

2
3 DECLARATORY RESOLUTION NO. R-_____

4 A DECLARATORY RESOLUTION designating an
5 "Economic Revitalization Area" under I.C. 6-1.1-12.1 for
6 property commonly known as 9403 Avionics Drive, Fort
Wayne, Indiana 46809 (Vita Nonwovens)

7 WHEREAS, Petitioner has duly filed its petition dated April 15, 2013 to have the
8 following described property designated and declared an "Economic Revitalization Area"
9 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:

10 Attached hereto as "Exhibit A" as if a part herein;
and

11 WHEREAS, said project will create nine full-time and eight part-time, permanent jobs
12 for a total new, annual payroll of \$593,740, with the average new annual job salary being
13 \$34,926 and retain thirty full-time and eighteen part-time, permanent jobs for a total current
annual payroll of \$1,467,520, with the average current, annual job salary being \$30,573; and

14 WHEREAS, the total estimated project cost is \$960,000; and

15 WHEREAS, it appears the said petition should be processed to final determination in
accordance with the provisions of said Division 6.

16 NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE
17 CITY OF FORT WAYNE, INDIANA:

18 SECTION 1. That, subject to the requirements of Section 6, below, the
19 property hereinabove described is hereby designated and declared an "Economic
20 Revitalization Area" under I.C. 6-1.1-12.1. Said designation shall begin upon the effective
21 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.

22 SECTION 2. That, upon adoption of the Resolution:

- 23 ... Said Resolution shall be filed with the Allen County Assessor;
24 ... Said Resolution shall be referred to the Committee on Finance requesting a
25 recommendation from said committee concerning the advisability of designating
the above area an "Economic Revitalization Area";
26 ... Common Council shall publish notice in accordance with I.C. 6-1.1-12.1-2.5 and
27 I.C. 5-3-1 of the adoption and substance of this resolution and setting this
28 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 real
3 estate.

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 redevelopment or rehabilitation, 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 redevelopment or rehabilitation.

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

11 ... If the proposed development does not occur, the approximate current year tax
12 rates for this site would be \$3.1850/\$100.

13 ... If the proposed development does occur and no deduction is granted, the
14 approximate current year tax rate for the site would be \$3.1850/\$100 (the
15 change would be negligible).

16 ... If the proposed development occurs and a deduction percentage of fifty percent
17 (50%) is assumed, the approximate current year tax rate for the site would be
18 \$3.1850/\$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 real property shall be for a period of seven years.

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

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

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

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

Member of Council

APPROVED AS TO FORM AND LEGALITY

Carol Helton, City Attorney



APR 15 2013

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: _____

TOTAL OF ABOVE IMPROVEMENTS: _____

GENERAL INFORMATION

Real property taxpayer's name: HBC Realty Corp.Personal property taxpayer's name: Vita NonwovensTelephone number: 336-431-7187Address listed on tax bill: 510 W. Washington Blvd.Name of company to be designated, if applicable: Vita NonwovensYear company was established: 2003Address of property to be designated: 9403 Avionics DriveReal estate property identification number: 02-17-05-253-002.000-071Contact person name: Guy A WoodwardContact person telephone number: 260-747-0990Contact person Email: gwoodward@vitanonwovensContact person address: 9403 Avionics Drive, Fort Wayne Indiana 46809

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Jason Johnson	Exe. VP Operations	9403 Avionics Dr. Fort Wayne IN	336-688-5020 cell
Guy Woodward	Operations Manager	2215 Shore St. High Point NC	336-431-7187 304

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

NAME	PERCENTAGE
Jason Johnson	33.3%
Kevin Womble	33.3%
Cliff Lynch	33.4%

- ☐ 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 Do you plan to request state or local assistance to finance public improvements?
- ☐ 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 Does the company's business include a retail component? If yes, answer the following questions:
 What percentage of floor space will be utilized for retail activities? _____
 What percentage of sales is made to the ultimate customer? _____
 What percentage of sales will be from service calls? _____

What is the percentage of clients/customers served that are located outside of Allen County? 100%

What is the company's primary North American Industrial Classification Code (NAICs)? 31230

Describe the nature of the company's business, product, and/or service:

Vita specializes in engineered applications utilizing nonwoven thermal bonded and mechanically entangle technologies. Vita is at the forefront of quality aspects like: web density, thickness accuracy, blending and insulation.

