

BILL NO. R-17-02-23

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 115
Chambeau Road, Fort Wayne, Indiana 46805
(F&M Tile & Terrazzo Company, Inc.)**

WHEREAS, Petitioner has duly filed its petition dated February 7, 2017 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 one full-time, permanent jobs for a total new, annual payroll of \$45,000, and retain 52 full-time permanent jobs for a total current annual payroll of \$2,288,458, with the average current, annual job salary being \$44,008; and

WHEREAS, the total estimated project cost is \$227,150; 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, 2021, 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.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30

SECTION 3. That, said designation of the hereinabove described property as an "Economic Revitalization Area" shall apply to a deduction of the assessed value of 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 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 installation of new manufacturing equipment.

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

- (a) If the proposed new manufacturing equipment is not installed, the approximate current year tax rates for this site would be \$3.3722/\$100.
- (b) If the proposed new manufacturing 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).
- (c) If the proposed new manufacturing 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 new personal property for manufacturing equipment shall be for a period of five years.

SECTION 8. The deduction schedule from the assessed value of new personal property for manufacturing equipment 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%

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

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

6 **SECTION 11.** That, pursuant to I.C. 6-1.1-12.1-12 et al, any property owner that
7 has received a deduction under section 3 or 4.5 of said chapter may be required to repay the
8 deduction amount as determined by the county auditor in accordance with section 12 of said
9 chapter if the property owner ceases operations at the facility for which the deduction was
10 granted and if the Common Council finds that the property owner obtained the deduction by
11 intentionally providing false information concerning the property owner's plans to continue
12 operation at the facility.

13 **SECTION 12.** That, this Resolution shall be in full force and effect from and after
14 its passage and any and all necessary approval by the Mayor.

15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30

Member of Council

APPROVED AS TO FORM AND LEGALITY

Carol Helton, City Attorney



CITY OF FT WAYNE.

~~FEB 01 2017~~

Feb 07, 2017

03/2013

**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:

Total cost of manufacturing equipment improvements:

\$227,150.00

Total cost of research and development equipment improvements:

Total cost of logistical distribution equipment improvements:

Total cost of information technology equipment improvements:

TOTAL OF ABOVE IMPROVEMENTS:

\$0 \$227,150.00

GENERAL INFORMATIONReal property taxpayer's name: F & M Tile & Terrazzo Company, Inc.Personal property taxpayer's name: F & M Tile & Terrazzo Company, Inc.Telephone number: 260-483-6389Address listed on tax bill: 115 Chambeau Road Fort Wayne, IN. 46805

Name of company to be designated, if applicable: _____

Year company was established: 1958Address of property to be designated: SameReal estate property identification number: Parcel Number 02-073-0001120Contact person name: Jon MaraldoContact person telephone number: 260-483-6389 Contact person Email: jon@fandmtile.comContact person address: 115 Chambeau Road Fort Wayne, IN. 46805

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Jon Maraldo	President	115 Chambeau Road FW, IN. 46805	260-483-6389
Tim Hinrichsen	Secretary/Treasurer	115 Chambeau Road FW, IN. 46805	260-483-6389

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

NAME	PERCENTAGE
Jon Maraldo	75%
Tim Hinrichsen	25%

- ☐ 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? 40%

What is the company's primary North American Industrial Classification Code (NAICs)? 238340

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

Dollar amount of annual sales for the last three years:

Year	Annual Sales
13-14	1,420,417.84
14-15	2,024,698.22
15-16	2,535,966.20

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

Customer Name	City/State	Annual Gross Sales
JM Woodworking	Grabill, IN.	59,990.34
Countertops Plus	Shipshewana, IN.	60,234.15
Hi Tech Housing	Bristel, IN	48,493.87

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

Supplier Name	City/State	Annual Gross Purchases
Terrazzo & Marble Supply	Wheeling, IL.	434,273.17
Stone Design	Indianapolis, IN.	57,582.03
Daltile	Fort Wayne, IN.	52,262.97

List the company's top three competitors:

Competitor Name	City/State
Classic Marble & Stone	Hoagland, IN.
Dark Star	Fort Wayne, IN.
Keystone	Warsaw, IN.

