

4 **A DECLARATORY RESOLUTION designating an**
5 **“Economic Revitalization Area” under I.C. 6-1.1-12.1**
6 **for property commonly known as 4701 W.**
7 **Washington Center Road, Fort Wayne, Indiana 46825**
8 **(AALCO Distributing Company, Inc.)**

9 **WHEREAS**, Petitioner has duly filed its petition dated October 22, 2018 to have the
10 following described property designated and declared an “Economic Revitalization Area” under
11 Sections 153.13-153.24 of the Municipal Code of the City of Fort Wayne, Indiana, and I.C. 6-1.1-
12 12.1, to wit:

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

14 and

15 **WHEREAS**, said project will retain 79 full-time, permanent jobs and 15 part-time jobs for
16 a total current annual payroll of \$4,579,268, with the average current, annual job salary being
17 \$48,715 and ; and

18 **WHEREAS**, the total estimated project cost is \$1,108,286; and

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

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

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

29 **SECTION 2.** That, upon adoption of the Resolution:

- 30 (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.

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 personal

1 property for new logistical distribution and information technology equipment improvements to be
2 made between November 1, 2018 and May 31, 2019.

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

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

- 11 (a) If the proposed new logistical distribution and information technology equipment is
12 not installed, the approximate current year tax rates for this site would be
13 \$3.4092/\$100.
- 14 (b) If the proposed new logistical distribution and information technology equipment is
15 installed and no deduction is granted, the approximate current year tax rate for the
16 site would be \$3.4092/\$100 (the change would be negligible).
- 17 (c) If the proposed new logistical distribution and information technology equipment is
18 installed and a deduction percentage of eighty percent (80%) is assumed, the
19 approximate current year tax rate for the site would be \$3.4092/\$100 (the change
20 would be negligible).

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

24 **SECTION 7.** That, pursuant to I.C. 6-1.1-12.1, it is hereby determined that the
25 deduction from the assessed value of the new logistical distribution and information technology
26 equipment shall be for a period of ^{seven} ~~five~~ years.

27 **SECTION 8.** The deduction schedule from the assessed value of new logistical
28 distribution and information technology equipment pursuant to I.C. 6-1.1-12.1-17 shall look like
29 this:

Year of Deduction	Percentage
1	100%
2	85%
3	71%
4	57%
5	43%
6	29%
7	14%


8	0%
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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

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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: _____
 Total cost of manufacturing equipment improvements: _____
 Total cost of research and development equipment improvements: _____
 Total cost of logistical distribution equipment improvements: \$830,918
 Total cost of information technology equipment improvements: \$277,368
TOTAL OF ABOVE IMPROVEMENTS: \$1,108,286

GENERAL INFORMATION

Real property taxpayer's name: AALCO Distributing Company, Inc.
 Personal property taxpayer's name: AALCO Distributing Company, Inc.
 Telephone number: 260-422-9417
 Address listed on tax bill: 909 Grant Avenue, Fort Wayne, IN 46803
 Name of company to be designated, if applicable: N/A
 Year company was established: Late 1940s
 Address of property to be designated: 4701 W. Washington Center Road, Fort Wayne, IN 46825
 Real estate property identification number: 02-07-20-100-005.000-073
 Contact person name: Greg Dahm
 Contact person telephone number: (260) 422-9417 Contact person Email: gdahm@aalcodist.com
 Contact person address: 909 Grant Avenue, Fort Wayne, IN 46803

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Gregory Dahm	President	909 Grant Avenue, Fort Wayne, IN 46803	(260) 422-9417
Debra Niezer	Chief Operating Officer	909 Grant Avenue, Fort Wayne, IN 46803	(260) 422-9417
Michael Smith	CFO / Controller	909 Grant Avenue, Fort Wayne, IN 46803	(260) 422-9417
Nicole Arivett	V.P. Administration	909 Grant Avenue, Fort Wayne, IN 46803	(260) 422-9417

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

NAME	PERCENTAGE
See attached	

- 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? 50%

What is the company's primary North American Industrial Classification Code (NAICs)? 424810

Describe the nature of the company's business, product, and/or service:
 Beer wholesaling and distribution to Allen and nine (9) other surrounding Counties.

