

**A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 6055 Innovation Boulevard, Fort Wayne, Indiana 46818 (Michael Kinder and Sons, Inc.)**

**WHEREAS**, Petitioner has duly filed its petition dated October 13, 2021 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 ten full-time, permanent jobs for a total additional annual payroll of \$740,000, with the average additional, annual job salary being \$74,000 and retain 80 full-time and 21 part-time permanent jobs with a total current payroll of \$4,548,124, with the average current, annual salary of \$45,030; and

**WHEREAS**, the total estimated project cost is \$6,450,000; 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 December 31, 2021 and May 1, 2023 and personal property for new

1 logistical distribution and information technology equipment improvements to be made between  
2 April 1, 2018 and December 31, 2021. Should any delays occur, an updated timeframe will be  
3 communicated to the Allen County Assessor and Allen County Auditor by Community Development  
4 staff in writing.

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

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

- 14 (a) If the proposed development does not occur, the approximate current year tax rates  
15 for this site would be \$3.1453/\$100.
- 16 (b) If the proposed development does occur and no deduction is granted, the approximate  
17 current year tax rate for the site would be \$3.1453/\$100 (the change would be  
18 negligible).
- 19 (c) If the proposed development occurs and a deduction percentage of fifty percent (50%)  
20 is assumed, the approximate current year tax rate for the site would be \$3.1453/\$100  
21 (the change would be negligible).
- 22 (d) If the proposed new logistical distribution and information technology is not installed,  
23 the approximate current year tax rates for this site would be \$3.1453/\$100.
- 24 (e) If the proposed new logistical distribution and information technology is installed and  
25 no deduction is granted, the approximate current year tax rate for the site would be  
26 \$3.1453/\$100 (the change would be negligible).
- 27 (f) If the proposed new logistical distribution and information technology equipment is  
28 installed and a deduction percentage of eighty percent (80%) is assumed, the  
29 approximate current year tax rate for the site would be \$3.1453/\$100 (the change  
30 would be negligible).

**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 logistical distribution and information technology  
equipment shall be for a period of ten years.

1                   **SECTION 8.** The deduction schedule from the assessed value of the real property  
2 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%

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10                   **SECTION 9.** The deduction schedule from the assessed value of new logistical  
11 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%

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

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

23                   **SECTION 13.** That, pursuant to I.C. 6-1.1-12.1-12 et al, any property owner that has  
24 received a deduction under section 3 or 4.5 of this chapter may be required to repay the deduction  
25 amount as determined by the county auditor in accordance with section 12 of said chapter if the  
26 property owner ceases operations at the facility for which the deduction was granted and if the  
27 Common Council finds that the property owner obtained the deduction by intentionally providing  
28 false information concerning the property owner's plans to continue operation at the facility.  
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DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Michael Kinder and Sons, Inc. is requesting a waiver of non-compliance and designation of an Economic Revitalization Area for eligible real and personal property improvements. Michael Kinder and sons will construct a new corporate headquarters and warehouse. New logistical distribution and information technology personal property equipment will be purchased and installed.**

EFFECT OF PASSAGE: **Investment of \$6,450,000, the creation of ten new full-time permanent jobs with an annual payroll of \$740,000 and retention of 80 full-time permanent and 21 part-time jobs with an annual payroll of \$4,548,124.**

EFFECT OF NON-PASSAGE: **Potential loss of investment, the creation of ten new full-time permanent jobs with an annual payroll of \$740,000 and retention of 80 full-time permanent and 21 part-time jobs with an annual payroll of \$4,548,124.**

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

ASSIGNED TO COMMITTEE (PRESIDENT): **Jason Arp and Glynn Hines**

# MEMORANDUM



**TO:** City Council  
**FROM:** Carman Young, Economic Development Specialist  
**DATE:** October 21, 2021  
**RE:** Request for designation by Michael Kinder and Sons, Inc. as an ERA for real and personal property improvements.

## BACKGROUND

PROJECT ADDRESS: **6055 Innovation Drive** PROJECT LOCATED WITHIN: **N/A**  
 PROJECT COST: **\$6,450,000** COUNCILMANIC DISTRICT: **3**

COMPANY PRODUCT OR SERVICE: **Michael Kinder and Sons, Inc. provides design build construction services.**  
 PROJECT DESCRIPTION: **Michael Kinder and Sons, Inc. will construct a new corporate headquarters and warehouse.**

### CREATED

### RETAINED

JOBS CREATED (FULL-TIME):	<b>10</b>	JOBS RETAINED (FULL-TIME):	<b>80</b>
JOBS CREATED (PART-TIME):	<b>0</b>	JOBS RETAINED (PART-TIME):	<b>21</b>
TOTAL NEW PAYROLL:	<b>\$740,000</b>	TOTAL RETAINED PAYROLL:	<b>\$4,548,124</b>
AVERAGE SALARY (FULL-TIME NEW):	<b>\$74,000</b>	AVERAGE SALARY (FULL-TIME RETAINED):	<b>\$45,030</b>

## COMMUNITY BENEFIT REVIEW

Yes  No  N/A

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

**Explain: Parcel for this project is currently undeveloped.**

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 I2 General Industrial, Residential Planned. 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: Project will result in a new corporate headquarters and warehouse.**

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 personal property equipment will be purchased and installed.**

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: Ten new full-time permanent positions with an annual payroll of \$740,000 will be created and 80 full-time permanent and 21 part-time jobs will be retained with an annual payroll of \$4,548,124.**

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 and personal property improvements is ten years.

