BILL NO. R-17-07-23

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 9205 Avionics Drive, Fort Wayne, Indiana 46809 (Deister Concentrator, LLC/AOA Realty, LLC)

WHEREAS, Petitioner has duly filed its petition dated May 9, 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 five full-time and two part-time, permanent jobs for a total new, annual payroll of $135,200, with the average new annual job salary being $22,533 and retain eight full-time permanent jobs for a total current annual payroll of $392,600, with the average current, annual job salary being $49,075; and

WHEREAS, the total estimated project cost is $428,000; 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, 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.

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 real estate.

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, 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.

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 $3.4370/$100.

(b) If the proposed development does occur and no deduction is granted, the approximate current year tax rate for the site would be $3.4370/$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 $3.4370/$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.

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

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

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

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

____
Member of Council

APPROVED AS TO FORM AND LEGALITY

____
Carol Helton, City Attorney

CITY OF FT WAYNE

MAY 0 9 2017

CRJ

COMMUNITY DEVL.

03/2013

ECONOMIC REVITALIZATION AREA APPLICATION
CITY OF FORT WAYNE, INDIANA

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

- [x] **Real Estate Improvements**
- [ ] **Personal Property Improvements**
- [ ] **Vacant Commercial or Industrial Building**

Total cost of real estate improvements: $ 428,000
Total cost of manufacturing equipment improvements: ______
Total cost of research and development equipment improvements: ______
Total cost of logistical distribution equipment improvements: ______
Total cost of information technology equipment improvements: ______

TOTAL OF ABOVE IMPROVEMENTS: $ 428,000

GENERAL INFORMATION

Real property taxpayer's name: AOA Realty, LLC

Personal property taxpayer's name: ______

Telephone number: 260-747-2700

Address listed on tax bill: 9205 Avionics Drive, Fort Wayne, IN, 46809

Name of company to be designated, if applicable: Deister Concentrator, LLC

Year company was established: October 1, 1980

Address of property to be designated: 9205 Avionics Drive, Fort Wayne, IN, 46809

Real estate property identification number: (Parcel #1: 02-17-05-202-002.000-071)(Parcel #2: 02-17-05-202-003.000-071)

Contact person name: Jennifer Davis

Contact person telephone number: (260) 747-2700 Contact person Email: jdavis@deisterconcentrator.cor

Contact person address: 4202 Piper Drive, Fort Wayne, IN, 46809

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Larry Adelman	President	4202 Piper Drive, Fort Wayne, IN, 46809	(260) 747-2700
Thomas O'Neill	Vice President	4202 Piper Drive, Fort Wayne, IN, 46809	(260) 747-2700
Donald Ross	CFO	4202 Piper Drive, Fort Wayne, IN, 46809	(260) 747-2700

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

NAME	PERCENTAGE
Larry Adelman	40%
Thomas O'Neill	40%
Donald Ross	20%

☐ 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? 99%

What is the company's primary North American Industrial Classification Code (NAICs)? 333131

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

Manufacture mineral processing equipment

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2016	$ 1,800,000.00
2015	$ 3,200,000
2014	$ 2,900,000

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

Customer Name	City/State	Annual Gross Sales
Air & Liquid Systems	Rochester Hills, Michigan	$ 780,000
Nui Phao Mining	Thai Nguyen, Vietnam	$ 736,000
V.V. Minerals	Tirunelveli District, India	$ 430,000

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

Supplier Name	City/State	Annual Gross Purchases
Lagrange Products	Fremont, Indiana	$ 327,000
Meriwether Tool & Engineering	Fort Wayne, Indiana	$ 141,000
Progressive Design	Fort Wayne, Indiana	$ 274,000

List the company's top three competitors:

Competitor Name	City/State
FL Smidth	Langley, BC, Canada
Holman-Wilfrey	Forth Kegyn, Pool, Redtuth, UK
Weir	Glasgow, UK

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

Manufacture mineral processing equipment

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?

Deister is relocating due to our lease ending and the landlord not renewing said lease. In order for the new location to fit Deister's current and future needs, the building currently located on the property needs to be expanded.

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:

10,630 sq. ft Industrial building which includes 3,796 sq. ft. office space, fully air conditioned, pre-engineered steel, standing seam metal, 6" reinforced concrete floor, roof: 22' peak and 18' eaves.

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

The structure is in exceptional condition

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

Expanding building by 11,000 square feet to for warehouse and production

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

Projected construction completion (month/year): 09/2017

☐ 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)

N/A

☐ Yes ☐ No Has the above equipment for which you are seeking a designation, ever before been used for any purpose in Indiana? If yes, was the equipment acquired at an arms length transaction from an entity not affiliated with the applicant? ☐ Yes ☐ No

☐ Yes ☐ No Will the equipment be leased?

