

A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as unassigned, portion of the 4300 block of Airport Expressway, Fort Wayne, Indiana 46809 (Scannell Properties #156, LLC/BAE Systems Controls, Inc.)

WHEREAS, Petitioner has duly filed its petition dated November 14, 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 1,000 full-time, permanent jobs for a total current annual payroll of \$55,000,000, with the average current, annual job salary being \$55,000; and

WHEREAS, the total estimated project cost is \$42,220,000; and

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

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

SECTION 1. That, subject to the requirements of Section 6, below, the property hereinabove described is hereby designated and declared an "Economic Revitalization Area" under I.C. 6-1.1-12.1. Said designation shall begin upon the effective date of the Confirming Resolution referred to in Section 6 of this Resolution and shall terminate on December 31, 2016, unless otherwise automatically extended in five year increments per I.C. 6-1.1-12.1-9.

SECTION 2. That, upon adoption of the Resolution:

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

SECTION 3. That, said designation of the hereinabove described property as an "Economic Revitalization Area" shall apply to both a deduction of the assessed value of real estate and personal property for new manufacturing, research and development, logistical distribution and information technology equipment.

SECTION 4. That, the estimate of the number of individuals that will be employed or whose employment will be retained and the estimate of the annual salaries of those individuals and the estimate of the value of redevelopment or rehabilitation and the estimate of the value of new manufacturing, research and development, logistical distribution and information technology equipment, all contained in Petitioner's Statement of Benefits, are reasonable and are benefits that can be reasonably expected to result from the proposed

described redevelopment or rehabilitation and from the installation of new manufacturing, research and development, logistical distribution and information technology equipment.

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).
- ... If the proposed new manufacturing, research and development, logistical distribution and information technology equipment is not installed, the approximate current year tax rates for this site would be \$3.3124/\$100.
- ... If the proposed new manufacturing, research and development, logistical distribution and information technology equipment is installed 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 new manufacturing, research and development, logistical distribution and information technology equipment is installed and a deduction percentage of eighty percent (80%) is assumed, the approximate current year tax rate for the site would be \$3.3124/\$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, and the deduction from the assessed value of the new manufacturing equipment shall be for a period of ten years.

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

Year of Deduction	Percentage
1	100%
2	100%
3	100%
4	100%
5	100%
6	100%
7	100%
8	100%
9	100%
10	100%

1 **SECTION 9.** The deduction schedule from the assessed value of new
2 manufacturing, research and development, logistical distribution and information technology
3 equipment pursuant to I.C. 6-1.1-12.1-17 shall look like this:

Year of Deduction	Percentage
1	100%
2	100%
3	100%
4	100%
5	100%
6	50%
7	40%
8	30%
9	20%
10	10%

9 **SECTION 10.** That, the benefits described in the Petitioner's Statement of Benefits
10 can be reasonably expected to result from the project and are sufficient to justify the
11 applicable deductions.

12 **SECTION 11.** That, the taxpayer is non-delinquent on any and all property tax due
13 to jurisdictions within Allen County, Indiana.

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

21 **SECTION 13.** That, this Resolution shall be in full force and effect from and after
22 its passage and any and all necessary approval by the Mayor.

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Member of Council

APPROVED AS TO FORM AND LEGALITY

Carol Helton, City Attorney

NOV 14 2013 *Emc*

**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:	\$ 39,000,000
Total cost of manufacturing equipment improvements:	\$ 2,400,000
Total cost of research and development equipment improvements:	\$ 390,000
Total cost of logistical distribution equipment improvements:	\$ 170,000
Total cost of information technology equipment improvements:	\$ 260,000
TOTAL OF ABOVE IMPROVEMENTS:	\$ 42,220,000

GENERAL INFORMATION

Real property taxpayer's name: Scannell Properties #156, LLC
 Personal property taxpayer's name: BAE Systems Controls Inc.
 Telephone number: (260) 434-5446
 Address listed on tax bill: Portion of the 4300 Blk of Airport Expressway, Airport Business Center, Fort Wayne
 Name of company to be designated, if applicable: BAE Systems Controls, Inc.
 Year company was established: 2000
 Address of property to be designated: Portion of the 4300 Blk of Airport Expressway, Airport Business Center, Fort Wayne
 Real estate property identification number: Part of 02-12-32-400-003.000-074
 Contact person name: William Sean LaLonde
 Contact person telephone number: (260) 434-5446 Contact person Email: william.lalonde@baesystems.c
 Contact person address: 2000 Taylor Street, Fort Wayne, IN 46802
 List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Robert Hoffman	Director of Operations	2000 Taylor Street, Fort Wayne, IN 46802	(260) 434-5377
		See Attachment 1 for Company Officers	

