

A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 2677 Persistence Drive, Fort Wayne, Indiana 46808 (WC Holdings II, LLC/ElringKlinger Manufacturing Indiana, Inc.)

WHEREAS, Petitioner has duly filed its petition dated April 12, 2019 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 26 full-time, permanent jobs for a total additional annual payroll of \$1,151,134, with the average additional, annual job salary being \$44,274 and retain 37 full-time permanent jobs with a total current payroll of \$2,193,485, with the average current, annual salary of \$59,283; and

WHEREAS, the total estimated project cost is \$5,963,581; 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.

SECTION 3. That, said designation of the hereinabove described property as an "Economic Revitalization Area" shall apply to both a deduction of the assessed value of real estate improvements made between February 1, 2019 and July 31, 2019 and personal property

1 for new manufacturing, logistical distribution and information technology equipment
2 improvements to be made between May 1, 2019 and May 30, 2023.

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 redevelopment or rehabilitation and the estimate of the value of
6 manufacturing, logistical distribution and information technology equipment, all contained in
7 Petitioner's Statement of Benefits, are reasonable and are benefits that can be reasonably
8 expected to result from the proposed described redevelopment or rehabilitation and from the
9 installation of new manufacturing, logistical distribution and information technology equipment.

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

- 12 (a) If the proposed development does not occur, the approximate current year tax rates
13 for this site would be \$3.2934/\$100.
- 14 (b) If the proposed development does occur and no deduction is granted, the
15 approximate current year tax rate for the site would be \$3. 2934/\$100 (the change
16 would be negligible).
- 17 (c) If the proposed development occurs and a deduction percentage of fifty percent
18 (50%) is assumed, the approximate current year tax rate for the site would be
19 \$3.2934/\$100 (the change would be negligible).
- 20 (d) If the proposed new manufacturing, logistical distribution and information technology
21 is not installed, the approximate current year tax rates for this site would be
22 \$3.2934/\$100.
- 23 (e) If the proposed new manufacturing, logistical distribution and information technology
24 is installed and no deduction is granted, the approximate current year tax rate for the
25 site would be \$3.2934 /\$100 (the change would be negligible).
- 26 (f) If the proposed new manufacturing, logistical distribution and information technology
27 equipment is installed and a deduction percentage of eighty percent (80%) is
28 assumed, the approximate current year tax rate for the site would be \$3.0227/\$100
29 (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, logistical distribution and
information technology equipment shall be for a period of ten years.

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

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%

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

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%


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

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


SECTION 13. That, pursuant to I.C. 6-1.1-12.1-12 et al, any property owner that has received a deduction under section 3 or 4.5 of this chapter may be required to repay the

1 deduction amount as determined by the county auditor in accordance with section 12 of said
2 chapter if the property owner ceases operations at the facility for which the deduction was
3 granted and if the Common Council finds that the property owner obtained the deduction by
4 intentionally providing false information concerning the property owner's plans to continue
5 operation at the facility.

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

8 
9 _____
10 Member of Council

11 APPROVED AS TO FORM AND LEGALITY

12 
13 _____
14 Carol Helton, City Attorney

APR 12 2019

CR4

COMMUNITY DEVELOPMENT



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:	\$ 4,993,581
Total cost of manufacturing equipment improvements:	\$ 300,000
Total cost of research and development equipment improvements:	\$ 0
Total cost of logistical distribution equipment improvements:	\$ 420,000
Total cost of information technology equipment improvements:	\$ 250,000
TOTAL OF ABOVE IMPROVEMENTS:	\$ 5,963,581

GENERAL INFORMATION

Real property taxpayer's name: W.C. Holdings II, LLC

Personal property taxpayer's name: ElringKlinger Manufacturing Indiana, Inc.

Telephone number: (260) 587 9113

Address listed on tax bill: PO BOX 428, ASHLEY, INDIANA 46705

Name of company to be designated, if applicable: W.C. Holdings II, LLC / ElringKlinger Manufacturing Indiana, Inc.

Year company was established: 2008 / 2018

Address of property to be designated: 2677 Persistence Drive / Fort Wayne IN 46808

Real estate property identification number: 02-07-21-200-010.004-073 + 2.956 acres of 02-07-21-200-010.000-073

Contact person name: Mr David Beyer / Vince Hansen (W.C. Holdings II) vhansen@klinktrucking.com

Contact person telephone number: (260) 234-5900 Contact person Email: david.beyer@clringklinger.com

Contact person address: 2677 Persistence Drive / Fort Wayne IN 46808

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Mr David Beyer	General Manager, EKMI	2677 Persistence Dr, Fort Wayne IN 46808	(260) 234-5900
Mr Markus Boeni	Financial Director EK USA	4961 Golden Pkwy, Buford GA 30518	(678) 730-8116

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

NAME	PERCENTAGE
ElringKlinger AG	100 %

- 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? 100 %

What is the company's primary North American Industrial Classification Code (NAICs)? 336370

