

A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 3806 Option Pass, Fort Wayne, Indiana 46818 (Indiana Oxygen Company, Inc.)

WHEREAS, Petitioner has duly filed its petition dated May25, 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, said project will create six full-time, permanent jobs for a total new, annual payroll of \$368,160, with the average new annual job salary being \$61,360; and

WHEREAS, the total estimated project cost is \$1,160,000; 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 both a deduction of the assessed value of real

1 estate and personal property for new manufacturing, logistical distribution, and information
2 technology equipment.

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

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

14 (a) If the proposed development does not occur, the approximate current year tax
15 rates for this site would be \$3.3722/\$100.

16 (b) If the proposed development does occur and no deduction is granted, the
17 approximate current year tax rate for the site would be \$3.3722/\$100 (the
18 change would be negligible).

19 (c) If the proposed development occurs and a deduction percentage of fifty percent
20 (50%) is assumed, the approximate current year tax rate for the site would be
21 \$3.3722/\$100 (the change would be negligible).

22 (d) If the proposed new manufacturing, logistical distribution, and information
23 technology equipment is not installed, the approximate current year tax rates for
24 this site would be \$3.3722/\$100.

25 (e) If the proposed new manufacturing, logistical distribution, and information
26 technology equipment is installed and no deduction is granted, the approximate
27 current year tax rate for the site would be \$3.3722/\$100 (the change would be
28 negligible).

29 (f) If the proposed new manufacturing, logistical distribution, and information
30 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
\$3.3722/\$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 estate property and personal property for new manufacturing, logistical distribution, and information technology equipment shall be for a period of ten years.

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

Year of Deduction	Percentage
1	100%
2	100%
3	100%
4	100%
5	100%
6	90%
7	80%
8	65%
9	50%
10	40%
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

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Indiana Oxygen Company, Inc. is requesting the designation of an Economic Revitalization Area for real and personal property improvements in the amount of \$1,160,000. In order to expand, Indiana Oxygen Company, Inc. has purchased said real estate to which they will purchase and install manufacturing, logistical distribution, and information technology equipment. This investment will create six full-time positions.**

EFFECT OF PASSAGE: **Investment of \$1,160,000 in real and personal property resulting in six full-time positions.**

EFFECT OF NON-PASSAGE: **Potential loss of investment and six full-time positions will not be created.**

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

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



MAY 25 2016

ECONOMIC REVITALIZATION AREA APPLICATION CITY OF FORT WAYNE, INDIANA

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



Real Estate Improvements



Personal Property Improvements



Vacant Commercial or Industrial Building

Total cost of real estate improvements:

\$ 150,000

Total cost of manufacturing equipment improvements:

\$ 950,000

Total cost of research and development equipment improvements:

Total cost of logistical distribution equipment improvements:

\$ 30,000

Total cost of information technology equipment improvements:

\$ 30,000

TOTAL OF ABOVE IMPROVEMENTS:

\$ 1,160,000

GENERAL INFORMATION

Real property taxpayer's name: Fort Brant Limited Partnership (owner)

Personal property taxpayer's name: Indiana Oxygen Company, Inc.

Telephone number: 317-808-4060

Address listed on tax bill: 3806 Option Pass - Fort Wayne, IN 46818

Name of company to be designated, if applicable: Indiana Oxygen Company, Inc. (real) / Fort Brant Limited Partnership (PP)

Year company was established: 1915

Address of property to be designated: 3806 Option Pass - Fort Wayne, IN 46818

Real estate property identification number: 80-4654-0040 (local) / 02-07-17-427-006.000-073 (state)

Contact person name: Tim Conrad (Consultant)