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

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

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

ELIGIBLE VACANT BUILDING INFORMATION

Complete this section of the application if you are requesting a deduction from the current assessed value of a vacant building

☐ Yes ☐ No Has the building for which you are seeking designation for tax phase-in been unoccupied for at least one year? Please provide evidence of occupation. (i.e. certificate of occupancy, paid utility receipts, executed lease agreements)

Describe any structure(s) that is/are currently on the property:

N/A

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
See Attached			

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Attached			

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Assembler/Fabricator	51-2099	5	$ 114,400

Schedule: Public Benefit Information

Current Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Industrial Plant Manager	11-3051	1	$ 67,278.00
Purchasing Agent	13-1023	1	$ 57,750.00
Assembler/Fabricator	51-2099	3	$ 95,321.00
Accountant	13-2011	1	$ 47,476.00
Administrative Assistant	43-6014	1	$ 24,775.00
Sales Engineer	41-9031	1	$ 100,000.00
Total		**8**	**$ 392,600.00**

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Industrial Plant Manager	11-3051	1	$ 67,278.00
Purchasing Agent	13-1023	1	$ 57,750.00
Assembler/Fabricator	51-2099	3	$ 95,321.00
Accountant	13-2011	1	$ 47,476.00
Administrative Assistant	43-6014	1	$ 24,775.00
Sales Engineer	41-9031	1	$ 100,000.00
Total		**8**	**$ 392,600.00**

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
Assembler/Fabricator	51-2099	2	$ 20,800

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): 06/2018

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.

Donald R. Ross
Signature of Taxpayer/Owner

Donald R. Ross
Printed Name and Title of Applicant

May 5, 2017
Date

WARRANTY DEED

THIS INDENTURE WITNESSETH that **Roger D. Felton and Judy B. Felton, husband and wife,** (each) being over the age of eighteen (18) years ("Grantor"),
Convey(s) and Warrant(s) to **AOA Realty, LLC, an Indiana limited liability company,** ("Grantee"), for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt whereof is hereby acknowledged, the following Real Estate in Allen County in the State of **Indiana**, to wit:

Parcel I:

The West 250 feet in Block 2 of Baer Field Industrial Park, Section I, as recorded in Plat Cabinet "C", page 134 and Document Number 960061294, now known as Airport Business Center, Section I, pursuant to the Amended and Restated Declaration of Easements, Covenants, and Restrictions for Airport Business Center Section I (formerly known as Baer Field Industrial Park) recorded as Document Number 201079985, in the Office of the Recorder of Allen County, Indiana.

Parcel II:

Block 2, except the West 250 feet thereof, of Baer Field Industrial Park, Section I, as recorded in Plat Cabinet "C", page 134 and Document Number 960061294, now known as Airport Business Center, Section I, pursuant to the Amended and Restated Declaration of Easements, Covenants, and Restrictions for Airport Business Center Section I (formerly known as Baer Field Industrial Park) recorded as Document Number 201079985, in the Office of the Recorder of Allen County, Indiana.

Property Address: 9205 Avionics Drive, Fort Wayne, IN 46809

Tax Parcel # 02-17-05-202-002.000-071
02-17-05-101-003.000-071

SUBJECT TO all current real estate taxes and assessments and all subsequent taxes and assessments.
SUBJECT TO all easements, covenants, conditions, and restrictions of record.

Dated this 19th day of May, 2017.

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Roger D. Felton

Judy B. Felton

STATE OF INDIANA, COUNTY OF Allen

Before me, the undersigned, a Notary Public in and for said County and State, this 19th day of May, 2017, personally appeared **Roger D. Felton and Judy B. Felton, husband and wife,** who acknowledged the execution of the above and foregoing Deed and who, having been duly sworn, stated that the representations therein contained are true.

In witness whereof, I have hereunto subscribed my name and affixed my official seal.

My Commission Expires:

Kathleen A. McMaken, Notary Public
Allen County, State of Indiana
My Commission Expires 02/27/2024

____________________, Notary Public

Resident of ____________________ County

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law. Terry A. Stauffer.

