

BILL NO. R-18-02-29-

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 1919 W. Cook Road, Fort
Wayne, Indiana 46825 (Silverado Cook Properties, LLC)**

WHEREAS, Petitioner has duly filed its petition dated February 16, 2018 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 result in a speculative building ranging from 80,000 to 160,000 square feet; and

WHEREAS, the total estimated project cost is \$14,000,000; and

WHEREAS, projects involving the redevelopment or rehabilitation of a speculative building are eligible to receive a ten-year phase-in without adhering to the City's Review System; 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 improvements to be made between November 1, 2018 and November 30, 2019.

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 \$3.4347/\$100.

(b) If the proposed development does occur and no deduction is granted, the approximate current year tax rate for the site would be \$3.4347/\$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 \$3.4347/\$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 ten 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	95%
3	80%
4	65%
5	50%
6	40%

7	30%
8	20%
9	10%
10	5%
11	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



FEB 16 2018

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:

\$ 14,000,000

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:

\$ 14,000,000

GENERAL INFORMATION

Real property taxpayer's name: SILVERADO COOK PROPERTIES, LLC

Personal property taxpayer's name:

Telephone number: 260-433-4905

Address listed on tax bill: 1919 W. COOK RD., FORT WAYNE, IN 46825

Name of company to be designated, if applicable: SILVERADO COOK PROPERTIES, LLC

Year company was established: 2013

Address of property to be designated: 1919 W. COOK RD., FORT WAYNE, IN 46825

Real estate property identification number: 02-07-15-126-017.000-073

Contact person name: J. ANDREW NORTON

Contact person telephone number: (260) 433-4905

Contact person Email: ANORTON@RCIDEVELOPS

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

List company officer and/or principal operating personnel

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

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

NAME	PERCENTAGE
See Attached	

- ☐ 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? _____

What is the company's primary North American Industrial Classification Code (NAICs)? 3364 & 6113

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

Name	Percentage
Walter Fuller	17
Hugh W. Johnston, Sr.	17
Jerry Henry	17
J. Andrew Norton	17
Todd Ramsey	17
John Nichols	15

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

Customer Name	City/State	Annual Gross Sales

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

Supplier Name	City/State	Annual Gross Purchases

List the company's top three competitors:

Competitor Name	City/State

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

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 new structure that will be built on the property will complement the existing buildings to ensure continued economic growth. This building will be a speculative building, and, at this time, there are no identified tenants.

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 ACRES EXISTING 240,000 SQ. FT. OFFICE & LABORATORY

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

Good condition - office & laboratory

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

Construction of 80,000 to 160,000 square feet. This building will be a speculative building, and, at this time, there are no identified tenants.

Projected construction start (month/year): 11/2018

Projected construction completion (month/year): 11/2019

☐ 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)

☐ 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:

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

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll

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:

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

Printed Name and Title of Applicant

Date



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R6 / 10-14)

Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

FEB 16 2018

COMMUNITY DEVL.

20 17 PAY 20 18

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 SILVERADO COOK 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 1919 W. COOK RD., FORT WAYNE, IN 46825	County ALLEN	DLGF taxing district number 073
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Construction of 80,000 to 160,000 square feet. This building will be a speculative building, and, at this time, there are no identified tenants.		Estimated start date (month, day, year) 11/1/2018
		Estimated completion date (month, day, year) 11/30/2019

SECTION 3

ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current number	Salaries	Number retained	Salaries	Number additional	Salaries

SECTION 4

ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values		
Plus estimated values of proposed project	14,000,000.00	14,000,000.00
Less values of any property being replaced		
Net estimated values upon completion of project		

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) 2/6/18
Printed name of authorized representative J. Andrew Norton	Title Mayor

Exhibit A

LEGAL DESCRIPTION

A parcel of land situated in the Northeast One-quarter and the Northwest One-quarter of Section 15, Township 31 North, Range 12 East, Allen County, Indiana, and more particularly described as follows:

COMMENCING at the center of Section 15, Township 31 North, Range 12 East, Allen County, Indiana, marked by a Harrison monument; thence North 04 degrees 26 minutes 10 seconds West (bearing base on Deed DOC. #86-009318 and DOC. #86-009319) along the North-South centerline of the said Section 15, a distance of 847.64 feet to the Point of Beginning as marked by a set five-eighths inch diameter steel pin with D&A Firm No. 0026 identification cap.