Contact person telephone number: (317) 997-3269

Contact person Email: tim.conrad@stimulusllc.com

Contact person address: 6099 W. Corporate Way -- Indianapolis, IN 46278

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Gary Halter	President	3806 Option Pass - Fort Wayne, IN 46818	(317) 808-4060
Walter Brant	CEO	3806 Option Pass - Fort Wayne, IN 46818	(317) 290-0003
Michael Gunnels	Sr. VP & COO	3806 Option Pass - Fort Wayne, IN 46818	(317) 808-4021
Anne Hayes	CFO	3806 Option Pass - Fort Wayne, IN 46818	(317) 808-4023
Jay Brant	CIO	3806 Option Pass - Fort Wayne, IN 46818	(317) 290-0003

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

NAME	PERCENTAGE
Walter Brant	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? 10% or less *
 What percentage of sales is made to the ultimate customer? 80%
 What percentage of sales will be from service calls? 0%

What is the percentage of clients/customers served that are located outside of Allen County? 99%

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

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

Indiana Oxygen produces and distributes industrial and specialty gases (e.g. oxygen, helium, argon, etc.). Typical customers include manufacturers (e.g. who need welding gases), hospitals (e.g. who need medical-grade oxygen), and other bulk-gas purchasers.

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2015	\$ 56,336,375.00
2014	\$ 51,193,629
2013	\$ 43,485,893

* A very small percentage of the facility will service walk-in traffic, but this is a very small percentage of overall sales.

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

Customer Name	City/State	Annual Gross Sales
Duke Energy Edwardsport	Edwardsport, IN	\$ 2,200,000
Acetylene Supply Company	Princeton, NJ	\$ 600,000
Wiley Metal Fabricating	Marion, IN	\$ 500,000

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

Supplier Name	City/State	Annual Gross Purchases
Miller Electric Co.	Appleton, WI	\$ 11,500,000
Linde LLC	Chicago, IL	\$ 4,000,000
Lincoln Electric Co	Cleveland, OH	\$ 3,800,000

List the company's top three competitors:

Competitor Name	City/State
Praxair	Danbury, CT
Airgas	Radnor, PA
American Welding and Gas	Indianapolis, IN

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

Specialty and industrial gases will be the primary item produced/offered at the project site. There may be a de minimus amount of welding supplies sold as a complimentary product line.

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 has been underdeveloped. At 20 years old, the building itself requires significant improvements to update the facility and make it presentable. The area surrounding the facility has a number of buildings which could use substantial improvements.

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 is one building of approximately 22,000 square feet. The majority of the space is warehouse (approx. 16,000 s.f.) with the remainder being office and shop space.

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

Dated - will require substantial rehabilitation.

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

Significant rehab work, with new concrete, fencing, and internal build-outs.

Projected construction start (month/year): 06/2016

Projected construction completion (month/year): 12/2016

☐ Yes ☒ No Will construction result in Leadership in Energy and Environmental Design (LEED) certification by the U.S. Green Building Council?

☒ Yes ☐ No Will construction use techniques to minimize impact on combined sewer overflows? (i.e. rain gardens, bio swales, etc.)

PERSONAL PROPERTY INFORMATION

Complete this section of the application if you are requesting a deduction from assessed value of new manufacturing, research and development, logistical distribution or information technology equipment.

List below the equipment for which you are seeking an economic revitalization area designation.

Manufacturing equipment must be used in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property at the site to be designated. Research and development equipment consists of laboratory equipment, research and development equipment, computers and computer software, telecommunications equipment or testing equipment used in research and development activities devoted directly and exclusively to experimental or laboratory research and development for new products, new uses of existing products, or improving or testing existing products at the site to be designated. Logistical distribution equipment consists of racking equipment, scanning or coding equipment, separators, conveyors, fork lifts or lifting equipment, transitional moving equipment, packaging equipment, sorting and picking equipment, software for technology used in logistical distribution, is used for the storage or distribution of goods, services, or information. Information technology equipment consists of equipment, including software used in the fields of information processing, office automation, telecommunication facilities and networks, informatics, network administration, software development and fiber optics: (use additional sheets, if necessary)

Indiana Oxygen's investment will include production equipment (bulk storage vessels, cylinder gas fill plant, etc.), logistics equipment (forklifts, racking, etc.), and IT equipment (computers, servers, etc.).

