

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 unassigned, portion of the 9000 block of Yeager Lane, Fort Wayne, Indiana 46898 (ABZ Realty/American Sealants Inc.)

WHEREAS, Petitioner has duly filed its petition dated March 11, 2015 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 4 full-time, permanent jobs for a total created annual payroll of \$128,600, with the average created, annual job salary being \$32,150 and will retain 22 full-time and 1 part-time, permanent jobs for a total current annual payroll of \$1,195,324, with the average current, annual job salary being \$51,971; and

WHEREAS, the total estimated project cost is \$3,110,000; 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:

- (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;

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, information technology, and logistical
4 distribution equipment.

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

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

- 15 (a) If the proposed development does not occur, the approximate current year tax
16 rates for this site would be \$3.1982/\$100.
- 17 (b) If the proposed development does occur and no deduction is granted, the
18 approximate current year tax rate for the site would be \$3.1982/\$100 (the
19 change would be negligible).
- 20 (c) If the proposed development occurs and a deduction percentage of fifty percent
21 (50%) is assumed, the approximate current year tax rate for the site would be
22 \$3.1982/\$100 (the change would be negligible).
- 23 (d) If the proposed new manufacturing, information technology, and logistical
24 distribution equipment is not installed, the approximate current year tax rates for
25 this site would be \$3.1982/\$100.
- 26 (e) If the proposed new manufacturing, information technology, and logistical
27 distribution equipment is installed and no deduction is granted, the approximate
28 current year tax rate for the site would be \$3.1982/\$100 (the change would be
29 negligible).
- 30 (f) If the proposed new manufacturing, information technology, and logistical
distribution equipment is installed and a deduction percentage of eighty percent
(80%) is assumed, the approximate current year tax rate for the site would be
\$3.1982/\$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, information technology, and logistical distribution equipment shall be for a period of seven years.

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

Year of Deduction	Percentage
1	100%
2	95%
3	80%
4	65%
5	50%
6	40%
7	30%
8	20%
9	10%
10	5%

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

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

SECTION 10. 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 11. That, the taxpayer is non-delinquent on any and all property tax due to jurisdictions within Allen County, Indiana.

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

SECTION 13. 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

03/2013



MAR 11 2015

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:	\$ 2,900,000
Total cost of manufacturing equipment improvements:	\$ 135,000
Total cost of research and development equipment improvements:	\$ 35,000
Total cost of logistical distribution equipment improvements:	\$ 40,000
Total cost of information technology equipment improvements:	
TOTAL OF ABOVE IMPROVEMENTS:	\$ 3,110,000

GENERAL INFORMATION

Real property taxpayer's name: ABZ Reality
 Personal property taxpayer's name: American Sealants Inc.
 Telephone number: 260-489-0728
 Address listed on tax bill: 3806 Option Pass, Fort Wayne, IN 46898
 Name of company to be designated, if applicable: American Sealants Inc.
 Year company was established: 1987
 Address of property to be designated: Located at Lot 13 and south 120' of Lot 14 in Airport Business Center
 Real estate property identification number: 02-17-05-100-009.000-071
 Contact person name: Chris Zaremba
 Contact person telephone number: (260) 489-0728 Contact person Email: czaremba@americansealantsinc
 Contact person address: 3806 Option Pass

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Chris Zaremba	President	3806 Option Pass	(260) 489-0728
Linda Zaremba	Sec/Tres.	3806 Option Pass	(260) 489-0728
Andrew Zaremba	VP Operations	3806 Option Pass	(260) 489-0728

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

NAME	PERCENTAGE
Chris Zaremba	.95238095
Linda Zaremba	.04761905

- ☐ 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? 90% _____

What is the company's primary North American Industrial Classification Code (NAICs)? 424690 _____

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

Adhesive and Sealant packaging operations. Private labeling and contract packaging of adhesives and sealants.

