

A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 2050 E. Dupont Road, Fort Wayne, Indiana 46825 (BioScan, LLC)

WHEREAS, Petitioner has duly filed its petition dated March 19, 2013 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 two full-time and two part-time, permanent jobs for a total new, annual payroll of \$170,000, with the average new annual job salary being \$42,500 and retain seven full-time and two part-time, permanent jobs for a total current annual payroll of \$405,000, with the average current, annual job salary being \$45,000; and

WHEREAS, the total estimated project cost is \$1,500,000; 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:

... 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 occupation of an eligible vacant building, real estate, and personal property for new 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 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 information technology equipment.

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

... If the proposed occupation of the eligible vacant building does not occur, the approximate current year tax rates for this site would be \$3.0422/\$100.

... If the proposed occupation of the eligible vacant building occurs and no deduction is granted, the approximate current tax rate for the site would be \$3.0422/\$100 (the change would be negligible).

... If the proposed occupation of the eligible vacant building occurs, and a deduction percentage of fifty percent (50%) is assumed, the approximate current year tax rate for this would be \$3.0422/\$100 (the change would be negligible).

... If the proposed development does not occur, the approximate current year tax rates for this site would be \$3.0422/\$100.

... If the proposed development does occur and no deduction is granted, the approximate current year tax rate for the site would be \$3.0422/\$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 \$3.0422/\$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 \$3.0422/\$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 \$3.0422/\$100 (the change would be negligible).

1 ... If the proposed new information technology equipment is installed and a
2 deduction percentage of eighty percent (80%) is assumed, the approximate
3 current year tax rate for the site would be \$3.0422/\$100 (the change would be
4 negligible).

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

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

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

18 **SECTION 10.** That, pursuant to I.C. 6-1.1-12.1-12 et al, any property owner that
19 has received a deduction under section 3 or 4.5 of this chapter may be required to repay the
20 deduction amount as determined by the county auditor in accordance with section 12 of said
21 chapter if the property owner ceases operations at the facility for which the deduction was
22 granted and if the Common Council finds that the property owner obtained the deduction by
23 intentionally providing false information concerning the property owner's plans to continue
24 operation at the facility.

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

27
28
29
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Member of Council

APPROVED AS TO FORM AND LEGALITY

Carol Helton, City Attorney



CITY OF FT WAYNE

12/2011

MAR 19 2013

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:

\$ 300 K

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:

\$ 1.2 M.

TOTAL OF ABOVE IMPROVEMENTS: \$ 1.5 M.

GENERAL INFORMATION

* Real property taxpayer's name: _____

- Personal property taxpayer's name: BioScan, LLCTelephone number: 260-312-7746Address listed on tax bill: 2050 E Dupont Rd. Ft Wayne, IN 46825Name of company to be designated, if applicable: BioScan, LLCYear company was established: 2013Address of property to be designated: 2050 E Dupont Ft. Wayne 46825* Real estate property identification number: 02-08-06-126-009. 000-072Contact person name: Courtney SchwartzContact person telephone number: (260) 341-9980 Contact person Email: courtney¹²³⁴@aol.comContact person address: 2831 Union Chapel Rd. Ft. Wayne, IN 46845

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Terry Bussen	President	11321 Brougham Run ^{FW} 46845	(260) 312-7746
Rob Livingston	Partner	10235 Consta Verde Commons ^{Lee} 46765	(260) 241-1560
Shawn Fingerle	Partner	10229 Bryie Rd. ^{Chambros} 46723	(260) 437-2231
Courtney Schwartz	Partner	2831 Union Chapel Rd. ^{FW} 46845	(260) 341-9980

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

NAME	PERCENTAGE
Terry Bussen	30
Rob Livingston	25
Shawn Fingerle	25
Cortney Schwartz	20

- ☐ 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: Diagnostic imaging services and family practice physician services

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

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

It is within corporate limits of the City of Fort Wayne and building has been vacant for 5 yrs due to cessation of growth in off-campus hospital services. More specifically, independent non-hospital owned practices and free-standing independent imaging services. Half of the building is unfinished and too costly to finish and/or renovate for most.

