BILL NO. R-16-09-35

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 3946 Ice Way, Fort Wayne, Indiana (46805) (Side Out Development, LLC)

WHEREAS, Petitioner has duly filed its petition dated September 14, 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 five full-time permanent jobs for a total new, annual payroll of $296,000, with the average salary being $59,200, and will create six part-time jobs with a total payroll of $140,000 with the average earing being $23,333, and retain two full-time permanent jobs with a total current payroll of $88,000 and an average salary of $44,000, and 19 part-time jobs for a total current annual payroll of $213,000, with the average current earning being $6,578; and

WHEREAS, the total estimated project cost is $3,100,000; 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 estate and personal property for new manufacturing equipment.

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

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 $3.3722/$100.

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

(d) If the proposed new information technology equipment is not installed, the approximate current year tax rates for this site would be $3.3722/$100.

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

(f) If the proposed new information technology equipment is installed and a deduction percentage of eighty percent (80%) is assumed, the approximate current year tax rate for the site would be $3.3722/$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 property shall be for a period of five years, and the deduction from the assessed value of the new manufacturing equipment shall be for a period of three 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	80%
3	60%
4	40%
5	20%
6	0%

SECTION 9. The deduction schedule from the assessed value of new manufacturing equipment pursuant to I.C. 6-1.1-12.1-17 shall look like this:

Year of Deduction	Percentage
1	100%
2	66%
3	33%
4	0%

SECTION 11. 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 12. That, the taxpayer is non-delinquent on any and all property tax due to jurisdictions within Allen County, Indiana.

SECTION 13. 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 14. 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

SEP 14 2016

COMMUNITY DEVL.

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:	$ 3,000,000
Total cost of manufacturing equipment improvements:	$ 0
Total cost of research and development equipment improvements:	$ 0
Total cost of logistical distribution equipment improvements:	$ 0
Total cost of information technology equipment improvements:	$ 100,000
TOTAL OF ABOVE IMPROVEMENTS:	$ 3,100,000

GENERAL INFORMATION

Real property taxpayer's name: SIDE OUT DEVELOPMENT, LLC

Personal property taxpayer's name: SIDE OUT DEVELOPMENT, LLC

Telephone number: 260-489-0109

Address listed on tax bill: 301 AIRPORT NORTH OFFICE PARK, FORT WAYNE, IN 46825

Name of company to be designated, if applicable: SIDE OUT DEVELOPMENT, LLC

Year company was established: 2010

Address of property to be designated: 3946 ICE WAY FW 46805

Real estate property identification number: 02-07-26-177-004.007-073 & 02-07-26-177-004.000-073

Contact person name: J. ANDREW NORTON

Contact person telephone number: (260) 433-4905 Contact person Email: anorton@rcidevelops.com

Contact person address: 301 AIRPORT NORTH OFFICE PARK, FORT WAYNE, IN 46825

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
J. ANDREW NORTON	MEMBER	301 AIRPORT NORTH OFFICE PARK	(260) 433-4905
JOHN NICHOLS	MEMBER	301 AIRPORT NORTH OFFICE PARK	(260) 437-1199

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

NAME	PERCENTAGE
SIDE OUT DEVELOPMENT, LLC	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? 65%

What is the company's primary North American Industrial Classification Code (NAICs)? 6211

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

35,070 SQ. FT. ADDITION (BASKETBALL AND VOLLEYBALL COURTS), ATHLETIC THERAPY, FITNESS CENTER

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2015	$ 697,036.00
2014	$ 481,716
2013	$ 481,720

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

Customer Name	City/State	Annual Gross Sales
PARKVIEW HOSPITAL (ESTIMATE)	FORT WAYNE	$ 190,000
GYM RATS / CLUB ONE (ESTIMATE)	FORT WAYNE	$ 660,000
SUMMIT VOLLEYBALL (ESTIMATE)	FORT WAYNE	$ 200,000

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
Spiece Fieldhouse	Fort Wayne, IN

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

YOUTH AND ADULT VOLLEYBALL AND BASKETBALL AND FITNESS ACTIVITIES

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?

