

A RESOLUTION determining SUBSTANTIAL COMPLIANCE OR NON-COMPLIANCE with a Statement of Benefits (SB-1) for 2016 for CK Products, LLC at 6230 Innovation Boulevard under Confirming Resolution R-35-11 with an "Economic Revitalization Area" approved under I.C. 6-1.1-12.1

WHEREAS, Common Council has previously designated and declared by Declaratory Resolution and Confirming Resolution with approved Statement of Benefits (SB-1) forms property for CK Products, LLC as an "Economic Revitalization Area" under Sections 153.13-153.24 of the Municipal Code of the City of Fort Wayne, Indiana, and I.C. 6-1.1-12.1; and

WHEREAS, property owners whose Statement of Benefits (SB-1) form was approved after July 1, 1991 who file a deduction application under Sections 3 and 4.5 of I.C. 6-1.1-12.1 and Section 153.21 of the Municipal Code of the City of Fort Wayne, Indiana, must file a Compliance with Statement of Benefits Form (CF-1) with the Allen County Auditor, the Allen County Assessor and the City of Fort Wayne showing information on the extent to which there has been compliance with the approved Statement of Benefits for the project; and

WHEREAS, CK Products, LLC has filed Compliance with Statement of Benefit Forms with the Allen County Assessor's Office, Allen County Auditor's Office and the City of Fort Wayne; and

WHEREAS, CK Products, LLC's approved Statement of Benefits (SB-1) form stated that **40** full-time jobs would be created and **88** full-time and **1** part-time jobs would be retained by December 2015; and

WHEREAS, CK Products, LLC's approved Statement of Benefits (SB-1) form stated **\$1,224,704** in annual payroll would be generated from the **40** full-time created jobs and **\$2,390,995** in annual payroll would be generated from the **88** full-time and **1** part-time jobs; and

WHEREAS, CK Products, LLC's 2016 Compliance with Statement of Benefits (CF-1) form filing stated that **20** full-time jobs were created and **88** jobs were retained; and

WHEREAS, CK Products, LLC's 2016 Compliance with Statement of Benefits (CF-1) form filing stated **\$522,496** in annual payroll for the **20** full-time jobs created and **\$2,990,142** in annual payroll for the **88** jobs retained; and

1 **WHEREAS**, Common Council designated the City of Fort Wayne Community
2 Development Division as the entity for the administration, application, processing and
3 monitoring of Economic Revitalization Areas under Section 153.13 of the Municipal Code of
4 the City of Fort Wayne; and

5 **WHEREAS**, Common Council has defined substantial compliance under Section
6 153.21 of the Municipal Code of the City of Fort Wayne as:

- 7 1. Meeting 75% or more of the numbers of full-time and/or part-time jobs stated to
8 be created or retained as delineated in the original Statement of Benefits Form
9 (SB-1) approved by Common Council; and
- 10 2. Meeting 75% or more of the total payroll stated to be created or retained as
11 delineated in the original Statement of Benefits Form (SB-1) approved by
12 Common Council; and

13 **WHEREAS**, meeting 75% of the 40 created means creating 30 full-time jobs and of
14 the 89 retained jobs retaining 66 jobs; and

15 **WHEREAS**, meeting 75% of the \$1,224,704, in annual payroll to be created means
16 \$918,528 in annual payroll created; and

17 **WHEREAS**, meeting 75% of the \$2,390,995 in annual payroll retained means
18 \$1,793,246 in annual payroll retained; and

19 **WHEREAS**, Common Council shall determine not later than forty-five (45) days after
20 receipt of the Compliance of Statement of Benefits Form (CF-1) that CK Products, LLC has
21 substantially complied with the original Statement of Benefits Form (SB-1) approved by
22 Common Council; and

23 **WHEREAS**, CK Products, LLC **appeared/failed to appear** before council to provide
24 additional information on its compliance with statement of benefits.

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

27 **SECTION 1.** That, Common Council finds that the Compliance with Statement of
28 Benefits Form (CF-1) filed by CK Products, LLC with an approved economic revitalization
29 area for 2016 is not in substantial compliance pursuant to I.C. 6-1.1-12.1 and Section 153.21
30 of the Municipal Code of the City of Fort Wayne for failure to create 75% of the \$1,224,704 or
\$918,528 in annual payroll from the 40 jobs or 30 jobs that were stated that would be
created.

SECTION 2a. CK Products, LLC appeared before council and provided additional
information on its compliance with statement of benefits and from this information it was
determined that notwithstanding CK Products, LLC's failure to substantially comply by its
failure to create \$918,528 or more in annual payroll from 30 jobs or more created, that CK
Products, LLC did make reasonable efforts to substantially comply with the statement of

benefits and CK Products, LLC's failure to substantially comply was caused by factors beyond the control of CK Products, LLC. Therefore, the continuation of CK Products, LLC's deduction/abatement under R-35-11 is hereby approved.

SECTION 2b. That CK Products, LLC appeared and provided additional information on its compliance with statement of benefits and from this information it was determined that notwithstanding CK Products, LLC's failure to substantially comply by its failure to create \$918,528 or more in annual payroll from the 30 or more jobs created, that CK Products, LLC did not make reasonable efforts to substantially comply with the statement of benefits and CK Products, LLC's failure to substantially comply was not caused by factors beyond the control of CK Products, LLC. Council therefore directs the Community Development Division to mail written notice to CK Products, LLC explaining the reasons for Council's determination and a date, time, place of a hearing to be conducted by Council for the purpose of further considering CK Products, LLC's 2016 compliance with statement of benefits.

SECTION 2c. That CK Products, LLC failed to appear and otherwise provide additional information on its compliance with statement of benefits and has caused Council to conclude and find that CK Products, LLC is not in substantial compliance pursuant to I.C. 6-1.1-12.1 and Section 153.21 of the Municipal Code of the City of Fort Wayne on their 2016 filing. Council therefore directs the Community Development Division to mail written notice to CK Products, LLC explaining the reasons for Council's determination and a date, time, place of a hearing to be conducted by Council for the purpose of further considering CK Products, LLC's 2016 compliance with statement of benefits.

SECTION 3. That, this Resolution shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

Member of Council

APPROVED AS TO FORM A LEGALITY

Carol Helton, City Attorney

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: Resolution determining substantial compliance with a Statement of Benefits (SB-1) for 2016

DEPARTMENT REQUESTING ORDINANCE: Community Development Division

SYNOPSIS OF ORDINANCE: This resolution determines whether Compliance with Statement of Benefits (CF-1) Form filings made by CK Products, LLC in May 2016 with an approved economic revitalization area are in substantial compliance pursuant to both Council policy and Indiana law.

EFFECT OF PASSAGE: Will allow property owners with existing economic revitalization area designation to continue to receive their economic revitalization area deduction (property tax abatement/phase-in) benefit if determined to be in substantial compliance or provide notice to company if determined to be in substantial non-compliance and a hearing will be scheduled

EFFECT OF NON-PASSAGE: Potential retention or loss of economic revitalization area deduction (property tax abatement/phase-in)

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

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