

**A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 310 Racquet Drive, Fort Wayne, Indiana 46825 (Racquet Drive Holdings, LLC/Transformations by Wieland, Inc.)**

**WHEREAS**, Petitioner has duly filed its petition dated April 7, 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 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 10 full-time, permanent jobs for a total new, annual payroll of \$327,000, with the average new annual job salary being \$32,700 and retain 48 full-time and 5 part-time, permanent jobs for a total current annual payroll of \$1,748,000, with the average current, annual job salary being \$32,981; and

**WHEREAS**, the total estimated project cost is \$986,758; 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";

1 (c) 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 both a deduction of the assessed value of  
6 occupation of an eligible vacant building, real estate, and personal property for new  
7 manufacturing, research and development, logistical distribution, and information technology  
8 equipment.

9 **SECTION 4.** That, the estimate of the number of individuals that will be employed  
10 or whose employment will be retained and the estimate of the annual salaries of those  
11 individuals and the estimate of the value of redevelopment or rehabilitation and the estimate  
12 of the value of new manufacturing, research and development, logistical distribution, and  
13 information technology equipment, all contained in Petitioner's Statement of Benefits, are  
14 reasonable and are benefits that can be reasonably expected to result from the proposed  
15 described redevelopment or rehabilitation and from the installation of new manufacturing,  
16 research and development, logistical distribution, and information technology equipment.

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

- 19 (a) If the proposed development does not occur, the approximate current year tax  
20 rates for this site would be \$3.1973/\$100.
- 21 (b) If the proposed development does occur and no deduction is granted, the  
22 approximate current year tax rate for the site would be \$3.1973/\$100 (the  
23 change would be negligible).
- 24 (c) If the proposed development occurs and a deduction percentage of fifty percent  
25 (50%) is assumed, the approximate current year tax rate for the site would be  
26 \$3.1973/\$100 (the change would be negligible).
- 27 (d) If the proposed new manufacturing, research and development, logistical  
28 distribution, and information technology equipment is not installed, the  
29 approximate current year tax rates for this site would be \$3.1973/\$100.
- 30 (e) If the proposed new manufacturing, research and development, logistical  
distribution, and information technology equipment is installed and no deduction  
is granted, the approximate current year tax rate for the site would be  
\$3.1973/\$100 (the change would be negligible).
- (f) If the proposed new manufacturing, research and development, logistical  
distribution, and information technology equipment is installed and a deduction  
percentage of eighty percent (80%) is assumed, the approximate current year  
tax rate for the site would be \$3.1973/\$100 (the change would be negligible).

- 1 (g) If the proposed occupation of the eligible vacant building does not occur, the  
 2 approximate current year tax rates for this site would be \$3.1973/\$100.
- 3 (h) If the proposed occupation of the eligible vacant building occurs and no  
 4 deduction is granted, the approximate current tax rate for the site would be  
 5 \$3.1973/\$100 (the change would be negligible).
- 6 (i) If the proposed occupation of the eligible vacant building occurs, and a deduction  
 7 percentage of fifty percent (50%) is assumed, the approximate current year tax  
 8 rate for this would be \$3.1973/\$100 (the change would be negligible).

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

12 **SECTION 7.** That, pursuant to I.C. 6-1.1-12.1, it is hereby determined that the  
 13 deduction from the assessed value of the occupation of the eligible vacant building shall be  
 14 for a period of one year, the deduction from the assessed value of the real property shall be  
 15 for a period of five years, and the deduction from the assessed value of the new information  
 16 technology equipment shall be for a period of seven years.

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

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

19 **SECTION 9.** The deduction schedule from the assessed value of new  
 20 manufacturing, research and development, logistical distribution, and information technology  
 21 equipment pursuant to I.C. 6-1.1-12.1-17 shall look like this:

Year of Deduction	Percentage
1	100%
2	85%
3	71%
4	57%
5	43%

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6	29%
7	14%

**SECTION 10.** The deduction schedule from the assessed value of the vacant building pursuant to I.C. 6-1.1-12.1-17 shall look like this:

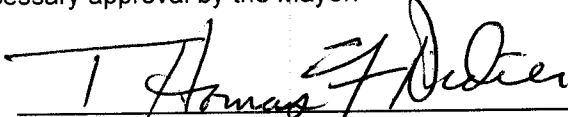
Year of Deduction	Percentage
1	100%

**SECTION 11.** That, the benefits described in the Petitioner's Statement of Benefits can be reasonably expected to result from the project and are sufficient to justify the applicable deductions.

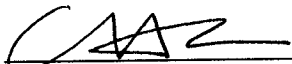
**SECTION 12.** That, the taxpayer is non-delinquent on any and all property tax due to jurisdictions within Allen County, Indiana.

**SECTION 13.** 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 14.** 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



APR 07 2015

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:	\$ 300,000
Total cost of manufacturing equipment improvements:	\$ 533,782
Total cost of research and development equipment improvements:	\$ 13,604
Total cost of logistical distribution equipment improvements:	\$ 56,330
Total cost of information technology equipment improvements:	\$ 83,042
<b>TOTAL OF ABOVE IMPROVEMENTS:</b>	<b>\$ 986,758</b>

**GENERAL INFORMATION**

Real property taxpayer's name: Racquet Drive Holdings, LLC.

Personal property taxpayer's name: Transformations by Wieland, Inc.

Telephone number: 800-440-9337

Address listed on tax bill: 310 Racquet Drive, Fort Wayne, IN 46825

Name of company to be designated, if applicable: Transformations by Wieland, Inc.