☐ 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? Note: 1 forklift may be leased, but there are no plans to lease other equipment.

Date first piece of equipment will be purchased (month/year): 07/2016

Date last piece of equipment will be installed (month/year): 12/2018

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

It is expected that the equipment listed above will primarily be "Pool 2" equipment (5 to 8 year life).

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
Branch Supervisor	51-1011	■	■■■■■
Sales	41-4012	■	■■■■■
Driver	53-3033	■	■■■■■

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:

401K plan with matching contribution

When will you reach the levels of employment shown above? (month/year): 12/2018

REQUIRED ATTACHMENTS

The following must be attached to the application.

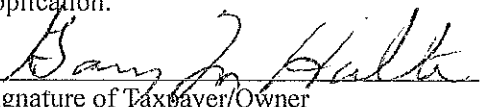
1. **Statement of Benefits Form(s)** (first page/front side completed)
2. **Full legal description of property and a plat map identifying the property boundaries.** (Property tax bill legal descriptions are not sufficient.) Should be marked as Exhibit A.
3. **Check for non-refundable application fee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

Gary Halter, President

Printed Name and Title of Applicant

5-24-16
Date


**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R6 / 10-14)

Prescribed by the Department of Local Government Finance

MAY 25 2016

20 17 PAY 20 18

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 Fort Brant Limited Partnership (owner) / Indiana Oxygen Company, Inc. (occupant)					
Address of taxpayer (number and street, city, state, and ZIP code) 6099 W. Corporate Way - Indianapolis, IN 46278					
Name of contact person Gary Halter		Telephone number (317) 808-4060		E-mail address garyhalter@indianaooxygen.com	
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body Fort Wayne Common Council				Resolution number	
Location of property 3806 Option Pass - Fort Wayne, IN 46818		County Allen		DLGF taxing district number 02073	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Indiana Oxygen will invest in significant rehab work, with new concrete, fencing, and internal build-outs.				Estimated start date (month, day, year) 06/15/2016	
				Estimated completion date (month, day, year) 12/31/2016	
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 0.00	Salaries	Number retained 0.00	Salaries	Number additional *	Salaries \$ 368,160
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
REAL ESTATE IMPROVEMENTS					
			COST		ASSESSED VALUE
Current values					701,500.00
Plus estimated values of proposed project			150,000.00		TBD
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 Gary L. Halter				Date signed (month, day, year) 5-27-16	
Printed name of authorized representative Gary Halter				Title President	

LEGAL DESCRIPTION – EXHIBIT A

Lot No. 40 in Edgewood Industrial Park, Block C, as recorded in Plat Record 46, pages 115-118; Parcel 02-07-17-427-006.000-073



STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R4 / 11-15)

Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

MAY 25 2016

FORM SB-1/PP

COMMUNITY DEV

PRIVACY NOTICE

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

INSTRUCTIONS

- This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction.
- The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the installation of qualifying abatable equipment for which the person desires to claim a deduction.
- To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between January 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between January 1 and the extended due date of that year.
- Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12 1-5.6)
- For a Form SB-1/PP that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/PP that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. (IC 6-1.1-12.1-17)

SECTION 1

TAXPAYER INFORMATION

Name of taxpayer Indiana Oxygen Company, Inc.	Name of contact person Gary Halter
Address of taxpayer (number and street, city, state, and ZIP code) 6099 W. Corporate Way -- Indianapolis, IN 46278	Telephone number (317) 808-4060

SECTION 2

LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body Fort Wayne Common Council	Resolution number (s)
Location of property 3806 Option Pass -- Fort Wayne, IN 46818	County Allen
	DLGF taxing district number 02073
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (Use additional sheets if necessary.) Indiana Oxygen's investment will include production equipment (bulk storage vessels, cylinder gas fill plant, etc.), logistics equipment (forklifts, racking, etc.), and IT equipment (computers, servers, etc.).	ESTIMATED
	START DATE
	COMPLETION DATE
	Manufacturing Equipment
	R & D Equipment
Logist Dist Equipment	07/01/2016
IT Equipment	07/01/2016

