

A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 4528 Hillegas Road, Fort Wayne, Indiana 46818 (Midwest Salt of Fort Wayne LLC)

WHEREAS, Petitioner has duly filed its petition dated November 22, 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 result in the occupation of an eligible vacant building under I.C. 6-1.1-12.1-4.8; and

WHEREAS, said project will create five full-time and one part-time, permanent jobs for a total new, annual payroll of \$233,000, with the average new annual job salary being \$38,833; and

WHEREAS, the total estimated project cost is \$40,000; 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";

1 Common Council shall publish notice in accordance with I.C. 6-1.1-12.1-2.5 and
2 I.C. 5-3-1 of the adoption and substance of this resolution and setting this
3 designation as an "Economic Revitalization Area" for public hearing;

4 **SECTION 3.** That, said designation of the hereinabove described property as an
5 "Economic Revitalization Area" shall apply to a deduction of the assessed value of
6 occupation of an eligible vacant building.

7 **SECTION 4.** That, the estimate of the number of individuals that will be employed
8 or whose employment will be retained and the estimate of the annual salaries of those
9 individuals and the estimate of the value of the occupation of the eligible vacant building, all
10 contained in Petitioner's Statement of Benefits are reasonable and are benefits that can be
11 reasonably expected to result from the proposed described occupation of the eligible vacant
12 building.

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

15 ... If the proposed occupation of the eligible vacant building does not occur, the
16 approximate current year tax rates for this site would be \$3.1821/\$100.

17 ... If the proposed occupation of the eligible vacant building occurs and no
18 deduction is granted, the approximate current tax rate for the site would be
19 \$3.1821/\$100 (the change would be negligible).

20 ... If the proposed occupation of the eligible vacant building occurs, and a deduction
21 percentage of fifty percent (50%) is assumed, the approximate current year tax
22 rate for this would be \$3.1821/\$100 (the change would be negligible).

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24 and confirmed, or rescinded after public hearing and receipt by Common Council of the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

26 **SECTION 7.** That, pursuant to I.C. 6-1.1-12.1, it is hereby determined that the
27 deduction from the assessed value of the occupation of the eligible vacant building shall be
28 for a period of one year.

29 **SECTION 8.** The deduction schedule from the assessed value of the vacant
30 building pursuant to I.C. 6-1.1-12.1-17 shall look like this:

| Year of Deduction | Percentage |
|-------------------|------------|
| 1 | 100% |

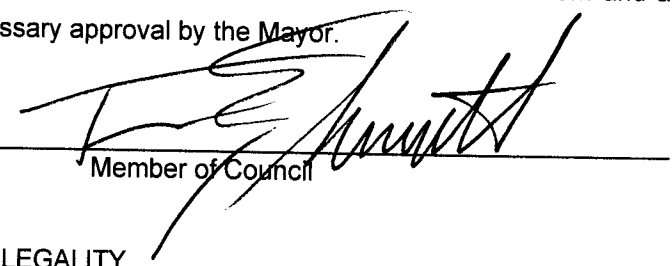
SECTION 9. That, the benefits described in the Petitioner's Statement of Benefits
can be reasonably expected to result from the project and are sufficient to justify the
applicable deductions.

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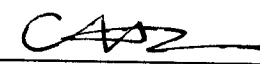
SECTION 10. That, the taxpayer is non-delinquent on any and all property tax due to jurisdictions within Allen County, Indiana.

SECTION 11. That, pursuant to I.C. 6-1.1-12.1-12 et al, any property owner that has received a deduction under section 3 or 4.5 of this chapter may be required to repay the deduction amount as determined by the county auditor in accordance with section 12 of said chapter if the property owner ceases operations at the facility for which the deduction was granted and if the Common Council finds that the property owner obtained the deduction by intentionally providing false information concerning the property owner's plans to continue operation at the facility.