Year company was established: 1997

Address of property to be designated: 310 Racquet Drive, Fort Wayne, IN 46825

Real estate property identification number: 02-07-14-451-002.000-073

Contact person name: Rick Baker

Contact person telephone number: (800) 440-9337 Contact person Email: rick@trfurniture.com

Contact person address: 16840 State Road 37, Harlan, IN 46741

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Jaret Wieland	CEO	16840 State Road 37, Harlan, IN 46741	(800) 440-9337
Stu Reynolds	VP Sales	16840 State Road 37, Harlan, IN 46741	(800) 440-9337
Rick Baker	COO	16840 State Road 37, Harlan, IN 46741	(800) 440-9337

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

NAME	PERCENTAGE
Brenda Wieland	55.001750
Brace Wieland	35.001750
Jaret Wieland	4.998250
Stuart Reynolds	4.998250

- 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? 98%

What is the company's primary North American Industrial Classification Code (NAICs)? 337121

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

Manufacture and sale of renewable furniture for the education, hospitality, and GSA markets.

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2012	\$ 6,700,000.00
2013	\$ 6,800,000
2014	\$ 7,700,000

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

Customer Name	City/State	Annual Gross Sales
Dormitory Authority State of New York	Albany, NY	\$ 547,000
Contract Furniture Alliance	LaVergne, TN	\$ 453,000
Pennsylvania State University	Univ Park, PA	\$ 352,000

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

Supplier Name	City/State	Annual Gross Purchases
Momentum Textiles	Los Angeles, CA	\$ 476,000
Foam Rubber	Detroit, MI	\$ 321,000
Century Foam	Elkhart, IN	\$ 270,000

List the company's top three competitors:

Competitor Name	City/State
Sauder Education	Archibold, OH
Adden Furniture	Hildebran, NC
Savoy Contract Furniture	Montoursville, PA

Describe the product or service to be produced or offered at the project site:

Renewable upholstered furniture (principally chairs, loveseats, sofas, and ottoman).

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 is located within Fort Wayne. It sat empty for 3 years because of poor climate for industrial property. The location is also not ideal because of the access off of Coldwater Road and because of zoning. The size of the property would lend to manufacturing and, it is zoned C3.

**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:

69,250 sq/feet industrial building

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

30,000 original building - old and in need of major renovations

39,250 newer sections - decent condition

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

- Roof coating on 30,000 original building

- Office Renovations

- Add sprinkler system to entire building

Projected construction start (month/year): 02/2015

Projected construction completion (month/year): 04/2015

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)

See attached schedule.

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): 03/2015

Date last piece of equipment will be installed (month/year): 05/2015

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

See Equipment Categories - Economic Revitalization Schedule - Page 5; useful life information is listed next to each asset.

**Transformations Furniture  
Equipment Listing - Economic Revitalization Schedule  
FY2015**

Category	Vendor	Capital Expenditure	Useful Life
<b>Manufacturing Equipment</b>			
Lectra Fabric Cutter	Lectra	\$ 257,470	10 years
Dust Collection Unit	Honeyville Metal	95,707	10 years
Sewing Machines	Bill's Repair	64,800	10 years
Wood Shredding Machine	Cresswood	49,040	7 years
Sullair Compressor	Wayne Vaughn Equipment	29,565	7 years
TOOLS (Glue Guns, Staple Guns)		9,500	7 years
ASSEMBLY TABLES		4,000	7 years
DOWN DRAFT TABLE		5,000	7 years
SCISSOR LIFT (FOR PLYWOOD)		2,000	7 years
T-NUT INSERTION MACHINE		6,500	7 years
Cutting Tables		7,200	7 years
<b>Total Manufacturing Equipment</b>		<b>\$ 530,782</b>	
<b>IT Equipment</b>			
Cisco Communication System	ENS	30,765	5 years
Cisco Wireless Infrastructure	ENS	22,637	5 years
Communications Wiring	ENS	29,640	5 years
<b>Total IT Equipment</b>		<b>\$ 83,042</b>	
<b>Research &amp; Development Equipment</b>			
R&D Power Equip		3,480	5 years
Spray Glue Gun		1,250	5 years
Drill Press		1,400	5 years
Band Saw		1,320	5 years
Cutting Table (12')		2,154	5 years
Work Tables		2,200	5 years
Storage Shelves / Containers		1,800	5 years
<b>Total R&amp;D Equipment</b>		<b>\$ 13,604</b>	
<b>Logistical Distribution Equipment</b>			
CONVEYOR SYSTEM		4,400	5 years
Shelving (Uprights& Beams)		4,700	5 years
Foam Racks		12,500	5 years
FORK LIFT TRIPLE MAST 5000LB. CAP. USED		7,000	5 years
Shelving (Uprights& Beams)		6,600	5 years
Platform Trucks for Fabric Staging		1,200	5 years
Shelving (Uprights& Beams)		8,730	5 years
20' Rolling Conveyor Systems		5,700	5 years
Unit Staging Cart (Built in-house)		2,500	5 years
<b>Total Logistical Distribution Equipment</b>		<b>\$ 53,330</b>	
<b>Office Furniture</b>			
Conference Room Table & Audio Equipment		6,000	5 years
Office Work Stations (3) @ \$1,500		4,500	5 years
Office Desk Chairs (7) @ \$450		4,500	5 years
<b>Total Office Furniture</b>		<b>\$ 15,000</b>	
<b>Total Capital Expenditures</b>		<b>\$ 695,758</b>	

<b>ELIGIBLE VACANT BUILDING INFORMATION</b>
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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:

69,250 sq/ft industrial building

Describe the condition of the structure(s) listed above: original 30,000 - poor cond/39,250 reasonable

Projected occupancy date (month/year): 03/2015

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.

