

A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 1515 Profit Drive, Fort Wayne, Indiana 46808 (Meijer Stores Limited Partnership)

WHEREAS, Petitioner has duly filed its petition dated May 31, 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 result in the occupation of an eligible vacant building under I.C. 6-1.1-12.1-4.8; and

WHEREAS, said project will create 33 full-time, permanent jobs for a total new, annual payroll of \$1,617,087, with the average new annual job salary being \$49,002.

WHEREAS, the total estimated project cost is \$9,241,000; 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;

1 (d) If this Resolution involves an area that has already been designated an allocation
2 area under I.C. 36-7-14-39, then the Resolution shall be referred to the Fort
3 Wayne Redevelopment Commission and said designation as an "Economic
4 Revitalization Area" shall not be finally approved unless said Commission adopts
a Resolution approving the petition.

5 **SECTION 3.** That, said designation of the hereinabove described property as an
6 "Economic Revitalization Area" shall apply to both a deduction of the assessed value of
7 occupation of an eligible vacant building, real estate, and personal property for new logistical
and information technology equipment.

8 **SECTION 4.** That, the estimate of the number of individuals that will be employed
9 or whose employment will be retained and the estimate of the annual salaries of those
10 individuals and the estimate of the value of redevelopment or rehabilitation and the estimate
11 of the value of new logistical and information technology equipment, all contained in
12 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 logistical and information technology equipment.

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

- 15 (a) If the proposed occupation of the eligible vacant building does not occur, the
approximate current year tax rates for this site would be \$3.0261/\$100.
- 16 (b) If the proposed occupation of the eligible vacant building occurs and no
17 deduction is granted, the approximate current tax rate for the site would be
\$3.0261/\$100 (the change would be negligible).
- 18 (c) If the proposed occupation of the eligible vacant building occurs, and a deduction
19 percentage of fifty percent (50%) is assumed, the approximate current year tax
20 rate for this would be \$3.0261/\$100 (the change would be negligible).
- 21 (d) If the proposed development does not occur, the approximate current year tax
rates for this site would be \$3.0261/\$100.
- 22 (e) If the proposed development does occur and no deduction is granted, the
23 approximate current year tax rate for the site would be \$3.0261/\$100 (the
change would be negligible).
- 24 (f) If the proposed development occurs and a deduction percentage of fifty percent
25 (50%) is assumed, the approximate current year tax rate for the site would be
\$3.0261/\$100 (the change would be negligible).
- 26 (g) If the proposed new logistical and information technology equipment is not
27 installed, the approximate current year tax rates for this site would be
28 \$3.0261/\$100.

1 (h) If the proposed new logistical and information technology equipment is installed
2 and no deduction is granted, the approximate current year tax rate for the site
3 would be \$3.0261/\$100 (the change would be negligible).

4 (i) If the proposed new logistical and information technology equipment is installed
5 and a deduction percentage of eighty percent (80%) is assumed, the
6 approximate current year tax rate for the site would be \$3.0261/\$100 (the
change would be negligible).

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

9 **SECTION 7.** That, pursuant to I.C. 6-1.1-12.1, it is hereby determined that the
10 deduction from the assessed value of the occupation of the eligible vacant building shall be
11 for a period of one year and the deduction from the assessed value of the real property shall
12 be for a period of 10 years, and the deduction from the assessed value of the new logistical
and information technology equipment shall be for a period of 10 years.

13 **SECTION 8.** That, the benefits described in the Petitioner's Statement of Benefits
14 can be reasonably expected to result from the project and are sufficient to justify the
applicable deductions.

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

17 **SECTION 10.** That, pursuant to I.C. 6-1.1-12.1-12 et al, any property owner that
18 has received a deduction under section 3 or 4.5 of this chapter may be required to repay the
19 deduction amount as determined by the county auditor in accordance with section 12 of said
20 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.

