

**A DECLARATORY RESOLUTION designating an
"Economic Revitalization Area" under I.C. 6-1.1-
12.1 for property commonly known as 8825
Aviation Drive, Fort Wayne, Indiana 46809
(Tuthill Corporation)**

WHEREAS, Petitioner has duly filed its petition dated June 26, 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 65 full-time, permanent jobs for a total new, annual payroll of \$2,462,000, with the average new annual job salary being \$37,877 and retain 236 full-time and 12 part-time, permanent jobs for a total current annual payroll of \$12,255,000, with the average current, annual job salary being \$49,415; and

WHEREAS, the total estimated project cost is \$3,772,000; 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, 2016, 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 **SECTION 3.** That, said designation of the hereinabove described property as an
2 "Economic Revitalization Area" shall apply to a deduction of the assessed value of personal
3 property for new manufacturing equipment.

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

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

11 (a) If the proposed new manufacturing equipment is not installed, the approximate
12 current year tax rates for this site would be \$3.1537/\$100.

13 (b) If the proposed new manufacturing equipment is installed and no deduction is
14 granted, the approximate current year tax rate for the site would be
15 \$3.1537/\$100 (the change would be negligible).

16 (c) If the proposed new manufacturing equipment is installed and a deduction
17 percentage of eighty percent (80%) is assumed, the approximate current year
18 tax rate for the site would be \$3.1537/\$100 (the change would be negligible).

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20 and confirmed, or rescinded after public hearing and receipt by Common Council of the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

22 **SECTION 7.** That, pursuant to I.C. 6-1.1-12.1, it is hereby determined that the
23 deduction from the assessed value of the new manufacturing equipment shall be for a period
24 of ten years.

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

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

30 **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 said 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



JUN 26 2012

ajw

COMMUNITY DEVL.

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:

Total cost of manufacturing equipment improvements:

Total cost of research and development equipment improvements:

Total cost of logistical distribution equipment improvements:

Total cost of information technology equipment improvements:

\$ 3,772,000

TOTAL OF ABOVE IMPROVEMENTS:

\$ 3,772,000

GENERAL INFORMATION

Real property taxpayer's name: Tuthill CorporationPersonal property taxpayer's name: Tuthill CorporationTelephone number: 260-755-7652Address listed on tax bill: 8500 South Madison Willowbrook, IL 60527Name of company to be designated, if applicable: Tuthill CorporationYear company was established: 1961Address of property to be designated: 8825 Aviation Drive Fort Wayne IN 46809Real estate property identification number: 02-12-32-300-008.000-074Contact person name: Jeff MorrisContact person telephone number: 260-755-7652 Contact person Email: jlmorris@tuthill.comContact person address: 8825 Aviation Drive Fort Wayne IN 46809

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Jeanne Croy	President	8825 Aviation Drive Fort Wayne	260-755-7603
Chris Mawery	VP Mktg + Engineer		260-755-7509
Mark Almeida	VP sales		260-755-7535
Jeff Morris	Director of Finance		260-755-7652
Lee Ray	Director of HR		260-755-7613
John Stilian	Director of Fuel Ops.		260-755-7615
Marty Shock	Director of Chem Ops.		260-755-7579

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

NAME	PERCENTAGE
Jay Tuthill	100%

- ☐ Yes ☒ No Are any elected officials shareholders or holders of any debt obligation of the applicant or operating business? If yes, who? (name/title) _____
- ☒ Yes ☐ No Is the property for which you are requesting ERA designation totally within the corporate limits of the City of Fort Wayne?
- ☐ Yes ☒ No 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: Rotary vane fuel transfer pumps and air operated diaphragm pumps.

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?

In order to maintain our market leading position and competitive cost structure in fuel transfer pumps, it is critical for Tuthill to upgrade its equipment to incorporate best practice manufacturing techniques. Additionally, investment in equipment for new products provides more revenue and jobs per facility square foot.

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: _____

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

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

Projected construction start (month/year): _____

Projected construction completion (month/year): _____

☐ 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)

Machinery/equipment and tooling/fixtures used in the production of
rotary vane pumps and air operated diaphragm pumps ("AOD" pumps).
The AOD pumps are new product offerings.

