BILL NO. R-12-02-06

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 7614 and 7720 Opportunity Drive, Fort Wayne, Indiana 46825 (Shambaugh & Son, LP)

WHEREAS, Petitioner has duly filed its petition dated February 6, 2012 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 25 full-time, permanent jobs for a total new, annual payroll of $1,500,000, with the average new annual job salary being $60,000 and retain 297 full-time, permanent jobs for a total current annual payroll of $19,899,000, with the average current, annual job salary being $67,000; and

WHEREAS, the total estimated project cost is $2,120,050; 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:

- Said Resolution shall be filed with the Allen County Assessor;
- 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";
- 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, logistical distribution and information technology 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, logistical distribution and information technology 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, logistical distribution and information technology equipment.

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

- If the proposed development does not occur, the approximate current year tax rates for this site would be $3.084/$100.
- 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)..
- 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).
- If the proposed new manufacturing equipment is not installed, the approximate current year tax rates for this site would be $3.0384/$100.
- 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).
- 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).
- If the proposed new logistical distribution equipment is not installed, the approximate current year tax rates for this site would be $3.0384/$100.
- If the proposed new logistical distribution 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).

- If the proposed new logistical distribution 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).
- If the proposed new information technology equipment is not installed, the approximate current year tax rates for this site would be $3.0384/$100.
- If the proposed new information technology 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).
- If the proposed new 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 $3.0384/$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, logistical distribution and information technology 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

CITY OF FT WAYNE

7/2011

FEB 06 2012

COMMUNITY DEV

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:	422,000
Total cost of manufacturing equipment improvements:	465,200
Total cost of research and development equipment improvements:	—
Total cost of logistical distribution equipment improvements:	830,000
Total cost of information technology equipment improvements:	402,850
TOTAL OF ABOVE IMPROVEMENTS:	2,120,050

GENERAL INFORMATION

Real property taxpayer's name: MoMaS Investments, LLC (Triple net lease to Shambaugh & Son, LP)

Personal property taxpayer's name: Shambaugh & Son, LP

Telephone number: 260 487 7777

Address listed on tax bill: P.O. Box 1287

Name of company to be designated, if applicable: Shambaugh & Son, LP

Year company was established: 1926

Address of property to be designated: 7614 & 7720 Opportunity Drive Fort Wayne, IN 46825

Real estate property identification number: 02-07-11-377-002.000-073 / 02-07-11-377-001.000-073

Contact person name: Thomas Scare

Contact person telephone number: 260 487 7864 Contact person Email: tscare@shambaugh.com

Contact person address: P.O. Box 1287 Fort Wayne IN 46801

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Mark Shambaugh	CEO	P.O. Box 1287 FW IN 46801	260 487 7807
Mark Veerkamp	CFO		260 487 7800
Thomas Scare	Controller		260 487 7864
Joe Jackson	Purchasing Mgr		260 487 7710

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

NAME	PERCENTAGE
CS 48 Acquisition Corp	99
CSUSA Holding LLC	1
Emcor Group, Inc is the Parent Company	
and ultimate owner	

☐ 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: Shambaugh & Son, LP is a commercial construction/engineering services business specializing in industrial, commercial, institutional, food process, medical and biofuel. The Company also performs both mechanical and fire fabrication on the premises.

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 additional bldg space and equipment will allow us to self perform engineering, CAD Design, and fabrication locally versus subcontracting work to non local firms.

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:
7614 Opportunity Dr 55K Sqft Office, 46K Fire Fab/whse 4.6K Service garage
7720 Opportunity Dr 26K sqft mechanical fabrication shop

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

Describe the improvements to be made to the property to be designated for tax abatement purposes:
Expansion of Fire Fabrication shop for two new weld lines
Expansion of mechanical fabrication shop
New cold storage barn to house pipe inventory

Projected construction start (month/year): 4/1/12

Projected construction completion (month/year): 9/30/12

☐ 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 detailed schedule

☐ 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 N/A

☑ Yes ☑ No Will the equipment be leased? Some items will have operating leases for which Shambaugh reimburses leasing Comp for tax.

