**BILL NO. R-13-05-06**

**DECLARATORY RESOLUTION NO. R-_______**

**A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 206 E. Rudisill Blvd., Fort Wayne, Indiana 46806 (Circle City Fort Wayne, LLC d/b/a Aaron's)**

**WHEREAS**, Petitioner has duly filed its petition dated April 29, 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 retain seven full-time, permanent jobs for a total current, annual payroll of $227,000, with the average new annual job salary being $32,429.

**WHEREAS**, the total estimated project cost is $650,000; 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 a deduction of the assessed value of real estate.

**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, 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.

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

- If the proposed development does not occur, the approximate current year tax rates for this site would be \$3.3124/\$100.
- If the proposed development does occur and no deduction is granted, the approximate current year tax rate for the site would be \$3.3124/\$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 \$3.3124/\$100 (the change would be negligible).

**SECTION 6.** That, this Resolution shall be subject to being confirmed, modified and confirmed, or rescinded after public hearing and receipt by Common Council of the above described recommendations and resolution, if applicable.

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

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

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

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

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

Member of Council

APPROVED AS TO FORM AND LEGALITY

Carol Helton, City Attorney

CITY OF FT WAYNE

APR 2 9 2013 ajr

COMMUNITY DEVL.

03/2013

# ECONOMIC REVITALIZATION AREA APPLICATION
# CITY OF FORT WAYNE, INDIANA

**APPLICATION IS FOR: (Check appropriate box(es))**

- [x] **Real Estate Improvements**
- [ ] **Personal Property Improvements**
- [ ] **Vacant Commercial or Industrial Building**

| | |
|---|---|
| **Total cost of real estate improvements:** | $650,000 |
| **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:** | $650,000 |

## GENERAL INFORMATION

Real property taxpayer's name: Circle City Fort Wayne, LLC

Personal property taxpayer's name: N/A

Telephone number: 317-466-1425 x3

Address listed on tax bill: 222 E. Rudisill Blvd, Fort Wayne, IN 46806 (Changing to 206)

Name of company to be designated, if applicable: Circle City Rentals, LLC d/b/a Aaron's

Year company was established: 1996

Address of property to be designated: 206 E. Rudisill Blvd, Fort Wayne, IN 46806

Real estate property identification number: 02-12-14-476-005.000-074

Contact person name: Jeff Furlin

Contact person telephone number: 317-466-1425 x3 Contact person Email: furlinj@aol.com

Contact person address: 8900 Keystone Crossing, Suite 670, Indianapolis, IN 46240

List company officer and/or principal operating personnel

| NAME | TITLE | ADDRESS | PHONE NUMBER |
|---|---|---|---|
| Jeff Furlin | Franchise Principal | 8900 Keystone Crossing, Ste 670 Indianapolis, IN 46240 | 317-466-1425 x3 |
| | | | |
| | | | |
| | | | |
| | | | |

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

| NAME | PERCENTAGE |
|---|---|
| Jeff Furlin | 42.86 |
| Jeff Kimball | 42.86 |
| Doug Lamphier | 14.28 |
| | |
| | |

☐ 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? 75%

What percentage of sales is made to the ultimate customer? 100%

What percentage of sales will be from service calls? 0%

What is the percentage of clients/customers served that are located outside of Allen County? < 1%

What is the company's primary North American Industrial Classification Code (NAICs)? 442110 + 443142

Describe the nature of the company's business, product, and/or service: The sale and lease of household products including furniture, appliances, electronics, and computers.

Dollar amount of annual sales for the last three years:

| Year | Annual Sales |
|---|---|
| 2012 | $1,230,163 |
| 2011 | $1,148,979 |
| 2010 | $1,070,676 |

Relocating store located at 4311 S. Anthony Blvd., Fort Wayne, IN 46806

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

| Customer Name | City/State | Annual Gross Sales |
|---|---|---|
| N/A | | |
| | | |
| | | |

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

| Supplier Name | City/State | Annual Gross Purchases |
|---|---|---|
| N/A | | |
| | | |
| | | |

List the company's top three competitors:

| Competitor Name | City/State |
|---|---|
| Rent-A-Center | Fort Wayne, IN |
| Premier Rental | Fort Wayne, IN |
| Value City | Fort Wayne, IN |

Describe the product or service to be produced or offered at the project site: Furniture, appliances, electronics, and computers

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?