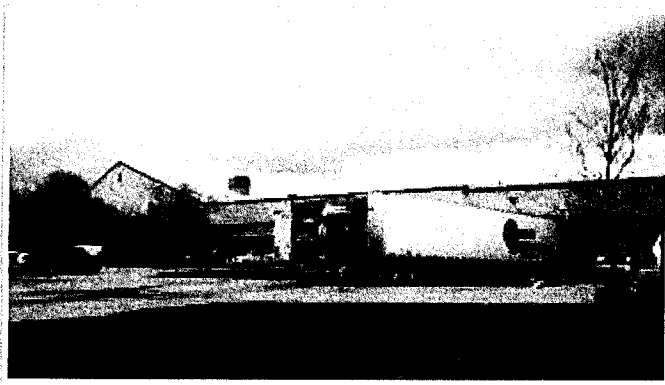
The building was winterized, therefore, leasing was not ever done. It was pursued.

The building was on the market for almost 3 years with a commercial real estate broker.

**Industrial Property - Off Market**

# CK Products Building

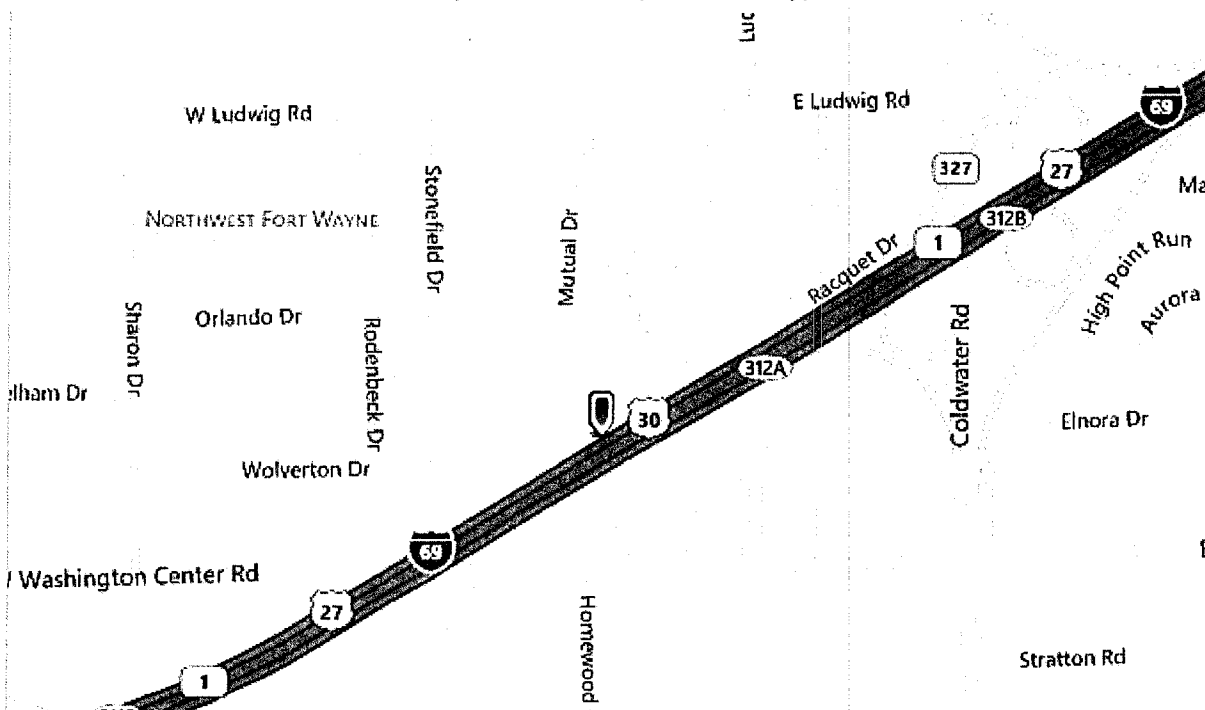
310 Racquet Drive, Fort Wayne, IN 46825



Price:	N/A
Building Size:	69,250 SF
Property Type:	Industrial
Property Sub-type:	Manufacturing
Property Use Type:	Vacant/Owner-User
No. Stories:	1
Year Built:	1974
Clear Ceiling Height:	20 ft.
Dock-High	6
Doors/Loading:	
Drive In/Grade-Level	2
Doors:	
Lot Size:	4.46 AC
APN / Parcel ID:	02-07-14-451-002.000-073
Listing ID	17497088
Last Updated	62 days ago

Map of 310 Racquet Drive, Fort Wayne, IN 46825 (Allen County)

Hide Map



**PUBLIC BENEFIT INFORMATION**

***EMPLOYMENT INFORMATION FOR FACILITY TO BE DESIGNATED***

ESTIMATE OF EMPLOYEES AND PAYROLL FOR FORT WAYNE  
FACILITY REQUESTING ECONOMIC REVITALIZATION AREA DESIGNATION

Please be specific on job descriptions. When listing the occupation codes, please avoid using the "Major Occupational Groupings" (i.e. 11-000, 13-000, 15-000, etc.) which are more general in nature. Instead, use specific occupation codes (i.e. 11-1021, 13-1081, 15-2041 etc) for each created and retained job. To fill out information on occupation and occupation code, use data available through Occupation Employment Statistics for Fort Wayne [http://www.bls.gov/oes/current/oes\\_23060.htm](http://www.bls.gov/oes/current/oes_23060.htm)

