

**A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 2123 Lincoln Way Court, Fort Wayne, Indiana 46819 (IOM Health Systems, LP/Revenue Cycle Service Center, LLC)**

**WHEREAS**, Petitioner has duly filed its petition dated February 11, 2015 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 219 full-time, permanent jobs for a total new, annual payroll of \$8,235,578, with the average new annual job salary being \$37,605 and retain 281 full-time, permanent jobs for a total current annual payroll of \$10,058,022, with the average current, annual job salary being \$35,793; and

**WHEREAS**, the total estimated project cost is \$1,263,785; 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:

- (a) Said Resolution shall be filed with the Allen County Assessor;
- (b) 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";
- (c) 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 new information technology 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 information technology equipment, all contained in Petitioner's Statement  
8 of Benefits, are reasonable and are benefits that can be reasonably expected to result from  
9 the proposed described redevelopment or rehabilitation and from the installation of new  
10 information technology equipment.

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

- 13                   (a) If the proposed development does not occur, the approximate current year tax  
14 rates for this site would be \$3.3065/\$100.  
15                   (b) If the proposed development does occur and no deduction is granted, the  
16 approximate current year tax rate for the site would be \$3.3065/\$100 (the  
17 change would be negligible).  
18                   (c) 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 \$3.3065/\$100 (the change would be negligible).  
21                   (d) If the proposed new information technology equipment is not installed, the  
22 approximate current year tax rates for this site would be \$3.3065/\$100.  
23                   (e) If the proposed new information technology equipment is installed and no  
24 deduction is granted, the approximate current year tax rate for the site would be  
25 \$3.3065/\$100 (the change would be negligible).  
26                   (f) If the proposed new information technology equipment is installed and a  
27 deduction percentage of eighty percent (80%) is assumed, the approximate  
28 current year tax rate for the site would be \$3.3065/\$100 (the change would be  
29 negligible).

30                   **SECTION 6.** That, this Resolution shall be subject to being confirmed, modified  
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 ten years, and  
the deduction from the assessed value of the new information technology equipment shall be  
for a period of ten years.

1                   **SECTION 8.** The deduction schedule from the assessed value of the real  
2 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                 | 95%        |
| 3                 | 80%        |
| 4                 | 65%        |
| 5                 | 50%        |
| 6                 | 40%        |
| 7                 | 30%        |
| 8                 | 20%        |
| 9                 | 10%        |
| 10                | 5%         |

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13                   **SECTION 9.** The deduction schedule from the assessed value of new information  
14 technology equipment 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                 | 90%        |
| 3                 | 80%        |
| 4                 | 70%        |
| 5                 | 60%        |
| 6                 | 50%        |
| 7                 | 40%        |
| 8                 | 30%        |
| 9                 | 20%        |
| 10                | 10%        |

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

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

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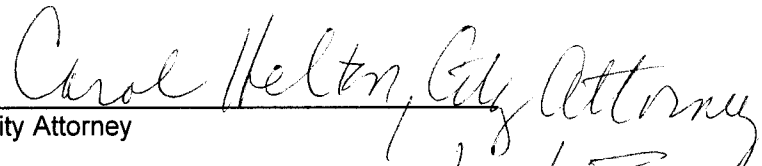
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deduction amount as determined by the county auditor in accordance with section 12 of said chapter if the property owner ceases operations at the facility for which the deduction was granted and if the Common Council finds that the property owner obtained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

**SECTION 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  
by LES

CITY OF FT WAYNE

FEB 11 2015 *EMC*

03/2013



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:                        | \$2,838,785        |
| Total cost of manufacturing equipment improvements:            | \$0                |
| Total cost of research and development equipment improvements: | \$0                |
| Total cost of logistical distribution equipment improvements:  | \$0                |
| Total cost of information technology equipment improvements:   | \$3,540,386        |
| <b>TOTAL OF ABOVE IMPROVEMENTS:</b>                            | <b>\$6,379,171</b> |

**GENERAL INFORMATION**

Real property taxpayer's name: Revenue Cycle Service Center, LLC; IOM Health Systems LP

Personal property taxpayer's name: Revenue Cycle Service Center, LLC

Telephone number: 260-443-0700

Address listed on tax bill: 1700 Magnavox Way, Ste. 101, Fort Wayne IN 46804

Name of company to be designated, if applicable: Revenue Cycle Service Center, LLC

Year company was established: 2013

Address of property to be designated: 1700 Magnavox Way, Fort Wayne, IN 46804; 2123 Lincoln Way Court, Fort Wayne, IN 46819

Real estate property identification number: 02-11-12-279-001.000-075; 02-12-34-300-012.000-074

Contact person name: Andrew D. Boxberger

Contact person telephone number: 260-423-9411 Contact person Email: aboxberger@carsonboxberger.com

Contact person address: 301 W. Jefferson Blvd., Ste. 200, Fort Wayne, IN 46802

List company officer and/or principal operating personnel

| NAME         | TITLE          | ADDRESS  | PHONE NUMBER |
|--------------|----------------|--|--------------|
| Carolyn Abel | Vice President | 1700 Magnavox Way, Ste. 101<br>Fort Wayne IN 46804 | 260-443-0700 |
|              |                |  |              |
|              |                |  |              |
|              |                |  |              |

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

| NAME  | PERCENTAGE |
|---|------------|
| SS ParentCo, LLC*   | 100.00%    |
| *SS ParentCo, LLC is a subsidiary of CHS/Community Health Systems, Inc. ("CHS") |            |
|   |            |
|   |            |

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? 25%

What is the company's primary North American Industrial Classification Code (NAICs)? 541219

Describe the nature of the company's business, product, and/or service: Processes medical insurance claims, billing, appeals, and insurance collection and provides customer service for network hospitals and others.