SECTION 12. 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

NOV 22 2013

ajw



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: Midwest Sals of Fort Wayne LLC
 Personal property taxpayer's name: Midwest Sals of Fort Wayne LLC
 Telephone number: 260-387-6170
 Address listed on tax bill: 4528 Hillegas Road Ft. Wayne IN
 Name of company to be designated, if applicable: Midwest Sals of Fort Wayne LLC
 Year company was established: 2012
 Address of property to be designated: 4528 Hillegas Road Fort Wayne, IN
 Real estate property identification number: Title Commitment No 1319554 Tax ID # 02-07-21-357-002-000-073
 Contact person name: Andrew Thiele
 Contact person telephone number: 260-235-0227 Contact person Email: andrew.thiele@midwestsalt.net
 Contact person address: 1602 Florida Drive Fort Wayne IN

List company officer and/or principal operating personnel

| NAME | TITLE | ADDRESS | PHONE NUMBER |
|---------------|-----------|-------------------------------------|--------------|
| Andrew Thiele | President | 1602 Florida Dr. Ft Wayne | 260-235-0227 |
| Mark Thiele | V. Pres. | 743 N. Main St. Auburn, IN | 260-235-0117 |
| Tony Johnson | V. Pres. | 3207 Park Maden Rd Prairie Grove IL | 815-403-5929 |
| | | | |
| | | | |

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

| NAME | PERCENTAGE |
|------------------------------------|------------|
| Andrew Thiele - Slick Products Inc | 30 |
| Mark Thiele - Slick Products Inc | 30 |
| Anthony Johnson - 2 INNOV8 LLC | 40 |
| | |
| | |

- 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? 20%
 What percentage of sales is made to the ultimate customer? 10%
 What percentage of sales will be from service calls? 0

What is the percentage of clients/customers served that are located outside of Allen County? 30%

What is the company's primary North American Industrial Classification Code (NAICs)? 424690

Describe the nature of the company's business, product, and/or service: Salt products used for ice melt, water softening & agricultural applications

Dollar amount of annual sales for the last three years:

| Year | Annual Sales |
|------|---------------------|
| 2011 | 0 |
| 2012 | \$ 76,000 Nov - Dec |
| 2013 | \$ 700,000 YTD |

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

| Customer Name | City/State | Annual Gross Sales |
|---------------|--------------------|--------------------|
| Agua Indiana | Fort Wayne IN | \$200,000 |
| Kalmbach Feed | Upper Sandusky, OH | \$100,000 |
| Vision Scapes | Fort Wayne IN | 80,000 |

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

| Supplier Name | City/State | Annual Gross Purchases |
|---------------------|--------------------|------------------------|
| North American Salt | Lyons, KS | \$250,000 |
| Kissner Salt | Cambridge, Ontario | \$200,000 |
| Cargill | Chicago, IL | \$25,000 |

List the company's top three competitors:

| Competitor Name | City/State |
|-----------------------|---------------|
| Wish A Grain of Salt | New Haven IN |
| Culligan | Fort Wayne IN |
| John Deere Landscapes | Fort Wayne IN |

Describe the product or service to be produced or offered at the project site: Warehousing & Distribution
and small volume retail sales

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 property has not been fully developed & contains
substandard buildings on the site.

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: One story office, one story metal building & paved area

Describe the condition of the structure(s) listed above: Average & in need of small repairs

Projected occupancy date (month/year): January 21, 2014

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.

Property has been vacant & bank owned since 2009. Listed property for sale during this period.

4528 Hillegas Road - MOTIVATED SELLER!



4528 Hillegas Road, Fort Wayne, IN 46818

Listing ID: 2000334
 Status: Active
 Property Type: Retail-Commercial For Sale
 Retail-Commercial Type: Free-Standing Building, Garden Center
 Size: 2,156 SF
 Sale Price: \$375,000
 Unit Price: \$173.93 PSF
 Sale Terms: Cash to Seller



Property Overview

PRICE DRASTICALLY REDUCED on this former truck sales lot on Hillegas Road with excellent visibility from I-69. Paved and lighted parking for 200 vehicles. Pylon signage. Very nice 1,606 SF office building with 550 SF pole barn for storage and maintenance. Two drive-in doors on pole barn are 10'x12' and 8'x10'. There is also a 12'x 11.5' sliding door in the rear. Buildings sit on 3+ acres with easy access to I-69.

