

A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 9403 Avionics Drive and additional parcel, Fort Wayne, Indiana 46809 (Vita Nonwovens, LLC/L&O Real Estate, Inc., USA/HBC Realty Corporation)

WHEREAS, Petitioner has duly filed its petition dated May 8, 2018 to have the following described property designated and declared an "Economic Revitalization Area" under Sections 153.13-153.24 of the Municipal Code of the City of Fort Wayne, Indiana, and I.C. 6-1.1-12.1, to wit:

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

WHEREAS, said project will create 22 full-time, permanent jobs for a total new, annual payroll of \$920,635, with the average new annual job salary being \$41,847 and retain 86 full-time, permanent jobs and 32 part-time jobs for a total current annual payroll of \$4,678,854, with the average full-time current, annual job salary being \$42,005; and

WHEREAS, the total estimated project cost is \$19,023,798; 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, 2021, unless otherwise automatically extended in five year increments per I.C. 6-1.1-12.1-9.

SECTION 2. That, upon adoption of the Resolution:

- (a) Said Resolution shall be filed with the Allen County Assessor;
- (b) Said Resolution shall be referred to the Committee on Finance requesting a recommendation from said committee concerning the advisability of designating the above area an "Economic Revitalization Area";
- (c) Common Council shall publish notice in accordance with I.C. 6-1.1-12.1-2.5 and I.C. 5-3-1 of the adoption and substance of this resolution and setting this designation as an "Economic Revitalization Area" for public hearing.

1 **SECTION 3.** That, said designation of the hereinabove described property as an
2 "Economic Revitalization Area" shall apply to both a deduction of the assessed value of real
3 estate and personal property for new manufacturing equipment improvements to be made
4 between May 8, 2018 and February 28, 2019.

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

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

- 14 (a) If the proposed development does not occur, the approximate current year tax
15 rates for this site would be \$3.4132/\$100.
- 16 (b) If the proposed development does occur and no deduction is granted, the
17 approximate current year tax rate for the site would be \$3.4132/\$100 (the
18 change would be negligible).
- 19 (c) If the proposed development occurs and a deduction percentage of fifty percent
20 (50%) is assumed, the approximate current year tax rate for the site would be
21 \$3.4132/\$100 (the change would be negligible).
- 22 (d) If the proposed new manufacturing is not installed, the approximate current year
23 tax rates for this site would be \$3.4132/\$100.
- 24 (e) If the proposed new manufacturing is installed and no deduction is granted, the
25 approximate current year tax rate for the site would be \$3.4132/\$100 (the
26 change would be negligible).
- 27 (f) If the proposed new manufacturing equipment is installed and a deduction
28 percentage of eighty percent (80%) is assumed, the approximate current year
29 tax rate for the site would be \$3.4132/\$100 (the change would be negligible).

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

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

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

3

Year of Deduction	Percentage
1	100%
2	95%
3	80%
4	65%
5	50%
6	40%
7	30%
8	20%
9	10%
10	5%
11	0%

4
5
6
7
8
9
10
11
12

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

15

Year of Deduction	Percentage
1	100%
2	90%
3	80%
4	70%
5	60%
6	50%
7	40%
8	30%
9	20%
10	10%
11	0%

16
17
18
19
20
21
22
23
24


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

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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30