☐ 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): ~~2/1/2012~~ 7/31/2012

Equipment installation date (month/year): 6/30/2013

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

Machinery/equipment 7 years
Tooling/fixtures 3 years

ELIGIBLE VACANT BUILDING INFORMATION

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

☐ Yes ☐ No Has the building for which you are seeking designation for tax 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

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
See Attachment "A"			

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Attachment "A"			

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Attachment "A"			

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
Cell Operator	51-2031	12	\$101,400

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): Five years

ATTACHMENT A

CURRENT AND RETAINED EMPLOYMENT

Occupation and Occupation Codes	# Of Jobs	Total Annual	
			Payroll
Cell Operators 51-2031	50	\$	1,775,000
CNC Operators 51-4012	39	\$	1,534,000
Material Handlers 51-9198	36	\$	1,267,000
Maintenance works machinery 49-9043	17	\$	885,000
Sales Managers 11-2022	9	\$	756,000
Industrial Production Managers 11-3051	11	\$	740,000
Mechanical engineers 17-2141	9	\$	564,000
Business operations specialists 13-1199	9	\$	513,000
Engineers, all other 17-2199	7	\$	487,000
Market research analysts and Marketing specialists 13-1161	7	\$	469,000
Customer service representatives 43-4051	8	\$	400,000
Painters 51-9121	10	\$	393,000
Marketing Managers 11-2021	3	\$	359,000
Architectural and Engineering Managers 11-9041	3	\$	247,000
Purchasing agents 13-1023	3	\$	186,000
General and Operations Managers 11-1021	1	\$	185,000
Human Resources Managers 11-3121	2	\$	167,000
Managers, all other 11-9199	2	\$	150,000
Management analysts 13-1111	3	\$	142,000
Sales representatives, services, all other 41-3099	2	\$	129,000
Financial Managers 11-3031	1	\$	117,000
Purchasing Managers 11-3061	1	\$	95,000
Accountants and auditors 13-2011	2	\$	95,000
Electronics engineers 17-2072	1	\$	75,000
Transportation, storage and distribution Managers 11-3071	1	\$	62,000
Technical writers 27-3042	1	\$	60,000
Network and computer systems administrators 15-1142	1	\$	55,000
Human Resources, training & labor relations 13-1078	1	\$	47,000
Logisticians 13-1081	1	\$	45,000
Payroll and timekeeping clerks 43-3051	1	\$	40,000
Computer support specialists 15-1150	1	\$	38,000
Financial specialists, all other 13-2099	1	\$	37,000
Bill and account collectors 43-3021	1	\$	37,000
Receptionists 43-4171	1	\$	36,000
Graphic designers 27-1024	1	\$	34,000
Accounting clerks 43-3031	1	\$	34,000
Total	248	\$	12,255,000

ADDITIONAL FULL-TIME EMPLOYMENT

Occupation and Occupation Codes	# Of Jobs	Total Annual	
		Payroll	
CNC Operators 51-4012	10	\$	393,000
Cell Operators 51-2031	35	\$	1,243,000
Material Handlers 51-9198	15	\$	528,000
Maintenance works machinery 49-9043	2	\$	104,000
Industrial Production Managers 11-3051	1	\$	67,000
Business operations specialists 13-1199	1	\$	57,000
Engineers, all other 17-2199	1	\$	70,000
Total	65	\$	2,462,000

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.

Jeffrey L. Morris - TTS Director of Finance
Signature of Taxpayer/Owner

Jeffrey L. Morris - TTS Director of Finance
Printed Name and Title of Applicant

6/18/2012
Date



STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (5-04)

Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

JUN 26 2012

FORM
SB - 1 / PP

INSTRUCTIONS:

COMMUNITY DEVL.

