BILL NO. R-16-03-26

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 2807, 2817, 2827, 2903, 2907, 2917 Westbrook Drive, Fort Wayne, Indiana 46805 (Biggs-RCI LLC)

WHEREAS, Petitioner has duly filed its petition dated March 9, 2016 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, the total estimated project cost is $17,000,000; 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.

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.

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

SECTION 5. That, 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 $3.5045/$100.

(b) If the proposed development does occur and no deduction is granted, the approximate current year tax rate for the site would be $3.5045/$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 $3.5045/$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.

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%
11	0%

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

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

SECTION 11. That, pursuant to I.C. 6-1.1-12.1-12 et al, any property owner that has received a deduction under section 3 or 4.5 of 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 12. That, this Resolution shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

____
Member of Council

APPROVED AS TO FORM AND LEGALITY

____
Carol Helton, City Attorney

CITY OF FT WAYNE

03/2013

MAR 09 2016

ECONOMIC REVITALIZATION AREA APPLICATION
CITY OF FORT WAYNE, INDIANA

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

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

Total cost of real estate improvements: $ 17,000,000
Total cost of manufacturing equipment improvements: ________
Total cost of research and development equipment improvements: ________
Total cost of logistical distribution equipment improvements: ________
Total cost of information technology equipment improvements: $ 200,000

TOTAL OF ABOVE IMPROVEMENTS: $ 17,200,000

GENERAL INFORMATION

Real property taxpayer's name: Biggs-RCI LLC

Personal property taxpayer's name: Biggs-RCI LLC

Telephone number: 260 438-2483

Address listed on tax bill: 301 Airport North Office Park

Name of company to be designated, if applicable: Biggs- RCI LLC

Year company was established: 2016

Address of property to be designated: 2803-2917 Grove St

Real estate property identification number: Westbrook Drive - 02-07-35-203-002.001-074 (clubhouse) 2917 Westbrook Driv

Contact person name: Todd Ramsey

Contact person telephone number: (260) 438-2483 Contact person Email: tramsey@rcidevelops.com

Contact person address: 301 Airport North Office Park

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Andy Norton	member		433-4905
John Nichols			437-1199
Steve Gidley			414-3018
Todd Ramsey			438-2483
Kevan Biggs			740-1184

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

NAME	PERCENTAGE
Biggs Development	50
JATS LLC	50

☐ 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? ____________

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

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

Apartment Rentals

Dollar amount of annual sales for the last three years:

Year	Annual Sales

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

Customer Name	City/State	Annual Gross Sales

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

Supplier Name	City/State	Annual Gross Purchases

List the company's top three competitors:

Competitor Name	City/State

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

Residential Apartments

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 property has not been maintained for many years, only 12 units of 465 units are livible, The 12 units are in building 2817 Westbrook Dr. None of the other buildings have any utilities. 2907 Westbrook and 2917 Westbrook have been partially demoed on the inside.

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:

5 Apartment building with 465 units and a Club House

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

Unlivable, No public utilities, no windows, Have been empty for over 5 + years

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

We are planning to demo down to the building shell and then a full remodel, Please see attached renderings.

Projected construction start (month/year): 07/2016

Projected construction completion (month/year): 07/2020

☐ 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)

☐ 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): ____________________

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

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

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:

5 Apartment Building and a rental Office

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

Projected occupancy date (month/year): 07/2017

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.

Property has been for sale over 5 years

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

Any information concerning the cost of the property and specific salaries paid to individual employees is confidential per Indiana Code (I.C. 6-1.1-12.1-5.1)

Current Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
Maintenance		2	$ 60,000
Rental Agent		2	$ 60,000

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll

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:

4 years of construction jobs in all the trades,

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

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. <u>(Property tax bill legal descriptions are not sufficient.)</u> Should be marked as Exhibit A.**

3. **Check for non-refundable application fee made payable to the <u>City of Fort Wayne</u>.**

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 no Improvement Location Permit or Structural Permit has been filed for construction of improvements, the occupation of the vacant building has not taken place and no 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, CF-1/PP for personal property improvements, and CF-1/VBD for vacant building deduction) 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 and CF-1/VBD 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

Todd Ramsey
Printed Name and Title of Applicant

3-9-16
Date

STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS
State Form 51767 (R6 / 10-14)
Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE
MAR 09 2016 CRY
COMMUNITY DEVL.