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

**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

Vita Nonwovens, LLC/L&O Real Estate, Inc. USA/HBC Realty Corporation

PERSONAL PROPERTY TAX ABATEMENT - 10 yr Schedule

Year	True Cash		"Pool 2"		True Tax		Assessed		Tax		Taxable A V	Tax Rate	Tax Paid	Tax Saved
	Value	Value	Value	Value	Value	Value	Abate %	Tax Paid %	Deduction	Tax				
1	\$9,746,043	\$9,746,043	40%	\$3,898,417	\$3,898,417	100%	0%	\$3,898,417	\$0	0.034132	\$0	\$0	\$133,061	
2	\$9,746,043	\$9,746,043	56%	\$5,457,784	\$5,457,784	90%	10%	\$4,912,006	\$545,778	0.034132	\$18,629	\$18,629	\$167,657	
3	\$9,746,043	\$9,746,043	42%	\$4,093,338	\$4,093,338	80%	20%	\$3,274,670	\$818,668	0.034132	\$27,943	\$27,943	\$111,771	
4	\$9,746,043	\$9,746,043	32%	\$3,118,734	\$3,118,734	70%	30%	\$2,183,114	\$935,620	0.034132	\$31,935	\$31,935	\$74,514	
5	\$9,746,043	\$9,746,043	30%	\$2,923,813	\$2,923,813	60%	40%	\$1,754,288	\$1,169,525	0.034132	\$39,918	\$39,918	\$59,877	
6	\$9,746,043	\$9,746,043	30%	\$2,923,813	\$2,923,813	50%	50%	\$1,461,906	\$1,461,906	0.034132	\$49,898	\$49,898	\$49,898	
7	\$9,746,043	\$9,746,043	30%	\$2,923,813	\$2,923,813	40%	60%	\$1,169,525	\$1,754,288	0.034132	\$59,877	\$59,877	\$39,918	
8	\$9,746,043	\$9,746,043	30%	\$2,923,813	\$2,923,813	30%	70%	\$877,144	\$2,046,669	0.034132	\$69,857	\$69,857	\$29,939	
9	\$9,746,043	\$9,746,043	30%	\$2,923,813	\$2,923,813	20%	80%	\$584,763	\$2,339,050	0.034132	\$79,836	\$79,836	\$19,959	
10	\$9,746,043	\$9,746,043	30%	\$2,923,813	\$2,923,813	10%	90%	\$292,381	\$2,631,432	0.034132	\$89,816	\$89,816	\$9,980	
11	\$9,746,043	\$9,746,043	30%	\$2,923,813	\$2,923,813	0%	100%	\$0	\$2,923,813	0.034132	\$99,796	\$99,796	\$0	

TOTAL TAX SAVED (10 yrs on 10 yr deduction) **\$696,573**
 TOTAL TAX PAID (10 yrs on 10 yr deduction) **\$567,504**

REAL PROPERTY TAX ABATEMENT - 10 yr Schedule

Year	True Tax		Assessed		Tax Paid		Taxable AV	Tax Rate	Tax Paid	Tax Saved
	Value	Value	Value	Value	Value	Value				
1	\$9,277,755	\$9,277,755	100%	\$9,277,755	\$9,277,755	0%	\$0	0.034132	\$0	\$316,668
2	\$9,277,755	\$9,277,755	95%	\$8,813,867	\$8,813,867	5%	\$463,888	0.034132	\$15,833	\$300,835
3	\$9,277,755	\$9,277,755	80%	\$7,422,204	\$7,422,204	20%	\$1,855,551	0.034132	\$63,334	\$253,335
4	\$9,277,755	\$9,277,755	65%	\$6,030,541	\$6,030,541	35%	\$3,247,214	0.034132	\$110,834	\$205,834
5	\$9,277,755	\$9,277,755	50%	\$4,638,878	\$4,638,878	50%	\$4,638,878	0.034132	\$158,334	\$158,334
6	\$9,277,755	\$9,277,755	40%	\$3,711,102	\$3,711,102	60%	\$5,566,653	0.034132	\$190,001	\$126,667
7	\$9,277,755	\$9,277,755	30%	\$2,783,327	\$2,783,327	70%	\$6,494,429	0.034132	\$221,668	\$95,001
8	\$9,277,755	\$9,277,755	20%	\$1,855,551	\$1,855,551	80%	\$7,422,204	0.034132	\$253,335	\$63,334
9	\$9,277,755	\$9,277,755	10%	\$927,776	\$927,776	90%	\$8,349,980	0.034132	\$285,002	\$31,667
10	\$9,277,755	\$9,277,755	5%	\$463,888	\$463,888	95%	\$8,813,867	0.034132	\$300,835	\$15,833
11	\$9,277,755	\$9,277,755	0%	\$0	\$9,277,755	100%	\$9,277,755	0.034132	\$316,668	\$0

TOTAL TAX SAVED REAL PROPERTY (10 yrs on 10 yr deduction) **\$1,567,508**
 TOTAL TAX PAID REAL PROPERTY (10 yrs on 10 yr deduction) **\$1,915,843**