Equipment purchase date (month/year): 3-15-12 through 12-31-12

Equipment installation date (month/year): 3-15-12 through 12-31-12

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

See attach Schedule

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.

____

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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	297	19,899,000
CURRENT NUMBER PART-TIME	7	111,340
NUMBER RETAINED FULL-TIME	297*	19,899,000
NUMBER RETAINED PART-TIME		
NUMBER ADDITIONAL FULL-TIME	25	1,500,000
NUMBER ADDITIONAL PART-TIME		

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

- [x] Pension Plan
- [x] Major Medical Plan
- [x] Disability Insurance
- [x] Tuition Reimbursement
- [x] Life Insurance
- [x] Dental Insurance

List any benefits not mentioned above: ______

When will you reach the levels of employment shown above? (month/year): 8/31/12

Types of jobs to be created as a result of this project? CAD Designers, Engineers, estimators project managers, Control techs.

* The Company employs approx 520 local area employees with the field force included.

The Company employs approx 1400 national.

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. <u>(Property tax bill legal descriptions are not sufficient.)</u> Should be marked as Exhibit A.**

3. **Check for non-refundable application fee made payable to the <u>City of Fort Wayne</u>.**

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. ✓

Thomas L Seare

Signature of Taxpayer/Owner

Thomas L Seare, Controller

Printed Name and Title of Applicant

2/1/12

Date

STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS
State Form 51767 (R2 / 1-07)
Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE
FEB 06 2012 gmc
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: MoMaS Investments, LLC (triple net lease to Shambaugh & son, LP)		
Address of taxpayer (*number and street, city, state, and ZIP code*): PO Box 1287		
Name of contact person: Thomas Scare	Telephone number: (260) 487-7864	E-mail address: tscare@shambaugh.com

SECTION 2 — LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body: FW Common Council		Resolution number:
Location of property: 7614 Opportunity Drive, Fort Wayne, IN	County: Allen	DLGF taxing district number: Washinton
Description of real property improvements, redevelopment, or rehabilitation (*use additional sheets if necessary*): Bldg expansion to add two new weld lines (30' x 50'). Add cold pipe storage bldg (70' X 150' sqft)		Estimated start date (*month, day, year*): 04/15/2012 Estimated completion date (*month, day, year*): 08/31/2012

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
297.00	$19,899,000.00	297.00	$19,899,000.00	25.00	$1,500,000.00

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	REAL ESTATE IMPROVEMENTS ASSESSED VALUE
Current values		3,766,800.00
Plus estimated values of proposed project		422,000.00
Less values of any property being replaced		
Net estimated values upon completion of project		4,188,800.00

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

Estimated solid waste converted (*pounds*) ____________ Estimated hazardous waste converted (*pounds*) ____________

Other benefits

Additional space will allow for two weld lines to be added to the Fire Fabrication. The new cold storage pipe barn will support the additional pipe requirements for increased production.
Expansion to the mechanical fabrication shop is necessary to accomodate the size of materials being fabricated.

Changes will allow us to continue to fabricate increased demand locally versus subcontracting out to other non local facilities.

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*)
Thomas Scare	Controller	02/01/2012

STATEMENT OF BENEFITS
PERSONAL PROPERTY
State Form 51764 (5-04)
Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

FEB 0 6 2012 Erne

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
Shambaugh & Son, LP

Address of taxpayer *(street and number, city, state and ZIP code)*
7614 Opportunity Drive, Fort Wayne, IN 46845

Name of contact person: Thomas Scare
Telephone number: (260) 487-7864

SECTION 2 — LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body: FW Common Council
Resolution number:

Location of property: 7614 Opportunity Drive, Fort Wayne, IN 46845
County: Allen
Taxing district: 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 detailed schedule

