

5 **A DECLARATORY RESOLUTION designating an**
6 **“Economic Revitalization Area” under I.C. 6-1.1-**
7 **12.1 for property commonly known as 4030 Piper**
8 **Drive, Fort Wayne, Indiana 46809 (Advanced**
9 **Cutting Systems, Inc.)**

10 **WHEREAS**, Petitioner has duly filed its petition dated May 2, 2018 to have the
11 following described property designated and declared an “Economic Revitalization Area”
12 under Sections 153.13-153.24 of the Municipal Code of the City of Fort Wayne, Indiana, and
13 I.C. 6-1.1-12.1, to wit:

14 **Attached hereto as “Exhibit A” as if a part herein;**

15 and

16 **WHEREAS**, said project will create 12 full-time, permanent jobs for a total new,
17 annual payroll of \$355,000, with the average new annual job salary being \$29,583 and retain
18 40 full-time, permanent jobs for a total current annual payroll of \$1,500,000, with the average
19 current, annual job salary being \$37,500; and

20 **WHEREAS**, the total estimated project cost is \$784,000; and

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

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

25 **SECTION 1.** That, subject to the requirements of Section 6, below, the
26 property hereinabove described is hereby designated and declared an “Economic
27 Revitalization Area” under I.C. 6-1.1-12.1. Said designation shall begin upon the effective
28 date of the Confirming Resolution referred to in Section 6 of this Resolution and shall
29 terminate on December 31, 2021, unless otherwise automatically extended in five year
30 increments per I.C. 6-1.1-12.1-9.

SECTION 2. That, upon adoption of the Resolution:

(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 a deduction of the assessed value of personal
6 property for new manufacturing equipment improvements to be made between July 1, 2018
7 and December 31, 2018.

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

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

- 15 (a) If the proposed new manufacturing equipment is not installed, the approximate
16 current year tax rates for this site would be \$3.4132/\$100.
- 17 (b) If the proposed new manufacturing equipment is installed and no deduction is
18 granted, the approximate current year tax rate for the site would be
19 \$3.4132/\$100 (the change would be negligible).
- 20 (c) If the proposed new manufacturing equipment is installed and a deduction
21 percentage of eighty percent (80%) is assumed, the approximate current year
22 tax rate for the site would be \$3.4132/\$100 (the change would be negligible).

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

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

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

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

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5	20%
6	0%

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

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

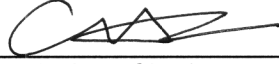
SECTION 11. That, pursuant to I.C. 6-1.1-12.1-12 et al, any property owner that has received a deduction under section 3 or 4.5 of said chapter may be required to repay the deduction amount as determined by the county auditor in accordance with section 12 of said chapter if the property owner ceases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

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



Member of Council

APPROVED AS TO FORM AND LEGALITY



Carol Helton, City Attorney

POOL #2

FORT WAYNE COMMUNITY DEVELOPMENT DIVISION

TAX ABATEMENT - ESTIMATE OF SAVINGS

*New tax abatement percentages have been changed to reflect change in state law

Advanced Cutting Systems, Inc.

PERSONAL PROPERTY TAX ABATEMENT - 5 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	\$784,000	40%	\$313,600	\$313,600	100%	0%	\$313,600	\$0	0.034370	\$0	\$10,778
2	\$784,000	56%	\$439,040	\$439,040	80%	20%	\$351,232	\$87,808	0.034370	\$3,018	\$12,072
3	\$784,000	42%	\$329,280	\$329,280	60%	40%	\$197,568	\$131,712	0.034370	\$4,527	\$6,790
4	\$784,000	32%	\$250,880	\$250,880	40%	60%	\$100,352	\$150,528	0.034370	\$5,174	\$3,449
5	\$784,000	30%	\$235,200	\$235,200	20%	80%	\$47,040	\$188,160	0.034370	\$6,467	\$1,617
6	\$784,000	30%	\$235,200	\$235,200	0%	100%	\$0	\$235,200	0.034370	\$8,084	\$0
									TOTAL TAX SAVED	(5 yr deduction)	\$34,707
									TOTAL TAX PAID	(5 yr deduction)	\$27,269

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

Personal Property Abatements

Tax Abatement Review System

Advanced Cutting Systems, Inc.

