

A CONFIRMING RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 4640 Hillegas Road, Fort Wayne, Indiana 46818 (VOSS Automotive, Inc.)

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 seven full-time, permanent jobs for a total additional annual payroll of \$326,300, with the average new annual job salary being \$46,614 and retain 80 full-time permanent jobs with a total current payroll of \$6,336,422 and an average salary of \$52,205; and

WHEREAS, the total estimated project cost is \$2,250,000; and

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

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 and I.C. 5-3-1 and a public hearing has been conducted on said Resolution.

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

SECTION 1. That, the Resolution previously designating the above described property as an "Economic Revitalization Area" is confirmed in all respects.

SECTION 2. That, the hereinabove described property is hereby declared an "Economic Revitalization Area" pursuant to I.C. 6-1.1-12.1, said designation to begin on the effective date 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 3. That, said designation of the hereinabove described property as an "Economic Revitalization Area" shall apply to both a deduction of the assessed value of real estate improvements made between August 1, 2018 and March 31, 2019 and personal property for new research and development equipment improvements to be made between October 1, 2018 and March 31, 2020.

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 redevelopment or rehabilitation and estimate of the value of the new research and development equipment, all contained in Petitioner's Statement of Benefits are reasonable and are benefits that can be reasonably expected to result from the proposed described instillation of the new research and development equipment

SECTION 5. 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 \$3.4092 /\$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. 4092/\$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. 4092/\$100 (the change would be negligible).
- (d) If the real estate and personal property for research and development equipment is not installed, the approximate current year tax rates for this site would be \$3. 4092/\$100.
- (e) If the real estate and proposed personal property for research and development equipment is installed and no deduction is granted, the approximate current year tax rate for the site would be \$3. 4092/\$100 (the change would be negligible).
- (f) If the real estate and proposed personal property for new research and development equipment is installed and a deduction percentage of eighty percent (80%) is assumed, the approximate current year tax rate for the site would be \$3. 4092/\$100 (the change would be negligible).

SECTION 6. 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, and that the deduction from the assessed value of the new research and development equipment shall be for a period of ten years.

SECTION 7. The deduction schedule from the assessed value of the real property and personal 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 8. The deduction schedule from the assessed value of new personal property research and development equipment pursuant to I.C. 6-1.1-12.1-17 shall look like this:

Year of Deduction	Percentage
1	100%
2	100%
3	100%
4	100%
5	100%
6	90%
7	80%
8	65%
9	50%
10	40%
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. For personal property, research and development equipment, 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 Fort Wayne 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 with the deduction application. For ten subsequent years, the performance report must be updated and submitted along with the deduction application at the time of filing.

SECTION 11. 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 Fort Wayne 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 ten 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 12. The performance report must contain the following information:

- 1 A. The cost and description of real property improvements and/or purchase of real estate and
2 new personal property for new manufacturing, logistical distribution, and information
3 technology equipment .
4 B. The number of employees hired through the end of the preceding calendar year as a result of
5 the deduction.
6 C. The total salaries of the employees hired through the end of the preceding calendar year as a
7 result of the deduction.
8 D. The total number of employees employed at the facility receiving the deduction.
9 E. The total assessed value of the real and/or personal property deductions.
10 F. The tax savings resulting from the real and/or personal property being abated.

11 **SECTION 13.** That, the taxpayer is non-delinquent on any and all property tax due to
12 jurisdictions within Allen County, Indiana.

13 **SECTION 14.** That, pursuant to I.C. 6-1.1-12.1-12 et al, any property owner that has received a
14 deduction under section 3 or 4.5 of this chapter may be required to repay the deduction amount as
15 determined by the county auditor in accordance with section 10 of said chapter if the property owner
16 ceases operations at the facility for which the deduction was granted and if the Common Council finds that
17 the property owner obtained the deduction by intentionally providing false information concerning the
18 property owner's plans to continue operation at the facility.