SECTION 3

ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current number 0	Salaries n/a	Number retained 0	Salaries n/a	Number additional *	Salaries \$ 368,160
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SECTION 4

ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Current values	0	0			0	0	0	0
Plus estimated values of proposed project	950,000				30,000		30,000	
Less values of any property being replaced								
Net estimated values upon completion of project	950,000				30,000		30,000	

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 Gary M Halter	Date signed (month, day, year) 5-27-16
Printed name of authorized representative Gary Halter	Title President

LEGAL DESCRIPTION – EXHIBIT A

Lot No. 40 in Edgewood Industrial Park, Block C, as recorded in Plat Record 46, pages 115-118; Parcel 02-07-17-427-006.000-073

MEMORANDUM



TO: City Council

FROM: Elissa McGauley, Economic Development Manager

DATE: May 31, 2016

RE: Request for designation by Indiana Oxygen Company, Inc. as an ERA for real and personal property improvements

BACKGROUND

PROJECT ADDRESS: 3806 Option Pass **PROJECT LOCATED WITHIN:**

PROJECT COST: \$ 13,520,500 **COUNCILMANIC DISTRICT:** Third Councilmanic District

COMPANY PRODUCT OR SERVICE: Indiana Oxygen Company, Inc. produces and distributes industrial and specialty gases to manufacturers, hospitals and other bulk-gas purchasers.

PROJECT DESCRIPTION: Indiana Oxygen Company, Inc. will make real estate, logistical distribution, information technology improvements along with significant manufacturing investments.

CREATED

RETAINED

JOBS CREATED (FULL-TIME):	6	JOBS RETAINED (FULL-TIME):	0
JOBS CREATED (PART-TIME):	0	JOBS RETAINED (PART-TIME):	0
TOTAL NEW PAYROLL:	\$ 368,160	TOTAL RETAINED PAYROLL:	\$ 0
AVERAGE SALARY (FULL-TIME NEW):	\$ 61,360	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:

Yes ☒ No ☐ N/A ☐

Real estate to be designated is consistent with land use policies of the City of Fort Wayne?

Explain: Property to be designated is zoned I2-General Industrial. 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?

Explain: 22,000 square foot building on property is 20 years old and will require significant improvements to update the building and make it presentable.

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: Manufacturing, logistical distribution, and information technology equipment will be purchased and installed for the facility.

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 a 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?
Explain: Six full-time positions will be created as a result of the project.

Yes ☒ No ☐ N/A ☐

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

POLICY

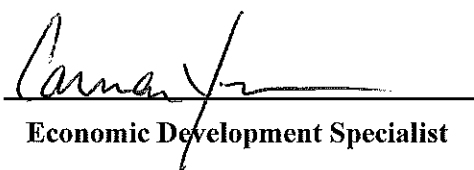
Per the policy of the City of Fort Wayne, the following guidelines apply to this project:

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

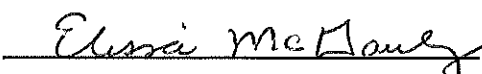
Under Fort Wayne Common Council's tax abatement policies and procedures, Indiana Oxygen Company, LLC is eligible for ten year deductions on real and personal property improvements on an alternative deduction schedule. Attached is a spreadsheet that shows how the application scored under the review system. Also attached is a calculation of property taxes saved/paid with the alternative deduction.

COMMENTS

Signed:


Economic Development Specialist

Reviewed:


Economic Development Manager

COMMUNITY DEVELOPMENT DIVISION

POOL #2 FORT WAYNE COMMUNITY DEVELOPMENT DIVISION
TAX ABATEMENT - ESTIMATE OF SAVINGS

*New tax abatement percentages have been changed to reflect change in state law **Indiana Oxygen Company, Inc.**

