BILL NO. R-13-07-13

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 7504 Aboite Center Road, 7518 Aboite Center Road, 4127 Rosewood Drive, 4113 Rosewood Drive, 7005 Oriole Circle, 6291 Oriole Circle, and 6911 Oriole Circle, Fort Wayne, Indiana 46804 (Long Term Care Investments III, LLC)

WHEREAS, Petitioner has duly filed its petition dated July 17, 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 create 61 full-time and 34 part-time, permanent jobs for a total new, annual payroll of $2,933,450, with the average new annual job salary being $30,878; and

WHEREAS, the total estimated project cost is $15,000,000; 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 $3.2288/$100.
- If the proposed development does occur and no deduction is granted, the approximate current year tax rate for the site would be $3.2288/$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 $3.2288/$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 seven years.

SECTION 8. The deduction schedule from the assessed value of the real property pursuant to I.C. 6-1.1-12.1-17 shall look like this:

Year of Deduction	Percentage
1	100%
2	85%
3	71%
4	57%
5	43%
6	29%
7	14%

SECTION 9. 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 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 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 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.

____

Member of Council

APPROVED AS TO FORM AND LEGALITY

____

Carol Helton, City Attorney

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:	**$15,000,000**
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:	**$15,000,000**

GENERAL INFORMATION

Real property taxpayer's name: Currently, Ridgewood Medical Park, LLC. Upon acquisition, the record owner of the real property will be Long Term Care Investments III, LLC, an Indiana limited liability company.

Personal property taxpayer's name: N/A

Telephone number: N/A

Address listed on tax bill: Currently, Ridgewood Medical Park, LLC, 3838 N. Washington Road, Fort Wayne, Indiana 46804. Upon acquisition, the address will be 1620 N. Ironwood Drive, South Bend, Indiana 46635.

Name of company to be designated, if applicable: Long Term Care Investments III, LLC

Year company was established: April 9, 2012

Address of property to be designated: See, Schedule 1 attached hereto.

Real estate property identification number: See, Schedule 1 attached hereto.

Contact person name: Andrew W. Place

Contact person telephone number: (574) 259-4858   Contact person Email: AndyPlace@placebuilders.com

Contact person address: 1620 N. Ironwood Road, South Bend, Indiana 46635

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Ralph Inabnit	Managing Partner	25912 Northshore Drive Elkhart, IN	574-532-2958
Ahmed Latief	Partner	50601 Hedgewood Ct Granger,IN	574-243-0884

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

NAME	PERCENTAGE
Ralph Inabnit	50%
Ahmed Latief	50%

☐ 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? Approximately 10%

What is the company's primary North American Industrial Classification Code (NAICs)? 623110 Nursing Care Facilities (Skilled Nursing Facilities)

Describe the nature of the company's business, product, and/or service: Skilled nursing and rehabilitation care services.

Dollar amount of annual sales for the last three years:

Year	Annual Sales
N/A	N/A – New Construction

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
Coventry Meadows	Fort Wayne, IN
Covington Manor Health	Fort Wayne, IN
Englewood Health & Rehab	Fort Wayne, IN

Describe the product or service to be produced or offered at the project site: Skilled nursing and rehabilitation care services utilizing a eight-five (85) bed, 54,000 sq ft facility.

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 overall property to be developed comprises approximately 5.5 acres. The undeveloped parcels making up the 5.5 acres are located entirely within the City of Fort Wayne. The subject property and certain surrounding parcels are marked by a general lack of development and cessation of growth but ready for development. The applicant is a new business into the Fort Wayne area and the project subject to this application will include new building construction of a 54,000 square foot facility adding approximately 70-75 full-time jobs and 15-20 part-time jobs with an estimated aggregate annual payroll of nearly $3,000,000. Because surrounding parcels to the development are also undeveloped, the project may create a catalyst for surrounding future development projects. For these reasons, the property fits the definition of an ERA.

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: The real property is currently undeveloped.

Describe the condition of the structure(s) listed above: Not applicable – See previous response.

Describe the improvements to be made to the property to be designated for tax phase-in purposes: 54,000 square foot skilled nursing care facility.

Projected construction start (month/year): August, 2013

Projected construction completion (month/year): November, 2014

☐ 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)

Not applicable.

☐ 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: None. The real property is currently undeveloped.

Describe the condition of the structure(s) listed above: Not applicable. See response above.

Projected occupancy date (month/year): Not applicable. See response above.