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: 4,000 sq ft long rectangular bldg,
1000 sq ft below grade finished

Describe the condition of the structure(s) listed above: somewhat run-down / leaks
unfinished back of building - inside dirt floor

Describe the improvements to be made to the property to be designated for tax abatement purposes:
Finished complete on back half of entire building

Projected construction start (month/year): 5/13

Projected construction completion (month/year): 8/13

☐ 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)

- MRI (magnetic resonance imaging) machine to produce images of possible abnormalities on the inside of the human body
- CT machine : Same type of image production as MRI except using X-Ray
- Ultrasound : Same type of image production except using sound

☐ 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): 3/13

Equipment installation date (month/year): 7/13

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

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: 4,000 sf rectangular building built
around 2006, Half unfinished, 1000 sq ft below grade finished

Describe the condition of the structure(s) listed above: Somewhat run-down / some leaks

Projected occupancy date (month/year): July 2013

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.

- Previous owner of building went bankrupt. He had a family practice physician office that could not generate enough new patients as an independent family physician - He could not find anyone to lease back of building. - There was a medical lab that existed for a yr or two before also going under.

- Bank has had it for at least 4 or 5 yrs with no luck of selling it, original asking price was \$625K and lowered to \$525K late fall 2012.

- The property and building has been too costly to buy with an unfinished back of building that did not even have a base... floor is dirt.

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
MRI/CT Techs	29-2037	3	\$180,000
Patient Coordinator	43-4171	3	\$90,000
Medical Services Mgr	11-9111	1	\$85,000

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
SAME			

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
MRI Tech	29-2037	1	\$60,000
Sales Rep	41-3099	1	\$80,000

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
MRS/CT Techs	29-2037	2	\$ 50,000

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll

Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
Patient Coord.	43-4171	2	\$ 30,000

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): July 2015

REQUIRED ATTACHMENTS

The following must be attached to the application.

1. **Statement of Benefits Form(s) (first page/front side completed)**
2. **Full legal description of property and a plat map identifying the property boundaries. (Property tax bill legal descriptions are not sufficient.) Should be marked as Exhibit A.**
3. **Check for non-refundable application fee made payable to the City of Fort Wayne.**

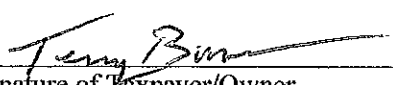
ERA filing fee (either real or personal property improvements)	.1% of total project cost not to exceed \$500
ERA filing fee (both real and personal property improvements)	.1% of total project cost not to exceed \$750
ERA filing fee (vacant commercial or industrial building)	\$500
ERA filing fee in an EDTA	\$100
Amendment to extend designation period	\$300
Waiver of non compliance with ERA filing	\$500 + ERA filing fee

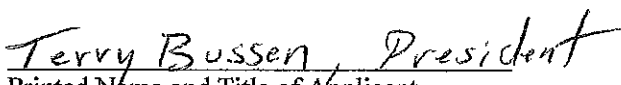
4. **Owner's Certificate (if applicant is not the owner of property to be designated)
Should be marked as Exhibit B if applicable.**

CERTIFICATION

I, as the legal taxpayer and/or owner, hereby certify that all information and representations made on this application and its attached exhibits are true and complete and that neither an Improvement Location Permit nor a Structural Permit has been filed for construction of improvements, nor has any manufacturing, research and development, logistical distribution or information technology equipment which is a part of this application been purchased and installed as of the date of filing of this application. I also certify that the taxpayer is not delinquent on any and all property tax due to taxing jurisdictions within Allen County, Indiana. I understand that any incorrect information on this application may result in a rescission of any tax abatements which I may receive.

I understand that I must file a correctly completed Compliance with Statement of Benefits Form (CF-1/Real Property for real property improvements and CF-1/PP for personal property improvements) with **BOTH** the City of Fort Wayne Community Development Division, **AND** the County Auditor in each year in which I receive a deduction. Failure to file the CF-1 form with either agency may result in a rescission of any tax abatement occurring as a result of this application.