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

Fabrications of Granite, Quartz, Marble, Travertine or Quartzite Products

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 purchase of this new CNC Machine equipment will allow us to expand to new markets as well as to our current customer base

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:

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

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

Projected construction start (month/year): _____

Projected construction completion (month/year): _____

☐ 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)

New Northwood NW-138EDS CNC Machine

☐ 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): 1-17-2017

Date last piece of equipment will be installed (month/year): 2-17-2017

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

10 Years

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
Managment	11-0000	6	417,309.48
Field Workers	47-0000	31	1,042,966.47
Production	51-0000	15	828,182.93

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Managment	11-0000	6	417,309.48
Field Workers	47-0000	31	1,042,966.47
Productions	51-0000	15	828,182.93

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Production	51-0000	1	45,000.00

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll

Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll

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

☒ Pension Plan	☒ Major Medical Plan	☐ Disability Insurance
☐ Tuition Reimbursement	☒ Life Insurance	☒ Dental Insurance

List any benefits not mentioned above: 401K

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

REQUIRED ATTACHMENTS

The following must be attached to the application.

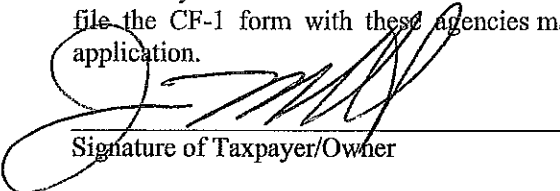
1. **Statement of Benefits Form(s) (first page/front side completed)**
2. **Full legal description of property and a plat map identifying the property boundaries. (Property tax bill legal descriptions are not sufficient.) Should be marked as Exhibit A.**
3. **Check for non-refundable application fee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

ERA filing fee (either real or personal property improvements)	.1% of total project cost not to exceed \$500
ERA filing fee (both real and personal property improvements)	.1% of total project cost not to exceed \$750
ERA filing fee (vacant commercial or industrial building)	\$500
ERA filing fee in an EDTA	\$100
Amendment to extend designation period	\$300
Waiver of non compliance with ERA filing	\$500 + ERA filing fee
4. **Owner's Certificate (if applicant is not the owner of property to be designated)
Should be marked as Exhibit B if applicable.**

CERTIFICATION

I, as the legal taxpayer and/or owner, hereby certify that all information and representations made on this application and its attached exhibits are true and complete and that no Improvement Location Permit or Structural Permit has been filed for construction of improvements, the occupation of the vacant building has not taken place and no manufacturing, research and development, logistical distribution or information technology equipment which is a part of this application been purchased and installed as of the date of filing of this application. I also certify that the taxpayer is not delinquent on any and all property tax due to taxing jurisdictions within Allen County, Indiana. I understand that any incorrect information on this application may result in a rescission of any tax phase-ins which I may receive.

I understand that I must file a correctly completed Compliance with Statement of Benefits Form (CF-1/Real Property for real property improvements, CF-1/PP for personal property improvements, and CF-1/VBD for vacant building deduction) and the Public Benefit Annual Update with the City of Fort Wayne Community Development Division in each year in which I receive a deduction. Further the CF-1/PP form must be filed with the county assessor and the CF-1/Real Property and CF-1/VBD must be filed with the county auditor. Failure to file the CF-1 form with these agencies may result in a rescission of any tax phase-in occurring as a result of this application.



Signature of Taxpayer/Owner

Jon Maraldo President

Printed Name and Title of Applicant

2-6-17

Date

CITY OF FT WAYNE

STATEMENT OF BENEFITS
PERSONAL PROPERTY

State Form 51764 (R4 / 11-15)

Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

~~FEB 01 2017~~
Feb 07, 2017
COMMUNITY DEVL.