	ESTIMATED Start Date	ESTIMATED Completion Date
Manufacturing Equipment	3/15/2012	12/31/2012
R & D Equipment		
Logist Dist Equipment *	3/15/2012	12/31/2012
IT Equipment *	3/15/2012	12/31/2012

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
297	19,899,000.00	297	19,899,000.00	25	1,500,000.00

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 Cost	Manufacturing Equipment Assessed Value	R & D Equipment Cost	R & D Equipment Assessed Value	Logist Dist Equipment * Cost	Logist Dist Equipment * Assessed Value	IT Equipment * Cost	IT Equipment * Assessed Value
Current values Most on Lease Schedules *								
Plus estimated values of proposed project	465,200.00				830,000.00		402,850.00	
Less values of any property being replaced								
Net estimated values upon completion of project								

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

Estimated solid waste converted *(pounds)* ____________ Estimated hazardous waste converted *(pounds)* ____________

Other benefits: *Total PPT Cost 2.5m + 3.2m leased

Additional equipment will allow for two weld lines to be added to the Fire Fabrication.
Changes will allow us to continue to engineer/ cad design /fabricate increased demand locally versus subcontracting out to other non local facilities.

SECTION 6 — TAXPAYER CERTIFICATION

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

Signature of authorized representative: Thomas L Scare
Title: controller
Date signed *(month, day, year)*: 02/01/2012

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

EMCOR Construction Services
2012 Budget
Planned Fixed Asset and Operating Leases
[Dollars in Thousands]

Division: SHAMBAUGH & SON, L.P.

