

A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 613 High Street, Fort Wayne, Indiana 46808 (CPI Card Group, Inc.)

WHEREAS, Petitioner has duly filed its petition dated March 24, 2014 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 \$338,000, with the average new annual job salary being \$24,143 and retain 123 full-time and two part-time, permanent jobs for a total current annual payroll of \$4,843,859, with the average current, annual job salary being \$38,751; and

WHEREAS, the total estimated project cost is \$3,384,500; 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.

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

4 **SECTION 4.** That, the estimate of the number of individuals that will be employed
5 or whose employment will be retained and the estimate of the annual salaries of those
6 individuals and the estimate of the value of redevelopment or rehabilitation and the estimate
7 of the value of new manufacturing and information technology equipment, all contained in
8 Petitioner's Statement of Benefits, are reasonable and are benefits that can be reasonably
9 expected to result from the proposed described redevelopment or rehabilitation and from the
10 installation of new manufacturing and information technology equipment.

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

13 If the proposed development does not occur, the approximate current year tax
14 rates for this site would be \$3.3124/\$100.

15 If the proposed development does occur and no deduction is granted, the
16 approximate current year tax rate for the site would be \$3.3124/\$100 (the
17 change would be negligible).

18 If the proposed development occurs and a deduction percentage of fifty percent
19 (50%) is assumed, the approximate current year tax rate for the site would be
20 \$3.3124/\$100 (the change would be negligible).

21 If the proposed new manufacturing and information technology equipment is not
22 installed, the approximate current year tax rates for this site would be
23 \$3.3124/\$100.

24 If the proposed new manufacturing and information technology equipment is
25 installed and no deduction is granted, the approximate current year tax rate for
26 the site would be \$3.3124/\$100 (the change would be negligible).

27 If the proposed new manufacturing and information technology equipment is
28 installed and a deduction percentage of eighty percent (80%) is assumed, the
29 approximate current year tax rate for the site would be \$3.3124/\$100 (the
30 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 and information technology
equipment shall be for a period of ten years.

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

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

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

13 **SECTION 11.** That, this Resolution shall be in full force and effect from and after
14 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



CITY OF FT WAYNE

03/2013

MAR 24 2014 *Emc***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:

\$ 1,541,500

Total cost of manufacturing equipment improvements:

\$ 1,843,000

Total cost of research and development equipment improvements:

\$ 0

Total cost of logistical distribution equipment improvements:

\$ 0

Total cost of information technology equipment improvements:

\$ 0

TOTAL OF ABOVE IMPROVEMENTS:

\$ 3,384,500

GENERAL INFORMATIONReal property taxpayer's name: Didier Limited Partnership & DNG LLCPersonal property taxpayer's name: CPI Card Group IncTelephone number: 260-424-4920Address listed on tax bill: 613 High StreetName of company to be designated, if applicable: CPI Card GroupYear company was established: 1948Address of property to be designated: 613 High StreetReal estate property identification number: 02-12-02-152-012.000-074; 02-12-02-152-013.001-074; 02-12-02-152-013.000-0Contact person name: Sheri PerryContact person telephone number: (260) 469-1613Contact person Email: sperry@cpicardgroup.comContact person address: 613 High Street, Fort Wayne, IN 46808

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Steve Montross	CEO	10368 West Centennial Road, Littleton CO	(303) 973-9311
Marvin Press	CFO	10368 West Centennial Road, Littleton CO	(303) 973-9311
Jerry Dreiling	CAO	10368 West Centennial Road, Littleton CO	(303) 973-9311

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

NAME	PERCENTAGE
Tricor Pacific Capital, 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)? 323100

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

CPI Card Group Indiana prints and sells credit and debit cards.