Dollar amount of annual sales for the last three years:

| Year | Annual Sales         |
|------|----------------------|
| 2013 | \$13 billion for CHS |
| 2012 | \$13 billion for CHS |
| 2011 | \$12 billion for CHS |

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

| Customer Name            | City/State          | Annual Gross Sales        |
|--------------------------|---------------------|---------------------------|
| Lutheran Hospital        | Fort Wayne, Indiana | Internal Service Provider |
| Porter Regional Hospital | Valpraiso, Indiana  | Internal Service Provider |
| Vista Medical Center     | Waukegan, Illinois  | Internal Service Provider |

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

| Supplier Name | City/State | Annual Gross Purchases |
|---------------|------------|------------------------|
| n/a           |            |                        |
|               |            |                        |
|               |            |                        |

List the company's top three competitors:

| Competitor Name                 | City/State     |
|---------------------------------|----------------|
| Parkview Hospital (Lutheran)    | Fort Wayne, IN |
| Hospital Corp. of America (CHS) | National       |
|                                 |                |

Describe the product or service to be produced or offered at the project site: Processes medical insurance claims, billing, appeals, and insurance collection and provides customer service for network hospitals and others.

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?  
Both locations are within the corporate limits of the City of Fort Wayne. Both locations were undesirable for normal development and occupancy because they were substandard buildings.  
The investments being made at both locations are necessary to facilitate the service to be offered at the respective project sites.

**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: Utilizing 63,000 square feet of space within a building in excess of 200,000 square feet.

Describe the condition of the structure(s) listed above: Renovating the 63,000 square feet to be utilized.

Describe the improvements to be made to the property to be designated for tax phase-in purposes: Moderate remodeling and renovations including, updating and expanding restroom facilities, new wiring, new carpeting, wall coverings, lighting, furniture, computer equipment, establishing a computer data room and expanding the parking lot.

Projected construction start (month/year): 08/19/2014

Projected construction completion (month/year): 11/05/2014

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)

Information technology equipment consisting of equipment and software used for information processing and office automation; telecommunication facilities and networks, informatics, and network administration

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): October 2014

Date last piece of equipment will be installed (month/year): December 2015

Please provide the depreciation schedule term for equipment under consideration for personal property tax phase-in: Information technology equipment, some new and some leased, will be installed on the premises.

It is unknown at this time which property will be purchased and which property will be leased, therefore depreciation schedules have not been generated.

**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: \_\_\_\_\_  
\_\_\_\_\_

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

Projected occupancy date (month/year): \_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
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\_\_\_\_\_  
\_\_\_\_\_

|                                   |
|-----------------------------------|
| <b>PUBLIC BENEFIT INFORMATION</b> |
|-----------------------------------|

***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 |
|--------------|-----------------|----------------|---------------|
| SEE ATTACHED |                 |                |               |
|              |                 |                |               |
|              |                 |                |               |
|              |                 |                |               |
|              |                 |                |               |

**Retained Full-Time Employment**

| Occupation   | Occupation Code | Number of Jobs | Total Payroll |
|--------------|-----------------|----------------|---------------|
| SEE ATTACHED |                 |                |               |
|              |                 |                |               |
|              |                 |                |               |
|              |                 |                |               |
|              |                 |                |               |

**Additional Full-Time Employment**

| Occupation   | Occupation Code | Number of Jobs | Total Payroll |
|--------------|-----------------|----------------|---------------|
| SEE ATTACHED |                 |                |               |
|              |                 |                |               |
|              |                 |                |               |
|              |                 |                |               |
|              |                 |                |               |

**PUBLIC BENEFIT INFORMATION**

**Current Part-Time or Temporary Jobs**

| Occupation   | Occupation Code | Number of Jobs | Total Payroll |
|--------------|-----------------|----------------|---------------|
| SEE ATTACHED |                 |                |               |
|              |                 |                |               |
|              |                 |                |               |
|              |                 |                |               |
|              |                 |                |               |

**Retained Part-Time or Temporary Jobs**

| Occupation   | Occupation Code | Number of Jobs | Total Payroll |
|--------------|-----------------|----------------|---------------|
| SEE ATTACHED |                 |                |               |
|              |                 |                |               |
|              |                 |                |               |
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|              |                 |                |               |

**Additional Part-Time or Temporary Jobs**

| Occupation   | Occupation Code | Number of Jobs | Total Payroll |
|--------------|-----------------|----------------|---------------|
| SEE ATTACHED |                 |                |               |
|              |                 |                |               |
|              |                 |                |               |
|              |                 |                |               |
|              |                 |                |               |

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

List any benefits not mentioned above: Any of these benefits may be allowed to new employees, some of which may be purchased by the employee and offset or subsidized by the employer including Vision, Family Life Insurance, Accident Insurance and a Health Savings Account.

