

A CONFIRMING RESOLUTION designating an "Economic Revitalization Area" and approving a waiver of non-compliance 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, Common Council has previously designated and declared by Declaratory Resolution the following described property as an "Economic Revitalization Area" under Sections 153.13-153.24 of the Municipal Code of the City of Fort Wayne, Indiana, and I.C. 6-1.1-12.1, to wit:

Attached hereto as "Exhibit A" as if a part herein; and

WHEREAS, said project will create five full-time, permanent jobs and two part-time jobs for a total additional annual payroll of \$135,200, with the average new annual job salary being \$22,533 and retain eight full-time, permanent jobs for a 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, representatives of Deister Concentrator, LLC/AOA Realty, LLC informed Common Council that the real property improvements for which they are requesting designation of an Economic Revitalization Area under I.C. 6-1.1-12.1 have been initiated; and

WHEREAS, Deister Concentrator, LLC/AOA Realty, LLC has submitted a written request for a waiver of non-compliance under I.C. 6-1.1-12.1-11.3; and

WHEREAS, I.C. 6-1.1-12.1-11.3 permits non-compliance events such as the untimely filing of an application, statement of benefits, or another document required to be filed under I.C. 6-1.1-12.1; and

WHEREAS, the Common Council acknowledges that Deister Concentrator, LLC/AOA Realty, LLC has requested a waiver of non-compliance which the Common Council has the power and authority to approve under I.C. 6-1.1-12.1-11.3; and

WHEREAS, Common Council finds that Deister Concentrator, LLC/AOA Realty, LLC did not comply with I.C. 6-1.1-12.1 by:

(a) failure to submit the completed statement of benefits form to the Common Council before initiation of redevelopment or rehabilitation, and

(b) failure to designate an area as an economic revitalization area before the initiation of redevelopment or rehabilitation, and

(c) failure to file a timely deduction application

WHEREAS, notice of the adoption and substance of said Resolution has been published in accordance with I.C. 6-1.1-12.1-2.5, I.C. 6-1.1-12.1-11.3(c) and I.C. 5-3-1 and a public hearing has been conducted on said Resolution and waiver.

1 **WHEREAS**, representatives of Deister Concentrator, LLC/AOA Realty, LLC were in attendance
2 and presented testimony on why a waiver should be granted; and

3 **WHEREAS**, a recommendation has been received from the Committee on Finance concerning
4 said Resolution; and

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

7 **SECTION 1.** That, Common Council hereby adopts a waiver of non-compliance with I.C. 6-1.1-
8 12.1-11.3 regarding:

9 (a) failure to submit the completed statement of benefits form to the common council before
10 initiation of redevelopment or rehabilitation, and

11 (b) failure to designate an area as an economic revitalization area before the initiation of
12 redevelopment or rehabilitation, and

13 (c) failure to file a timely deduction application
14 for which Deister Concentrator, LLC/AOA Realty, LLC desires to claim an Economic Revitalization Area
15 deduction. Such waiver shall be in effect for real property improvements during the period of May 16,
16 2017 through the date of this resolution.

17 **SECTION 2.** That, the Resolution previously designating the above described property as an
18 "Economic Revitalization Area" is confirmed in all respects.

19 **SECTION 3.** That, the hereinabove described property is hereby declared an "Economic
20 Revitalization Area" pursuant to I.C. 6-1.1-12.1, said designation to begin on the effective date of this
21 Resolution and shall terminate on December 31, 2021, unless otherwise automatically extended in five
22 year increments per I.C. 6-1.1-12.1-9.

23 **SECTION 4.** That, said designation of the hereinabove described property as an "Economic
24 Revitalization Area" shall apply to a deduction of the assessed value of real estate improvements.

25 **SECTION 5.** That, the estimate of the number of individuals that will be employed or whose
26 employment will be retained and the estimate of the annual salaries of those individuals and the estimate
27 of redevelopment or rehabilitation and estimate of the value of the new real estate improvements, all
28 contained in Petitioner's Statement of Benefits are reasonable and are benefits that can be reasonably
29 expected to result from the proposed described installation of the new information technology equipment.

30 **SECTION 6.** 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 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. For real property, a deduction application must contain a performance report showing the extent to which there has been compliance with the Statement of Benefits form approved by the Common Council at the time of filing. This report must be submitted to the Allen County Auditor's Office and the City of Fort Wayne's Community Development Division and must be included in the deduction application. For subsequent years, the performance report must be updated each year in which the deduction is applicable at the same time the property owner is required to file a personal property tax return in the taxing district in which the property for which the deduction was granted is located. If the taxpayer does not file a personal property tax return in the taxing district in which the property is located, the information must be provided by May 15.

SECTION 11. The performance report must contain the following information:

- A. The cost and description of real property improvements and/or new information technology equipment acquired.
- B. The number of employees hired through the end of the preceding calendar year as a result of the deduction.
- C. The total salaries of the employees hired through the end of the preceding calendar year as a result of the deduction.
- D. The total number of employees employed at the facility receiving the deduction.
- E. The total assessed value of the real and/or personal property deductions.
- F. The tax savings resulting from the real and/or personal property being abated.

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 A LEGALITY

Carol Helton, City Attorney

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Confirming Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **This is to confirm the designation of an Economic Revitalization Area for Deister Concentrator, LLC/AOA Realty, LLC for 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 (CO-CHAIRS): **Geoff Paddock and Jason Arp**