

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

8 **WHEREAS**, Common Council has previously designated and declared by Declaratory Resolution
9 the following described property as an "Economic Revitalization Area" under Sections 153.13-153.24 of
10 the Municipal Code of the City of Fort Wayne, Indiana, and I.C. 6-1.1-12.1, to wit:

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

12 **WHEREAS**, said project will create 22 full-time, permanent jobs for a total new, annual payroll of
13 \$920,635, with the average new annual job salary being \$41,847 and retain 86 full-time, permanent jobs
14 and 32 part-time jobs for a total current annual payroll of \$4,678,854, with the average full-time current,
15 annual job salary being \$42,005; and

16 **WHEREAS**, the total estimated project cost is \$19,023.798; and

17 **WHEREAS**, a recommendation has been received from the Committee on Finance concerning
18 said Resolution; and

19 **WHEREAS**, notice of the adoption and substance of said Resolution has been published in
20 accordance with I.C. 6-1.1-12.1-2.5 and I.C. 5-3-1 and a public hearing has been conducted on said
21 Resolution.

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

24 **SECTION 1.** That, the Resolution previously designating the above described property as an
25 "Economic Revitalization Area" is confirmed in all respects.

26 **SECTION 2.** That, the hereinabove described property is hereby declared an "Economic
27 Revitalization Area" pursuant to I.C. 6-1.1-12.1, said designation to begin on the effective date of this
28 Resolution and shall terminate on December 31, 2021, unless otherwise automatically extended in five
29 year increments per I.C. 6-1.1-12.1-9.

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

SECTION 4. That, the estimate of the number of individuals that will be employed or whose
employment will be retained and the estimate of the annual salaries of those individuals and the estimate
of redevelopment or rehabilitation and estimate of the value of the new manufacturing equipment, all

1 contained in Petitioner's Statement of Benefits are reasonable and are benefits that can be reasonably
2 expected to result from the proposed described instillation of the new manufacturing equipment.

3 **SECTION 5.** The current year approximate tax rates for taxing units within the City would be:

- 4 (a) If the proposed development does not occur, the approximate current year tax rates for this
5 site would be \$3.4132/\$100.
- 6 (b) If the proposed development does occur and no deduction is granted, the approximate
7 current year tax rate for the site would be \$3.4132/\$100 (the change would be negligible).
- 8 (c) If the proposed development occurs, and a deduction percentage of fifty percent (50%) is
9 assumed, the approximate current year tax rate for the site would be \$3.4132/\$100 (the
10 change would be negligible).
- 11 (d) If the real estate and personal property for new manufacturing equipment is not installed, the
12 approximate current year tax rates for this site would be \$3.4132/\$100.
- 13 (e) If the real estate and proposed personal property for new manufacturing equipment is
14 installed and no deduction is granted, the approximate current year tax rate for the site would
15 be \$3.4132/\$100 (the change would be negligible).
- 16 (f) If the real estate and proposed personal property for new manufacturing equipment is
17 installed and a deduction percentage of eighty percent (80%) is assumed, the approximate
18 current year tax rate for the site would be \$3.4132/\$100 (the change would be negligible).

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

22 **SECTION 7.** The deduction schedule from the assessed value of the real property pursuant to
23 I.C. 6-1.1-12.1-17 shall look like this:

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

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

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

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

16 **SECTION 10.** For personal property manufacturing equipment, a deduction application must
17 contain a performance report showing the extent to which there has been compliance with the Statement
18 of Benefits form approved by the Fort Wayne Common Council at the time of filing. This report must be
19 submitted to the Allen County Auditor's Office, and the City of Fort Wayne's Community Development
20 Division and must be included with the deduction application. For ten subsequent years, the performance
report must be updated and submitted along with the deduction application at the time of filing.

21 **SECTION 11.** For real property, a deduction application must contain a performance report
22 showing the extent to which there has been compliance with the Statement of Benefits form approved by
23 the Fort Wayne Common Council at the time of filing. This report must be submitted to the Allen County
24 Auditor's Office and the City of Fort Wayne's Community Development Division and must be included in
25 the deduction application. For ten subsequent years, the performance report must be updated each year
26 in which the deduction is applicable at the same time the property owner is required to file a personal
property tax return in the taxing district in which the property for which the deduction was granted is
located. If the taxpayer does not file a personal property tax return in the taxing district in which the
property is located, the information must be provided by May 15.

27 **SECTION 12.** The performance report must contain the following information:
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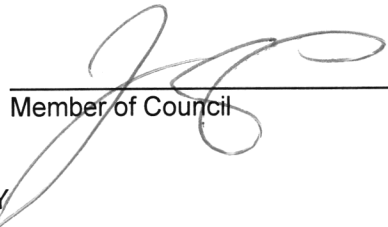
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- A. The cost and description of real property improvements and/or purchase of real estate and new personal property for new manufacturing, logistical distribution, and information technology equipment .
- B. The number of employees hired through the end of the preceding calendar year as a result of the deduction.
- C. The total salaries of the employees hired through the end of the preceding calendar year as a result of the deduction.
- D. The total number of employees employed at the facility receiving the deduction.
- E. The total assessed value of the real and/or personal property deductions.
- F. The tax savings resulting from the real and/or personal property being abated.

