BILL NO. R-13-12-33

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 8415 North Clinton Park Drive, Fort Wayne, Indiana 46825 (AccuTemp Products, Inc.)

WHEREAS, Petitioner has duly filed its petition dated December 6, 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 14 full-time, permanent jobs for a total new, annual payroll of $561,455, with the average new annual job salary being $40,104 and retain 53 full-time, permanent jobs for a total current annual payroll of $2,450,085, with the average current, annual job salary being $46,228; and

WHEREAS, the total estimated project cost is $263,354; 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:

(a) Said Resolution shall be filed with the Allen County Assessor;

(b) 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";

(c) 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 personal property for new 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 new 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 installation of new information technology equipment.

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

(a) If the proposed new information technology equipment is not installed, the approximate current year tax rates for this site would be $3.1955/$100.

(b) If the proposed new information technology equipment is installed and no deduction is granted, the approximate current year tax rate for the site would be $3.1955/$100 (the change would be negligible).

(c) If the proposed new 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 $3.1955/$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 new information technology equipment shall be for a period of five years.

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

Year of Deduction	Percentage
1	100%
2	80%
3	60%

4	40%
5	20%

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 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.

Member of Council

APPROVED AS TO FORM AND LEGALITY

Carol Helton, City Attorney

CITY OF FT WAYNE

DEC 0 6 2013 ajw

03/2013

COMMUNITY DEVL.

ECONOMIC REVITALIZATION AREA APPLICATION
CITY OF FORT WAYNE, INDIANA

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

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

Total cost of real estate improvements:	
Total cost of manufacturing equipment improvements:	$ 36,500
Total cost of research and development equipment improvements:	$ 300,000
Total cost of logistical distribution equipment improvements:	$ 15,000
Total cost of information technology equipment improvements:	$ 405,160
TOTAL OF ABOVE IMPROVEMENTS:	$ 756,660

GENERAL INFORMATION

Real property taxpayer's name: 1100 Airport North Partnership / Tippman & Dumas LLC

Personal property taxpayer's name: AccuTemp Products Inc.

Telephone number: (260) 493-0415

Address listed on tax bill: 8415 N. Clinton Park Dr, Fort Wayne, IN 46825

Name of company to be designated, if applicable: AccuTemp Products Inc

Year company was established: 1993

Address of property to be designated: 8415 Clinton Park Drive; 46825 / 5021 Investment Drive; 46808

Real estate property identification number: 02-08-07-226-011.000-072 (N.Clinton) 02-07-22-301-002.000-073 (Investment)

Contact person name: David P. Ogram

Contact person telephone number: (260) 498-2312 Contact person Email: dogram@accutemp.net

Contact person address: 8415 N. Clinton Park Dr., Fort Wayne, IN 46825

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Scott Swogger	President & CEO	8415 N. Clinton Pk Dr. Fort Wayne, IN 46825	(260) 498-2305

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

NAME	PERCENTAGE
Larry Redmon	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? 99.9%

What is the company's primary North American Industrial Classification Code (NAICs)? 33318

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

Sell commercial food-service equipment such as steamers and griddles to a broad customer base which include Healthcare, Schools, Chain Restaurants, Military, Resorts, Grocery Stores, Prisons, Hotels, etc.

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2013	$ 22,817,556.00
2012	$ 22,108,587
2011	$ 18,465,797

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

Customer Name	City/State	Annual Gross Sales
White Castle	Columbus, OH	$ 1,611,911
Direct Supply	Milwaukee, WI	$ 1,182,412
Pasco Brokerage	Plano, TX	$ 893,000

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

Supplier Name	City/State	Annual Gross Purchases
Challenge Tool & Manufacturing	New Haven, IN	$ 10,803,256
Gardner Denver Thomas	St. Louis, MO	$ 508,946
Crown Food Service	Downsview, Ontario Canada	$ 260,329

List the company's top three competitors:

Competitor Name	City/State
Groen (Unified Brands)	Jackson, MS
Cleveland (Manitowoc)	Cleveland, OH
South Bend (Middleby Corp)	Fuquay-Varina, NC

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

Commercial food service equipment such as steamers, griddles, combi ovens, and flash steamers

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?

A majority of the investment will be spent on tooling to upgrade of our griddle product. Our griddle product currently has welded corners and with this new innovative process and tooling, the griddle will have rounded corners which will increase the reliability of our product. Also, these upgrades need to be done to continue to make our company efficient and profitable.

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:

10,200 sq. ft. Corporate Office (8415 North Clinton Park Dr.)
12,000 sq. ft. Office and Product (5021 Investment Dr.)

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

Good

Describe the improvements to be made to the property to be designated for tax phase-in purposes:

Lighting, Replace Overhead Doors, Exhaust Fan for Welding Booth;

Projected construction start (month/year): 11/2013

Projected construction completion (month/year): 01/2018

☐ 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)

Griddle Opportunity: Currently our griddle chamber is produced in China and we're evaluating the possibility for these chambers to be produced in Evansville, Indiana. The reasons to locate the production to Evansville for both parties are: Quality, logistics, job creating, capital equipment and enhanced technical skillsets which would all be housed in the state of Indiana.
Combi Opportunity: A combi oven is a combination of a steamer and commercial oven and is primarily used in healthcare and school facilities. Currently AccuTemp has developed a prototype for the Navy.
Flash Steamer: A flash steamer is a smaller unit and AccuTemp is researching vendors in Indiana as well as Illinois. Advantage to locate in Indiana is to retain job creation / work in Indiana.

