

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, northwest
corner of Avionics Drive and Airport Expressway, Fort
Wayne, Indiana 46809 (HBC Realty Corporation)**

WHEREAS, Petitioner has duly filed its petition dated May 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, Petitioner previously submitted a request on July 31, 2015 to have the same 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; and

WHEREAS, the total estimated project cost for the previous project was \$3,200,000 for the construction of a 75,000 square foot speculative building; and

WHEREAS, the previous project stated that 75 full-time, permanent jobs would be created for a total additional payroll of \$3,000,000 with the average new annual job salary being \$40,000; and

WHEREAS, Common Council approved an Economic Revitalization Area for the property under Confirming Resolution R-69-15 on August 25, 2015; and

WHEREAS, Common Council approved General Ordinance G-2-16 on February 9, 2016 that amended Chapter 153 of the Fort Wayne Code of Ordinances: "Planning and Development" to add a sub-section in Section 153.19 for projects involving the redevelopment or rehabilitation of a speculative building to receive a ten-year phased deduction (abatement) without adhering to the City's Review System; and

WHEREAS, Petitioner has acknowledged that it will now invest \$5,000,000 in an 100,000 square foot speculative building that can be expanded to approximately 300,000 square feet; and

WHEREAS, Petitioner has requested an "Economic Revitalization Area" be designated on the updated project under Section 153.19 of the Fort Wayne Code of Ordinances; and

1 **WHEREAS**, it appears the said petition should be processed to final determination in
2 accordance with the provisions of said I.C. 6-1.1-12.1.

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

5 **SECTION 1.** That, subject to the requirements of Section 6, below, the property
6 hereinabove described is hereby designated and declared an "Economic Revitalization Area"
7 under I.C. 6-1.1-12.1. Said designation shall begin upon the effective date of the Confirming
8 Resolution referred to in Section 6 of this Resolution and shall terminate on December 31,
9 2016, unless otherwise automatically extended in five year increments per I.C. 6-1.1-12.1-9.

10 **SECTION 2.** That, upon adoption of the Resolution:

- 11 (a) Said Resolution shall be filed with the Allen County Assessor;
- 12 (b) Said Resolution shall be referred to the Committee on Finance requesting a
13 recommendation from said committee concerning the advisability of designating
14 the above area an "Economic Revitalization Area";
- 15 (c) Common Council shall publish notice in accordance with I.C. 6-1.1-12.1-2.5 and
16 I.C. 5-3-1 of the adoption and substance of this resolution and setting this
17 designation as an "Economic Revitalization Area" for public hearing.

18 **SECTION 3.** That, said designation of the hereinabove described property as an
19 "Economic Revitalization Area" shall apply to a deduction of the assessed value of real
20 estate.

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

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

- 28 (a) If the proposed development does not occur, the approximate current year tax
29 rates for this site would be \$3.5045/\$100.
- 30 (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%

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

MAY 09 2016

ECONOMIC REVITALIZATION AREA APPLICATION CITY OF FORT WAYNE, INDIANA

COMMUNITY DEVL.

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



Real Estate Improvements



Personal Property Improvements



Vacant Commercial or Industrial Building

Total cost of real estate improvements:

\$ 5,000,000

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:

TOTAL OF ABOVE IMPROVEMENTS:

\$ 5,000,000

GENERAL INFORMATION

Real property taxpayer's name: HBC Realty Corp

Personal property taxpayer's name: N/A

Telephone number: 260.424.1470

Address listed on tax bill: TBD - NW Corner of Airport Expressway @ Avionics Drive, Fort Wayne IN

Name of company to be designated, if applicable: N/A

Year company was established: N/A

Address of property to be designated: TBD - NW Corner of Airport Expressway @ Avionics Drive, Fort Wayne IN

Real estate property identification number:

Contact person name: Mark Hagerman or Rob Young

Contact person telephone number: (260) 424-1470

Contact person Email: ryoung@hagermangc.com

Contact person address: The Hagerman Group, 510 West Washington Boulevard, Fort Wayne IN 46802