When will you reach the levels of employment shown above? (month/year): 03/01/16

| <b>Job Description</b>        | <b>Current/Retained Count</b> | <b>Proj. Count</b> | <b>Job Code</b> | <b>Total Payroll</b>   |
|-------------------------------|-------------------------------|--------------------|-----------------|------------------------|
| Accounting Clerk              | 33                            | 59                 | 43-3031         |                        |
| Administrative Asst II        | 1                             | 2                  | 43-6014         |                        |
| Auditor Pt Financial Svcs     | 9                             | 16                 | 13-2011         |                        |
| Billing Lead                  | 1                             | 2                  | 43-3021         |                        |
| Billing Spec I                | 5                             | 9                  | 43-3021         |                        |
| Billing Specialist I          | 12                            | 21                 | 43-3021         |                        |
| Billing Specialist II         | 28                            | 50                 | 43-3021         |                        |
| Business Office Lead          | 1                             | 2                  | 13-1000         |                        |
| Cash Posting Rep              | 4                             | 7                  | 43-3020         |                        |
| Clerk                         | 7                             | 12                 | 43-3020         |                        |
| Cl/Svr Ops Analyst            | 2                             | 4                  | 15-2031         |                        |
| Client Liason                 | 2                             | 4                  | 43-4050         |                        |
| Collections Clerk             | 9                             | 16                 | 43-3011         |                        |
| Collections Lead              | 1                             | 2                  | 43-3011         |                        |
| Collections Specialist I      | 39                            | 71                 | 43-3011         |                        |
| Collections Specialist II     | 31                            | 55                 | 43-3011         |                        |
| Customer Service Rep I        | 3                             | 5                  | 43-4050         |                        |
| Customer Service Rep II       | 5                             | 9                  | 43-4050         |                        |
| Denial Coord                  | 9                             | 16                 | 13-1031         |                        |
| Dir Admissions                | 1                             | 1                  | 11-3010         |                        |
| Dir Business Office           | 1                             | 4                  | 11-3010         |                        |
| Dir Customer Service          | 1                             | 1                  | 11-3010         |                        |
| Dir Finance                   | 1                             | 2                  | 11-3031         |                        |
| Dir Insurance Collect         | 1                             | 2                  | 11-3010         |                        |
| Exec Dir SSC                  | 1                             | 1                  | 11-1020         |                        |
| Facility Compliance Ofc       | 1                             | 2                  | 11-3011         |                        |
| Financial Analyst             | 1                             | 2                  | 13-2051         |                        |
| Financial Analyst II          | 1                             | 1                  | 13-2051         |                        |
| Financial Auditor             | 3                             | 5                  | 13-2011         |                        |
| Financial Counselor           | 4                             | 7                  | 13-2000         |                        |
| Financial Counselor I         | 1                             | 2                  | 13-2000         |                        |
| HR Generalist                 | 1                             | 2                  | 13-1071         |                        |
| Mgr Billing                   | 1                             | 2                  | 11-3010         |                        |
| Mgr Business Office           | 1                             | 3                  | 11-3010         |                        |
| Mgr Collections               | 2                             | 3                  | 11-3010         |                        |
| Mgr Customer Service          | 1                             | 2                  | 11-3010         |                        |
| Mgr Denial Unit               | 1                             | 2                  | 11-3010         |                        |
| Mgr HR                        | 1                             | 2                  | 11-3120         |                        |
| Quality Assurance Spec        | 1                             | 2                  | 43-4050         |                        |
| Receptionist                  | 1                             | 1                  | 43-4171         |                        |
| Recovery Audit Coord RAC      | 1                             | 2                  | 13-2011         |                        |
| Refunds Specialist II         | 1                             | 2                  | 43-3030         |                        |
| Reimbursement Spec I          | 6                             | 11                 | 43-3030         |                        |
| Reimbursement Spec II         | 11                            | 20                 | 43-3030         |                        |
| Sup Billing                   | 2                             | 4                  | 11-3010         |                        |
| Sup Business Office           | 1                             | 2                  | 11-3010         |                        |
| Sup Call Center               | 3                             | 5                  | 11-3010         |                        |
| Sup Cash Mgmt                 | 4                             | 7                  | 11-3010         |                        |
| Sup Collections               | 7                             | 12                 | 11-3010         |                        |
| Sup Reimburse & Contracts     | 1                             | 2                  | 11-3010         |                        |
| Support Staff SSC             | 12                            | 21                 | 43-9199         |                        |
| Support Svc Spec              | 1                             | 2                  | 43-9199         |                        |
| Support Svcs Tech             | 1                             | 2                  | 43-9199         |                        |
| VP Pat Fin Svc                | 1                             | 1                  | 11-1020         |                        |
| <b>Current/Retained Total</b> | <b>281</b>                    |                    |                 | <b>\$10,058,022.00</b> |
| <b>Projected Total</b>        |                               | <b>500</b>         |                 | <b>\$18,293,600.00</b> |

## 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

Martin G. Schweinhart, Executive Vice President, Administration

Printed Name and Title of Applicant

2-4-2015  
 \_\_\_\_\_  
 Date





STATEMENT OF BENEFITS
PERSONAL PROPERTY

State Form 51764 (R3 / 12-13)
Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

FORM SB-1 / PP

FEB 11 2015 emc

PRIVACY NOTICE
Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

INSTRUCTIONS

- 1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing...
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the installation of qualifying abatable equipment...
3. To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return...
4. Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance...
5. For a Form SB-1/PP that is approved after June 30, 2013, the designating body is required to establish an abatement schedule...