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

Design, manufacture & distribution of innovative lightweight aluminum & plastic parts to the automotive industry. Products include specialty gaskets, housings, sealant systems, fuel cells & heat shielding systems

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2018	\$ 2,035,000,000.00
2017	\$ 1,750,000,000
2016	\$ 1,560,000,000

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

Customer Name	City/State	Annual Gross Sales
GM	various cities (sales data confidential)	
Ford	various cities (sales data confidential)	
Tenneco	various cities (sales data confidential)	

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

Supplier Name	City/State	Annual Gross Purchases
Albert GmbH	Bremen, Germany (sales data confidential)	
Assan	Istanbul, Turkey (sales data confidential)	
Graenges	Huntingdon, TN (sales data confidential)	

List the company's top three competitors:

Competitor Name	City/State
Carcoustics	Georgia; Michigan
Dana Corporation	Michigan; Ohio; Kentucky
Lydall Automotive	Michigan; North Carolina

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

The planned 60,000 sft warehouse & distribution facility will serve as a logistics center for EKMI, which will continue to manufacture its innovative and successful lightweight aluminum heat shielding systems (and other related automotive components made of composite materials as well). This facility will free up the neighboring facility for expanded production capacity and allow greater flexibility and efficiency in EKMI's logistics planning. EKMI will install the latest in logistics, conveyor and storage equipment + machinery. Among other amenities, the facility will include a break room for truckers.

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?

This area of the city has an under-served population with a greater than average unemployment rate. Housing & retail development in the area has not been sustainable, complicated by the fact that the neighborhoods are criss-crossed by rail lines, major highway arteries and the interstate ring road circling the north side of Fort Wayne.

The area is better suited to industrial development, and it already has a number of warehouses and industrial buildings. This was certainly the attraction for the developer and owner of the shell building in which EKMI located in 2018 and which will be an expansion of the EKMI business operations.

The EKMI operation has brought the expected value to the community through major capital investment and the creation of quality full-time jobs in advanced manufacturing. The development of the adjacent site and construction of a similar shell building which EKMI will be able to lease will bring increased value to the area.

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:

Plans have been made to construct a 60,000 sft facility next door to the 60,000 sft building presently being leased to ElringKlinger Manufacturing Indiana to serve as a warehouse facility.

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

Facility will be new construction

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

Warehouse (59,230 sft) + Truckers Lounge & Shipping Office with A/C (770 sft) BSFR Fire Sprinkler system; gas-fired air heating; 35' Low eave/ 39-7' high eave/ 32' clear interior height, 24 ga standing seam roof, 26 ga 3-in insulated metal wall panel system, trims, finishings, gutters and downspouts; 24 -car parking lot expansion.

Projected construction start (month/year): 02/2019

Projected construction completion (month/year): 07/2019

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)

MANUFACTURING EQUIPMENT: manual riveting work cells (4 units) used for assembly of heat shield parts assembly

LOGISTICS EQUIPMENT: racking;; conveyors; forklifts; packaging equipment; Kardex modular storage system

IT EQUIPMENT & SOFTWARE: automation IT; software & IT for network connection & information management; server racks; wiring & cables; infrastructure cabling for electrical and fiber optic connectivity within the new building; electrical panels

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): 05/2019

Date last piece of equipment will be installed (month/year): 05/2023

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

Logistics machinery & equipment - 5 years

Information technology equipment , systems & software - 3 years

Manufacturing machinery & equipment - 7 years

ELIGIBLE VACANT BUILDING INFORMATION

Complete this section of the application if you are requesting a deduction from the current assessed value of a vacant building

Yes No Has the building for which you are seeking designation for tax phase-in been unoccupied for at least one year? Please provide evidence of occupation. (i.e. certificate of occupancy, paid utility receipts, executed lease agreements)

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

N/A

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
(SEE EXHIBIT A)			
see attachment on			
page 7-A			
(planned by 2020)		37	\$ 2,193,485

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
(SEE EXHIBIT B)			
see attachment on			
page 7-A		37	\$ 2,193,485

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
(SEE EXHIBIT C)			
see attachment on			
page 7-B			
(planned by 2021)		26	\$ 1,151,134

EXHIBIT A

ErlingKlinger Manufacturing of Indiana: Manufacturing Operations
PUBLIC BENEFIT INFORMATION:
EMPLOYMENT INFORMATION FOR FULLTIME EMPLOYMENT Jan – Dec 2018



Hourly Median Wage per SOC Position 2018 (without benefits)