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:
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.*
2. *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.*
3. *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.*
4. *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)*
5. *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: Biggs- RCI LLC		
Address of taxpayer (*number and street, city, state, and ZIP code*): 301 Airport North Office Park Fort Wayne In 46825		
Name of contact person: Todd Ramsey	Telephone number: (260) 438 2483	E-mail address: tramsey@rcidevelops.com

SECTION 2 — LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body: Fort Wayne Common Council		Resolution number:
Location of property: Westbrook Drive - 02-07-35-203-002.001-074 (clubhouse) 2917 Westbrook Driv	County: allen	DLGF taxing district number: 074
Description of real property improvements, redevelopment, or rehabilitation (*use additional sheets if necessary*): 5 Apartment Buildings, Club House Lease Office		Estimated start date (*month, day, year*): 7/2016
		Estimated completion date (*month, day, year*): 7/2020

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries

SECTION 4 — ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values		
Plus estimated values of proposed project	17,000,000.00	20,000,000.00
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	Date signed (*month, day, year*): 3-9-16
Printed name of authorized representative: Todd Ramsey	Title: Member

EXHIBIT A

LEGAL DESCRIPTION

A tract of land situated in the City of Fort Wayne, Allen County, Indiana, and known as being part of Blocks Numbered 1, 3, 4, 6, 7 and 8 in Centlivre Park, Plat 2, the plat of which is recorded in Plat Book 8, page 63 in the Office of the Recorder of Allen County, Indiana, said tract of land being more particularly described as follows, to-wit:

COMMENCING at the point of intersection of the centerline of Westbrook Drive with the centerline of Grove Street (50 feet wide), as rededicated on January 13, 1965; thence South 86 degrees 49 minutes 00 seconds West on and along the centerline of said Grove Street, 41.70 feet to a point on the Westerly right-of-way line of Westbrook Drive, said point being the true point of beginning; thence South 03 degrees 26 minutes 13 seconds West, on and along said Westerly right-of-way line, a distance of 395.36 feet; thence North 87 degrees 37 minutes 30 seconds West, a distance of 218.42 feet; thence South 21 degrees 30 minutes 30 seconds West, a distance of 95.29 feet; thence South 42 degrees 52 minutes 30 seconds West, a distance of 191.65 feet; thence South 55 degrees 23 minutes 30 seconds West, a distance of 180.32 feet to a point on the Northerly line of Brookview Addition; thence South 86 degrees 59 minutes 32 seconds West, on and along said Northerly line, a distance of 435.46 feet to the Northwest corner of said Brookview Addition being a point on the Easterly right-of-way line of the Fort Wayne, Jackson and Saginaw Railroad (also known as the New York Central Railroad and Lake Shore Railroad); thence North 03 degrees 10 minutes 00 seconds West, on and along said Easterly right-of-way line, a distance of 612.70 feet; thence North 86 degrees 22 minutes 36 seconds East, a distance of 349.97 feet; thence North 50 degrees 31 minutes East, a distance of 81.64 feet to a point on the Southerly line of Park Place at Centlivre, Additional Tract I, a horizontal property regime, the plat and plans of which are recorded in Condominium Book 7, pages 156 through 161 in the Office of said Recorder; thence North 86 degrees 22 minutes 36 seconds East, on and along the Southerly line of said Park Place at Centlivre, Additional Tract I, a distance of 85.33 feet to the Southeast corner thereof; thence North 08 degrees 02 minutes 06 seconds West, on and along the Easterly line of said Park Place at Centlivre, Additional Tract I, a distance of 426.66 feet to the Southerly line of non-exclusive roadway easement, 25 feet in width, the description of which is set forth in said Condominium Book 7, pages 156 through 161 in the Office of said Recorder; thence North 87 degrees 45 minutes 30 seconds East, on and along the Southerly line of said easement, a distance of 84.32 feet to the point of curvature of a regular curve to the right having a radius of 387.34 feet; thence Easterly on and along the Southerly line of said easement, as defined by the arc of said curve, an arc distance of 48.37 feet, being subtended by a long chord having a length of 48.34 feet and a bearing of South 88 degrees 39 minutes 50 seconds East to the point of tangency; thence south 85 degrees 05 minutes 10 seconds East continuing along the Southerly line of said easement and tangent to said curve, a distance of 198.27 feet to the point of curvature of a regular curve to the left having a radius of 592.61 feet; thence Easterly, continuing along the Southerly line of said easement, as defined by the arc of said curve, an arc distance of 81.59 feet, being subtended by a long chord having a length of 81.53 feet and a bearing of South 89 degrees 01 minutes 50 seconds East to the point of tangency; thence North 87 degrees 01 minutes 30 seconds East, continuing along the Southerly line of said easement and tangent to said curve, a distance of 129.0 feet to the point of curvature of a regular curve to the right having a radius of 96.19 feet; thence Easterly, continuing along the Southerly line of said easement, as defined by the arc of said curve, an arc distance of 44.51 feet, being subtended by a long chord having a length of 44.11 feet and a bearing of South 79 degrees 43 minutes 10 seconds East to the Easterly terminus of the Southerly line of said easement, being a point on the westerly right-of-way line of Westbrook Drive; thence South 00 degrees 26 minutes 13 seconds East on and along said westerly right-of-way line, a distance of 356.34 feet to the true point of beginning.