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2014	\$ 7,947,563.00
2013	\$ 6,876,280
2012	\$ 5,851,362

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

Customer Name	City/State	Annual Gross Sales
Perfecto Aquariums(United Pet Group)	Noblesville Indiana	\$ 832,869
Onyx Collection	Belvue, KS	\$ 634,170
Whirlpool Corp.	Plainsville , Indiana	\$ 499,440

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

Supplier Name	City/State	Annual Gross Purchases
Dow Corning/Xiameter	Elizabethtown , KY	\$ 1,148,784
Shin Etsu Silicone	Akron, Ohio	\$ 1,408,836
Kelly Box	Fort Wayne, In	\$ 105,000

List the company's top three competitors:

Competitor Name	City/State
Accumetric Inc.	Elizabethtown, KY
Silco Inc.	Mentor, Ohio
Premier Ind	Massillon, Ohio

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

American Sealants provides private labeling and custom contract packaging of adhesive and sealants. American Sealants provides these services for 3 primary markets. The automotive aftermarket, appliance aftermarket as well as construction market. American Sealants also provides custom sealants for the industrial manufacturing.

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 warehouse and production facility will be constructed on the vacant land Located at Lot 13 and south 120' of Lot 14 in Airport Business Center Ft Wayne Indiana.

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:

Vacant Land

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:

Construction of a 50,000 to 65,000 square foot production and warehouse facility.

Projected construction start (month/year): 06/2015

Projected construction completion (month/year): 01/2016

☐ 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)

Shrink wrapping equipment for finished skids.
Telecommunication
update computer system
Packaging equipment for cartridge/squeeze tube
Racking system
ink Jet coding

☐ 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): 10/2015

Date last piece of equipment will be installed (month/year): 04/2016

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

Packaging Equipment depreciation term of 10 years.
Up date IT equipment depreciation term of 5 years
Racking system term 10 years
Ink Jet coding 5 years

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
Management	11-1021	4	\$ 376,236
Production Workers	51-0000	13	\$ 505,155
Shipping/receiving	43-5071	1	\$ 26,490
Sales	41-9099	2	\$ 227,684
Maintenance	49-9043	2	\$ 59,759

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Management	11-1021	4	\$ 376,236
Production	51-0000	13	\$ 505,155
Shipping/receiving	43-5071	1	\$ 26,490
Sales	41-9099	2	\$ 227,684
Maintenance	49-9043	2	\$ 59,759

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Production	51-0000	3	\$ 93,600
Maintenance	49-9043	1	\$ 35,000

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
Cleaning/landscape	37-0000	1	\$ 13,700

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
cleaning/landscape	37-0000		\$ 15,000

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:

401k

When will you reach the levels of employment shown above? (month/year): 01/2016

REQUIRED ATTACHMENTS

The following must be attached to the application.

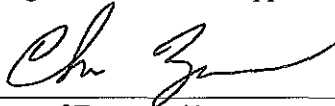
1. **Statement of Benefits Form(s) (first page/front side completed)**
2. **Full legal description of property and a plat map identifying the property boundaries. (Property tax bill legal descriptions are not sufficient.) Should be marked as Exhibit A.**
3. **Check for non-refundable application fee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

Chris Zarembo

Printed Name and Title of Applicant

03/02/2015

Date



STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R3 / 12-13)

Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

FORM SB-1 / PP

MAR 11 2015

PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

INSTRUCTIONS

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** 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.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the installation of qualifying abatable equipment for which the person desires to claim a deduction.
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, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. For a Form SB-1/PP that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/PP that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. (IC 6-1.1-12.1-17)

SECTION 1 TAXPAYER INFORMATION						
Name of taxpayer American Sealants Inc.			Name of contact person Chris Zaremba			
Address of taxpayer (number and street, city, state, and ZIP code) 3806 Option pass, Fort Wayne, IN 46819				Telephone number (260) 489-0728		
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT						
Name of designating body Fort Wayne Common Council				Resolution number (s)		
Location of property Located at Lot 13 and south 120' of Lot 14 in Airport Business Center			County Allen		DLGF taxing district number 73	
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.) Packaging Equipment for Cartridge/tube Telecommunication Computer system update Racking System Ink Jet Coding Shrink wrapping equipment			ESTIMATED			
			START DATE		COMPLETION DATE	
			Manufacturing Equipment		01/05/2016 04/08/2016	
			R & D Equipment			
			Logist Dist Equipment		10/01/2015 12/29/2016	
			IT Equipment		10/01/2015 12/29/2016	
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT						
Current number 23	Salaries \$1,195,324.00	Number retained 23	Salaries \$1,195,324.00	Number additional 4	Salaries 128600	
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
Current values						
Plus estimated values of proposed project	135,000.00				35,000.00	40,000.00
Less values of any property being replaced						
Net estimated values upon completion of project	135,000.00				35,000.00	40,000.00
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 				Date signed (month, day, year) 03/02/2015		
Printed name of authorized representative Chris Zaremba			Title President			