THIS IS A BROWNFIELD SITE. THE SITE WAS BEING UNDERUTILITZED AS AN IN3 ZONED SITE, DUE TO RETAIL GROWTH. THIS NEW USE WILL FIT BETTER WITH THE AREA.

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:

52,000 SQ. FT. VOLLEYBALL AND BASKETBALL FACILITY

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

5 YEAR OLD METAL BUILDING, EXCELLENT CONDITION

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

35,070 SQ. FT. ADDITION AND PARKING SPACES

Projected construction start (month/year): 10/2016

Projected construction completion (month/year): 03/2017

☐ 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)

COMPUTER CABLING, TV, VIDEO EQUIPMENT

☐ 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): 01/2017

Date last piece of equipment will be installed (month/year): 03/2017

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
General	11-1021	1	[redacted]
Janitorial	11-9199	1	[redacted]

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
General	11-1021	1	[redacted]
Janitorial	11-9199	1	[redacted]

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Management/sales	11-2022	1	[redacted]
Doctors	29-1122	2	[redacted]
Nurse	29-1141	2	[redacted]

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
Receptionist/Desk Clerks	43-4171	9	[redacted]
Food Mgmnt	11-9051	1	[redacted]
Food Cooks	35-2014	2	[redacted]
Bartenders	35-3011	2	[redacted]
Waitress	35-3031	5	[redacted]

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
Receptionist/Desk Clerks	43-4171	9	[redacted]
Food Mgmnt	11-9051	1	[redacted]
Food Cooks	35-2014	2	[redacted]
Bartenders	35-3011	2	[redacted]
Waitress	35-3031	5	[redacted]

Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
Janitorial	37-2011	2	[redacted]
Office Personnel	43-4171	2	[redacted]
Physical Therapist	29-1123	2	[redacted]

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): 03/2017

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

J. Anthony Norton Morgan

Printed Name and Title of Applicant

9/13/16

Date

STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS

State Form 51767 (R6 / 10-14)

Prescribed by the Department of Local Government Finance

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 SIDE OUT DEVELOPMENT, LLC / SILVERADO PROPERTIES, 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 J. ANDREW NORTON	Telephone number (260) 433-4905	E-mail address anorton@rcidevelops.com

SECTION 2	LOCATION AND DESCRIPTION OF PROPOSED PROJECT	
Name of designating body FORT WAYNE COMMON COUNCIL		Resolution number
Location of property 3946 ICE WAY, FORT WAYNE, IN 46805	County ALLEN	DLGF taxing district number 073
Description of real property improvements, redevelopment, or rehabilitation *(use additional sheets if necessary)* 35,070 SQ. FT. ADDITION (BASKETBALL AND VOLLEYBALL COURTS), ATHLETIC THERAPY, FITNESS CENTER		Estimated start date *(month, day, year)* 10/1/2016 Estimated completion date *(month, day, year)* 03/31/2017

SECTION 3	ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT				
Current number	Salaries	Number retained	Salaries	Number additional	Salaries
21.00	$212,099.00	21.00	$212,099.00	11.00	$436,000.00

SECTION 4 — ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values	254,300.00	254,300.00
Plus estimated values of proposed project	2,845,700.00	
Less values of any property being replaced		
Net estimated values upon completion of project	3,100,000.00	254,300.00

SECTION 5 — WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	
Estimated solid waste converted *(pounds)* ____________	Estimated hazardous waste converted *(pounds)* ____________

Other benefits

This building addition will draw families from around the midwest to play in volleyball and basketball tournaments. This will be a good economic boost for Fort Wayne. This facility will be housing Fort Wayne basketball progams.

SECTION 6	TAXPAYER CERTIFICATION
I hereby certify that the representations in this statement are true.	
Signature of authorized representative	Date signed *(month, day, year)* 9/13/16
Printed name of authorized representative J. ANDREW Norton	Title Manager

EXHIBIT A

Miller Land Surveying, Inc.