☐ 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): 11/2013

Date last piece of equipment will be installed (month/year): 10/2018

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

3 Years = IT
3 Years = Tooling / Manufacturing
5 Years = Forklift

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:

N/A

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 Attached - Exhibit A			

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Attached - Exhibit A			

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Attached - Exhibit A			

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Attached - Exhibit B			

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Attached - Exhibit B			

Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Attached - Exhibit B			

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:

HSA $2,000 Contribution; Paid Time Off (PTO); 9 Paid Holidays; 401k Plan;

When will you reach the levels of employment shown above? (month/year): 09/2018

Economic Revitalization Area Application **Exhibit A**
AccuTemp Products

PUBLIC BENEFITS INFORMATION

Current Full-Time Employment

Occupation	Location	Occupation Code	# of Jobs	Total Payroll
Chief Executives	North Clinton	11-1011	2	$ 390,000
IT System Mgr.	North Clinton	11-3021	1	$ 49,500
HR Manager	North Clinton	11-3121	1	$ 65,000
Managers, All Others	Investment	11-9199	4	$ 219,651
Managers, All Others	North Clinton	11-9199	6	$ 445,000
Engineering All Other	Investment	17-2199	3	$ 221,656
Mechanical Drafters	Investment	17-3013	2	$ 83,554
Telemarketers	North Clinton	41-9041	13	$ 317,173
Accounting Clerk	North Clinton	43-3031	2	$ 66,934
Payroll Clerk	North Clinton	43-3051	1	$ 42,501
Customer Service	North Clinton	43-4051	6	$ 187,200
Shipping, Receiving & Traffic Clerk	Investment	43-5071	3	$ 86,320
Stock Clerk	Investment	43-5081	1	$ 24,960
Administrative Asst	North Clinton	43-6014	2	$ 61,360
Electronic Repairers Commercial Equip	North Clinton	49-2094	5	$ 174,096
Total			52	$ 2,434,905

Retained Full-Time Employment

Occupation	Location	Occupation Code	# of Jobs	Total Payroll
Same as above				

Additional Full-Time Employment

Occupation	Location	Occupation Code	# of Jobs	Total Payroll
Engineering All Other	Investment	17-2199	1	$ 70,298
Mechanical Drafters	Investment	17-3013	1	$ 42,640
Managers, All Others	Investment	11-9199	1	$ 45,000
Managers, All Others	North Clinton	11-9199	1	$ 75,000
Administrative Asst	North Clinton	43-6014	3	$ 95,680
Telemarketers	North Clinton	41-9041	3	$ 77,189
Customer Service	North Clinton	43-4051	2	$ 70,720
Graphic Artist	North Clinton	27-1024	1	$ 40,000
Electronic Repairers Commercial Equip	Investment	49-2094	1	$ 44,928
Total			14	$ 561,455

Economic Revitalization Area Application **Exhibit B**
AccuTemp Products

PUBLIC BENEFITS INFORMATION

Current Part-Time Employment

Occupation	Location	Occupation Code	# of Jobs	Total Payroll
Customer Service	North Clinton	43-4051	1	$ 15,180
Total			1	$ 15,180

Retained Full-Time Employment

Occupation		Occupation Code	# of Jobs	Total Payroll
Same as above				

Additional Full-Time Employment

Occupation		Occupation Code	# of Jobs	Total Payroll
None				

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.

David P. Ogram

Signature of Taxpayer/Owner

David P. Ogram, VP, Finance & Administration

Printed Name and Title of Applicant

November 22 2013

Date

CITY OF FT WA...

DEC 0 6 2013

COMMUNITY DEVL.

STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R2 / 12-11)
Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

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 or with the county assessor if there is no township assessor for the township. 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, unless an alternative deduction schedule is adopted by the designating body (IC 6-1.1-12.1-17).*

SECTION 1 — TAXPAYER INFORMATION

Name of taxpayer AccuTemp Products, Inc.	
Address of taxpayer *(number and street, city, state, and ZIP code)* 8415 North Clinton Park Drive, Fort Wayne, Indiana 46825	
Name of contact person David P. Ogram	Telephone number (260) 498-2312

SECTION 2 — LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body FORT WAYNE COMMON COUNCIL		Resolution number (s)
Location of property 8415 N. Clinton Park Drive	County Allen	DLGF taxing district number 072

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)*

Phone, computer and software purchases

	ESTIMATED START DATE	ESTIMATED COMPLETION DATE
Manufacturing Equipment		
R & D Equipment		
Logist Dist Equipment		
IT Equipment	11/01/2013	09/30/2018

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
52	2,434,905.00	53	2,450,085.00	14	561,455.00

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							263,354.00	263,354.00
Less values of any property being replaced								
Net estimated values upon completion of project							263,354.00	263,354.00

