

A CONFIRMING RESOLUTION designating an "Economic Revitalization Area" and approving a waiver of non-compliance under I.C. 6-1.1-12.1 for property commonly known as 310 Racquet Drive, Fort Wayne, Indiana 46825 (Racquet Drive Holdings, LLC/Transformations by Wieland, Inc.)

WHEREAS, Common Council has previously designated and declared by Declaratory Resolution the following described property as 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 result in the occupation of an eligible vacant building under I.C. 6-1.1-12.1-4.8; and

WHEREAS, said project will create 10 full-time, permanent jobs for a total new, annual payroll of \$327,000, with the average new annual job salary being \$32,700 and retain 48 full-time and 5 part-time, permanent jobs for a total current annual payroll of \$1,748,000, with the average current, annual job salary being \$32,981; and

WHEREAS, the total estimated project cost is \$986,758; and

WHEREAS; representatives of Racquet Drive Holdings, LLC/Transformations by Wieland, Inc. informed Common Council that the real and personal property improvements for which they are requesting designation of an Economic Revitalization Area under I.C. 6-1.1-12.1 are complete; and

WHEREAS, Racquet Drive Holdings, LLC/Transformations by Wieland, Inc. has submitted a written request for a waiver of non-compliance under I.C. 6-1.1-12.1-11.3; and

WHEREAS, I.C. 6-1.1-12.1-11.3 permits non-compliance events such as the untimely filing of an application, statement of benefits, or another document required to be filed under I.C. 6-1.1-12.1; and

WHEREAS, the Common Council acknowledges that Racquet Drive Holdings, LLC/Transformations by Wieland, Inc. has requested a waiver of non-compliance which the Common Council has the power and authority to approve under I.C. 6-1.1-12.1-11.3; and

WHEREAS, Common Council finds that Racquet Drive Holdings, LLC/Transformations by Wieland, Inc. did not comply with I.C. 6-1.1-12.1 by:

(a) failure to provide the completed statement of benefits forms to the Common Council before the public hearing,

(b) failure to submit the completed statement of benefits form to the Common Council before initiation of redevelopment or rehabilitation,

(c) failure to submit the completed statement of benefits form to the Common Council before installation of new manufacturing, research and development, logistical distribution, and information technology equipment; and

1 **WHEREAS**, notice of the adoption and substance of said Resolution has been published in
2 accordance with I.C. 6-1.1-12.1-2.5, I.C. 6-1.1-12.1-11.3(c) and I.C. 5-3-1 and a public hearing has been
3 conducted on said Resolution and waiver.

4 **WHEREAS**, representatives of Racquet Drive Holdings, LLC/Transformations by Wieland, Inc.
5 were in attendance and presented testimony on why a waiver should be granted; and

6 **WHEREAS**, a recommendation has been received from the Committee on Finance concerning
7 said Resolution; and

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

10 **SECTION 1.** That, Common Council hereby adopts a waiver of non-compliance with I.C. 6-1.1-
11 12.1-11.3 regarding:

12 (a) failure to provide the completed statement of benefits forms to the common council before the
13 public hearing,

14 (b) failure to submit the completed statement of benefits form to the common council before
15 initiation of redevelopment or rehabilitation, and

16 (c) failure to submit the completed statement of benefits form to the common council before
17 installation of new manufacturing, research and development, logistical distribution, and information
18 technology equipment;

19 for which Racquet Drive Holdings, LLC/Transformations by Wieland, Inc. desires to claim an Economic
20 Revitalization Area deduction. Such waiver shall be in effect for real and personal property improvements
21 during the period of February 1, 2015 through the date of this resolution.

22 **SECTION 2.** That, the Resolution previously designating the above described property as an
23 "Economic Revitalization Area" is confirmed in all respects.

24 **SECTION 3.** That, the hereinabove described property is hereby declared an "Economic
25 Revitalization Area" pursuant to I.C. 6-1.1-12.1, said designation to begin on the effective date of this
26 Resolution and shall terminate on December 31, 2016, unless otherwise automatically extended in five
27 year increments per I.C. 6-1.1-12.1-9.

28 **SECTION 4.** That, said designation of the hereinabove described property as an "Economic
29 Revitalization Area" shall apply to both a deduction of the assessed value of occupation of an eligible
30 vacant building, real estate, and personal property for new manufacturing, research and development,
logistical distribution, and information technology equipment.

SECTION 5. That, the estimate of the number of individuals that will be employed or whose
employment will be retained and the estimate of the annual salaries of those individuals and the estimate
of the value of the occupation of the eligible vacant building and the value of the redevelopment or
rehabilitation of the eligible vacant building and the estimate of the value of the new manufacturing,
research and development, logistical distribution, and information technology equipment, all contained in
Petitioner's Statement of Benefits are reasonable and are benefits that can be reasonably expected to

1 result from the proposed described installation of the new manufacturing, research and development,
2 logistical distribution, and information technology equipment.