TOTAL TAX SAVED PERSONAL & REAL **\$2,264,081**
 TOTAL TAX PAID PERSONAL & REAL **\$2,483,348**

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

Vita Nonwovens, LLC/L&O Real Estate, Inc. USA/HBC Realty Corporation

	Points Possible	Points Awarded
INVESTMENT (30 points possible)		
Total new investment in equipment		
Over \$5,000,000	\$9,746,043	10
\$1,000,000 to \$4,999,999		8
\$500,000 to \$999,999		6
\$0 to \$499,999		4
Investment per employee (both jobs created and retained)		
\$35,000 or more	\$82,593	10
\$18,500 to \$34,999		8
\$6,250 to \$18,499		6
\$1,250 to \$6,249		4
less than \$1,249		2
Estimated local income taxes generated from jobs retained		
\$80,000 or more		5
\$30,000 to \$79,999	\$69,247	4
\$10,000 to \$29,999		3
\$5,000 to \$9,999		2
less than \$5,000		1
Estimated local income taxes generated from jobs created (Double points for start-up)		
\$30,000 or more		5
\$10,000 to \$29,999	\$13,625	4
\$5,000 to \$9,999		3
\$3,000 to \$4,999		2
less than \$3,000		1
ECONOMIC BASE (20 points possible)		
Location Quotient in designated Occupation Code (use majority Occupation Code of all created and retained jobs)		
Greater than 1.0		5
Estimated Percent of Business done outside Allen County		
Greater than 75%		15
50% to 74%		10
25% to 49%		5
JOBS (20 points possible)		
Total number of permanent jobs retained		
Over 250		10
100 to 249		8
50 to 99		6
25 to 49		4
10 to 24		2
1 to 9		1
Total number of permanent jobs created (Double for start-up)		
Over 100		10
50-99		8
25-49		6
10-24		4
1 to 9		2
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		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	5

Total 83

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%	

Real Property Abatements

Tax Abatement Review System

Vita Nonwovens, LLC/L&O Real Estate, Inc. USA/HBC Realty Corporation

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

INVESTMENT (30 points possible)

Total new investment in real property (new structures and/or rehabilitation)

Over \$1,000,000	\$9,277,755	10	
\$500,000 to \$999,999		8	
\$100,000 to \$499,999		6	
Under \$100,000		4	

Investment per employee (both jobs created and retained)

\$35,000 or more	\$78,625	10	
\$18,500 to \$34,999		8	
\$6,250 to \$18,499		6	
\$1,250 to \$6,249		4	
less than \$1,249		2	

Estimated local income taxes generated from jobs retained

\$80,000 or more		5	
\$30,000 to \$79,999	\$69,247	4	
\$10,000 to \$29,999		3	4
\$5,000 to \$9,999		2	
less than \$5,000		1	

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

\$30,000 or more		5	
\$10,000 to \$29,999	\$13,625	4	4
\$5,000 to \$9,999		3	
\$3,000 to \$4,999		2	
less than \$3,000		1	

ECONOMIC BASE (20 points possible)

**Location Quotient in designated Occupation Code
(use majority Occupation Code of all created and retained jobs)
Greater than 1.0**

	5	5
--	---	---

Estimated Percent of Business done outside

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

JOBS (20 points possible)

Total number of permanent jobs retained

Over 250		10	
100 to 249	118	8	8
50 to 99		6	
25 to 49		4	
10 to 24		2	
1 to 9		1	

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

Over 100		10	
50-99		8	
25-49		6	
10-24	22	4	4
1 to 9		2	

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	8
\$28,000 to \$32,999		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	5

Total	83
--------------	-----------

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

Five year phase-in

* 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.

Real Property Deduction Schedules	Alternative Deduction Real Property Schedules
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%	



MAY 08 2018

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: \$ 9,277,755
 Total cost of manufacturing equipment improvements: \$ 9,746,043
 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: \$ 19,023,798

GENERAL INFORMATION

Real property taxpayer's name: HBC Realty Corporation and L&O Real Estate, Inc., USA
 Personal property taxpayer's name: Vita Nonwovens, LLC
 Telephone number: 336-431-7187
 Address listed on tax bill: 9403 Avionics Drive, Fort Wayne IN 46809
 Name of company to be designated, if applicable: N/A
 Year company was established: 1991 (Vita Nonwovens)
 Address of property to be designated: TBD - real property expansion of existing building at 9403 Avionics Drive
 Real estate property identification number: TBD - expansion on recently acquired parcel east of current Avionics Drive bldg.
 Contact person name: Anita Huffman
 Contact person telephone number: (336) 431-7187 Contact person Email: ahuffman@vitanonwovens.com
 Contact person address: 2215 Shore Street, High Point, NC 27263