Under Fort Wayne Common Council's tax abatement policies and procedures, Michael Kinder and Sons, Inc. is eligible for a recommended ten year deduction on real property improvements and a ten year deduction on personal property improvements. Attached is a calculation of property taxes saved/paid with the deduction.


**PREVIOUSLY APPROVED PHASE-INS**

Based on a review of the information available, Michael Kinder and Sons, Inc. has not previously been approved for a tax phase-in.

Signed:

  
Economic Development Specialist

Reviewed:

  
Economic Development Administrator

**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

Michael Kinder and Sons, Inc.

**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 %	Value	Abate %					
1	\$450,000	40%	\$180,000	\$180,000	\$180,000	100%	\$0	0%	\$180,000	\$0	0.035640	\$0	\$6,415
2	\$450,000	56%	\$252,000	\$252,000	\$252,000	90%	\$25,200	10%	\$226,800	\$25,200	0.035640	\$898	\$8,083
3	\$450,000	42%	\$189,000	\$189,000	\$189,000	80%	\$37,800	20%	\$151,200	\$37,800	0.035640	\$1,347	\$5,389
4	\$450,000	32%	\$144,000	\$144,000	\$144,000	70%	\$43,200	30%	\$100,800	\$43,200	0.035640	\$1,540	\$3,593
5	\$450,000	30%	\$135,000	\$135,000	\$135,000	60%	\$67,500	40%	\$81,000	\$54,000	0.035640	\$1,925	\$2,887
6	\$450,000	30%	\$135,000	\$135,000	\$135,000	50%	\$67,500	50%	\$67,500	\$67,500	0.035640	\$2,406	\$2,406
7	\$450,000	30%	\$135,000	\$135,000	\$135,000	40%	\$54,000	60%	\$54,000	\$81,000	0.035640	\$2,887	\$1,925
8	\$450,000	30%	\$135,000	\$135,000	\$135,000	30%	\$40,500	70%	\$40,500	\$94,500	0.035640	\$3,368	\$1,443
9	\$450,000	30%	\$135,000	\$135,000	\$135,000	20%	\$27,000	80%	\$27,000	\$108,000	0.035640	\$3,849	\$962
10	\$450,000	30%	\$135,000	\$135,000	\$135,000	10%	\$13,500	90%	\$13,500	\$121,500	0.035640	\$4,330	\$481
11	\$450,000	30%	\$135,000	\$135,000	\$135,000	0%	\$0	100%	\$0	\$135,000	0.035640	\$4,811	\$0

TOTAL TAX SAVED

(10 yrs on 10 yr deduction)

**\$33,584**

TOTAL TAX PAID

(10 yrs on 10 yr deduction)

**\$27,361**

**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	Abate %	Value	Abate %					
1	\$6,000,000	100%	\$6,000,000	\$6,000,000	\$6,000,000	0%	\$0	0%	\$6,000,000	\$0	0.035640	\$0	\$213,840
2	\$6,000,000	95%	\$5,700,000	\$6,000,000	\$6,000,000	5%	\$300,000	5%	\$5,700,000	\$300,000	0.035640	\$10,692	\$203,148
3	\$6,000,000	80%	\$4,800,000	\$6,000,000	\$6,000,000	20%	\$1,200,000	20%	\$4,800,000	\$1,200,000	0.035640	\$42,768	\$171,072
4	\$6,000,000	65%	\$3,900,000	\$6,000,000	\$6,000,000	35%	\$3,000,000	35%	\$3,900,000	\$2,100,000	0.035640	\$74,844	\$138,996
5	\$6,000,000	50%	\$3,000,000	\$6,000,000	\$6,000,000	50%	\$3,000,000	50%	\$3,000,000	\$3,000,000	0.035640	\$106,920	\$106,920
6	\$6,000,000	40%	\$2,400,000	\$6,000,000	\$6,000,000	60%	\$2,400,000	60%	\$2,400,000	\$3,600,000	0.035640	\$128,304	\$85,536
7	\$6,000,000	30%	\$1,800,000	\$6,000,000	\$6,000,000	70%	\$1,800,000	70%	\$1,800,000	\$4,200,000	0.035640	\$149,688	\$64,152
8	\$6,000,000	20%	\$1,200,000	\$6,000,000	\$6,000,000	80%	\$1,200,000	80%	\$1,200,000	\$4,800,000	0.035640	\$171,072	\$42,768
9	\$6,000,000	10%	\$600,000	\$6,000,000	\$6,000,000	90%	\$600,000	90%	\$600,000	\$5,400,000	0.035640	\$192,456	\$21,384
10	\$6,000,000	5%	\$300,000	\$6,000,000	\$6,000,000	95%	\$300,000	95%	\$300,000	\$5,700,000	0.035640	\$203,148	\$10,692
11	\$6,000,000	0%	\$0	\$6,000,000	\$6,000,000	100%	\$0	100%	\$0	\$6,000,000	0.035640	\$213,840	\$0