Internal job reference	SOC Code	SOC job title	Employment 2021	IN Fort Wayne	(hours/year) Fort Wayne
HR Manager	11-3121	Human Resources Managers	1	\$41.20	████████
Warehouse Manager	11-3071	Transportation, Storage, and Distribution Managers	1	\$41.76	████████
Operations or General Manager	11-1021	General & Operations Managers	2	\$42.02	\$174,803
MRP Supply Chain Manager	11-9199	Managers (all others)	1	\$30.40	████████
PMP	11-3051	Industrial Production Manager	5	\$41.11	\$427,514
Administrative Assistant to the GM	43-5011	Executive Administrative Assistant	1	\$21.23	████████
Quality Assurance Engineer	17-2199	Engineers (all others)	2	\$27.54	\$114,590
Production - CNC Machine Operator	51-4011	CNC Machine Tool Operators (Metal & Plastic)	6	\$18.02	\$224,890
Production - Tool & Die Setting	51-4031	Cutting, Punching, and Press Machine Setters, Operators	2	\$14.06	\$56,490
Production - Tool & Die	51-4111	Tool and Die Makers	1	\$21.70	████████
Production - Assemblers	51-2098	Assemblers, Fabricators & Others	2	\$21.04	\$87,526
Maintenance	49-9043	Maintenance Workers, Machinery	1	\$22.80	████████
Electrician	47-2111	Electricians	1	\$27.15	████████
Industrial & Production Engineers	17-2112	Industrial Engineers	5	\$36.71	\$381,784
Production Engineer	17-2141	Mechanical Engineer	1	\$35.40	████████
Production Supervisor	51-1011	Production supervisors	1	\$28.78	████████
MRP	19-1081	Logisticians	1	\$31.46	████████
Dispatch Logistics	43-5071	Shipping, Receiving, and Traffic Clerks	1	\$19.42	████████
Material Handler	53-0000	Transportation and material moving occupations	1	\$14.14	████████
IT	15-1151	Computer User Support Specialists	1	\$20.58	████████
			37		\$2,183,485

Weighted Average Annual Wage (in 2018 = 37 employees) \$40.56

No data on MSA level available; used statewide median
 Data: May 2017 BLS Occupational Wages (Fort Wayne MSA)

EXHIBIT B



ErlingKlinger Manufacturing of Indiana: Retained Positions
PUBLIC BENEFIT INFORMATION:
EMPLOYMENT INFORMATION FOR FULLTIME EMPLOYMENT Jan – Dec 2018

Hourly Median Wage per SOC Position 2018 (without benefits)

Internal job reference	SOC Code	SOC Job title	Employment 2021	IN Fort Wayne	(hours/year) Fort Wayne
HR Manager	11-3121	Human Resources Managers	1	\$41.20	
Warehouse Manager	11-3071	Transportation, Storage, and Distribution Managers	1	\$41.76	
Operations or General Manager	11-1021	General & Operations Managers	2	\$42.02	\$174,803
MRP Supply Chain Manager	11-9199	Managers (all others)	1	\$30.40	
PMP	11-3061	Industrial Production Manager	5	\$41.11	\$427,544
Administrative Assistant to the GM	43-6011	Executive Administrative Assistant	1	\$21.23	
Quality Assurance Engineer	17-2199	Engineers (all others)	2	\$27.54	\$114,666
Production - CNC Machine Operator	51-4011	CNC Machine Tool Operators (Metal & Plastic)	6	\$16.02	\$224,690
Production - Tool & Die Setting	51-4031	Cutting, Punching, and Press Machine Setters, Operators	2	\$14.06	\$68,490
Production - Tool & Die	51-4111	Tool and Die Makers	1	\$21.70	
Production - Assemblers	51-2099	Assemblers, Fabricators & Others	2	\$21.04	\$67,526
Maintenance	49-9043	Maintenance Workers, Machinery	1	\$22.80	
Electrician	47-2111	Electricians	1	\$27.15	
Industrial & Production Engineers	17-2112	Industrial Engineers	5	\$36.71	\$381,794
Production Engineer	17-2141	Mechanical Engineer	1	\$35.40	
Production Supervisor	51-1011	Production supervisors	1	\$26.76	
MRP	13-1081	Logisticians	1	\$31.46	
Dispatch Logistics	43-6071	Shipping, Receiving, and Traffic Clerks	1	\$13.42	
Material Handler	53-0003	Transportation and material moving occupations	1	\$14.14	
IT	15-1151	Computer User Support Specialists	1	\$20.58	
			37		\$2,193,486

Weighted Average Annual Wage (in 2018 = 37 employees) \$40.56

No data on MSA level available; used statewide median
 Data: May 2017 BLS Occupational Wages (Fort Wayne MSA)

EXHIBIT C



ElringKlinger Manufacturing of Indiana: Logistics Operations

PUBLIC BENEFIT INFORMATION

EMPLOYMENT INFORMATION FOR ADDITIONAL FULLTIME EMPLOYMENT

Hourly Median Wage per SOC on State and MSA Level (without benefits)

Internal job reference	SOC Code	Employment 2021	IN (hours / year)	
			Fort Wayne	Fort Wayne
MRP Supply Chain Manager	11-9199	1	\$30.40	[REDACTED]
Quality Assurance Engineer	17-2199	1	\$27.54	[REDACTED]
Production - CNC Machine Operator	51-4011	6	\$18.02	\$224,890
Production - Tool & Die	51-4111	1	\$21.70	[REDACTED]
Production - Assemblers	51-2098	12	\$21.04	\$525,158
Electrician	47-2111	1	\$27.15	[REDACTED]
MRP	13-1081	1	\$31.46	[REDACTED]
Dispatch Logistics	43-5071	1	\$13.42	[REDACTED]
Material Handler	53-0000	2	\$20.58	\$85,813
		26		\$1,151,134

Weighted Average Annual Wage (in 2021 = 26 employees) \$21.29

No data on MSA level available; used statewide median
Data: May 2017 BLS Occupational Wages (Fort Wayne MSA)

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			

Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			

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

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

List any benefits not mentioned above:

401(k)

When will you reach the levels of employment shown above? (month/year): 12/2021

REQUIRED ATTACHMENTS

The following must be attached to the application.