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. 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
N/A			

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Average Salary	Total Payroll
Management	11-91111	7	$51,147	$358,030
RN, LPN	29-1141 29-1171 29-1071	13	$44,385	$577,005
Cert. Nursing Ass't	31-1014	22	$21,890	$481,580
Clerical, Dietary, Housekeeping	31-9092 29-1031	15	$25,910	$388,650
Therapy	29-1123	4	$89,065	$356,260
TOTAL		**61**		**$2,161,524**

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			

Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Average Salary	Total Payroll
Management	11-91111	0	N/A	$0.00
RN, LPN	29-1141 29-1171 29-1071	6	$22,194	$133,165
Cert. Nursing Ass't	31-1014	12	$12,750	$153,000
Clerical, Dietary, Housekeeping	31-9092 29-1031	10	$12,950	$129,500
Therapy	29-1123	6	$59,377	$356,260
TOTAL		**34**		**$771,926**

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

☐ Pension Plan ☒ Major Medical Plan (see below) ☐ Disability Insurance

☐ Tuition Reimbursement ☒ Life Insurance (see below) ☒ Dental Insurance (see below)

List any benefits not mentioned above: 85% of Health Insurance costs, life insurance and vision included in plan; Dental available in plan at addition cost to employee.

When will you reach the levels of employment shown above? (month/year): 17 months from building completion.

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 proposed taxpayer and/or proposed owner, hereby certify that all information and representations made on this application and its attached exhibits are true and complete and that, to the best of my knowledge, 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 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.