Corporate Office: 221 Tower Drive, P.O. Box 34, Monroe, IN 46772, Phone: 260-692-6166, Fax: 260-692-6242

Fort Wayne Office: 231 Airport North Office Park, Fort Wayne, IN 46825, Phone: 260-489-8571, Fax: 260-489-8570

Part of the Northwest Quarter of Section 26, Township 31 North, Range 12 East, Allen County, Indiana, more particularly described as follows:

Commencing at 5/8" steel rebar at the intersection of the West right-of-way line of the Penn Central Railroad and the North right-of-way line of Fernhill Avenue, said point being 325.2 feet North of the South line of the Northwest Quarter of Section 26, Township 31 North, Range 12 East, Allen County, Indiana; thence South 78 degrees 30 minutes 58 seconds West, a distance of 191.05 feet along said North right-of-way line of Fernhill Avenue to a 5/8" steel rebar with a "Miller Firm #0095" identification cap set on the East right-of-way line of Ice Way; thence thence North 55 degrees 29 minutes 02 seconds West, a distance of 41.68 feet along said right-of-way line to a 5/8" steel rebar with a "Miller Firm #0095" identification cap set; thence North 09 degrees 29 minutes 02 seconds West, a distance of 282.17 feet along said right-of-way line to a 5/8" steel rebar with a "Miller Firm #0095" identification cap set, said point being the POINT OF BEGINNING of the herein described tract; thence continuing North 09 degrees 29 minutes 02 seconds West, a distance of 41.86 feet along said right-of-way line to a 5/8" steel rebar with a "Miller Firm #0095" identification cap set on a tangent curve, concave to the West, having a radius of 200.00 feet; thence Northwesterly along said curve a distance of 93.72 feet, having a central angle of 26 degrees 51 minutes 00 seconds, and a chord of 92.87 feet bearing North 22 degrees 54 minutes 32 seconds West to a 5/8" steel rebar with a "Miller Firm #0095" identification cap set at the point of tangency; thence North 36 degrees 20 minutes 02 seconds West, a distance of 637.46 feet along said right-of-way line to a 5/8" steel rebar with a "Miller Firm #0095" identification cap set on a tangent curve, concave to the East, having a radius of 134.50 feet; thence Northwesterly along said curve and said right-of-way line a distance of 5.13 feet, having a central angle of 02 degrees 11 minutes 14 seconds, and a chord of 5.13 feet bearing North 35 degrees 14 minutes 25 seconds West to a 5/8" steel rebar with a "Miller Firm #0095" identification cap on the Southeasterly line of a 0.712 acre tract; thence North 56 degrees 54 minutes 53 seconds East, a distance of 257.87 feet along said Southeasterly line to a 5/8" steel rebar with a "Miller Firm #0095" identification cap on the new Lima Road right-of-way as described in Document Number 2010013930 in the Office of the Recorder of Allen County, Indiana; thence South 33 degrees 20 minutes 00 seconds East, a distance of 522.34 feet along said right-of-way line to a 5/8" steel rebar with a "Miller Firm #0095" identification cap set on a tangent curve, concave to the Southwest, having a radius of 8544.37 feet; thence Southeasterly along said curve and said right-of-way line a distance of 334.35 feet, having a central angle of 02 degrees 14 minutes 31 seconds, and a chord of 334.33 feet bearing South 32 degrees 12 minutes 44 seconds East to a 5/8" steel rebar with a "Miller Firm #0095" identification cap set on the West right-of-way line of the Penn Central Railroad; thence South 01 degrees 48 minutes 54 seconds East, a distance of 27.27 feet along said right-of-way line to a 5/8" steel rebar with a "Miller Firm #0095" identification cap set; thence South 87 degrees 26 minutes 37 seconds West, a distance of 35.96 feet to a 5/8" steel rebar with a "Miller Firm #0095" identification cap set; thence South 80 degrees 30 minutes 55 seconds West, a distance of 225.63 feet to the POINT OF BEGINNING. Containing 4.564 Acres, more or less. Subject to easements of record.