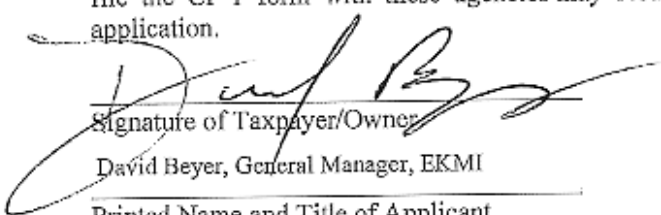
1. **Statement of Benefits Form(s) (first page/front side completed)**
2. **Full legal description of property and a plat map identifying the property boundaries. (Property tax bill legal descriptions are not sufficient.) Should be marked as Exhibit A.**
3. **Check for non-refundable application fee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

ERA filing fee (either real or personal property improvements)	.1% of total project cost not to exceed \$500
ERA filing fee (both real and personal property improvements)	.1% of total project cost not to exceed \$750
ERA filing fee (vacant commercial or industrial building)	\$500
ERA filing fee in an EDTA	\$100
Amendment to extend designation period	\$300
Waiver of non compliance with ERA filing	\$500 + ERA filing fee
4. **Owner's Certificate (if applicant is not the owner of property to be designated)
Should be marked as Exhibit B if applicable.**

CERTIFICATION

I, as the legal taxpayer and/or owner, hereby certify that all information and representations made on this application and its attached exhibits are true and complete and that no Improvement Location Permit or Structural Permit has been filed for construction of improvements, the occupation of the vacant building has not taken place and no manufacturing, research and development, logistical distribution or information technology equipment which is a part of this application been purchased and installed as of the date of filing of this application. I also certify that the taxpayer is not delinquent on any and all property tax due to taxing jurisdictions within Allen County, Indiana. I understand that any incorrect information on this application may result in a rescission of any tax phase-ins which I may receive.

I understand that I must file a correctly completed Compliance with Statement of Benefits Form (CF-1/Real Property for real property improvements, CF-1/PP for personal property improvements, and CF-1/VBD for vacant building deduction) and the Public Benefit Annual Update with the City of Fort Wayne Community Development Division in each year in which I receive a deduction. Further the CF-1/PP form must be filed with the county assessor and the CF-1/Real Property and CF-1/VBD must be filed with the county auditor. Failure to file the CF-1 form with these agencies may result in a rescission of any tax phase-in occurring as a result of this application.


Signature of Taxpayer/Owner

David Beyer, General Manager, EKMI

Printed Name and Title of Applicant

03/26/2019

Date



**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51757 (R6 / 10-14)
Prescribed by the Department of Local Government Finance

CITY OF FT. WAYNE

APR 12 2019

COMMUNITY DEVELOPMENT

20 19 FAY 20 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:

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise, this statement must be submitted to the designating body **BEFORE** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
3. 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.
4. 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)
5. 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 WC HOLDINGS II, LLC		
Address of taxpayer (number and street, city, state, and ZIP code) PO BOX 428, ASHLEY, IN 46705		
Name of contact person VINCE HANSEN	Telephone number (260) 587-9113	E-mail address vhansen@klinktrucking.com

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body Fort Wayne City Council	Resolution number TBD
Location of property 2677 Persistence Dr., Fort Wayne, IN 46808	County Allen
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Warehouse with WAREHOUSE AREA of 59,230 s.f. and TRUCKER'S LOUNGE / SHIPPING OFFICE of 770 s.f. ESFR Fire Sprinkler system; gas-fired air heating; air-conditioned Trucker's Lounge and Shipping Office. 35' Low eave/ 39-7' high eave/ 32' clear interior height, 24 ga standing seam roof, 26 ga 3-in insulated metal wall panel syste	
Estimated start date (month, day, year) March 15, 2019	
Estimated completion date (month, day, year) July 15, 2019	

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
37.00	\$2,193,485.00	37.00	\$2,193,485.00	26.00	\$1,151,134.00

SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values	6,807,351.00	1,385,881.66
Plus estimated values of proposed project	4,993,581.00	0.00
Less values of any property being replaced	0.00	0.00
Net estimated values upon completion of project	11,800,932.00	