Long Term Care Investments III, LLC

By: ____________________

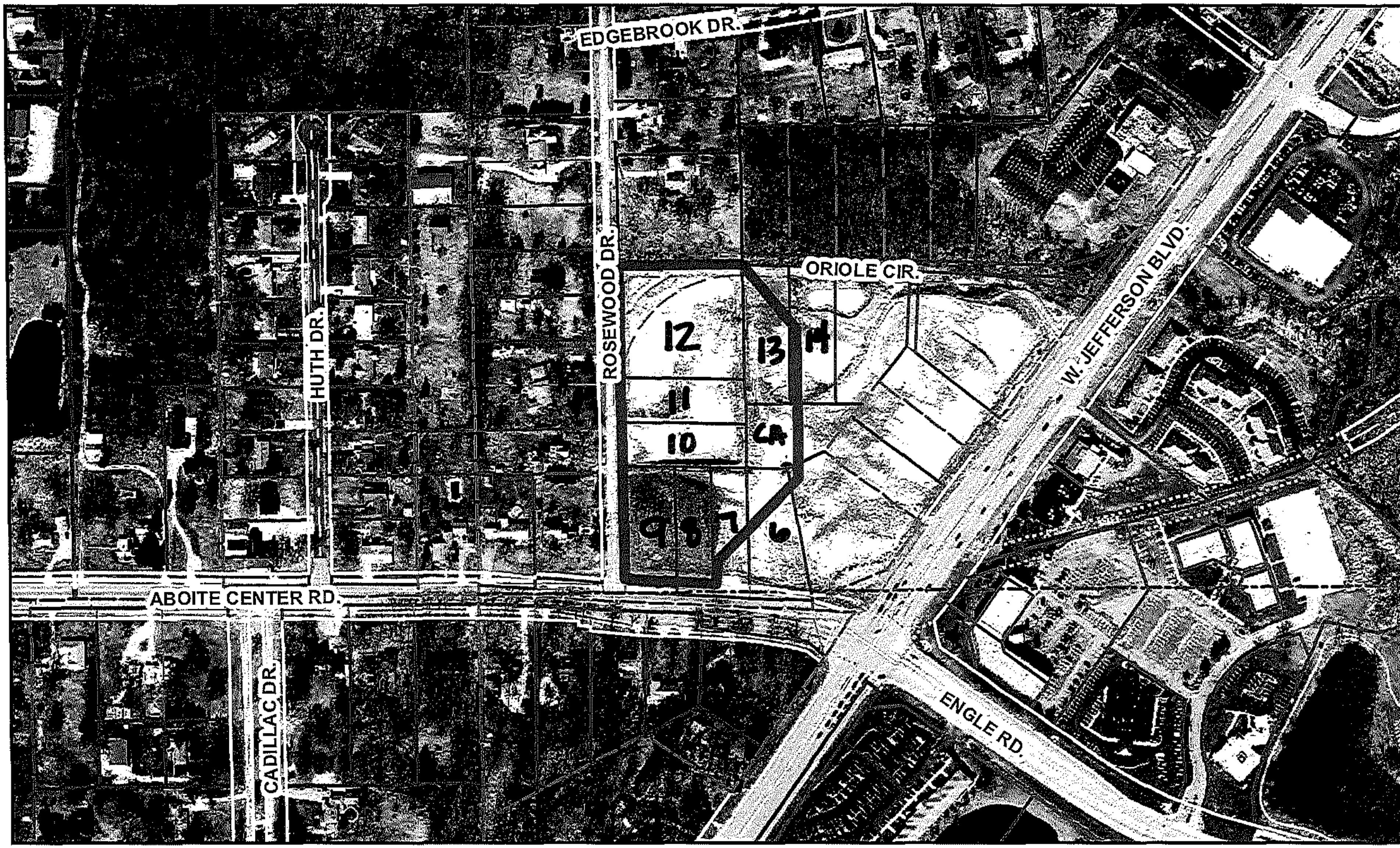
Name: Andrew W. Place

Its: Authorized Agent

Date: 7/15/13

Schedule 1

LOT NO. (SEE ATTACHED MAP)	PIN NUMBER	PARCEL ADDRESS
6	02-11-13-378-011.000-075 (Partial)	7504 Aboite Center Road
7	02-11-13-378-010.000-075 (Partial)	7518 Aboite Center Road
8	02-11-13-378-009.000-075	7518 Aboite Center Road
9	02-11-13-378-008.000-075	4127 Rosewood Drive
10	02-11-13-378-006.000-075	4113 Rosewood Drive
11	02-11-13-378-005.000-075	4113 Rosewood Drive
12	02-11-13-378-001.000-075	7005 Oriole Circle
13	02-11-13-378-002.000-075 (Partial)	6291 Oriole Circle
14	02-11-13-378-003.000-075 (Partial)	6911 Oriole Circle
CA	02-11-13-378-007.000-075 (Partial)	Common Area



This map is for representational purposes only - Boundaries identified by bold colored lines represent the general location of the proposed project

Amended Primary Development Plan - Long Term Care at Ridgewood

Printed: June 17, 2013

North American Datum 1983

State Plane Coordinate System, Indiana East

Photos: Spring 2006 / Contours: 1999

0 300 Feet

Scale: 1" = 300'

CITY OF FT WAYNE

JUL 17 2013

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: Currently, Ridgewood Medical Park, LLC. Upon acquisition, Long Term Care Investments III, LLC

Address of taxpayer *(number and street, city, state, and ZIP code)*: Currently, 3838 N. Washington Rd., Fort Wayne, IN. Upon acquisition, 1620 N. Ironwood Drive, South Bend, IN 46635

Name of contact person	Telephone number	E-mail address
Andrew W. Place	(574) 259-4858	andyplace@placebuilders.co

SECTION 2 — LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body		Resolution number
Long Term Care Investments III, LLC		
Location of property	**County**	**DLGF taxing district number**
See attached Schedule A	Allen	Schedule A

Description of real property improvements, redevelopment, or rehabilitation *(use additional sheets if necessary)*: Construction of a 53,345 square foot skilled care nursing facility designed for approximately 85-90 skilled nursing care residents as well as water, sewer and storm infrastructure improvements.

Estimated start date *(month, day, year)*: 08/01/2013
Estimated completion date *(month, day, year)*: 11/30/2014

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
0.00	$0.00	0.00	$0.00	95.00	$2,933,450.00

SECTION 4 — ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

	REAL ESTATE IMPROVEMENTS	
	COST	**ASSESSED VALUE**
Current values	950,000.00	194,000.00
Plus estimated values of proposed project	15,000,000.00	0.00
Less values of any property being replaced	0.00	0.00
Net estimated values upon completion of project	15,950,000.00	194,000.00

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	Title	Date signed *(month, day, year)*
[signature]	Authorized Agent	07/15/2013