This instrument prepared by: Terry A. Stauffer, Attorney, 3484 Stellhorn Rd., Ft. Wayne, IN 46815. 260-312-3778

Grantee's Mailing Address for tax bills: 9205 Avionics Dr, Fort Wayne IN 46809

Grantee's street address if different than Mailing Address: ____________________

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: AOA Realty, LLC		
Address of taxpayer (*number and street, city, state, and ZIP code*): 4202 Piper Drive, Fort Wayne, IN, 46809		
Name of contact person: Donald Ross	Telephone number: (260) 747-2700	E-mail address: don.ross@shermangroupllc.com

SECTION 2 — LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body: Fort Wayne Common Council		Resolution number:
Location of property: 9205 Avionics Drive, Fort Wayne, IN 46809	County: Allen	DLGF taxing district number: 71
Description of real property improvements, redevelopment, or rehabilitation (*use additional sheets if necessary*): 11,000 square foot expansion to existing building to be utilized for warehouse and production.		Estimated start date (*month, day, year*): May 2017
		Estimated completion date (*month, day, year*): September 2017

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
8.00	$392,600.00	8.00	$392,600.00	7.00	$135,200.00

SECTION 4 — ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values	525,000.00	
Plus estimated values of proposed project	468,000.00	
Less values of any property being replaced	0.00	
Net estimated values upon completion of project	993,000.00	

SECTION 5 — WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted (*pounds*) 0.00	Estimated hazardous waste converted (*pounds*) 0.00

Other benefits

SECTION 6 — TAXPAYER CERTIFICATION

I hereby certify that the representations in this statement are true.

Signature of authorized representative: Donald R. Ross	Date signed (*month, day, year*): April 28, 2017
Printed name of authorized representative: Donald R. Ross	Title: General Manager

FOR USE OF THE DESIGNATING BODY

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

A. The designated area has been limited to a period of time not to exceed — calendar years* *(see below)*. The date this designation expires is December 31, 2021.

B. The type of deduction that is allowed in the designated area is limited to:
1. Redevelopment or rehabilitation of real estate improvements ☒ Yes ☐ No
2. Residentially distressed areas ☐ Yes ☐ No

C. The amount of the deduction applicable is limited to $ Unlimited.

D. Other limitations or conditions *(specify)* N/A

E. Number of years allowed: ☐ Year 1 ☐ Year 2 ☐ Year 3 ☐ Year 4 ☒ Year 5 (* see below) ☐ Year 6 ☐ Year 7 ☐ Year 8 ☐ Year 9 ☐ Year 10

F. For a statement of benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?
☒ Yes ☐ No
If yes, attach a copy of the abatement schedule to this form.
If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

We have also reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

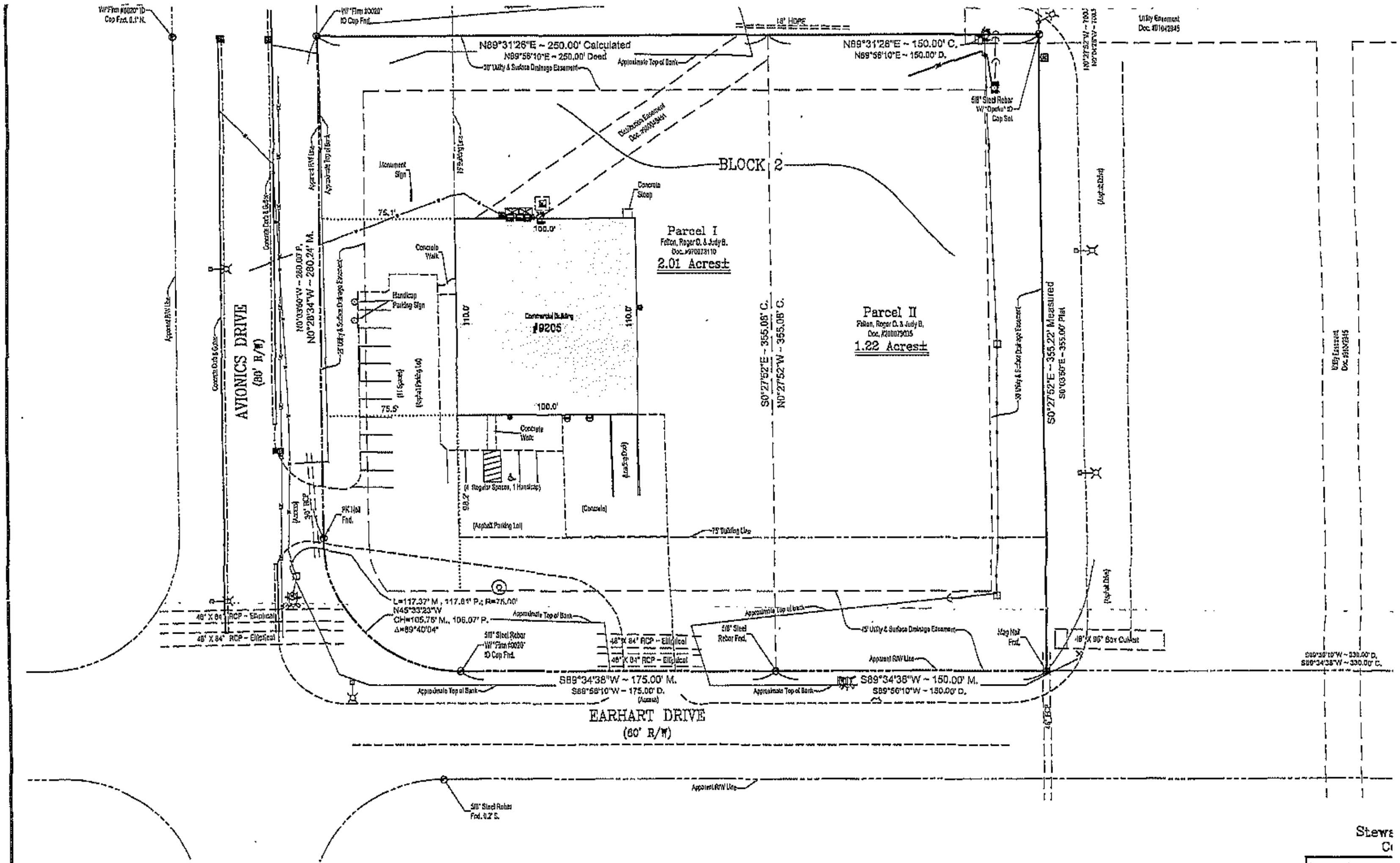
Approved *(signature and title of authorized member of designating body)*	Telephone number ( )	Date signed *(month, day, year)*
Printed name of authorized member of designating body	Name of designating body	
Attested by *(signature and title of attester)*	Printed name of attester	