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Mark F. Hagerman	President, HBC Realty Corp	P.O. Box 10690, Fort Wayne IN 46853-0690	(260) 424-1470
Arlene Frash	Vice Pres., HBC Realty Corp	P.O. Box 10690, Fort Wayne IN 46853-0690	(260) 424-1470

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

NAME	PERCENTAGE
The Hagerman Families	100%

- ☐ Yes ☒ No Are any elected officials shareholders or holders of any debt obligation of the applicant or operating business? If yes, who? (name/title) _____
- ☒ Yes ☐ No Is the property for which you are requesting ERA designation totally within the corporate limits of the City of Fort Wayne?
- ☐ Yes ☒ No Do you plan to request state or local assistance to finance public improvements?
- ☐ Yes ☒ No Is the property for which you are requesting ERA designation located in an Economic Development Target Area (EDTA)? (see attached map for current areas)
- ☐ Yes ☒ No Does the company's business include a retail component? If yes, answer the following questions:
- What percentage of floor space will be utilized for retail activities? _____
- What percentage of sales is made to the ultimate customer? _____
- What percentage of sales will be from service calls? _____

What is the percentage of clients/customers served that are located outside of Allen County? N/A

What is the company's primary North American Industrial Classification Code (NAICs)? 233110

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

Real Estate Development

Dollar amount of annual sales for the last three years:

Year	Annual Sales
N/A	

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

Customer Name	City/State	Annual Gross Sales
N/A		

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

Supplier Name	City/State	Annual Gross Purchases
N/A		

List the company's top three competitors:

Competitor Name	City/State
N/A	

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

Approximate 100,000sf shell building to add to NE Indiana's inventory of quality buildings for prospective employers of choice.

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 to be utilized for this project is, and has been, undeveloped. It has been on the market for several years. This project will complement the existing industrial zoning classification and will produce a shell building that is able to be marketed to domestic and international employers of choice.

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:

There are no structures currently on the 15.55 acres of land designated for this project.

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 an approximately 100,000sf shell building.

Projected construction start (month/year): 08/2016

Projected construction completion (month/year): 05/2017

☐ 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:

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

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
N/A			

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			

Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			

Check the boxes below if the existing jobs and the jobs to be created will provide the listed benefits:

- | | | |
|--|---|---|
| ☐ Pension Plan | ☐ Major Medical Plan | ☐ Disability Insurance |
| ☐ Tuition Reimbursement | ☐ Life Insurance | ☐ Dental Insurance |

List any benefits not mentioned above:

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

REQUIRED ATTACHMENTS

The following must be attached to the application.

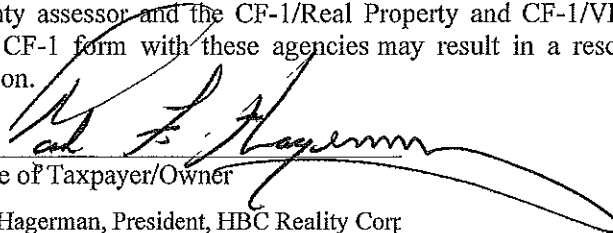
1. **Statement of Benefits Form(s) (first page/front side completed)**
2. **Full legal description of property and a plat map identifying the property boundaries. (Property tax bill legal descriptions are not sufficient.) Should be marked as Exhibit A.**
3. **Check for non-refundable application fee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