Attachment 1

Name	Position	Appointed
<u>Graham, Ian Thomas</u>	Director	06/11/2010
<u>Jacobs, Bradley Warren</u>	Director	08/13/2009
Name	Position	Appointed
<u>Ranger, Jennifer</u>	Assistant Secretary	04/12/2011
<u>Shaw, Terry L.</u>	Assistant Treasurer	09/29/2000
<u>Gobel, Dan J.</u>	President	10/22/2009
<u>Arseneault, Thomas A.</u>	Vice President	03/27/2013
<u>Hudson, Linda Parker</u>	Vice President	03/27/2013
<u>Allen, Jennifer H.</u>	Vice President & Assistant Secretary	01/27/2012
<u>Mullin, Andrew S.</u>	Vice President & Secretary	07/15/2013
<u>Montminy, Guy</u>	Vice President & Treasurer	07/16/2012

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

NAME	PERCENTAGE
BAE Systems, Inc.	100

- ☐ 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)? 334519

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

BAE Systems is a global defence, aerospace and security company employing around 88,200 people worldwide. Our wide-ranging products and services cover air, land and naval forces, as well as advanced electronics, security, information technology, and support services.

Dollar amount of annual sales for the last three years:

Year	Annual Sales

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:

Manufacturing and repair of: Electronic Engine Controls, Flight Controls, Avionic and Airline Cabin Systems.

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?

BAE Systems current facility is in a condition that no longer will allow for the technology upgrades needed to remain competitive. The site at Airport Expressway and Ardmore Avenue is part of a larger development plan for both the airport area and airport expressway. To date, however, this site has not been developed. The development at this location will allow BAE Systems to construct a state of the art facility that will be a show place for technology, sustain its existing business, and develop new capabilities and business opportunities in the commercial aerospace industry.

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

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:

Light assembly/production facility with approximately 230,000 square feet of assembly space, 45,000 square feet of office space, cafeteria, gym, support space, receiving/shipping and storage space

Projected construction start (month/year): 03/2014

Projected construction completion (month/year): 05/2015

☐ 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.)

No rain gardens or bio swales are figured at this time, but it is the intent to utilize drainage swales, if possible.

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)

See Attachment 2

☐ 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): 01/2014

Date last piece of equipment will be installed (month/year): 12/2014

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

8 year DDB

Attachment 2

Description	Total Project Budget (\$K)	Category
Europlacer off-line scrap trouble-shooting	\$60	Information Tech
Test/Mfg network - behind the Firewall	\$100	Information Tech
Discretionary Funding (IT, server upgrade, software)	\$100	Information Tech
Boeing Seattle CFS	\$50	Logistical
Articulating man-lift	\$90	Logistical
Man-lift order picker for AE	\$30	Logistical
X-ray (In-line)	\$600	Manufacturing
UV oven for UV-40 change-over	\$65	Manufacturing
Europlacer White Box - offline set-up tool	\$10	Manufacturing
Miscellaneous Manufacturing and Test Tools	\$50	Manufacturing
Ionograph cleanliness tester	\$25	Manufacturing
Auto-labeling machine	\$120	Manufacturing
Next Gen Stencil Cleaner- Glue and Paste	\$80	Manufacturing
Ersa scope (new vendor equivalent)	\$15	Manufacturing
next-gen AOI for AE	\$195	Manufacturing
Calibration 9300 Air Bath (LRT)	\$6	Manufacturing
Next-Gen Connector Rework Station	\$200	Manufacturing
RPS harmony select solder replacement	\$100	Manufacturing
DITMCO	\$150	Manufacturing
DITMCO	\$150	Manufacturing
Combined Environment Thermal F42/ UD Vib System	\$325	Manufacturing
Thermotron - NDP/Replacements SE style (2)	\$120	Manufacturing
Thermotron - NDP/Replacements SE style (1)	\$60	Manufacturing
Asymtek Auto-mask system (pre-conformal coat)	\$45	Manufacturing
AOI - Benchtop for Engine Controls	\$70	Manufacturing
Next-Gen Marking System	\$140	R&D
Wafer/die-level photo-emission detector system	\$90	R&D
Single Bay PS Stand for Development Shop	\$140	R&D
Paralene Rework System	\$20	R&D
	\$3,206	

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.