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4.1 remain in effect. The deduction period may not exceed five (5) years. 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. The deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)

B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. 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. (See IC 6-1.1-12.1-17 below.)

IC 6-1.1-12.1-17
Abatement schedules
Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:
(1) The total amount of the taxpayer's investment in real and personal property.
(2) The number of new full-time equivalent jobs created.
(3) The average wage of the new employees compared to the state minimum wage.
(4) The infrastructure requirements for the taxpayer's investment.
(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.
(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.



Legal Description

PARCEL I: The West 250 feet in Block 2 of Baer Field Industrial Park, Section I, as recorded in Plat Cabinet "C", page 134 and Document Number 960061294, now known as Airport Business Center, Section I, pursuant to the Amended and Restated Declaration of Easements, Covenants and Restrictions for Airport Business Center Section I (formerly known as Baer Field Industrial Park) recorded as Document Number 201079985, in the Office of the Recorder of Allen County, Indiana.

PARCEL II: Block 2, except the West 250 feet thereof, of Baer Field Industrial Park, Section I, as recorded in Plat Cabinet "C", page 134 and Document Number 960061294, now known as Airport Business Center, Section I, pursuant to the Amended and Restated Declaration of Easements, Covenants and Restrictions for Airport Business Center Section I (formerly known as Baer Field Industrial Park) recorded as Document Number 201079985, in the Office of the Recorder of Allen County, Indiana.

Symbols Legend

Air Conditioning Unit	Power Pole w/ Elec. Drop	Iron Pin	Sanitary Tap
Antenna	Electric Box	Mag Nail	Stump
Axle Shaft	Electric Meter	Mailbox	Survey Marker Nail
Bench Mark	Electric Panel	Manhole	T-Bar Post
Bollard	Electric Pedestal	Monitoring Well	Temporary Bench Mark
Bolt	Electric Transformer	Pine Tree	Telephone Pedestal
Boulder	Light Pole Base Only	Pay Phone	Telephone Pole
Cable TV Pedestal	Light Pole	Paper Box	Tree
Clean-Out	Yard Light	Parking Block	Vault
Column	Power Pole	Parking Meter	Automatic Sprinkler
Control Point	Strain Pole	Boundary Mon. - Pipe	Irrigation Control Valve
Drain	Finish Floor	Chiseled "X"	Fire Hydrant
B-Hive Inlet	Flag	PK Nail	Water Curb Stop

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Note C

Subject To:
Schedule B - Part

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DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Deister Concentrator, LLC/AOA Realty, LLC is requesting the designation of an Economic Revitalization Area for eligible real property improvements in the amount of $428,000. Deister Concentrator, LLC /AOA Realty, LLC has purchased property with an existing structure to which it will construct an 11,000 square foot addition.**

EFFECT OF PASSAGE: **Investment of $428,000, five new full-time jobs and two new part-time jobs.**

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

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: July 20, 2017

RE: Request for designation by Deister Concentrator, LLC/AOA Realty, LLC as an ERA for real estate improvements.