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R5 / 12-13)

Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

20__ PAY 20__

FORM SB-1 / Real Property

PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

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

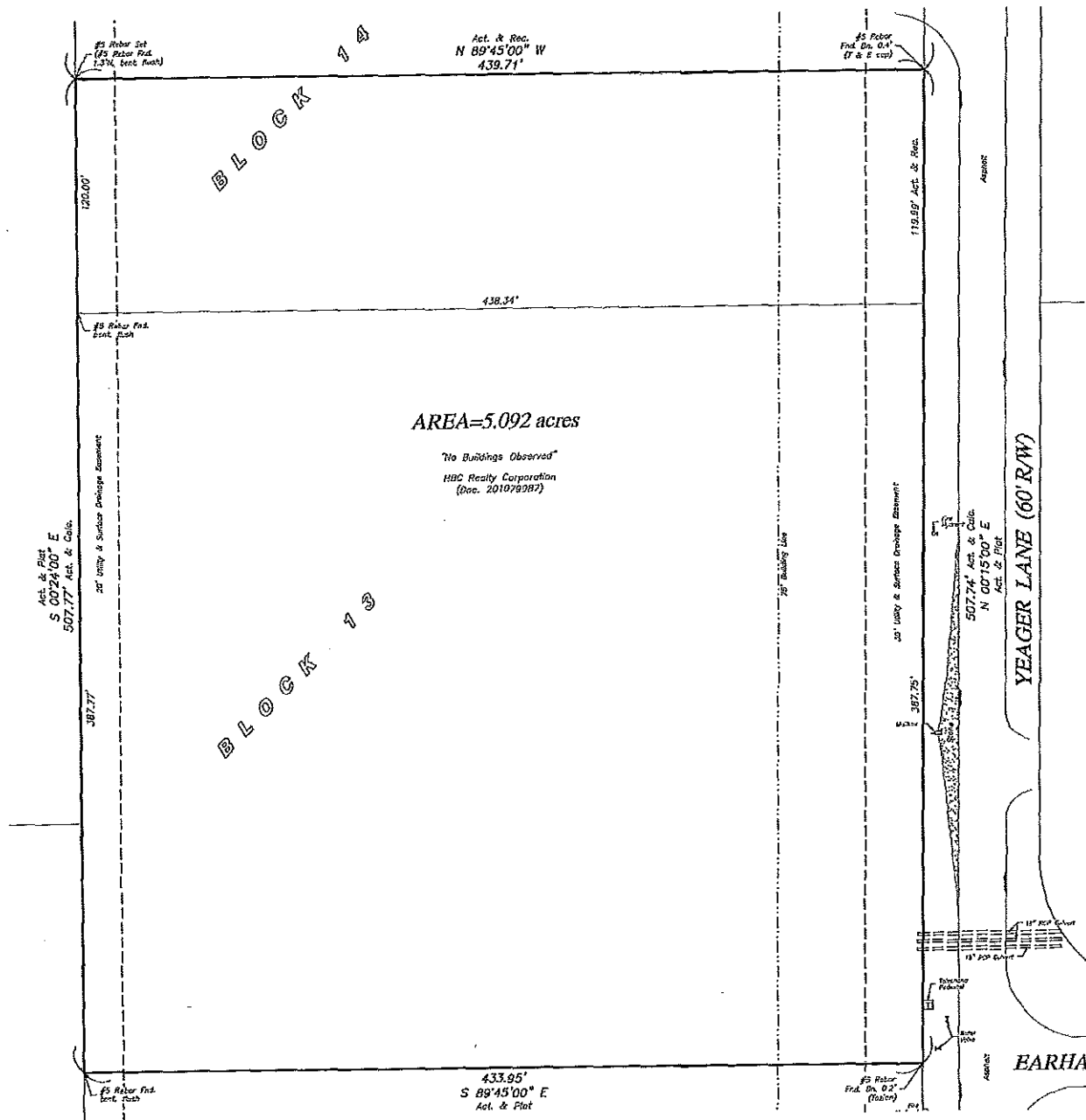
- ☐ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Residentially distressed area (IC 6-1.1-12.1-4.1)