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)*
David P. Ogram	VP, Finance & Admin	11-22-2013

EXHIBIT A

8415 Clinton Park Drive

7.204 A TRE E OF I69 & W OF LEO RD E1/2 NE1/4 SEC 7

Admn. Appr.____________

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **AccuTemp Products, Inc. is requesting the designation of an Economic Revitalization Area for personal property improvements in the amount of $263,354. In order to expand, AccuTemp Products, Inc. will purchase new information technology equipment.**

EFFECT OF PASSAGE: **Installing the new equipment will allow AccuTemp Products, Inc. to increase the reliability of their products while also making the company more efficient and profitable. Fourteen full-time jobs will be created.**

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

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

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

MEMORANDUM

TO: City Council

FROM: Adam Welch, Economic Development Specialist

DATE: December 10, 2013

RE: Request for designation by AccuTemp Products Inc. as an ERA for personal property improvements

BACKGROUND

PROJECT ADDRESS:	**8415 North Clinton Park Drive**	PROJECT LOCATED WITHIN:	**Not Applicable**
PROJECT COST:	**$ 263,354**	COUNCILMANIC DISTRICT:	**2**

COMPANY PRODUCT OR SERVICE:	**AccuTemp Products, Inc. is a manufacturer of steamers and griddles for the commercial foodservice industry.**
PROJECT DESCRIPTION:	**AccTemp Products, Inc. will purchase and install new information technology equipment.**

CREATED		RETAINED	
JOBS CREATED (FULL-TIME):	**14**	JOBS RETAINED (FULL-TIME):	**53**
JOBS CREATED (PART-TIME):	**0**	JOBS RETAINED (PART-TIME):	**0**
TOTAL NEW PAYROLL:	**$ 561,455**	TOTAL RETAINED PAYROLL:	**$ 2,450,085**
AVERAGE SALARY (FULL-TIME NEW):	**$ 40,104**	AVERAGE SALARY (FULL-TIME RETAINED):	**$ 46,825**

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 IN1; a limited industrial zoning classification

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: AccuTemp Products, Inc. will purchase new information technology 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? **Explain: Fourteen full-time jobs will be created.**

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 personal property is five years.

Under Fort Wayne Common Council's tax abatement policies and procedures, AccuTemp Products, Inc. is eligible for a five year deduction on personal 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 five year deduction schedule.

COMMENTS

Signed: [signature]
Economic Development Specialist

Reviewed: Elissa McGauley
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	
$500,000 to $999,999	6	
$0 to $499,999	4	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	
$30,000 to $79,999	4	
$10,000 to $29,999	3	3
$5,000 to $9,999	2	
less than $5,000	1	
Estimated local income taxes generated from jobs created (Double points for start-up)		
$30,000 or more	5	
$10,000 to $29,999	4	
$5,000 to $9,999	3	3
$3,000 to $4,999	2	
less than $3,000	1	
ECONOMIC BASE (20 points possible)		
Location Quotient in designated Occupation Code (use majority Occupation Code of all created and retained jobs)		
Greater than 1.0	5	0
Estimated Percent of Business done outside Allen County		
Greater than 75%	15	15
50% to 74%	10	
25% to 49%	5	
JOBS (20 points possible)		
Total number of permanent jobs retained		
Over 250	10	
100 to 249	8	
50 to 99	6	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	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	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	57

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%	

POOL #2 FORT WAYNE COMMUNITY DEVELOPMENT DIVISION

TAX ABATEMENT - ESTIMATE OF SAVINGS

PERSONAL PROPERTY TAX ABATEMENT - 5 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	$263,354	40%	$105,342	$105,342	100%	0%	$105,342	$0	0.031955	$0	$3,366
2	$263,354	56%	$147,478	$147,478	80%	20%	$117,983	$29,496	0.031955	$943	$3,770
3	$263,354	42%	$110,609	$110,609	60%	40%	$66,365	$44,243	0.031955	$1,414	$2,121
4	$263,354	32%	$84,273	$84,273	40%	60%	$33,709	$50,564	0.031955	$1,616	$1,077
5	$263,354	30%	$79,006	$79,006	20%	80%	$15,801	$63,205	0.031955	$2,020	$505
6	$263,354	30%	$79,006	$79,006	0%	100%	$0	$79,006	0.031955	$2,525	$0
7	$263,354	30%	$79,006	$79,006	0%	100%	$0	$79,006	0.031955	$2,525	$0
8	$263,354	30%	$79,006	$79,006	0%	100%	$0	$79,006	0.031955	$2,525	$0
9	$263,354	30%	$79,006	$79,006	0%	100%	$0	$79,006	0.031955	$2,525	$0
10	$263,354	30%	$79,006	$79,006	0%	100%	$0	$79,006	0.031955	$2,525	$0
11	$263,354	30%	$79,006	$79,006	0%	100%	$0	$79,006	0.031955	$2,525	$0

TOTAL TAX SAVED	(10 yrs on 5 yr deduction)	**$10,839**
TOTAL TAX PAID	(10 yrs on 5 yr deduction)	**$18,615**

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