TOTAL TAX SAVED REAL PROPERTY (10 yrs on 10 yr deduction)

**\$1,058,508**

TOTAL TAX PAID REAL PROPERTY (10 yrs on 10 yr deduction)

**\$1,293,732**

TOTAL TAX SAVED PERSONAL & REAL

**\$1,092,092**

TOTAL TAX PAID PERSONAL & REAL

**\$1,321,093**

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

Michael Kinder and Sons, Inc.

Points Possible	Points Awarded
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**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
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Estimated Percent of Business done outside

Allen County

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

**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	

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

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

**WAGES (20 points possible)**

Median salary of the jobs created and/or retained

Over \$47,999	20	20
\$43,000 to \$47,999	16	
\$38,000 to \$42,999	12	
\$33,000 to \$37,999	8	
\$28,000 to \$32,999	4	
under \$28,000	0	

## BENEFITS (10 points possible)

Major Medical Plan	7	7
Pension, Tuition Reimbursement, Life Insurance, Dental Insurance,		
Disability Insurance,	3	3

## SUSTAINABILITY

Construction uses green building techniques (ie LEED Certification)	5	
Construction uses techniques to minimize impact on Combined Sewer Overflows (CSOs)	5	5

**Total 83**

### Length of Abatement

- 20 to 39 points - 3 year abatement
- 40 to 59 points - 5 year abatement
- 60 to 69 points - 7 year abatement
- 70 to 100 points - 10 year abatement

\* If average annual salary of the full-time jobs created by listed occupation is 10% or greater than the 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
<b>10 year</b>	<b>10 Year</b>
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%	
<b>7 year</b>	<b>7 Year</b>
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%	
<b>5 year</b>	
Year 1: 100%	
Year 2: 80%	
Year 3: 60%	
Year 4: 40%	
Year 5: 20%	
Year 6: 0%	
<b>3 year</b>	
Year 1: 100%	
Year 2: 66%	
Year 3: 33%	
Year 4: 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 71**

### 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
<b>10 year</b>	<b>10 Year</b>
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%	
<b>7 year</b>	<b>7 Year</b>
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%	
<b>5 year</b>	
Year 1: 100%	
Year 2: 80%	
Year 3: 60%	
Year 4: 40%	
Year 5: 20%	
Year 6: 0%	
<b>3 year</b>	
Year 1: 100%	
Year 2: 66%	
Year 3: 33%	
Year 4: 0%	

## Personal Property Abatements

Tax Abatement Review System

Michael Kinder and Sons, Inc.

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



CITY OF FT. WAYNE  
13 CRZ  
OCT 15 2021

12/2019

**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: \$6,000,000  
 Total cost of manufacturing equipment improvements: \_\_\_\_\_  
 Total cost of research and development equipment improvements: \_\_\_\_\_  
 Total cost of logistical distribution equipment improvements: \$250,000  
 Total cost of information technology equipment improvements: \$200,000  
**TOTAL OF ABOVE IMPROVEMENTS: \$6,450,000**

**GENERAL INFORMATION**

Real property taxpayer's name: Michael Kinder and Sons  
 Personal property taxpayer's name: Michael Kinder and Sons  
 Telephone number: 260-744-4359  
 Address listed on tax bill: 6055 Innovation Blvd. Fort Wayne, IN 46818  
 Name of company to be designated, if applicable: \_\_\_\_\_  
 Year company was established: 1892  
 Address of property to be designated: 6055 Innovation Blvd. Fort Wayne, IN 46818  
 Real estate property identification number: 02-07-16-400-004.000-73  
 Contact person name: Jason Rice  
 Contact person telephone number: 260-744-4359 Contact email: jrice@kinderandsons.com  
 Contact person address: 5206 Decatur Road, Fort Wayne, IN 46806

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Douglas Kinder	President	5206 Decatur Road, Fort Wayne, IN 46806	260-744-4359
Bill Kinder	Secretary	5206 Decatur Road, Fort Wayne, IN 46806	260-744-4359

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

NAME	PERCENTAGE
Doug Kinder	50%
Bill Kinder	50%

- 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? 43%

What is the company's primary North American Industrial Classification Code (NAICs)? 23

Describe the nature of the company's business, product, and/or service: Design Build Construction Services

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2018	\$78,000,000
2019	\$82,000,000
2020	\$66,000,000