Mark F. Hagerman, President, HBC Reality Corp

Printed Name and Title of Applicant

05/09/2016

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

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

COMMUNITY DEVL

SECTION 1 TAXPAYER INFORMATION					
Name of taxpayer HBC Realty Corp					
Address of taxpayer (number and street, city, state, and ZIP code) P.O. Box 10690, Fort Wayne IN 46853-0690					
Name of contact person Mark F. Hagerman		Telephone number (260) 424-1470		E-mail address mhagerman@hagermangc.com	
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body Fort Wayne Common Council				Resolution number	
Location of property Avionics Drive @ Airport Expressway (NW Corner)		County Allen		DLGF taxing district number 074	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Design and construction of an approximately 100,000sf shell building - expandable to approximately 300,000sf on 15.55 acres at the NW corner of the intersection of Avionics Drive and Airport Expressway. The project is located within Airport Business Center North near Fort Wayne International Airport				Estimated start date (month, day, year) August 1, 2016	
				Estimated completion date (month, day, year) May 31, 2017	
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		466,500.00		0.00	
Plus estimated values of proposed project		5,000,000.00			
Less values of any property being replaced		0.00		0.00	
Net estimated values upon completion of project		5,466,500.00			
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER					
Estimated solid waste converted (pounds) 0.00			Estimated hazardous waste converted (pounds) 0.00		
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) May 9, 2016	
Printed name of authorized representative Mark F. Hagerman				Title President, HBC Realty Corp	

EXHIBIT A

Part of the Southwest and Southeast Quarters of Section 32, Township 30 North, Range 12 East, Allen County, Indiana, more particularly described as follows:

COMMENCING at a Harrison monument marking the Southwest corner of the Southwest Quarter of said Section 32, Township 30 North, Range 12 East; thence North 89 degrees 52 minutes 25 seconds East, along the South line of said Southwest Quarter and within the right-of-way of Airport Expressway, a distance of 2550.79 feet; thence North 00 degrees 09 minutes 11 seconds West, a distance of 60.00 feet to the Northerly right-of-way line of Airport Expressway and the Southeast corner a 20.317 acre tract of land conveyed to Tuthill Corporation by deed recorded in Document Number 202069050, this being the Point of Beginning; thence North 00 degrees 09 minutes 11 seconds West, along the Easterly line of said 20.317 acre tract, a distance of 871.00 feet to the Northeast corner thereof; thence North 89 degrees 52 minutes 25 seconds East, along the Easterly extension of the Northerly line of said 20.317 acre tract, a distance of 779.85 feet to the Westerly right-of-way line of Avionics Drive; thence South 00 degrees 29 minutes 13 seconds East, along said Westerly right-of-way line, a distance of 255.83 feet; thence South 01 degrees 25 minutes 20 seconds West, continuing along said Westerly right-of-way line, a distance of 150.08 feet; thence South 00 degrees 29 minutes 13 seconds East, continuing along said Westerly right-of-way line, a distance of 460.73 feet to the Northerly right-of-way line of Airport Expressway; thence South 89 degrees 30 minutes 47 seconds West, parallel to and 60.00 feet Northerly of the South line of the Southeast Quarter of said Section 32, a distance of 704.19 feet; thence South 89 degrees 52 minutes 25 seconds West, parallel to and 60.00 feet Northerly of the South line of the Southwest Quarter of said Section 32, a distance of 75.72 feet to the Point of Beginning, containing 15.55 acres of land, subject to and/or together with all easements of record.

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **HBC Realty Corporation is requesting the designation of an Economic Revitalization Area for real property improvements in the amount of \$5,000,000. HBC Realty Corporation will construct an 100,000 square foot speculative building for purchase or lease.**

EFFECT OF PASSAGE: **Construction of a speculative building will add to the city and Northeast Indiana's stock of buildings to offer to incoming and existing expanding companies. The quality and location of the building in Southwest Fort Wayne should attract interest from employers that will offer wages for employees above regional average wages.**

EFFECT OF NON-PASSAGE: **Potential loss of development**

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

ASSIGNED TO COMMITTEE (PRESIDENT): **Glynn Hines and John Crawford**

MEMORANDUM



TO: City Council

FROM: Elissa McGauley, Economic Development Manager

DATE: May 18, 2016

RE: Request for designation by HBC Realty Corporation as an ERA for real property improvements

BACKGROUND

PROJECT ADDRESS:	Unassigned, northwest corner of Airport Expressway and Avionics Drive	PROJECT LOCATED WITHIN:	Redevelopment Area
PROJECT COST:	\$ 5,000,000	COUNCILMANIC DISTRICT:	4

COMPANY PRODUCT OR SERVICE:	
PROJECT DESCRIPTION:	HBC Realty Corporation will construct an 100,000 square foot speculative building, expandable to 300,000 square feet, for purchase or lease