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Kevin Womble	President	2215 Shore Street, High Point, NC 27263	(336) 431-7187
Jason Johnson	COO	2215 Shore Street, High Point, NC 27263	(336) 431-7187

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

NAME	PERCENTAGE
TWE Group GmbH (parent company of Vita Nonwovens, LLC)	94%
Kevin Womble	3%
Jason Johnson	3%

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

What is the percentage of clients/customers served that are located outside of Allen County? 92% _____

What is the company's primary North American Industrial Classification Code (NAICs)? 313230 _____

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

Nonwoven textiles

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2017	\$ 62,063,000.00
2016	\$ 66,498,000
2015	\$ 71,277,000

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

Customer Name	City/State	Annual Gross Sales
Creative Foam	Fenton, MI	\$ 11,261,855
US Farathane Corporation	Lake Orion, MI	\$ 8,397,683
Pavaco Products Inc.	Brantford, ON, Canada	\$ 8,330,303

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

Supplier Name	City/State	Annual Gross Purchases
Bernet International Trading	Charlotte, NC	\$ 6,117,272
Stein Fibers	Cincinnati, OH	\$ 5,242,578
Mitsui & Co. Inc.	Chicago, IL	\$ 3,962,383

List the company's top three competitors:

Competitor Name	City/State
Milliken	Spartanburg, SC
Shaw Industries	Columbia, SC
WT Burnett	Statesville, NC

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

Nonwoven textiles

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 proposed real and personal property reinvestment is occurring on long vacant ground located due east of Vita Nonwovens' current facility at 9403 Avionics Drive, Fort Wayne IN 46809. The parcel on which the investment will take place is owned by HBC Realty Corporation and will be sold to L&O Real Estate, Inc., USA in the near future. The parcel is currently landlocked as there is no access from either Ardmore Avenue to the east or Avionics Drive to the west.

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:

N/A

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

N/A

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

The pending project calls for construction of a 140,000 sf expansion (280' x 500') of Vita Nonwovens' current Fort Wayne facility at 9403 Avionics Drive. The proposed real property investment is \$9,277,755. Within the proposed expansion, Vita Nonwovens' is considering the placement of new production equipment valued at \$9,746,043.

Projected construction start (month/year): 05/2018

Projected construction completion (month/year): 12/2018

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)

Thermobonding line
Nonwoven production line

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): 12/2018

Date last piece of equipment will be installed (month/year): 02/2019

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

10 year

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
	53-0000	6	\$ 237,948
	17-0000	4	\$ 285,804
	37-0000	5	\$ 342,603
	43-0000	6	\$ 418,440
	51-0000	65	\$ 2,327,644

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
	53-0000	6	\$ 237,948
	17-0000	4	\$ 285,804
	37-0000	5	\$ 342,603
	43-0000	6	\$ 418,440
	51-0000	65	\$ 2,327,644

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
	17-2112	1	\$ 81,000
	37-0000	2	\$ 154,440
	51-9199	17	\$ 611,195
	53-7062	2	\$ 74,000

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
	51-9199	32	\$ 1,066,416

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
	51-9199	32	\$ 1,066,416

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

List any benefits not mentioned above:

When will you reach the levels of employment shown above? (month/year): 12/2020

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.

Anita Huffman Digitally signed by Anita Huffman
Date: 2018.05.01 20:02:39 -04'00'

Signature of Taxpayer/Owner

Anita Huffman, Corporate Finance Director

Printed Name and Title of Applicant

05/01/2018

Date



EXHIBIT A

— "CURRENT PARCEL"

AIRPORT BUSINESS CENTER SEC I BLOCK 4

EXHIBIT A

→ "NEW PARCEL"

LEGAL DESCRIPTION

Part of the Fractional Northeast Quarter of Section 5, Township 29 North, Range 12 East, Allen County, Indiana, being more particularly described as follows, to-wit:

Beginning at the Southwest corner of the Southeast Quarter of said Fractional Northeast Quarter, being marked by a 1.25 inch diameter rod; thence North 00 degrees 32 minutes 14 seconds West (plat bearing and basis of all bearings in this description), on and along the West line of the Southeast Quarter of said Fractional Northeast Quarter, a distance of 669.62 feet to a #4 rebar at the Northwest corner of the South Half of the Southeast Quarter of said Fractional Northeast Quarter; thence South 89 degrees 47 minutes 34 seconds East, on and along the North line of the South Half of the Southeast Quarter of said Fractional Northeast Quarter, a distance of 380.03 feet to a #5 rebar; thence South 00 degrees 32 minutes 14 seconds East and parallel with the West line of the Southeast Quarter of said Fractional Northeast Quarter, a distance of 666.81 feet to a #5 rebar on the South line of said Fractional Northeast Quarter; thence South 89 degrees 47 minutes 01 seconds West, on and along said South line, a distance of 380.01 feet to the point of beginning, containing 5.829 acres of land, and subject to all easements of record. This description is based on an original survey by Sauer Land Surveying, Inc., Survey No. 102-158 "A", dated April 16, 2018.