EXHIBIT A

Legal Description

LEGAL DESCRIPTION

A PART OF THE SOUTH HALF OF SECTION 13, TOWNSHIP 30 NORTH, RANGE 11 EAST IN ABOITE TOWNSHIP, ALLEN COUNTY, INDIANA, BEING LOTS 8 THROUGH 12 AND PARTS OF LOTS 5, 6, 7, 13 AND 14, TOGETHER WITH A PART OF THE COMMUNITY AREA AND PORTION OF VACATED ORIOLE CIRCLE RIGHT-OF-WAY OF RIDGEWOOD ADDITION, AS RECORDED IN PLAT BOOK 15, PAGE 133 IN THE OFFICE OF THE RECORDER OF ALLEN COUNTY, INDIANA, EXCEPTING THEREFROM THE PART APPROPRIATED FOR THE ABOITE CENTER ROAD RIGHT OF WAY DESCRIBED IN ALLEN CIRCUIT COURT CASE NO. C-81-817, FILED AUGUST 27, 1981 AND PORTIONS OF LOTS 6, 7, 8 AND 9 CONVEYED TO THE BOARD OF COMMISSIONERS OF ALLEN COUNTY, INDIANA IN DOCUMENT NUMBERS 2008014873 AND 2008031648 IN SAID RECORDER'S OFFICE, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE EASTERLY RIGHT OF WAY LINE OF ROSEWOOD DRIVE WITH THE PRESENTLY RIGHT-OF-WAY OF ABOITE CENTER ROAD, SAID POINT OF BEGINNING BEING THE NORTHWEST CORNER OF A TRACT OF LAND CONVEYED TO SAID BOARD OF COMMISSIONERS AS DOCUMENT NUMBER 2008014873 IN SAID RECORDER'S OFFICE; THENCE NORTH 00°34'12" WEST ALONG THE EASTERLY RIGHT-OF-WAY LINE OF ROSEWOOD DRIVE, 711.52 FEET TO THE WESTERLY EXTENSION OF THE CENTERLINE OF VACATED ORIOLE CIRCLE RIGHT-OF-WAY; THENCE SOUTH 88°29'57" EAST ALONG SAID CENTERLINE, 271.76 FEET; THENCE SOUTH 39°48'59" EAST, 184.13 FEET; THENCE SOUTH 00°34'01" EAST, 93.09 FEET TO A POINT OF CURVE TO THE LEFT, HAVING A RADIUS OF 112.00 FEET, BEING SUBTENDED BY A CHORD OF 65.10 FEET, BEARING SOUTH 17°27'41" EAST; THENCE SOUTHEASTERLY ALONG SAID CURVE 66.05 FEET TO A POINT OF CURVE TO THE RIGHT, HAVING A RADIUS OF 20.00 FEET, BEING SUBTENDED BY A CHORD OF 26.18 FEET, BEARING SOUTH 06°31'54" WEST; THENCE SOUTHWESTERLY ALONG SAID CURVE 28.54 FEET TO A POINT OF CURVE TO THE LEFT, HAVING A RADIUS OF 220.00 FEET, BEING SUBTENDED BY A CHORD OF 160.34 FEET, BEARING SOUTH 26°02'51" WEST; THENCE SOUTHWESTERLY ALONG SAID CURVE 164.12 FEET TO A POINT OF CURVE TO THE RIGHT, HAVING A RADIUS OF 160.00 FEET; BEING SUBTENDED BY A CHORD OF 108.81 FEET, BEARING SOUTH 24°33'16" WEST; THENCE SOUTHWESTERLY ALONG SAID CURVE 111.02 FEET; THENCE SOUTH 44°25'59" WEST, 33.00 FEET TO A POINT OF CURVE TO THE LEFT, HAVING A RADIUS OF 150.00 FEET, BEING SUBTENDED BY A CHORD OF 80.00 FEET, BEARING SOUTH 28°58'00" WEST; THENCE SOUTHWESTERLY ALONG SAID CURVE 80.98 FEET; THENCE SOUTH 13°30'01" WEST, 58.48 FEET TO SAID NEW NORTHERLY RIGHT-OF-WAY OF ABOITE CENTER ROAD; THENCE NORTH 86°47'28" WEST ALONG SAID NORTHERLY RIGHT-OF-WAY, 209.17 FEET TO THE POINT OF BEGINNING, SAID DESCRIBED PARCEL CONTAINING 5.41 ACRES, MORE OR LESS, AND SUBJECT TO ANY EASEMENTS, COVENANTS, AND RIGHT OF WAY OF RECORD.

Admn. Appr.______________

DIGEST SHEET

TITLE OF ORDINANCE: **Confirming Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Long Term Care Investments III, LLC is requesting the designation of an Economic Revitalization Area for real property improvements in the amount of $15,000,000. Long Term Care Investments III, LLC will construct a 53,345 square foot skilled care nursing facility designed for approximately 85 to 90 skilled nursing care residents as well as water, sewer, and storm infrastructure improvements.**

EFFECT OF PASSAGE: **Constructing the additional space will allow Long Term Care Investments III, LLC to develop 5.5 acres near Aboite Center Road and W. Jefferson Blvd. while providing an opportunity for employment for area citizens. Sixty-one full-time and 34 part-time jobs will be created.**

EFFECT OF NON-PASSAGE: **Potential loss of development, 61 full-time jobs, and 34 part-time jobs.**