More Information Online

<http://bndcommercial.catylist.com/listing/2000334>



QR Code

Scan this image with your mobile device:

Listing Details

General Information

Listing Name: 4528 Hillegas Road - MOTIVATED SELLER!
 Tax ID Number/APN: 02-07-21-351-002.000-073
 Retail-Commercial Type: Free-Standing Building, Garden Center, Vehicle Related, Other
 Property Use Type: Vacant/Owner-User
 Zoning: IN-1

Building Name: Former Trucks Unlimited
 Building Size (RSF): 2,156 SF
 Land Area: 3 Acres
 Sale Terms: Cash to Seller
 Tenancy: Single Tenant

Area & Location

Market Type: Medium
 Side of Street: East
 Road Type: Paved

Property Visibility: Excellent
 Largest Nearby Street: I-69
 Transportation: Bus, Highway, Taxi

Building Related

Total Number of Buildings: 2
 Number of Stories: 1
 Property Condition: Good
 Year Built: 1970

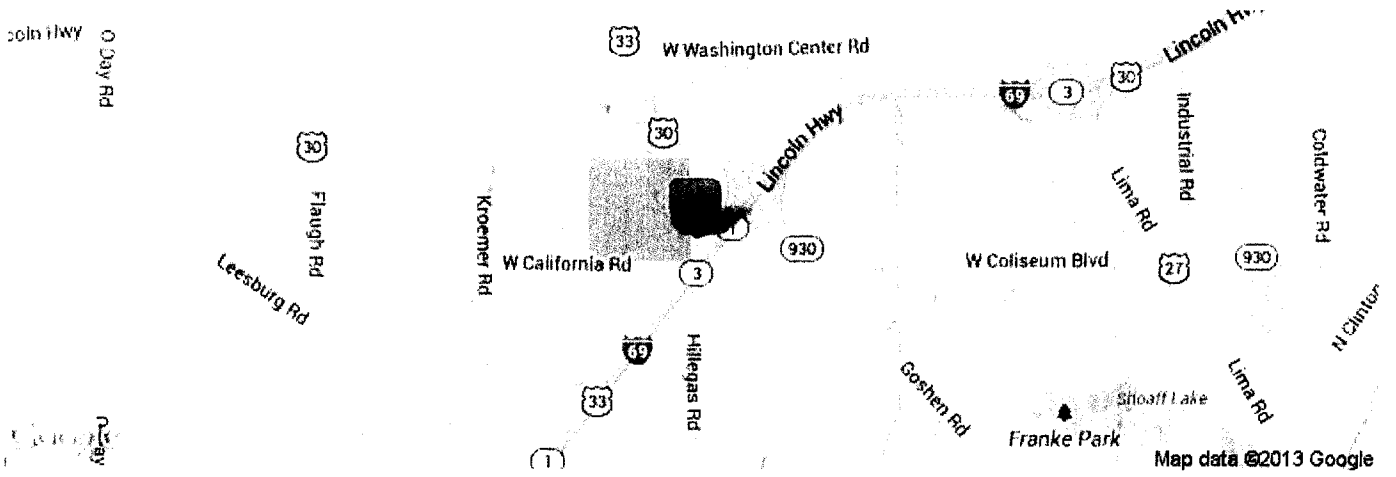
Year Renovated: 1986
 Total Parking Spaces: 200
 Parking Type: Surface