- 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)
- 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
- 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.
- 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)
- 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 Tutthill Corporation			
Address of taxpayer (street and number, city, state and ZIP code) 8825 Aviation Drive, Fort Wayne, IN 46809			
Name of contact person Jeff Morris		Telephone number 260-755-7652	
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT	
Name of designating body Fort Wayne Common Council		Resolution number	
Location of property 8825 Aviation Drive, Fort Wayne, IN		County Allen	Taxing district 074
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) Attachment "B"		ESTIMATED	
		Start Date	Completion Date
		Manufacturing Equipment	7/31/2012 6/30/2013
		R & D Equipment	
		Logist Dist Equipment *	
IT Equipment *			
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT	
Current number 248	Salaries \$12,255,000	Number retained 248	Salaries \$12,255,000
		Number additional 65	Salaries \$2,462,000
SECTION 4			
ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT			
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	Manufacturing Equipment		R & D Equipment
	Cost	Assessed Value	Cost
Current values	6173000	3236460	
Plus estimated values of proposed project	3772000		
Less values of any property being replaced	34000		
Net estimated values upon completion of project	9911000		
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 Jeffrey L Morris		Title Director of Finance	Date signed (month, day, year) 6/18/2012

Attachment B

Small pumps M&E, fixtures and tooling for re-design of product and increased production efficiencies. Capital investment will assist in retaining market share by mitigating Chinese manufactures' ability to "knock-off" product. Additionally, investment will lower costs of producing product to maintain competitive cost structure.

Large pumps M&E to increase production capacity. Investment will add a paint booth and additional production equipment. The investment will reduce the lead time between receipt of order and shipment of product. This reduction of lead time will help attract and retain customers.

Hand pumps M&E and fixtures will increase production efficiencies allowing the product to maintain competitive cost structure.

M&E and tooling for air operated diaphragm pumps for the introduction of a new product line that we expect to create 65 jobs over the next five years.

Exhibit A

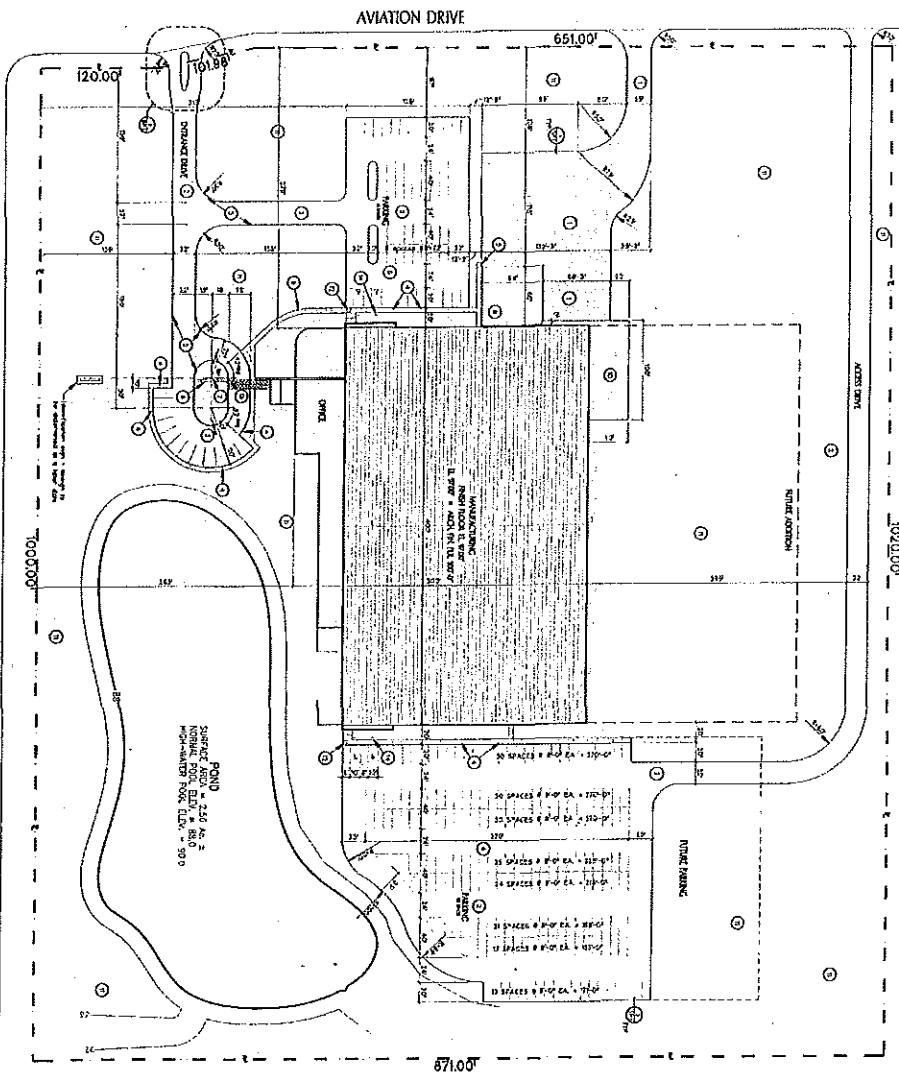
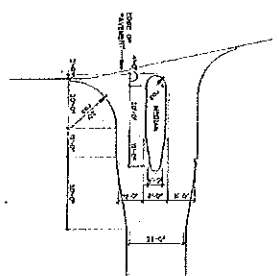
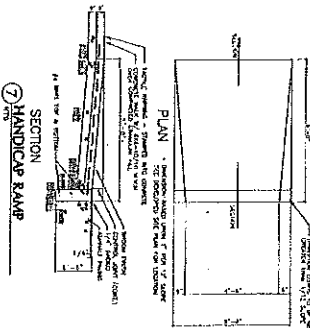
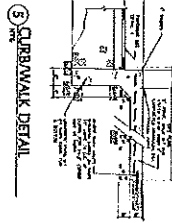
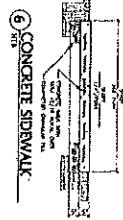
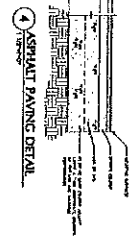
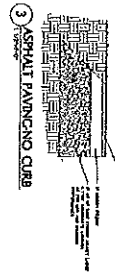
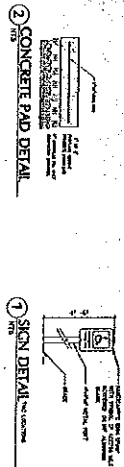
Legal Description