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2013	\$ 25,039,014.00
2012	\$ 24,050,120
2011	\$ 22,315,769

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

Customer Name	City/State	Annual Gross Sales
EFT Source	Nashville, TN	\$ 4,142,444
PSCU	St. Petersburg, FL	\$ 2,152,990
FIS	Romeoville, IL	\$ 3,852,671

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

Supplier Name	City/State	Annual Gross Purchases
Mastercard Worldwide	Brooklyn, NY	\$ 1,887,719
Bilcare Research	Delaware City, DE	\$ 1,414,101
Kurz Transfer Products	Charlotte, NC	\$ 921,019

List the company's top three competitors:

Competitor Name	City/State
Perfect Plastic	St. Charles, IL
G&D	Munich, Germany
Gemalto	Amsterdam, Netherlands

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

Increased capacity to manufacture magnetic stripe and chip credit and debit cards.

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 company's presence in its current neighborhood has added to the overall value of that area. Expanding the current building will allow for future growth and the addition of jobs for area residents. Considering the technology advancements that are already taking place and will continue to evolve, the company will need to reinvest in new equipment to remain competitive.

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:

29,655 sq. ft. of office, manufacturing and distribution space

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

Structure was built in approximately 1948. Additional manufacturing and office square footage was added in 2006. The original building has normal wear and tear for age.

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

Two buildouts from existing facility, one to store materials to be used in the manufacturing process and the other to become office space. Current office space is going to be demolished and become manufacturing space.

Projected construction start (month/year): 04/2014

Projected construction completion (month/year): 10/2014

☐ 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)

Silkscreen Press
Automated Tacker
EMV Machine
Laminator Boiler

☐ 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): 10/2014

Date last piece of equipment will be installed (month/year): 12/2017

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

Seven year straight line depreciation for all machines.

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 attached form			

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
See attached form			

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Customer Service Rep.	43-4051	1	\$ 45,000
Print Binding & Finishing	51-5113	10	\$ 208,000
Printing Press Operators	51-5112	1	\$ 37,000
Inspector, Tester, Sorter, S	51-9061	1	\$ 23,000
Office Administrative Sup	43-9199	1	\$ 25,000

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Attached Form			

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Attached Form			

Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			

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:

401k plan

When will you reach the levels of employment shown above? (month/year): 03/2017

CPI Card Group Indiana Inc.			
Current and Retained Full-Time Employment			
Occupation	Occupation Code	Number of Jobs	Total Payroll
Accountant	13-2011	1	\$52,500
Accounting, Bookkeeping and Auditing Clerks	43-3031	6	\$168,563
Customer Service Representatives	43-4051	6	\$255,859
Financial Mgt	11-3031	1	\$79,248
First Line Supervisor Protective	33-1099	1	\$34,465
First Line Supervisors Maintenance	49-1011	1	\$57,512
General and Operations Mgt	11-1021	2	\$165,725
Graphic Designers	27-1024	2	\$68,973
HR Management	11-3121	1	\$86,881
Industrial Prod Mgt	11-3051	8	\$581,564
Inspecters, Testers, Sorters, Samplers	51-9061	5	\$156,541
Janitorial and Cleaners	37-2011	1	\$31,533
Maintenance and Repair Workers	49-9071	3	\$120,037
Manager Other	11-9199	1	\$150,000
Marketing Specialist	13-1161	1	\$52,000
Network and Computer Admin	15-1142	1	\$40,498
Office and Administrative Support Clerks	43-9199	1	\$32,626
Pre Press Technicians and Workers	51-5111	7	\$271,461
Print Binding and Finishing Workers	51-5113	51	\$1,259,356
Printing Press Operators	51-5112	13	\$588,307
Production Planning Clerks	43-5061	1	\$55,786
Purchasing Agent	13-1023	1	\$35,360
Sales	41-4012	2	\$224,000
Security Guards	33-9032	3	\$74,069
Shipping and Receiving Clerks	43-5071	1	\$26,104
Web Developers	15-1134	2	\$157,136
Sub Total		123	\$4,826,104
Current and Retained Part-Time Employment			
Helpers - Production Workers	51-9198	2	\$17,755
Total		125	\$4,843,859

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.

