BILL NO. R-11-10-02

DECLARATORY RESOLUTION NO. R-_____

A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 3322 Cavalier Drive, Fort Wayne, Indiana 46808 (Hospital Laundry Service, Inc.)

WHEREAS, Petitioner has duly filed its petition dated September 28, 2011 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 retain 62 full-time, permanent jobs for a total current annual payroll of $1,840,222, with the average current, annual job salary being $29,681; and

WHEREAS, the total estimated project cost is $5,345,000; 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, 2011, 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 and personal property for new manufacturing equipment.

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

SECTION 5. That, 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 $3.0384/$100.

(b) If the proposed development does occur and no deduction is granted, the approximate current year tax rate for the site would be $3.0384/$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 $3.0384/$100 (the change would be negligible).

(d) If the proposed new manufacturing equipment is not installed, the approximate current year tax rates for this site would be $3.0384/$100.

(e) If the proposed new manufacturing equipment is installed and no deduction is granted, the approximate current year tax rate for the site would be $3.0384/$100 (the change would be negligible).

(f) If the proposed new manufacturing equipment is installed and a deduction percentage of eighty percent (80%) is assumed, the approximate current year tax rate for the site would be $3.0384/$100 (the change 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 manufacturing equipment shall be for a period of ten years.

SECTION 8. 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 9. That, the taxpayer is non-delinquent on any and all property tax due to jurisdictions within Allen County, Indiana.

SECTION 10. 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 11. That, this Resolution shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

_____
Member of Council

APPROVED AS TO FORM AND LEGALITY

_____
Carol Helton, City Attorney

Admn. Appr._____

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Hospital Laundry Service, Inc. is requesting the designation of an Economic Revitalization Area for both real and personal property improvements in the amount of $5,345,000. In order to expand, Hospital Laundry Service, Inc. will construct a 10,000 square foot addition to their existing facility and purchase and install new equipment for their operation.**

EFFECT OF PASSAGE: **In order to accommodate for anticipated growth for its services, Hospital Laundry Service, Inc. will expand its facility. New equipment that is more energy efficient and environmentally friendly will be purchased and installed. 62 full-time jobs will be retained as a result of the project.**

EFFECT OF NON-PASSAGE: **Potential loss of development and 62 full-time jobs**

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

ASSIGNED TO COMMITTEE (PRESIDENT): **Thomas E. Smith and Elizabeth M. Brown**

MEMORANDUM

TO: City Council

FROM: Elissa McGauley, Economic Development Specialist

DATE: October 4, 2011

RE: Request for designation by Hospital Laundry Service, Inc. as an ERA for real and personal property improvements

BACKGROUND

PROJECT ADDRESS:	**3322 Cavalier Drive**	PROJECT LOCATED WITHIN:	**Redevelopment Area**
PROJECT COST:	**$ 5,345,000**	COUNCILMANIC DISTRICT:	**3**

COMPANY PRODUCT OR SERVICE:	**Hospital Laundry Service, Inc. provides laundry services for hospitals and medical offices.**
PROJECT DESCRIPTION:	**Hospital Laundry Service, Inc. will construct a 10,000 square foot addition to their existing facility and purchase and install new equipment for their operation.**

CREATED		RETAINED	
JOBS CREATED (FULL-TIME):	**0**	JOBS RETAINED (FULL-TIME):	**62**
JOBS CREATED (PART-TIME):	**0**	JOBS RETAINED (PART-TIME):	**0**
TOTAL NEW PAYROLL:	**$ 0**	TOTAL RETAINED PAYROLL:	**$ 1,840,222**
AVERAGE SALARY (FULL-TIME NEW):	**$ 0**	AVERAGE SALARY (FULL-TIME RETAINED):	**$ 29,681**

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 IN2, a general industrial zoning classification. Use of 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: Hospital Laundry Service, Inc. will construct an addition to its existing facility.

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?

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 an 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?
Yes ☐ No ☐ N/A ☒	Average wage of all full-time jobs to be created is at least 150% of current Federal minimum wage.
Yes ☒ No ☐ N/A ☐	Average wage of all full-time jobs to be retained is at least 150% of current Federal minimum wage. **Explain: The average wage rate of full-time jobs retained is 197% of the current Federal minimum wage rate.**
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 is ten years.
2. The period of deduction for personal property is ten years.