Signature of Taxpayer/Owner


Printed Name and Title of Applicant

3-8-13
Date




**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R3 / 12-11)

Prescribed by the Department of Local Government Finance

MAR 19 2013

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, if any, or the county 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, unless an alternative deduction schedule is adopted by the designating body (IC 6-1.1-12.1-17). 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 Cortney Schwartz		
Address of taxpayer (number and street, city, state, and ZIP code) 2831 Union Chapel Rd Ft. Wayne, IN 46845		
Name of contact person Cortney Schwartz	Telephone number (260) 341-9980	
E-mail address		
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT		
Name of designating body Ft. Wayne Common Council	Resolution number	
Location of property 2050 E Depart Rd. Ft. Wayne, IN 46845	County Allen	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Finish Back Half of Building with		
Estimated start date (month, day, year) 5/13		
Estimated completion date (month, day, year) 8/13		
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT		
Current number 1349	Salaries \$405,000	
Number retained 1349	Salaries \$405,000	
Number additional 4	Salaries \$170,000	
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.	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
	Current values \$515,000	
	Plus estimated values of proposed project \$300,000	
	Less values of any property being replaced \$	
Net estimated values upon completion of project \$815,000		
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER		
Estimated solid waste converted (pounds) _____	Estimated hazardous waste converted (pounds) _____	
Other benefits		
SECTION 6 TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative Terry Burr	Title President	
Date signed (month, day, year) 3-13-13		

EXHIBIT A

LOT NUMBER 11 IN REINIG'S SUBURBAN ADDITION, AS RECORDED IN PLAT RECORD 17, PAGE 44, IN THE OFFICE OF THE RECORDER OF ALLEN COUNTY, INDIANA.

EXCEPT:

A PART OF LOT NUMBER 11 IN REINIG'S SUBURBAN ADDITION, A SUBDIVISION IN THE FRACTIONAL NORTHWEST QUARTER OF SECTION 6, TOWNSHIP 31 NORTH, RANGE 13 EAST, ALLEN COUNTY, INDIANA, THE PLAT OF WHICH SUBDIVISION IS RECORDED IN PLAT RECORD 17, PAGE 44, IN THE OFFICE OF THE RECORDER OF ALLEN COUNTY, INDIANA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT; THENCE SOUTH 2 DEGREES 51 MINUTES 01 SECONDS EAST 28.70 FEET ALONG THE EAST LINE OF SAID LOT; THENCE SOUTH 88 DEGREES 31 MINUTES 16 SECONDS WEST 18.38 FEET; THENCE NORTH 80 DEGREES 10 MINUTES 08 SECONDS WEST 83.63 FEET TO THE WEST LINE OF SAID LOT; THENCE NORTH 2 DEGREES 51 MINUTES 01 SECONDS WEST 12.26 FEET ALONG SAID WEST LINE TO THE NORTHWEST CORNER OF SAID LOT; THENCE NORTH 88 DEGREES 30 MINUTES 18 SECONDS EAST 100.00 FEET ALONG THE NORTH LINE OF SAID LOT TO THE POINT OF BEGINNING AND CONTAINING 2198 SQUARE FEET, MORE OR LESS.

ALSO EXCEPT:

A PART OF LOT NUMBER 11 IN REINIG'S SUBURBAN ADDITION, AN ADDITION IN THE NORTH 435.6 FEET OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 6, TOWNSHIP 31 NORTH, RANGE 13 EAST, ALLEN COUNTY, INDIANA, THE PLAT OF WHICH ADDITION IS RECORDED IN PLAT RECORD 17, PAGE 44, IN THE OFFICE OF THE RECORDER OF ALLEN COUNTY, INDIANA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF SAID LOT, SOUTH 3 DEGREES 03 MINUTES 57 SECONDS EAST 12.32 FEET FROM THE NORTHWEST CORNER OF SAID LOT; THENCE SOUTH 80 DEGREES 27 MINUTES 48 SECONDS EAST 83.62 FEET ALONG THE SOUTHWESTERN BOUNDARY OF DUPONT ROAD TO THE SOUTH BOUNDARY OF DUPONT ROAD; THENCE SOUTH 87 DEGREES 19 MINUTES 29 SECONDS WEST 81.60 FEET TO THE WEST LINE OF SAID LOT; THENCE NORTH 3 DEGREES 03 MINUTES 57 SECONDS WEST 17.69 FEET ALONG SAID WEST LINE TO THE POINT OF BEGINNING, AND CONTAINING 722 SQUARE FEET, MORE OR LESS.

ALSO EXCEPT:

RIGHT-OF-WAY DESCRIPTION MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PART OF LOT NUMBERED 11 IN REINIG'S SUBURBAN ADDITION, AS RECORDED IN THE PLAT THEREOF IN THE OFFICE OF THE RECORDER OF ALLEN COUNTY, INDIANA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID LOT NUMBERED 11; THENCE SOUTH 02 DEGREES 51 MINUTES 01 SECONDS EAST (A RECORDED BEARING OF NORTH 88 DEGREES 30 MINUTES 18 SECONDS EAST FOR THE NORTH LINE OF SAID LOT NUMBERED 11 IS UTILIZED AS THE BASIS FOR ALL BEARINGS RELATIVE THIS DESCRIPTION) ALONG THE EAST LINE OF SAID LOT NUMBERED 11, 28.70 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY LINE DUPONT ROAD, SAID POINT BEING THE TRUE POINT OF BEGINNING

EXHIBIT A

FOR THE PARCEL HEREIN DESCRIBED; THENCE SOUTH 02 DEGREES 51 MINUTES 01 SECONDS EAST ALONG THE EAST LINE OF SAID LOT NUMBERED 11, 11.31 FEET TO A POINT; THENCE SOUTH 88 DEGREES 30 MINUTES 18 SECONDS WEST, 100.00 FEET TO A POINT ON THE WEST LINE OF SAID LOT NUMBERED 11; THENCE NORTH 02 DEGREES 51 MINUTES 01 SECONDS WEST ALONG SAID WEST LINE, 10.00 FEET TO THE SOUTHWEST CORNER OF AN ALLEN COUNTY RIGHT-OF-WAY PARCEL (DOCUMENT #205006949); THENCE NORTH 87 DEGREES 19 MINUTES 29 SECONDS EAST ALONG THE SOUTH LINE OF SAID RIGHT-OF-WAY PARCEL (DOCUMENT #205006949), 81.80 FEET TO THE SOUTHEAST CORNER OF SAID ALLEN COUNTY RIGHT-OF-WAY PARCEL (DOCUMENT # 205005949); THENCE NORTH 89 DEGREES 39 MINUTES 42 SECONDS EAST ALONG THE SOUTH RIGHT-OF-WAY LINE OF DUPONT ROAD, 18.39 FEET TO THE TRUE POINT OF BEGINNING, CONTAINING 0.025 ACRES OF LAND, MORE OR LESS.

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Confirming Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **BioScan, LLC is requesting the designation of an Economic Revitalization Area for both real and personal property improvements in the amount of \$1,500,000. In order to expand, BioScan, LLC will occupy and make additions to a vacant building while also installing information technology equipment.**

EFFECT OF PASSAGE: **Installing new equipment and making additions to the structure will allow BioScan, LLC to occupy a building which has been vacant for four years while also providing employment for area citizens. Two full-time jobs and two part-time jobs will be created.**

EFFECT OF NON-PASSAGE: **Potential loss of development, two full-time jobs, and two part-time jobs.**

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

ASSIGNED TO COMMITTEE (CO-CHAIRS): **Mitch Harper and John Shoaff**

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **BioScan, LLC is requesting the designation of an Economic Revitalization Area for both real and personal property improvements in the amount of \$1,500,000. In order to expand, BioScan, LLC will occupy and make additions to a vacant building while also installing information technology equipment.**