INSTRUCTIONS:

- 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.
- The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
- To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between March 1 and May 10 of a subsequent year.
- A property owner who files for the deduction must provide the County Auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
- For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/Real Property that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. IC 6-1.1-12.1-17

SECTION 1 TAXPAYER INFORMATION					
Name of taxpayer ABC Reality					
Address of taxpayer (number and street, city, state, and ZIP code) 3806 Option Pass					
Name of contact person Chris Zaremba		Telephone number (260) 489-0728		E-mail address czaremba@americansealant	
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body Fort Wayne Common Council				Resolution number	
Location of property Located at Lot 13 and south 120' of Lot 14 in Airport Business		County Allen		DLGF taxing district number 73	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Build new 50,000 to 65,000 square foot warehouse/production facility at Located at Lot 13 and south 120' of Lot 14 in Airport Business Center				Estimated start date (month, day, year) 06/01/2015	
				Estimated completion date (month, day, year) 01/04/2016	
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 23.00	Salaries \$1,195,324.00	Number retained 23.00	Salaries \$1,195,324.00	Number additional 4.00	Salaries \$128,600.00
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
			REAL ESTATE IMPROVEMENTS		
			COST	ASSESSED VALUE	
Current values					
Plus estimated values of proposed project			2,900,000.00		
Less values of any property being replaced					
Net estimated values upon completion of project			2,900,000.00		
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 				Date signed (month, day, year) 03/02/2015	
Printed name of authorized representative Chris Zaremba				Title President	

[REDACTED]