Exhibit A

H B C Realty Corporation

510 West Washington Blvd. P. O. Box 10690 Fort Wayne, IN 46853
260.424.1470

Carman Young
Division of Community Development
City of Fort Wayne
Citizen's Square
200 East Berry Street, Suite 320
Fort Wayne, IN 46802

RE: VITA Nonwovens 2018 FW Abatement Application

Exhibit B

H B C Realty Corporation approves of the real property tax abatement application being made by L & O Real Estate, Inc. USA. This certificate is contingent upon the completion of a certain transaction involving L & O Real Estate, Inc. USA completing the purchase of H B C Realty Corporation's real property at the Vita Nonwovens site, to include the current expansion.

We trust that the above certification is satisfactory.



Mark F. Hagerman, President
H B C REALTY CORPORATION



**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

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

CITY OF FT WAYNE

MAY 08 2018
COMMUNITY DEV

20__ PAY 20__
FORM SB-1 / Real Property
PRIVACY NOTICE
Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1-1-12.1-5.1.

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

- Redevelopment or rehabilitation of real estate improvements (IC 6-1-1-12.1-4)
- Residentially distressed area (IC 6-1-1-12.1-4.1)

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

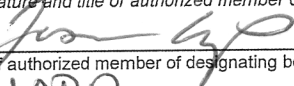
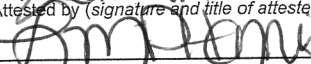
SECTION 1 TAXPAYER INFORMATION																																														
Name of taxpayer HBC Realty Corporation and L&O Real Estate, Inc., USA																																														
Address of taxpayer (number and street, city, state, and ZIP code) c/o Vita Nonwovens, LLC, 9403 Avionics Drive, Fort Wayne, IN, 46809																																														
Name of contact person Anita Huffman	Telephone number (336) 431-7187																																													
E-mail address ahuffman@vitanonwovens.com																																														
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT																																														
Name of designating body Fort Wayne Common Council	Resolution number																																													
Location of property 9403 Avionics Drive	County Allen																																													
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) 140,000 sf expansion (280' x 500') of Vita Nonwovens' existing Fort Wayne facility																																														
DLGF taxing district number 071																																														
Estimated start date (month, day, year) 05/21/2018																																														
Estimated completion date (month, day, year) 12/31/2018																																														
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT																																														
Current number 86.00 Ft / 32 Ft	Salaries 1,066,416 Ft	Number retained 118	Salaries 4,167,894 Ft	Number additional 22.00	Salaries \$920,635.00																																									
<table border="1"> <thead> <tr> <th colspan="6">SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT</th> </tr> <tr> <th rowspan="2"></th> <th colspan="2">REAL ESTATE IMPROVEMENTS</th> <th colspan="3"></th> </tr> <tr> <th>COST</th> <th>ASSESSED VALUE</th> <th colspan="3"></th> </tr> </thead> <tbody> <tr> <td>Current values</td> <td>7,520,030.00</td> <td>TBD</td> <td colspan="3"></td> </tr> <tr> <td>Plus estimated values of proposed project</td> <td>9,277,755.00</td> <td>TBD</td> <td colspan="3"></td> </tr> <tr> <td>Less values of any property being replaced</td> <td>0.00</td> <td>0.00</td> <td colspan="3"></td> </tr> <tr> <td>Net estimated values upon completion of project</td> <td>16,797,785.00</td> <td>TBD</td> <td colspan="3"></td> </tr> </tbody> </table>						SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT							REAL ESTATE IMPROVEMENTS					COST	ASSESSED VALUE				Current values	7,520,030.00	TBD				Plus estimated values of proposed project	9,277,755.00	TBD				Less values of any property being replaced	0.00	0.00				Net estimated values upon completion of project	16,797,785.00	TBD			
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT																																														
	REAL ESTATE IMPROVEMENTS																																													
	COST	ASSESSED VALUE																																												
Current values	7,520,030.00	TBD																																												
Plus estimated values of proposed project	9,277,755.00	TBD																																												
Less values of any property being replaced	0.00	0.00																																												
Net estimated values upon completion of project	16,797,785.00	TBD																																												
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER																																														
Estimated solid waste converted (pounds) 0.00			Estimated hazardous waste converted (pounds) 0.00																																											
Other benefits																																														
SECTION 6 TAXPAYER CERTIFICATION																																														
I hereby certify that the representations in this statement are true.																																														
Signature of authorized representative <i>Mark F. Hagerman</i>				Date signed (month, day, year) 5/8/2018																																										
Printed name of authorized representative Mark F. Hagerman				Title President, HBC Realty Corporation																																										