Stephanie Bauer
Signature of Taxpayer/Owner

Stephanie Bauer, Controller
Printed Name and Title of Applicant

2/24/2014
Date

**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (R / 1-06)

Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

MAR 24 2014

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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. 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))

COMMUNITY DEVL.

SECTION 1 TAXPAYER INFORMATION									
Name of taxpayer CPI Card Group Inc									
Address of taxpayer (number and street, city, state, and ZIP code) 613 High Street									
Name of contact person Sheri Perry				Telephone number (260) 424-4920					
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT									
Name of designating body Fort Wayne City Council				Resolution number (s)					
Location of property 613 High Street			County Allen		DLGF taxing district number 74				
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) Silkscreen Press, Automated Tacker, EMV Machine, Laminator Boiler				ESTIMATED					
				START DATE		COMPLETION DATE			
				Manufacturing Equipment	10/01/2014	12/31/2017			
				R & D Equipment					
				Logist Dist Equipment					
IT Equipment									
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT									
Current number 125	Salaries 4,843,859.00	Number retained 125	Salaries 4,843,859.00	Number additional 14	Salaries 338,000.00				
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	9,313,084.00	2,100,570.00					1,195,713.00	272,320.00
	Plus estimated values of proposed project	1,843,000.00	552,900.00						
	Less values of any property being replaced	10,280.00	5,778.00						
	Net estimated values upon completion of project	11,136,834.00	2,713,692.00					1,195,713.00	272,320.00
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 Stephanie Bauer				Title Controller		Date signed (month, day, year) 2/3/2014			

CITY OF FT WAYNE

MAR 24 2014

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STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS

State Form 51767 (R2 / 1-07)

Prescribed by the Department of Local Government Finance

COMMUNITY DEVL.

20__ PAY 20__

FORM SB-1 / Real Property

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)

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, 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.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must attach a Form GF-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(f))
5. 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 Didler Limited Partnership & DNG LLC					
Address of taxpayer (number and street, city, state, and ZIP code) 613 High Street					
Name of contact person Jim Galllher		Telephone number 260-438-4020		E-mail address jgmg@me.com	
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body Fort Wayne City Council				Resolution number	
Location of property 613 High Street		County Allen		DLGF taxing district number 74	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Two buildouts from existing facility, one to store materials to be used in the manufacturing process and the other to become office space. Current office space is going to be demolished and become manufacturing space.				Estimated start date (month, day, year) 4/1/2014	
				Estimated completion date (month, day, year) 10/31/2014	
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 125	Salaries 4843859	Number retained 125	Salaries 4843859	Number additional 14	Salaries 338000
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					422500
Plus estimated values of proposed project			1,541,500		
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>Mark G. Bull</i>		Title President, Galige, Inc.		Date signed (month, day, year) 2-13-14	

EXHIBIT A

Exhibit "A"
Legal Description of the Real Estate

Parcel 1:

The West 52 feet of Lot #1 in Pape's Addition to the City of Fort Wayne, Allen County, Indiana, as recorded in Deed Record 48, page 256.

Parcel 2:

That part of Hanna's Out Lot Numbered 13 in the Fractional Northwest Quarter of Section 2, Township 30 North, Range 12 East, as recorded in Deed Record F, page 477 and described as follows:

Commencing at the intersection of the South line of High Street and the East line of said Out Lot; thence South on the East line of said Out Lot 143 feet; thence West parallel with High Street, 40 feet; thence North parallel with the East line of said Out Lot 143 feet to the South line of High Street; thence East on the South line of High Street to the place of beginning, also known as the East 40 feet of Lot #1 as shown on a survey of the North part of Out Lot 13 Samuel Hanna's Subdivision of the Northwest Fractional Quarter of Section 2, Township 30 North, Range 12 East, surveyed at the instance of Charles Pape and others and recorded in Deed Record 48, page 256 of the records in the Recorder's Office of Allen County, Indiana.

