

BILL NO. R-18-07-20

RESOLUTION NO. R-_____

A RESOLUTION determining SUBSTANTIAL COMPLIANCE OR NON-COMPLIANCE with Statement of Benefits (CF-1) form filing for 2018 for Craftline Graphics, Inc. for property at 3522 W. Ferguson Road, Fort Wayne, IN 46809 under Confirming Resolution R-4-11 with an "Economic Revitalization Area" approved under I.C. 6-1.1-12.1

WHEREAS, Common Council has previously designated and declared by Declaratory Resolution and Confirming Resolution with approved Statement of Benefits (hereinafter "SB-1") forms, certain property for **Craftline Graphics, Inc.** 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; and

WHEREAS, property owners whose SB-1 form was approved after July 1, 1991 who file a deduction application under Sections 3 and 4.5 of I.C. 6-1.1-12.1 and Section 153.21 of the Municipal Code of the City of Fort Wayne, Indiana, must file a Compliance with Statement of Benefits Form (hereinafter "CF-1") with the City of Fort Wayne and in some cases either the Allen County Auditor, the Allen County Assessor, or both, showing information on the extent to which there has been compliance with the approved SB-1 form for the project; and

WHEREAS, **Craftline Graphics, Inc.** has filed CF-1 forms with the **City of Fort Wayne and the Allen County Assessor**, and

WHEREAS, **Craftline Graphics, Inc.'s** approved SB-1 form stated that **137** full-time and **250** part-time jobs would be retained and **32** full-time jobs would be created by September 30, 2011; and

WHEREAS, **Craftline Graphics, Inc.'s** approved SB-1 form stated **\$4,286,560** in annual payroll for the **137** full-time and **250** part-time retained jobs and **\$960,000** in annual payroll would be generated by the **32** full-time jobs to be created; and

WHEREAS, **Craftline Graphics, Inc.'s 2018** CF-1 form filing stated that **198** jobs were retained and **zero** jobs were created; and

1 **WHEREAS, Craftline Graphics,'s Inc. 2018 CF-1 form filing stated**
2 **\$6,981,482 in annual payroll for the 198 jobs retained and \$0.00 in annual payroll**
3 **for the zero jobs created; and**

4 **WHEREAS, Common Council designated the City of Fort Wayne**
5 **Community Development Division as the entity for the administration, application,**
6 **processing and monitoring of Economic Revitalization Areas under Section 153.13**
7 **of the Municipal Code of the City of Fort Wayne; and**

8 **WHEREAS, Common Council has defined substantial compliance under**
9 **Section 153.21 of the Municipal Code of the City of Fort Wayne as:**

- 10 1. Meeting 75% or more of the numbers of full-time and/or part-time jobs
11 stated to be created or retained as delineated in the original Statement
12 of Benefits Form (SB-1) approved by Common Council; and
- 13 2. Meeting 75% or more of the total payroll stated to be created or retained
14 as delineated in the original Statement of Benefits Form (SB-1) approved
15 by Common Council; and

16 **WHEREAS, meeting 75% of the 137 full-time and 250 part-time jobs**
17 **retained means retaining 102 full-time and 187 part-time jobs; and**

18 **WHEREAS, meeting 75% of the 32 full-time jobs to be created means**
19 **creating 24 full-time jobs; and**

20 **WHEREAS, meeting 75% of the \$5,349,063 in retained annual payroll**
21 **means \$4,011,797 in retained annual payroll; and**

22 **WHEREAS, meeting 75% of the \$960,000 in annual payroll to be created**
23 **means \$720,000 in created annual payroll; and**

24 **WHEREAS, Common Council may determine not later than forty-five (45)**
25 **days after receipt of the CF-1 form that Craftline Graphics, Inc. has either failed to**
26 **substantially comply or has substantially complied with the original SB-1 form**
27 **approved by Common Council; and**