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
See Attachment 3			

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Attachment 3			

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 | ☒ Major Medical Plan | ☒ Disability Insurance |
| ☒ Tuition Reimbursement | ☒ Life Insurance | ☒ Dental Insurance |

List any benefits not mentioned above:

EAP - Employee Assistance Program

When will you reach the levels of employment shown above? (month/year): 01/2014

Attachment 3

Occupation	Occupation Code	# of Jobs	Total Payroll (Approx)
General & Operations Managers	11-1021	5	\$555,000
Computer & Information Systems Managers	11-3021	1	\$140,000
Financial Managers	11-3031	1	\$105,000
Industrial Production Managers	11-3051	9	\$999,000
Purchasing Managers	11-3061	1	\$104,000
Human Resources Managers	11-3121	1	\$110,000
Architectural & Engineering Managers	11-9041	3	\$390,000
Managers, All Other	11-9199	16	\$1,840,000
Compliance Officers	13-1041	1	\$104,000
Human Resources Specialists	13-1071	2	\$124,000
Accountants & Auditors	13-2011	4	\$228,000
Financial Analysts	13-2051	5	\$290,000
Financial Specialists, All Other	13-2099	7	\$420,000
Software Developers, Systems Software	15-1133	1	\$81,000
Computer Network Support Specialists	15-1152	4	\$180,000
Electrical Engineers	17-2071	42	\$3,360,000
Engineers, All Other	17-2199	166	\$12,948,000
Electrical & Electronics Engineering Technicians	17-3023	17	\$1,037,000
Environmental Scientists & Specialists, Including Health	19-2041	2	\$270,000
Customer Service Representatives	43-4051	9	\$648,000
Production, Planning, and Expediting Clerks	43-5061	17	\$1,054,000
Executive Secretaries & Executive Administrative Assistants	43-6011	3	\$144,000
Secretaries and Administrative Assistants	43-6014	23	\$805,000
Office & Administrative Support Workers, All Other	43-9199	3	\$132,000
Maintenance & Repair Workers, General	49-9071	12	\$708,000
Electrical & Electronic Equipment Assemblers	51-2022	624	\$27,243,840
Tool & Die Makers	51-4111	6	\$372,000
Inspectors, Testers, Sorters, Samplers, and Weighers	51-9061	15	\$555,000

REQUIRED ATTACHMENTS

The following must be attached to the application.

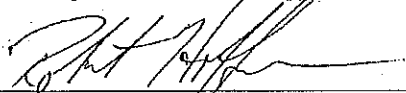
1. **Statement of Benefits Form(s)** (first page/front side completed)
2. **Full legal description of property and a plat map identifying the property boundaries.** (Property tax bill legal descriptions are not sufficient.) Should be marked as Exhibit A.
3. **Check for non-refundable application fee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

Robert Hoffman

Printed Name and Title of Applicant

11/12/2013

Date

HBC REALTY CORPORATION

P. O. Box 11200
FORT WAYNE, IN 46856-1200

**Owner's Certificate
for
Scannell Properties #156, LLC's proposed development,
Airport Business Center, Fort Wayne, Indiana**

October 28, 2013

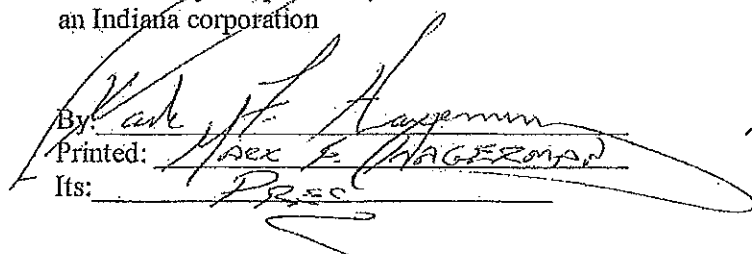
Ashley Steenman, CEcD
Vice President of Business Development
Greater Fort Wayne, Inc.,
111 West Wayne Street
Fort Wayne, IN 46802