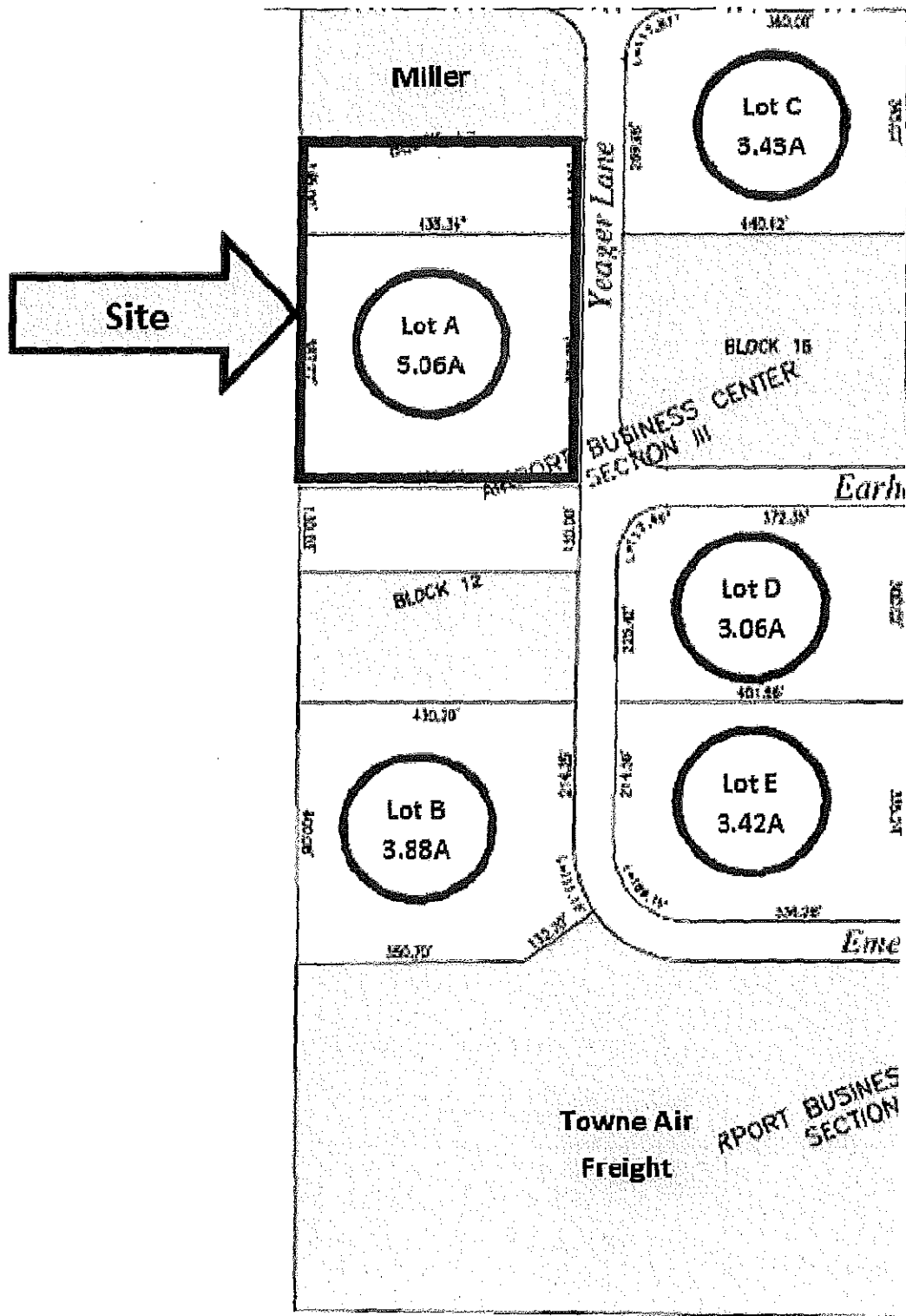


NEW ORIGINAL DESCRIPTION:

Block Number 13 together with part of Block Number 14, all in Airport Business Center, Section III, as recorded in Plat Cabinet D, page 145, and Document Number 201079987 in the Office of the Recorder of Allen County, Indiana, and being more particularly described as follows, to wit:

Commencing at a #5 rebar at the Northwest corner of said Block Number 14; thence South 00 degrees 24 minutes 00 seconds East (plat bearing and basis of all bearings in this description), on and along the West line of said Block Number 14, a distance of 225.00 feet to a #5 rebar at the Southwest corner of a 2.25 acre tract of real estate described in a deed to KLN Investments, LLC, in Document Number 205060086 in the Office of the Recorder of Allen County, Indiana, this being the true point of beginning; thence South 00 degrees 24 minutes 00 seconds East, continuing on and along said West line, and the West line of Block Number 13, a distance of 507.77 feet to a #5 rebar at the Southwest corner thereof; thence South 89 degrees 45 minutes 00 seconds East, on and along the South line of said Block Number 13, a distance of 433.95 feet to a #5 rebar at the Southeast corner of said Block Number 13; thence North 00 degrees 15 minutes 00 seconds East, on and along the East line of said Block Number 13 and the East line of said Block Number 14, a distance of 507.74 feet to a #5 rebar at the Southeast corner of said 2.25 acre tract; thence North 89 degrees 45 minutes 00 seconds West, on and along the South line of said 2.25 acre tract, a distance of 439.71 feet to the true point of beginning, containing 5.092 acres of land, subject to all easements of record. This description is based on an original survey by Sauer Land Surveying, Inc., numbered 114-100 and dated February 18, 2015.

Exhibit A



Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **ABZ Realty/American Sealants Inc. is requesting the designation of an Economic Revitalization Area for both real and personal property improvements in the amount of \$3,110,000. In order to expand, ABZ Realty/American Sealants Inc. will construct a 50,000 to 65,000 square foot warehouse and production facility. They will also purchase and install manufacturing, logistical distribution, and information technology equipment.**

EFFECT OF PASSAGE: **Constructing the new warehouse and production facility and purchasing the new equipment will allow American Sealants Inc. to maintain a competitive manufacturing environment. Four full-time jobs will be created.**

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

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

ASSIGNED TO COMMITTEE (PRESIDENT): **Thomas Didier and Russ Jehl**

MEMORANDUM



TO: City Council

FROM: Adam Welch, Economic Development Specialist

DATE: March 18, 2015

RE: Request for designation by ABZ Realty/American Sealants Inc. as an ERA for real and personal property improvements