	Points Possible	Points Awarded
INVESTMENT (30 points possible)		
Total new investment in equipment		
Over \$5,000,000	10	
\$1,000,000 to \$4,999,999	8	
\$500,000 to \$999,999 \$784,000	6	6
\$0 to \$499,999	4	
<hr/>		
Investment per employee (both jobs created and retained)		
\$35,000 or more	10	
\$18,500 to \$34,999	8	
\$6,250 to \$18,499 \$15,076	6	6
\$1,250 to \$6,249	4	
less than \$1,249	2	
<hr/>		
Estimated local income taxes generated from jobs retained		
\$80,000 or more	5	
\$30,000 to \$79,999	4	
\$10,000 to \$29,999 \$22,200	3	3
\$5,000 to \$9,999	2	
less than \$5,000	1	
<hr/>		
Estimated local income taxes generated from jobs created (Double points for start-up)		
\$30,000 or more	5	
\$10,000 to \$29,999	4	
\$5,000 to \$9,999 \$5,254	3	3
\$3,000 to \$4,999	2	
less than \$3,000	1	
<hr/>		
ECONOMIC BASE (20 points possible)		
Location Quotient in designated Occupation Code (use majority Occupation Code of all created and retained jobs)		
Greater than 1.0	5	5
<hr/>		
Estimated Percent of Business done outside Allen County		
Greater than 75%	15	
50% to 74% 60%	10	10
25% to 49%	5	
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JOBS (20 points possible)		
Total number of permanent jobs retained		
Over 250	10	
100 to 249	8	
50 to 99	6	
25 to 49 40	4	4
10 to 24	2	
1 to 9	1	
<hr/>		
Total number of permanent jobs created (Double for start-up)		
Over 100	10	
50-99	8	
25-49	6	
10-24 12	4	4
1 to 9	2	
<hr/>		
WAGES (20 points possible)		
Median salary of the jobs created and/or retained		
Over \$47,999	20	
\$43,000 to \$47,999	16	
\$38,000 to \$42,999	12	
\$33,000 to 37,999	8	
\$28,000 to \$32,999 \$28,760	4	4
under \$28,000	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 55

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.

Personal Property Deduction Schedules	Alternative Deduction Personal Property Schedules
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%	



MAY 02 2018

**ECONOMIC REVITALIZATION AREA APPLICATION
CITY OF FORT WAYNE, INDIANA**

APPLICATION IS FOR: (Check appropriate box(es))

- Real Estate Improvements
- Personal Property Improvements
- Vacant Commercial or Industrial Building

Total cost of real estate improvements: _____
 Total cost of manufacturing equipment improvements: \$ 784,000
 Total cost of research and development equipment improvements: _____
 Total cost of logistical distribution equipment improvements: _____
 Total cost of information technology equipment improvements: _____
TOTAL OF ABOVE IMPROVEMENTS: \$ 784,000

GENERAL INFORMATION

Real property taxpayer's name: ADVANCED CUTTING SYSTEMS, INC
 Personal property taxpayer's name: ADVANCED CUTTING SYSTEMS, INC
 Telephone number: 260-423-3394
 Address listed on tax bill: 4030 PIPER DR FORT WAYNE IN 46809
 Name of company to be designated, if applicable: ADVANCED CUTTING SYSTEMS, INC
 Year company was established: 1992
 Address of property to be designated: 4030 PIPER DR FORT WAYNE IN 46809
 Real estate property identification number: 02-080-7105002
 Contact person name: TIM LAWSON
 Contact person telephone number: (260) 615-9002 Contact person Email: tlawson@advancedcuttingsyste
 Contact person address: 4030 PIPER DR FORT WAYNE IN 46809

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
TIM LAWSON	VP	16411 DOTY RD NEW HAVEN	(260) 615-9002
KEVIN KOENING	PRESIDENT	4030 PIPER DR FORT WAYNE	(260) 444-8248
DAVID E LAWSON	BOARD MEMBER	14611 MINNIC HOAGLAND	(260) 138-1033

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

NAME	PERCENTAGE
TIM LAWSON	33
KEVIN KOENIG	33
DAVID E LAWSON	33

- 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? 60

What is the company's primary North American Industrial Classification Code (NAICs)? 332313