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2017	\$ 50,307,545
2016	\$ 51,737,726
2015	\$ 50,480,244

AALCO Distributing Co., Inc.
Ownership Table
As of June 30, 2018

	%
	Ownership
Greg Dahm	38.93%
John Dahm	1.14%
William Dahm	1.14%
Gunnar Dahm	1.14%
Deb Niezer	39.61%
Laura Niezer	1.14%
Katie Niezer	1.14%
Molly McGinn	13.51%
L. Joseph McGinn	1.14%
Patrick McGinn	1.14%
	<u>100.00%</u>

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

Customer Name	City/State	Annual Gross Sales
Belmont	Fort Wayne, IN	\$ 4,940,750
Walmart	Allen and surrounding Counties	\$ 4,461,646
Krogers	Allen and surrounding Counties	\$ 4,446,276

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

Supplier Name	City/State	Annual Gross Purchases
Anheuser Busch	St. Louis, MO	\$ 34,605,879
Constellation Brands	Chicago, IL	\$ 3,658,501
Diageo Beer Co-USA	Bridgeport, CT	\$ 626,235

List the company's top three competitors: N/A

Competitor Name	City/State
Five Star Distributing	Columbia City, IN

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

Beer wholesaling and distribution to Allen and nine (9) other surrounding Counties.

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?

See attached.

AALCO Distributing Company, Inc.
Economic Revitalization Area Application
Personal Property Improvements

How does the property for which you are requesting designation meet the above definition of an ERA?

The property is zoned industrial I-2 and comprises approximately 26 acres of land. The entire property lies within the corporate limits of the City of Fort Wayne. The property was purchased by AALCO Distributing Company, Inc. in 2008. The surrounding area consists of residential to the north and to the west, and commercial to the east and to the south. AALCO Distributing Company, Inc. is developing and constructing its new distribution center on the property. The primary reason for AALCO Distributing Company, Inc. relocating is due to being in six different warehouses at its existing Grant Avenue location. This makes for significant operational inefficiencies as AALCO Distributing Company, Inc. continues to grow. Also, the new location puts AALCO Distributing Company, Inc. on three major transportation corridors (I-69, US 30 and US 33). AALCO Distributing Company, Inc. will be extending utilities throughout the entire property and participate in the construction of certain necessary public stormwater drainage facilities and highway improvements, which when completed will be accepted by the City of Fort Wayne into its public utility and street systems. In addition, AALCO Distributing Company, Inc. will be moving a drainage ditch and building two retention ponds. This area has suffered from a lack of investment and development opportunities. However, given its planned investment, AALCO Distributing Company, Inc. believes this area can become a technology, industrial, and logistical core area for development. For the foregoing reasons, the property does meet the definition of an ERA.

REAL PROPERTY INFORMATION

Complete this section of the application if you are requesting a deduction from assessed value for real property improvements.

N/A

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)

See attached list.

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): 11/2018

Date last piece of equipment will be installed (month/year): First 03/2019 Last 04/2019

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

See attached.

AALCO Distributing Co., Inc.
 New Warehouse - 2018
 Major Equipment/Personal Property List

AREA	Equipment	UoM	Cost per	Qty	Total Cost	Depreciable Lives
<i>Racking</i>						
POS	Select Rack	Bay	\$640	31	\$19,840	10 yrs
Canopy	Select Rack	Bay	\$480	14	\$6,720	10 yrs
Cooler	Select Rack	Bay	\$700	30	\$21,000	10 yrs
Cooler	Keg Flow	Lane	\$100	144	\$14,400	10 yrs
AMB	Select Rack	Bay	\$640	31	\$19,840	10 yrs
CEW	Select Rack	Bay	\$640	100	\$64,000	10 yrs
CEW	Split Beams	Bay	\$80	33	\$2,640	10 yrs
CEW	Carton Flow	Lane	\$90	224	\$20,160	10 yrs
DOCK	Over Rack	Bay	\$720	17	\$12,240	10 yrs
<i>Rack Subtotal:</i>					\$180,840	
<i>New Forklifts and Pallet Jacks</i>						
Equip	Layer Picker	Unit	\$80,000	1	\$80,000	7 yrs
Equip	SW/DW Fork	Unit	\$55,000	2	\$110,000	7 yrs
Equip	Dbl Plt Jack	Unit	\$15,000	2	\$30,000	5 yrs
<i>Forklift/Pallet Jack Subtotal:</i>					\$220,000	
<i>Refrigeration/Cooling and other Equip</i>						
Refrigeration Equipment					\$41,824	10 yrs
Temperature Monitoring Equipment					\$16,210	10 yrs
Office Cooling (Rooftop Units)					\$48,432	10 yrs
CEW Warehouse Cooling (Rooftop Units)					\$69,712	10 yrs
Insulated Metal Panels @ Draught Cooler					\$68,329	10 yrs
Insulated Metal Panels @ Remaining					\$127,271	10 yrs
High Speed Doors					\$58,300	10 yrs
<i>Refrig/Cooling Subtotal:</i>					\$430,078	
<i>Other Phone & IT Equipment</i>						
Communication Server, Phone System and Paging					\$32,064	5 yrs
MDF/IDF/PC Equip - Hardware for Network and Servers					\$161,184	5 yrs
Cabling for above					\$75,432	7 yrs
Security/Access Control					\$8,688	10 yrs
<i>Other Phone & IT Equip Subtotal:</i>					\$277,368	
<i>Grand Total</i>					\$1,108,286	

