BILL NO. R-15-09-18

CONFIRMING RESOLUTION NO. R-________

A CONFIRMING RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 5501 U.S. Highway 30 West, Fort Wayne, Indiana 46818 (Sweetwater Holdings, LLC/Sweetwater Sound, 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 create 285 full-time and 34 part-time, permanent jobs for a total additional annual payroll of $13,721,247, with the average new annual job salary being $43,013 and retain 733 full-time and 66 part-time, permanent jobs for a current annual payroll of $34,424,277, with the average current annual job salary being $43,084; and

WHEREAS, the total estimated project cost is $7,200,000; and

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

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

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

SECTION 1. That, the Resolution previously designating the above described property as an "Economic Revitalization Area" is confirmed in all respects.

SECTION 2. That, the hereinabove described property is hereby declared an "Economic Revitalization Area" pursuant to I.C. 6-1.1-12.1, said designation to begin on the effective date 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 3. That, said designation of the hereinabove described property as an "Economic Revitalization Area" shall apply to a deduction of the assessed value of real estate and personal property for new logistical distribution and information technology equipment.

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

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

(a) If the proposed development does not occur, the approximate current year tax rates for this site would be $3.3979/$100.

(b) If the proposed development does occur and no deduction is granted, the approximate current year tax rate for the site would be $3.3979/$100 (the change would be negligible).

(c) If the proposed development occurs, and a deduction percentage of fifty percent (50%) is assumed, the approximate current year tax rate for the site would be $3.3979/$100 (the change would be negligible).

(d) If the proposed new logistical distribution and information technology equipment is not installed, the approximate current year tax rates for this site would be $3.3979/$100.

(e) If the proposed new logistical distribution and information technology equipment is installed and no deduction is granted, the approximate current year tax rate for the site would be $3.3979/$100 (the change would be negligible).

(f) If the proposed new logistical distribution and information technology equipment is installed and a deduction percentage of eighty percent (80%) is assumed, the approximate current year tax rate for the site would be $3.3979/$100 (the change would be negligible).

SECTION 6. 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 that the deduction from the assessed value of the new logistical distribution and information technology equipment shall be for a period of ten years.

SECTION 7. 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 8. The deduction schedule from the assessed value of the new information technology equipment pursuant to I.C. 6-1.1-12.1-17 shall look like this:

Year of Deduction	Percentage
1	100%
2	90%
3	80%
4	70%
5	60%
6	50%
7	40%
8	30%
9	20%
10	10%

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

SECTION 10. For new 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 11. 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 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 in the deduction application. For subsequent years, the performance report must be updated each year in which the deduction is applicable at the same time the property owner is required to file a personal property tax return in the taxing district in which the property for which the deduction was granted is located. If the taxpayer does not file a personal property tax return in the taxing district in which the property is located, the information must be provided by May 15.

SECTION 12. The performance report must contain the following information:

A. The cost and description of real property improvements and/or new logistical distribution and information technology equipment acquired.

B. The number of employees hired through the end of the preceding calendar year as a result of the deduction.

C. The total salaries of the employees hired through the end of the preceding calendar year as a result of the deduction.

D. The total number of employees employed at the facility receiving the deduction.

E. The total assessed value of the real and/or personal property deductions.

F. The tax savings resulting from the real and/or personal property being abated.

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

SECTION 14. 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 15. That, this Resolution shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