Cat	Depr	Description (a)	Qty	Q1	Q2	Q3	Q4	Total
IT	3	Computer Upgrades	7	10.00	10.00	10.00	10.00	40.00
IT	3	new Lap Tops	4	5.00	10.00	5.00		20.00
IT	3	Software Upgrades	1			5.00		5.00
IT	3	Laptop Field	3	2.00	2.00	2.00		6.00
IT	3	Desk Top Computer, service site monitoring	1	1.80				1.80
IT	3	Laptop, Replacement Wamsley	1	1.50				1.50
IT	3	Laptop, Replacement Koch	1	1.50				1.50
IT	3	Laptop Replacement Tech??	1	1.50				1.50
IT	3	Laptop Replacement Tech??	1		1.50			1.50
IT	3	Laptop Replacement Tech??	1			1.50		1.50
IT	3	Laptop Replacement Tech??	1				1.50	1.50
IT	3	Replacement Laptops for Steve Stahlhut / Nick Martin	2	1.50	1.50			3.00
IT	3	Laptops for additional Control Specialists / PM	3		1.50	3.00		4.50
IT	3	Replacement Desktop for Engineering	1	1.50				1.50
IT	3	Replacement Laptop for Bill Cavanaugh	1	1.50				1.50
IT	3	Struxureware Hardware for Development Use	1				5.00	5.00
IT	3	Update to Existing Telephone System	1		1.75			1.75
IT	3	Office Server Added Storage	1		1.00			1.00
IT	3	23361 A May Replace laptop	1	1.50				1.50
IT	3	Laptop for new Maintenance Sales	1	1.50				1.50
IT	3	Laptop for new Control Specialist	1		1.50			1.50
IT	3	Laptop Replacement	1	1.50				1.50
IT	3	PC Replacement - Grimm	1	2.00				2.00
IT	3	Service Tablet Cost	5	3.00				3.00
IT	3	Laptop Replacement - VanKoevering	1	1.50				1.50
IT	3	Scanner Feature for Copier	1	2.00				2.00
IT	3	CAD Plotter/Copier	1	5.00				5.00
IT	3	Laptop Replacement for Swihart	1		1.80			1.80
IT	3	COMPUTERS/HARDWARE	3	5.00	5.00	5.00	5.00	20.00
IT	3	COMPUTERS	2	1.50		1.50		3.00
IT	3	COMPUTERS	2	1.50	1.50			3.00
IT	3	COMPUTERS	1			1.50		1.50
IT	3	Hand Held Service PCs	30	24.00				24.00
IT	3	Hand Held Service PCs	100	80.00				80.00
IT	3	Corporate - AS400	1			80.00		80.00
IT	3	Corporate - Blue Print Size Copier	1		50.00			50.00
IT	3	Computer Upgrades	8	5.00	5.00	5.00	5.00	20.00
Mftg	5	Overhead Crane work	1			10.00		10.00
Mftg	5	North Alabama Universal Machine	1		160.00			160.00
Mftg	5	2nd Pro press tool	1		3.50			3.50
Mftg	5	Pro press adapter for larger pipe	1		3.00			3.00
Mftg	5	Upgrade to G3 Controls	1		6.00			6.00
Mftg	5	Office Furniture	1	5.00				5.00
Mftg	5	MC Cable Machine Fab Shop	1	15.00				15.00
Mftg	5	Rereeler	1	12.00				12.00
Mftg	5	Wire Rack Spindler Fab Shop	1	12.00				12.00
Mftg	5	Punch for Fab Shop	1		12.00			12.00
Mftg	5	High Voltage Kits	2		7.50	7.50		15.00
Mftg	5	Electrical Design Software	1	7.50				7.50
Mftg	5	Misc Electrical Testing Equipment	1		15.00			15.00
Mftg	5	LON Bus analyzer	1		2.20			2.20
Mftg	5	Combustion analyzer	1			2.00		2.00
Mftg	5	Fluke Infrared Imager	1				3.00	3.00
Mftg	5	Rigid Vic Groover	1	1.00				1.00
Mftg	5	Ridgid Propress model # RP-210-B	1	2.00				2.00
Mftg	5	Combustion Analyzer	1	3.00				3.00
Mftg	5	MISC SMALL EQUIPMENT	10	10.00	10.00	10.00	6.00	36.00
Mftg	5	WELDERS	8	6.00	6.00	6.00	2.00	20.00
Mftg	5	Misc. Tools		30.00	30.00	30.00	30.00	120.00
Log	5	LULL	2	90.00				180.00
Log	5	60-FT BOOM	2	75.00		75.00		150.00
Log	5	1-MAN LIFT	4	15.00	15.00	15.00	15.00	60.00
Log	5	30-FT LIFT BOOM	4	40.00	40.00	40.00	40.00	160.00
Log	5	Backhoe	1		80.00			80.00
Log	5	20ft Scissor Lifts	20		200.00			200.00
Real		Building for Welding Expansion	1	100.00				100.00
Real		Pipe Storage Building	1	250.00				250.00
Real		Parking lot expansion	lot		12.00			12.00
Real		Mechanical Fab Shop Expansion			30.00	30.00		60.00
		Total		836.30	726.25	345.00	122.50	2,120.05

(a) Identify any significant new or renewal lease activity and the associated quarterly cost.

EXHIBIT A

Legal Description

7614 Opportunity Drive – COOK ROAD OFFICE & INDUSTRIAL PARK SEC I LOT 3 & LOT 2

7720 Opportunity Drive – COOK ROAD OFFICE & INDUSTRIAL PARK SEC I LOT 4

Admn. Appr.___________

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Shambaugh & Son, LP is requesting the designation of an Economic Revitalization Area for both real and personal property improvements in the amount of $2,120,050. In order to expand, Shambaugh & Son, LP will construct additional facility space for its operations and purchase and install new manufacturing, logistical distribution and information technology equipment.**

EFFECT OF PASSAGE: **The expansion of its facilities will allow Shambaugh & Son, LP to bring more engineering, CAD design, and fabrication in house versus subcontracting these services to non-local firms. 25 full-time jobs will be created as a result of the project.**