PERSONAL PROPERTY TAX ABATEMENT - 10 yr Alternate Schedule

Year	True Cash Value	"Pool 2"	True Tax Value	Assessed Value	Tax Abate %	Tax Paid %	Deduction	Taxable A V	Tax Rate	Tax Paid	Tax Saved
1	\$1,010,000	40%	\$404,000	\$404,000	100%	0%	\$404,000	\$0	0.033722	\$0	\$13,624
2	\$1,010,000	56%	\$565,600	\$565,600	100%	0%	\$565,600	\$0	0.033722	\$0	\$19,073
3	\$1,010,000	42%	\$424,200	\$424,200	100%	0%	\$424,200	\$0	0.033722	\$0	\$14,305
4	\$1,010,000	32%	\$323,200	\$323,200	100%	0%	\$323,200	\$0	0.033722	\$0	\$10,899
5	\$1,010,000	30%	\$303,000	\$303,000	100%	0%	\$303,000	\$0	0.033722	\$0	\$10,218
6	\$1,010,000	30%	\$303,000	\$303,000	90%	10%	\$272,700	\$30,300	0.033722	\$1,022	\$9,196
7	\$1,010,000	30%	\$303,000	\$303,000	80%	20%	\$242,400	\$60,600	0.033722	\$2,044	\$8,174
8	\$1,010,000	30%	\$303,000	\$303,000	65%	35%	\$196,950	\$106,050	0.033722	\$3,576	\$6,642
9	\$1,010,000	30%	\$303,000	\$303,000	50%	50%	\$151,500	\$151,500	0.033722	\$5,109	\$5,109
10	\$1,010,000	30%	\$303,000	\$303,000	40%	60%	\$121,200	\$181,800	0.033722	\$6,131	\$4,087

TOTAL TAX SAVED	(10 yrs on 10 yr deduction)	<u>\$101,326</u>
TOTAL TAX PAID	(10 yrs on 10 yr deduction)	<u>\$17,881</u>

REAL PROPERTY TAX ABATEMENT - 10 yr Alternate Schedule

Year	Cash Value	True Tax Value	Assessed Value	Tax Abate %	Tax Paid %	Deduction	Taxable AV	Tax Rate	Tax Paid	Tax Saved
1	\$150,000	\$150,000	\$150,000	100%	0%	\$150,000	\$0	0.033722	\$0	\$5,058
2	\$150,000	\$150,000	\$150,000	100%	0%	\$150,000	\$0	0.033722	\$0	\$5,058
3	\$150,000	\$150,000	\$150,000	100%	0%	\$150,000	\$0	0.033722	\$0	\$5,058
4	\$150,000	\$150,000	\$150,000	100%	0%	\$150,000	\$0	0.033722	\$0	\$5,058
5	\$150,000	\$150,000	\$150,000	100%	0%	\$150,000	\$0	0.033722	\$0	\$5,058
6	\$150,000	\$150,000	\$150,000	90%	10%	\$135,000	\$15,000	0.033722	\$506	\$4,552
7	\$150,000	\$150,000	\$150,000	80%	20%	\$120,000	\$30,000	0.033722	\$1,012	\$4,047
8	\$150,000	\$150,000	\$150,000	65%	35%	\$97,500	\$52,500	0.033722	\$1,770	\$3,288
9	\$150,000	\$150,000	\$150,000	50%	50%	\$75,000	\$75,000	0.033722	\$2,529	\$2,529
10	\$150,000	\$150,000	\$150,000	40%	60%	\$60,000	\$90,000	0.033722	\$3,035	\$2,023

TOTAL TAX SAVED REAL PROPERTY	(10 yrs on 10 yr deduction)	<u>\$41,731</u>
TOTAL TAX PAID REAL PROPERTY (10 yrs)	(10 yrs on 10 yr deduction)	<u>\$8,852</u>

TOTAL TAX SAVED MACHINERY & BUILDIN	(10 yrs on 10 yr deduction)	<u>\$143,057</u>
TOTAL TAX PAID MACHINERY & BUILDING	(10 yrs on 10 yr deduction)	<u>\$26,733</u>

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

Personal Property Abatements

Tax Abatement Review System

Indiana Oxygen Company, Inc.

