BILL NO. R-13-05-26

CONFIRMING RESOLUTION NO. R-________

A CONFIRMING RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 3706 Transportation Drive, Fort Wayne, Indiana 46818 (Advanced Machine & Tool Corp)

WHEREAS, Common Council has previously designated and declared by Declaratory Resolution the following described property as an "Economic Revitalization Area" under Sections 153.13-153.24 of the Municipal Code of the City of Fort Wayne, Indiana, and I.C. 6-1.1-12.1, to wit:

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

WHEREAS, said project will create four full-time, permanent jobs for a total new, annual payroll of $214,000, with the average new annual job salary being $53,500 and retain sixty-eight full-time, permanent jobs for a total current annual payroll of $5,216,862, with the average current, annual job salary being $76,719; and

WHEREAS, the total estimated project cost is $228,760; and

WHEREAS, a recommendation has been received from the Committee on Finance on said Resolution; and

WHEREAS, notice of the adoption and substance of said Resolution has been published in accordance with I.C. 6-1.1-12.1-2.5 and I.C. 5-3-1 and a public hearing has been conducted on said Resolution.

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

SECTION 1. That, the Resolution previously designating the above described property as an "Economic Revitalization Area" is confirmed in all respects.

SECTION 2. That, the hereinabove described property is hereby declared an "Economic Revitalization Area" pursuant to I.C. 6-1.1-12.1, said designation to begin on the effective date 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 3. That, said designation of the hereinabove described property as an "Economic Revitalization Area" shall apply to a deduction of the assessed value of personal property for new manufacturing 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 the new manufacturing 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 installation of the new manufacturing equipment.

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

- If the proposed new manufacturing equipment is not installed, the approximate current year tax rates for this site would be $3.1821/$100.
- If the proposed new manufacturing equipment is installed and no deduction is granted, the approximate current year tax rate for the site would be $3.1821/$100 (the change would be negligible).
- If the proposed new manufacturing equipment is installed, and a deduction percentage of eighty percent (80%) is assumed, the approximate current year tax rate for the site would be $3.1821/$100 (the change would be negligible).

SECTION 6. Pursuant to I.C. 6-1.1-12.1, it is hereby determined that the deduction from the assessed value of the new manufacturing equipment shall be for a period of ten years.

SECTION 7. 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 8. For new manufacturing equipment, a deduction application must contain a performance report showing the extent to which there has been compliance with the Statement of Benefits form approved by the Fort Wayne Common Council at the time of filing. This report must be submitted to the Allen County Auditor's Office, and the City of Fort Wayne's Community Development Division and must be included with the deduction application. For subsequent years, the performance report must be updated and submitted along with the deduction application at the time of filing.

SECTION 9. The performance report must contain the following information

(a) The cost and description of real property improvements and/or new manufacturing equipment acquired.

(b) The number of employees hired through the end of the preceding calendar year as a result of the deduction.

(c) The total salaries of the employees hired through the end of the preceding calendar year as a result of the deduction.

(d) The total number of employees employed at the facility receiving the deduction.

(e) The total assessed value of the real and/or personal property deductions.

(f) The tax savings resulting from the real and/or personal property being abated.

SECTION 10. That, the taxpayer is non-delinquent on any and all property tax due to jurisdictions within Allen County, Indiana.

SECTION 11. That, pursuant to I.C. 6-1.1-12.1-12 et al, any property owner that has received a deduction under section 3 or 4.5 of said chapter may be required to repay the deduction amount as determined by the county auditor in accordance with section 12 of said chapter if the property owner ceases operations at the facility for which the deduction was granted and if the Common Council finds that the property owner obtained the deduction by intentionally providing false information concerning the property owner's plans to continue operation at the facility.

SECTION 12. That, this Resolution shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