Financials

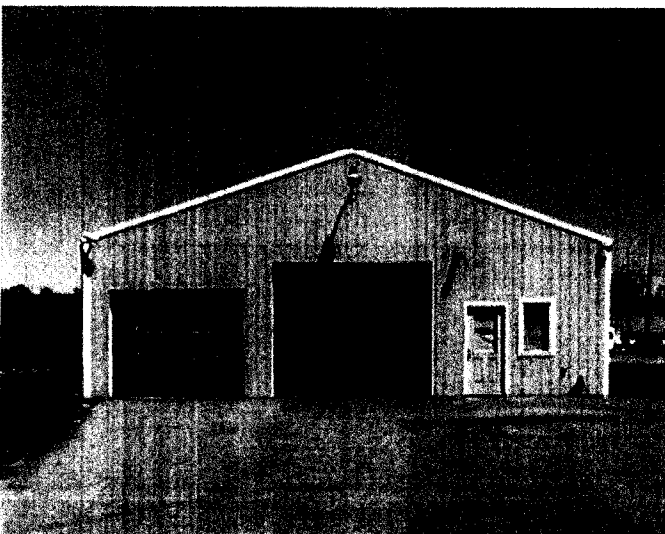
Finance Data Year: 2011

Location

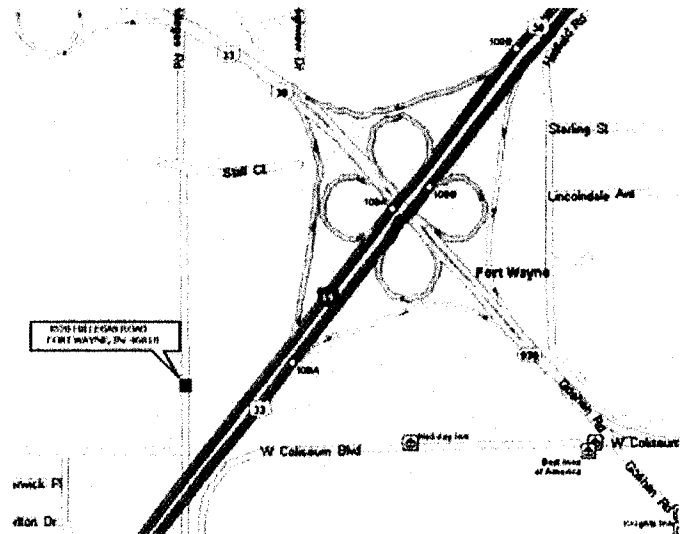
Address: 4528 Hillegas Road, Fort Wayne, IN 46818
County: Allen
MSA: Fort Wayne



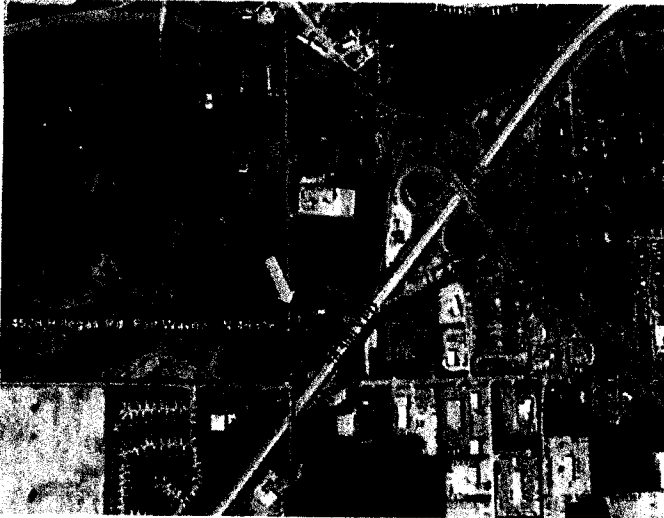
Property Images



Storage/Maintenance Bldg



Map



Aerial with Traffic Counts

Property Contacts



Chris Bartkus

BND Commercial, LLC

(260) 437-2614 [M]

(260) 469-7120 [O]

cbartkus@BNDCCommercial.com

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 |
|------------|-----------------|----------------|---------------|
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Retained Full-Time Employment

| Occupation | Occupation Code | Number of Jobs | Total Payroll |
|------------|-----------------|----------------|---------------|
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Additional Full-Time Employment

| Occupation | Occupation Code | Number of Jobs | Total Payroll |
|------------------|-----------------|----------------|---------------|
| General Mgr | 11-1021 | 1 | \$75,000.00 |
| Sales | 41-4011 | 2 | 100,000.00 |
| Customer Service | 43-4051 | 1 | 25,000.00 |
| Merch Handler | 53-3033 | 1 | 25,000.00 |
| | | | |

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

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

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

| Occupation | Occupation Code | Number of Jobs | Total Payroll |
|----------------------|-----------------|----------------|------------------------------|
| <i>Mach. Handler</i> | <i>53-3033</i> | <i>1</i> | <i>\$8,000.⁰⁰</i> |
| | | | |
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| | | | |
| | | | |

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

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

List any benefits not mentioned above:

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

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 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.



Signature of Taxpayer/Owner

Andrew M. Thiele

Printed Name and Title of Applicant

11/22/2013

Date



**STATEMENT OF BENEFITS
VACANT BUILDING DEDUCTION**

State Form 55182 (2-13)
Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

NOV 22 2013
epw

20__ PAY 20__

FORM SB-1 / VBD

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).