Subject: Owner's Certificate from HBC Realty Corporation, property owner for all required Economic Revitalization Area Applications for the proposed development by Scannell Properties #156, LLC

Dear Ms. Steenman:

As the owner of 67.97 acres of property approximately located in the 4300 block of Airport Expressway in Fort Wayne, Indiana (Airport Business Center) Part of Tax Parcel Number 02-12-32-400-003.000-074 (the "Property"), the undersigned, HBC Realty Corporation hereby authorizes Scannell Properties #156, LLC and/or its tenant, successors or assigns, to submit any and all applicable petitions, applications, and other documentation to the Fort Wayne-Allen County Economic Development Alliance, Greater Fort Wayne, Inc., for and in connection with the procurement of real property and personal property tax incentives, authorizations, and approvals in connection with the proposed development of the Property as a manufacturing facility.

HBC Realty Corporation,
an Indiana corporation

By: 

Printed: Alex E. Hagerman

Its: Pres

10-28-13

Date

**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (R / 1-06)

Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

FORM SB-1 / PP

NOV 14 2013 *Emc***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).

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** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment 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 installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, **BEFORE** a deduction may be approved
3. To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001. For equipment installed prior to March 2, 2001, the schedules and statutes in effect at the time shall continue to apply. (IC 6-1.1-12.1-4.5(f) and (g))

SECTION 1		TAXPAYER INFORMATION							
Name of taxpayer BAE Systems Controls Inc.									
Address of taxpayer (number and street, city, state, and ZIP code) 1098 Clark Street, Endicott, NY 13760									
Name of contact person William Sean LaLonde				Telephone number (260) 434-5446					
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT							
Name of designating body Fort Wayne City Council				Resolution number (s)					
Location of property 4300 Blk of Airport Expressway, Fort Wayne, IN		County Allen		DLGF taxing district number 074					
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (use additional sheets if necessary) See Attachment 2				ESTIMATED					
				START DATE		COMPLETION DATE			
				Manufacturing Equipment		01/01/2014		12/31/2014	
				R & D Equipment		01/01/2014		12/31/2014	
				Logist Dist Equipment		01/01/2014		12/31/2014	
IT Equipment		01/01/2014		12/31/2014					
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT							
Current number 1,000	Salaries 55,000,000.00	Number retained 1,000	Salaries 55,000,000.00	Number additional 0	Salaries 0.00				
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT							
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT		
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	
Current values									
Plus estimated values of proposed project	2,400,000.00		380,000.00		170,000.00		260,000.00		
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>Robert F. Miller</i>		Title Director of Operations		Date signed (month, day, year) 11/12/2013					

Attachment 2

Description	Total Project Budget (\$K)	Category
Europlacer off-line scrap trouble-shooting	\$60	Information Tech
Test/Mfg network - behind the Firewall	\$100	Information Tech
Discretionary Funding (IT, server upgrade, software)	\$100	Information Tech
Boeing Seattle CFS	\$50	Logistical
Articulating man-lift	\$90	Logistical
Man-lift order picker for AE	\$30	Logistical
X-ray (In-line)	\$600	Manufacturing
UV oven for UV-40 change-over	\$65	Manufacturing
Europlacer White Box - offline set-up tool	\$10	Manufacturing
Miscellaneous Manufacturing and Test Tools	\$50	Manufacturing
Ionograph cleanliness tester	\$25	Manufacturing
Auto-labeling machine	\$120	Manufacturing
Next Gen Stencil Cleaner- Glue and Paste	\$80	Manufacturing
Ersa scope (new vendor equivalent)	\$15	Manufacturing
next-gen AOI for AE	\$195	Manufacturing
Calibration 9300 Air Bath (LRT)	\$6	Manufacturing
Next-Gen Connector Rework Station	\$200	Manufacturing
RPS harmony select solder replacement	\$100	Manufacturing
DITMCO	\$150	Manufacturing
DITMCO	\$150	Manufacturing
Combined Environment Thermal F42/ UD Vib System	\$325	Manufacturing
Thermotron - NDP/Replacements SE style (2)	\$120	Manufacturing
Thermotron - NDP/Replacements SE style (1)	\$60	Manufacturing
Asymtek Auto-mask system (pre-conformal coat)	\$45	Manufacturing
AOI - Benchtop for Engine Controls	\$70	Manufacturing
Next-Gen Marking System	\$140	R&D
Wafer/die-level photo-emission detector system	\$90	R&D
Single Bay PS Stand for Development Shop	\$140	R&D
Paralene Rework System	\$20	R&D
	\$3,206	