Less and Except:

A part of Centlivre Park Plat 2, per plat thereof, recorded in Plat Book 8, page 63, in the Office of the Recorder of Allen County, Indiana, and being that part of the grantor's land lying within the right-of-way lines and described as follows:

BEGINNING at the Southwest corner of Block 1, in said Centlivre Park Plat 2, also being the Southwest corner of said grantor's land, and the Northwest corner of Lot 220 in Brookview Addition, per plat thereof, recorded in Plat Book 8, page 40, in the Office of the Recorder of Allen County, Indiana (the basis of bearings for this description being as shown on a Location Control Route Survey plat by GAI Consultants, Inc., dated 10/14/2014 and recorded 10/29/2014 as Instrument Number 2014052025 in the Office of the Recorder of Allen County, Indiana); thence North 02 degrees 08 minutes 25 seconds West 25.00 feet, along the West line of said grantor's land; thence North 88 degrees 01 minutes 07 seconds East 172.00 feet, parallel with the South line of said grantor's land, thence South 02 degrees 08 minutes 25 seconds East 25.00 feet, to said South line, thence South 88 degrees 01 minutes 07 seconds West 172.00 feet, along said South line, to the Point of Beginning, containing 0.099 acres, more or less.

Admn. Appr.___________

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Biggs-RCI LLC is requesting the designation of an Economic Revitalization Area for real property improvements in the amount of $17,000,000. Biggs-RCI LLC will rehabilitate 465 residential housing units.**

EFFECT OF PASSAGE: **465 residential housing units will be rehabilitated.**

EFFECT OF NON-PASSAGE: **Potential loss of investment to rehabilitate 465 residential housing units.**

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS):

ASSIGNED TO COMMITTEE (CO-CHAIRS): **Glynn Hines and John Crawford**

MEMORANDUM

TO: City Council

FROM: Elissa McGauley, Economic Development Specialist

DATE: March 15, 2016

RE: Request for designation by Biggs-RCI LLC as an ERA for real property improvements.

BACKGROUND

PROJECT ADDRESS:	**2807, 2817, 2827, 2903, 2907, 2917 Westbrook Drive**	PROJECT LOCATED WITHIN:	**Economic Development Target Area**
PROJECT COST:	**$ 17,000,000**	COUNCILMANIC DISTRICT:	**Fifth Councilmanic District**

COMPANY PRODUCT OR SERVICE:	**Multifamily Residential Rental**
PROJECT DESCRIPTION:	**Rehabilitation of 465 apartments at the Centlivre apartment complex.**

CREATED		RETAINED	
JOBS CREATED (FULL-TIME):		JOBS RETAINED (FULL-TIME):	
JOBS CREATED (PART-TIME):		JOBS RETAINED (PART-TIME):	
TOTAL NEW PAYROLL:	$	TOTAL RETAINED PAYROLL:	$
AVERAGE SALARY (FULL-TIME NEW):	$	AVERAGE SALARY (FULL-TIME RETAINED):	$