Parcel 3:

The North 144.0 feet of all that part of Hanna's OutLot numbered 14, in Section 2, Township 30 North, Range 12 East, as recorded in Deed Record F, page 477 in the City of Fort Wayne, Indiana, that lies South of the South line of High Street in said City of Fort Wayne, Indiana.

Parcel 4:

The North 144.0 feet of Lot Number 13 in McCulloch's Subdivision, and lying South of the South line of High Street as presently established (40 feet wide) of the North part of Hanna's OutLots 15 and 16, an addition to the City of Fort Wayne, according to the plat thereof, recorded in Deed Record W, page 120, in the Office of the Recorder of Allen County, Indiana.

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **CPI Card Group, Inc. is requesting the designation of an Economic Revitalization Area for both real and personal property improvements in the amount of \$3,384,500. CPI Card Group, Inc. will construct a 4,400 square foot addition to its existing facility. The company will also purchase manufacturing and information technology equipment.**

EFFECT OF PASSAGE: **To remain competitive and to continue to grow, CPI Card Group, Inc. will expand its existing facility as well as purchase new personal property for its near downtown operation. 14 full-time jobs will be created as a result of the project**

EFFECT OF NON-PASSAGE: **Potential loss of development and 14 full-time jobs**

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

ASSIGNED TO COMMITTEE (PRESIDENT): **Russell Jehl and John Crawford**

MEMORANDUM



TO: City Council

FROM: Elissa McGauley, Economic Development Specialist

DATE: March 31, 2014

RE: Request for designation by CPI Card Group, Inc. as an ERA for real and personal property improvements

BACKGROUND

PROJECT ADDRESS:	613 High Street	PROJECT LOCATED WITHIN:	HUB Zone
PROJECT COST:	\$ 3,384,500	COUNCILMANIC DISTRICT:	5

COMPANY PRODUCT OR SERVICE:	CPI Card Group, Inc. is a manufacturer of magnetic strip and chip credit and debit cards.
PROJECT DESCRIPTION:	CPI Card Group, Inc. will construct a 4,400 square foot addition to its existing facility. The company will also purchase manufacturing and information technology equipment.

CREATED

RETAINED

JOBS CREATED (FULL-TIME):	14	JOBS RETAINED (FULL-TIME):	123
JOBS CREATED (PART-TIME):	0	JOBS RETAINED (PART-TIME):	2
TOTAL NEW PAYROLL:	\$ 338,000	TOTAL RETAINED PAYROLL:	\$ 4,843,859
AVERAGE SALARY (FULL-TIME NEW):	\$ 24,143	AVERAGE SALARY (FULL-TIME RETAINED):	\$ 39,237

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 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?

Explain: A 4,400 square foot addition to the existing facility will be constructed. A portion of existing office space in the facility will be converted to production space and the remaining office space will be reconfigured.

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: \$1.8 million in new manufacturing and information technology equipment will be purchased and installed.

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: 14 full-time jobs will be created as a result of the project.

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, CPI Card Group, Inc. is eligible for ten year deductions on real and personal property improvements. Attached is a spreadsheet that shows how the application scored under the review system.

COMMENTS

Signed:

Elissa McHale
Economic Development Specialist

Real Property Abatements

Tax Abatement Review System

Points Possible	Points Awarded
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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	
\$18,500 to \$34,999	8	
\$6,250 to \$18,499	6	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	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	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	
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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	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	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	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	75
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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%	

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	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	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	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	
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	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	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	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	73
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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%	