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

ADVANCED CUTTING SYSTEMS IS A METAL FABRICATOR. THE COMPANY PROVIDES FLAT, FORMED, WELDEED AND MACHINED TO INDUSTRY AT LARGE. PRIMARY CAPABILITIES ARE LASER CUTTING, WATERJECT CUTTING, FORMING AND WELDING

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2017	\$ 4,155,050.00
2016	\$ 4,288,922
2015	\$ 4,282,133

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

Customer Name	City/State	Annual Gross Sales
TEREX	FORT WAYNE, IN	\$ 37,000,000
PANORAMIC	FORT WAYNE, IN	\$ 250,000
INOVA	ALTAMOUNT, NY	\$ 200,000

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

Supplier Name	City/State	Annual Gross Purchases
CENTRAL STEEL	CHICAGO, IL	\$ 496,000
RIORDON INDUSTRIES	FORT WAYNE, IN	\$ 110,000
ALLEGHENY STEEL	ALLEGHENY, PA	\$ 50,000

List the company's top three competitors:

Competitor Name	City/State
WAYNE METALS	MARKLE, IN
TROYER BROTHERS	DECATUR, IN
OTTENWELLER CORPORATION	FORT WAYNE, IN

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

FABRICATED METAL PRODUCTS FOR OEM HEAVY EQUIPMENT MANUFACTURERERS

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?

WE ARE PURCHASING THIS EQUIPMENT TO SUPPORT INCREASED PRODUCTION REQUIRMENTS FOR OUR CUSTOMERS. ADDITIONALLY, THIS EQUIPMENT IS FASTER AND MUCH MORE ENERGY EFFICIENT. ACS HAS VERBAL COMMITMENTS FROM TWO CUSTOMERS THAT REQUIRE THE PURCHASE OF THIS EQUIPMENT TO SUPPORT THEIR PRODUCTION. THIS EQUIPMENT WILL ALSO GIVE ACS A COMPETITIVE ADVANTAGE IN ITS INDUSTRY. THE RESULT OF THE INCREASED PRODUCTION WILL REQUIRE THE HIRING AND RETENTION OF SEVERAL EMPLOYEES.

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:

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

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

Projected construction start (month/year): _____

Projected construction completion (month/year): _____

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)

LVD 4 KILOWATT FIBER LASER CUTTING SYSTEM

DAVI 4 ROLL AUTOMATED PINCH ROLLER

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): 07/2018

Date last piece of equipment will be installed (month/year): 12/2018

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

THIS EQUIPMENT WILL BE DEPRECIATED OVER 7 YEARS

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.

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

Any information concerning the cost of the property and specific salaries paid to individual employees is confidential per Indiana Code (I.C. 6-1.1-12.1-5.1)

Current Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
WELDING	51-4121	25	\$ 719,000
MACHINIST	51-4011	1	\$ 35,000
MANAGEMENT	11-1021	4	\$ 275,000
SUPERVISOR	51-1011	5	\$ 240,000
FABRICATOR CUT	51-4031	5	\$ 231,000

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
WELDING	51-4121	25	\$ 719,000
MACHINIST	51-4011	1	\$ 35,000
MANAGEMENT	11-1021	4	\$ 275,000
SHOP SUPERVISOR	51-1011	5	\$ 240,000
FABRICATOR CUT	51-4031	5	\$ 231,000

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
WELDING	51-4121	6	\$180,000
SHOP SUPERVISOR	51-1011	1	\$ 45,000
FABRICATOR	51-4031	5	\$ 130,000

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll

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

List any benefits not mentioned above:

When will you reach the levels of employment shown above? (month/year): 03/2021

REQUIRED ATTACHMENTS

The following must be attached to the application.

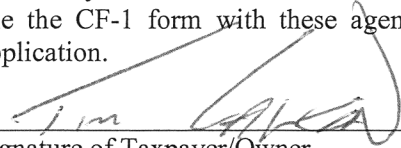
1. **Statement of Benefits Form(s) (first page/front side completed)**
2. **Full legal description of property and a plat map identifying the property boundaries. (Property tax bill legal descriptions are not sufficient.) Should be marked as Exhibit A.**
3. **Check for non-refundable application fee 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 no Improvement Location Permit or Structural Permit has been filed for construction of improvements, the occupation of the vacant building has not taken place and no 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, CF-1/PP for personal property improvements, and CF-1/VBD for vacant building deduction) 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 and CF-1/VBD 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

TIM LAWSON, VICE PRESIDENT

 Printed Name and Title of Applicant

03/27/2018

 Date



STATEMENT OF BENEFITS
PERSONAL PROPERTY

State Form 51764 (R4 / 11-15)
Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

FORM SB-1 / PP

MAY 02 2018

COMMUNITY DEVL.