EDTA property

## 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: None. It is currently a parking lot.

Describe the condition of the structure(s) listed above: N/A

Describe the improvements to be made to the property to be designated for tax phase-in purposes: 8,000 S.F. Aaron's retail store

Projected construction start (month/year): June / 2013

Projected construction completion (month/year): November / 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?

Date first piece of equipment will be purchased (month/year): ______________________

Date last piece of equipment will be installed (month/year): ______________________

Please provide the depreciation schedule term for equipment under consideration for personal property tax phase-in:

______________________________________________

______________________________________________

______________________________________________

## 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 phase-in been unoccupied for at least one year? Please provide evidence of occupation. (i.e. certificate of occupancy, paid utility receipts, executed lease agreements)

Describe any structure(s) that is/are currently on the property: ______________________________

______________________________

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

Projected occupancy date (month/year): ______________________________

Describe the efforts of the owner or previous owner in regards to selling, leasing or renting the eligible vacant building during the period the eligible vacant building was unoccupied including how much the building was offered for sale, lease, or rent by the owner or a previous owner during the period the eligible vacant building was unoccupied.

______________________________

______________________________

______________________________

______________________________

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______________________________

______________________________

______________________________

# PUBLIC BENEFIT INFORMATION

***EMPLOYMENT INFORMATION FOR FACILITY TO BE DESIGNATED***

ESTIMATE OF EMPLOYEES AND PAYROLL FOR FORT WAYNE
FACILITY REQUESTING ECONOMIC REVITALIZATION AREA DESIGNATION

Please be specific on job descriptions. When listing the occupation codes, please avoid using the "Major Occupational Groupings" (i.e. 11-000, 13-000, 15-000, etc.) which are more general in nature. Instead, use specific occupation codes (i.e. 11-1021, 13-1081, 15-2041 etc) for each created and retained job. 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 |
|---|---|---|---|
| General Manager | 11-1021 | 1 | $58,000 |
| Sales Manager | 11-2022 | 2 | $68,000 |
| Retail Salespersons | 41-2031 | 2 | $57,000 |
| Delivery Service Driver | 53-3033 | 2 | $44,000 |
| | | | |

**Retained Full-Time Employment**

| Occupation | Occupation Code | Number of Jobs | Total Payroll |
|---|---|---|---|
| General Manager | 11-1021 | 1 | $58,000 |
| Sales Manager | 11-2022 | 2 | $68,000 |
| Retail Salesperson | 41-2031 | 2 | $57,000 |
| Delivery Service Driver | 53-3033 | 2 | $44,000 |
| | | | |

**Additional Full-Time Employment**

| Occupation | Occupation Code | Number of Jobs | Total Payroll |
|---|---|---|---|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

# PUBLIC BENEFIT INFORMATION

**Current Part-Time or Temporary Jobs**

| Occupation | Occupation Code | Number of Jobs | Total Payroll |
|---|---|---|---|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

**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 |
|---|---|---|---|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

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

- ☒ Pension Plan 401K
- ☒ Major Medical Plan
- ☐ Disability Insurance
- ☐ Tuition Reimbursement
- ☒ Life Insurance
- ☐ Dental Insurance

List any benefits not mentioned above: Safe Harbor Employer match on 401K

When will you reach the levels of employment shown above? (month/year): 04/2013

## 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 phase-ins 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) and the Public Benefit Annual Update with the City of Fort Wayne Community Development Division in each year in which I receive a deduction. Further the CF-1/PP form must be filed with the county assessor and the CF-1/Real Property must be filed with the county auditor. Failure to file the CF-1 form with these agencies may result in a rescission of any tax phase-in occurring as a result of this application.

[signature], Member
Signature of Taxpayer/Owner

Jeffrey L. Furlin
Printed Name and Title of Applicant

04/29/2013
Date

CITY OF FT WAYNE

APR 2 9 2013 ajw

COMMUNITY DEVL.