Part of the Southwest Quarter of Section 32, Township 30 North, Range 12 East, Allen County, Indiana, more particularly described as follows:

COMMENCING at the Southwest corner of the Southwest quarter of Section 32, Township 30 North, Range 12 East, Allen County, Indiana; thence Northerly along the West line of the Southwest Quarter of Section 32, Township 30 North, Range 12 East, a distance of 60.0 feet to a point on the Westerly extension of the Northerly right-of-way line of Dalman Road, as defined in the deed recorded in Document Number 83-019787 in the Office of the Recorder of Allen County, thence Easterly along said Northerly right-of-way line of Dalman Road, a distance of 1550.91 feet to the true point of beginning, said point being 80.0 feet Easterly of the Southeast corner of the real estate conveyed to Marvin J. Herb in the deed recorded in Document Number 88-046122 in said Recorder's Office; thence Northerly with a deflection angle to the left of 90 degrees 00 minutes, a distance of 120.0 feet; thence Northwesterly with a deflection angle to the left of 11 degrees 18 minutes 40 seconds, a distance of 101.98 feet; thence Northerly with a deflection angle to the right of 11 degrees 18 minutes 40 seconds, parallel to and 60.0 feet Easterly of the East line of said Marvin J. Herb tract, a distance of 651.0 feet; thence Easterly with a deflection angle to the right of 90 degrees 00 minutes and parallel to the aforesaid Northerly right-of-way line of Dalman Road, a distance of 1020.0 feet; thence Southerly with a deflection angle to the right of 90 degrees 00 minutes, a distance of 871.0 feet to a point on said right-of-way line; thence Westerly with a deflection angle to the right of 90 degrees 00 minutes along said right-of-way line, a distance of 1000.0 feet to the point of beginning, containing 20.317 acres.