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer: Revenue Cycle Service Center, LLC
Name of contact person: Carolyn Abel
Address of taxpayer: 1700 Magnavox Way, Suite 101, Fort Wayne, IN 46804
Telephone number: (260) 443-0700

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body: Fort Wayne Common Council
Resolution number (s):
Location of property: 2123 Lincoln Way Court, Fort Wayne, IN 46819
County: Allen
DLGF taxing district number: 074
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment.
ESTIMATED START DATE: 02/15/2015
ESTIMATED COMPLETION DATE: 02/31/2015

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

Table with 6 columns: Current number, Salaries, Number retained, Salaries, Number additional, Salaries. Values: 281, \$10,058,022.00, 281, \$10,058,022.00, 219, \$8,235,578.00

SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

Table with 5 main categories: MANUFACTURING EQUIPMENT, R & D EQUIPMENT, LOGIST DIST EQUIPMENT, IT EQUIPMENT. Sub-headers: COST, ASSESSED VALUE. Values: 1,369,490, 100,000, 0, 1,469,490

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted (pounds): 0
Estimated hazardous waste converted (pounds): 0

Other benefits:

SECTION 6 TAXPAYER CERTIFICATION

I hereby certify that the representations in this statement are true.
Signature of authorized representative: Andrew D. Boxberger
Date signed (month, day, year): February 11, 2015
Title: Attorney

**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 type="checkbox"/> Yes            | <input checked="" 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 checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |

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

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 \$ unlimited cost with an assessed value of \$ unlimited.

G. Other limitations or conditions (specify) \_\_\_\_\_

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 is allowed for:

- |                                 |                                 |                                 |                                 |   |               |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---|---------------|
| <input type="checkbox"/> Year 1 | <input type="checkbox"/> Year 2 | <input type="checkbox"/> Year 3 | <input type="checkbox"/> Year 4 | <input type="checkbox"/> Year 5             | (see below *) |
| <input type="checkbox"/> Year 6 | <input type="checkbox"/> Year 7 | <input type="checkbox"/> Year 8 | <input type="checkbox"/> Year 9 | <input checked="" type="checkbox"/> Year 10 |               |

I. For a Statement of Benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?  Yes  No  
 If yes, attach a copy of the abatement schedule to this form.  
 If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

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 by: <u>John N. Crawford</u> and title of authorized member of designating body | Telephone number<br><u>(260) 427-1221</u>            | Date signed (month, day, year)<br><u>2-24-15</u> |
| Printed name of authorized member of designating body<br><u>John N. Crawford</u>        | Name of designating body<br><u>Common Council</u>    |  |
| Attested by: <u>Sandra E. Kennedy</u> (Signature and title of attester)                 | Printed name of attester<br><u>Sandra E. Kennedy</u> |  |

\* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

**IC 6-1.1-12.1-17**

**Abatement schedules**

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
- (2) The number of new full-time equivalent jobs created.
- (3) The average wage of the new employees compared to the state minimum wage.
- (4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.



**STATEMENT OF BENEFITS  
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R6 / 10-14)  
Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

FEB 11 2015 E.M.C.

20 15 PAY 20 16

FORM SB-1 / Real Property

**PRIVACY NOTICE**

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

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

- Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
- Residentially distressed area (IC 6-1.1-12.1-4.1)

COMMUNITY DEVL

**INSTRUCTIONS:**

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. 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.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
3. To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between March 1 and May 10 of a subsequent year.
4. A property owner who files for the deduction must provide the County Auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
5. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/Real Property that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. IC 6-1.1-12.1-17

**SECTION 1 TAXPAYER INFORMATION**

|  |   |  |
|--|---|--|
| Name of taxpayer<br><b>IOM Health Systems LP</b>   |   |  |
| Address of taxpayer (number and street, city, state, and ZIP code)<br><b>c/o Baden Tax Management, P.O. Box 8040, Fort Wayne, IN 46898</b> |   |  |
| Name of contact person<br><b>Carolyn Abel</b>  | Telephone number<br><b>( 260 ) 443-0700</b> | E-mail address<br><b>cabel@lhn.net</b> |

**SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT**

|  |                        |  |
|--|------------------------|--|
| Name of designating body<br><b>Fort Wayne Common Council</b>   |                        | Resolution number  |
| Location of property<br><b>2123 Lincoln Way Court, Fort Wayne, IN 46819</b>  | County<br><b>Allen</b> | DLGF taxing district number<br><b>074</b>                                |
| Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary)<br><b>Moderate remodeling and renovations including updating and expanding restroom facilities, new wiring, new carpeting, wall coverings, lighting, and expanding the parking lot.</b> |                        | Estimated start date (month, day, year)<br><b>February 2, 2015</b>       |
|  |                        | Estimated completion date (month, day, year)<br><b>December 31, 2015</b> |

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

| Current number | Salaries        | Number retained | Salaries        | Number additional | Salaries       |
|----------------|-----------------|-----------------|-----------------|-------------------|----------------|
| 281.00         | \$10,058,022.00 | 281.00          | \$10,058,022.00 | 219.00            | \$8,235,578.00 |

**SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT**

|   | REAL ESTATE IMPROVEMENTS |                |
|---|--------------------------|----------------|
|   | COST                     | ASSESSED VALUE |
| Current values                                  | 2,005,600.00             | 2,005,600.00   |
| Plus estimated values of proposed project       | 1,163,785.00             | 1,163,785.00   |
| Less values of any property being replaced      | 1,000,000.00             | 1,000,000.00   |
| Net estimated values upon completion of project | 2,169,385.00             | 2,169,385.00   |

**SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER**

|  |  |
|--|--|
| Estimated solid waste converted (pounds) <u>0.00</u> | Estimated hazardous waste converted (pounds) <u>0.00</u> |
|--|--|

Other benefits

**SECTION 6 TAXPAYER CERTIFICATION**

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

|   |  |
|---|--|
| Signature of authorized representative<br>                              | Date signed (month, day, year)<br><b>February 11, 2015</b> |
| Printed name of authorized representative<br><b>Andrew D. Boxberger</b> | Title<br><b>Attorney</b>                                   |

**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, 2018
- 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) \_\_\_\_\_
- E. Number of years allowed:  Year 1  Year 2  Year 3  Year 4  Year 5 (\* see below)  
 Year 6  Year 7  Year 8  Year 9  Year 10
- F. For a statement of benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?  
 Yes  No  
 If yes, attach a copy of the abatement schedule to this form.  
 If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

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)<br><i>John N. Crawford</i> | Telephone number:<br><i>(260) 427-1221</i>           | Date signed (month, day, year)<br><i>2-24-15</i> |
| Printed name of authorized member of designating body<br><i>John N. Crawford</i>                   | Name of designating body<br><i>Common Council</i>    |  |
| Attested by (signature and title of attester)<br><i>Sandra E. Kennedy</i>                          | Printed name of attester<br><i>Sandra E. Kennedy</i> |  |

\* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

- A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4.1 remain in effect. The deduction period may not exceed five (5) years. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. The deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)
- B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. (See IC 6-1.1-12.1-17 below.)

**IC 6-1.1-12.1-17**

**Abatement schedules**

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
- (2) The number of new full-time equivalent jobs created.
- (3) The average wage of the new employees compared to the state minimum wage.
- (4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

EXHIBIT A - LEGAL DESCRIPTION

PARCEL I:

Part of the Southwest Quarter of Section 34, Township 30 North, Range 12 East, Allen County, Indiana, lying Northerly of the Baer Field Expressway, Project U377(10), described as follows:

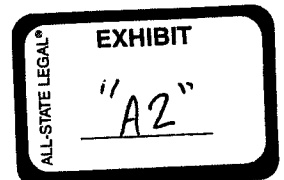
COMMENCING at an iron pin set in 1971 on the North right-of-way line of said Baer Field Expressway at its intersection by a line that is 575 feet East of and parallel to the West line of said Quarter Section; thence South 67 degrees 32 minutes West (State Highway bearing), a distance of 50.0 feet; thence Northwesterly by a deflection right of 90 degrees 00 minutes, a distance of 400.0 feet; thence Northeasterly by a deflection right of 90 degrees 00 minutes, a distance of 750.0 feet; thence Southeasterly by a deflection right of 90 degrees 00 minutes, a distance of 390 feet, more or less, to the North right-of-way line of said Baer Field Expressway, as situated 80 feet introrsely concentric to the 2 degrees centerline curve thereof; thence Southwesterly on the said North right-of-way line, as situated 80 feet introrsely concentric to said 2 degrees centerline curve, a distance of 22 feet, more or less, to an iron pin previously set at P.C. Station 176+58.25; thence continuing South 65 degrees 56 minutes West on said right-of-way line, a distance of 358.35 feet to an iron pin previously set, as situated 70 feet normally distant Northwestward of said Highway centerline; thence South 67 degrees 32 minutes West along the said 70 foot right-of-way line, a distance of 319.6 feet to the Point of Beginning, containing 6.84 acres, more or less.

PARCEL II:

Part of the Southwest Quarter of Section 34, Township 30 North, Range 12 East, Allen County, Indiana, lying Northerly of the Baer Field Thruway, Project U377(10), more particularly described as follows:

COMMENCING at a point on the North right-of-way line of Baer Field Thruway, Project U377(10), said point being 575 feet East of the West line of the Southwest Quarter of Section 34, Township 30 North, Range 12 East, Allen County, Indiana; thence North 67 degrees 32 minutes East (State Highway bearing) along the said North right-of-way line and 70 feet and parallel to the centerline of Baer Field Thruway, a distance of 319.6 feet; thence North 65 degrees 56 minutes East along said North right-of-way line a distance of 358.35 feet to a point 80 feet Northwest of the centerline of Baer Field Thruway, said point being Station 176+58.25; thence Northeasterly along said North right-of-way line on a curve that is situated 80 feet introrsely concentric to said 02 degrees centerline curve, a distance of 22.2 feet to the True Point of Beginning; thence North 22 degrees 28 minutes West a distance of 389.29 feet to a point on the South right-of-way line of Lincolnway Court; thence North 67 degrees 32 minutes East along the South right-of-way line of Lincolnway Court Extended Easterly a distance of 300.0 feet; thence South 23 degrees 53 minutes 50 seconds East a distance of 369.71 feet to a point on the North right-of-way line of Baer Field Thruway as situated 80 feet introrsely concentric to the 02 degrees centerline curve of Baer Field Thruway; thence Southwesterly on the said North right-of-way line as situated 80 feet introrsely concentric to said 02 degrees centerline curve, a distance of 310.0 feet to the Point of Beginning, containing 2.65 acres.