**Current Full-Time Employment**

Occupation	Occupation Code	Number of Jobs	Total Payroll
See attached			

**Retained Full-Time Employment**

Occupation	Occupation Code	Number of Jobs	Total Payroll
same as current			

**Additional Full-Time Employment**

Occupation	Occupation Code	Number of Jobs	Total Payroll
See attached			

## Public Benefit Information

### Current Full-Time Employees

Occupation	Occupation Code	Number of Jobs	Total Payroll
Sales Manager	11-2022	2	162,000
Accounting Manager	11-3011	1	47,000
Chief Executives	11-1011	3	275,000
General & Operations Managers	11-1021	3	148,000
Fabric Design & CAD Engineers	17-2199	2	84,000
Customer Service Supervisor	43-1011	1	42,000
Procurement Clerks	43-3061	2	70,000
Customer Service Reps	43-4051	2	55,000
Shipping Clerk	43-5071	1	24,000
Marketing Support	43-9199	1	33,000
1st line supervisor of production workers	51-1011	2	21,000
Assembly Workers	51-2099	12	290,000
Industrial Sewers	51-6031	10	254,000
Automated Cutter Operator	51-6062	3	84,000
Router machine operator	51-7042	2	66,000
Inspector/Testor	51-9061	1	44,000
		48	\$ 1,699,000

### Additional Full Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Sales Manager	11-2022	1	50,000
Accountant	43-3031	1	35,000
Customer Service Reps	43-4051	1	33,000
Assembly Workers	51-2099	3	84,000
Industrial Sewers	51-6031	3	93,000
Router machine operator	51-7042	1	32,000
		10	\$ 327,000

**PUBLIC BENEFIT INFORMATION**

**Current Part-Time or Temporary Jobs**

Occupation	Occupation Code	Number of Jobs	Total Payroll
Accounting Intern	43-3031	1	\$ 20,000
Industrial Sewers	51-6031	4	\$ 29,000

**Retained Part-Time or Temporary Jobs**

Occupation	Occupation Code	Number of Jobs	Total Payroll
same			

**Additional Part-Time or Temporary Jobs**

Occupation	Occupation Code	Number of Jobs	Total Payroll

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

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

List any benefits not mentioned above:

Holiday Pay = 8.5 days/year; Vacation Pay = based upon years of service

When will you reach the levels of employment shown above? (month/year): 04/2018



## 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

Stuart Reynolds, Vice President of Sales

\_\_\_\_\_  
Printed Name and Title of Applicant

\_\_\_\_\_  
Date

3/6/15



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

APR 07 2015

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.

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 a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction.
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 for which the person desires to claim a deduction.
3. To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. For a Form SB-1/PP 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/PP 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: Transformations by Wieland, Inc.
Name of contact person: Rick Baker
Address of taxpayer: 16840 State Road 37, Harlan, IN 46743
Telephone number: (260) 657-5527

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT
Name of designating body: Fort Wayne Common Council
Resolution number (s):
Location of property: 310 Racquet Drive, Fort Wayne, IN 46825
County: Allen
DLGF taxing district number: 073
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (Use additional sheets if necessary.)
See Attached
ESTIMATED
START DATE COMPLETION DATE
Manufacturing Equipment 03/15/2015 05/15/2015
R & D Equipment 03/15/2015 05/15/2015
Logist Dist Equipment 03/15/2015 05/15/2015
IT Equipment 03/15/2015 04/15/2015

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT
Current number: 53 Salaries: 1748000 Number retained: 53 Salaries: 1748000 Number additional: 10 Salaries: 327,000

SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.
MANUFACTURING EQUIPMENT R & D EQUIPMENT LOGIST DIST EQUIPMENT IT EQUIPMENT
COST ASSESSED VALUE COST ASSESSED VALUE COST ASSESSED VALUE COST ASSESSED VALUE
Current values 453,185.00 129,081.00
Plus estimated values of proposed project 533,782.00 13,604.00 56,330.00 83,042.00
Less values of any property being replaced
Net estimated values upon completion of project 986,967.00 13,604.00 56,330.00 212,123.00

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: [Signature] Date signed (month, day, year): 3/27/15
Printed name of authorized representative: STUART Reynolds Title: VP SALES

**FOR USE OF THE DESIGNATING BODY**

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

- A. The designated area has been limited to a period of time not to exceed \_\_\_\_\_ calendar years \* (see below). The date this designation expires is December 31, 2016
- B. The type of deduction that is allowed in the designated area is limited to:
- |  |   |                             |
|--|---|-----------------------------|
| 1. Installation of new manufacturing equipment;            | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment.  | <input checked="" type="checkbox"/> Yes | <input 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 \$ unlimited cost with an assessed value of \$ unlimited.
- D. The amount of deduction applicable to new research and development equipment is limited to \$ unlimited cost with an assessed value of \$ unlimited.
- E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ unlimited cost with an assessed value of \$ unlimited.
- 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) N/A
- H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction 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 checked="" type="checkbox"/> Year 7 | <input type="checkbox"/> Year 8 | <input type="checkbox"/> Year 9 | <input 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: (signature and title of authorized member of designating body) <i>John N. Crawford</i>	Telephone number (260) 427-1221	Date signed (month, day, year) 4-14-15
Printed name of authorized member of designating body John N. Crawford	Name of designating body Common Council	
Attested by: (signature and title of attester) <i>Sandra E. Kennedy</i>	Printed name of attester Sandra E. Kennedy	

\* 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  
VACANT BUILDING DEDUCTION**

State Form 55182 (R / 2-14)

Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

20\_\_ PAY 20\_\_

FORM SB-1 / VBD

APR 07 2015 *WJ*

This statement is being completed for real property that qualifies as an "eligible vacant building" as defined by IC 6-1.1-12.1-1(17).