Under Fort Wayne Common Council's tax abatement policies and procedures, Hospital Laundry Service, Inc. is eligible for ten year deductions on real and personal property improvements. Attached are spreadsheets that shows how the application scored under the review system.

COMMENTS

Signed: Elissa McCauley
Economic Development Specialist

Personal Property Abatements

Tax Abatement Review System

	Points Possible	Points Awarded
Total new investment in equipment		8
Over $5,000,000	10	
$1,000,000 to $4,999,999	8	
$500,000 to $999,999	6	
$0 to $499,999	4	
Total number of jobs created and/or retained		6
Over 150	10	
75 to 149	8	
25 to 74	6	
10 to 24	4	
Under 10	2	
Current # of employees increases 50-99%	6	0
Current # of employees increases 100% or more	8	0
Average annual salary of full-time jobs created and/or retained are % of the Federal Minimum Wage		3
Greater than 300% of the Federal Minimum Wage	10	
201% to 300% of the Federal Minimum Wage	7	
151% to 200% of the Federal Minimum Wage	3	
150% of the Federal Minimum Wage	1	
Health insurance provided by the company	5	5
Project involves reinvestment at current location of a business	10	10
Project involves new or startup business	5	0
Construction uses green building techniques (ie LEED Certification)	5	0
Construction uses techniques to minimize impact on Combined Sewer Overflows (CSOs)	2	0
Project is located in a HUBzone	10	0

Total	32

7 to 11 Points	Three Year Abatement
12 to 16 Points	Five Year Abatement
17 to 23 Points	Seven Year Abatement
24 to 60 Points	Ten Year Abatement

Real Property Abatements

Tax Abatement Review System

	Points Possible	Points Awarded
Total new investment in real property (new structures and/or rehabilitation)		10
Over $1,000,000	10	
$500,000 to $999,999	8	
$100,000 to $499,999	6	
Under $100,000	4	
Total number of jobs created and/or retained		6
Over 150	10	
75 to 149	8	
25 to 74	6	
10 to 24	4	
Under 10	2	
Current # of employees increases 50-99%	6	0
Current # of employees increases 100% or more	8	0
Average annual salary of full-time jobs created and/or retained are % of the Federal Minimum Wage		3
Greater than 300% of the Federal Minimum Wage	10	
201% to 300% of the Federal Minimum Wage	7	
151% to 200% of the Federal Minimum Wage	3	
150% of the Federal Minimum Wage	1	
Health insurance provided by the company	5	5
Project involves reinvestment at current location of a business	10	10
Project involves new or startup business	5	0
Construction uses green building techniques (ie LEED Certification)	5	0
Construction uses techniques to minimize impact on Combined Sewer Overflows (CSOs)	2	0
Project is located in a HUBzone	10	0

Total 34

7 to 11 points	Three Year Abatement
12 to 16 points	Five Year Abatement
17 to 23 points	Seven Year Abatement
24 to 67 points	Ten Year Abatement

CITY OF FT WAYNE

SEP 2 8 2011

COMMUNITY DEVL.

7/2011

ECONOMIC REVITALIZATION AREA APPLICATION
CITY OF FORT WAYNE, INDIANA

APPLICATION IS FOR: (Check appropriate box(es))

- [X] **Real Estate Improvements**
- [X] **Personal Property Improvements**
- [ ] **Vacant Commercial or Industrial Building**

Total cost of real estate improvements:	1,650,000
Total cost of manufacturing equipment improvements:	3,695,000
Total cost of research and development equipment improvements:	–
Total cost of logistical distribution equipment improvements:	–
Total cost of information technology equipment improvements:	–
TOTAL OF ABOVE IMPROVEMENTS:	5,345,000

GENERAL INFORMATION

Real property taxpayer's name: Hospital Laundry Service, Inc.

Personal property taxpayer's name: Hospital Laundry Service, Inc.