END OF EXHIBIT A



# 2123 Lincoln Way Court



DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **IOM Health Systems, LP/Revenue Cycle Service Center, LLC is requesting the designation of an Economic Revitalization Area for both real and personal property improvements in the amount of \$1,263,785. In order to expand, Revenue Cycle Service Center, LLC will remodel their office space including expanding the restroom facilities and parking lot. New wiring, carpeting, wall coverings, and lighting will be installed. New information technology equipment will be purchased and installed.**

EFFECT OF PASSAGE: **In order to effectively manage the processing of medical insurance claims, billing, appeals, and insurance collections, Revenue Cycle Service Center, LLC will expand its Fort Wayne operations. 219 full-time jobs will be created and 281 full-time jobs will be retained as a result of the project.**

EFFECT OF NON-PASSAGE: **Potential loss of development and 219 full-time jobs**

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

ASSIGNED TO COMMITTEE (PRESIDENT): **Tom Didier and Russ Jehl**

# MEMORANDUM



**TO:** City Council  
**FROM:** Elissa McGauley, Economic Development Specialist  
**DATE:** February 18, 2015  
**RE:** Request for designation by IOM Health Systems, LP/Revenue Cycle Service Center, LLC as an ERA for real and personal property improvements

## BACKGROUND

|                  |                               |                         |                       |
|------------------|-------------------------------|-------------------------|-----------------------|
| PROJECT ADDRESS: | <b>2123 Lincoln Way Court</b> | PROJECT LOCATED WITHIN: | <b>Not Applicable</b> |
| PROJECT COST:    | <b>\$1,263,785</b>            | COUNCILMANIC DISTRICT:  | <b>4</b>              |

|                             |   |
|-----------------------------|---|
| COMPANY PRODUCT OR SERVICE: | <b>Revenue Cycle Service Center processes medical insurance claims, billing, appeals, and insurance collections. The company provides customer service for network hospitals and others.</b>  |
| PROJECT DESCRIPTION:        | <b>Moderate remodeling will be done to the building including expanding restroom facilities and the parking lot. New wiring, carpeting, wall coverings, and lighting will be installed. New information technology equipment will be purchased and installed.</b> |

| CREATED                         |                     | RETAINED                             |                      |
|---------------------------------|---------------------|--------------------------------------|----------------------|
| JOBS CREATED (FULL-TIME):       | <b>219</b>          | JOBS RETAINED (FULL-TIME):           | <b>281</b>           |
| JOBS CREATED (PART-TIME):       | <b>0</b>            | JOBS RETAINED (PART-TIME):           | <b>0</b>             |
| TOTAL NEW PAYROLL:              | <b>\$ 8,235,578</b> | TOTAL RETAINED PAYROLL:              | <b>\$ 10,058,022</b> |
| AVERAGE SALARY (FULL-TIME NEW): | <b>\$ 37,605</b>    | AVERAGE SALARY (FULL-TIME RETAINED): | <b>\$ 35,793</b>     |

## COMMUNITY BENEFIT REVIEW

Yes  No  N/A

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

Yes  No  N/A

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

**Explain: Property to be designated is zoned C1, professional office and personal services zoning classification. Use of property is consistent with the land use policies of the City of Fort Wayne.**

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 a 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: 219 jobs will be created as a result of the project.**

Yes  No  N/A

Taxpayer is NOT delinquent on any or all property tax due to any taxing jurisdiction within Allen County.

**POLICY**

**Per the policy of the City of Fort Wayne, the following guidelines apply to this project:**

1. The period of deduction for real property is ten years.
2. The period of deduction for personal property is ten years.

Under Fort Wayne Common Council's tax abatement policies and procedures, IOM Health Systems, LP/Revenue Cycle Service Center, LLC is eligible for ten year deductions on real and personal property improvements. Attached is a spreadsheet that shows how the application scored under the review system as well as an estimate of the property taxes saved and paid over the length of the ten year deduction schedule.