**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R2 / 1-07)

Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

20__ PAY 20__

FORM SB-1 / Real Property

NOV 14 2013

EMC

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☒ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Eligible vacant building (IC 6-1.1-12.1-4.8)

COMMUNITY DEVL.

INSTRUCTIONS:

- 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)
- 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.
- To obtain a deduction, application Form 322 ERA/RE or Form 322 ERA/VBD, whichever is applicable, must be filed with the County Auditor by the later of: (1) May 10; or (2) thirty (30) days after the notice of addition to assessed valuation or new assessment is mailed to the property owner at the address shown on the records of the township assessor.
- 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)]
- The schedules established under IC 6-1.1-12.1-4(d) for rehabilitated property and under IC 6-1.1-12.1-4.8(1) for vacant buildings apply to any statement of benefits approved on or after July 1, 2000. The schedules effective prior to July 1, 2000, shall continue to apply to a statement of benefits filed before July 1, 2000.

SECTION 1 TAXPAYER INFORMATION					
Name of taxpayer Scannell Properties #156, LLC					
Address of taxpayer (number and street, city, state, and ZIP code) 800 E. 96th Street, Suite 175, Indianapolis, IN 46240					
Name of contact person James C. Carlino		Telephone number (317) 843-5959		E-mail address jmc@scannellproperties.c	
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body FORT WAYNE COMMON COUNCIL				Resolution number	
Location of property 4300 Blk of Airport Expressway, Fort Wayne IN		County Allen		DLGF taxing district number 074	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Light assembly/production facility with approximately 230,000 square feet of assembly space, 45,000 square feet of office, etc., space				Estimated start date (month, day, year) 03/01/2014 Estimated completion date (month, day, year) 05/27/2015	
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number	Salaries	Number retained	Salaries	Number additional	Salaries
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.		REAL ESTATE IMPROVEMENTS			
		COST		ASSESSED VALUE	
		Current values		1,020,000.00	47,120.94
		Plus estimated values of proposed project		39,000,000.00	
		Less values of any property being replaced			
Net estimated values upon completion of project		40,020,000.00			
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 Manager		Date signed (month, day, year) 11/12/2013	

EXHIBIT A

[LEGAL DESCRIPTION]

A portion of tax parcel number 02-12-32-400-003.000-074

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: Declaratory Resolution

DEPARTMENT REQUESTING ORDINANCE: Community Development Division

SYNOPSIS OF ORDINANCE: BAE Systems Controls, Inc. is requesting the designation of an Economic Revitalization Area for both real and personal property improvements in the amount of \$42,220,000. Scannell Properties #156, LLC will construct a 325,000 square foot facility for BAE Systems Controls, Inc. BAE Systems Controls, Inc. will purchase and install over \$3 million in manufacturing, research and development, information technology and logistical distribution equipment.

EFFECT OF PASSAGE: BAE Systems Controls, Inc. will be relocating its operations from an existing facility that no longer allows them to make technology upgrades needed to remain competitive. The new state-of-the-art facility will allow the company to sustain its existing business and develop new capabilities and business opportunities in the commercial aerospace industry. 1,000 full-time jobs will be retained as a result of the project.

EFFECT OF NON-PASSAGE: Potential loss of development and 1,000 full-time jobs

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

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

MEMORANDUM



TO: City Council

FROM: Elissa McGauley, Economic Development Specialist

DATE: November 20, 2013

RE: Request for designation by Scannell Properties #156, LLC/BAE Systems Controls, Inc. as an ERA for real and personal property improvements

BACKGROUND

PROJECT ADDRESS:	unassigned, portion of the 4300 block of Airport Expressway	PROJECT LOCATED WITHIN:	Redevelopment Area
PROJECT COST:	\$ 42,220,000.00	COUNCILMANIC DISTRICT:	4

COMPANY PRODUCT OR SERVICE:	BAE Systems Controls, Inc. is a global defense, aerospace and security company employing over 88,000 people worldwide.
PROJECT DESCRIPTION:	Construction of a 325,000 square foot facility and purchase and installation of manufacturing, research and development, information technology and logistical distribution equipment.