COMMUNITY DEVL.

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- Eligible vacant building (IC 6-1.1-12.1-4.8)
- Enhanced eligible vacant building (IC 6-1.1-12.1-16)

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 occupation of the eligible vacant building for which the person wishes to claim a deduction.
- To obtain a vacant building deduction, a Form 322/VBD must be filed with the county auditor before May 10 in the year in which the property owner or his tenant occupies the vacant building or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. If the property owner misses the May 10 deadline in the initial year of occupation, he can apply between March 1 and May 10 of a subsequent year.
- A property owner who files the Form 322/VBD must provide the county auditor and the designating body with a Form CF-1/VBD to show compliance with the approved Form SB-1/VBD. The Form CF-1/VBD must also be updated each year in which the deduction is applicable.

| SECTION 1 TAXPAYER INFORMATION | | | | | |
|---|----------------------|-----------------------------|---|-------------------------------|---|
| Name of taxpayer <i>Midwest Salt of Fort Wayne LLC</i> | | | | | |
| Address of taxpayer (number and street, city, state, and ZIP code) <i>4528 Hillegas Road Ft Wayne IN</i> | | | | | |
| Name of contact person <i>Andrew M. Thiele</i> | | | Telephone number <i>(260) 387-6170</i> | | E-mail address <i>andrew.thiele@midwestsalt.net</i> |
| SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT | | | | | |
| Name of designating body <i>Fort Wayne Common Council</i> | | | | | Resolution number |
| Location of property <i>4528 Hillegas Road Ft Wayne</i> | | | County <i>Allen</i> | | DLGF taxing district number <i>73</i> |
| Description of eligible vacant building that the property owner or tenant will occupy (use additional sheets if necessary). | | | | | Estimated occupancy date (month, day, year) <i>1-21-14</i> |
| | | | | | Estimated date placed-in-use (month, day, year) <i>1-21-14</i> |
| SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS A RESULT OF PROPOSED PROJECT | | | | | |
| Current number <i>0</i> | Salaries <i>0</i> | Number retained <i>0</i> | Salaries <i>0</i> | Number additional <i>6</i> | Salaries <i>\$233,000.00</i> |
| SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT | | | | | |
| REAL ESTATE IMPROVEMENTS | | | | | |
| | | | COST | ASSESSED VALUE | |
| Current values | | | <i>\$350,000</i> | <i>350,000</i> | |
| Plus estimated values of proposed project | | | <i>40,000</i> | | |
| Less values of any property being replaced | | | <i>0</i> | | |
| Net estimated values upon completion of project | | | <i>390,000</i> | | |
| SECTION 5 EFFORTS TO SELL OR LEASE VACANT BUILDING | | | | | |
| Described efforts by the owner to sell, lease, or rent the building during period of vacancy: <i>Listed For sale with Commercial Realtor</i> | | | | | |
| Show amount for which the building was offered for sale, lease, or rent during period of vacancy. <i>\$995,000, \$900,000, \$800,000 → \$350,000</i> | | | | | |
| List any other benefits resulting from the occupancy of the eligible vacant building. <i>Utilities will be turned on & monthly billing resumed. Jobs created for direct employees & transportation companies used for product delivery</i> | | | | | |
| SECTION 6 TAXPAYER CERTIFICATION | | | | | |
| I hereby certify that the representations in this statement are true. | | | | | |
| Signature of authorized representative <i>[Signature]</i> | | | Title <i>V Pres.</i> | | Date signed (month, day, year) <i>11/22/2013</i> |

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, 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 being allowed:

- Eligible vacant building - One Year Only at 100% (IC 6-1.1-12.1-4.8)
- Eligible vacant building - Two Years: First Year 100%; Second Year 50% (IC 6-1.1-12.1-4.8)
- Eligible vacant building - Three Years: First Year 100%; Second Year 50%; Third Year 50% (IC 6-1.1-12.1-4.8 & IC 6-1.1-12.1-16(b))
- Enhanced eligible vacant building - One Year Only 100% (IC 6-1.1-12.1-16) NOTE: See special requirements below.**
- Enhanced eligible vacant building - Two Years at 100% per year (IC 6-1.1-12.1-16) NOTE: See special requirements below.**
- Enhanced eligible vacant building - Three Years at 100% per year (IC 6-1.1-12.1-16) NOTE: See special requirements below.**