**COMMENTS**

Signed: *Elisavinda McCawley*  
Economic Development Manager

## Personal Property Abatements

Tax Abatement Review System

|  | Points<br>Possible | Points<br>Awarded |
|--|--------------------|-------------------|
| <b>INVESTMENT (30 points possible)</b>   |                    |                   |
| <b>Total new investment in equipment</b>   |                    |                   |
| Over \$5,000,000   | 10                 |                   |
| \$1,000,000 to \$4,999,999   | 8                  | 8                 |
| \$500,000 to \$999,999   | 6                  |                   |
| \$0 to \$499,999   | 4                  |                   |
| <hr/>  |                    |                   |
| <b>Investment per employee (both jobs created and retained)</b>  |                    |                   |
| \$35,000 or more   | 10                 |                   |
| \$18,500 to \$34,999   | 8                  |                   |
| \$6,250 to \$18,499  | 6                  | 6                 |
| \$1,250 to \$6,249   | 4                  |                   |
| less than \$1,250  | 2                  |                   |
| <hr/>  |                    |                   |
| <b>Estimated local income taxes generated from jobs retained</b>   |                    |                   |
| \$80,000 or more   | 5                  | 5                 |
| \$30,000 to \$79,999   | 4                  |                   |
| \$10,000 to \$29,999   | 3                  |                   |
| \$5,000 to \$9,999   | 2                  |                   |
| less than \$5,000  | 1                  |                   |
| <hr/>  |                    |                   |
| <b>Estimated local income taxes generated from jobs created (Double points for start-up)</b>                               |                    |                   |
| \$30,000 or more   | 5                  | 5                 |
| \$10,000 to \$29,999   | 4                  |                   |
| \$5,000 to \$9,999   | 3                  |                   |
| \$3,000 to \$4,999   | 2                  |                   |
| less than \$3,000  | 1                  |                   |
| <hr/>  |                    |                   |
| <b>ECONOMIC BASE (20 points possible)</b>  |                    |                   |
| <b>Location Quotient in designated Occupation Code<br/>(use majority Occupation Code of all created and retained jobs)</b> |                    |                   |
| Greater than 1.0   | 5                  |                   |
| <hr/>  |                    |                   |
| <b>Estimated Percent of Business done outside<br/>Allen County</b>   |                    |                   |
| Greater than 75%   | 15                 |                   |
| 50% to 74%   | 10                 |                   |
| 25% to 49%   | 5                  | 5                 |
| <hr/>  |                    |                   |
| <b>JOBS (20 points possible)</b>   |                    |                   |
| <b>Total number of permanent jobs retained</b>   |                    |                   |
| Over 250   | 10                 | 10                |
| 100 to 249   | 8                  |                   |
| 50 to 99   | 6                  |                   |
| 25 to 49   | 4                  |                   |
| 10 to 24   | 2                  |                   |
| 1 to 9   | 1                  |                   |
| <hr/>  |                    |                   |
| <b>Total number of permanent jobs created (Double for start-up)</b>  |                    |                   |
| Over 100   | 10                 | 10                |
| 50-99  | 8                  |                   |
| 25-49  | 6                  |                   |
| 10-24  | 4                  |                   |
| 1 to 9   | 2                  |                   |
| <hr/>  |                    |                   |
| <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                 | 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 71**

| 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%   |              |

## Real Property Abatements

Tax Abatement Review System

|  | Points<br>Possible | Points<br>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                 |                   |
| \$18,500 to \$34,999   | 8                  |                   |
| \$6,250 to \$18,499  | 6                  |                   |
| \$1,250 to \$6,249   | 4                  | 4                 |
| less than \$1,250  | 2                  |                   |
| <b>Estimated local income taxes generated from jobs retained</b>   |                    |                   |
| \$80,000 or more   | 5                  | 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<br/>(Double points for start-up)</b>                           |                    |                   |
| \$30,000 or more   | 5                  | 5                 |
| \$10,000 to \$29,999   | 4                  |                   |
| \$5,000 to \$9,999   | 3                  |                   |
| \$3,000 to \$4,999   | 2                  |                   |
| less than \$3,000  | 1                  |                   |
| <b>ECONOMIC BASE (20 points possible)</b>  |                    |                   |
| <b>Location Quotient in designated Occupation Code<br/>(use majority Occupation Code of all created and retained jobs)</b> |                    |                   |
| Greater than 1.0   | 5                  |                   |
| <b>Estimated Percent of Business done outside<br/>Allen County</b>   |                    |                   |
| Greater than 75%   | 15                 |                   |
| 50% to 74%   | 10                 |                   |
| 25% to 49%   | 5                  | 5                 |
| <b>JOBS (20 points possible)</b>   |                    |                   |
| <b>Total number of permanent jobs retained</b>   |                    |                   |
| Over 250   | 10                 | 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                 | 10                |
| 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                 | 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 71**

| 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%   |              |

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

**PERSONAL PROPERTY TAX ABATEMENT - 10 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               | \$3,540,386     | 40%      | \$1,416,154    | \$1,416,154    | 100%            | 0%         | \$0         | \$0         | 0.033065 | \$0      | \$0              |
| 2               | \$3,540,386     | 56%      | \$1,982,616    | \$1,982,616    | 90%             | 10%        | \$174,355   | \$198,282   | 0.033065 | \$6,556  | \$46,825         |
| 3               | \$3,540,386     | 42%      | \$1,486,982    | \$1,486,982    | 80%             | 20%        | \$1,169,570 | \$297,392   | 0.033065 | \$9,833  | \$99,000         |
| 4               | \$3,540,386     | 32%      | \$1,132,924    | \$1,132,924    | 70%             | 30%        | \$793,046   | \$339,877   | 0.033065 | \$11,238 | \$26,222         |
| 5               | \$3,540,386     | 30%      | \$1,062,116    | \$1,062,116    | 60%             | 40%        | \$637,269   | \$424,846   | 0.033065 | \$14,048 | \$21,071         |
| 6               | \$3,540,386     | 30%      | \$1,062,116    | \$1,062,116    | 50%             | 50%        | \$531,058   | \$531,058   | 0.033065 | \$17,559 | \$17,559         |
| 7               | \$3,540,386     | 30%      | \$1,062,116    | \$1,062,116    | 40%             | 60%        | \$424,846   | \$637,269   | 0.033065 | \$21,071 | \$17,559         |
| 8               | \$3,540,386     | 30%      | \$1,062,116    | \$1,062,116    | 30%             | 70%        | \$318,653   | \$743,481   | 0.033065 | \$24,583 | \$14,048         |
| 9               | \$3,540,386     | 30%      | \$1,062,116    | \$1,062,116    | 20%             | 80%        | \$212,423   | \$849,693   | 0.033065 | \$28,095 | \$10,536         |
| 10              | \$3,540,386     | 30%      | \$1,062,116    | \$1,062,116    | 10%             | 90%        | \$106,212   | \$955,904   | 0.033065 | \$31,607 | \$7,024          |
| 11              | \$3,540,386     | 30%      | \$1,062,116    | \$1,062,116    | 0%              | 100%       | \$0         | \$1,062,116 | 0.033065 | \$35,119 | \$3,512          |
| TOTAL TAX SAVED |                 |          |                |                |                 |            |             |             |          |          | <b>\$245,130</b> |
| TOTAL TAX PAID  |                 |          |                |                |                 |            |             |             |          |          | <b>\$164,590</b> |