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

23
24 _____
Member of Council

25 APPROVED AS TO FORM AND LEGALITY

26
27 _____
Carol Helton, City Attorney

MAY 31 2012 *gmc*

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: \$2,261,000
 Total cost of manufacturing equipment improvements: _____
 Total cost of research and development equipment improvements: _____
 Total cost of logistical distribution equipment improvements: \$6,580,000
 Total cost of information technology equipment improvements: \$1,500,000
 TOTAL OF ABOVE IMPROVEMENTS: \$10,341,000

GENERAL INFORMATION

Real property taxpayer's name: Meijer Stores Limited Partnership
 Personal property taxpayer's name: Meijer Stores Limited Partnership
 Telephone number: 616-791-5922
 Address listed on tax bill: 2929 Walker Ave NW, Grand Rapids, MI 49544
 Name of company to be designated, if applicable: Meijer Stores Limited Partnership
 Year company was established: 10/26/1999
 Address of property to be designated: 1515 Profit Dr, Fort Wayne, IN
 Real estate property identification number: 02-07-22-253-001.000-073
 Contact person name: Robert Vujea
 Contact person telephone number: 616-791-5922 Contact person Email: robert.vujea@meijer.com
 Contact person address: 2929 Walker Ave NW, Grand Rapids, MI 49544
 List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
See attached A			

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

NAME	PERCENTAGE
Meijer Group, Inc	99%

- ☐ 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: _____ See attached B

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

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

This is an industrial building built in 1966 that has been vacant for two years that is deteriorating and in need of

substantial repairs. Refurbishing and occupying this facility will bring employment and growth to the area.

This growth will lead to a betterment of the area and increased tax revenues.

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: _____

48,144 sf industrial building

Describe the condition of the structure(s) listed above: Fair condition requiring substantial repairs - of Roof

Parking lot surface replacement, asbestos disposal, window replacement, floor surfaces and light fixtures.

Describe the improvements to be made to the property to be designated for tax abatement purposes: _____

pavement, drive out ramp, roof, floor, offices, docks accessories, entrances, security,

IT, CCTV, furniture, fence, HVAC, fire protection

Projected construction start (month/year): 7/2012

Projected construction completion (month/year): 11/2012

☐ 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 C

☐ 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): July, 2012 to January 2013

Equipment installation date (month/year): Same

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

Not Available at this time

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: 48,144 square foot industrial building

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

Projected occupancy date (month/year): 10/2012

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.

Seller retained CBRE Sturgis to market building for lease since March 2011.

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. 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

Current Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
NONE			

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
NONE			

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Attached D			

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
None			

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
None			

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:

- | | | |
|---|--|--|
| ☒ Pension Plan | ☒ Major Medical Plan | ☒ Disability Insurance |
| ☒ Tuition Reimbursement | ☒ Life Insurance | ☒ Dental Insurance |

List any benefits not mentioned above: _____

When will you reach the levels of employment shown above? (month/year): _____ 6/2013

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.

Robert M. Vinyea

Signature of Taxpayer/Owner

Property Tax Manager

Printed Name and Title of Applicant

5/29/12

Date

ATTACHMENTS TO:**ECONOMIC REVITALIZATION AREA APPLICATION - CITY OF FORT WAYNE, INDIANA****ATTACHMENT A**

List company officers and/or principal operation personnel

Name	Title	Address	Phone
Mark Murray	President of General Partner – Meijer Group Inc.	2929 Walker Ave, Grand Rapids, MI 49544	616-453-6711
JK Symancyk	Chief Operating Officer of General Partner – Meijer Group Inc.	2929 Walker Ave, Grand Rapids, MI 49544	616-453-6711
Janet Emerson	EVP, Retail Operations of General Partner – Meijer Group Inc.	2929 Walker Ave, Grand Rapids, MI 49544	616-453-6711
Rick Keys	EVP, Supply Chain Operations & Manufacturing of General Partner – Meijer Group Inc.	2929 Walker Ave, Grand Rapids, MI 49544	616-453-6711
Peter Whitsett	EVP, Merchandising of General Partner – Meijer Group Inc.	2929 Walker Ave, Grand Rapids, MI 49544	616-453-6711
Julie Croll	SVP, Properties, Real Estate, Procurement of General Partner – Meijer Group Inc.	2929 Walker Ave, Grand Rapids, MI 49544	616-453-6711
Janet Kelley	SVP, General Counsel, Secretary of General Partner – Meijer Group Inc.	2929 Walker Ave, Grand Rapids, MI 49544	616-453-6711
Karen Morris	SVP, Human Resources of General Partner – Meijer Group Inc.	2929 Walker Ave, Grand Rapids, MI 49544	616-453-6711
Daniel Webb	SVP, Finance and Administration/CFO of General Partner – Meijer Group Inc.	2929 Walker Ave, Grand Rapids, MI 49544	616-453-6711