Telephone number: 260-482-3540

Address listed on tax bill: 3322 Cavalier Drive, Fort Wayne, IN 46808

Name of company to be designated, if applicable: Hospital Laundry Service, Inc

Year company was established: 1992

Address of property to be designated: 3322 Cavalier Drive, Fort Wayne, IN 46808

Real estate property identification number: 02-07-28-453-003.000-073

Contact person name: Mark Lennart

Contact person telephone number: 260-482-3540 ext 226 Contact person Email: mlennart@hlsi.com

Contact person address: 3322 Cavalier Drive, Fort Wayne, IN 46808

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Dan Garman	Chairman	2200 Randallia Dr. Ft. Wayne, IN 46805	260-373-3605
Michael McCullough	Sec/Treasurer	7950 W. Jefferson Blvd. Ft Wayne, IN 46804	260-435-7126

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

NAME	PERCENTAGE
Parkview Hospital	50%
Lutheran Hospital	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 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 Is the property for which you are requesting ERA designation located in a HUBzone? (see attached map for current areas)

☐ Yes ☒ No Do you plan to request state or local assistance to finance public improvements?

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

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 property is within the limits of the City of Fort Wayne.

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: Manufacturing facility

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

Describe the improvements to be made to the property to be designated for tax abatement purposes: Additional square footage is to be added to the property, as well as new manufacturing equipment.

Projected construction start (month/year): 10/2011

Projected construction completion (month/year): 4/2012

☐ Yes ☒ No Will construction result in Leadership in Energy and Environmental Design (LEED) certification by the U.S. Green Building Council?

☒ Yes ☐ No Will construction use techniques to minimize impact on combined sewer overflows? (i.e. rain gardens, bio swales, etc.)

PERSONAL PROPERTY INFORMATION

Complete this section of the application if you are requesting a deduction from assessed value of new manufacturing, research and development, logistical distribution or information technology equipment.

List below the equipment for which you are seeking an economic revitalization area designation.

Manufacturing equipment must be used in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property at the site to be designated. Research and development equipment consists of laboratory equipment, research and development equipment, computers and computer software, telecommunications equipment or testing equipment used in research and development activities devoted directly and exclusively to experimental or laboratory research and development for new products, new uses of existing products, or improving or testing existing products at the site to be designated. Logistical distribution equipment consists of racking equipment, scanning or coding equipment, separators, conveyors, fork lifts or lifting equipment, transitional moving equipment, packaging equipment, sorting and picking equipment, software for technology used in logistical distribution, is used for the storage or distribution of goods, services, or information. Information technology equipment consists of equipment, including software used in the fields of information processing, office automation, telecommunication facilities and networks, informatics, network administration, software development and fiber optics: (use additional sheets, if necessary)

See attached listing *

☐ 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?

Equipment purchase date (month/year): Purchase agreement October 2011

Equipment installation date (month/year): January 2012 thru March 2012

Please provide the depreciation schedule term for equipment under consideration for personal property tax abatement:

See attached listing *

Equipment Breakdown

$450,000	7 year life	New Soil Sort on Rail system, expanded rails, piece count
$425,000	7 year life	Clean rail system expansion
$1,200,000	10 year life	New Milnor 110 lb., 10 module, CBW System w/ 5 dryers, shuttle and press
$480,000	10 year life	New Milnor 110 lb., 10 module CBW and 1 additional dryer
$375,000	7 year life	New Chicago blanket folder, 2 small blanket folders, feeders
$90,000	10 year life	Sonic Air Lint Control System
$50,000	10 year life	Boiler upgrade
$3,070,000		Equipment Total

Construction Breakdown

$1,650,000	40 year life	Construction, permitting, A & E design

Installation Breakdown

$625,000	7-10 year life	Labor and Material for mechanical installations, rigging, etc.

$5,345,000 **Project Total**

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 abatement been unoccupied for at least one year? Please provide evidence of occupation. (i.e. certificate of occupancy, paid utility receipts, executed lease agreements)

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

_____

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

Projected occupancy date (month/year): _____

Describe the efforts of the owner or previous owner in regards to selling, leasing or renting the eligible vacant building during the period the eligible vacant building was unoccupied including how much the building was offered for sale, lease, or rent by the owner or a previous owner during the period the eligible vacant building was unoccupied.