SECTION 13. That, the taxpayer is non-delinquent on any and all property tax due to jurisdictions within Allen County, Indiana.

SECTION 14. 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 10 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 15. That, this Resolution shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

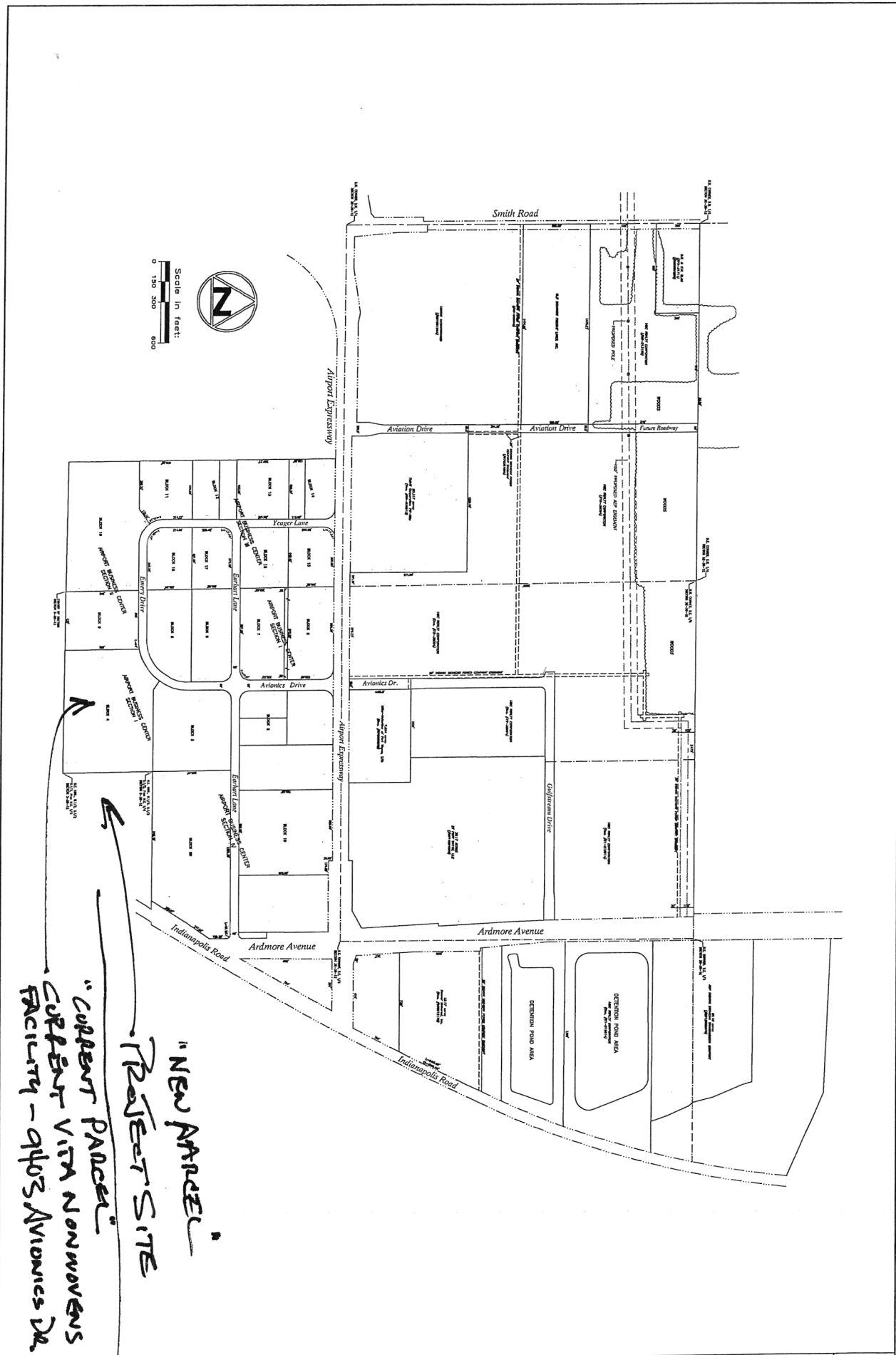


Member of Council

APPROVED AS TO FORM A LEGALITY



Carol Helton, City Attorney



"NEW PARCEL"
 PROJECT SITE
 "CURRENT PARCEL"
 CURRENT WITH NONCONFORMING
 FACILITY - 4403 AVIONICS DR.



To: Carman Young, City of Fort Wayne
Fm: Rob Young, The Hagerman Group/HBC Realty Corporation
Dt: May 8, 2018
Re: Vita Nonwovens, LLC Tax Phase-In Application
Cc: Anita Huffman, Corporate Finance Director, Vita Nonwovens, LLC

CITY OF FT WAYNE

MAY 08 2018
OK
COMMUNITY DEVL.