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, 2021.
- 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>09/22/18</u>
Printed name of authorized member of designating body <u>LISA PETRETTA-HARRIS</u>	Name of designating body <u>CITY COUNCIL</u>	
Attested by (signature and title of attester) 	Printed name of attester <u>LISA PETRETTA-HARRIS, ASST. DEPUTY CLERK</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.



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

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

CITY OF FT WAYNE

MAY 08 2018
Cky
COMMUNITY DEVL

FORM SB-1/PP

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

- 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.
- 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.
- 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.
- 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)
- 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 Vita Nonwovens, LLC					Name of contact person Anita Huffman				
Address of taxpayer (number and street, city, state, and ZIP code) 9403 Avionics Drive, Fort Wayne, IN, 46809						Telephone number (336) 431-7187			
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT									
Name of designating body Fort Wayne Common Council						Resolution number (s)			
Location of property 9403 Avionics Drive, Fort Wayne, IN, 46809				County Allen		DLGF taxing district number 071			
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.) Manufacturing Equipment: Thermobonding line Nonwoven production line					ESTIMATED				
							START DATE	COMPLETION DATE	
					Manufacturing Equipment		12/01/2018	02/01/2019	
					R & D Equipment				
					Logist Dist Equipment				
IT Equipment									
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT									
Current number FT 86 PR 32	Salaries \$ 1,066,416 FT \$ 3,612,438 FT	Number retained 118 85	Salaries \$ 4,678,854 \$ 2,612,438	Number additional 22	Salaries \$ 920,635				
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	15,630,088	TBD							
Plus estimated values of proposed project	9,746,043	6,822,230							
Less values of any property being replaced	0	0							
Net estimated values upon completion of project	9,746,043	TBD							
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 Anita Huffman						Date signed (month, day, year) 05/08/2018			
Printed name of authorized representative Anita Huffman					Title Corporate Finance Director, Vita Nonwovens, LC				

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
Check box if an enhanced abatement was approved for one or more of these types. |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ Unlimited cost with an assessed value of \$ Unlimited. (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) 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 | <input type="checkbox"/> Enhanced Abatement per IC 6-1.1-12.1-18
Number of years approved: _____
(Enter one to twenty (1-20) years; may not exceed twenty (20) years.) |
| <input type="checkbox"/> Year 6 | <input type="checkbox"/> Year 7 | <input type="checkbox"/> Year 8 | <input type="checkbox"/> Year 9 | <input checked="" type="checkbox"/> Year 10 | |

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

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved by: (signature and title of authorized member of designating body)	Telephone number <u>(260) 427-1221</u>	Date signed (month, day, year) <u>09/22/18</u>
Printed name of authorized member of designating body <u>JASON APP</u>	Name of designating body <u>CITY COUNCIL</u>	
Attested by: (signature and title of attester) <u>AMP HONNO, ASST. DEPUTY CLERK</u>	Printed name of attester <u>LISA PETRETTA HARRIS</u>	

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

IC 6-1.1-12.1-17

Abatement schedules

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

- (1) The total amount of the taxpayer's investment in real and personal property.
 - (2) The number of new full-time equivalent jobs created.
 - (3) The average wage of the new employees compared to the state minimum wage.
 - (4) The infrastructure requirements for the taxpayer's investment.
- (b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.
- (c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Vita Nonwovens, LLC/L&O Real Estate, Inc., USA/HBC Realty Corporation is requesting the designation of an Economic Revitalization Area for eligible real and personal property manufacturing equipment improvements. HBC Realty Corporation owns the existing structure that will be expanded by 140,000 square feet. Currently leased by Vita Nonwovens, LLC, new personal property manufacturing equipment will be purchased and installed. The structure and land will then be sold to Vita Nonwovens, LLC/L&O Real Estate, Inc., USA.**