COMMUNITY DEVL.

**PRIVACY NOTICE**

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

**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 occupation of the eligible vacant building for which the person wishes to claim a deduction.
2. 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.
3. 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 Racquet Drive Holdings, LLC		
Address of taxpayer (number and street, city, state, and ZIP code) 310 Racquet Drive, Fort Wayne, IN 46825		
Name of contact person Stuart Reynolds	Telephone number ( 260 ) 402-5999	E-mail address stu@trfurniture.com

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

Name of designating body Fort Wayne Common Council	Resolution number
Location of property 310 Racquet Drive, Fort Wayne, IN 46825	County Allen
Description of eligible vacant building that the property owner or tenant will occupy (use additional sheets if necessary). 69,250 sq/ft industrial building building located at 310 Racquet Drive in Fort Wayne, IN 46825	DLGF taxing district number 073
	Estimated occupancy date (month, day, year) 3/15/2015
	Estimated date placed-in-use (month, day, year)

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
53	1,748,000.00	53	1,748,000.00	10	327,000.00

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

	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values	815,000.00	
Plus estimated values of proposed project	300,000.00	
Less values of any property being replaced		
Net estimated values upon completion of project	1,115,000.00	

**SECTION 5 EFFORTS TO SELL OR LEASE VACANT BUILDING**

Described efforts by the owner or previous owner to sell, lease, or rent the building during period of vacancy:  
Building was put on the market using a commercial real estate agent, approximately 3 years ago. The agent also tried to lease the building all three years.

Show amount for which the building was offered for sale, lease, or rent during period of vacancy.

List any other benefits resulting from the occupancy of the eligible vacant building.  
Jobs in Fort Wayne and a boost to surrounding industry as a result.

**SECTION 6 TAXPAYER CERTIFICATION**

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

Signature of authorized representative <i>[Signature]</i>	Title VP Sales	Date signed (month, day, year) 3/27/15
--	-------------------	---

**FOR USE OF THE DESIGNATING BODY**

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

A. The designated area has been limited to a period of time not to exceed \_\_\_\_\_ calendar years\* (see below). The date this designation expires is December 31, 2016.

B. The amount of the deduction applicable is limited to \$ unlimited.

C. Other limitations or conditions (specify) N/A

D. 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

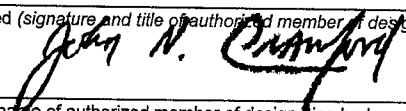
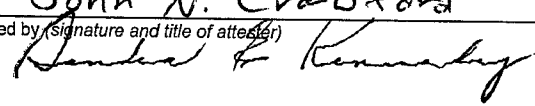
E. For a statement of benefits approved after June 30, 2013, did the designating body adopt an abatement schedule per IC 6-1.1-12.1-17?

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) 	Telephone number (260) 427-1221	Date signed (month, day, year) 4-14-15
Printed name of authorized member of designating body John N. Crawford	Name of designating body Common Council	
Attested by (signature and title of attester) 	Printed name of attester Sandra E. Kennedy	

\* 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 6-1.1-12.1-1(17) "Eligible vacant building" means 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.

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

APR 07 2015

20 ___ PAY 20 ___
<b>FORM SB-1 / Real Property</b>
<b>PRIVACY NOTICE</b>
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:**

- 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.
- 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.
- 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.
- 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)
- 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 <b>Racquet Drive Holdings, LLC</b>		
Address of taxpayer (number and street, city, state, and ZIP code) <b>310 Racquet Drive, Fort Wayne, IN 46825</b>		
Name of contact person <b>Stuart Reynolds</b>	Telephone number <b>( 260 ) 402-5999</b>	E-mail address <b>stu@trfurniture.com</b>

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

Name of designating body <b>Fort Wayne Common Council</b>		Resolution number
Location of property <b>310 Racquet Drive, Fort Wayne, IN 46825</b>	County <b>Allen</b>	DLGF taxing district number <b>073</b>
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) <b>Roof, Office and Fire Protection</b>		Estimated start date (month, day, year) <b>2/1/2015</b>
		Estimated completion date (month, day, year) <b>6/1/2015</b>

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
<b>53.00</b>	<b>\$1,748,000.00</b>	<b>53.00</b>	<b>\$1,748,000.00</b>	<b>10.00</b>	<b>\$327,000.00</b>

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

	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values	815,000.00	815,000.00
Plus estimated values of proposed project	300,000.00	
Less values of any property being replaced		
Net estimated values upon completion of project	1,115,000.00	

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

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

Other benefits

**SECTION 6 TAXPAYER CERTIFICATION**

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

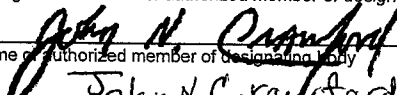
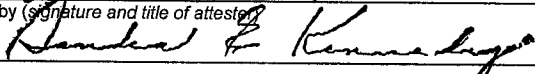
Signature of authorized representative 	Date signed (month, day, year) <b>3/27/15</b>
Printed name of authorized representative <b>STUART Reynolds</b>	Title <b>VP Sales</b>