_____

_____

_____

_____

_____

_____

_____

_____

PUBLIC BENEFIT INFORMATION

EMPLOYMENT INFORMATION FOR FACILITY TO BE DESIGNATED

ESTIMATE OF EMPLOYEES AND PAYROLL FOR FORT WAYNE FACILITY REQUESTING ECONOMIC REVITALIZATION AREA DESIGNATION		
	Number of Employees	**Total Annual Payroll**
CURRENT NUMBER FULL-TIME	62	1,840,222 *
CURRENT NUMBER PART-TIME	4	58,500
NUMBER RETAINED FULL-TIME	62	1,840,222 *
NUMBER RETAINED PART-TIME	4	58,500
NUMBER ADDITIONAL FULL-TIME	0	0
NUMBER ADDITIONAL PART-TIME	0	0

* - Based on 2010 full year information

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

☐ Pension Plan ☐ Major Medical Plan ☐ Disability Insurance

☐ Tuition Reimbursement ☐ Life Insurance ☐ Dental Insurance

List any benefits not mentioned above: N/A

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

Types of jobs to be created as a result of this project? N/A

REQUIRED ATTACHMENTS

The following must be attached to the application.

1. **Statement of Benefits Form(s) (first page/front side completed)**

2. **Full legal description of property and a plat map identifying the property boundaries. (Property tax bill legal descriptions are not sufficient.) Should be marked as Exhibit A.**

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 neither an Improvement Location Permit nor a Structural Permit haS been filed for construction of improvements, nor has any 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 abatements 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 and CF-1/PP for personal property improvements) with **BOTH** the City of Fort Wayne Community Development Division, **AND** the County Auditor in each year in which I receive a deduction. Failure to file the CF-1 form with either agency may result in a rescission of any tax abatement occurring as a result of this application.

Signature of Taxpayer/Owner

DANIEL A. GRAHAM, Board Chair
Printed Name and Title of Applicant

9/23/11
Date

Michael McCullough Treasurer
9-23-11

STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS

State Form 51767 (R2 / 1-07)
Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

SEP 28 2011

COMMUNITY DEVL.

20____ PAY 20____

FORM SB-1 / Real Property

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)
☐ Eligible vacant building (IC 6-1.1-12.1-4.8)

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. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)*
2. *Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitation,* ***BEFORE*** *a deduction may be approved.*
3. *To obtain a deduction, application Form 322 ERA/RE or Form 322 ERA/VBD, Whichever is applicable, must be filed with the County Auditor by the later of: (1) May 10; or (2) thirty (30) days after the notice of addition to assessed valuation or new assessment is mailed to the property owner at the address shown on the records of the township assessor.*
4. *Property owners whose Statement of Benefits was approved after June 30, 1991, must attach a Form CF-1/Real Property annually to the application to show compliance with the Statement of Benefits. [IC 6-1.1-12.1-5.1(b) and IC 6-1.1-12.1-5.3(j)]*
5. *The schedules established under IC 6-1.1-12.1-4(d) for rehabilitated property and under IC 6-1.1-12.1-4.8(1) for vacant buildings apply to any statement of benefits approved on or after July 1, 2000. The schedules effective prior to July 1, 2000, shall continue to apply to a statement of benefits filed before July 1, 2000.*

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer		
Hospital Laundry Service, Inc.		
Address of taxpayer *(number and street, city, state, and ZIP code)*		
3322 Cavalier Drive, Fort Wayne, IN 46808		
Name of contact person	**Telephone number**	**E-mail address**
Mark Lennart	(260) 482-3540	mlennart@hls1.com

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body		Resolution number
Fort Wayne Common Council		
Location of property	**County**	**DLGF taxing district number**
3322 Cavalier Drive, Fort Wayne, IN 46808	ALLEN	Washington
Description of real property improvements, redevelopment, or rehabilitation *(use additional sheets if necessary)*		**Estimated start date** *(month, day, year)*
See attached listing *		10/01/2011
		Estimated completion date *(month, day, year)*
		01/31/2012

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
62.00	$1,840,222.00	62.00	$1,840,222.00	0.00	$0.00

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.	**REAL ESTATE IMPROVEMENTS**	
	COST	**ASSESSED VALUE**
Current values	2,118,908.00	1,274,700.00
Plus estimated values of proposed project	1,650,000.00	
Less values of any property being replaced		
Net estimated values upon completion of project	3,768,908.00	

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	Title	Date signed *(month, day, year)*
	Mark Lennart	9/23/11

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, 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, 2015.

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
3. Occupancy of a vacant building	☐ Yes	☒ No

C. The amount of the deduction applicable is limited to $ unlimited.

D. Other limitations or conditions *(specify)* **Subject to taxpayer's non-delinquent status on any and all property tax due to taxing jurisdictions within Allen County, Indiana.**

E. The deduction is allowed for Ten years* *(see below)*.

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)*
Attested by *(signature and title of attester)*	Designated body	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.12-12.1-4.