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

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

Other benefits
N / A

SECTION 6 TAXPAYER CERTIFICATION

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

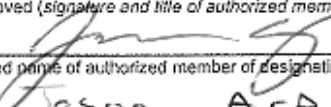
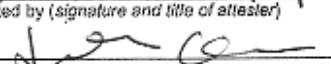
Signature of authorized representative <i>Wayne E. Klink</i>	Date signed (month, day, year) March 26, 2019
Printed name of authorized representative Wayne E. Klink for WC Holdings II, LLC	Title Member Manager

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, 2024.
- 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	Date signed (month, day, year)
	(260) 427-1221	5/17/19
Printed name of authorized member of designating body	Name of designating body	
Jason ARP	City Council	
Attested by (signature and title of attester)	Printed name of attester	
	Jerika Clawson	

* 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 51754 (R4 / 11-15)
Prescribed by the Department of Local Government Finance

CITY OF FT. WAYNE
APR 12 2019
COMMUNITY DEVELOPMENT

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)

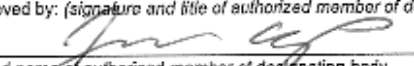
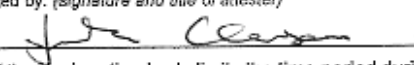
SECTION 1 TAXPAYER INFORMATION									
Name of taxpayer ErlingKlinger Manufacturing Indiana, Inc.			Name of contact person Mr David Beyer						
Address of taxpayer (number and street, city, state, and ZIP code) 2677 Persistence Drive / Fort Wayne, IN 46808				Telephone number (260) 234 5900					
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT									
Name of designating body ErlingKlinger Manufacturing Indiana, Inc.				Resolution number (s) TBD					
Location of property 2677 Persistence Drive / Fort Wayne, IN 46808			County Allen		DI,GF 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.) Manufacturing M+E: manual riveting cells (4 units) for assembly of heat shield systems Logistics M+E: racking, conveyors, forklifts, packaging equipment; Kardex modular storage system IT Software & Equipment: automaton IT; software & IT for network connection and information management; server racks, wiring & cables			ESTIMATED						
					START DATE	COMPLETION DATE			
			Manufacturing Equipment	5/15/2019	5/15/2013				
			R & D Equipment	n.a.	n.a.				
			Logist Dist Equipment	5/15/2019	5/15/2023				
IT Equipment	5/15/2019	5/15/2023							
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT									
Current number 37	Salaries \$2,193,485	Number retained 37	Salaries \$2,193,485	Number additional 26	Salaries \$1,151,134				
SECTION 4									
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		0	0	0	0	0	0	0	0
Plus estimated values of proposed project		300,000	300,000	0	0	420,000	0	250,000	0
Less values of any property being replaced		0	0	0	0	0	0	0	0
Net estimated values upon completion of project		300,000	300,000	0	0	420,000	0	250,000	0
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER									
Estimated solid waste converted (pounds) 0 lbs.			Estimated hazardous waste converted (pounds) 0 lbs.						
Other benefits: N/A									
SECTION 6 TAXPAYER CERTIFICATION									
I hereby certify that the representations in this statement are true.					Date signed (month, day, year)				
Signature of authorized representative				March 26, 2019					
Printed name of authorized representative DAVID BEYER			Title General Manager						

FOR USE OF THE DESIGNATING BODY

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

- A. The designated area has been limited to a period of time not to exceed — calendar years * (see below). The date this designation expires is December 31, 2021. NOTE: This question addresses whether the resolution contains an expiration date for the designated area.
- B. The type of deduction that is allowed in the designated area is limited to:
- | | | | |
|--|---|--|---|
| 1. Installation of new manufacturing equipment; | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Enhanced Abatement per IC 6-1.1-12.1-18 |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | Check box if an enhanced abatement was approved for one or more of these types. |
| 3. Installation of new logistical distribution equipment. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 4. Installation of new information technology equipment; | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | |
- C. The amount of deduction applicable to new manufacturing equipment is limited to \$ unlimited cost with an assessed value of \$ unlimited. (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:
- | | | | | | |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---|---|
| <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 |
| <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 | Number of years approved: <u> </u> |
| | | | | | (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>5/17/19</u>
Printed name of authorized member of designating body <u>Jason ACP</u>	Name of designating body <u>City Council</u>	
Attested by: (signature and title of attester) 	Printed name of attester <u>Jerika Clawson</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.