**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, 2016.
- B. The type of deduction that is allowed in the designated area is limited to:  
 1. Redevelopment or rehabilitation of real estate improvements  Yes  No  
 2. Residentially distressed areas  Yes  No
- C. The amount of the deduction applicable is limited to \$ unlimited.
- D. Other limitations or conditions (specify) N/A
- E. 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) 	Telephone number <u>(260) 427-1221</u>	Date signed (month, day, year) <u>4-14-15</u>
Printed name of authorized member of designating body <u>John N. Crawford</u>	Name of designating body <u>Common Council</u>	
Attested by (signature and title of attester) 	Printed name of attester <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.

- 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 Lot Number 14 in Brotherhood Place as recorded in Plat Cabinet B, page 58 in the Office of the Recorder of Allen County, Indiana, more particularly described as follows:

Commencing at the Northwest corner of the South half of the Southeast Quarter of Section 14, Township 31 North, Range 12 East, Allen County, Indiana; thence North 88 degrees 28 minutes 18 seconds East (recorded bearing) along the North line of the South Half of the Southeast Quarter of Section 14, Township 31 North, Range 12 East and the South line of Lots Numbered 11 and 12 in Brotherhood Place as recorded in Plat Cabinet B, page 58 in the Office of the Recorder of Allen County, Indiana, a distance of 593.22 feet to a 5/8 inch iron pin marking the Point of Beginning, said point being the Southeast corner of Lot Number 12 and being on the West line of Lot Number 14; thence North 88 degrees 28 minutes 18 seconds East, a distance of 120.00 feet to a 5/8 inch iron pin; thence South 01 degrees 51 minutes 30 seconds East, a distance of 335.17 feet to a point on the South line of Lot Number 14; thence South 62 degrees 14 minutes 44 seconds West along the South line of Lot Number 14, a distance of 133.39 feet to the Southwest corner of Lot Number 14; thence North 01 degrees 51 minutes 30 seconds West along the West line of Lot Number 14, a distance of 394.12 feet to the Point of Beginning. Containing 1.0 acres.

**TOGETHER WITH:**

**Parcel II:**

Part of the South Half of the Southeast Quarter of Section 14, Township 31 North, Range 12 East, Allen County, Indiana, more particularly described as follows:

Beginning at a point on the North line of the South half of the Southeast Quarter of Section 14, Township 31 North, Range 12 East, Allen County, Indiana, said point being 318.42 feet East of the Northwest corner of the South Half of the Southeast Quarter of Sec. 14-31-12; thence East, along the North line of the South Half of the Southeast Quarter of Sec. 14-31-12, a distance of 274.8 feet; thence South 01 degree 51 minutes 30 seconds East, a distance of 449.7 feet to a point on the North right of way line of I-69; thence South 62 degrees 14 minutes 44 seconds West along said right of way a distance of 60.98 feet; thence South 58 degrees 30 seconds West along said right of way a distance of 252.42 feet; thence North 01 degree 48 minutes 47 seconds West, a distance of 600.93 feet to the point of beginning, together with an easement for ingress and egress over the South 50 feet of the following described parcel:

Part of the South Half of the Southeast Quarter of Section 14, Township 31 North, Range 12 East, in Allen County, Indiana, more particularly described as follows:

Beginning at a point on the north line of the South Half of the Southeast Quarter of Sec. 14, Township 31 North, Range 12 East in Allen County, Indiana, said point being 574.22 feet east of the intersection of the east right-of-way line of the New York Central Railroad and the North line of the South Half of the Southeast Quarter of Section 14, Township 31 North, Range 12 East, in Allen County, Indiana; thence North 88 degrees 28 minutes 18 seconds East and along the North line of the South Half of the Southeast Quarter of Sec. 14-31-12 a distance of 760 feet to a point on the North right-of-way line of an access road; thence South 58 degrees 58 minutes 30 seconds West along the said access road right-of-way line and parallel to the centerline of I-69, a distance of 141.54 feet; thence South 31 degrees 01 minutes 30 seconds East a distance of 55 feet to a point on the North right-of-way line of I-69; thence South 58 degrees 58 minutes 30 seconds West and along the North right-of-way line of I-69 a distance of 100 feet; thence South 62 degrees 14 minutes 44 seconds West and along the North right-of-way line of I-69 a distance of 640.16 feet; thence North 01 degree 51 minutes 30 seconds West and parallel to the East right-of-way line of the New York Central Railroad a distance of 449.70 feet to the point of beginning.