BACKGROUND

PROJECT ADDRESS:	Unassigned (9000 Block of Yeager Lane)	PROJECT LOCATED WITHIN:	Economic Development Area
PROJECT COST:	\$ 3,110,000	COUNCILMANIC DISTRICT:	4

COMPANY PRODUCT OR SERVICE:	American Sealants Inc. provides private labeling and custom contract packaging of adhesive and sealants. American Sealants Inc. provides these services for three primary markets—the automotive aftermarket, appliance aftermarket, and construction market. They also provide custom sealants for industrial manufacturing.
PROJECT DESCRIPTION:	American Sealants Inc. will construct a 50,000 to 65,000 square foot warehouse and production facility. They will also purchase and install manufacturing, logistical distribution, and information technology equipment.

CREATED

RETAINED

JOBS CREATED (FULL-TIME):	4	JOBS RETAINED (FULL-TIME):	22
JOBS CREATED (PART-TIME):	0	JOBS RETAINED (PART-TIME):	1
TOTAL NEW PAYROLL:	\$128,600	TOTAL RETAINED PAYROLL:	\$1,195,324
AVERAGE SALARY (FULL-TIME NEW):	\$32,150	AVERAGE SALARY (FULL-TIME RETAINED):	\$53,651

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 I2 – General Industrial

Yes ☐ No ☒ N/A ☐

Project encourages the improvement or replacement of a deteriorated or obsolete structure?

Yes ☒ No ☐ N/A ☐

Project encourages the improvement or replacement of obsolete manufacturing and/or research and development and/or information technology and/or logistical distribution equipment?

Yes ☐ No ☒ N/A ☐

Project will result in significant conversion of solid waste or hazardous waste into energy or other useful products?

Yes ☐ No ☒ N/A ☐

Project encourages preservation of an historically or architecturally significant structure?

Yes ☐ No ☒ N/A ☐

Construction will result in Leadership in Energy and Environmental Design (LEED) certification by the U.S. Green Building Council?

Yes ☒ No ☐ N/A ☐

Construction will use techniques to minimize impact on combined sewer overflows? (i.e. rain gardens, bio swales, etc.)

Yes ☒ No ☐ N/A ☐

ERA designation induces employment opportunities for Fort Wayne area residents?

Yes ☒ No ☐ N/A ☐

Taxpayer is NOT delinquent on any or all property tax due to any taxing jurisdiction within Allen County.

POLICY

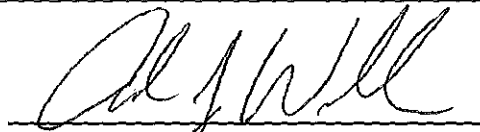
Per the policy of the City of Fort Wayne, the following guidelines apply to this project:

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

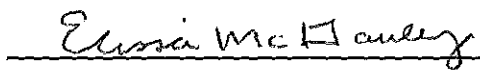
Under Fort Wayne Common Council's tax phase-in policies and procedures, ABZ Realty/American Sealants Inc. is eligible for a ten year deduction on real property improvements and a seven year deduction on personal property improvements. Attached is a spreadsheet that shows how the application scored under the review system. Also attached is an estimate of the taxes saved and paid over the length of the deduction schedules.

COMMENTS

Signed:


Economic Development Specialist

Reviewed:


Economic Development Manager

COMMUNITY DEVELOPMENT DIVISION

Real Property Abatements

Tax Abatement Review System

Points Possible	Points Awarded
--------------------	-------------------

INVESTMENT (30 points possible)

Total new investment in real property (new structures and/or rehabilitation)

Over \$1,000,000	10	10
\$500,000 to \$999,999	8	
\$100,000 to \$499,999	6	
Under \$100,000	4	

Investment per employee (both jobs created and retained)

\$35,000 or more	10	10
\$18,500 to \$34,999	8	
\$6,250 to \$18,499	6	
\$1,250 to \$6,249	4	
less than \$1,250	2	

Estimated local income taxes generated from jobs retained

\$80,000 or more	5	
\$30,000 to \$79,999	4	
\$10,000 to \$29,999	3	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	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	
50 to 99	6	
25 to 49	4	
10 to 24	2	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	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	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	5

Total	70
--------------	-----------

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	
\$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	6
\$1,250 to \$6,249	4	
less than \$1,250	2	