EXHIBIT D

LEGAL DESCRIPTION OF THE PROPERTY LOCATED AT 2677 PERSISTENCE DRIVE, FORT WAYNE, INDIANA 46808

A part of the Northeast Quarter of Section 21, Township 31 North, Range 12 East, Washington Township, Allen County, Indiana, being more particularly described as follows:

Commencing at a railroad spike marking the Southwest corner of the Northeast Quarter of said Section 21, thence North 88 degrees 05 minutes 38 seconds East (Grid North and basis to follow), along the South line of the Northeast Quarter of said Section 21, a distance of 1,136.36 feet to the Southeast corner of a 6.79 acre parcel as described in document number 2015012002 in the Office of the Allen County Recorder; thence North 01 degrees, 54 minutes, 24 seconds West, along the East line of said 6.79 acre parcel, a distance of 415.34 feet to the South Right-of-Way of Persistence Drive as described in document number 2007063911 in the Office of the Allen County Recorder; thence along said South Right-of-Way the following 7 courses: northeasterly, along a 60.00 foot radius curve to the left, concave to the Northwest, a distance of 34.65 feet subtended by a long chord bearing North 62 degrees 06 minutes 01 seconds East, 34.17 feet to a point of reverse curvature; thence northeasterly, along a 54.00 foot radius curve to the right, concave to the Southeast, a distance of 40.09 feet subtended by a long chord bearing North 66 degrees 49 minutes 26 seconds East, 39.18 feet to a point of tangency; thence North 88 degrees 05 minutes 38 seconds East, a distance of 400.63 feet to the Point of Beginning of the herein described parcel; thence North 88 degrees 05 minutes 38 seconds East, a distance of 406.32 feet to a point of curvature; thence southeasterly, along a 120.00 foot radius curve to the right, concave to the Southwest, a distance of 188.91 feet subtended by a long chord bearing South 46 degrees 48 minutes 24 seconds East, 170.00 feet to a point of tangency; thence South 01 degrees 42 minutes 25 seconds East a distance of 58.67 feet to a point of curvature; thence southeasterly, along a 180.00 foot radius curve to the left, concave to the Northeast, a distance of 138.55 feet subtended by a long chord bearing South 23 degrees 45 minutes 32 seconds East a distance of 135.16 feet to a point; thence South 88 degrees 05 minutes 38 seconds West, parallel with and 140.00 feet normally distant from the South line of the Northeast Quarter of said Section 21, a distance of 576.42 feet to a point; thence North 01 degrees, 54 minutes, 24 seconds West, parallel with the East line of said 6.79 acre parcel, a distance of 304.53 feet to the Point of Beginning, containing 3.653 acres, more or less.

W.C. HOLDINGS II, LLC

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

March 25, 2019

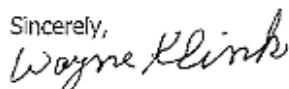
Dear Ms. Young,

We are writing this letter as owners of the industrial building in Persistence Industrial Park, Fort Wayne. The building's address is 2677 Persistence Drive. W.C. Holdings II, LLC is a company owned by myself, Wayne Klink, and my wife, Carol.

The shell building constructed on the west side of the site was leased in 2018 to ElringKlinger; the east side of the site is also an integral part of the site which belongs to us and held under our holding company W.C. Holdings II.

We will construct a warehouse and logistics facility for ElringKlinger on this parcel. We understand that ElringKlinger has applied for tax phase-in incentives on the construction and other improvements. We support the company's efforts to obtain such economic incentives in light of their growth and contribution to the economy.

Sincerely,



Wayne Klink, Managing Member/ Owner
W.C. Holdings II, LLC

P.O. Box 428
3320 W. 800 S.
Ashley, IN
46705

PHONE 260.587.9113
FAX 260.587.3237
EMAIL klink@klinktrucking.com
WEBSITE www.klinkgroup.com

MEMORANDUM



To: City Council
FROM: Carman Young, Economic Development Specialist
DATE: May 9, 2019
RE: Request for designation by WC Holdings II, LLC/ElringKlinger Manufacturing Indiana, Inc. as an ERA for real and personal property improvements.

BACKGROUND

PROJECT ADDRESS:	2677 Persistence Drive	PROJECT LOCATED WITHIN:	N/A
PROJECT COST:	\$5,963,581	COUNCILMANIC DISTRICT:	3

COMPANY PRODUCT OR SERVICE:	WC Holdings II, LLC provides services in real estate development, construction and sales/lease of spec industrial buildings as well as industrial land sales. ElringKlinger Manufacturing Indiana, Inc. designs, manufactures and distributes innovative aluminum and plastic automotive parts.
PROJECT DESCRIPTION:	WC Holdings II, LLC will construct a 60,000 square foot addition to the current facility that will serve as a logistics and distribution center for ElringKlinger Manufacturing Indiana, Inc.

CREATED		RETAINED	
JOBS CREATED (FULL-TIME):	26	JOBS RETAINED (FULL-TIME):	37
JOBS CREATED (PART-TIME):	0	JOBS RETAINED (PART-TIME):	0
TOTAL NEW PAYROLL:	\$1,151,134	TOTAL RETAINED PAYROLL:	\$2,193,485
AVERAGE SALARY (FULL-TIME NEW):	\$44,274	AVERAGE SALARY (FULL-TIME RETAINED):	\$59,283

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 and. 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: WC Holdings II, LLC will construct a 60,000 square foot addition to the existing facility of the same size.

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: ElringKlinger Manufacturing Indiana, Inc. will purchase and install new manufacturing, logistical distribution and information technology 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: 37 full-time jobs with an annual payroll of \$2,193,485 will be retained and 26 full-time jobs with an annual payroll of \$1,151,134 will be created.