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Member of Council

APPROVED AS TO FORM A LEGALITY

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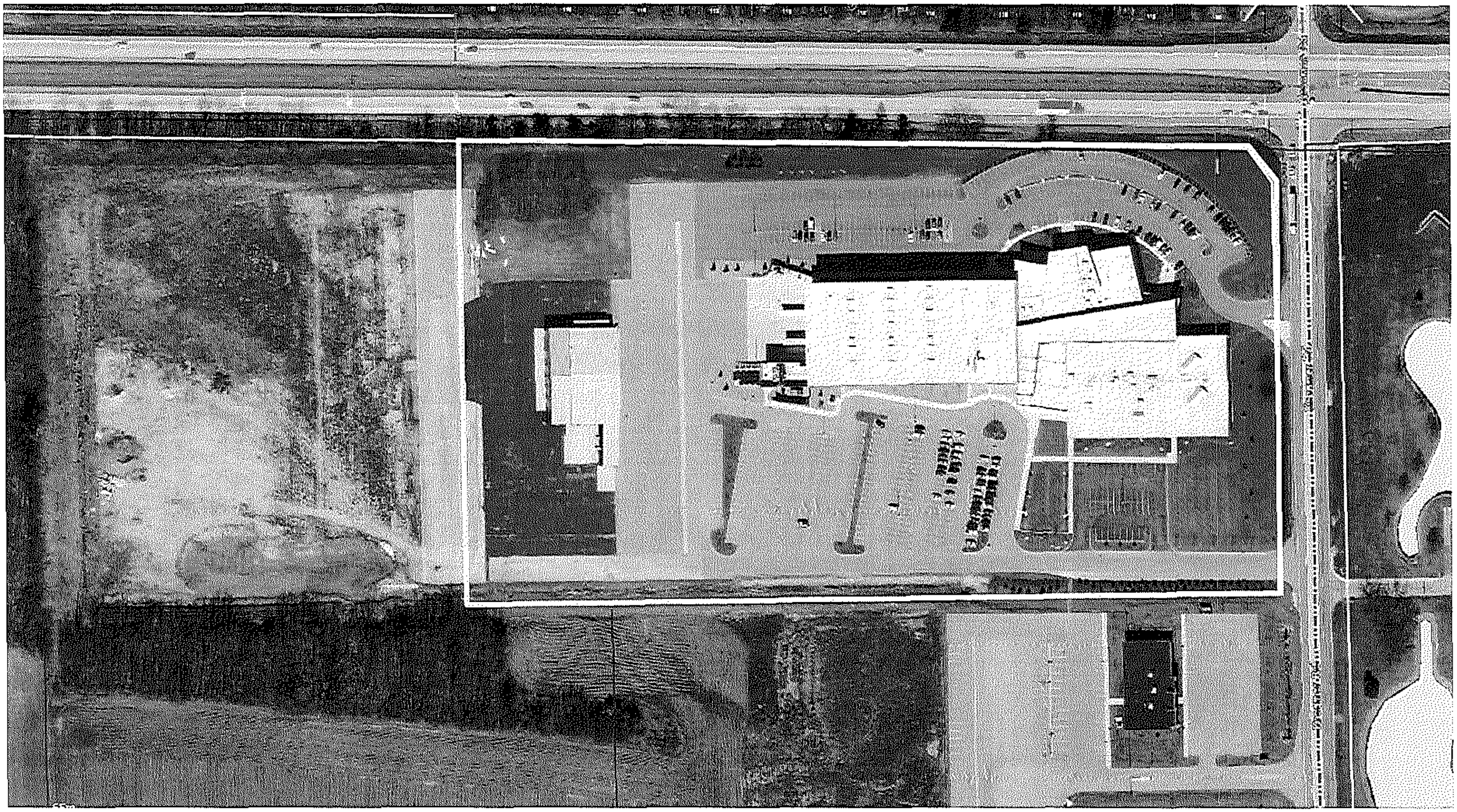
Carol Helton, City Attorney

Exhibit A

A portion of the lands of Sweetwater Holdings, LLC as described in Document #206021897 and being a part of the East Half of the Southeast Quarter of Section 19, Township 31 North, Range 12 East, Allen County, Indiana, More Particularly Described as Follows:

Beginning at a point situated on the South line of Sweetwater Holdings, LLC as described in Document #206021897 located North 00°52'54" West 1922.27 feet from the Southwest Corner of the East half of the Southeast Quarter; thence North 00°52'54" West along the West line of said East half a distance of 731.85 feet to a point of intersection with the South right-of-way of U.S. #30, said point marked by a 5/8" x 24" rebar with a "Bertsch-Frank" identification cap (Firm #0081); thence North 89°46'25" East along the South right-of-way of U.S. #30 a distance of 847.75 feet to a point of deflection, said point marked by a 5/8" x 24" rebar with a "Bertsch-Frank" Identification CAP (Firm #0081); thence South 89°24'55" East along the South right-of-way of U.S. #30 a distance of 381.00 feet to a point of deflection, said point marked by a 5/8"x24" rebar with a "Bertsch-Frank" identification cap (Firm #0081); thence South 37°17'09" East along the South right-of-way of U.S. #30 a distance of 60.37 feet to a point of intersection with the West 50' right-of-way of Kroemer Road as described in Document #74-26919, said point marked by a 5/8"x 24" rebar with a "Bertsch-Frank" identification cap (Firm #0081); thence South 00 °56'29" East along the West 50' right-of-way of Kroemer Road as described in document #74-26919 a distance of 663.24 feet to the Southeast corner of the lands of Sweetwater Holdings, LLC said corner marked by a 5/8" rebar with a "Sauer" identification cap; thence South 89 °05'31" West along the South line of Sweetwater Holdings, LLC a distance of 1265.20 feet to the point of beginning, containing 20.98 acres more or less.

Exhibit A-1



Admn. Appr.____________

DIGEST SHEET

TITLE OF ORDINANCE: **Confirming Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **This is to confirm the designation of an Economic Revitalization Area for Sweetwater Holdings, LLC/Sweetwater Sound, Inc. for both real and personal property improvements in the amount of $7,200,000. Sweetwater Sound, Inc. will construct a 16,000 square foot addition to house the company's marketing and merchandising departments. Employee health and exercise and office and administrative spaces within the company's existing 320,000 square foot facility will be renovated and expanded. Construction of an outdoor performance pavilion is also planned. Sweetwater Sound, Inc. will also purchase and install new logistical distribution and information technology equipment.**

EFFECT OF PASSAGE: **In order to meet the company's continued demand for products and services, Sweetwater Sound, Inc. must expand their facility. 285 full-time and 34 part-time jobs will be created as a result of the project.**

EFFECT OF NON-PASSAGE: **Potential loss of development and 285 full-time and 34 part-time jobs**

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

ASSIGNED TO COMMITTEE (CO-CHAIRS): **Russell Jehl and Tom Didier**