		Points Possible	Points Awarded
INVESTMENT (30 points possible)			
Total new investment in equipment			
Over \$5,000,000		10	
\$1,000,000 to \$4,999,999	\$1,010,000	8	8
\$500,000 to \$999,999		6	
\$0 to \$499,999		4	
Investment per employee (both jobs created and retained)			
\$35,000 or more	\$168,333	10	10
\$18,500 to \$34,999		8	
\$6,250 to \$18,499		6	
\$1,250 to \$6,249		4	
less than \$1,250		2	
Estimated local income taxes generated from jobs retained			
\$80,000 or more		5	
\$30,000 to \$79,999		4	
\$10,000 to \$29,999		3	
\$5,000 to \$9,999		2	
less than \$5,000		1	
Estimated local income taxes generated from jobs created (Double points for start-up)			
\$30,000 or more		5	
\$10,000 to \$29,999		4	
\$5,000 to \$9,999		3	
\$3,000 to \$4,999	\$4,970	2	2
less than \$3,000		1	
ECONOMIC BASE (20 points possible)			
Location Quotient in designated Occupation Code (use majority Occupation Code of all created and retained jobs)			
Greater than 1.0		5	5
Estimated Percent of Business done outside Allen County			
Greater than 75%	99%	15	15
50% to 74%		10	
25% to 49%		5	
JOBS (20 points possible)			
Total number of permanent jobs retained			
Over 250		10	
100 to 249		8	
50 to 99		6	
25 to 49		4	
10 to 24		2	
1 to 9		1	
Total number of permanent jobs created (Double for start-up)			
Over 100		10	
50-99		8	
25-49		6	
10-24		4	
1 to 9	6	2	2
WAGES (20 points possible)			
Median salary of the jobs created and/or retained			
Over \$45,000	\$70,720	20	20
\$40,000 to \$44,999		16	
\$35,000 to \$39,999		12	
\$30,000 to \$34,999		8	
\$25,000 to \$29,999		4	
under \$25,000		0	

BENEFITS (10 points possible)

Major Medical Plan	7	7
Pension, Tuition Reimbursement, Life Insurance, Dental Insurance, Disability Insurance,	3	3

SUSTAINABILITY

Construction uses green building techniques (ie LEED Certification)	5	
Construction uses techniques to minimize impact on Combined Sewer Overflows (CSOs)	5	5

Total	77
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Length of Abatement

20 to 39 points - 3 year abatement
40 to 59 points - 5 year abatement
60 to 69 points - 7 year abatement
70 to 100 points - 10 year abatement

* If Average annual salary of the full-time jobs created by listed occupation is 10% or greater than the average salary for Allen County using current occupational employment statistics, then the applicant is eligible for an alternate deduction schedule.

Personal Property Deduction Schedules	Alternative Deduction Personal Property Schedules
10 year	10 Year
Year 1: 100%	Year 1: 100%
Year 2: 90%	Year 2: 100%
Year 3: 80%	Year 3: 100%
Year 4: 70%	Year 4: 100%
Year 5: 60%	Year 5: 100%
Year 6: 50%	Year 6: 90%
Year 7: 40%	Year 7: 80%
Year 8: 30%	Year 8: 65%
Year 9: 20%	Year 9: 50%
Year 10: 10%	Year 10: 40%
Year 11: 0%	
7 year	7 Year
Year 1: 100%	Year 1: 100%
Year 2: 85%	Year 2: 100%
Year 3: 71%	Year 3: 100%
Year 4: 57%	Year 4: 100%
Year 5: 43%	Year 5: 100%
Year 6: 29%	Year 6: 71%
Year 7: 14%	Year 7: 43%
Year 8: 0%	
5 year	
Year 1: 100%	
Year 2: 80%	
Year 3: 60%	
Year 4: 40%	
Year 5: 20%	
Year 6: 0%	
3 year	
Year 1: 100%	
Year 2: 66%	
Year 3: 33%	
Year 4: 0%	

Real Property Abatements

Tax Abatement Review System

Indiana Oxygen Company, Inc.