Yes No N/A

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

POLICY

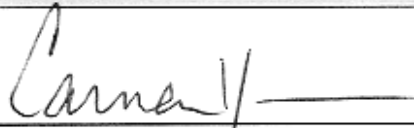
Per the policy of the City of Fort Wayne, the following guidelines apply to this project:

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

Under Fort Wayne Common Council's tax abatement policies and procedures, WC Holdings II, LLC/ ElringKlinger Manufacturing Indiana, Inc. is eligible for a recommended ten year deduction on real and personal property improvements. Attached is a calculation of property taxes saved/paid with the deduction.

COMMENTS

Signed:



Economic Development Specialist

Reviewed:



Economic Development Administrator

POOL #2 FORT WAYNE COMMUNITY DEVELOPMENT DIVISION WC Holdings II, LLC
TAX ABATEMENT - ESTIMATE OF SAVINGS ElringKlinger Manufacturing Indiana, Inc.

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

PERSONAL PROPERTY TAX ABATEMENT - 10 yr Schedule													
Year	True Cash		True Tax		Assessed		Tax		Deduction	Taxable A V	Tax Rate	Tax Paid	Tax Saved
	Value	"Pool 2"	Value	Value	Value	Abate %	Tax Paid %	Tax					
1	\$970,000	40%	\$388,000	\$388,000	100%	0%	\$388,000	\$388,000	\$0	0.032934	\$0	\$12,778	
2	\$970,000	56%	\$543,200	\$543,200	90%	10%	\$488,880	\$488,880	\$54,320	0.032934	\$1,789	\$16,101	
3	\$970,000	42%	\$407,400	\$407,400	80%	20%	\$325,920	\$325,920	\$81,480	0.032934	\$2,683	\$10,734	
4	\$970,000	32%	\$310,400	\$310,400	70%	30%	\$217,280	\$217,280	\$93,120	0.032934	\$3,067	\$7,156	
5	\$970,000	30%	\$291,000	\$291,000	60%	40%	\$174,600	\$174,600	\$116,400	0.032934	\$3,834	\$5,750	
6	\$970,000	30%	\$291,000	\$291,000	50%	50%	\$145,500	\$145,500	\$145,500	0.032934	\$4,792	\$4,792	
7	\$970,000	30%	\$291,000	\$291,000	40%	60%	\$116,400	\$116,400	\$174,600	0.032934	\$5,750	\$3,834	
8	\$970,000	30%	\$291,000	\$291,000	30%	70%	\$87,300	\$87,300	\$203,700	0.032934	\$6,709	\$2,875	
9	\$970,000	30%	\$291,000	\$291,000	20%	80%	\$58,200	\$58,200	\$232,800	0.032934	\$7,667	\$1,917	
10	\$970,000	30%	\$291,000	\$291,000	10%	90%	\$29,100	\$29,100	\$261,900	0.032934	\$8,625	\$958	
11	\$970,000	30%	\$291,000	\$291,000	0%	100%	\$0	\$0	\$291,000	0.032934	\$9,584	\$0	

TOTAL TAX SAVED (10 yrs on 10 yr deduction) **\$66,895**
 TOTAL TAX PAID (10 yrs on 10 yr deduction) **\$54,500**

REAL PROPERTY TAX ABATEMENT - 10 yr Schedule													
Year	True Cash		True Tax		Assessed		Tax Paid		Deduction	Taxable AV	Tax Rate	Tax Paid	Tax Saved
	Value	Value	Value	Value	Value	Tax Abate %	%	Tax					
1	\$4,993,581	\$4,993,581	\$4,993,581	\$4,993,581	100%	0%	\$4,993,581	\$0	\$0	0.032934	\$0	\$164,459	
2	\$4,993,581	\$4,993,581	\$4,993,581	\$4,993,581	95%	5%	\$4,743,902	\$249,679	\$8,223	0.032934	\$8,223	\$156,236	
3	\$4,993,581	\$4,993,581	\$4,993,581	\$4,993,581	80%	20%	\$3,994,865	\$998,716	\$32,892	0.032934	\$32,892	\$131,567	
4	\$4,993,581	\$4,993,581	\$4,993,581	\$4,993,581	65%	35%	\$3,245,828	\$1,747,753	\$57,561	0.032934	\$57,561	\$106,898	
5	\$4,993,581	\$4,993,581	\$4,993,581	\$4,993,581	50%	50%	\$2,496,791	\$2,496,791	\$82,229	0.032934	\$82,229	\$82,229	
6	\$4,993,581	\$4,993,581	\$4,993,581	\$4,993,581	40%	60%	\$1,997,432	\$2,996,149	\$98,675	0.032934	\$98,675	\$65,783	
7	\$4,993,581	\$4,993,581	\$4,993,581	\$4,993,581	30%	70%	\$1,498,074	\$3,495,507	\$115,121	0.032934	\$115,121	\$49,338	
8	\$4,993,581	\$4,993,581	\$4,993,581	\$4,993,581	20%	80%	\$998,716	\$3,994,865	\$131,567	0.032934	\$131,567	\$32,892	
9	\$4,993,581	\$4,993,581	\$4,993,581	\$4,993,581	10%	90%	\$499,358	\$4,494,223	\$148,013	0.032934	\$148,013	\$16,446	
10	\$4,993,581	\$4,993,581	\$4,993,581	\$4,993,581	5%	95%	\$249,679	\$4,743,902	\$156,236	0.032934	\$156,236	\$8,223	
11	\$4,993,581	\$4,993,581	\$4,993,581	\$4,993,581	0%	100%	\$0	\$4,993,581	\$164,459	0.032934	\$164,459	\$0	