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2012	\$ 20,335,400.00
2011	\$ 18,874,100
2010	\$ 13,850,700

List the company's three largest customers, their locations and amount of annual gross sales:

Customer Name	City/State	Annual Gross Sales

List the company's three largest material suppliers, their locations and amount of annual purchases:

Supplier Name	City/State	Annual Gross Purchases

List the company's top three competitors:

Competitor Name	City/State

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

Vita specializes in engineered applications utilizing nonwoven thermal bonded and mechanically entangle technologies. Vita is at the forefront of quality aspects like: web density, thickness accuracy, blending and insulation.

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

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

The area is within the corporate limits of the City of Fort Wayne and where the obsolescence may lead to a decline in employment and 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: 105,728 sf manufacturing, warehousing and office space

Describe the condition of the structure(s) listed above: Good condition. Mild wear and tear. Annual service/inspections occur as routine maintenance.

Describe the improvements to be made to the property to be designated for tax abatement purposes: Adding 19,200 sf of manufacturing and warehousing space. The addition will be of similar construction, as well as 6 new loading docks and receiving space.

Projected construction start (month/year): 03/01/2013

Projected construction completion (month/year): 06/15/2013

☐ 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)

☒ 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): _____

Equipment installation date (month/year): _____

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: _____

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
Plant Manager	11-1021	1	108,500
Maintenance	49-9043	3	119,400
Process Engr.	17-2199	3	216,300
Direct Labor	51-9111	22	546,040
Admin	43-0000	1	30,520

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Plant Manger	11-1021	1	108,500
Maintenance	49-9043	3	119,400
Process Engr.	17-2199	3	216,300
Direct Labor	51-9111	22	546,040
Admin	43-0000	1	30,520

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Plant Manager	11-1021	0	0
Maintenance	49-9043	2	79,600
Process Engr	17-2199	3	216,300
Direct Labor	51-9111	4	99,280
Admin	43-0000	0	0

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
Direct Labor	51-9111	18	446,760

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
Direct Labor	51-9111	18	446,760

Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
Direct Labor	51-9111	8	198,560

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): 8/1/2013

REQUIRED ATTACHMENTS

The following must be attached to the application.

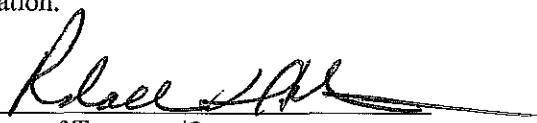
1. **Statement of Benefits Form(s) (first page/front side completed)**
2. **Full legal description of property and a plat map identifying the property boundaries. (Property tax bill legal descriptions are not sufficient.) Should be marked as Exhibit A.**
3. **Check for non-refundable application fee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


Signature of Taxpayer/Owner

Randall L. Horstman, Assistant Secretary
Printed Name and Title of Applicant

2/28/2013
Date



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R4 / 2-13)

Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

APR 15 2013 *ajc*

COMMUNITY DEVL

20__ PAY 20__

FORM SB-1 / Real Property

PRIVACY NOTICE

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1(c) and (d).

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)
☐ Residentially distressed area (IC 6-1.1-12.1-4.1)

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, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. If the property owner misses the May 10 deadline in the initial year of occupation, he can apply between March 1 and May 10 of a subsequent year.
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 apply to any economic revitalization areas designated after June 30, 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 economic revitalization areas designated before July 1, 2000.