28 **WHEREAS, Common Council made a determination on June 26, 2018 that**
29 **Craftline Graphics, Inc. was not in substantial compliance as a result of its failure**
30 **to create at least 24 jobs and at least \$720,00 in annual payroll created, and that**
 the failure to substantially comply was not caused by factors beyond the control of
 Craftline Graphics, Inc.; and

1 **WHEREAS**, Council directed the Community Development Division to mail
2 written notice to **Craftline Graphics, Inc.** explaining the reasons for Council's
3 determination and a date, time, place of a hearing to be conducted by Council for
4 the purpose of further considering **Craftline Graphics, Inc.**'s compliance with
5 Statement of Benefits; and

6 **WHEREAS**, the aforementioned notice was properly prepared and served
7 upon **Craftline Graphics, Inc.**; and

8 **WHEREAS**, **Craftline Graphics, Inc.** [appeared/failed to appear] before
9 Common Council to provide additional information concerning compliance.

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

12 **SECTION 1.** That, Common Council finds that the CF-1 form filed by
13 **Craftline Graphics, Inc.** with an approved Economic Revitalization Area for **2018**
14 are not in substantial compliance pursuant to I.C. 6-1.1-12.1 and Section 153.21 of
15 the Municipal Code of the City of Fort Wayne for failure to create 75% of the **32** full-
16 time jobs or **24** jobs that were stated that would be created and create 75% of the
17 **\$960,000** in annual payroll or **\$720,000** that was stated that would be generated by
18 the created jobs.

19 **SECTION 2a. Craftline Graphics, Inc.** failed to appear and otherwise
20 testify and therefore Council confirms its determination of **June 26, 2018** that
21 **Craftline Graphics, Inc.** has failed to substantially comply pursuant to IC 6-1.1-
22 12.1 and Section 153.21 of the Municipal Code of the City of Fort Wayne as
23 detailed in Section 1 above. Council therefore finds that **Craftline Graphics, Inc.**
24 has failed to substantially comply and said failure was not caused by factors outside
25 of **Craftline Graphics, Inc.** 's control. As a result of said failure, **Craftline**
26 **Graphics, Inc.**'s deduction/abatement under **R-4-11** is hereby terminated

27 **SECTION 2b.** That **Craftline Graphics, Inc.** appeared and testified at the
28 hearing and from its testimony it was determined that notwithstanding **Craftline**
29 **Graphics, Inc.**'s failure to substantially comply as detailed in Section 1 above that
30 **Craftline Graphics, Inc.** did make reasonable efforts to substantially comply with
the statement of benefits and **Craftline Graphics, Inc.** 's failure to substantially
comply was caused by factors beyond the control of **Craftline Graphics, Inc.** .

Therefore, the continuation of **Craftline Graphics, Inc.**'s deduction/abatement under **R-4-11** is hereby approved.

SECTION 2c. That **Craftline Graphics, Inc.** appeared and testified at the hearing and from its testimony it was determined in addition to **Craftline Graphics, Inc.** 's failure to substantially comply as detailed in Section 1 above, that **Craftline Graphics, Inc.** did not make reasonable efforts to substantially comply with the statement of benefits and **Craftline Graphics, Inc.** 's failure to substantially comply was not caused by factors beyond the control of **Craftline Graphics, Inc.** As a result of said failure, **Craftline Graphics, Inc.**'s deduction/abatement under **R-4-11** is hereby terminated.

SECTION 3. 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

Joseph G. Bonahoom, Attorney for Common Council

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: Resolution Confirming Substantial Compliance or Non-Compliance with a Statement of Benefits (SB-1) for 2016

DEPARTMENT REQUESTING ORDINANCE: Community Development Division

SYNOPSIS OF ORDINANCE: This resolution confirms that Compliance with Statement of Benefits (CF-1) Form filings made by Craftline Graphics, Inc. in May 2018 with an approved economic revitalization area are either in substantial compliance or non-compliance pursuant to both Council policy and Indiana law.

EFFECT OF PASSAGE: Potential retention or loss of economic revitalization area deduction (property tax abatement/phase-in).

EFFECT OF NON-PASSAGE:

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

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