ATTACHMENT B

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

Our Central Fill Project is the process of preparing at a remote location (outside our Retail Units) prescriptions on behalf of the individual retail stores; which subsequently delivers back to the originating store for customer pickup or direct delivery. The project entails facilitating an offsite building of approximately 50,000 to 75,000 sq. ft. operating in conjunction with our retail pharmacies with a goal of filling greater than 25 percent of all incoming daily processed prescriptions through technology and automation. This facility and initiative will strategically place Meijer for future phases and growth within the pharmacy arena. With a goal of increasing our service levels, simplifying daily tasks, and controlling costs. Future expansion is a possibility after this project is initiated.

ATTACHMENT C

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

Logistics Equipment – Tote Conveyor System, Parata Dispensing Modules, Back-Up Manual Cart Stations, Replenishment Stations, Verification Stations, Bulk Stations, Packing (auto and manual) Stations, Package Sorter, Flow Racks, and Spare Parts

ITS/Software – McKesson (HVS) – System Engineering, System Planographing, System Integration, Field Testing, System Training and System Support, SBMO Software – Services, Training, Interface, Development with Stores and Central Fill Facility

ATTACHMENT D

PUBLIC BENEFIT INFORMATION

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Pharmacists	29-1051	3	\$405,000
Pharmacy Technicians	29-2052	10	\$390,000
Clerical	43-9061	10	\$350,000
Receiving/Inventory	43-5071	3	\$117,000
Machine Attendant	51-4041	1	\$35,000
Repair Technician	49-2094	1	\$45,000
Facility Director/Supervisors	43-1011	3	\$188,697
System Administrator	15-1142	1	\$50,000
Retail Administrative Assistant	43-6014	1	\$36,390

ATTACHMENT TO:

INDIANA STATEMENT OF BENEFITS – PERSONAL PROPERTY FORM SB - 1/ PP

Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment

Logistics Equipment – Tote Conveyor System, Parata Dispensing Modules, Back-Up Manual Cart Stations, Replenishment Stations, Verification Stations, Bulk Stations, Packing (auto and manual Stations, Package Sorter, Flow Rack, and Spare Parts

ITS/Software – McKesson (HVS) – System Engineering, System Planographing System Integration, Field Testing, System Training and System Support, SBMO Software – Services, Training, Interface, Development with Stores and CFF



STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (5-04)

Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

FORM
SB - 1 / PP

MAY 31 2012 *emc*

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 Meijer Stores Limited Partnership									
Address of taxpayer (street and number, city, state and ZIP code) 2929 Walker Ave NW, Grand Rapids, MI 49544									
Name of contact person Robert M. Vujea		Telephone number (616) 791-5922							
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT							
Name of designating body Fort Wayne Common Council		Resolution number							
Location of property 1515 Profit Drive		County Allen	Taxing district 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) See attached		ESTIMATED							
		Start Date		Completion Date					
		Manufacturing Equipment							
		R & D Equipment							
		Logist Dist Equipment *	10/16/2012	1/31/2013					
IT Equipment *	10/16/2012	1/31/2013							
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT							
Current number 0	Salaries 0.00	Number retained 0	Salaries 0.00	Number additional 33	Salaries 1,617,087.00				
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		0.00		0.00	0.00	0.00	0.00	0.00	0.00
Plus estimated values of proposed project						6,580,000	3,000,000	1,500,000	500,000.00
Less values of any property being replaced		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net estimated values upon completion of project						6,580,000	3,000,000	1,500,000	500,000.00
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 Robert M. Vujea		Title Property Tax Manager		Date signed (month, day, year)					

* See IC 6-1.1-12.1-2.3.

ATTACHMENT TO:

INDIANA STATEMENT OF BENEFITS – PERSONAL PROPERTY FORM SB - 1/ PP

Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment

Logistics Equipment – Tote Conveyor System, Parata Dispensing Modules, Back-Up Manual Cart Stations, Replenishment Stations, Verification Stations, Bulk Stations, Packing (auto and manual Stations, Package Sorter, Flow Rack, and Spare Parts

ITS/Software – McKesson (HVS) – System Engineering, System Planographing System Integration, Field Testing, System Training and System Support, SBMO Software – Services, Training, Interface, Development with Stores and CFF



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R2 / 1-07)

Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

MAY 31 2012 *gme*

20 13 PAY 20 14

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)

COMMUNITY DEVL.