3 **SECTION 6.** The current year approximate tax rates for taxing units within the City would be:

- 4 (a) If the proposed development does not occur, the approximate current year tax rates for this
5 site would be \$3.1973/\$100.
- 6 (b) If the proposed development does occur and no deduction is granted, the approximate
7 current year tax rate for the site would be \$3.1973/\$100 (the change would be negligible).
- 8 (c) If the proposed development occurs, and a deduction percentage of fifty percent (50%) is
9 assumed, the approximate current year tax rate for the site would be \$3.1973/\$100 (the
10 change would be negligible).
- 11 (d) If the proposed new manufacturing, research and development, logistical distribution, and
12 information technology equipment is not installed, the approximate current year tax rates for
13 this site would be \$3.1973/\$100.
- 14 (e) If the proposed new manufacturing, research and development, logistical distribution, and
15 information technology equipment is installed and no deduction is granted, the approximate
16 current year tax rate for the site would be \$3.1973/\$100 (the change would be negligible).
- 17 (f) If the proposed new manufacturing, research and development, logistical distribution, and
18 information technology equipment is installed and a deduction percentage of eighty percent
19 (80%) is assumed, the approximate current year tax rate for the site would be \$3.1973/\$100
20 (the change would be negligible).
- 21 (g) If the proposed occupation of the eligible vacant building does not occur, the approximate
22 current year tax rates for this site would be \$3.1973/\$100.
- 23 (h) If the proposed occupation of the eligible vacant building occurs and no deduction is granted,
24 the approximate current tax rate for the site would be \$3.1973/\$100 (the change would be
25 negligible).
- 26 (i) If the proposed occupation of the eligible vacant building occurs, and a deduction percentage
27 of fifty percent (50%) is assumed, the approximate current year tax rate for this would be
28 \$3.1973/\$100 (the change would be negligible).

29 **SECTION 7.** That, pursuant to I.C. 6-1.1-12.1, it is hereby determined that the deduction from
30 the assessed value of the eligible vacant building shall be for a period of one year, the deduction from the
assessed value of the real property shall be for a period of five years, and that the deduction from the
assessed value of the new manufacturing, research and development, logistical distribution, and
information technology 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	80%
3	60%
4	40%
5	20%

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

Year of Deduction	Percentage
1	100%

SECTION 11. 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 12. For new manufacturing, research and development, logistical distribution, and information technology equipment, a deduction application must contain a performance report showing the extent to which there has been compliance with the Statement of Benefits form approved by the Fort Wayne Common Council at the time of filing. This report must be submitted to the Allen County Auditor's Office, and the City of Fort Wayne's Community Development Division and must be included with the deduction application. For subsequent years, the performance report must be updated and submitted along with the deduction application at the time of filing.

SECTION 13. For real property, a deduction application must contain a performance report showing the extent to which there has been compliance with the Statement of Benefits form approved by

1 the Fort Wayne Common Council at the time of filing. This report must be submitted to the Allen County
2 Auditor's Office and the City of Fort Wayne's Community Development Division and must be included in
3 the deduction application. For subsequent years, the performance report must be updated each year in
4 which the deduction is applicable at the same time the property owner is required to file a personal
5 property tax return in the taxing district in which the property for which the deduction was granted is
6 located. If the taxpayer does not file a personal property tax return in the taxing district in which the
7 property is located, the information must be provided by May 15.

8 **SECTION 14.** For the eligible vacant building, a deduction application must contain a
9 performance report showing the extent to which there has been compliance with the Statement of Benefits
10 form approved by the Fort Wayne Common Council at the time of filing. This report must be submitted to
11 the Allen County Auditor's Office and the City of Fort Wayne's Community Development Division and must
12 be included in the deduction application. For subsequent years, the performance report must be updated
13 each year in which the deduction is applicable at the same time the property owner is required to file a
14 personal property tax return in the taxing district in which the property for which the deduction was granted
15 is located. If the taxpayer does not file a personal property tax return in the taxing district in which the
16 property is located, the information must be provided by May 15.

17 **SECTION 15.** The performance report must contain the following information:

- 18 A. The cost and description of real property improvements and/or new manufacturing, research
19 and development, logistical distribution, and information technology equipment acquired.
- 20 B. The number of employees hired through the end of the preceding calendar year as a result of
21 the deduction.
- 22 C. The total salaries of the employees hired through the end of the preceding calendar year as a
23 result of the deduction.
- 24 D. The total number of employees employed at the facility receiving the deduction.
- 25 E. The total assessed value of the real and/or personal property deductions.
- 26 F. The tax savings resulting from the real and/or personal property being abated.