EFFECT OF PASSAGE: **Installing new equipment and making additions to the structure will allow BioScan, LLC to occupy a building which has been vacant for four years while also providing employment for area citizens. Two full-time jobs and two part-time jobs will be created.**

EFFECT OF NON-PASSAGE: **Potential loss of development, two full-time jobs, and two part-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: March 20, 2013

RE: Request for designation by BioScan, LLC as an ERA for eligible vacant building and real and personal property improvements

BACKGROUND

PROJECT ADDRESS:	2050 E. Dupont Road	PROJECT LOCATED WITHIN:	Not Applicable
PROJECT COST:	\$ 1,500,000	COUNCILMANIC DISTRICT:	2

COMPANY PRODUCT OR SERVICE:	BioScan, LLC will provide diagnostic imaging services and family practice physician services.
PROJECT DESCRIPTION:	BioScan, LLC will complete an addition to the back half of the vacant facility while also purchasing and installing an MRI machine, a CT machine, and an ultrasound.

CREATED

RETAINED

JOBS CREATED (FULL-TIME):	2	JOBS RETAINED (FULL-TIME):	7
JOBS CREATED (PART-TIME):	2	JOBS RETAINED (PART-TIME):	2
TOTAL NEW PAYROLL:	\$ 170,000	TOTAL RETAINED PAYROLL:	\$ 405,000
AVERAGE SALARY (FULL-TIME NEW):	\$ 70,000	AVERAGE SALARY (FULL-TIME RETAINED):	\$50,714

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 four 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 CM1; Professional Offices and Personal Services

Yes ☒ No ☐ N/A ☐

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

Explain: Half of the structure is unfinished.

Yes ☐ No ☐ N/A ☒

Project encourages the improvement or replacement of obsolete manufacturing and/or research and development and/or information technology and/or logistical distribution equipment?

Yes ☐ No ☐ N/A ☒

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

Yes ☐ No ☐ N/A ☒

Project encourages preservation of an historically or architecturally significant structure?

Yes ☐ No ☒ N/A ☐

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

Yes ☐ No ☒ N/A ☐

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

Yes ☒ No ☐ N/A ☐

ERA designation induces employment opportunities for Fort Wayne area residents?

Yes ☒ No ☐ N/A ☐

Average wage of all full-time jobs to be created is at least 150% of current Federal minimum wage.

Explain: The average wage of full-time jobs created is 464% 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 336% 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 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, BioScan, LLC is eligible for a ten deduction on real and personal property improvements. Attached is a spreadsheet that shows how the application scored under the review system. Also attached is an estimate of the taxes saved and paid over the length of the ten year deduction schedule.

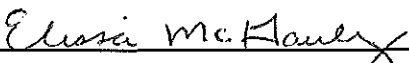
While Star Financial Bank is currently the owner of the real property and has been since 2008, BioScan, LLC will be purchasing the property in the near future.

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	
75 to 149	8	
25 to 74	6	
10 to 24	4	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	
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		27

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)		
Over \$1,000,000	10	
\$500,000 to \$999,999	8	
\$100,000 to \$499,999	6	6
Under \$100,000	4	
Total number of jobs created and/or retained		
Over 150	10	
75 to 149	8	
25 to 74	6	
10 to 24	4	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	
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		25