Page 3 of 3

EXHIBIT A



SITE PLAN
SCALE: 1" = 50'

SCALE 1 - 5

8 ENLARGED ENTRY PLAN
SCALE 7" = 10'

LEGAL DESCRIPTION:

involved in drug delivery, binding to target and releasing drug. The development of the drug delivery system is a complex task, and the following are some of the key considerations:

CONSTRUCTION NOTES:

- [illegible]

GENERAL NOTES:

2. PERMIT TO ENTER ALL UTILITIES AND BUILDING
3. DISCONNECT EXISTING UTILITIES, THE LOCATION OF THE BUILDING
ARE TO THE INTERSECTION OF COLLEGE LANE N AND W AT
THE SOUTHWEST CORNER OF THE BUILDING

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Tuthill Corporation is requesting the designation of an Economic Revitalization Area for personal property improvements in the amount of \$3,772,000. In order to expand, Tuthill Corporation will upgrade manufacturing equipment used in the production of rotary vane pumps and air operated diaphragm pumps.**

EFFECT OF PASSAGE: **Installing the new equipment will allow Tuthill Corporation to maintain their market position and competitive cost structure in fuel transfer pumps. Sixty-five full-time jobs will be created.**

EFFECT OF NON-PASSAGE: **Potential loss of development and 65 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 29, 2012
RE: Request for designation by Tuthill Corporation as an ERA for personal property improvements

BACKGROUND

PROJECT ADDRESS:	8825 Aviation Drive	PROJECT LOCATED WITHIN:	Not Applicable
PROJECT COST:	\$ 3,772,000	COUNCILMANIC DISTRICT:	4

COMPANY PRODUCT OR SERVICE:	Tuthill Corporation is a privately held global manufacturer of industrial goods specializing in rotating equipment such as pumps & meters.
PROJECT DESCRIPTION:	Tuthill Corporation will upgrade machinery/equipment and tooling/fixtures used in the production of rotary vane pumps and air operated diaphragm pumps in order to maintain a competitive cost structure

CREATED

RETAINED

JOBS CREATED (FULL-TIME):	65	JOBS RETAINED (FULL-TIME):	236
JOBS CREATED (PART-TIME):	0	JOBS RETAINED (PART-TIME):	12
TOTAL NEW PAYROLL:	\$ 2,462,000	TOTAL RETAINED PAYROLL:	\$ 12,255,000
AVERAGE SALARY (FULL-TIME NEW):	\$ 37,877	AVERAGE SALARY (FULL-TIME RETAINED):	\$ 51,498

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; General Industrial Zoning Class

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: Tuthill Corporation will upgrade manufacturing equipment and tooling/fixtures used to produce rotary vane pumps and air operated diaphragm pumps.

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.

Explain: The average wage of full-time jobs created is 251% 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 344% 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

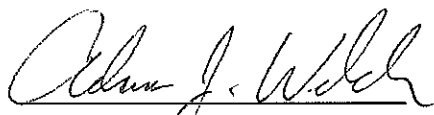
Per the policy of the City of Fort Wayne, the following guidelines apply to this project:

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

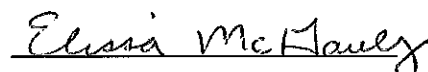
Under Fort Wayne Common Council's tax abatement policies and procedures, Tuthill Corporation is eligible for a ten year deduction on personal property improvements. Attached is a spreadsheet that shows how the application scored under the review system.

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		
Over \$5,000,000	10	
\$1,000,000 to \$4,999,999	8	8
\$500,000 to \$999,999	6	
\$0 to \$499,999	4	
Total number of jobs created and/or retained		
Over 150	10	10
75 to 149	8	
25 to 74	6	
10 to 24	4	
Under 10	2	
Current # of employees increases 50-99%	6	
Current # of employees increases 100% or more	8	
Average annual salary of full-time jobs created and/or retained are % of the Federal Minimum Wage *		
Greater than 300% of the Federal Minimum Wage	10	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	
Construction uses green building techniques (ie LEED Certification)	5	
Construction uses techniques to minimize impact on Combined Sewer Overflows (CSOs)	2	
Project is located in a HUBzone	10	
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.

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%