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

N/A

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)

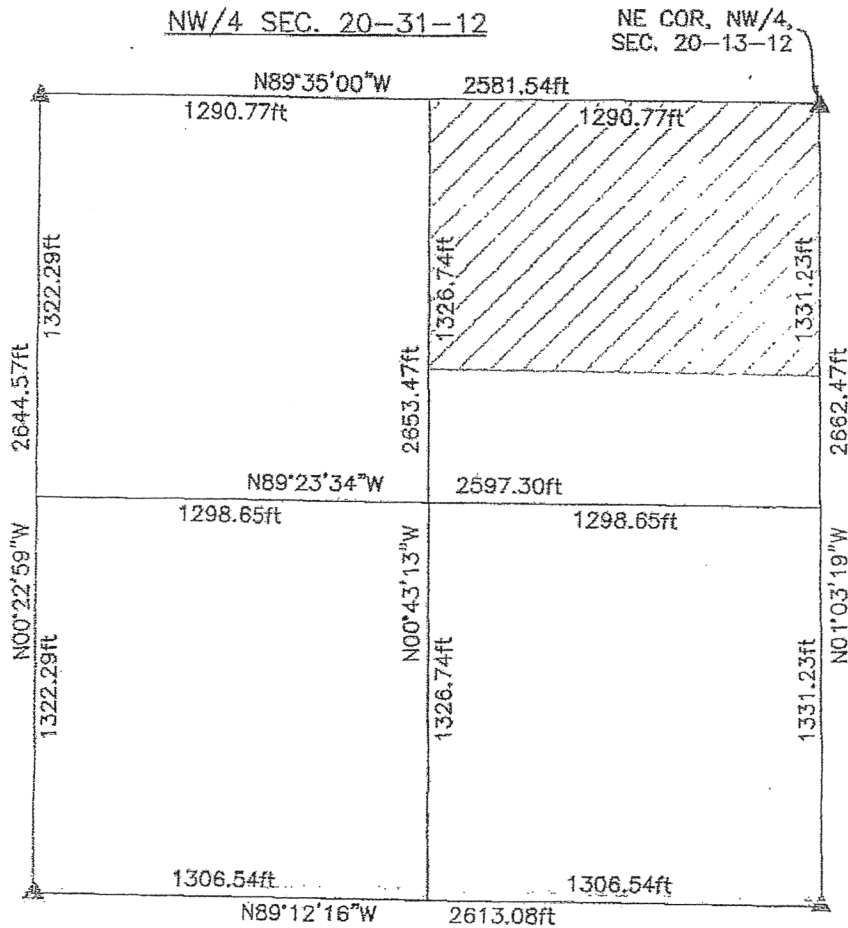
Describe any structure(s) that is/are currently on the property:

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.

Exhibit A



LEGAL DESCRIPTION

A tract of land deeded as the North 27 acres of the East Half of the Northwest Quarter of Section 20, Township 31 North, Range 12 East, Allen County, Indiana, more particularly described as follows, to-wit:

Beginning at the Northeast corner of said Northwest Quarter; thence West on and along the North line of said Northwest Quarter, being within the right of way of Washington Center Road (formerly U.S. #30) a distance of 1291.7 feet to the Northwest corner of the East Half of said Northwest Quarter; thence Southerly by an interior angle of 89 degrees 17 minutes on and along the West line of said East Half, a distance of 884.4 feet to a survey pipe found at the Southwest corner of said North 27 acres; thence Easterly by an interior angle of 91 degrees 07 minutes on and along the South line of said North 27 acres, a distance of 1301.9 feet to a survey pipe found on the East line of said Northwest Quarter at the Southeast corner of said North 27 acres, thence Northerly by an interior angle of 88 degrees 14 minutes 30 seconds on and along the East line of said Northwest Quarter, a distance of 893.7 feet to the point of beginning, containing 24.461 acres of land.