SECTION 1		TAXPAYER INFORMATION			
Name of taxpayer HBC Realty Corporation					
Address of taxpayer (number and street, city, state, and ZIP code) 510 W. Washington Blvd					
Name of contact person		Telephone number ()		E-mail address	
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT			
Name of designating body Fort Wayne City Council		Resolution number			
Location of property 9403 Avioncis Drive		County Allen		DLGF taxing district number 02071	
Description of real property improvements, redevelopment, or rehabilitation (<i>use additional sheets if necessary</i>) Expansion of the current 105,728 sf manufacturing, warehousing and office space by adding 19,200 sf of manufacturing and warehousing space. The addition will be of similar construction, as well as 6 new loading docks and receiving space,		Estimated start date (month, day, year) 04/08/2013		Estimated completion date (month, day, year) 07/01/2013	
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT			
Current number 48.00	Salaries \$1,467,520.00	Number retained 48.00	Salaries \$1,467,520.00	Number additional 17.00	Salaries \$593,740.00
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT			
		REAL ESTATE IMPROVEMENTS			
		COST		ASSESSED VALUE	
Current values		960,000.00			
Plus estimated values of proposed project					
Less values of any property being replaced					
Net estimated values upon completion of project					
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER			
Estimated solid waste converted (pounds) _____		Estimated hazardous waste converted (pounds) _____			
Other benefits					
SECTION 6		TAXPAYER CERTIFICATION			
I hereby certify that the representations in this statement are true.					
Signature of authorized representative <i>[Signature]</i>		Title Assistant Secretary		Date signed (month, day, year) 04/04/2013	



EXHIBIT A

AIRPORT BUSINESS CENTER SEC I BLOCK 4

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Vita Nonwovens is requesting the designation of an Economic Revitalization Area for real property improvements in the amount of \$960,000. In order to expand, Vita Nonwovens will add 19,200 square feet of manufacturing and warehousing space.**

EFFECT OF PASSAGE: **Constructing the additional manufacturing and warehousing space will allow Vita Nonwovens to stay competitive in the market and ensure future growth for the company. Nine full-time jobs will be created.**

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

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

ASSIGNED TO COMMITTEE (PRESIDENT): **John Crawford and Tom Smith**

MEMORANDUM



TO: City Council
FROM: Adam Welch, Economic Development Specialist
DATE: April 24, 2013
RE: Request for designation by Vita Nonwovens as an ERA for real property improvements

BACKGROUND

PROJECT ADDRESS:	9403 Avionics Drive	PROJECT LOCATED WITHIN:	N/A
PROJECT COST:	\$960,000	COUNCILMANIC DISTRICT:	4

COMPANY PRODUCT OR SERVICE:	Vita Nonwovens is a manufacturer of non-woven fiber used in the automotive, filtration, medical, and mattress industries
PROJECT DESCRIPTION:	Vita Nonwovens will add 19,200 square feet of manufacturing and warehousing space.

CREATED

RETAINED

JOBS CREATED (FULL-TIME):	9	JOBS RETAINED (FULL-TIME):	30
JOBS CREATED (PART-TIME):	8	JOBS RETAINED (PART-TIME):	18
TOTAL NEW PAYROLL:	\$ 593,740	TOTAL RETAINED PAYROLL:	\$1,467,520
AVERAGE SALARY (FULL-TIME NEW):	\$ 43,909	AVERAGE SALARY (FULL-TIME RETAINED):	\$34,025

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

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?

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 ☐

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:

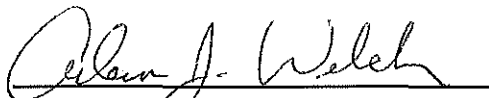
1. The period of deduction for real property is seven years.

Under Fort Wayne Common Council's tax abatement policies and procedures, Vita Nonwovens is eligible for a seven year deduction on real 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 seven year deduction schedule.