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 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 January 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 January 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: ADVANCED CUTTINGSYSWTEMS, INC; Name of contact person: TIM LAWSON; Address of taxpayer: 4030 PIPER DR FORT WAYNE, IN 46809; Telephone number: (260) 4233394

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body: FORT WAYNE COMMON COUNCIL; Location of property: 4030 PIPER DR FORT WAYNE, IN 46809; County: ALLEN; DLGF taxing district number: FW PLEASANT; Description of manufacturing equipment: FOR PURCHASE OF LVD FIBER LASER CUTTING SYSTEM AND DAVI AUTOMATED 4 ROLL PINCH ROLLER; Equipment types and completion dates: Manufacturing Equipment (07/01/2018, 12/30/2018), R & D Equipment, Logist Dist Equipment, IT Equipment.

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: 40, 1500000, 40, 1500000, 12, 355000.

SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

Table with 9 columns: NOTE, MANUFACTURING EQUIPMENT (COST, ASSESSED VALUE), R & D EQUIPMENT (COST, ASSESSED VALUE), LOGIST DIST EQUIPMENT (COST, ASSESSED VALUE), IT EQUIPMENT (COST, ASSESSED VALUE). Values: 784,000, 40,000, 744,000.

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted: _____; Estimated hazardous waste converted: _____; Other benefits: THE FIBER LASER USES 50% LESS ELECTRICITY TO OPERATE THAN CURRENT SYSTEMS

SECTION 6 TAXPAYER CERTIFICATION

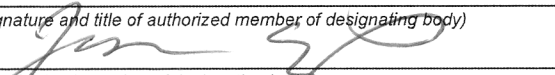
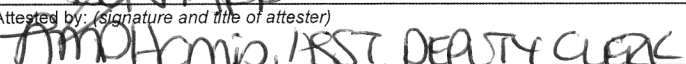
I hereby certify that the representations in this statement are true. Signature of authorized representative: TIM LAWSON; Date signed: 03/27/2018; Title: VICE PRESIDENT

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, 2021. NOTE: This question addresses whether the resolution contains an expiration date for the designated area.
- 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 | <input type="checkbox"/> Enhanced Abatement per IC 6-1.1-12.1-18 |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | Check box if an enhanced abatement was approved for one or more of these types. |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | |
- C. The amount of deduction applicable to new manufacturing equipment is limited to \$ Unlimited cost with an assessed value of \$ Unlimited. (One or both lines may be filled out to establish a limit, if desired.)
- 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. (One or both lines may be filled out to establish a limit, if desired.)
- E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ N/A cost with an assessed value of \$ N/A. (One or both lines may be filled out to establish a limit, if desired.)
- F. The amount of deduction applicable to new information technology equipment is limited to \$ N/A cost with an assessed value of \$ N/A. (One or both lines may be filled out to establish a limit, if desired.)
- 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 checked="" type="checkbox"/> Year 5 | <input type="checkbox"/> Enhanced Abatement per IC 6-1.1-12.1-18 |
| <input type="checkbox"/> Year 6 | <input type="checkbox"/> Year 7 | <input type="checkbox"/> Year 8 | <input type="checkbox"/> Year 9 | <input type="checkbox"/> Year 10 | Number of years approved: _____ |
| | | | | | (Enter one to twenty (1-20) years; may not exceed twenty (20) years.) |
- 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)	Telephone number	Date signed (month, day, year)
	(260) 427-1221	09/22/18
Printed name of authorized member of designating body	Name of designating body	
JASON ARR P	CITY COUNCIL	
Attested by: (signature and title of attester)	Printed name of attester	
	LISA PETRETTA-HARRIS	

* 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.