*** 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
Driver/Sales	53-3031	49	\$2,318,382.07
Industrial Truck Operators	53-7051	10	\$391,054.54
Chief Executives	11-1011	2	\$527,651.98
Customer Service	43-4051	2	\$67,938.79
Supervisor	53-1031	2	\$133,601.75

See next page for additional current full-time employment

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Driver/Sales	53-3031	49	\$2,318,382.07
Industrial Truck Operators	53-7051	10	\$391,054.54
Chief Executives	11-1011	2	\$527,651.98
Customer Service	43-4051	2	\$67,938.79
Supervisor	53-1031	2	\$133,601.75

see next page for additional retained full-time employment

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
None			

Add-ons from prior page:

Current Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Sales Manager	11-2022	5	\$459,323.66
Financial Managers	11-3031	1	[REDACTED]
HR Manager	11-3121	1	[REDACTED]
Purchasing Agent	13-1023	2	\$113,973.96
Graphic Designer	27-1024	1	[REDACTED]
Admin Support	43-9199	4	\$194,660.82

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Sales Manager	11-2022	5	\$459,323.66
Financial Managers	11-3031	1	[REDACTED]
HR Manager	11-3121	1	[REDACTED]
Purchasing Agent	13-1023	2	\$113,973.96
Graphic Designer	27-1024	1	[REDACTED]
Admin Support	43-9199	4	\$194,660.82

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
Cleaners	53-7061	5	\$59,569.50
Janitors	37-2011	4	\$59,381.53
Summer Help		6	\$45,624.23

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
Cleaners	53-7061	5	\$59,569.50
Janitors	37-2011	4	\$59,381.53
Summer Help		6	\$45,624.23

Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
None			

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

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

List any benefits not mentioned above:

401K plan

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

REQUIRED ATTACHMENTS

The following must be attached to the application.

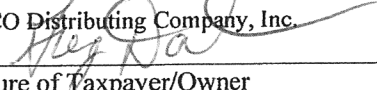
1. **Statement of Benefits Form(s) (first page/front side completed)**
2. **Full legal description of property and a plat map identifying the property boundaries. (Property tax bill legal descriptions are not sufficient.) Should be marked as Exhibit A. See attached.**
3. **Check for non-refundable application 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.

AALCO Distributing Company, Inc.
 By: 
 Signature of Taxpayer/Owner
GREG DAHM
 Printed Name and Title of Applicant
10/19/18
 Date



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**
State Form 51704 (R4 / 11-15)
Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE
OCT 23 2018
CRJ

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 AALCO Distributing Company, Inc.			Name of contact person Greg Dahm					
Address of taxpayer (number and street, city, state, and ZIP code) 909 Grant Avenue, Fort Wayne, Indiana 46803				Telephone number (260) 422-9417				
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT								
Name of designating body Fort Wayne Common Council				Resolution number (s)				
Location of property 4701 W. Washington Center Road, Fort Wayne, Indiana 46825			County Allen		DLGF taxing district number 073			
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (Use additional sheets if necessary.) New logistical distribution and information technology equipment in connection with its development of a new distribution facility as described in the attached Exhibit "A".				ESTIMATED				
				START DATE		COMPLETION DATE		
				Manufacturing Equipment				
				R & D Equipment				
				Logist Dist Equipment		03/2019	03/2019	
IT Equipment		04/2019	04/2019					
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT								
Current number 94	Salaries 4,579,268.95	Number retained 94	Salaries 4,579,268.95	Number additional 0	Salaries 0			
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
					0	0	0	0
					830,918	TBD	277,368	TBD
					0	0	0	0
				830,918	TBD	277,368	TBD	
Not estimated values upon completion of project								
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER								
Estimated solid waste converted (pounds) None			Estimated hazardous waste converted (pounds) None					
Other benefits: None								
SECTION 6 TAXPAYER CERTIFICATION								
I hereby certify that the representations in this statement are true.								
Signature of authorized representative <i>Greg Dahm</i>				Date signed (month, day, year) 10/23/18				
Printed name of authorized representative GREG DAHM			Title 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; Yes No
 - 2. Installation of new research and development equipment; Yes No
 - 3. Installation of new logistical distribution equipment. Yes No
 - 4. Installation of new information technology equipment; Yes No
- 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.
- C. The amount of deduction applicable to new manufacturing 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.)
- 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 \$ unlimited cost with an assessed value of \$ unlimited. (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 \$ unlimited cost with an assessed value of \$ unlimited. (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:
- Year 1 Year 2 Year 3 Year 4 Year 5
 - Year 6 Year 7 Year 8 Year 9 Year 10
- 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.)
- 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>11/13/18</u>
Printed name of authorized member of designating body <u>JOAN CRAWFORD</u>	Name of designating body <u>CITY COUNCIL</u>	
Attested by: (signature and title of attester) <u>AMPHONIO, ASST. DEPT. 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.

