50-99	8	
25-49	6	
10-24	4	
1 to 9	2	2

WAGES (20 points possible)

Median salary of the jobs created and/or retained

Over \$45,000	20	
\$40,000 to \$44,999	16	
\$35,000 to \$39,999	12	12
\$30,000 to 34,999	8	
\$25,000 to \$29,999	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

Total 54

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.

10 year	10 Year
Year 1: 100%	Year 1: 100%
Year 2: 90%	Year 2: 100%
Year 3: 80%	Year 3: 100%
Year 4: 70%	Year 4: 100%
Year 5: 60%	Year 5: 100%
Year 6: 50%	Year 6: 90%
Year 7: 40%	Year 7: 80%
Year 8: 30%	Year 8: 65%
Year 9: 20%	Year 9: 50%
Year 10: 10%	Year 10: 40%
Year 11: 0%	
7 year	7 Year
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%	
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%	

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

PERSONAL PROPERTY TAX ABATEMENT - 5 yr Schedule

Year	True Cash Value	"Pool 2" True Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable AV	Tax Rate	Tax Paid	Tax Saved
1	\$300,000	\$120,000	\$120,000	100%	0%	\$120,000	\$0	0.031821	\$0	\$3,819
2	\$300,000	\$168,000	\$168,000	80%	20%	\$134,400	\$33,600	0.031821	\$1,069	\$4,277
3	\$300,000	\$126,000	\$126,000	60%	40%	\$75,600	\$50,400	0.031821	\$1,604	\$2,406
4	\$300,000	\$96,000	\$96,000	40%	60%	\$38,400	\$57,600	0.031821	\$1,833	\$1,222
5	\$300,000	\$90,000	\$90,000	20%	80%	\$18,000	\$72,000	0.031821	\$2,291	\$573
6	\$300,000	\$90,000	\$90,000	0%	100%	\$0	\$90,000	0.031821	\$2,864	\$0
7	\$300,000	\$90,000	\$90,000	0%	100%	\$0	\$90,000	0.031821	\$2,864	\$0
8	\$300,000	\$90,000	\$90,000	0%	100%	\$0	\$90,000	0.031821	\$2,864	\$0
9	\$300,000	\$90,000	\$90,000	0%	100%	\$0	\$90,000	0.031821	\$2,864	\$0
10	\$300,000	\$90,000	\$90,000	0%	100%	\$0	\$90,000	0.031821	\$2,864	\$0
11	\$300,000	\$90,000	\$90,000	0%	100%	\$0	\$90,000	0.031821	\$2,864	\$0
									TOTAL TAX SAVED	\$12,296
									TOTAL TAX PAID	\$21,116

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

REAL PROPERTY TAX ABATEMENT - 5 yr Schedule

Year	Cash Value	True Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable AV	Tax Rate	Tax Paid	Tax Saved
1	\$240,000	\$240,000	\$240,000	100%	0%	\$240,000	\$0	0.031821	\$0	\$7,637
2	\$240,000	\$240,000	\$240,000	80%	20%	\$192,000	\$48,000	0.031821	\$1,527	\$6,110
3	\$240,000	\$240,000	\$240,000	60%	40%	\$144,000	\$96,000	0.031821	\$3,055	\$4,582
4	\$240,000	\$240,000	\$240,000	40%	60%	\$96,000	\$144,000	0.031821	\$4,582	\$3,055
5	\$240,000	\$240,000	\$240,000	20%	80%	\$48,000	\$192,000	0.031821	\$6,110	\$1,527
6	\$240,000	\$240,000	\$240,000	0%	100%	\$0	\$240,000	0.031821	\$7,637	\$0
7	\$240,000	\$240,000	\$240,000	0%	100%	\$0	\$240,000	0.031821	\$7,637	\$0
8	\$240,000	\$240,000	\$240,000	0%	100%	\$0	\$240,000	0.031821	\$7,637	\$0
9	\$240,000	\$240,000	\$240,000	0%	100%	\$0	\$240,000	0.031821	\$7,637	\$0
10	\$240,000	\$240,000	\$240,000	0%	100%	\$0	\$240,000	0.031821	\$7,637	\$0
11	\$240,000	\$240,000	\$240,000	0%	100%	\$0	\$240,000	0.031821	\$7,637	\$0
									TOTAL TAX SAVED REAL PROPERTY	\$22,911
									TOTAL TAX PAID REAL PROPERTY	\$53,459
									TOTAL TAX SAVED MACHINERY & BUILDING	\$35,207
									TOTAL TAX PAID MACHINERY & BUILDING	\$74,576

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 Smith

Read the second time by title and referred to the Finance

Committee. Read the third time in full and on motion by Councilman Smith, placed on passage by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>
<u>TOTAL VOTES</u>	<u>8</u>	_____	_____	<u>1</u>
BENDER	<u>✓</u>	_____	_____	_____
CRAWFORD	_____	_____	_____	<u>✓</u>
DIDIER	<u>✓</u>	_____	_____	_____
HARPER	<u>✓</u>	_____	_____	_____
HINES	<u>✓</u>	_____	_____	_____
JEHL	<u>✓</u>	_____	_____	_____
PADDOCK	<u>✓</u>	_____	_____	_____
SHOAFF	<u>✓</u>	_____	_____	_____
SMITH	<u>✓</u>	_____	_____	_____

DATED: 9-10-13 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-79-13 on the 10th day of September, 2013

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

T. Thomas F. Didier
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 12th day of September, 2013, at the hour of 10 o'clock AM, E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 13th day of September 2013, at the hour of 2:30 o'clock PM, E.S.T.

Thomas C. Henry
THOMAS C. HENRY, MAYOR

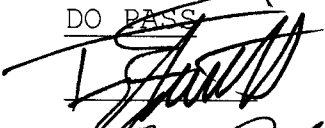

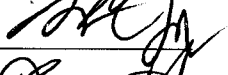


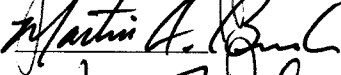
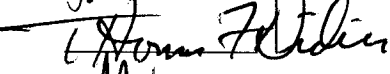
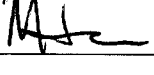
BILL NO. R-13-09-03

REPORT OF THE COMMITTEE ON FINANCE

SEPTEMBER 10, 2013

THOMAS SMITH - CHAIR
JOHN CRAWFORD - CO- CHAIR
ALL COUNCIL MEMBERS

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 commonly known as 3601 Focus Drive, Fort Wayne, Indiana 46818 (Microtech Welding) HAVE HAD SAID RESOLUTION UNDER CONSIDERATION AND BEG LEAVE TO REPORT BACK TO THE COMON COUNCIL THAT SAID RESOLUTION

<u>DO PASS</u>	<u>DO NOT PASS</u>	<u>ABSTAIN</u>	<u>NO REC</u>
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
_____	_____	_____	_____

SANDRA E. KENNEDY
CITY CLERK