IC 6-1.1-12.1-16 Enhancement of deduction schedules; criteria**

Sec. 16. (a) This section applies to property that is the subject of a deduction application filed after June 30, 2011, if:

(1) property that is the subject of a deduction application is an eligible vacant building with at least fifty thousand (50,000) square feet and, as a condition of obtaining the deduction, the deduction applicant agrees to use the eligible vacant building for industrial or commercial purposes;

(2) as a condition of obtaining a deduction under this chapter, the deduction applicant agrees to invest at least ten million dollars (\$10,000,000) in property that is eligible for a deduction under this chapter;

(3) property that is the subject of a deduction application consists of a proposed rehabilitation of property in a designated downtown area; or

(4) the property that is the subject of a deduction application is or will be located in a county in which:

(A) the average annualized unemployment rate in each of the two (2) calendar years immediately preceding the current calendar year exceeded the statewide average annualized unemployment rate for each of the same calendar years by at least two percent (2%); or

(B) the average annualized unemployment rate in the immediately preceding calendar year was at least double the statewide average annualized unemployment rate for the same period; as determined by the department of workforce development.

C. Statutory Limits under IC 6-1.1-12.1-4.8(k) (Applicable to abatements under IC 6-1.1-12.1-4.8 and IC 6-1.1-12.1-16)

The maximum amount of a deduction to the assessed value under this section may not exceed the lesser of:

(1) the annual amount for which the eligible vacant building was offered for lease or rent by the owner or a previous owner during the period the eligible vacant building was unoccupied; or

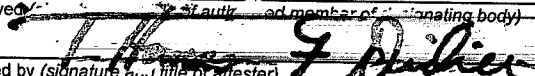
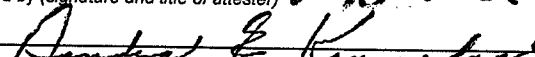
(2) an amount, as determined by the designating body in its discretion, that is equal to the annual amount for which similar buildings in the county or contiguous counties were leased or rented or offered for lease or rent during the period the eligible vacant building was unoccupied.

The designating body determines the amount of this limit to be: _____

NOTE: The county auditor will use the lesser of this limit or the deduction calculated from the actual assessed value of the eligible vacant building (does not include land) times the applicable deduction percentage for each year the deduction is applied.

D. Other limits or conditions (specify) _____

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:  | Telephone number: (260) 427-1221 | Date signed (month, day, year): 12-10-13 |
| Attested by (signature and title of attester):  | Designating 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.

IC 6-1.1-12.1-1(17) defines an "Eligible vacant building" as a building that:

(A) is zoned for commercial or industrial purposes; and

(B) is unoccupied for at least one (1) year before the owner of the building or a tenant of the owner occupies the building, as evidenced by a valid certificate of occupancy, paid utility receipts, executed lease agreements, or any other evidence of occupation that the department of local government finance requires.

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Midwest Salt of Fort Wayne LLC is requesting the designation of an Economic Revitalization Area for the occupation of an eligible vacant building. Midwest Salt of Fort Wayne LLC will occupy and make repairs to a vacant building for their new startup business which will specialize in the warehousing, distributing, and sale of salt products.**

EFFECT OF PASSAGE: **Occupying the vacant structure will allow Midwest Salt of Fort Wayne LLC to start their new salt business while also providing employment for area citizens. Five full-time jobs and one part-time job will be created.**

EFFECT OF NON-PASSAGE: **Potential loss of development, five full-time jobs, and one part-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: November 27, 2013
RE: Request for designation by Midwest Salt of Fort Wayne LLC as an ERA for eligible vacant building improvements