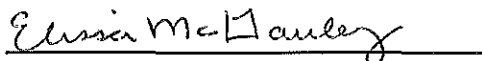
After reviewing the City's Procedures and Policies on Economic Revitalization Areas (ERA) which are provided with each ERA Application Vita Nonwovens informed City staff that prior to their application submission, they filed for an Improvement Location Permit. To allow an economic revitalization area designation after the initiation of development, Indiana Code 6-1.1-12.1-11.3 permits for an adoption of a resolution to waive non-compliance due to a failure to file a statement of benefits (SB-1) form prior to the initiation of development. The confirming resolution for this project contains language to waive non-compliance that will allow for the final approval of an economic revitalization area designation on this property for tax abatement. A letter from Randall Horstman of HBC Realty Corporation is attached explaining their request for a waiver of non-compliance.

COMMENTS

Signed:


Economic Development Specialist

Reviewed:


Economic Development Specialist

COMMUNITY DEVELOPMENT DIVISION

HBC REALTY CORPORATION

P. O. Box 10690
FORT WAYNE, IN 46853-0690

April 15, 2013

Fort Wayne Common Council and
Allen County Council
Citizens Square 200 East Berry Street, Suite 320
Fort Wayne, IN 46802

Re: Vita Nonwovens
9403 Avionics Drive
Fort Wayne, IN

Gentlemen:

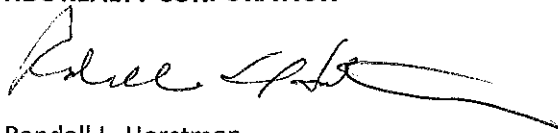
HBC Realty Corporation, owner of the subject building, is requesting a waiver of noncompliance for the expansion underway at the subject building.

This request is made due to the unfamiliarity, by all parties involved in this matter, of the procedures now in place to apply for Property Tax Abatement (now called property tax phase-in). Vita Nonwovens completed the forms at our direction, but between completing and submitting the forms, the forms were revised and when submitted, rejected. The new forms are complete and attached.

Please contact me with any questions.

Cordially yours,

HBC REALTY CORPORATION

A handwritten signature in black ink, appearing to read "Randall L. Horstman", with a long horizontal flourish extending to the right.

Randall L. Horstman

RLL/skc
Enclosures

Real Property Abatements

Tax Abatement Review System

<u>Points Possible</u>	<u>Points Awarded</u>
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INVESTMENT (30 points possible)

Total new investment in real property (new structures and/or rehabilitation)

Over \$1,000,000	10	
\$500,000 to \$999,999	8	8
\$100,000 to \$499,999	6	
Under \$100,000	4	

Investment per employee (both jobs created and retained)

\$35,000 or more	10	
\$18,500 to \$34,999	8	
\$6,250 to \$18,499	6	6
\$1,250 to \$6,249	4	
less than \$1,250	2	

Estimated local income taxes generated from jobs retained

\$80,000 or more	5	
\$30,000 to \$79,999	4	
\$10,000 to \$29,999	3	3
\$5,000 to \$9,999	2	
less than \$5,000	1	

Estimated local income taxes generated from jobs created
(Double points for start-up)

\$30,000 or more	5	
\$10,000 to \$29,999	4	
\$5,000 to \$9,999	3	3
\$3,000 to \$4,999	2	
less than \$3,000	1	

ECONOMIC BASE (20 points possible)

Location Quotient in designated Occupation Code
(use majority Occupation Code of all created and retained jobs)

Greater than 1.0	5	5
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Estimated Percent of Business done outside

Allen County

Greater than 75%	15	15
50% to 74%	10	
25% to 49%	5	

JOBS (20 points possible)

Total number of permanent jobs retained

Over 250	10	
100 to 249	8	
50 to 99	6	
25 to 49	4	4
10 to 24	2	
1 to 9	1	

Total number of permanent jobs created (Double for start-up)

Over 100	10	
50-99	8	
25-49	6	
10-24	4	4
1 to 9	2	

WAGES (20 points possible)