EFFECT OF PASSAGE: **Investment of \$19,023,798, retention of 86 full-time jobs and 32 part-time jobs with an annual payroll of \$4,678,854, creation of 22 new full-time jobs with an annual payroll of \$920,635.**

EFFECT OF NON-PASSAGE: **Potential loss of investment and retention of 86 full-time jobs and 32 part-time jobs with an annual payroll of \$4,678,854, creation of 22 new full-time jobs with an annual payroll of \$920,635.**

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 15, 2018
RE: Request for designation by Vita Nonwovens, LLC/L&O Real Estate, Inc., USA/HBC Realty Corporation as an ERA for real property improvements.

BACKGROUND

PROJECT ADDRESS:	9403 Avionics Drive and additional parcel	PROJECT LOCATED WITHIN:	N/A
PROJECT COST:	\$19,023,798	COUNCILMANIC DISTRICT:	4

COMPANY PRODUCT OR SERVICE:	Vita Nonwovens, LLC produces nonwoven textiles. HBC Realty Corporation is a commercial real estate developer.
PROJECT DESCRIPTION:	140,000 square foot expansion of an existing facility owned by HBC Realty Corporation and leased by Vita Nonwovens, LLC who will purchase and install new personal property manufacturing equipment. The structure and land will then be sold to Vita Nonwovens, LLC/L&O Real Estate, Inc., USA.

CREATED

RETAINED

JOB'S CREATED (FULL-TIME):	22	JOB'S RETAINED (FULL-TIME):	86
JOB'S CREATED (PART-TIME):	0	JOB'S RETAINED (PART-TIME):	32
TOTAL NEW PAYROLL:	\$920,635	TOTAL RETAINED PAYROLL:	\$4,678,854
AVERAGE SALARY (FULL-TIME NEW):	\$41,847	AVERAGE SALARY (FULL-TIME RETAINED):	\$42,005

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 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?

Explain: HBC Realty Corporation will expand the current facility by 140,000 square feet.

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: Vita Nonwovens will purchase and install new personal property manufacturing 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: 86 full-time and 32 part-time jobs will be retained for a total annual payroll of \$4,678,854. 22 new full-time jobs will be created for additional annual payroll of \$920,635.

Yes No N/A

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

POLICY

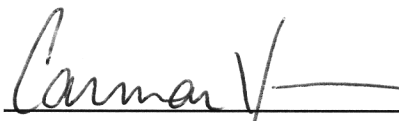
Per the policy of the City of Fort Wayne, the following guidelines apply to this project:

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

Under Fort Wayne Common Council's tax abatement policies and procedures, Vita Nonwovens, LLC/L&O Real Estate, Inc., USA/HBC Realty Corporation is eligible for a recommended ten year deduction on real property improvements and a ten year deduction on personal property manufacturing equipment improvements. Attached is a calculation of property taxes saved/paid with the deduction.

COMMENTS

Signed and Reviewed:



 Economic Development Specialist

BILL NO. R-18-05-26

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 9403 Avionics Drive and additional parcel, 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

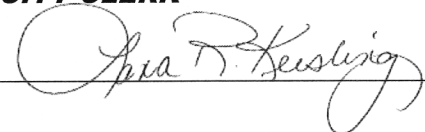
DO NOT PASS

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



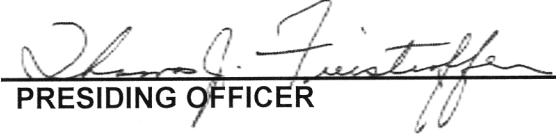
 LANA R. KEESLING, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as
 Resolution No. R-18-05-26 on the 22nd day of May, 2018

ATTEST:



 LANA R. KEESLING
 CITY CLERK



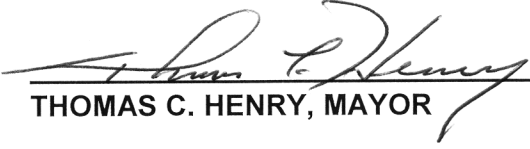
 PRESIDING OFFICER

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 P.M. E.S.T.



 THOMAS C. HENRY, MAYOR