BACKGROUND

| | | | |
|------------------|---------------------------|-------------------------|-----------------------|
| PROJECT ADDRESS: | 4528 Hillegas Road | PROJECT LOCATED WITHIN: | Not Applicable |
| PROJECT COST: | \$ 40,000 | COUNCILMANIC DISTRICT: | 3 |

| | |
|-----------------------------|--|
| COMPANY PRODUCT OR SERVICE: | Midwest Salt of Fort Wayne LLC will warehouse, distribute, and sell salt products used for ice on roadways, water softening, and agricultural applications. |
| PROJECT DESCRIPTION: | Midwest Salt of Fort Wayne LLC will occupy a building which has been vacant and bank owned since 2009. |

CREATED

RETAINED

| | | | |
|---------------------------------|-------------------|--------------------------------------|------------|
| JOBS CREATED (FULL-TIME): | 5 | JOBS RETAINED (FULL-TIME): | 0 |
| JOBS CREATED (PART-TIME): | 1 | JOBS RETAINED (PART-TIME): | 0 |
| TOTAL NEW PAYROLL: | \$ 233,000 | TOTAL RETAINED PAYROLL: | \$0 |
| AVERAGE SALARY (FULL-TIME NEW): | \$ 45,000 | AVERAGE SALARY (FULL-TIME RETAINED): | \$0 |

COMMUNITY BENEFIT REVIEW

Yes No N/A

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

Explain: Property has been vacant for four years

Yes No N/A

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

Explain: Property to be designated is zoned IN1; Limited Industrial

Yes No N/A

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

Explain: The structure is in need of small repairs.

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?
Explain: Five full-time jobs and one part-time job will be created.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 the eligible vacant building is one year.

Under Fort Wayne Common Council's tax phase-in policies and procedures, Midwest Salt of Fort Wayne LLC is eligible for a one year vacant building deduction. While not pertinent to this application, attached is a spreadsheet that shows how the application would have scored under the review system.

While Citizens National Bank of Bluffton is currently the owner of the real property and has been since 2010, Midwest Salt of Fort Wayne LLC will be purchasing the property in the near future.


COMMENTS

Signed:



 Economic Development Specialist

Reviewed:



 Economic Development Specialist

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 | |
| Under \$100,000 | 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 | |
| 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 | 2 |

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 | |
|------------------|---|--|

Estimated Percent of Business done outside

| | | |
|------------------|----|---|
| Allen County | | |
| Greater than 75% | 15 | |
| 50% to 74% | 10 | |
| 25% to 49% | 5 | 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 | |
| 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 | 4 |

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 |
| Pension, Tuition Reimbursement, Life Insurance, Dental Insurance, | |
| Disability Insurance, | 3 |

SUSTAINABILITY

| | |
|--|---|
| Construction uses green building techniques (ie LEED Certification) | 5 |
| Construction uses techniques to minimize impact on Combined Sewer Overflows (CSOs) | 5 |

Total 33

| 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% | |

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:

| | <u>AYES</u> | <u>NAYS</u> | <u>ABSTAINED</u> | <u>ABSENT</u> |
|--------------------|-------------|-------------|------------------|---------------|
| <u>TOTAL VOTES</u> | <u>9</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:

12-10-13

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-110-13 on the 10th day of
December, 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 11th day
of December, 2013, at the hour of 10:00 o'clock Am . E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 12th day of December

2013, at the hour of 2:00 o'clock Pm . E.S.T.

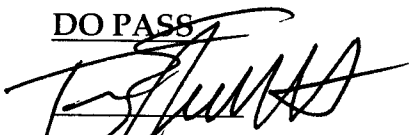
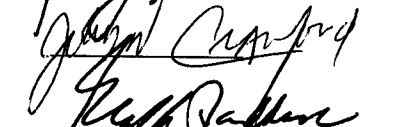


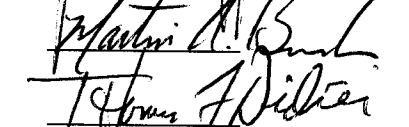
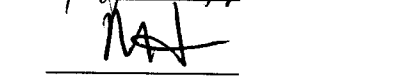


Thomas C. Henry
THOMAS C. HENRY, MAYOR

BILL NO. R-13-12-04

REPORT OF THE COMMITTEE ON FINANCE
DECEMBER 10, 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 4528 Hillegas Road, Fort Wayne, Indiana 46818 (Midwest Salt of Fort Wayne LLC). **HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE**

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

SANDRA E. KENNEDY
CITY CLERK