CREATED

RETAINED

JOBS CREATED (FULL-TIME):	0	JOBS RETAINED (FULL-TIME):	1,000
JOBS CREATED (PART-TIME):	0	JOBS RETAINED (PART-TIME):	0
TOTAL NEW PAYROLL:	\$ 0	TOTAL RETAINED PAYROLL:	\$ 55,000,000
AVERAGE SALARY (FULL-TIME NEW):	\$ 0	AVERAGE SALARY (FULL-TIME RETAINED):	\$ 55,000

COMMUNITY BENEFIT REVIEW

Yes ☒ No ☐ N/A ☐

Project will encourage vacant or under-utilized land appropriate for commercial or industrial use?

Explain: Property to be designated is currently vacant.

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, a general industrial zoning classification. Use of property is consistent with the land use policies of the City of Fort Wayne.

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?

Explain: Over \$3 million in new equipment will be purchased and installed by BAE Systems Controls, Inc.

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.
2. The period of deduction for personal property is ten years.

Under Fort Wayne Common Council's tax abatement policies and procedures, Scannell Properties #156, LLC/BAE Systems Controls, Inc. is eligible for ten year deductions on the real and personal property improvements. Because of the extraordinary nature of the investment being made by Scannell Properties #156, LLC/BAE Systems Controls, Inc., alternative deduction schedules are recommended. A ten year, 100% deduction schedule on the real property improvements is recommended. A ten year alternate deduction schedule on the personal property investment is recommended with the first five years receiving a 100% deduction and the remaining five years declining from 50% in the sixth year to 10% in the tenth year. Attached are spreadsheets that show how the application scored under the review systems. Also attached is a spreadsheet that shows an estimate of the taxes and saved over the ten year alternate schedules.

COMMENTS

Signed:

Elissa McHaulley
Economic Development Specialist

Personal Property Abatements

Tax Abatement Review System

	Points Possible	Points Awarded
INVESTMENT (30 points possible)		
Total new Investment in equipment		
Over \$5,000,000	10	
\$1,000,000 to \$4,999,999	8	8
\$500,000 to \$999,999	6	
\$0 to \$499,999	4	
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	
\$1,250 to \$6,249	4	4
less than \$1,250	2	
Estimated local income taxes generated from jobs retained		
\$80,000 or more	5	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	
\$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	15
50% to 74%	10	
25% to 49%	5	
JOBS (20 points possible)		
Total number of permanent jobs retained		
Over 250	10	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	
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	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	
BENEFITS (10 points possible)		
Major Medical Plan		
Pension, Tuition Reimbursement, Life Insurance, Dental Insurance, Disability Insurance,	7	7
	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 77

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.

Personal Property Deduction Schedules	Alternative Deduction Personal Property Schedules
10 year	10 Year
Year 1: 100%	Year 1: 100%
Year 2: 90%	Year 2: 100%
Year 3: 80%	Year 3: 100%
Year 4: 70%	Year 4: 100%
Year 5: 60%	Year 5: 100%
Year 6: 50%	Year 6: 90%
Year 7: 40%	Year 7: 80%
Year 8: 30%	Year 8: 65%
Year 9: 20%	Year 9: 50%
Year 10: 10%	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%	

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	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	
\$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	15
50% to 74%	10	
25% to 49%	5	
JOBS (20 points possible)		
Total number of permanent jobs retained		
Over 250	10	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	
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	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	
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