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

Customer Name	City/State	Annual Gross Sales
BMI	Fort Wayne, Indiana	\$14,859,916
FWCS	Fort Wayne, Indiana	\$7,679,169
MPS	North Manchester, Indiana	\$4,823,513

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

Supplier Name	City/State	Annual Gross Purchases
Summit Mechanical	Fort Wayne, Indiana	\$3,122,557
O'Neal	Fort Wayne, Indiana	\$2,724,904
Votaw	Fort Wayne, Indiana	\$2,400,944

List the company's top three competitors:

Competitor Name	City/State
Hagerman Construction	Fort Wayne, Indiana
Fetters Construction	Auburn, Indiana
Weigand Construction	Fort Wayne, Indiana

Describe the product or service to be produced or offered at the project site: Design Build Construction Services

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In order to be considered an Economic Revitalization Area (ERA), the area must be within the corporate limits of the City of Fort Wayne and must have become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property. It also includes any area where a facility or group of facilities that are technologically, economically, or energy obsolete is located and where the obsolescence may lead to a decline in employment and tax revenues.

How does the property for which you are requesting designation meet the above definition of an ERA?  
The parcel to be designated is currently vacant and undeveloped

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**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: None it is a greenfield site

Describe the condition of the structure(s) listed above: N/A

Describe the improvements to be made to the property to be designated for tax phase-in purposes: New construction of Michael Kinder and Sons corporate headquarters and warehouse

Projected construction start (month/year): 12/31/2021

Projected construction completion (month/year): 05/01/2023

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.)

**This project will adhere to all applicable federal, state, and municipal statutes, regulations, ordinances and codes, including but not limited to all Indiana and Allen County Building Codes and the Allen County Zoning Ordinance.**

**Adherence to all applicable federal, state, and municipal statutes, regulations, ordinances and codes will be maintained throughout all design, permitting, contractor licensure, and construction phases of the Property owner's project. Said adherence shall be attested to on the initial tax phase-in application and each annual Compliance with Statement of Benefits Form.**

**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)

- \_\_\_\_\_ Racking, Forklifts, Lifting equipment (overhead crane), other moving equipment for warehouse
- \_\_\_\_\_ Telecommunication equipment for office, IT infrastructure equipment, Fiber, cables etc for entire office
- \_\_\_\_\_ Audio and Video equipment
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

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): 05/01/2022  
Date last piece of equipment will be installed (month/year): 05/01/2023

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

**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)

What year was the structure built? \_\_\_\_\_

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.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**This project will adhere to all applicable federal, state, and municipal statutes, regulations, ordinances and codes, including but not limited to all Indiana and Allen County Building Codes and the Allen County Zoning Ordinance. Adherence to all applicable federal, state, and municipal statutes, regulations, ordinances and codes will be maintained throughout all design, permitting, contractor licensure, and construction phases of the Property owner's project. Said adherence shall be attested to on the initial tax phase-in application and each annual Compliance with Statement of Benefits Form.**

## 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](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 Attached			

#### **Retained Full-Time Employment**

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Attached			

#### **Additional Full-Time Employment**

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Attached			

**PUBLIC BENEFIT INFORMATION**

**Current Part-Time or Temporary Jobs**

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Attached			

**Retained Part-Time or Temporary Jobs**

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Attached			

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

List any benefits not mentioned above: HSA company match for eligible positions

When will you reach the levels of employment shown above? (month/year): 12/31/2024

**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.**

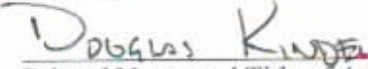
ERA filing fee (either real or personal property improvements)	.1% of total project cost not to exceed \$1,000
ERA filing fee (both real and personal property improvements)	.1% of total project cost not to exceed \$1,500
ERA filing fee (vacant commercial or industrial building)	\$500
ERA filing fee in an EDTA	\$200
Amendment to extend designation period	\$300
Waiver of non-compliance with ERA filing	\$1,000 + 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 have 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

  
\_\_\_\_\_  
Printed Name and Title of Applicant

  
\_\_\_\_\_  
Date

Return completed application to Community Development staff at 200 E. Berry Street Suite 320 Fort Wayne, IN 46802



The real property to be designated is commonly known as Tract 9 and Tract 10 of Summit Park II (Parcel Identification Number 02-07-16-400-004.000-073), an approximately 7.19 acre tract of land to be separated from the approximately 52.55-acre tract situated in Summit Park II in the City of Fort Wayne, Allen County, Indiana