EXHIBIT A – LEGAL DESCRIPTION

Part of the Southeast Quarter of the Southeast Quarter in Section 5, Township 29 North, Range 12 East, in Allen County, Indiana, described as follows, to-wit:

BEGINNING at a point on the North line of the Southeast Quarter of the Southeast Quarter of Section 5, Township 29 North, Range 12 East, in Allen County, Indiana, said point being situated 480.0 feet North 89 degrees 13 minutes East assumed bearing and basis for all bearing of this description from the Northwest corner of the said Southeast Quarter of the Southeast Quarter of Section 5; thence North 89 degrees 13 minutes East 300.0 feet along the said North line of the Southeast Quarter of the Southeast Quarter of Section 5; thence South 01 degrees 36 minutes 11 seconds East (South 01 degrees 41 minutes East, recorded), 651.60 feet (652.7 feet, recorded) to the centerline of "C" Street in the said Southeast Quarter of the Southeast Quarter of Section 5; thence South 88 degrees 20 minutes 17 seconds West (South 88 degrees 11 minutes West, recorded), 300.0 feet along the said centerline of "C" Street; thence North 01 degrees 36 minutes 01 seconds West (North 01 degrees 41 minutes West, recorded), 656.2 feet (658.1 feet, recorded) on a line parallel to the West line of the said Southeast Quarter of the Southeast Quarter of Section 5 to the place of beginning, containing 4.514 acres of land, more or less.

EXCEPTING therefrom that part sold off to County of Allen in Document Number 81-17423 as shown at Item Number 121 and described as follows:

Part of the Southeast Quarter of the Southeast Quarter, Section 5, Township 29 North, Range 12 East, Allen County, Indiana, more particularly described as follows:

COMMENCING at a point on the North line of the Southeast Quarter of Section 5, Township 29 North, Range 12 East, said point being situated 780.0 feet North 89 degrees 13 minutes East from the Northwest corner of said Southeast Quarter of the Southeast Quarter; thence South 01 degrees 36 minutes 11 seconds East (South 01 degrees 41 minutes East, recorded), 626.6 feet (627.7 feet, recorded) to the point of beginning; thence continuing on South and parallel to said West line, a distance of 25.0 feet to the centerline of Piper Drive, formerly "C" Street; thence South 88 degrees 20 minutes 17 seconds West (South 88 degrees 11 minutes West, recorded) 300.0 feet along said centerline of Piper Drive; thence North 01 degrees 36 minutes 01 seconds West, (North 01 degrees 41 minutes West, recorded) on a line parallel to said West line, a distance of 25.0 feet; thence East parallel to and 25.0 feet North of said centerline of Piper Drive, a distance of 300.0 feet to the point of beginning, containing 0.17 acres of land, more or less.

END OF EXHIBIT A

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Advanced Cutting Systems, Inc. is requesting the designation of an Economic Revitalization Area for eligible personal property improvements in the amount of \$784,000. New manufacturing equipment will be purchased and installed that will support increased customer production requirements.**

EFFECT OF PASSAGE: **Investment of \$748,000, retention of 40 full-time jobs with an annual payroll of \$1,500,000 and create 12 new full-time jobs with an annual payroll of \$355,000.**

EFFECT OF NON-PASSAGE: **Potential loss of investment, retention of 40 full-time jobs with an annual payroll of \$1,500,000 and creation of 12 new full-time jobs with an annual payroll of \$355,000.**

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

ASSIGNED TO COMMITTEE (PRESIDENT): **Geoff Paddock and Jason Arp**

MEMORANDUM



TO: City Council
FROM: Carman Young, Economic Development Specialist
DATE: May 14, 2018
RE: Request for designation by Advanced Cutting Systems, Inc. as an ERA for personal property improvements.

BACKGROUND

PROJECT ADDRESS:	4030 Piper Drive	PROJECT LOCATED WITHIN:	N/A
PROJECT COST:	\$784,000	COUNCILMANIC DISTRICT:	4

COMPANY PRODUCT OR SERVICE:	Advanced Cutting Systems, Inc. is a metal fabricator providing flat, formed, welded and machined metal to industry at large. Primary capabilities are laser cutting, waterjet cutting, forming and welding.
PROJECT DESCRIPTION:	Advanced Cutting Systems, Inc. will purchase and install new manufacturing equipment to support increased production requirements for their customers along with being faster and more energy efficient than current equipment.