19 **SECTION 15.** That, this Resolution shall be in full force and effect from and after its passage
20 and any and all necessary approval by the Mayor.

21 _____
22 Member of Council

23 APPROVED AS TO FORM A LEGALITY

24 _____
25 Carol Helton, City Attorney

(Attached to and becoming a part of document)

EXHIBIT A

Land situated in the County of Allen, State of Indiana, is described as follows:

PARCEL I:

Part of the Southwest Quarter of Section 21, Township 31 North, Range 12 East, Allen County, Indiana, more particularly described as follows:

BEGINNING at a point on the West line of the Southwest Quarter of Section 21, Township 31 North, Range 12 East, Allen County, Indiana, said point being 659.5 feet North of the Southwest corner of the Southwest Quarter of Section 21, Township 31 North, Range 12 East, said point being the Northwest corner of a 1.72 acre parcel of land (D.&K. Elden); thence North along the West line of the Southwest Quarter of Section 21, Township 31 North, Range 12 East, a distance of 843.72 feet to the Southwest corner of a 5.96 acre parcel of land (American Legion); thence East with a deflection angle to the right of 94 degrees 33 minutes 30 seconds along the South line of said 5.96 acre parcel, a distance of 845.74 feet to the Southeast corner of said 5.96 acre parcel, said point being located on the Westerly right-of-way line of Interstate Highway #69; thence Southwesterly along said right-of-way line, a distance of 827.2 feet to the Northeast corner of the aforementioned 1.72 acre parcel; thence West along the North line of said 1.72 acre parcel and parallel to the South line of the Southwest Quarter of Section 21, Township 31 North, Range 12 East, a distance of 594.7 feet to the point of beginning, containing 14.21 acres.

EXCEPTING THEREFROM:

Part of the Southwest Quarter of Section 21, Township 31 North, Range 12 East of the Second Principal Meridian, Washington Township in Allen County, Indiana, more particularly described as follows:

Commencing at a 5/8" steel rebar found at the Southwest corner of said Southwest Quarter; thence North 00 degrees 00 minutes 00 seconds East (assumed bearing and basis of bearings to follow), a distance of 659.50 feet (deed) along the West line of said Southwest Quarter and the centerline of Hillegas Road to the North line of an existing 1.72 acre tract described in Document Number 960045933 in the Office of the Recorder of Allen County, Indiana, also being the POINT OF BEGINNING of the herein described tract; thence continuing North 00 degrees 00 minutes 00 seconds East, a distance of 376.27 feet along said West line and said centerline; thence North 90 degrees 00 minutes 00 seconds East, a distance of 544.00 feet to a 5/8" steel rebar set; thence South 00 degrees 00 minutes 00 seconds West, a distance of 373.04 feet parallel with the West line of said Southwest Quarter to a 5/8" steel rebar set on the North line of said 1.72 acre tract; thence South 89 degrees 39 minutes 34 seconds West, a distance of 544.00 feet along said North line to the Point of Beginning. Containing 4.679 acres, more or less.

File Number: 4035-31196

PARCEL II:

Non-exclusive easement for ingress and egress appurtenant to Parcel I as established by Reciprocal Easement and Development Agreement recorded February 6, 2006, as Document Number 206005734.

File Number: 4035-31196

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 VOSS Automotive, Inc. for eligible real and personal property improvements in the amount of \$2,250,000. VOSS Automotive, Inc. will expand its current facility to increase inventory capacity as well as construct a prototype test lab.**

EFFECT OF PASSAGE: **Investment of \$2,250,000 and seven new full-time jobs with an annual payroll of \$326,300 retention of 80 current full-time jobs with an annual payroll of \$6,336,422.**

EFFECT OF NON-PASSAGE: **Potential loss of investment, seven new full-time jobs with an annual payroll of \$326,300 and retention of 80 current full-time jobs with an annual payroll of \$6,336,422.**

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

ASSIGNED TO COMMITTEE (CO-CHAIRS): **John Crawford and Jason Arp**