Estimated local income taxes generated from jobs retained

\$80,000 or more	5	
\$30,000 to \$79,999	4	
\$10,000 to \$29,999	3	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	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	
50 to 99	6	
25 to 49	4	
10 to 24	2	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	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	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	5

Total	60
--------------	-----------

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 - 7 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	\$210,000	40%	\$84,000	\$84,000	100%	0%	\$84,000	\$0	0.031982	\$0	\$2,686
2	\$210,000	56%	\$117,600	\$117,600	85%	15%	\$99,960	\$17,640	0.031982	\$564	\$3,197
3	\$210,000	42%	\$88,200	\$88,200	71%	29%	\$62,622	\$25,578	0.031982	\$818	\$2,003
4	\$210,000	32%	\$67,200	\$67,200	57%	43%	\$38,304	\$28,896	0.031982	\$924	\$1,225
5	\$210,000	30%	\$63,000	\$63,000	43%	57%	\$27,090	\$35,910	0.031982	\$1,148	\$866
6	\$210,000	30%	\$63,000	\$63,000	29%	71%	\$18,270	\$44,730	0.031982	\$1,431	\$584
7	\$210,000	30%	\$63,000	\$63,000	14%	86%	\$8,820	\$54,180	0.031982	\$1,733	\$282
8	\$210,000	30%	\$63,000	\$63,000	0%	100%	\$0	\$63,000	0.031982	\$2,015	\$0
9	\$210,000	30%	\$63,000	\$63,000	0%	100%	\$0	\$63,000	0.031982	\$2,015	\$0
10	\$210,000	30%	\$63,000	\$63,000	0%	100%	\$0	\$63,000	0.031982	\$2,015	\$0
11	\$210,000	30%	\$63,000	\$63,000	0%	100%	\$0	\$63,000	0.031982	\$2,015	\$0
TOTAL TAX SAVED									(10 yrs on 7 yr deduction)		<u>\$10,844</u>
TOTAL TAX PAID									(10 yrs on 7 yr deduction)		<u>\$12,663</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	\$2,900,000	\$2,900,000	\$2,900,000	100%	0%	\$2,900,000	\$0	0.031982	\$0	\$92,748
2	\$2,900,000	\$2,900,000	\$2,900,000	95%	5%	\$2,755,000	\$145,000	0.031982	\$4,637	\$88,110
3	\$2,900,000	\$2,900,000	\$2,900,000	80%	20%	\$2,320,000	\$580,000	0.031982	\$18,550	\$74,198
4	\$2,900,000	\$2,900,000	\$2,900,000	65%	35%	\$1,885,000	\$1,015,000	0.031982	\$32,462	\$60,286
5	\$2,900,000	\$2,900,000	\$2,900,000	50%	50%	\$1,450,000	\$1,450,000	0.031982	\$46,374	\$46,374
6	\$2,900,000	\$2,900,000	\$2,900,000	40%	60%	\$1,160,000	\$1,740,000	0.031982	\$55,649	\$37,099
7	\$2,900,000	\$2,900,000	\$2,900,000	30%	70%	\$870,000	\$2,030,000	0.031982	\$64,923	\$27,824
8	\$2,900,000	\$2,900,000	\$2,900,000	20%	80%	\$580,000	\$2,320,000	0.031982	\$74,198	\$18,550
9	\$2,900,000	\$2,900,000	\$2,900,000	10%	90%	\$290,000	\$2,610,000	0.031982	\$83,473	\$9,275
10	\$2,900,000	\$2,900,000	\$2,900,000	5%	95%	\$145,000	\$2,755,000	0.031982	\$88,110	\$4,637
11	\$2,900,000	\$2,900,000	\$2,900,000	0%	100%	\$0	\$2,900,000	0.031982	\$92,748	\$0
TOTAL TAX SAVED REAL PROPERTY									(10 yrs on 10 yr deduction)	\$459,102
TOTAL TAX PAID REAL PROPERTY									(10 yrs on 10 yr deduction)	\$468,376
TOTAL TAX SAVED MACHINERY & BUILDING									(10 yrs on 7 & 10 yr deductions)	\$469,946
TOTAL TAX PAID MACHINERY & BUILDING									(10 yrs on 7 & 10 yr deductions)	\$481,039

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