Doug Kinder  
President

 \_\_\_\_\_ DATE 10/12/21



Michael Kinder and Sons Current Full Time Employee by OES Code

Occupational Codes	Occupational Code Description	Count	FT Current
13-1051	Cost Estimators	5	311,723
11-1011	Chief Executives	2	265,572
11-3031	Financial Managers	2	172,000
11-1021	General and Operations Managers	1	108,468
11-2022	Sales Managers	1	106,154
41-3091	Sales Representatives of Services, Except Advertising, Insurance, Financial Services, and Travel	2	84,058
27-1025	Interior Designers	2	121,990
19-5011	Occupational Health and Safety Specialists	2	134,725
43-6014	Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	4	127,496
11-9021	Construction Managers	5	385,618
11-3121	Human Resources Managers	1	90,231
11-2021	Marketing Managers	1	69,000
47-2031	Carpenters	40	1,972,160
47-2061	Construction Laborers	10	357,321
53-7062	Laborers and Freight, Stock, and Material Movers, Hand	1	58,973
49-3023	Automotive Service Technicians and Mechanics	1	53,654
<b>Current FT</b>		<b>80</b>	<b>4,419,146</b>

Michael Kinder and Sons Retained Full Time Employee by OES Code

Occupational Codes	Occupational Code Description	Count	FT Retained
13-1051	Cost Estimators	5	311,723
11-1011	Chief Executives	2	265,572
11-3031	Financial Managers	2	172,000
11-1021	General and Operations Managers	1	108,468
11-2022	Sales Managers	1	106,154
41-3091	Sales Representatives of Services, Except Advertising, Insurance, Financial Services, and Travel	2	84,058
27-1025	Interior Designers	2	121,990
19-5011	Occupational Health and Safety Specialists	2	134,725
43-6014	Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	4	127,496
11-9021	Construction Managers	5	385,618
11-3121	Human Resources Managers	1	90,231
11-2021	Marketing Managers	1	69,000
47-2031	Carpenters	40	1,972,160
47-2061	Construction Laborers	10	357,321
53-7062	Laborers and Freight, Stock, and Material Movers, Hand	1	58,973
49-3023	Automotive Service Technicians and Mechanics	1	53,654
<b>Total Retained FT</b>		<b>80</b>	<b>4,419,146</b>

Michael Kinder and Sons Additional Full Time

Occupational Codes	Occupational Code Description	Count	FT Additions
13-0000	Business and Financial Operations Occupations	3	260,000
11-0000	Management Occupations	2	155,000
47-0000	Construction and Extraction Occupations	5	325,000
<b>Total Additional</b>		<b>10</b>	<b>740,000</b>

Michael Kinder and Sons Current Part Time Employee by OES Code

Occupational Codes	Occupational Code Description	Count	PT Current
43-3031	Bookkeeping, Accounting, and Auditing Clerks	1	16,890
13-1051	Cost Estimators	0	-
27-1025	Interior Designers	0	-
47-2061	Construction Laborers	7	42,708
11-9021	Construction Managers	3	15,624
47-2031	Carpenters	10	53,756
<b>Current PT</b>		<b>21</b>	<b>128,978</b>

Michael Kinder and Sons Retained Part Time Employee by OES Code

Occupational Codes	Occupational Code Description	Count	PT Retained
43-3031	Bookkeeping, Accounting, and Auditing Clerks	1	16,890
13-1051	Cost Estimators	0	-
27-1025	Interior Designers	0	-
47-2061	Construction Laborers	7	42,708
11-9021	Construction Managers	3	15,624
47-2031	Carpenters	10	53,756
<b>Total Retained PT</b>		<b>21</b>	<b>128,978</b>



**STATEMENT OF BENEFITS  
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R7 / 1-21)

Prescribed by the Department of Local Government Finance

CITY OF FT. WAYNE  
OCT 13 2021  
CJ

20\_\_ PAY 20\_\_

FORM SB-1 / Real Property

**PRIVACY NOTICE**

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

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

- Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
- Residentially distressed area (IC 6-1.1-12.1-4.1)

**INSTRUCTIONS:**

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 January 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

COMMUNITY DEVELOPMENT

**SECTION 1 TAXPAYER INFORMATION**

Name of taxpayer Michael Kinder and Sons		
Address of taxpayer (number and street, city, state, and ZIP code) 5206 Decatur Road, Fort Wayne, IN 46806		
Name of contact person Jason Rice	Telephone number ( 260 ) 744-4359	E-mail address jrice@kinderandsons.com

**SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT**

Name of designating body Fort Wayne Common Council	Resolution number
Location of property 6055 Innovation Blvd. Fort Wayne, IN 46818	County Allen
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) New construction of Michael Kinder and Sons new corporate headquarters and warehouse	DLGF taxing district number 073
	Estimated start date (month, day, year) 12/31/2021
	Estimated completion date (month, day, year) 05/01/2023

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

Current Number	Salaries	Number Retained	Salaries	Number Additional	Salaries
80.00	\$4,419,146.00	80.00	\$4,419,146.00	10.00	\$740,000.00

**SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT**

	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values	0.00	0.00
Plus estimated values of proposed project	6,000,000.00	6,000,000.00
Less values of any property being replaced	0.00	0.00
Net estimated values upon completion of project	6,000,000.00	6,000,000.00

**SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER**

Estimated solid waste converted (pounds) _____	Estimated hazardous waste converted (pounds) _____
--	--

Other benefits

**SECTION 6 TAXPAYER CERTIFICATION**

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

Signature of authorized representative 	Date signed (month, day, year) 10.12.21
Printed name of authorized representative DOUGLAS E. KINDER	Title PRESIDENT

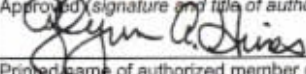

**FOR USE OF THE DESIGNATING BODY**

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

- A. The designated area has been limited to a period of time not to exceed      calendar years\* (see below). The date this designation expires is December 31, 2021. 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. 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:
 

<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 (* see below)
<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
- 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)  Printed name of authorized member of designating body GYNN HINES	Telephone number (260) 427-1221	Date signed (month, day, year) 10/26/21
Attested by (signature and title of attester)  ASST. DEPUTY CLERK	Name of designating body CITY COUNCIL  Printed name of attester LISA M. PETRETTA	

\* 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. Except as provided in IC 6-1.1-12.1-18, 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. Except as provided in IC 6-1.1-12.1-18, an abatement schedule may not exceed ten (10) years.

**(c)** An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.



# STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R5 / 1-21)

Prescribed by the Department of Local Government Finance

CITY OF FT. WAYNE

OCT 13 2021

CRJ

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 Michael Kinder and Sons			Name of contact person Jason Rice					
Address of taxpayer (number and street, city, state, and ZIP code) 5206 Decatur Road, Fort Wayne, IN 46806				Telephone number ( 260 ) 744-4359				
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT								
Name of designating body Fort Wayne Common Council				Resolution number (s)				
Location of property 6055 Innovation Blvd. Fort Wayne, IN 46818			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.) Racking, Forklifts, lifting equipment(overhead crane) other warehouse equipment; Telecommunication equipment for office, IT infrastructure equipment, Fiber, cables etc. for entire office. Audio and Video equipment			ESTIMATED					
			START DATE		COMPLETION DATE			
			Manufacturing Equipment					
			R & D Equipment					
			Logist Dist Equipment		05/01/2022	05/01/2028		
IT Equipment		05/01/2022	05/01/2028					
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT								
Current Number 80	Salaries \$4,419,146	Number Retained 80	Salaries \$4,419,146	Number Additional 10	Salaries \$740,000			
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT								
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
	Current values				0	0	0	0
	Plus estimated values of proposed project				250,000	250,000	200,000	200,000
	Less values of any property being replaced				0	0	0	0
Net estimated values upon completion of project				250,000	250,000	200,000	200,000	
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER								
Estimated solid waste converted (pounds) _____			Estimated hazardous waste converted (pounds) _____					
Other benefits:								
SECTION 6 TAXPAYER CERTIFICATION								
I hereby certify that the representations in this statement are true.								
Signature of authorized representative 				Date signed (month, day, year) 10.12.21				
Printed name of authorized representative DOUGLAS E KINDER			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;            | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No | <input type="checkbox"/> Enhanced Abatement per IC 6-1.1-12.1-18<br>Check box if an enhanced abatement was approved for one or more of these types. |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |   |
| 3. Installation of new logistical distribution equipment.  | <input 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 \$ 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:
- |                                 |                                 |                                 |                                 |   |  |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---|--|
| <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<br>Number of years approved: <u>    </u><br>(Enter one to twenty (1-20) years; may not exceed twenty (20) years.) |
| <input type="checkbox"/> Year 6 | <input type="checkbox"/> Year 7 | <input type="checkbox"/> Year 8 | <input type="checkbox"/> Year 9 | <input checked="" type="checkbox"/> Year 10 |  |
- I. For a Statement of Benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?  Yes  No  
If yes, attach a copy of the abatement schedule to this form.  
If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

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

Approved by: (signature and title of authorized member of designating body) <u>[Signature]</u>	Telephone number <u>(260) 427-1221</u>	Date signed (month, day, year) <u>10/26/21</u>
Printed name of authorized member of designating body <u>GLYNN HINES</u>	Name of designating body <u>CITY COUNCIL</u>	
Attested by: (signature and title of attester) <u>[Signature]</u>	Printed name of attester <u>LISA M. PETRETTA</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. Except as provided in IC 6-1.1-12.1-18, 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.



CITY OF FT. WAYNE  
OCT 13 2021 *CKY*  
COMMUNITY DEVELOPMENT

This letter intends to describe Michael Kinder and Sons' actions to start the ILP process before submitting its ERA application and ask for a waiver of non-compliance.

The parcel to be designated is located in an industrial complex which places restrictive covenants on the building process. As part of its due diligence, MKS needed to ensure that the proposed building design would meet the restrictions placed on the property. Additionally, MKS wanted to ensure that it met similar requirements in place from the local government entities.

In addition to completing its due diligence process, MKS is noticing unprecedented lead times for steel, HVAC equipment, electrical switchgear items, among other things. To ensure it stayed on track with its construction schedule MKS needed to get approval to move forward to secure slotting of long-lead items.