Median salary of the full time jobs created and/or retained

Over \$45,000	20	
\$40,000 to \$44,999	16	
\$35,000 to \$39,999	12	
\$30,000 to \$34,999	8	
\$25,000 to \$29,999	4	
under \$25,000	0	0

BENEFITS (10 points possible)

Major Medical Plan	7	7
Pension, Tuition Reimbursement, Life Insurance, Dental Insurance,		
Disability Insurance,	3	3

SUSTAINABILITY

Construction uses green building techniques (ie LEED Certification)	5	
Construction uses techniques to minimize impact on Combined Sewer Overflows (CSOs)	5	5

Total	63
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Length of Abatement

20 to 39 points - 3 year abatement
 40 to 59 points - 5 year abatement
 60 to 79 points - 7 year abatement
 80 to 100 points - 10 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.

Real Property Deduction Schedules	Alternative Deduction Real Property Schedules
10 year	10 Year
Year 1: 100%	Year 1: 100%
Year 2: 95%	Year 2: 100%
Year 3: 80%	Year 3: 100%
Year 4: 65%	Year 4: 100%
Year 5: 50%	Year 5: 100%
Year 6: 40%	Year 6: 90%
Year 7: 30%	Year 7: 80%
Year 8: 20%	Year 8: 65%
Year 9: 10%	Year 9: 50%
Year 10: 5%	Year 10: 40%
Year 11: 0%	
7 year	7 Year
Year 1: 100%	Year 1: 100%
Year 2: 85%	Year 2: 100%
Year 3: 71%	Year 3: 100%
Year 4: 57%	Year 4: 100%
Year 5: 43%	Year 5: 100%
Year 6: 29%	Year 6: 71%
Year 7: 14%	Year 7: 43%
Year 8: 0%	
5 year	
Year 1: 100%	
Year 2: 80%	
Year 3: 60%	
Year 4: 40%	
Year 5: 20%	
Year 6: 0%	
3 year	
Year 1: 100%	
Year 2: 66%	
Year 3: 33%	
Year 4: 0%	

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

REAL PROPERTY TAX ABATEMENT - 7 yr Schedule

Year	Cash Value	Assessed Value	Tax Value	Tax Abatement %	Tax Paid %	Deduction	Taxable AV	Tax Rate	Tax Paid	Tax Saved
1	\$960,000	\$960,000	\$960,000	100%	0%	\$960,000	\$0	0.031850	\$0	\$30,576
2	\$960,000	\$960,000	\$960,000	85%	5%	\$816,000	\$48,000	0.031850	\$1,529	\$25,990
3	\$960,000	\$960,000	\$960,000	71%	20%	\$681,600	\$192,000	0.031850	\$6,115	\$21,709
4	\$960,000	\$960,000	\$960,000	57%	35%	\$547,200	\$336,000	0.031850	\$10,702	\$17,428
5	\$960,000	\$960,000	\$960,000	43%	50%	\$412,800	\$480,000	0.031850	\$15,288	\$13,148
6	\$960,000	\$960,000	\$960,000	29%	100%	\$278,400	\$960,000	0.031850	\$30,576	\$8,867
7	\$960,000	\$960,000	\$960,000	14%	100%	\$134,400	\$960,000	0.031850	\$30,576	\$4,281
8	\$960,000	\$960,000	\$960,000	0%	100%	\$0	\$960,000	0.031850	\$30,576	\$0
9	\$960,000	\$960,000	\$960,000	0%	100%	\$0	\$960,000	0.031850	\$30,576	\$0
10	\$960,000	\$960,000	\$960,000	0%	100%	\$0	\$960,000	0.031850	\$30,576	\$0
11	\$960,000	\$960,000	\$960,000	0%	100%	\$0	\$960,000	0.031850	\$30,576	\$0

TOTAL TAX SAVED REAL PROPERTY	(10 yrs on 7 yr deduction)	<u>\$121,998</u>
TOTAL TAX PAID REAL PROPERTY	(10 yrs on 7 yr deduction)	<u>\$186,514</u>