Admn. Appr. \_\_\_\_\_

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Racquet Drive Holdings, LLC/Transformations by Wieland, Inc. is requesting the designation of an Economic Revitalization Area for both real and personal property improvements in the amount of \$986,758. Racquet Drive Holdings, LLC/Transformations by Wieland, Inc. will renovate a vacant building and will also purchase and install new manufacturing, research and development, logistical distribution, and information technology equipment.**

EFFECT OF PASSAGE: **Renovating the vacant building and installing new equipment will allow Racquet Drive Holdings, LLC/Transformations by Wieland, Inc. to maintain a competitive business environment. Ten full-time jobs will be created.**

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

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

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

# MEMORANDUM



**TO:** City Council  
**FROM:** Adam Welch, Economic Development Specialist  
**DATE:** April 7, 2015  
**RE:** Request for designation by Racquet Drive Holdings, LLC/Transformations by Wieland, Inc. as an ERA for eligible vacant building, real, and personal property improvements

## BACKGROUND

PROJECT ADDRESS:	<b>310 Racquet Drive</b>	PROJECT LOCATED WITHIN:	N/A
PROJECT COST:	<b>\$ 986,758</b>	COUNCILMANIC DISTRICT:	<b>3</b>

COMPANY PRODUCT OR SERVICE:	<b>Transformations by Wieland, Inc. manufactures and sells renewable furniture for the education, hospitality, and General Services Administration markets.</b>
PROJECT DESCRIPTION:	<b>Transformations by Wieland, Inc. will renovate a building which has been vacant and will also purchase and install new manufacturing, research and development, logistical distribution, and information technology equipment.</b>

	CREATED	RETAINED
JOBS CREATED (FULL-TIME):	<b>10</b>	JOBS RETAINED (FULL-TIME): <b>48</b>
JOBS CREATED (PART-TIME):	<b>0</b>	JOBS RETAINED (PART-TIME): <b>5</b>
TOTAL NEW PAYROLL:	<b>\$ 327,000</b>	TOTAL RETAINED PAYROLL: <b>\$ 1,748,000</b>
AVERAGE SALARY (FULL-TIME NEW):	<b>\$ 32,700</b>	AVERAGE SALARY (FULL-TIME RETAINED): <b>\$35,396</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 C3; General Commercial. The City of Fort Wayne Board of Zoning Appeals approved UVAR-2014-0158 (Use Variance) for Furniture Manufacturing for Racquet Drive Holdings, LLC.**

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 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: Ten full-time 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:**

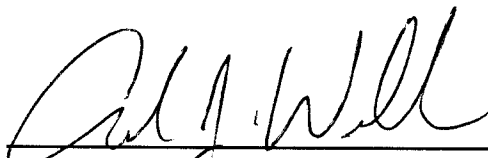
1. The period of deduction for real property is five years.
2. The period of deduction for personal property is seven years.
3. The period of deduction for the eligible vacant building is one year.

Under Fort Wayne Common Council's tax phase-in policies and procedures, Racquet Drive Holdings, LLC/Transformations by Wieland, Inc. is eligible for a five year deduction on real property improvements and a seven year deduction on personal property improvements. They are also eligible for a one year vacant building deduction. Attached is a spreadsheet that shows how the application scored under the review system. Also attached is an estimate of the taxes saved and paid over the length of the deduction schedules.

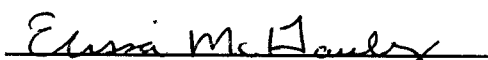
## COMMENTS

After reviewing the City's Procedures and Policies on Economic Revitalization Areas (ERA) which are provided with each ERA Application, Racquet Driving Holdings, LLC/Transformations by Wieland, Inc. informed City staff that prior to their application submission, they filed for building permits. To allow an economic revitalization area designation after the initiation of development, Indiana Code 6-1.1-12.1-11.3 permits for an adoption of a resolution to waive non-compliance due to a failure to file a statement of benefits (SB-1) form prior to the initiation of development. The confirming resolution for this project contains language to waive non-compliance that will allow for the final approval of an economic revitalization area designation on this property for tax phase-in. A letter from Stu Reynolds, the Vice President of Sales for Transformations by Wieland, Inc., is attached explaining their request for a waiver of non-compliance.

Signed:

  
\_\_\_\_\_  
Economic Development Specialist

Reviewed:

  
\_\_\_\_\_  
Economic Development Manager

**COMMUNITY DEVELOPMENT DIVISION**

Waiver of Non-Compliance – Racquet Drive Holdings, LLC/Transformations by Wieland, Inc.

Building permits for the project at 310 Racquet Drive Fort Wayne, IN 46825 were issued prior to submittal of the application for tax abatement. This early issuance occurred partly due to a delay in submitting the tax abatement paperwork. The building permits were requested as soon as possible in order to begin building construction in preparation for production to begin mid-March. Please accept this letter as our official waiver of non-compliance in order for the city to process our tax abatement application.

Should you have any questions, please do not hesitate to contact us.

Thank you,

A handwritten signature in black ink, appearing to read 'Stu Reynolds', with a stylized, cursive script.

Stu Reynolds

## Personal Property Abatements

Tax Abatement Review System

	Points Possible	Points 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	
\$500,000 to \$999,999	6	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	
\$30,000 to \$79,999	4	
\$10,000 to \$29,999	3	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	
\$10,000 to \$29,999	4	
\$5,000 to \$9,999	3	
\$3,000 to \$4,999	2	2
less than \$3,000	1	
<hr/>		
<b>ECONOMIC BASE (20 points possible)</b>		
<b>Location Quotient in designated Occupation Code (use majority Occupation Code of all created and retained jobs)</b>		
Greater than 1.0	5	5
<hr/>		
<b>Estimated Percent of Business done outside Allen County</b>		
Greater than 75%	15	15
50% to 74%	10	
25% to 49%	5	
<hr/>		
<b>JOBS (20 points possible)</b>		
<b>Total number of permanent jobs retained</b>		
Over 250	10	
100 to 249	8	
50 to 99	6	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	
50-99	8	
25-49	6	
10-24	4	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	
\$30,000 to \$34,999	8	
\$25,000 to \$29,999	4	4
under \$25,000	0	