Doug Kinder  
President

 DATE 10 / 12 / 21



kinderandsons.com

5206 Decatur Road | Fort Wayne, Indiana 46806 | 260.744.4359

**A CONFIRMING RESOLUTION designating an "Economic Revitalization Area" and approving a waiver of non-compliance under I.C. 6-1.1-12 for property commonly known as 6055 Innovation Boulevard, Fort Wayne, Indiana 46818 (Michael Kinder and Sons, Inc.)**

**WHEREAS**, Common Council has previously designated and declared by Declaratory Resolution the following described property as 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 ten full-time, permanent jobs for a total additional annual payroll of \$740,000, with the average additional, annual job salary being \$74,000 and retain 80 full-time permanent and 21 part-time jobs with a total annual payroll of \$4,548,124; and

**WHEREAS**, the total estimated project cost is \$6,450,000; and

**WHEREAS**, representatives of Michael Kinder and Sons, Inc. informed Common Council that the application for designation under I.C. 6-1.1-12 was submitted after the initiating the project by applying for a Improvement Location Permit; and

**WHEREAS**, Michael Kinder and Sons, Inc. has submitted a written request for a waiver of non-compliance under I.C. 6-1.1-12.1-11.3; and

**WHEREAS**, I.C. 6-1.1-12.1-11.3 permits non-compliance events such as the untimely filing of an application, statement of benefits, or another document required to be filed under I.C. 6-1.1-12.1; and

**WHEREAS**, the Common Council acknowledges that Michael Kinder and Sons, Inc. has requested a waiver of non-compliance which the Common Council has the power and authority to approve under I.C. 6-1.1-12.1-11.3; and

**WHEREAS**, Common Council finds that Michael Kinder and Sons, Inc. did not comply with I.C. 6-1.1-12.1 by:

(a) failure to provide the completed statement of benefits forms to the Common Council before the public hearing,

(b) failure to submit the completed statement of benefits form to the Common Council before initiation of redevelopment or rehabilitation,

**WHEREAS**, notice of the adoption and substance of said Resolution has been published in accordance with I.C. 6-1.1-12.1-2.5, I.C. 6-1.1-12.1-11.3(c) and I.C. 5-3-1 and a public hearing has been conducted on said Resolution and waiver.

**WHEREAS**, representatives of Michael Kinder and Sons, Inc. were in attendance and presented testimony on why a waiver should be granted; and

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

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

**SECTION 1.** That, Common Council hereby adopts a waiver of non-compliance with I.C. 6-1.1-12.1-11.3 regarding:

(a) failure to provide the completed statement of benefits forms to the common council before the public hearing,

(b) failure to submit the completed statement of benefits form to the common council before initiation of redevelopment or rehabilitation, and for which Michael Kinder and Sons, Inc. desires to claim an Economic Revitalization Area deduction,

**SECTION 2.** That, the Resolution previously designating the above described property as an "Economic Revitalization Area" is confirmed in all respects.

**SECTION 3.** That, the hereinabove described property is hereby declared an "Economic Revitalization Area" pursuant to I.C. 6-1.1-12.1, said designation to begin on the effective date 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 4.** 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 December 31, 2021 and May 1, 2023 and personal property for new information technology equipment improvements to be made between May 1, 2022 and May 1, 2023. Should any delays occur, an updated timeframe will be communicated to the Allen County Assessor and Allen County Auditor by Community Development staff in writing.

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

**SECTION 6.** The current year approximate tax rates for taxing units within the City would be:

- (a) If the proposed development does not occur, the approximate current year tax rates for this site would be \$3.1453/\$100.
- (b) If the proposed development does occur and no deduction is granted, the approximate current year tax rate for the site would be \$3.1453/\$100 (the change would be negligible).
- (c) If the proposed development occurs, and a deduction percentage of fifty percent (50%) is assumed, the approximate current year tax rate for the site would be \$3.1453/\$100 (the change would be negligible).
- (d) If the proposed new logistical distribution and information technology equipment is not installed, the approximate current year tax rates for this site would be \$3.1453/\$100.
- (e) If the proposed new logistical distribution and information technology equipment is installed and no deduction is granted, the approximate current year tax rate for the site would be \$3.1453/\$100 (the change would be negligible).
- (f) If the proposed logistical distribution and information technology equipment is installed and a deduction percentage of eighty percent (80%) is assumed, the approximate current year tax rate for the site would be \$3.1453/\$100 (the change would be negligible).

**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 and personal property 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 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 10.** 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 11.** For manufacturing, logistical distribution and information technology equipment, a deduction application must contain a performance report showing the extent to which there has been compliance with the Statement of Benefits form approved by Common Council at the time of filing. This report must be submitted to the Allen County Auditor's Office, and the City of Fort Wayne's Community Development Division and must be included with the deduction application. For subsequent years, the performance report must be updated and submitted along with the deduction application at the time of filing.