As we have previously discussed, Vita Nonwovens, LLC, is considering a \$19MM reinvestment in Fort Wayne. Included in the potential project would be a 140,000sf expansion of Vita Nonwovens' current building at 9403 Avionics Drive. The real property expenditure could be approximately \$9.3MM.

Within the expanded facility, Vita Nonwovens is considering the purchase and placement of approximately \$9.7MM in new production equipment.

Vita Nonwovens, LLC, is now majority owned by TWE Group GmbH. Vita Nonwovens would be purchasing the equipment referenced above. As long time real property owner, HBC Realty Corporation owns the land on which the expansion could be built.

With the relatively new ownership by TWE, there is also a corporate desire to own its real estate. As a result, HBC Realty Corporation (HBC) is in discussions with L&O Real Estate, Inc., USA (L&O) – an affiliated company of TWE Group GmbH. Given that the entire Vita Nonwovens Fort Wayne campus (including the expansion) will likely be sold by HBC to L&O, both entities are appropriately listed on the attached tax phase-in application and real property SB-1 form.

Please contact me, or Anita Huffman, if you have comments or questions re: this application and associated documents. Anita can be reached at 336.431.7187 x 228 or ahuffman@vitanonwovens.com.

Thank you.

DIGEST SHEET

TITLE OF ORDINANCE: **Confirming Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **This is to confirm the designation of an Economic Revitalization Area for Vita Nonwovens, LLC/L&O Real Estate, Inc., USA/HBC Realty Corporation for eligible real estate improvements 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 (CO-CHAIRS): **Geoff Paddock and Jason Arp**

Public Hearing Date: June 12th 2018

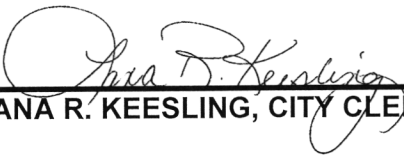
Read the first time in full and on motion by Councilman Arp.

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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CRAWFORD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
PADDOCK	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

DATED: June 12, 2018




 LANA R. KEESLING, CITY CLERK

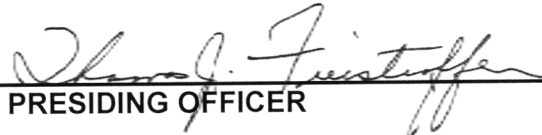
Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as

Resolution No. R-18-05-27 on the 12th day of June, 2018

ATTEST:



 LANA R. KEESLING
 CITY CLERK



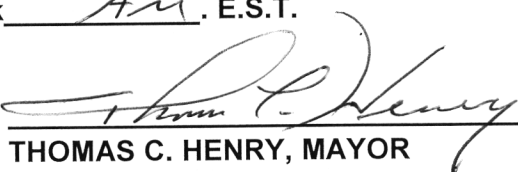
 PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 14th of June 2018, at the hour of 12:55 o'clock A.M. E.S.T.



 LANA R. KEESLING, CITY CLERK

Approved and signed by me this 18th day of June 2018, at the hour of 10:00 O'clock AM. E.S.T.



 THOMAS C. HENRY, MAYOR

**NOTICE OF PUBLIC HEARING
FORT WAYNE COMMON COUNCIL
CONFIRMING RESOLUTION
NO. R-18-05-27**

NOTICE IS HEREBY GIVEN THAT THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA WILL CONDUCT A PUBLIC HEARING ON JUNE 12, 2018, AT 5:30 P.M. IN ROOM 030 - COUNCIL DISCUSSION ROOM - GARDEN LEVEL CITIZENS SQUARE, 200 E. BERRY, FORT WAYNE, INDIANA 46802, DESIGNATING AN ECONOMIC REVITALIZATION AREA UNDER SECTION I.C. 6-1.1-12.1 FOR A PROPERTY COMMONLY KNOWN AS:

9403 Avionics Drive,
Fort Wayne, Indiana 46809
Vita Nonwovens, LLC/L&O Real Estate, Inc., USA/HBC Realty Corporation

COMMON COUNCIL WILL CONDUCT A PUBLIC HEARING ON WHETHER THE ABOVE DESCRIBED RESOLUTION SHOULD BE CONFIRMED, MODIFIED AND CONFIRMED, OR RESCINDED ON TUESDAY, JUNE 12, 2018.

IF CONFIRMED, SAID DESIGNATION SHALL EXPIRE DECEMBER 31, 2018.

ALL INTERESTED PERSONS ARE INVITED TO ATTEND AND BE HEARD AT THE PUBLIC HEARING.

"REASONABLE ACCOMMODATIONS" FOR PERSONS WITH A KNOWN DISABLING CONDITION WILL BE CONSIDERED IN ACCORDANCE WITH STATE AND FEDERAL LAW. ANY PERSON NEEDING A "REASONABLE ACCOMMODATION" SHOULD NOTIFY PUBLIC INFORMATION OFFICE (260) 427-1120, TTY (260) 427-1200, AT LEAST SEVENTY-TWO HOURS PRIOR TO THE MEETING.

LANA R. KEESLING
CITY CLERK

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LANA R. KEESLING
CITY CLERK

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