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** 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)
- 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.
- 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.
- 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)]
- 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 Meijer Stores Limited Partnership					
Address of taxpayer (number and street, city, state, and ZIP code) 2929 Walker Ave NW, Grand Rapids, MI 49544					
Name of contact person Robert M. Vujea		Telephone number (616) 791-5922		E-mail address robert.vujea@meijer.com	
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT			
Name of designating body Fort Wayne Common Council		Resolution number			
Location of property 1515 Profit Drive		County Allen		DLGF taxing district number 073	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) 48,144 square foot industrial building built in 1966. Requires substantial repairs and replacement of roof, parking lot surface, window replacement, floor surfaces, light fixtures, security, docks and asbestos removal.				Estimated start date (month, day, year) 07/01/2012 Estimated completion date (month, day, year) 11/30/2012	
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT			
Current number 0.00	Salaries \$0.00	Number retained 0.00	Salaries \$0.00	Number additional 33.00	Salaries \$1,617,087.00
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		1,100,000.00	537,000.00
		Plus estimated values of proposed project		1,161,000.00	160,000.00
		Less values of any property being replaced		0.00	0.00
Net estimated values upon completion of project		2,261,000.00		700,000.00	
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 Robert M. Vujea		Title Property Tax Manager		Date signed (month, day, year) 05/29/2012	

EXHIBIT A

PARCEL NO. 02-07-22-253-001.000-073

(TITLE COMMITMENT NUMBER N-106967 BY FIDELITY NATIONAL TITLE INSURANCE COMPANY
DATED 02/13/2012)

DESCRIPTION AS FURNISHED AND SURVEYED:

THE EAST THREE HUNDRED SIXTY (360) FEET OF THE WEST SEVEN HUNDRED THIRTY-ONE (731) FEET OF BLOCK THIRTY-TWO (32), IN INTERSTATE INDUSTRIAL PARK, SECTION "C", AN ADDITION TO THE CITY OF FORT WAYNE, INDIANA, ACCORDING TO THE RECORDED PLAT THEREOF RECORDED IN PLAT RECORD BOOK 29, PAGES 88-90, IN THE OFFICE OF THE RECORDER OF ALLEN COUNTY, INDIANA.

CONTAINS 2.89 ACRES, MORE OR LESS.

METES AND BOUNDS DESCRIPTION AS SURVEYED:

COMMENCING AT THE SOUTHWEST CORNER OF BLOCK THIRTY-TWO (32), IN INTERSTATE INDUSTRIAL PARK, SECTION "C", AN ADDITION TO THE CITY OF FORT WAYNE, INDIANA, ACCORDING TO THE RECORDED PLAT THEREOF RECORDED IN PLAT RECORD BOOK 29, PAGES 88-90, IN THE OFFICE OF THE RECORDER OF ALLEN COUNTY, INDIANA; THENCE ALONG THE SOUTH LINE OF SAID BLOCK, SOUTH 89 DEGREES 56 MINUTES 06 SECONDS EAST 370.76 FEET TO THE POINT OF BEGINNING; THENCE NORTH 00 DEGREES 08 MINUTES 43 SECONDS WEST 350.19 FEET, MORE OR LESS, TO THE NORTH LINE OF SAID BLOCK; THENCE ALONG SAID NORTH LINE, EAST 253.39 FEET TO THE POINT OF CURVATURE OF A 541.20 FOOT RADIUS CURVE TO THE RIGHT; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE 108.09 FEET, LONG CHORD BEARING SOUTH 84 DEGREES 16 MINUTES 42 SECONDS EAST 107.91 FEET; THENCE SOUTH 00 DEGREES 00 MINUTES 32 SECONDS WEST 339.84 FEET, MORE OR LESS, TO THE SOUTH LINE OF SAID BLOCK; THENCE ALONG SAID SOUTH LINE, NORTH 89 DEGREES 56 MINUTES 06 SECONDS WEST 359.82 FEET TO THE POINT OF BEGINNING.

CONTAINS 2.89 ACRES, MORE OR LESS.