A. For residentially distressed areas, the deduction period may not exceed five (5) years.
B. For redevelopment and rehabilitation or real estate improvements:
   1. If the Economic Revitalization Area was designated prior to July 1, 2000, the deduction period is limited to three (3), six (6), or ten (10) years.
   2. If the Economic Revitalization Area was designated after June 20, 2000, the deduction period may not exceed ten (10) years.
C. For vacant buildings, the deduction period may not exceed two (2) years.

Equipment Breakdown

$450,000	New Soil Sort on Rail system, expanded rails, piece count
$425,000	Clean rail system expansion
$1,200,000	New Milnor 110 lb., 10 module, CBW System w/ 5 dryers, shuttle and press
$480,000	New Milnor 110 lb., 10 module CBW and 1 additional dryer
$375,000	New Chicago blanket folder, 2 small blanket folders, feeders
$90,000	Sonic Air Lint Control System
$50,000	Boiler upgrade
$3,070,000	Equipment Total

Construction Breakdown

$1,650,000	Construction, permitting, A & E design

Installation Breakdown

$625,000	Labor and Material for mechanical installations, rigging, etc.

$5,345,000	**Project Total**

STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (5-04)
Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

SEP 2 8 2011 Emc.

FORM SB - 1 / PP

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** 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. "Projects" planned or committed to after July 1, 1987 and areas designated after July 1, 1987 require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)*
2. *Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, **BEFORE** a deduction may be approved*
3. *To obtain a deduction, Form 322 ERA/PPME and/or Form 322 ERA/PP Other, must be filed with the county auditor. Form 322 ERA/PPME and/or Form 322 ERA/PP Other must be filed between March 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 becomes assessable, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.*
4. *Property owners whose Statement of Benefits was approved after June 30, 1991 must submit Form CF-1 annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)*
5. *The schedules established under IC 6-1.1-12.1-4(d) and IC 6-1.1-12.1-4.5(e) effective July 1, 2000 apply to any statement of benefits filed on or after July 1, 2000. The schedules effective prior to July 1, 2000 shall continue to apply to those statement of benefits filed before July 1, 2000.*

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer: Hospital Laundry Service, Inc.

Address of taxpayer *(street and number, city, state and ZIP code)*: 3322 Cavalier Drive, Fort Wayne, IN 46808

Name of contact person: Mark Lennart

Telephone number: (260) 482-3540

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body: Fort Wayne Common Council

Resolution number:

Location of property: 3322 Cavalier Drive, Fort Wayne, IN 46808

County: Allen

Taxing district: 073 FW Washington

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)*: See attached listing

	ESTIMATED	
	Start Date	Completion Date
Manufacturing Equipment	10/1/2011	1/31/2012
R & D Equipment		
Logist Dist Equipment *		
IT Equipment *	10/1/2011	1/31/2012

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
62	1,840,222.00	62	1,840,222.00	0	0.00

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	3,796,061	1,138,818						
Plus estimated values of proposed project	3,695,000.	1,108,500						
Less values of any property being replaced	0.00	0.00						
Net estimated values upon completion of project	7,491,061	2,247,318						

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	Title	Date signed *(month, day, year)*
	General Manager	9/23/11

*** See IC 6-1.1-12.1-2.3.**

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, 2015.

B. The type of deduction that is allowed in the designated area is limited to:

1. Installation of new manufacturing equipment;	☒ Yes	☐ No
2. Installation of new research and development equipment;	☐ Yes	☒ No
3. Installation of new logistical distribution equipment.	☐ Yes	☒ No
4. Installation of new information technology equipment;	☐ Yes	☒ No

C. The amount of deduction applicable to new manufacturing equipment is limited to $ unlimited cost with an assessed value of $ unlimited.

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.

E. The amount of deduction applicable to new logistical distribution equipment is limited to $ N/A cost with an assessed value of $ N/A.

F. The amount of deduction applicable to new information technology equipment is limited to $ N/A cost with an assessed value of $ N/A.