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Member of Council

APPROVED AS TO FORM AND LEGALITY

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Carol Helton, City Attorney

EXHIBIT A

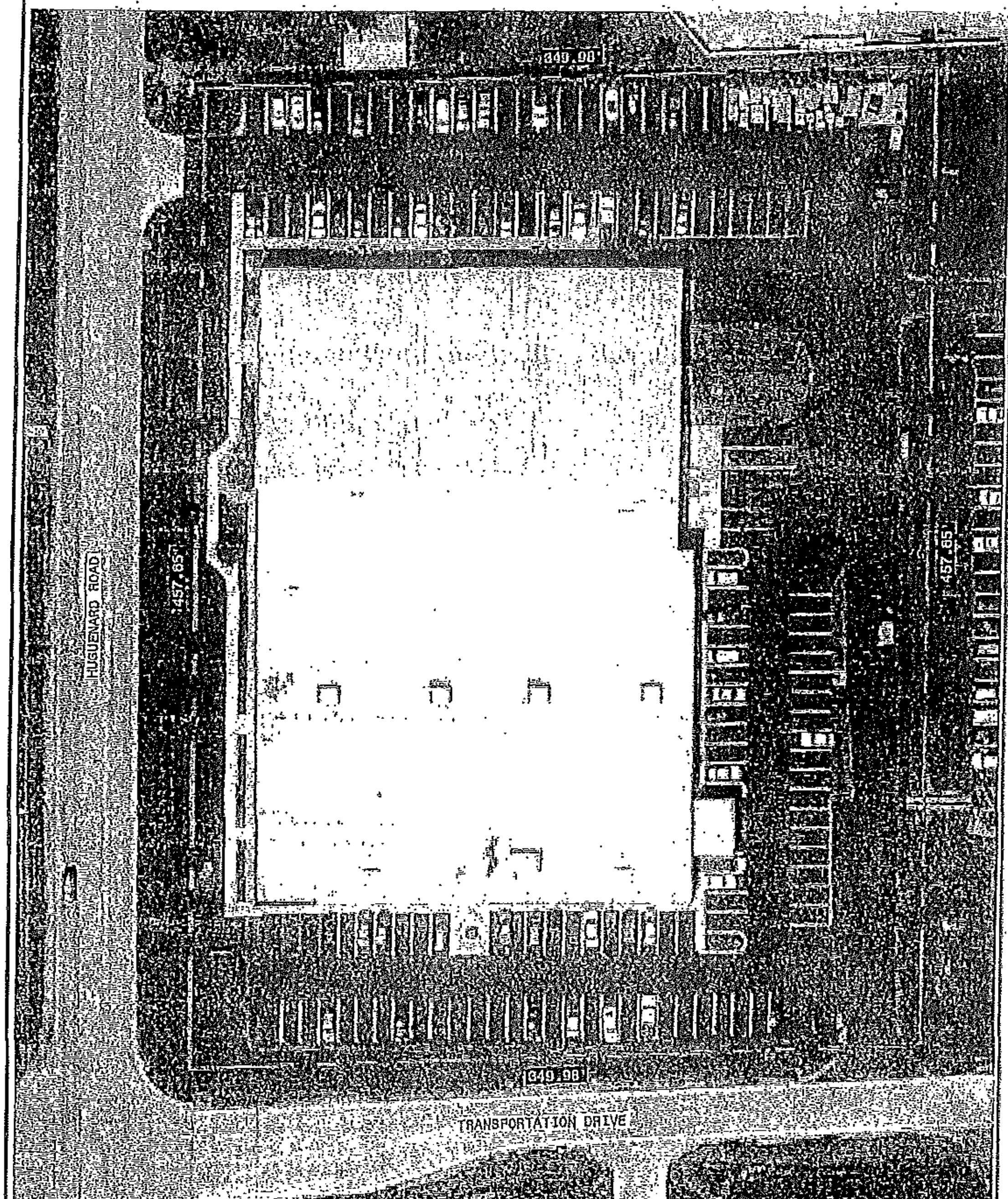
***IDENTIFICATION OF PROPERTY*;** 3706 TRANSPORTATION DR, FT WAYNE IN 46818

The subject of this appraisal valuation is comprised of a land tract containing a net land area of 3.68 acres, which is rectangular in shape and situated at the northeast corner of Huguenard Road and Transportation Drive on Fort Wayne's northwest side within Edgewood Industrial Park. The tract has been improved with a one-story, pre-engineered, light manufacturing facility containing 60,000 square feet, of which 7,805 square feet are office area. There is additional mezzanine area of 14,135 square feet, of which 5,355 square feet are office mezzanine and 8,780 square feet are storage mezzanine. In addition to the building improvement, there are complementary site improvements including 65,869 square feet of asphalt-paved parking; 6,377 square feet of concrete walks, pads, and truck wells; and typical lawn and landscaping.

The subject property was built in two phases, with the north portion, which contains19,958 square feet, being constructed in 1990 and the south portion, which contains 40,042 square feet, built in 2001. The appraisal assignment is to provide a value indication for a 43.3 percent interest in the southern portion. This will be discussed more fully in the "Scope of Work" section of this report.

SITE PLAN

NET LAND AREA = ±3.88 ac



N	CAD FILENAME: ADVANCED_MACHINE_&_TOOL_3708_9_12	DATE: 12-17-12	SCALE: 1" = 60'
	PROPERTY: ADVANCED MACHINE & TOOL 3706 TRANSPORTATION DRIVE - FT. WAYNE, IN		0' 60' 120'

Admn. Appr.____________

DIGEST SHEET

TITLE OF ORDINANCE: **Confirming Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Advanced Machine & Tool Corp is requesting the designation of an Economic Revitalization Area for personal property improvements in the amount of $228,760. In order to expand, Advanced Machine & Tool Corp will install new manufacturing equipment to replace the current equipment which is obsolete and requires costly repairs and maintenance.**

EFFECT OF PASSAGE: **Installing the new equipment will allow Advanced Machine & Tool Corp to reduce maintenance costs while also installing the new machine which is a newer technology and a better grade. Four full-time jobs will be created.**

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

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

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