# STATEMENT OF BENEFITS
# REAL ESTATE IMPROVEMENTS

State Form 51767 (R4 / 2-13)
Prescribed by the Department of Local Government Finance

| 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<br>Circle City Fort Wayne, LLC | | |
| Address of taxpayer *(number and street, city, state, and ZIP code)*<br>8900 Keystone Crossing, Suite 670, Indianapolis, IN 46240 | | |
| Name of contact person<br>Jeffrey L Furlin | Telephone number<br>( 317 ) 466-1425 x3 | E-mail address<br>furlinjl@aol.com |

**SECTION 2 — LOCATION AND DESCRIPTION OF PROPOSED PROJECT**

| | | |
|---|---|---|
| Name of designating body<br>Circle City Rentals, LLC d/b/a Aaron's | | Resolution number |
| Location of property<br>206 East Rudisill Boulevard, Fort Wayne, IN 46806 | County<br>Allen | DLGF taxing district number<br>074 |
| Description of real property improvements, redevelopment, or rehabilitation *(use additional sheets if necessary)*<br>Construction of an 8,000 SF Aaron's retail building. | | Estimated start date *(month, day, year)*<br>06/15/2013<br>Estimated completion date *(month, day, year)*<br>11/01/2013 |

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

| Current number | Salaries | Number retained | Salaries | Number additional | Salaries |
|---|---|---|---|---|---|
| 7.00 | $227,000.00 | 7.00 | $227,000.00 | 0.00 | $0.00 |

**SECTION 4 — ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT**

| | REAL ESTATE IMPROVEMENTS | |
|---|---|---|
| | COST | ASSESSED VALUE |
| Current values | 145,600.00 | 145,600.00 |
| Plus estimated values of proposed project | 650,000.00 | 650,000.00 |
| Less values of any property being replaced | 0.00 | 0.00 |
| Net estimated values upon completion of project | 795,600.00 | 795,600.00 |

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

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

Other benefits
N/A

**SECTION 6 — TAXPAYER CERTIFICATION**

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

| Signature of authorized representative | Title | Date signed *(month, day, year)* |
|---|---|---|
| [signature] | Member | 04/29/2013 |

EXHIBIT A

KOEHLERS EST W 3 FT LOT 11 & LOT 12 EX W 24.6 FT &
1/2 VAC ALLEY & CALHOUN PLACE ADDN LOTS 2 THRU 4

Admn. Appr.____________

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Circle City Fort Wayne, LLC d/b/a Aaron's is requesting the designation of an Economic Revitalization Area for real property improvements in the amount of $650,000. Circle City Fort Wayne, LLC d/b/a Aaron's will construct a new 8,000 square foot retail store.**

EFFECT OF PASSAGE: **Constructing the building will allow Circle City Fort Wayne, LLC d/b/a Aaron's to develop property in an Economic Development Target Area where there is currently a parking lot. Seven full-time jobs will be retained.**

EFFECT OF NON-PASSAGE: **Potential loss of development**

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:** May 3, 2013

**RE:** Request for designation by Circle City Fort Wayne, LLC d/b/a Aaron's as an ERA for real property improvements

## BACKGROUND

| | | | |
|---|---|---|---|
| PROJECT ADDRESS: | **206 E. Rudisill Blvd.** | PROJECT LOCATED WITHIN: | **Economic Development Target Area** |
| PROJECT COST: | **$ 650,000** | COUNCILMANIC DISTRICT: | **6** |

| | |
|---|---|
| COMPANY PRODUCT OR SERVICE: | **Circle City Fort Wayne, LLC sells and leases household products including furniture, appliances, electronics, and computers.** |
| PROJECT DESCRIPTION: | **Circle City Fort Wayne, LLC will construct a new 8,000 square foot retail store.** |

| CREATED | | RETAINED | |
|---|---|---|---|
| JOBS CREATED (FULL-TIME): | **N/A** | JOBS RETAINED (FULL-TIME): | **7** |
| JOBS CREATED (PART-TIME): | **N/A** | JOBS RETAINED (PART-TIME): | **0** |
| TOTAL NEW PAYROLL: | **N/A** | TOTAL RETAINED PAYROLL: | **$227,000** |
| AVERAGE SALARY (FULL-TIME NEW): | **N/A** | AVERAGE SALARY (FULL-TIME RETAINED): | **$32,429** |

## 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 CM2; Limited Retail and Commercial**

**Yes** ☐ **No** ☒ **N/A** ☐ — Project encourages the improvement or replacement of a deteriorated or obsolete structure?

**Explain: The property is currently a parking lot.**

**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 ten years.

The project is located in an Economic Development Target Area (EDTA). Thus, under Fort Wayne Common Council's tax abatement policies and procedures, Circle City Fort Wayne, LLC is eligible for a ten year deduction on real property improvements. Attached is a spreadsheet that shows how the application scored under the review system.