Points Possible	Points Awarded
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INVESTMENT (30 points possible)

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

Over \$1,000,000		10	
\$500,000 to \$999,999		8	
\$100,000 to \$499,999	\$150,000	6	6
Under \$100,000		4	

Investment per employee (both jobs created and retained)

\$35,000 or more		10	
\$18,500 to \$34,999	\$25,000	8	8
\$6,250 to \$18,499		6	
\$1,250 to \$6,249		4	
less than \$1,250		2	

Estimated local income taxes generated from jobs retained

\$80,000 or more		5	
\$30,000 to \$79,999		4	
\$10,000 to \$29,999		3	
\$5,000 to \$9,999		2	
less than \$5,000		1	

Estimated local income taxes generated from jobs created

(Double points for start-up)

\$30,000 or more		5	
\$10,000 to \$29,999		4	
\$5,000 to \$9,999		3	
\$3,000 to \$4,999	\$4,970.16	2	2
less than \$3,000		1	

ECONOMIC BASE (20 points possible)

Location Quotient in designated Occupation Code

(use majority Occupation Code of all created and retained jobs)

Greater than 1.0		5	5
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Estimated Percent of Business done outside

Allen County

Greater than 75%	99%	15	15
50% to 74%		10	
25% to 49%		5	

JOBS (20 points possible)

Total number of permanent jobs retained

Over 250		10	
100 to 249		8	
50 to 99		6	
25 to 49		4	
10 to 24		2	
1 to 9		1	

Total number of permanent jobs created (Double for start-up)

Over 100		10	
50-99		8	
25-49		6	
10-24		4	
1 to 9	6	2	2

WAGES (20 points possible)

Median salary of the jobs created and/or retained

Over \$45,000	\$70,720	20	20
\$40,000 to \$44,999		16	
\$35,000 to \$39,999		12	
\$30,000 to \$34,999		8	
\$25,000 to \$29,999		4	
under \$25,000		0	

BENEFITS (10 points possible)

Major Medical Plan	7	7
Pension, Tuition Reimbursement, Life Insurance, Dental Insurance,		
Disability Insurance,	3	3

SUSTAINABILITY

Construction uses green building techniques (ie LEED Certification)	5	
Construction uses techniques to minimize impact on Combined Sewer Overflows (CSOs)	5	5

Total	73
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Length of Abatement

20 to 39 points - 3 year abatement
 40 to 59 points - 5 year abatement
 60 to 69 points - 7 year abatement
 70 to 100 points - 10 year abatement

* If Average annual salary of the full-time jobs created by listed occupation is 10% or greater than the average salary for Allen County using current occupational employment statistics, then the applicant is eligible for an alternate deduction schedule.

Real Property Deduction Schedules	Alternative Deduction Real Property Schedules
10 year	10 Year
Year 1: 100%	Year 1: 100%
Year 2: 95%	Year 2: 100%
Year 3: 80%	Year 3: 100%
Year 4: 65%	Year 4: 100%
Year 5: 50%	Year 5: 100%
Year 6: 40%	Year 6: 90%
Year 7: 30%	Year 7: 80%
Year 8: 20%	Year 8: 65%
Year 9: 10%	Year 9: 50%
Year 10: 5%	Year 10: 40%
Year 11: 0%	
7 year	7 Year
Year 1: 100%	Year 1: 100%
Year 2: 85%	Year 2: 100%
Year 3: 71%	Year 3: 100%
Year 4: 57%	Year 4: 100%
Year 5: 43%	Year 5: 100%
Year 6: 29%	Year 6: 71%
Year 7: 14%	Year 7: 43%
Year 8: 0%	
5 year	
Year 1: 100%	
Year 2: 80%	
Year 3: 60%	
Year 4: 40%	
Year 5: 20%	
Year 6: 0%	
3 year	
Year 1: 100%	
Year 2: 66%	
Year 3: 33%	
Year 4: 0%	