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 F & M Tile & Terrazzo Company, Inc.		Name of contact person Jon Maraldo							
Address of taxpayer (number and street, city, state, and ZIP code) 115 Chambeau Road Fort Wayne, IN. 46805		Telephone number (260) 483-6389							
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT							
Name of designating body Fort Wayne Common Council		Resolution number (s)							
Location of property 115 Chambeau Road Fort Wayne, IN. 46805		County Allen		DLGF taxing district number 073 FW WASH					
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.) New Northwood NW-138EDS CNC Machine		ESTIMATED							
		START DATE		COMPLETION DATE					
		1-17-17		2-17-17					
		R & D Equipment							
		Logist Dist Equipment							
IT Equipment									
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT							
Current number 52	Salaries 2,288,458.88	Number retained 52	Salaries 2,288,458.88	Number additional 1	Salaries 45,000.00				
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		227,150	227,150						
Less values of any property being replaced									
Net estimated values upon completion of project		227,150	227,150						
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) 2-7-17					
Printed name of authorized representative Jon Maraldo				Title President					

826 Anchor Ave.
F & M Tile & Terrazzo Co. Inc.

WARRANTY DEED

Book 1038 Page 2823

THIS INDENTURE WITNESSETH THAT Robert Quinn and Leona B. Quinn, his wife, of Manatee County in the State of Florida convey and warrant to F and M Tile & Terrazzo Co., Inc. of Allen County in the State of Indiana, for and in consideration of One Dollar (\$1.00) and other valuable consideration the receipt whereof is hereby acknowledged, the following Real Estate in Allen County, in the State of Indiana, to wit:

Part of the Northwest quarter of the Southeast quarter of Section 26, Township 31 North, Range 12 East, Allen County, Indiana, in particular described as follows to wit:

To arrive at the point of beginning; Commence on the North line of the Tract aforesaid at its intersection by the East right-of-way line of the former L.S. and M.S. Railroad, now the New York Central Railroad; thence South on the aforesaid right-of-way line, a distance of 852.4 feet; thence East by a deflection left of 90 degrees 16 minutes along the North line of CHAMBEAU ROAD as dedicated in Deed Record 626, page 513 in the Office of the Recorder of said County, a distance of 100 feet to the aforementioned point of beginning and the Southwest corner of the Tract hereafter described; thence continuing East on the aforesaid line produced, a distance of 100 feet; thence North by a deflection left of 89 degrees 44 minutes, a distance of 209.6 feet; thence West by a deflection left of 89 degrees 36 minutes, a distance of 100 feet; thence South by a deflection left of 90 degrees 24 minutes, a distance of 210.9 feet to the point of beginning; containing 0.482 acres.

AUDITOR OF ALLEN COUNTY

Walter H. Summers

8-399 JUN 24 1964

DULY ENTERED FOR TAXATION

1964 JUN 24 PM 3 21

ALLEN COUNTY RECORDER

Alfred E. Brown

Dated this 11 day of January, 1964

Robert Quinn (Seal)
Robert Quinn

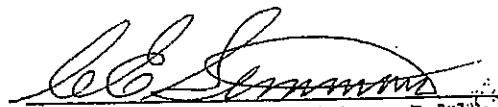
Leona B. Quinn (Seal)
Leona B. Quinn

COMPARED
WITH
ORIGINAL

Book 638 Page 283

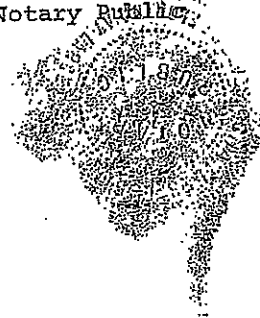
County and State, this 11 day of January, 1964 personally appeared:
Robert Quinn and Leona B. Quinn, his wife, and acknowledged the
execution of the foregoing deed.

IN WITNESS WHEREOF, I have hereunto subscribed my name and
affixed my official seal.


Notary Public

My Commission Expires:

Notary Public, State of Florida at
My Commission Expires Aug. 7, 1964
Bonded by American Surety Co. of N.Y.



Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **F&M Tile & Terrazzo Company, Inc. is requesting the designation of an Economic Revitalization Area for eligible personal property improvements in the amount of \$227,150. F&M Tile & Terrazzo Company, Inc. will purchase and install new manufacturing equipment.**

EFFECT OF PASSAGE: **Investment of \$227,150 and one new full-time job.**

EFFECT OF NON-PASSAGE: **Potential loss of investment and one full-time job.**

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

ASSIGNED TO COMMITTEE (PRESIDENT): **Geoff Paddock and Jason Arp**

MEMORANDUM



To: City Council
FROM: Carman Young, Economic Development Specialist
DATE: February 22, 2017
RE: Request for designation by F&M Tile & Terrazzo Company, Inc. as an ERA for personal property improvements

BACKGROUND

PROJECT ADDRESS:	115 Chambeau Road	PROJECT LOCATED WITHIN:	N/A
PROJECT COST:	\$ 227,150	COUNCILMANIC DISTRICT:	3

COMPANY PRODUCT OR SERVICE:	F&M Tile & Terrazzo Company, Inc. produces fabrications of granite, quartz, marble, travertine or quartzite products.
PROJECT DESCRIPTION:	F&M Tile & Terrazzo Company, Inc. will purchase and install new personal property manufacturing equipment.

CREATED

RETAINED

JOBS CREATED (FULL-TIME):	1	JOBS RETAINED (FULL-TIME):	52
JOBS CREATED (PART-TIME):	0	JOBS RETAINED (PART-TIME):	0
TOTAL NEW PAYROLL:	\$ 45,000	TOTAL RETAINED PAYROLL:	\$ 2,288,458
AVERAGE SALARY (FULL-TIME NEW):	\$ 45,000	AVERAGE SALARY (FULL-TIME RETAINED):	\$ 44,008

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 I-1, Limited 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 manufacturing equipment will be purchased and installed.

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: One full-time job 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

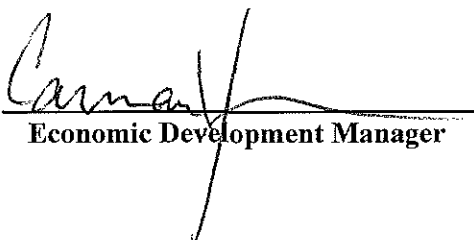
Per the policy of the City of Fort Wayne, the following guidelines apply to this project:

1. The period of deduction for personal property is five years.

Under Fort Wayne Common Council's tax abatement policies and procedures, F&M Tile & Terrazzo Tile Company, Inc. is eligible for a five 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

Signed and Reviewed:



Economic Development Manager

TAX ABATEMENT - ESTIMATE OF SAVINGS

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

F&M Tile & Terrazzo Company, Inc.

PERSONAL PROPERTY TAX ABATEMENT - 5 yr Schedule

Year	True Cash Value	"Pool 2"	True Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable A V	Tax Rate	Tax Paid	Tax Saved
1	\$227,150	40%	\$90,860	\$90,860	100%	0%	\$90,860	\$0	0.033722	\$0	\$3,064
2	\$227,150	56%	\$127,204	\$127,204	80%	20%	\$101,763	\$25,441	0.033722	\$858	\$3,432
3	\$227,150	42%	\$95,403	\$95,403	60%	40%	\$57,242	\$38,161	0.033722	\$1,287	\$1,930
4	\$227,150	32%	\$72,688	\$72,688	40%	60%	\$29,075	\$43,613	0.033722	\$1,471	\$980
5	\$227,150	30%	\$68,145	\$68,145	20%	80%	\$13,629	\$54,516	0.033722	\$1,838	\$460
6	\$227,150	30%	\$68,145	\$68,145	0%	100%	\$0	\$68,145	0.033722	\$2,298	\$0
							TOTAL TAX SAVED		(5 yr deduction)		<u>\$9,866</u>
							TOTAL TAX PAID		(5 yr deduction)		<u>\$7,752</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

F&M Tile & Terrazzo Co., 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		8	
\$500,000 to \$999,999		6	
\$0 to \$499,999	\$227,150	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	\$4,368	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	\$30,894	4	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		2	
less than \$3,000	\$607	1	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	0.96	5	
------------------	------	---	--

Estimated Percent of Business done outside

Allen County

Greater than 75%		15	
50% to 74%		10	
25% to 49%	40%	5	5

JOBS (20 points possible)

Total number of permanent jobs retained

Over 250		10	
100 to 249		8	
50 to 99	52	6	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	1	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	\$33,644	8	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	

SUSTAINABILITY

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

Total	41
--------------	-----------

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%	