G. Other limitations or conditions *(specify)* **Subject to taxpayer's non-delinquent status on any and all property tax due to taxing jurisdictions within Allen County, Indiana.**

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 after July 1, 2000 is allowed for:

☐ 1 year	☐ 6 years
☐ 2 years	☐ 7 years
☐ 3 years	☐ 8 years
☐ 4 years	☐ 9 years
☐ 5 years **	☒ 10 years **

** For ERA's established prior to July 1, 2000 only a 5 or 10 year schedule may be deducted.

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: *(signature and title of authorized member)*	Telephone number	Date signed *(month, day, year)*
Attested by:	**Designated body**	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5

Equipment Breakdown

$450,000	New Soil Sort on Rail system, expanded rails, piece count
$425,000	Clean rail system expansion
$1,200,000	New Milnor 110 lb., 10 module, CBW System w/ 5 dryers, shuttle and press
$480,000	New Milnor 110 lb., 10 module CBW and 1 additional dryer
$375,000	New Chicago blanket folder, 2 small blanket folders, feeders
$90,000	Sonic Air Lint Control System
$50,000	Boiler upgrade
$3,070,000	Equipment Total

Construction Breakdown

$1,650,000	Construction, permitting, A & E design

Installation Breakdown

$625,000	Labor and Material for mechanical installations, rigging, etc.

$5,345,000	**Project Total**

EXHIBIT A

007302

Mail Tax Bills To:
Lutheran Hospital of Indiana, Inc.
7950 West Jefferson Blvd.
Fort Wayne, IN 46804
Attn: Marvin Kurtz

Tax Key No. ____________

CORPORATE DEED

THIS INDENTURE WITNESSETH, That CENTENNIAL DEVELOPMENT CORPORATION ("Grantor"), a not-for-profit corporation organized and existing under the laws of the State of Indiana, CONVEYS AND WARRANTS — XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX to CONSOLIDATED HOSPITAL LAUNDRY SERVICE, INC., an Indiana corporation having its principal offices XXX located in Allen County, in the State of Indiana, in consideration of TEN DOLLARS ($10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the following described real estate in Allen County, in the State of Indiana, to-wit:

Lots Numbered 34 and 35 in Centennial Industrial Park, Section VI, an Addition to the City of Fort Wayne, according to the plat thereof, recorded in Cabinet A, page 7, in the Office of the Recorder of Allen County, Indiana.

SUBJECT TO the first installment of 1992 real estate taxes, due and payable in May of 1993, and all subsequent real estate taxes, all zoning laws and ordinances, building, use and occupancy restrictions, building lines, easements and rights-of-way of record.

GRANTOR hereby certifies under oath that no Indiana gross income tax is due or payable in respect to the transfer made by this Deed.

93 FEB 11 AM 11:54

DULY ENTERED FOR TAXATION
FEB 1 1 1993
AUDITOR OF ALLEN COUNTY

The undersigned person(s) executing this deed represent(s) and certify (certifies) on behalf of the Grantor, that (each of) the undersigned is a duly elected officer of the Grantor and has been fully empowered by proper resolution, or the by-laws of the Grantor, to execute and deliver this deed; that the Grantor is a corporation in good standing in the State of its origin and, where required, in the State where the subject real estate is situate; that the Grantor has full corporate capacity to convey the real estate described; and that all necessary corporate action for the making of this conveyance has been duly taken.

IN WITNESS WHEREOF, Grantor has caused this deed to be executed this 10th day of ~~November~~ February, 19 ~~92~~ 93

CENTENNIAL DEVELOPMENT CORPORATION
(NAME OF CORPORATION)

By ____________ By [signature]

____________ Gerald G. Dehner, Vice-President
(PRINTED NAME AND OFFICE) (PRINTED NAME AND OFFICE)

INSTRUMENT 92-13300

STATE OF INDIANA
COUNTY OF ALLEN SS:

Before me, a Notary Public in and for said County and State, personally appeared GERALD G. DEHNER, XXXX the Vice-President XXXX XXXXXXXXXX of CENTENNIAL DEVELOPMENT CORPORATION, who acknowledged execution of the foregoing Deed for and on behalf of said Grantor, and who, having been duly sworn, stated that the representations therein contained are true.

Witness my hand and Notarial Seal this 10th day of ~~November~~ February, 19 ~~92~~ 93

My Commission Expires: 2/14/97 Signature [signature]

Resident of ALLEN County Printed KAREN S. GEBHART, Notary Public

This instrument prepared by Lawrence E. Shine, Baker & Daniels, Attorney at Law.
Mail to: 2400 Fort Wayne National Bank Bldg., Fort Wayne, Indiana 46802-2387.
ROTHBERG BOX