**BENEFITS (10 points possible)**

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

**SUSTAINABILITY**

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

**Total 61**

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

**BENEFITS (10 points possible)**

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

**SUSTAINABILITY**

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

**Total 59**

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%	

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

**PERSONAL PROPERTY TAX ABATEMENT - 7 yr Schedule**

Year	True Cash Value	"Pool 2"	True Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable A V	Tax Rate	Tax Paid	Tax Saved
1	\$686,758	40%	\$274,703	\$274,703	100%	0%	\$274,703	\$0	0.031973	\$0	\$8,783
2	\$686,758	56%	\$384,584	\$384,584	85%	15%	\$326,897	\$57,688	0.031973	\$1,844	\$10,452
3	\$686,758	42%	\$288,438	\$288,438	71%	29%	\$204,791	\$83,647	0.031973	\$2,674	\$6,548
4	\$686,758	32%	\$219,763	\$219,763	57%	43%	\$125,265	\$94,498	0.031973	\$3,021	\$4,005
5	\$686,758	30%	\$206,027	\$206,027	43%	57%	\$88,592	\$117,436	0.031973	\$3,755	\$2,833
6	\$686,758	30%	\$206,027	\$206,027	29%	71%	\$59,748	\$146,279	0.031973	\$4,677	\$1,910
7	\$686,758	30%	\$206,027	\$206,027	14%	86%	\$28,844	\$177,184	0.031973	\$5,665	\$922
8	\$686,758	30%	\$206,027	\$206,027	0%	100%	\$0	\$206,027	0.031973	\$6,587	\$0
9	\$686,758	30%	\$206,027	\$206,027	0%	100%	\$0	\$206,027	0.031973	\$6,587	\$0
10	\$686,758	30%	\$206,027	\$206,027	0%	100%	\$0	\$206,027	0.031973	\$6,587	\$0
11	\$686,758	30%	\$206,027	\$206,027	0%	100%	\$0	\$206,027	0.031973	\$6,587	\$0
TOTAL TAX SAVED										(10 yrs on 7 yr deduction)	<b>\$35,453</b>
TOTAL TAX PAID										(10 yrs on 7 yr deduction)	<b>\$41,399</b>

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

**REAL PROPERTY TAX ABATEMENT - 5 yr Schedule**

Year	Cash Value	True Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable AV	Tax Rate	Tax Paid	Tax Saved	
1	\$300,000	\$300,000	\$300,000	100%	0%	\$300,000	\$0	0.031973	\$0	\$9,592	
2	\$300,000	\$300,000	\$300,000	80%	20%	\$240,000	\$60,000	0.031973	\$1,918	\$7,674	
3	\$300,000	\$300,000	\$300,000	60%	40%	\$180,000	\$120,000	0.031973	\$3,837	\$5,755	
4	\$300,000	\$300,000	\$300,000	40%	60%	\$120,000	\$180,000	0.031973	\$5,755	\$3,837	
5	\$300,000	\$300,000	\$300,000	20%	80%	\$60,000	\$240,000	0.031973	\$7,674	\$1,918	
6	\$300,000	\$300,000	\$300,000	0%	100%	\$0	\$300,000	0.031973	\$9,592	\$0	
7	\$300,000	\$300,000	\$300,000	0%	100%	\$0	\$300,000	0.031973	\$9,592	\$0	
8	\$300,000	\$300,000	\$300,000	0%	100%	\$0	\$300,000	0.031973	\$9,592	\$0	
9	\$300,000	\$300,000	\$300,000	0%	100%	\$0	\$300,000	0.031973	\$9,592	\$0	
10	\$300,000	\$300,000	\$300,000	0%	100%	\$0	\$300,000	0.031973	\$9,592	\$0	
11	\$300,000	\$300,000	\$300,000	0%	100%	\$0	\$300,000	0.031973	\$9,592	\$0	
TOTAL TAX SAVED REAL PROPERTY										(10 yrs on 5 yr deduction)	<b>\$28,776</b>
TOTAL TAX PAID REAL PROPERTY										(10 yrs on 5 yr deduction)	<b>\$67,143</b>
TOTAL TAX SAVED MACHINERY & BUILDING										(10 yrs on 7 & 5 yr deductions)	<b>\$64,229</b>
TOTAL TAX PAID MACHINERY & BUILDING										(10 yrs on 7 & 5 yr deductions)	<b>\$108,542</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 Tom Didier

Read the second time by title and referred to the Finance

Committee. Read the third time in full and on motion by Councilman Tom 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>8</u>	_____	_____	<u>1</u>
BENDER	<u>✓</u>	_____	_____	_____
CRAWFORD	<u>✓</u>	_____	_____	_____
DIDIER	<u>✓</u>	_____	_____	_____
HARPER	<u>✓</u>	_____	_____	_____
HINES	<u>✓</u>	_____	_____	_____
JEHL	<u>✓</u>	_____	_____	_____
PADDOCK	<u>✓</u>	_____	_____	_____
SHOAFF	<u>✓</u>	_____	_____	_____
SMITH	_____	_____	_____	<u>✓</u>

DATED: 4-14-15 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-31-15 on the 14<sup>th</sup> day of  
April, 2015

Sandra E. Kennedy ATTEST:  
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 15<sup>th</sup> day  
of April, 2015, at the hour of 3:00 O'clock PM E.S.T.

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 17<sup>th</sup> day of APRIL  
2015, at the hour of 4:00 O'clock PM E.S.T.

Thomas C. Henry  
THOMAS C. HENRY, MAYOR