CREATED

RETAINED

JOBS CREATED (FULL-TIME):	0	JOBS RETAINED (FULL-TIME):	0
JOBS CREATED (PART-TIME):	0	JOBS RETAINED (PART-TIME):	0
TOTAL NEW PAYROLL:	\$ 0	TOTAL RETAINED PAYROLL:	\$ 0
AVERAGE SALARY (FULL-TIME NEW):	\$ 0	AVERAGE SALARY (FULL-TIME RETAINED):	\$ 0

COMMUNITY BENEFIT REVIEW

Yes ☒ No ☐ N/A ☐

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

Explain: Property to be developed is vacant.

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, a general industrial zoning classification. Use of property is consistent with the land use policies of the City of Fort Wayne.

Yes ☐ No ☐ N/A ☒

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

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:

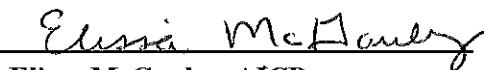
1. The period of deduction for real property is ten years.

Under Fort Wayne Common Council's tax abatement policies and procedures, most recently updated on February 9, 2016 to include recommended deduction periods for speculative buildings, HBC Realty Corporation is eligible for a ten year deduction on real property improvements. Attached is a calculation of estimated property taxes saved/paid over the length of the deduction.

COMMENTS

On August 25, 2015, Fort Wayne Common Council approved Confirming Resolution R-69-15 for HBC Realty Corporation. HBC Realty Corporation was to invest \$3,200,000 to construct a 75,000 square foot speculative building. Council approved a seven year deduction on the real property improvements. Since that time, HBC Realty Corporation decided to construct a larger speculative building that would be 100,000 square feet instead of 75,000 square feet at the same location. The speculative building would also be expandable to 300,000 square feet. HBC Realty Corporation is seeking a new designation to replace the previous one granted last year.

Signed:



Elissa McGauley, AICP
Economic Development Manager

FORT WAYNE COMMUNITY DEVELOPMENT DIVISION TAX ABATEMENT - ESTIMATE OF SAVINGS

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	\$5,000,000	\$5,000,000	\$5,000,000	100%	0%	\$5,000,000	\$0	0.035045	\$0	\$175,225
2	\$5,000,000	\$5,000,000	\$5,000,000	95%	5%	\$4,750,000	\$250,000	0.035045	\$8,761	\$166,464
3	\$5,000,000	\$5,000,000	\$5,000,000	80%	20%	\$4,000,000	\$1,000,000	0.035045	\$35,045	\$140,180
4	\$5,000,000	\$5,000,000	\$5,000,000	65%	35%	\$3,250,000	\$1,750,000	0.035045	\$61,329	\$113,896
5	\$5,000,000	\$5,000,000	\$5,000,000	50%	50%	\$2,500,000	\$2,500,000	0.035045	\$87,613	\$87,613
6	\$5,000,000	\$5,000,000	\$5,000,000	40%	60%	\$2,000,000	\$3,000,000	0.035045	\$105,135	\$70,090
7	\$5,000,000	\$5,000,000	\$5,000,000	30%	70%	\$1,500,000	\$3,500,000	0.035045	\$122,658	\$52,568
8	\$5,000,000	\$5,000,000	\$5,000,000	20%	80%	\$1,000,000	\$4,000,000	0.035045	\$140,180	\$35,045
9	\$5,000,000	\$5,000,000	\$5,000,000	10%	90%	\$500,000	\$4,500,000	0.035045	\$157,703	\$17,523
10	\$5,000,000	\$5,000,000	\$5,000,000	5%	95%	\$250,000	\$4,750,000	0.035045	\$166,464	\$8,761
11	\$5,000,000	\$5,000,000	\$5,000,000	0%	100%	\$0	\$5,000,000	0.035045	\$175,225	\$0
TOTAL TAX SAVED REAL PROPERTY									(10 yrs on 10 yr deduction)	<u>\$867,364</u>
TOTAL TAX PAID REAL PROPERTY									(10 yrs on 10 yr deduction)	<u>\$884,886</u>

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