85

Length of Abatement

20 to 39 points - 3 year abatement

40 to 69 points - 5 year abatement

60 to 89 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%	

FORT WAYNE COMMUNITY DEVELOPMENT DIVISION **TAX ABATEMENT - ESTIMATE OF SAVINGS**

PERSONAL PROPERTY TAX ABATEMENT - 10 yr Schedule

Year	True Cash Value	"Pool 2"	True Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable A V	Tax Rate	Tax Paid	Tax Saved
1	\$3,220,000	40%	\$1,288,000	\$1,288,000	100%	0%	\$1,288,000	\$0	0.033124	\$0	\$42,664
2	\$3,220,000	56%	\$1,803,200	\$1,803,200	100%	10%	\$1,803,200	\$180,320	0.033124	\$5,973	\$59,729
3	\$3,220,000	42%	\$1,352,400	\$1,352,400	100%	20%	\$1,352,400	\$270,480	0.033124	\$8,959	\$44,797
4	\$3,220,000	32%	\$1,030,400	\$1,030,400	100%	30%	\$1,030,400	\$309,120	0.033124	\$10,239	\$34,131
5	\$3,220,000	30%	\$966,000	\$966,000	100%	40%	\$966,000	\$386,400	0.033124	\$12,799	\$31,998
6	\$3,220,000	30%	\$966,000	\$966,000	50%	50%	\$483,000	\$483,000	0.033124	\$15,999	\$15,999
7	\$3,220,000	30%	\$966,000	\$966,000	40%	60%	\$386,400	\$579,600	0.033124	\$19,199	\$12,799
8	\$3,220,000	30%	\$966,000	\$966,000	30%	70%	\$289,800	\$676,200	0.033124	\$22,398	\$9,599
9	\$3,220,000	30%	\$966,000	\$966,000	20%	80%	\$193,200	\$772,800	0.033124	\$25,598	\$6,400
10	\$3,220,000	30%	\$966,000	\$966,000	10%	90%	\$96,600	\$869,400	0.033124	\$28,798	\$3,200
11	\$3,220,000	30%	\$966,000	\$966,000	0%	100%	\$0	\$966,000	0.033124	\$31,998	\$0
							TOTAL TAX SAVED	(10 yrs on 10 yr deduction)			
							TOTAL TAX PAID	(10 yrs on 10 yr deduction)			

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

REAL PROPERTY TAX ABATEMENT - 10 yr Schedule

Year	Cash Value	True Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable AV	Tax Rate	Tax Paid	Tax Saved
1	\$39,000,000	\$39,000,000	\$39,000,000	100%	0%	\$39,000,000	\$0	0.033124	\$0	\$1,291,836
2	\$39,000,000	\$39,000,000	\$39,000,000	100%	5%	\$39,000,000	\$1,950,000	0.033124	\$64,592	\$1,291,836
3	\$39,000,000	\$39,000,000	\$39,000,000	100%	20%	\$39,000,000	\$7,800,000	0.033124	\$258,367	\$1,291,836
4	\$39,000,000	\$39,000,000	\$39,000,000	100%	35%	\$39,000,000	\$13,650,000	0.033124	\$452,143	\$1,291,836
5	\$39,000,000	\$39,000,000	\$39,000,000	100%	50%	\$39,000,000	\$19,500,000	0.033124	\$645,918	\$1,291,836
6	\$39,000,000	\$39,000,000	\$39,000,000	100%	60%	\$39,000,000	\$23,400,000	0.033124	\$775,102	\$1,291,836
7	\$39,000,000	\$39,000,000	\$39,000,000	100%	70%	\$39,000,000	\$27,300,000	0.033124	\$904,285	\$1,291,836
8	\$39,000,000	\$39,000,000	\$39,000,000	100%	80%	\$39,000,000	\$31,200,000	0.033124	\$1,033,469	\$1,291,836
9	\$39,000,000	\$39,000,000	\$39,000,000	100%	90%	\$39,000,000	\$35,100,000	0.033124	\$1,162,652	\$1,291,836
10	\$39,000,000	\$39,000,000	\$39,000,000	100%	95%	\$39,000,000	\$37,050,000	0.033124	\$1,227,244	\$1,291,836
11	\$39,000,000	\$39,000,000	\$39,000,000	0%	100%	\$0	\$39,000,000	0.033124	\$1,291,836	\$0
						TOTAL TAX SAVED REAL PROPERTY	(10 yrs on 10 yr deduction)		\$12,918,360	
						TOTAL TAX PAID REAL PROPERTY (10 yrs)	(10 yrs on 10 yr deduction)		\$6,523,772	
						TOTAL TAX SAVED MACHINERY & BUILDING	(10 yrs on 10 yr deduction)		\$13,179,675	
						TOTAL TAX PAID MACHINERY & BUILDING	(10 yrs on 10 yr deduction)		\$6,673,735	

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