	CREATED	RETAINED
JOBS CREATED (FULL-TIME):	12	JOBS RETAINED (FULL-TIME): 40
JOBS CREATED (PART-TIME):	0	JOBS RETAINED (PART-TIME): 0
TOTAL NEW PAYROLL:	\$355,000	TOTAL RETAINED PAYROLL: \$1,500,000
AVERAGE SALARY (FULL-TIME NEW):	\$29,583	AVERAGE SALARY (FULL-TIME RETAINED): \$37,500

COMMUNITY BENEFIT REVIEW

Yes No N/A

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

Explain:

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 I-2, General Industrial. Use of this 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?

Explain: Advanced Cutting Systems, Inc. will purchase and install new manufacturing equipment to support increased production requirements for their customers along with being faster and more energy efficient than current 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: Advanced Cutting Systems, Inc. will retain 40 full-time positions with an annual payroll of \$1,500,000 and create 12 full-time positions with an annual payroll of \$355,000.

Yes No N/A

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

POLICY

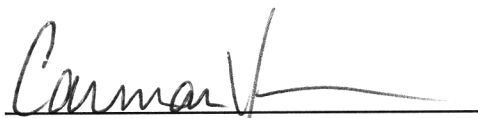
Per the policy of the City of Fort Wayne, the following guidelines apply to this project:

- 1. The period of deduction for personal property improvements is five years.

Under Fort Wayne Common Council's tax abatement policies and procedures, Advanced Cutting Systems, Inc. is eligible for a recommended five year deduction on personal property improvements. Attached is a calculation of property taxes saved/paid with the deduction.

COMMENTS

Signed and Reviewed:


Economic Development Specialist

BILL NO. R-18-05-24

REPORT OF COMMITTEE ON FINANCE

May 22, 2018

Jason Arp Chair

John Crawford Co-Chair

All Council Members

A Declaratory Resolution designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 4030 Piper Drive, Fort Wayne, Indiana 46809

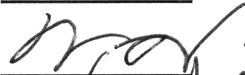


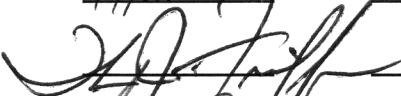

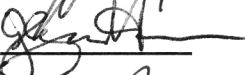


COMMITTEE ON FINANCE HAVE HAD SAID Ordinance under consideration and beg leave to report back to the Common Council that said Ordinance

DO PASS

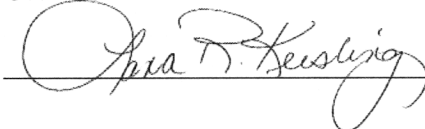
DO NOT PASS

ABSTAIN

NO REC

		_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
_____		_____	_____
_____	_____	_____	_____

**LANA R. KEESLING
CITY CLERK**



Public Hearing Date: N/A

Read the first time in full and on motion by Councilman Arp.

Read the second time by title and referred to the Finance Committee.

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

<u>TOTAL VOTES</u>	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>
ARP	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BARRANDA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CRAWFORD	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DIDIER	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ENSLEY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FREISTROFFER	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HINES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
JEHL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PADDOCK	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

DATED: May 22, 2018




 LANA R. KEESLING, CITY CLERK

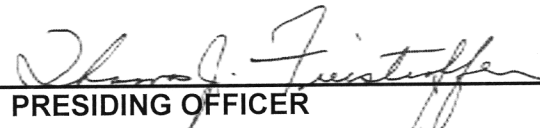
Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as

Resolution No. R-18-05-24 on the 22nd day of May, 2018

ATTEST:



 LANA R. KEESLING
 CITY CLERK



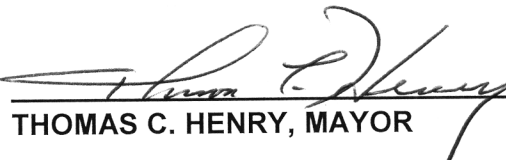
 PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 23rd of May 2018, at the hour of 10:30 o'clock A.M. E.S.T.



 LANA R. KEESLING, CITY CLERK

Approved and signed by me this 23rd day of MAY 2018, at the hour of 1:30 O'clock Pm E.S.T.



 THOMAS C. HENRY, MAYOR