EFFECT OF NON-PASSAGE: **Potential loss of development and 25 full-time jobs**

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

ASSIGNED TO COMMITTEE (PRESIDENT): **Mitch Harper and John Shoaff**

MEMORANDUM

TO: City Council

FROM: Elissa McGauley, Economic Development Specialist

DATE: February 8, 2012

RE: Request for designation by Shambaugh & Son, LP as an ERA for real and personal property improvements

BACKGROUND

PROJECT ADDRESS:	**7614 and 7720 Opportunity Drive**	PROJECT LOCATED WITHIN:	**Not Applicable**
PROJECT COST:	**$ 2,120,050**	COUNCILMANIC DISTRICT:	**3**

COMPANY PRODUCT OR SERVICE:	**Shambaugh & Son, LP is a commercial construction/engineering services business specializing in industrial, commercial, institutional, food process, medical and biofuel industries.**
PROJECT DESCRIPTION:	**Shambaugh & Son, LP will expand its fire and mechanical fabrication shops as well as construct a new storage building to house inventory. In addition new manufacturing, logistical distribution and information technology equipment will be purchased and installed.**

CREATED		RETAINED	
JOBS CREATED (FULL-TIME):	**25**	JOBS RETAINED (FULL-TIME):	**297**
JOBS CREATED (PART-TIME):	**0**	JOBS RETAINED (PART-TIME):	**0**
TOTAL NEW PAYROLL:	**$ 1,500,000**	TOTAL RETAINED PAYROLL:	**$ 19,899,000**
AVERAGE SALARY (FULL-TIME NEW):	**$ 60,000**	AVERAGE SALARY (FULL-TIME RETAINED):	**$ 67,000**

COMMUNITY BENEFIT REVIEW

Yes ☒ **No** ☐ **N/A** ☐

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

Explain: Shambaugh & Son, LP will expand at its current location on Opportunity Drive.

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?

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: Shambaugh & Son, LP will purchase new equipment for its operation.**
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? **Explain: 25 full-time jobs will be created as a result of the project.**
Yes ☒ No ☐ N/A ☐	Average wage of all full-time jobs to be created is at least 150% of current Federal minimum wage. **Explain: The average wage of full-time jobs created is 398% of the current Federal minimum wage rate.**
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 444% 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, Shambaugh & Son, LP is eligible for ten year deductions on real and personal property improvements. Attached is a spreadsheet that shows how the application scored under the review system.

COMMENTS

Signed: Elissa McHauley

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		10
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 *		10
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	43

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

*** If Average annual salary of the full-time jobs created by listed occupation is 10% or greater than the average salary for Allen County using current occupational employment statistics, then the applicant is eligible for an alternate deduction schedule.**

<u>10 Year</u>	
Year 1	**100%**
Year 2	**100%**
Year 3	**100%**
Year 4	**100%**
Year 5	**100%**
Year 6	**90%**
Year 7	**80%**
Year 8	**65%**
Year 9	**50%**
Year 10	**40%**
<u>7 Year</u>	
Year 1	**100%**
Year 2	**100%**
Year 3	**100%**
Year 4	**100%**
Year 5	**100%**
Year 6	**71%**
Year 7	**43%**

Real Property Abatements

Tax Abatement Review System

	Points Possible	Points Awarded
Total new investment in real property (new structures and/or rehabilitation)		6
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		10
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		10
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	2
Project is located in a HUBzone	10	0
	Total	43

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

*** If Average annual salary of the full-time jobs created by listed occupation is 10% or greater than the average salary for Allen County using current occupational employment statistics, then the applicant is eligible for an alternate deduction schedule.**

10 Year	
Year 1	**100%**
Year 2	**100%**
Year 3	**100%**
Year 4	**100%**
Year 5	**100%**
Year 6	**90%**
Year 7	**80%**
Year 8	**65%**
Year 9	**50%**
Year 10	**40%**
7 Year	
Year 1	**100%**
Year 2	**100%**
Year 3	**100%**
Year 4	**100%**
Year 5	**100%**
Year 6	**71%**
Year 7	**43%**