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

ASSIGNED TO COMMITTEE (CO-CHAIRS): **John Crawford and Tom Smith**

Admn. Appr.____________

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Long Term Care Investments III, LLC is requesting the designation of an Economic Revitalization Area for real property improvements in the amount of $15,000,000. Long Term Care Investments III, LLC will construct a 53,345 square foot skilled care nursing facility designed for approximately 85 to 90 skilled nursing care residents as well as water, sewer, and storm infrastructure improvements.**

EFFECT OF PASSAGE: **Constructing the additional space will allow Long Term Care Investments III, LLC to develop 5.5 acres near Aboite Center Road and W. Jefferson Blvd. while providing an opportunity for employment for area citizens. Sixty-one full-time and 34 part-time jobs will be created.**

EFFECT OF NON-PASSAGE: **Potential loss of development, 61 full-time jobs, and 34 part-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: July 17, 2013

RE: Request for designation by Long Term Care Investments III, LLC as an ERA for real property improvements

BACKGROUND

PROJECT ADDRESS:	**7504 Aboite Center Road, 7518 Aboite Center Road, 4127 Rosewood Drive, 4113 Rosewood Drive, 7005 Oriole Circle, 6291 Oriole Circle, and 6911 Oriole Circle**	PROJECT LOCATED WITHIN:	**Economic Development Area (Pending)**
PROJECT COST:	**$15,000,000**	COUNCILMANIC DISTRICT:	**4**

COMPANY PRODUCT OR SERVICE:	**Long Term Care Investments III, LLC provides skilled nursing and rehabilitation care services.**
PROJECT DESCRIPTION:	**Long Term Care Investments III, LLC will construct a 53,345 square foot skilled nursing care facility.**

CREATED		RETAINED	
JOBS CREATED (FULL-TIME):	**61**	JOBS RETAINED (FULL-TIME):	**N/A**
JOBS CREATED (PART-TIME):	**34**	JOBS RETAINED (PART-TIME):	**N/A**
TOTAL NEW PAYROLL:	**$ 2,933,450**	TOTAL RETAINED PAYROLL:	**N/A**
AVERAGE SALARY (FULL-TIME NEW):	**$ 35,435**	AVERAGE SALARY (FULL-TIME RETAINED):	**N/A**

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 CM1; Professional Offices and Personal Services.

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, Long Term Care Investments III, LLC 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.

COMMENTS

Signed: Alan J. Wild

Economic Development Specialist

Reviewed: Elissa McGauley

Economic Development Specialist

COMMUNITY DEVELOPMENT DIVISION

Real Property Abatements

Tax Abatement Review System

	Points Possible	Points Awarded
INVESTMENT (30 points possible)		
Total new investment in real property (new structures and/or rehabilitation)		
Over $1,000,000	10	10
$500,000 to $999,999	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	
Estimated local income taxes generated from jobs created (Double points for start-up)		
$30,000 or more	5	
$10,000 to $29,999	4	8
$5,000 to $9,999	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
Estimated Percent of Business done outside Allen County		
Greater than 75%	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	
10 to 24	2	
1 to 9	1	
Total number of permanent jobs created (Double for start-up)		
Over 100	10	
50-99	8	16
25-49	6	
10-24	4	
1 to 9	2	
WAGES (20 points possible)		
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 63

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%	

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

REAL PROPERTY TAX ABATEMENT - 7 yr Schedule

Year	Cash Value	True Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable AV	Tax Rate	Tax Paid	Tax Saved
1	$15,000,000	$15,000,000	$15,000,000	100%	0%	$15,000,000	$0	0.032288	$0	$484,320
2	$15,000,000	$15,000,000	$15,000,000	85%	15%	$12,750,000	$2,250,000	0.032288	$72,648	$411,672
3	$15,000,000	$15,000,000	$15,000,000	71%	29%	$10,650,000	$4,350,000	0.032288	$140,453	$343,867
4	$15,000,000	$15,000,000	$15,000,000	57%	43%	$8,550,000	$6,450,000	0.032288	$208,258	$276,062
5	$15,000,000	$15,000,000	$15,000,000	43%	57%	$6,450,000	$8,550,000	0.032288	$276,062	$208,258
6	$15,000,000	$15,000,000	$15,000,000	29%	71%	$4,350,000	$10,650,000	0.032288	$343,867	$140,453
7	$15,000,000	$15,000,000	$15,000,000	14%	86%	$2,100,000	$12,900,000	0.032288	$416,515	$67,805
8	$15,000,000	$15,000,000	$15,000,000	0%	100%	$0	$15,000,000	0.032288	$484,320	$0

TOTAL TAX SAVED REAL PROPERTY	(7 yrs on 7 yr deduction)	**$1,932,437**
TOTAL TAX PAID REAL PROPERTY	(7 yrs on 7 yr deduction)	**$1,942,123**

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