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

**REAL PROPERTY TAX ABATEMENT - 10 yr Schedule**

| Year                                  | Cash Value  | True Tax Value | Assessed Value | Tax Abatement % | Tax Paid % | Deduction   | Taxable AV  | Tax Rate | Tax Paid | Tax Saved |                  |
|---------------------------------------|-------------|----------------|----------------|-----------------|------------|-------------|-------------|----------|----------|-----------|------------------|
| 1                                     | \$2,838,785 | \$2,838,785    | \$2,838,785    | 100%            | 0%         | \$2,838,785 | \$0         | 0.033065 | \$0      | \$93,864  |                  |
| 2                                     | \$2,838,785 | \$2,838,785    | \$2,838,785    | 95%             | 5%         | \$2,696,846 | \$141,939   | 0.033065 | \$4,693  | \$89,171  |                  |
| 3                                     | \$2,838,785 | \$2,838,785    | \$2,838,785    | 80%             | 20%        | \$2,271,028 | \$567,757   | 0.033065 | \$18,773 | \$75,092  |                  |
| 4                                     | \$2,838,785 | \$2,838,785    | \$2,838,785    | 65%             | 35%        | \$1,845,210 | \$993,575   | 0.033065 | \$32,853 | \$61,012  |                  |
| 5                                     | \$2,838,785 | \$2,838,785    | \$2,838,785    | 50%             | 50%        | \$1,419,393 | \$1,419,393 | 0.033065 | \$46,932 | \$46,932  |                  |
| 6                                     | \$2,838,785 | \$2,838,785    | \$2,838,785    | 40%             | 60%        | \$1,135,514 | \$1,703,271 | 0.033065 | \$56,319 | \$37,546  |                  |
| 7                                     | \$2,838,785 | \$2,838,785    | \$2,838,785    | 30%             | 70%        | \$851,636   | \$1,987,150 | 0.033065 | \$65,705 | \$28,159  |                  |
| 8                                     | \$2,838,785 | \$2,838,785    | \$2,838,785    | 20%             | 80%        | \$587,157   | \$2,271,028 | 0.033065 | \$75,092 | \$18,773  |                  |
| 9                                     | \$2,838,785 | \$2,838,785    | \$2,838,785    | 10%             | 90%        | \$283,879   | \$2,554,907 | 0.033065 | \$84,478 | \$9,386   |                  |
| 10                                    | \$2,838,785 | \$2,838,785    | \$2,838,785    | 5%              | 95%        | \$141,939   | \$2,696,846 | 0.033065 | \$91,171 | \$4,693   |                  |
| 11                                    | \$2,838,785 | \$2,838,785    | \$2,838,785    | 0%              | 100%       | \$0         | \$2,838,785 | 0.033065 | \$93,864 | \$0       |                  |
| TOTAL TAX SAVED REAL PROPERTY         |             |                |                |                 |            |             |             |          |          |           | <b>\$464,629</b> |
| TOTAL TAX PAID REAL PROPERTY (10 yrs) |             |                |                |                 |            |             |             |          |          |           | <b>\$474,015</b> |
| TOTAL TAX SAVED MACHINERY & BUILDING  |             |                |                |                 |            |             |             |          |          |           | <b>\$709,759</b> |
| TOTAL TAX PAID MACHINERY & BUILDING   |             |                |                |                 |            |             |             |          |          |           | <b>\$638,606</b> |

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 Thomas Didier  
Read the second time by title and referred to the Finance Committee  
Committee. Read the third time in full and on motion by Councilman  
Thomas Didier, 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>    | _____       | _____            | _____         |
| SHOAF              | <u>✓</u>    | _____       | _____            | _____         |
| SMITH              | <u>✓</u>    | _____       | _____            | _____         |

DATED: 2-24-15 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-15-15 on the 24<sup>th</sup> day of  
February, 2015

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

John N. Crawford  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 25<sup>th</sup> day  
of February, 2015, at the hour of 1:45 O'clock P.M. E.S.T.

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 27<sup>th</sup> day of FEBRUARY  
2015, at the hour of 9:30 O'clock AM E.S.T.

Thomas C. Henry  
THOMAS C. HENRY, MAYOR

BILL NO. R-15-02-30

## REPORT OF COMMITTEE ON FINANCE

### FEBRUARY 24, 2015

*THOMAS DIDIER – CHAIR  
RUSS JEHL – 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 2123 Lincoln Way Court, Fort Wayne, Indiana 46819 (IOM Health Systems, LP/Revenue Cycle Service Center, 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**

*[Handwritten signatures in the "DO PASS" column]*

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**SANDRA E. KENNEDY  
CITY CLERK**