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Meijer Stores Limited Partnership is requesting the designation of an Economic Revitalization Area for both real and personal property improvements in the amount of \$9,241,000. In order to expand, Meijer Stores Limited Partnership will refurbish and occupy a vacant industrial building while also installing logistical and information technology equipment.**

EFFECT OF PASSAGE: **Installing new equipment and refurbishing the structure will allow Meijer Stores Limited Partnership to strategically plan for future phases and growth within the pharmacy arena. Thirty-three full-time jobs will be created.**

EFFECT OF NON-PASSAGE: **Potential loss of development and thirty-three 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: Adam Welch, Economic Development Specialist
DATE: June 4, 2012
RE: Request for designation by Meijer Stores Limited Partnership as an ERA for eligible vacant building and real and personal property improvements

BACKGROUND

PROJECT ADDRESS:	1515 Profit Drive	PROJECT LOCATED WITHIN:	Not Applicable
PROJECT COST:	\$ 9,241,000	COUNCILMANIC DISTRICT:	3

COMPANY PRODUCT OR SERVICE:	Meijer Stores Limited Partnership prepares prescriptions on behalf of individual retail stores
PROJECT DESCRIPTION:	Meijer Stores Limited Partnership will refurbish and occupy a vacant facility while also purchasing new logistical equipment and information technology software

CREATED		RETAINED	
JOBS CREATED (FULL-TIME):	33	JOBS RETAINED (FULL-TIME):	0
JOBS CREATED (PART-TIME):		JOBS RETAINED (PART-TIME):	0
TOTAL NEW PAYROLL:	\$ 1,617,087.00	TOTAL RETAINED PAYROLL:	\$
AVERAGE SALARY (FULL-TIME NEW):	\$ 49,002.64	AVERAGE SALARY (FULL-TIME RETAINED):	\$

COMMUNITY BENEFIT REVIEW

Yes ☒ No ☐ N/A ☐

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

Explain: Property has been vacant for two years

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 IN3; Heavy Industrial.

Yes ☒ No ☐ N/A ☐

Project encourages the improvement or replacement of a deteriorated or obsolete structure?

Explain: This is an industrial building built in 1966 that has been vacant for two years and deteriorating. It is in need of substantial repairs.

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:

Yes ☐ No ☐ N/A ☒

Project will result in significant conversion of solid waste or hazardous waste into energy or other useful products?

Explain:Yes ☐ No ☐ N/A ☒

Project encourages preservation of an historically or architecturally significant structure?

Explain:Yes ☐ No ☒ N/A ☐

Construction will result in Leadership in Energy and Environmental Design (LEED) certification by the U.S. Green Building Council?

Explain:Yes ☐ No ☒ N/A ☐

Construction will use techniques to minimize impact on combined sewer overflows? (i.e. rain gardens, bio swales, etc.)

Explain:Yes ☒ No ☐ N/A ☐

ERA designation induces employment opportunities for Fort Wayne area residents?

Explain: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 325% 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 of the current Federal minimum wage rate.Yes ☒ No ☐ N/A ☐

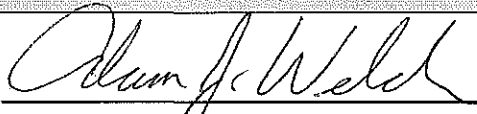
Taxpayer is NOT delinquent on any or all property tax due to any taxing jurisdiction within Allen County.

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

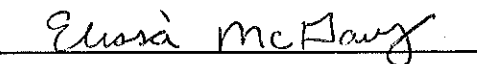
1. The period of deduction for real property is 10 years.
2. The period of deduction for personal property is 10 years
3. The period of deduction for eligible vacant building is one year

Under Fort Wayne Common Council's tax abatement policies and procedures, Meijer Stores Limited Partnership is eligible for a 10 deduction on real and personal property improvements. Attached is a spreadsheet that shows how the application scored under the review system.

COMMENTS**Signed:**


Economic Development Specialist

Reviewed:


Economic Development Specialist

COMMUNITY DEVELOPMENT DIVISION

Personal Property Abatements

Tax Abatement Review System

	Points Possible	Points Awarded
Total new investment in equipment		10
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 *		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	0
Project involves new or startup business	5	5
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 36

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.

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%

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		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	0
Project involves new or startup business	5	5
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		36

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%