## COMMENTS

**Signed:** Adam J. Welch

**Economic Development Specialist**

**Reviewed:** Elissa McGauley

**Economic Development Specialist**

## COMMUNITY DEVELOPMENT DIVISION

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 - 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 | $650,000 | $650,000 | $650,000 | 100% | 0% | $650,000 | $0 | 0.033124 | $0 | $21,531 |
| 2 | $650,000 | $650,000 | $650,000 | 95% | 5% | $617,500 | $32,500 | 0.033124 | $1,077 | $20,454 |
| 3 | $650,000 | $650,000 | $650,000 | 80% | 20% | $520,000 | $130,000 | 0.033124 | $4,306 | $17,224 |
| 4 | $650,000 | $650,000 | $650,000 | 65% | 35% | $422,500 | $227,500 | 0.033124 | $7,536 | $13,995 |
| 5 | $650,000 | $650,000 | $650,000 | 50% | 50% | $325,000 | $325,000 | 0.033124 | $10,765 | $10,765 |
| 6 | $650,000 | $650,000 | $650,000 | 40% | 60% | $260,000 | $390,000 | 0.033124 | $12,918 | $8,612 |
| 7 | $650,000 | $650,000 | $650,000 | 30% | 70% | $195,000 | $455,000 | 0.033124 | $15,071 | $6,459 |
| 8 | $650,000 | $650,000 | $650,000 | 20% | 80% | $130,000 | $520,000 | 0.033124 | $17,224 | $4,306 |
| 9 | $650,000 | $650,000 | $650,000 | 10% | 90% | $65,000 | $585,000 | 0.033124 | $19,378 | $2,153 |
| 10 | $650,000 | $650,000 | $650,000 | 5% | 95% | $32,500 | $617,500 | 0.033124 | $20,454 | $1,077 |
| 11 | $650,000 | $650,000 | $650,000 | 0% | 100% | $0 | $650,000 | 0.033124 | $21,531 | $0 |

TOTAL TAX SAVED REAL PROPERTY (10 yrs on 10 yr deduction **$106,576**

TOTAL TAX PAID REAL PROPERTY (10 yrs on 10 yr deduction **$108,730**

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

## Real Property Abatements

Tax Abatement Review System

## INVESTMENT (30 points possible)

| | 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 | 8 |
| $100,000 to $499,999 | 6 | |
| Under $100,000 | 4 | |
| **Investment per employee (both jobs created and retained)** | | |
| $35,000 or more | 10 | 10 |
| $18,500 to $34,999 | 8 | |
| $6,250 to $18,499 | 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 | |
| $5,000 to $9,999 | 2 | |
| less than $5,000 | 1 | 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 | |
| $3,000 to $4,999 | 2 | |
| less than $3,000 | 1 | |

## ECONOMIC BASE (20 points possible)

| | Points Possible | Points Awarded |
|---|---|---|
| **Location Quotient in designated Occupation Code (use majority Occupation Code of all created and retained jobs)** | | |
| Greater than 1.0 | 5 | |
| **Estimated Percent of Business done outside Allen County** | | |
| Greater than 75% | 15 | |
| 50% to 74% | 10 | |
| 25% to 49% | 5 | |

## JOBS (20 points possible)

| | Points Possible | Points Awarded |
|---|---|---|
| **Total number of permanent jobs retained** | | |
| Over 250 | 10 | |
| 100 to 249 | 8 | |
| 50 to 99 | 6 | |
| 25 to 49 | 4 | |
| 10 to 24 | 2 | |
| 1 to 9 | 1 | 1 |
| **Total number of permanent jobs created (Double for start-up)** | | |
| Over 100 | 10 | |
| 50-99 | 8 | |
| 25-49 | 6 | |
| 10-24 | 4 | |
| 1 to 9 | 2 | |

## WAGES (20 points possible)

| | Points Possible | Points Awarded |
|---|---|---|
| **Median salary of the 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 | 4 |
| under $25,000 | 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 | |

**Total** 34

| Length of Abatement |
|---|
| 20 to 39 points - 3 year abatement |
| 40 to 59 points - 5 year abatement |
| 60 to 69 points - 7 year abatement |
| 70 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% | |