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%

POOL #2 FORT WAYNE COMMUNITY DEVELOPMENT DIVISION
TAX ABATEMENT - ESTIMATE OF SAVINGS

*New tax abatement percentages have been changed to reflect change in state law

PERSONAL PROPERTY TAX ABATEMENT - 10 yr Schedule

Year	True Cash Value	"Pool 2"	True Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable A V	Tax Rate	Tax Paid	Tax Saved
1	\$1,200,000	40%	\$480,000	\$480,000	100%	0%	\$480,000	\$0	0.030422	\$0	\$14,803
2	\$1,200,000	58%	\$672,000	\$672,000	90%	10%	\$604,800	\$67,200	0.030422	\$2,044	\$18,399
3	\$1,200,000	42%	\$504,000	\$504,000	80%	20%	\$403,200	\$100,800	0.030422	\$3,067	\$12,266
4	\$1,200,000	32%	\$384,000	\$384,000	70%	30%	\$268,800	\$115,200	0.030422	\$3,505	\$8,177
5	\$1,200,000	30%	\$360,000	\$360,000	60%	40%	\$216,000	\$144,000	0.030422	\$4,381	\$6,671
6	\$1,200,000	30%	\$360,000	\$360,000	50%	50%	\$180,000	\$180,000	0.030422	\$5,476	\$5,476
7	\$1,200,000	30%	\$360,000	\$360,000	40%	60%	\$144,000	\$216,000	0.030422	\$6,571	\$4,381
8	\$1,200,000	30%	\$360,000	\$360,000	30%	70%	\$108,000	\$252,000	0.030422	\$7,666	\$3,286
9	\$1,200,000	30%	\$360,000	\$360,000	20%	80%	\$72,000	\$288,000	0.030422	\$8,762	\$2,190
10	\$1,200,000	30%	\$360,000	\$360,000	10%	90%	\$36,000	\$324,000	0.030422	\$9,857	\$1,095
11	\$1,200,000	30%	\$360,000	\$360,000	0%	100%	\$0	\$360,000	0.030422	\$10,952	\$0
TOTAL TAX SAVED (10 yrs on 10 yr deduction)											<u>\$76,444</u>
TOTAL TAX PAID (10 yrs on 10 yr deduction)											<u>\$51,328</u>

NOTE: Above calculations assume a constant tax rate over the abatement period. Time value of money is not considered.

REAL PROPERTY TAX ABATEMENT - 10 yr Schedule

Year	Cash Value	True Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable AV	Tax Rate	Tax Paid	Tax Saved
1	\$300,000	\$300,000	\$300,000	100%	0%	\$300,000	\$0	0.030422	\$0	\$9,127
2	\$300,000	\$300,000	\$300,000	98%	5%	\$285,000	\$15,000	0.030422	\$456	\$8,670
3	\$300,000	\$300,000	\$300,000	80%	20%	\$240,000	\$60,000	0.030422	\$1,825	\$7,301
4	\$300,000	\$300,000	\$300,000	65%	35%	\$195,000	\$105,000	0.030422	\$3,194	\$5,932
5	\$300,000	\$300,000	\$300,000	50%	50%	\$150,000	\$150,000	0.030422	\$4,563	\$4,563
6	\$300,000	\$300,000	\$300,000	40%	60%	\$120,000	\$180,000	0.030422	\$5,476	\$3,651
7	\$300,000	\$300,000	\$300,000	30%	70%	\$90,000	\$210,000	0.030422	\$6,389	\$2,738
8	\$300,000	\$300,000	\$300,000	20%	80%	\$60,000	\$240,000	0.030422	\$7,301	\$1,825
9	\$300,000	\$300,000	\$300,000	10%	90%	\$30,000	\$270,000	0.030422	\$8,214	\$913
10	\$300,000	\$300,000	\$300,000	5%	95%	\$15,000	\$285,000	0.030422	\$8,670	\$456
11	\$300,000	\$300,000	\$300,000	0%	100%	\$0	\$300,000	0.030422	\$9,127	\$0
TOTAL TAX SAVED REAL PROPERTY (10 yrs on 10 yr deduction)										\$45,177
TOTAL TAX PAID REAL PROPERTY (10 yrs on 10 yr deduction)										\$46,089
TOTAL TAX SAVED MACHINERY & BUILDING (10 yrs on 10 yr deduction)										\$121,621
TOTAL TAX PAID MACHINERY & BUILDING (10 yrs on 10 yr deduction)										\$97,417

NOTE: Above calculations assume a constant tax rate over the abatement period. Time value of money is not considered.