STATEMENT OF BENEFITS
PERSONAL PROPERTY
State Form 51764 (R4 / 11-15)
Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

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

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 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.*
2. *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.*
3. *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.*
4. *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)*
5. *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: SIDE OUT DEVELOPMENT, LLC	Name of contact person: J. ANDREW NORTON
Address of taxpayer *(number and street, city, state, and ZIP code)*: 301 AIRPORT NORTH OFFICE PARK, FORT WAYNE, IN 46825	Telephone number: (260) 433-4905

SECTION 2 — LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body: FORT WAYNE COMMON COUNCIL		Resolution number (s):
Location of property: 3946 ICE WAY, FORT WAYNE, IN 46805	County: ALLEN	DLGF taxing district number: 073

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.)*
COMPUTER CABLING, TV, SPECIAL LIGHTING, VIDEO EQUIPMENT

	ESTIMATED START DATE	ESTIMATED COMPLETION DATE
Manufacturing Equipment		
R & D Equipment		
Logist Dist Equipment		
IT Equipment	10/01/2016	03/31/2017

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
21	212,099	21	212,099	11	436,000

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								
Plus estimated values of proposed project							100,000	
Less values of any property being replaced								
Net estimated values upon completion of project							100,000	

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	Date signed *(month, day, year)*: 9/13/16
Printed name of authorized representative: J. ANDREW Norton	Title: Manager

Admn. Appr.______________

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Side Out Development, LLC is requesting the designation of an Economic Revitalization Area for eligible real estate and personal property improvements in the amount of $3,100,000. Side Out Development will expand its current facility and purchase and install new information technology equipment.**

EFFECT OF PASSAGE: **Investment of $3,100,000 and five new full-time jobs and six new part-time jobs.**

EFFECT OF NON-PASSAGE: **Potential loss of investment and five new full-time jobs and six new part-time jobs.**

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: Carman Young, Economic Development Specialist

DATE: September 20, 2016

RE: Request for designation by Side Out Development, LLC as an ERA for real and personal property improvements.

BACKGROUND

PROJECT ADDRESS:	**3946 Ice Way**	PROJECT LOCATED WITHIN:	**N/A**
PROJECT COST:	**$ 3,100,000**	COUNCILMANIC DISTRICT:	**3**

COMPANY PRODUCT OR SERVICE:	**Side Out Development, LLC operates a youth and adult volleyball, basketball and fitness facility.**
PROJECT DESCRIPTION:	**Side Out Development will make real estate improvements by building a 35,070 sq. ft. addition for basketball and volleyball courts, athletic therapy and fitness center along with additional parking spaces. Personal property improvements will be made with the purchase and installation of new information technology.**

CREATED		RETAINED	
JOBS CREATED (FULL-TIME):	**5**	JOBS RETAINED (FULL-TIME):	**2**
JOBS CREATED (PART-TIME):	**6**	JOBS RETAINED (PART-TIME):	**19**
TOTAL NEW PAYROLL:	**$ 436,000**	TOTAL RETAINED PAYROLL:	**$ 125,000**
AVERAGE SALARY (FULL-TIME NEW):	**$ 59,200**	AVERAGE SALARY (FULL-TIME RETAINED):	**$ 44,000**

COMMUNITY BENEFIT REVIEW

Yes ☒ **No** ☐ **N/A** ☐

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

Explain: Project is additional development of a brownfield site.

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?

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: New personal property improvements will be made with the purchase and installation of new information technology.

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? **Explain: The project will result in five new full-time positions and 19 part-time positions.**
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 five years.
2. The period of deduction for personal property is three years.

Under Fort Wayne Common Council's tax abatement policies and procedures, Side Out Development, LLC is eligible for a five year deduction on real property improvements and a three year deduction on personal property improvements. 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 deduction.