**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	\$1,843,000	40%	\$737,200	\$737,200	100%	0%	\$737,200	\$0	0.033124	\$0	\$24,419
2	\$1,843,000	56%	\$1,032,080	\$1,032,080	90%	10%	\$928,872	\$103,208	0.033124	\$3,419	\$30,765
3	\$1,843,000	42%	\$774,060	\$774,060	80%	20%	\$619,248	\$154,812	0.033124	\$5,128	\$20,512
4	\$1,843,000	32%	\$589,760	\$589,760	70%	30%	\$412,832	\$176,928	0.033124	\$5,861	\$13,675
5	\$1,843,000	30%	\$552,900	\$552,900	60%	40%	\$331,740	\$221,160	0.033124	\$7,326	\$10,989
6	\$1,843,000	30%	\$552,900	\$552,900	50%	50%	\$276,450	\$276,450	0.033124	\$9,157	\$9,157
7	\$1,843,000	30%	\$552,900	\$552,900	40%	60%	\$221,160	\$331,740	0.033124	\$10,989	\$7,326
8	\$1,843,000	30%	\$552,900	\$552,900	30%	70%	\$165,870	\$387,030	0.033124	\$12,820	\$5,494
9	\$1,843,000	30%	\$552,900	\$552,900	20%	80%	\$110,580	\$442,320	0.033124	\$14,651	\$3,663
10	\$1,843,000	30%	\$552,900	\$552,900	10%	90%	\$55,290	\$497,610	0.033124	\$16,483	\$1,831
11	\$1,843,000	30%	\$552,900	\$552,900	0%	100%	\$0	\$552,900	0.033124	\$18,314	\$0
TOTAL TAX SAVED										(10 yrs on 10 yr deduction)	<u>\$127,834</u>
TOTAL TAX PAID										(10 yrs on 10 yr deduction)	<u>\$85,833</u>

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	\$1,541,500	\$1,541,500	\$1,541,500	100%	0%	\$1,541,500	\$0	0.033124	\$0	\$51,061
2	\$1,541,500	\$1,541,500	\$1,541,500	95%	5%	\$1,464,425	\$77,075	0.033124	\$2,553	\$48,508
3	\$1,541,500	\$1,541,500	\$1,541,500	80%	20%	\$1,233,200	\$308,300	0.033124	\$10,212	\$40,849
4	\$1,541,500	\$1,541,500	\$1,541,500	65%	35%	\$1,001,975	\$539,525	0.033124	\$17,871	\$33,189
5	\$1,541,500	\$1,541,500	\$1,541,500	50%	50%	\$770,750	\$770,750	0.033124	\$25,530	\$25,530
6	\$1,541,500	\$1,541,500	\$1,541,500	40%	60%	\$616,600	\$924,900	0.033124	\$30,636	\$20,424
7	\$1,541,500	\$1,541,500	\$1,541,500	30%	70%	\$462,450	\$1,079,050	0.033124	\$35,742	\$15,318
8	\$1,541,500	\$1,541,500	\$1,541,500	20%	80%	\$308,300	\$1,233,200	0.033124	\$40,849	\$10,212
9	\$1,541,500	\$1,541,500	\$1,541,500	10%	90%	\$154,150	\$1,387,350	0.033124	\$45,955	\$5,106
10	\$1,541,500	\$1,541,500	\$1,541,500	5%	95%	\$77,075	\$1,464,425	0.033124	\$48,508	\$2,553
11	\$1,541,500	\$1,541,500	\$1,541,500	0%	100%	\$0	\$1,541,500	0.033124	\$51,061	\$0
TOTAL TAX SAVED REAL PROPERTY									(10 yrs on 10 yr deduction)	<u>\$252,750</u>
TOTAL TAX PAID REAL PROPERTY (10 yrs)									(10 yrs on 10 yr deduction)	<u>\$257,856</u>
TOTAL TAX SAVED MACHINERY & BUILDING									(10 yrs on 10 yr deduction)	<u>\$380,584</u>
TOTAL TAX PAID MACHINERY & BUILDING									(10 yrs on 10 yr deduction)	<u>\$343,689</u>

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