TOTAL TAX SAVED REAL PROPERTY (10 yrs on 10 yr deduction) **\$814,070**
 TOTAL TAX PAID REAL PROPERTY (10 yrs on 10 yr deduction) **\$994,975**

TOTAL TAX SAVED PERSONAL & REAL **\$880,965**
 TOTAL TAX PAID PERSONAL & REAL **\$1,049,474**

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

Real Property Abatements

Tax Abatement Review System

	Points Possible	Points Awarded
WC Holdings II, LLC/ElringKlinger Manufacturing Indiana, Inc.		
INVESTMENT (30 points possible)		
Total new investment in real property (new structures and/or rehabilitation)		
Over \$1,000,000	10	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	10	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	4	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	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	8	
50 to 99	6	
25 to 49	4	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	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	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 89

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 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.

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%	

Personal Property Abatements

Tax Abatement Review System

WC Holdings II, LLC/ElringKlinger Manufacturing Indiana, Inc.

	Points Possible	Points Awarded
INVESTMENT (30 points possible)		
Total new investment in equipment		
Over \$5,000,000	10	
\$1,000,000 to \$4,999,999	8	
\$500,000 to \$999,999	6	6
\$0 to \$499,999	4	
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	
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	
Estimated local income taxes generated from jobs created (Double points for start-up)		
\$30,000 or more	5	
\$10,000 to \$29,999	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	8	
50 to 99	6	
25 to 49	4	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	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	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	81
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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%	

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **WC Holdings II, LLC/ElringKlinger Manufacturing Indiana, Inc. is requesting the designation of an Economic Revitalization Area for eligible real and personal property improvements. WC Holdings II, LLC will construct a 60,000 square foot addition to the existing facility of the same size. ElringKlinger Manufacturing Indiana, Inc. will use this as a logistics and distribution center for which they will purchase and install new manufacturing, logistical distribution and information technology equipment.**

EFFECT OF PASSAGE: **Investment of \$5,963,581, the retention of 37 full-time permanent jobs with an annual payroll of \$2,193,485 and the creation of 26 new full-time permanent jobs with an annual payroll of \$1,151,134.**

EFFECT OF NON-PASSAGE: **Potential loss of investment, the retention of 37 full-time permanent jobs with an annual payroll of \$2,193,485 and the creation of 26 new full-time permanent jobs with an annual payroll of \$1,151,134.**

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

ASSIGNED TO COMMITTEE (PRESIDENT): **Russ Jehl and Jason Arp**

BILL NO. R-19-05-16

REPORT OF COMMITTEE ON FINANCE

May 14, 2019

Jason Arp Chair

Russ Jehl 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 2677 Persistence Drive, Fort Wayne, Indiana 46808

WC Holdings II, LLC/ElringKlinger Manufacturing Indiana, Inc.

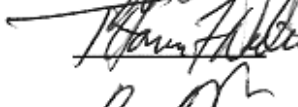
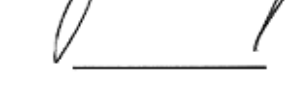
COMMITTEE ON FINANCE HAVE HAD SAID Ordinance under consideration and beg leave to report back to the Common Council that said Ordinance

DO PASS

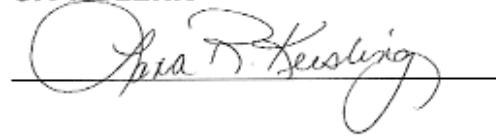
DO NOT PASS

ABSTAIN

NO REC

<u>DO PASS</u>	<u>DO NOT PASS</u>	<u>ABSTAIN</u>	<u>NO REC</u>
			
			
			
			

**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 checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 14, 2019


LANA R. KEESLING, CITY CLERK

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

Resolution No. R-19-05-16 on the 14th day of May, 2019


LANA R. KEESLING
CITY CLERK


PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 15th of May 2019, at the hour of 11:15 o'clock A.M. E.S.T.


LANA R. KEESLING, CITY CLERK

Approved and signed by me this 16TH day of MAY

2019, at the hour of 11:00 o'clock AM E.S.T.


THOMAS C. HENRY, MAYOR

FORT WAYNE, INDIANA
RECEIVED

MAY 17 2019

LANA R. KEESLING
CITY CLERK