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **AALCO Distributing Company, Inc. is requesting the designation of an Economic Revitalization Area for eligible personal property improvements in the amount of \$1,108,286. AALCO Distributing Company, Inc. will purchase and install logistical distribution and information technology equipment.**

EFFECT OF PASSAGE: **Investment of \$1,108,286 and retention of 79 full-time jobs with an annual payroll of \$4,414,693 and 15 part-time jobs with an annual payroll of \$1,645,575.**

EFFECT OF NON-PASSAGE: **Potential loss of investment and retention of 79 full-time and 15 part-time jobs with an annual payroll of \$1,645,575.**

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

ASSIGNED TO COMMITTEE (PRESIDENT): **John Crawford and Jason Arp**

MEMORANDUM



TO: City Council
FROM: Carman Young, Economic Development Specialist
DATE: November 6, 2018
RE: Request for designation by AALCO Distributing Company, Inc. as an ERA for personal property improvements.

BACKGROUND

PROJECT ADDRESS:	4701 W. Washington Center Road	PROJECT LOCATED WITHIN:	N/A
PROJECT COST:	\$1,108,286	COUNCILMANIC DISTRICT:	3

COMPANY PRODUCT OR SERVICE:	AALCO Distributing Company, Inc. is a beer wholesaler and distributor to Allen and nine surrounding Counties.
PROJECT DESCRIPTION:	AALCO Distributing Company, Inc. is building a new facility and will purchase and install new logistical distribution and information technology equipment.

CREATED	RETAINED
JOBS CREATED (FULL-TIME):	0 JOBS RETAINED (FULL-TIME): 65
JOBS CREATED (PART-TIME):	0 JOBS RETAINED (PART-TIME): 15
TOTAL NEW PAYROLL:	0 TOTAL RETAINED PAYROLL: \$4,579,268
AVERAGE SALARY (FULL-TIME NEW):	0 AVERAGE SALARY (FULL-TIME RETAINED): \$55,882

COMMUNITY BENEFIT REVIEW

Yes No N/A

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

Explain: A new distribution facility will be built on vacant land. Per IC 6-1.1-12.1-3(e)(12) real property improvements do not qualify as the applicant is required to operate under a license issued under IC 7.1

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 C-1, Professional Office and Personal Services. 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: New logistical distribution and information technology equipment will be purchased and installed. These improvements are now eligible for phase-in per Fort Wayne Code 153.15(A)2

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: 79 full-time jobs with an annual payroll of \$4,414,693 and 15 part-time jobs with an annual payroll of \$1,645,575 will be retained.

Yes No N/A

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

POLICY

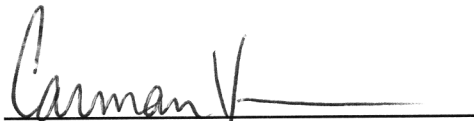
Per the policy of the City of Fort Wayne, the following guidelines apply to this project:

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

Under Fort Wayne Common Council's tax abatement policies and procedures, AALCO Distributing Company, Inc. is eligible for a recommended seven 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

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

AALCO Distributing Company, Inc.