COMMUNITY BENEFIT REVIEW

Yes ☐ **No** ☐ **N/A** ☒

Project will encourage vacant or under-utilized land appropriate for commercial or industrial use?
Explain:

Yes ☒ **No** ☐ **N/A** ☐

Real estate to be designated is consistent with land use policies of the City of Fort Wayne?
Explain: Property is zoned R3-Multiple Family Residential

Yes ☒ **No** ☐ **N/A** ☐

Project encourages the improvement or replacement of a deteriorated or obsolete structure?
Explain: The property has not been maintained for many years; only 12 of the 465 units are livable. These 12 units are in building 2817 Westbrook Drive. None of the other buildings have utilities. 2907 and 2917 Westbrook have been partially demolished on the inside.

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:

Yes ☐ No ☐ N/A ☒ Project will result in significant conversion of solid waste or hazardous waste into energy or other useful products?
Explain:

Yes ☐ No ☐ N/A ☒ Project encourages preservation of an historically or architecturally significant structure?
Explain:

Yes ☐ No ☐ N/A ☒ Construction will result in Leadership in Energy and Environmental Design (LEED) certification by the U.S. Green Building Council?
Explain:

Yes ☒ No ☐ N/A ☐ Construction will use techniques to minimize impact on combined sewer overflows? (i.e. rain gardens, bio swales, etc.)
Explain:

Yes ☐ No ☐ N/A ☒ ERA designation induces employment opportunities for Fort Wayne area residents?
Explain:

Yes ☒ No ☐ N/A ☐ Taxpayer is NOT delinquent on any or all property tax due to any taxing jurisdiction within Allen County.
Explain:

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.

This project is located in an Economic Target Area (EDTA). Thus, under Fort Wayne Common Council's tax abatement policies and procedures Biggs-RCI LLC is eligible for a ten year deduction on real property improvements. Also attached is a calculation of property taxes saved/paid with the deduction.

COMMENTS

Signed: Carmen Yq

Economic Development Specialist

Reviewed: Elissa McGaughey

Economic Development Manager

FORT WAYNE COMMUNITY DEVELOPMENT DIVISION

TAX ABATEMENT - ESTIMATE OF SAVINGS

*New tax abatement percentages have been changed to reflect change in state law

Biggs-RCI LLC Centlivre Apartments

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	$17,000,000	$17,000,000	$17,000,000	100%	0%	$17,000,000	$0	0.035045	$0	$595,765
2	$17,000,000	$17,000,000	$17,000,000	95%	10%	$16,150,000	$1,700,000	0.035045	$59,577	$565,977
3	$17,000,000	$17,000,000	$17,000,000	80%	20%	$13,600,000	$3,400,000	0.035045	$119,153	$476,612
4	$17,000,000	$17,000,000	$17,000,000	65%	30%	$11,050,000	$5,100,000	0.035045	$178,730	$387,247
5	$17,000,000	$17,000,000	$17,000,000	50%	40%	$8,500,000	$6,800,000	0.035045	$238,306	$297,883
6	$17,000,000	$17,000,000	$17,000,000	40%	50%	$6,800,000	$8,500,000	0.035045	$297,883	$238,306
7	$17,000,000	$17,000,000	$17,000,000	30%	65%	$5,100,000	$11,050,000	0.035045	$387,247	$178,730
8	$17,000,000	$17,000,000	$17,000,000	20%	80%	$3,400,000	$13,600,000	0.035045	$476,612	$119,153
9	$17,000,000	$17,000,000	$17,000,000	10%	95%	$1,700,000	$16,150,000	0.035045	$565,977	$59,577
10	$17,000,000	$17,000,000	$17,000,000	5%	100%	$850,000	$17,000,000	0.035045	$595,765	$29,788
11	$17,000,000	$17,000,000	$17,000,000	0%	100%	$0	$17,000,000	0.035045	$595,765	$0

TOTAL TAX SAVED REAL PROPERTY (10 yrs on 10 yr deduction **$2,949,037**

TOTAL TAX PAID REAL PROPERTY (10 yrs on 10 yr deduction **$2,919,249**

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