BEGINNING at the above described point; thence South 86 degrees 57 minutes 00 seconds West, a distance of 889.86 feet to a set five-eighths inch diameter steel pin on the West bank of Spy Run Creek; thence North 51 degrees 34 minutes 50 seconds West (North 50 degrees 48 minutes 14 seconds West - deed), a distance of 192.50 feet to a stone; thence North 04 degrees 11 minutes 11 seconds West (North 04 degrees 14 minutes 14 seconds West - deed) a distance of 1581.25 feet to a set five-eighths inch diameter steel pin on the Southerly line of parcel of land described in DOC. #200063132 also being the Southerly right-of-way line of Cook Road; thence North 88 degrees 12 minutes 33 seconds East along said Southerly line, a distance of 953.56 feet to a set five-eighths inch diameter steel pin; thence South 89 degrees 05 minutes 00 seconds East along said Southerly line, a distance of 219.28 feet to a set five-eighths inch diameter steel pin with D&A Firm No. 0026 identification cap; thence South 70 degrees 15 minutes 43 seconds East along said Southerly line, a distance of 37.51 feet to a set five-eighths inch diameter steel pin with D&A Firm No. 0026 identification cap; thence South 14 degrees 25 minutes 55 seconds East along said Westerly right-of-way line, a distance of 429.03 feet to a four inch by four inch concrete right-of-way marker found; thence South 14 degrees 58 minutes 08 seconds East, a distance of 667.09 feet to a four inch by four inch concrete right-of-way marker found; thence South 15 degrees 07 minutes 53 seconds East along said Westerly right-of-way line a distance of 597.71 feet to a found five-eighths inch diameter steel pin; thence South 86 degrees 57 minutes 00 seconds West, a distance of 508.75 feet to the point of beginning, containing 52.58 acres, more or less.

The above being described by a Survey by Dickmeyer & Associates, Kerry D. Dickmeyer, Land Surveyor, recorded April 9, 2004 in Document Number 204025735.

EXCEPTING THEREFROM:

A part of the Northeast Quarter of Section 15, Township 31 North, Range 12 East, Allen County, Indiana, and being that part of the grantor's land lying within the right of way lines depicted on the Right of Way Parcel Plat marked Exhibit "B" attached to Document Numbers 2008054153 and 2008054154, described as follows:

Commencing at the Southwest corner of said quarter section, designated as point "520" on the Location Control Route Survey Plat recorded in Instrument Number 204040574 in the Office of the Recorder of said County; thence North 2 degrees 14 minutes 35 seconds West 847.58 feet (847.64 feet by Instrument Number 86-009319) along the West line of said quarter section to the South line of the grantor's land; thence South 89 degrees 05 minutes 48 seconds West 334.79 feet (334.80 feet by Instrument Number 86-009319) along said South line to the West line of the tract of land described in Instrument Number 86-009319; thence North 2 degrees 01 minute 56 seconds West 1,694.31 feet along said tract line to the South boundary of Cook Road; thence South 89 degrees 35 minutes 47 seconds East 277.67 feet along the boundary of said Cook Road; thence South 86 degrees 56 minutes 03 seconds East 109.31 feet along said boundary to point "340" designated on said parcel plat and the POINT OF BEGINNING of this description; thence continuing South 86 degrees 56 minutes 03 seconds East 109.97 feet along said boundary to the Southwestern boundary of the intersection of said Cook Road and S.R. 3 (Lima Road); thence South 68 degrees 44 minutes 22 seconds East 31.78 feet along the boundary of the intersection of said Cook Road and said S.R. 3 to the Western boundary of said S.R. 3; thence South 12 degrees 46 minutes 42 seconds East 301.24 feet along the boundary of said S.R. 3 to point "345" designated on said parcel plat; thence South 77 degrees 13 minutes 18 seconds West 5.00 feet to point "344" designated on said parcel plat; thence North 12 degrees 46 minutes 42 seconds West 150.00 feet to point "343" designated on said parcel plat; thence North 19 degrees 07 minutes 06 seconds West 90.55 feet to point "342" designated on said parcel plat; thence North 43 degrees 02 minutes 05 seconds West 69.46 feet to point "341" designated on said parcel plat; thence North 71 degrees 55 minutes 39 seconds West 95.66 feet to the point of beginning and containing 0.125 acres, more or less.

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Silverado Cook Properties, LLC is requesting the designation of an Economic Revitalization Area for eligible real property improvements. Silverado Cook Properties, LLC will construct an 80,000 to 160,000 square foot speculative building investing \$14,000,000.**

EFFECT OF PASSAGE: **Investment of \$14,000,000 and a new speculative building.**

EFFECT OF NON-PASSAGE: **Potential loss of investment and new speculative building.**

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

ASSIGNED TO COMMITTEE (PRESIDENT): **Jason Arp and John Crawford**

MEMORANDUM



TO: City Council

FROM: Carman Young, Economic Development Specialist

DATE: February 22, 2018

RE: Request for designation by Silverado Cook Properties, LLC as an ERA for real property improvements.