COMMENTS

Reviewed and Signed: Carmen [signature]

Economic Development Specialist

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 **Side Out Development, LLC**

PERSONAL PROPERTY TAX ABATEMENT - 3 yr 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	$100,000	40%	$40,000	$40,000	100%	0%	$40,000	$0	0.033722	$0	$1,349
2	$100,000	56%	$56,000	$56,000	66%	33%	$36,960	$18,480	0.033722	$623	$1,246
3	$100,000	42%	$42,000	$42,000	33%	66%	$13,860	$27,720	0.033722	$935	$467
4	$100,000	32%	$32,000	$32,000	0%	100%	$0	$32,000	0.033722	$1,079	$0

TOTAL TAX SAVED	(3 yrs on 3 yr deduction)	**$3,063**
TOTAL TAX PAID	(3 yrs on 3 yr deduction)	**$2,637**

REAL PROPERTY TAX ABATEMENT - 10 yr Schedule

Year	Cash Value	True Tax Value	Assessed Value	Tax Abate %	Tax Paid %	Deduction	Taxable AV	Tax Rate	Tax Paid	Tax Saved
1	$3,000,000	$3,000,000	$3,000,000	100%	0%	$3,000,000	$0	0.033722	$0	$101,166
2	$3,000,000	$3,000,000	$3,000,000	80%	20%	$2,400,000	$600,000	0.033722	$20,233	$80,933
3	$3,000,000	$3,000,000	$3,000,000	60%	40%	$1,800,000	$1,200,000	0.033722	$40,466	$60,700
4	$3,000,000	$3,000,000	$3,000,000	40%	60%	$1,200,000	$1,800,000	0.033722	$60,700	$40,466
5	$3,000,000	$3,000,000	$3,000,000	20%	80%	$600,000	$2,400,000	0.033722	$80,933	$20,233
6	$3,000,000	$3,000,000	$3,000,000	0%	100%	$0	$3,000,000	0.033722	$101,166	$0

TOTAL TAX SAVED REAL PROPERTY	(10 yrs on 10 yr deduction)	**$303,498**
TOTAL TAX PAID REAL PROPERTY (10 yrs)	(10 yrs on 10 yr deduction)	**$303,498**
TOTAL TAX SAVED MACHINERY & BUILDIN	(10 yrs on 10 yr deduction)	**$306,561**
TOTAL TAX PAID MACHINERY & BUILDING	(10 yrs on 10 yr deduction)	**$306,135**

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

Real Property Abatements

Tax Abatement Review System

Side Out Development, LLC		Points Possible	Points Awarded
INVESTMENT (30 points possible)			
Total new investment in real property (new structures and/or rehabilitation)			
Over $1,000,000	$3,000,000	10	10
$500,000 to $999,999		8	
$100,000 to $499,999		6	
Under $100,000		4	
Investment per employee (both jobs created and retained)			
$35,000 or more	$93,750	10	10
$18,500 to $34,999	$3,000,000 / 32	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	$213,000 x .0135 = $2,875	1	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	$436,000 x .0135 = $5,886	3	3
$3,000 to $4,999		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	
Estimated Percent of Business done outside Allen County			
Greater than 75%		15	
50% to 74%	65%	10	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	2	1	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	5	2	2
WAGES (20 points possible)			
Median salary of the jobs created and/or retained			
Over $45,000		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	$8,333	0	

BENEFITS (10 points possible)

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

SUSTAINABILITY

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

Total	44

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%	

Personal Property Abatements

Tax Abatement Review System

Side Out Development, LLC

		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		8	
$500,000 to $999,999		6	
$0 to $499,999	$100,000	4	4
Investment per employee (both jobs created and retained)			
$35,000 or more		10	
$18,500 to $34,999		8	
$6,250 to $18,499		6	
$1,250 to $6,249	$3,125	4	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	$2,875	1	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	$5,886	3	3
$3,000 to $4,999		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	
Estimated Percent of Business done outside Allen County			
Greater than 75%		15	
50% to 74%	65%	10	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	2	1	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	5	2	2
WAGES (20 points possible)			
Median salary of the jobs created and/or retained			
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$30,000 to 34,999		8	
$25,000 to $29,999		4	
under $25,000	$8,333	0	

BENEFITS (10 points possible)		
Major Medical Plan	7	7
Pension, Tuition Reimbursement, Life Insurance, Dental Insurance, Disability Insurance,	3	

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

Total 32

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%	