27 **SECTION 16.** That, the taxpayer is non-delinquent on any and all property tax due to
28 jurisdictions within Allen County, Indiana.

29 **SECTION 17.** That, pursuant to I.C. 6-1.1-12.1-12 et al, any property owner that has received a
30 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 18. 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 A LEGALITY

Carol Helton, City Attorney

EXHIBIT A

LEGAL DESCRIPTION:

Parcel I:

Part of Lot Number 14 in Brotherhood Place as recorded in Plat Cabinet B, page 58 in the Office of the Recorder of Allen County, Indiana, more particularly described as follows:

Commencing at the Northwest corner of the South half of the Southeast Quarter of Section 14, Township 31 North, Range 12 East, Allen County, Indiana; thence North 88 degrees 28 minutes 18 seconds East (recorded bearing) along the North line of the South Half of the Southeast Quarter of Section 14, Township 31 North, Range 12 East and the South line of Lots Numbered 11 and 12 in Brotherhood Place as recorded in Plat Cabinet B, page 58 in the Office of the Recorder of Allen County, Indiana, a distance of 593.22 feet to a 5/8 inch iron pin marking the Point of Beginning, said point being the Southeast corner of Lot Number 12 and being on the West line of Lot Number 14; thence North 88 degrees 28 minutes 18 seconds East, a distance of 120.00 feet to a 5/8 inch iron pin; thence South 01 degrees 51 minutes 30 seconds East, a distance of 335.17 feet to a point on the South line of Lot Number 14; thence South 62 degrees 14 minutes 44 seconds West along the South line of Lot Number 14, a distance of 133.39 feet to the Southwest corner of Lot Number 14; thence North 01 degrees 51 minutes 30 seconds West along the West line of Lot Number 14, a distance of 394.12 feet to the Point of Beginning. Containing 1.0 acres.

TOGETHER WITH:

Parcel II:

Part of the South Half of the Southeast Quarter of Section 14, Township 31 North, Range 12 East, Allen County, Indiana, more particularly described as follows:

Beginning at a point on the North line of the South half of the Southeast Quarter of Section 14, Township 31 North, Range 12 East, Allen County, Indiana, said point being 318.42 feet East of the Northwest corner of the South Half of the Southeast Quarter of Sec. 14-31-12; thence East, along the North line of the South Half of the Southeast Quarter of Sec. 14-31-12, a distance of 274.8 feet; thence South 01 degree 51 minutes 30 seconds East, a distance of 449.7 feet to a point on the North right of way line off-69; thence South 62 degrees 14 minutes 44 seconds West along said right of way a distance of 60.98 feet; thence South 58 degrees 30 seconds West along said right of way a distance of 252.42 feet; thence North 01 degree 48 minutes 47 seconds West, a distance of 600.93 feet to the point of beginning, together with an easement for ingress and egress over the South 50 feet of the following described parcel:

Part of the South Half of the Southeast Quarter of Section 14, Township 31 North, Range 12 East, in Allen County, Indiana, more particularly described as follows:

Beginning at a point on the north line of the South Half of the Southeast Quarter of Sec. 14, Township 31 North, Range 12 East in Allen County, Indiana, said point being 574.22 feet east of the intersection of the east right-of-way line of the New York Central Railroad and the North line of the South Half of the Southeast Quarter of Section 14, Township 31 North, Range 12 East, in Allen County, Indiana; thence North 88 degrees 28 minutes 18 seconds East and along the North line of the South Half of the Southeast Quarter of Sec. 14-31-12 a distance of 760 feet to a point on the North right-of-way line of an access road; thence South 58 degrees 58 minutes 30 seconds West along the said access road right-of-way line and parallel to the centerline of I-69, a distance of 141.54 feet; thence South 31 degrees 01 minutes 30 seconds East a distance of 55 feet to a point on the North right-of-way line off-69; thence South 58 degrees 58 minutes 30 seconds West and along the North right-of-way line off-69 a distance of 100 feet; thence South 62 degrees 14 minutes 44 seconds West and along the North right-of-way line off-69 a distance of 640.16 feet; thence North 01 degree 51 minutes 30 seconds West and parallel to the East right-of-way line of the New York Central Railroad a distance of 449.70 feet to the point of beginning.

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Confirming Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Racquet Drive Holdings, LLC/Transformations by Wieland, Inc. is requesting the designation of an Economic Revitalization Area for both real and personal property improvements in the amount of \$986,758. Racquet Drive Holdings, LLC/Transformations by Wieland, Inc. will renovate a vacant building and will also purchase and install new manufacturing, research and development, logistical distribution, and information technology equipment.**

EFFECT OF PASSAGE: **Renovating the vacant building and installing new equipment will allow Racquet Drive Holdings, LLC/Transformations by Wieland, Inc. to maintain a competitive business environment. Ten full-time jobs will be created.**

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

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

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