**SECTION 12.** For real property, a deduction application must contain a performance report showing the extent to which there has been compliance with the Statement of Benefits form approved by the Common Council at the time of filing. This report must be submitted to the Allen County Auditor's Office and the City of Fort Wayne's Community Development Division and must be included in the deduction application. For subsequent years, the performance report must be updated each year in which the deduction is applicable at the same time the property owner is required to file a personal property tax return in the taxing district in which the property for which the deduction was granted is located. If the taxpayer does not file a personal property tax return in the taxing district in which the property is located, the information must be provided by May 15.

**SECTION 13.** The performance report must contain the following information:

- A. The cost and description of real property improvements and/or new manufacturing, logistical distribution and information technology equipment acquired.
- B. The number of employees hired through the end of the preceding calendar year as a result of the deduction.
- C. The total salaries of the employees hired through the end of the preceding calendar year as a result of the deduction.
- D. The total number of employees employed at the facility receiving the deduction.
- E. The total assessed value of the real and/or personal property deductions.
- F. The tax savings resulting from the real and/or personal property being abated.

**SECTION 14.** That, the taxpayer is non-delinquent on any and all property tax due to jurisdictions within Allen County, Indiana.

**SECTION 15.** That, pursuant to I.C. 6-1.1-12.1-12 et al, any property owner that has received a deduction under section 3 or 4.5 of this chapter may be required to repay the deduction amount as determined by the county auditor in accordance with section 12 of said chapter if the property owner ceases operations at the facility for which the deduction was granted and if the Common Council finds that the property owner obtained the deduction by intentionally providing false information concerning the property owner's plans to continue operation at the facility.

**SECTION 16.** That, this Resolution shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

\_\_\_\_\_  
Member of Council

APPROVED AS TO FORM A LEGALITY

\_\_\_\_\_  
Carol Helton, City Attorney

**BILL NO. R-21-10-21**

**REPORT OF COMMITTEE ON FINANCE**

**October 26, 2021**

**Glynn Hines Chair**






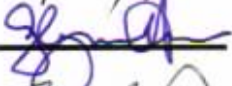
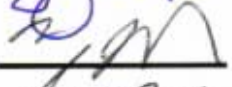
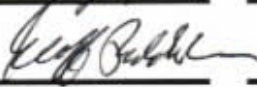

**Jason Arp Co-Chair**

**All Council Members**

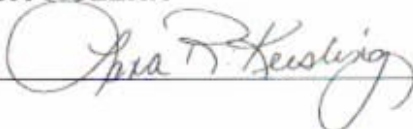
A Declaratory Resolution designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 6055 Innovation Boulevard, Fort Wayne, Indiana 46818 - *Michael Kinder and Sons, Inc.*

*This is to be Introduced, Discussed and voted for Passage this evening*

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

<u>COUNCIL MEMBER</u>	<u>DO PASS</u>	<u>DO NOT PASS</u>	<u>ABSTAIN</u>
ARP			
CHAMBERS			
DIDIER			
ENSLEY			
FREISTROFFER			
HINES			
JEHL			
PADDOCK			
TUCKER			

**LANA R. KEESLING  
CITY CLERK**



Public Hearing Date: N/A

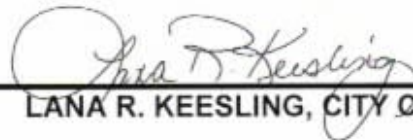
Read the first time in full and on motion by Councilperson Hines.

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

Read the third time in full and on motion by Councilperson Hines, 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"/>
CHAMBERS	<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"/>
TUCKER	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

DATED: October 26, 2021



LANA R. KEESLING, CITY CLERK

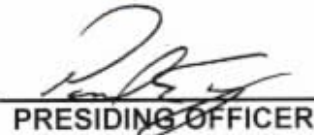
Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as

Resolution No. R-21-10-21 on the 26th day of October, 2021

ATTEST:



LANA R. KEESLING  
CITY CLERK



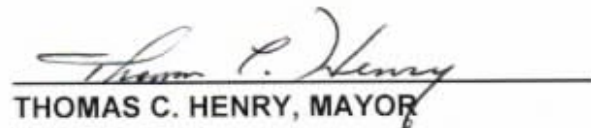
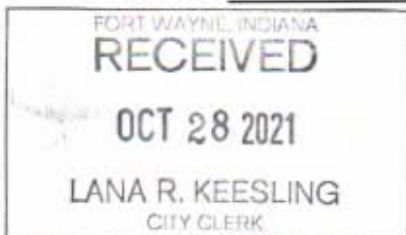
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 27th of October 2021, at the hour of 11:10 o'clock A.M. E.S.T.



LANA R. KEESLING, CITY CLERK

Approved and signed by me this 27<sup>th</sup> day of OCTOBER 2021, at the hour of 4:00 o'clock P.M. E.S.T.



THOMAS C. HENRY, MAYOR