PERSONAL PROPERTY TAX ABATEMENT - 7 yr Schedule

Year	True Cash Value	"Pool 2"	True Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable A V	Tax Rate	Tax Paid	Tax Saved
1	\$1,108,286	40%	\$443,314	\$443,314	100%	0%	\$443,314	\$0	0.035045	\$0	\$15,536
2	\$1,108,286	56%	\$620,640	\$620,640	85%	15%	\$527,544	\$93,096	0.035045	\$3,263	\$18,488
3	\$1,108,286	42%	\$465,480	\$465,480	71%	29%	\$330,491	\$134,989	0.035045	\$4,731	\$11,582
4	\$1,108,286	32%	\$354,652	\$354,652	57%	43%	\$202,151	\$152,500	0.035045	\$5,344	\$7,084
5	\$1,108,286	30%	\$332,486	\$332,486	43%	57%	\$142,969	\$189,517	0.035045	\$6,642	\$5,010
6	\$1,108,286	30%	\$332,486	\$332,486	29%	71%	\$96,421	\$236,065	0.035045	\$8,273	\$3,379
7	\$1,108,286	30%	\$332,486	\$332,486	14%	86%	\$46,548	\$285,938	0.035045	\$10,021	\$1,631
8	\$1,108,286	30%	\$332,486	\$332,486	0%	100%	\$0	\$332,486	0.035045	\$11,652	\$0
									TOTAL TAX SAVED	(7 yr deduction)	\$62,711
									TOTAL TAX PAID	(7 yr deduction)	\$49,925

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

AALCO Distributing Company, 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	8
\$500,000 to \$999,999	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	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	4
\$10,000 to \$29,999	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	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%	10	10
25% to 49%	5	
<hr/>		
JOBS (20 points possible)		
Total number of permanent jobs retained		
Over 250	10	
100 to 249	8	
50 to 99	6	6
25 to 49	4	
10 to 24	2	
1 to 9	1	
<hr/>		
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	
<hr/>		
WAGES (20 points possible)		
Median salary of the jobs created and/or retained		
Over \$47,999	20	
\$43,000 to \$47,999	16	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

Total	65
--------------	-----------

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 current average salary for Allen County and is eligible for a 7 or 10 year abatement, 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%	

Public Hearing Date: N/A

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

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

Read the third time in full and on motion by Councilman Crawford, 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 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 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: November 13, 2018



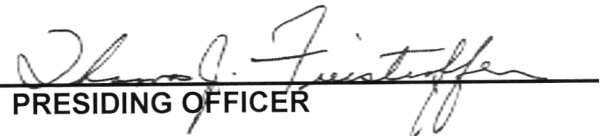
 LANA R. KEESLING, CITY CLERK

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

Resolution No. R-18-11-18 on the 13th day of November, 2018

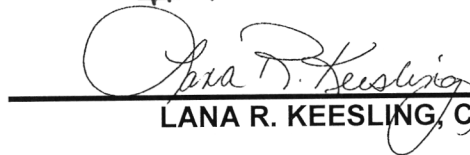


 LANA R. KEESLING
 CITY CLERK



 PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 14th of November 2018, at the hour of 11:40 o'clock A.M. E.S.T.



 LANA R. KEESLING, CITY CLERK

Approved and signed by me this 14th day of November

2018, at the hour of 2:00 O'clock PM E.S.T.

FORT WAYNE, INDIANA
RECEIVED
 NOV 14 2018
 LANA R. KEESLING
 CITY CLERK



 THOMAS C. HENRY, MAYOR

BILL NO. R-18-11-18

REPORT OF COMMITTEE ON FINANCE

November 13, 2018

John Crawford Chair

Jason Arp 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 4701 W. Washington Center Road, Fort Wayne, Indiana 46825

AALCO Distributing Company, Inc


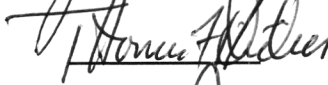
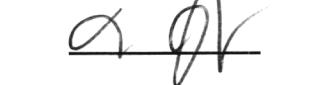
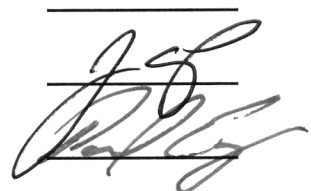

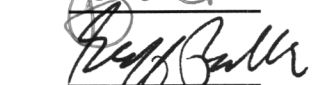
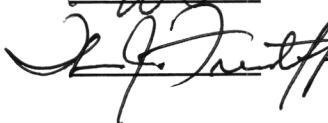
COMMITTEE ON FINANCE HAVE HAD SAID Ordinance under consideration and beg leave to report back to the Common Council that said Ordinance

DO PASS

DO NOT PASS

ABSTAIN

NO REC

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

**LANA R. KEESLING
CITY CLERK**