BACKGROUND

PROJECT ADDRESS:	1919 W. Cook Road	PROJECT LOCATED WITHIN:	N/A
PROJECT COST:	\$14,000,000	COUNCILMANIC DISTRICT:	3

COMPANY PRODUCT OR SERVICE:	Silverado Cook Properties, LLC is a commercial real estate developer.
PROJECT DESCRIPTION:	Silverado Cook Properties, LLC will build an 80,000 to 160,000 square foot speculative building.

CREATED

RETAINED

JOBS CREATED (FULL-TIME):	0	JOBS RETAINED (FULL-TIME):	0
JOBS CREATED (PART-TIME):	0	JOBS RETAINED (PART-TIME):	0
TOTAL NEW PAYROLL:	0	TOTAL RETAINED PAYROLL:	0
AVERAGE SALARY (FULL-TIME NEW):	0	AVERAGE SALARY (FULL-TIME RETAINED):	0

COMMUNITY BENEFIT REVIEW

Yes ☐ No ☐ N/A ☒

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

Explain: The speculative building will be located on a 52 acre parcel currently containing 240,000 square feet of office and laboratory space.

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 C-1, Professional Office and Personal Services. Use of this 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?

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?

Yes ☒ No ☐ N/A ☐

Taxpayer is NOT delinquent on any or all property tax due to any taxing jurisdiction within Allen County.

POLICY

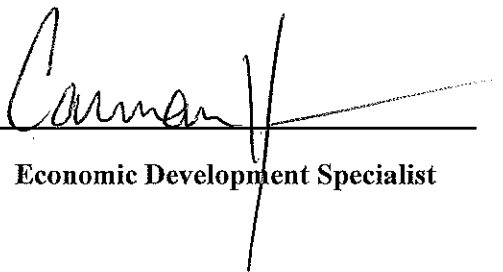
Per the policy of the City of Fort Wayne, the following guidelines apply to this project:

1. The period of deduction for speculative real property improvements is ten years.

Under Fort Wayne Common Council's tax abatement policies and procedures, Silverado Cook Properties, LLC is eligible for a recommended ten year deduction on speculative real property improvements. Attached is a calculation of property taxes saved/paid with the deduction.

COMMENTS

Signed and Reviewed:



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

Silverado Cook Properties, LLC

REAL PROPERTY TAX ABATEMENT - 10 yr Schedule

Year	Cash Value	True Tax Value	Assessed Value	Tax		Deduction	Taxable AV	Tax Rate	Tax Paid	Tax Saved
				Abatement %	Tax Paid %					
1	\$14,000,000	\$14,000,000	\$14,000,000	100%	0%	\$14,000,000	\$0	0.034347	\$0	\$480,858
2	\$14,000,000	\$14,000,000	\$14,000,000	95%	5%	\$13,300,000	\$700,000	0.034347	\$24,043	\$456,815
3	\$14,000,000	\$14,000,000	\$14,000,000	80%	20%	\$11,200,000	\$2,800,000	0.034347	\$96,172	\$384,686
4	\$14,000,000	\$14,000,000	\$14,000,000	65%	35%	\$9,100,000	\$4,900,000	0.034347	\$168,300	\$312,558
5	\$14,000,000	\$14,000,000	\$14,000,000	50%	50%	\$7,000,000	\$7,000,000	0.034347	\$240,429	\$240,429
6	\$14,000,000	\$14,000,000	\$14,000,000	40%	60%	\$5,600,000	\$8,400,000	0.034347	\$288,515	\$192,343
7	\$14,000,000	\$14,000,000	\$14,000,000	30%	70%	\$4,200,000	\$9,800,000	0.034347	\$336,601	\$144,257
8	\$14,000,000	\$14,000,000	\$14,000,000	20%	80%	\$2,800,000	\$11,200,000	0.034347	\$384,686	\$96,172
9	\$14,000,000	\$14,000,000	\$14,000,000	10%	90%	\$1,400,000	\$12,600,000	0.034347	\$432,772	\$48,086
10	\$14,000,000	\$14,000,000	\$14,000,000	5%	95%	\$700,000	\$13,300,000	0.034347	\$456,815	\$24,043
11	\$14,000,000	\$14,000,000	\$14,000,000	0%	100%	\$0	\$14,000,000	0.034347	\$480,858	\$0

TOTAL TAX SAVED REAL PROPERTY (10 yrs on 10 yr deduction) **\$2,380,247**
TOTAL TAX PAID REAL PROPERTY (10 yrs on 10 yr deduction) **\$2,909,191**

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