BACKGROUND

PROJECT ADDRESS:	**9205 Avionics Drive**	PROJECT LOCATED WITHIN:	**N/A**
PROJECT COST:	**$428,000**	COUNCILMANIC DISTRICT:	**4**

COMPANY PRODUCT OR SERVICE:	**Deister Concentrator, LLC/AOA Realty, LLC manufactures mineral processing equipment.**
PROJECT DESCRIPTION:	**Deister Concentrator, LLC/AOA Realty, LLC has purchased property with an existing building to which it will construct an 11,000 square foot addition for warehousing and production.**

CREATED		RETAINED	
JOBS CREATED (FULL-TIME):	**5**	JOBS RETAINED (FULL-TIME):	**8**
JOBS CREATED (PART-TIME):	**2**	JOBS RETAINED (PART-TIME):	
TOTAL NEW PAYROLL:	**$135,000**	TOTAL RETAINED PAYROLL:	**$392,600**
AVERAGE SALARY (FULL-TIME NEW):	**$22,880**	AVERAGE SALARY (FULL-TIME RETAINED):	**$49,075**

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-2, 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:

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: Five full-time jobs and two part-time jobs 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 five years.

Under Fort Wayne Common Council's tax abatement policies and procedures, Deister Concentrator, LLC/AOA Realty, LLC is eligible for a five year deduction for real estate 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: Carma Y

Economic Development Specialist

FORT WAYNE COMMUNITY DEVELOPMENT DIVISION

TAX ABATEMENT - ESTIMATE OF SAVINGS

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

REAL PROPERTY TAX ABATEMENT - 5 yr Schedule   Deister Concentrator, LLC/AOA Realty, LLC

Year	Cash Value	True Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable AV	Tax Rate	Tax Paid	Tax Saved
1	$428,000	$428,000	$428,000	100%	0%	$428,000	$0	0.034370	$0	$14,710
2	$428,000	$428,000	$428,000	80%	20%	$342,400	$85,600	0.034370	$2,942	$11,768
3	$428,000	$428,000	$428,000	60%	40%	$256,800	$171,200	0.034370	$5,884	$8,826
4	$428,000	$428,000	$428,000	40%	60%	$171,200	$256,800	0.034370	$8,826	$5,884
5	$428,000	$428,000	$428,000	20%	80%	$85,600	$342,400	0.034370	$11,768	$2,942
6	$428,000	$428,000	$428,000	0%	100%	$0	$428,000	0.034370	$14,710	$0

TOTAL TAX SAVED REAL PROPERTY (5 yrs on 5 yr deduction) **$44,131**

TOTAL TAX PAID REAL PROPERTY (5 yrs on 5 yr deduction) **$44,131**

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

Deister Concentrator, LLC/AOA Realty, LLC		Points Possible	Points Awarded
INVESTMENT (30 points possible)			
Total new investment in real property (new structures and/or rehabilitation)			
Over $1,000,000	$428,000	10	
$500,000 to $999,999		8	
$100,000 to $499,999		6	6
Under $100,000		4	
Investment per employee (both jobs created and retained)			
$35,000 or more		10	
$18,500 to $34,999	$428,000 / 15 = $28,533	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	.0135 x $392,600= $5,300	2	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	.0135 x $135,200= $1,825	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		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	8	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	$31,773	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	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	58

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

Five year phase-in

* 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%	

AOA Realty, LLC

Phone: 260-747-2700
Fax: 260-747-2755

June 13, 2017

CITY OF FT WAYNE
JUN 15 2017
COMMUNITY DEVL.

City Council Office
Citizen Square Suite 120
200 East Berry Street
Fort Wayne, IN 46802

Fort Wayne Common Council:

While in the process of purchasing the property at 9205 Avionics Drive and working with the Economic Development Staff to complete the Statement of Benefits application, Form SB01/Real Property, our architect, without our knowledge, applied for an Improvement Location Permit. We are seeking your approval for a waiver of non-compliance in order to submit our application for tax phase-in.

Kind regards,

Nicole Bowers

Nicole Bowers
Administrative Assistant
AOA Realty, LLC

Cc: Donald R. Ross
Cc: Thomas O'Neill
Cc: Lawrence S. Adelman
Cc: Jennifer Davis
Cc: Carman Young

4202 Piper Drive, Fort Wayne, IN 46809