BILL NO. R-18-11-33

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 2811 Congressional Parkway, Fort Wayne, Indiana 46808 (McCoy Bolt Works, Inc.)

WHEREAS, Petitioner has duly filed its petition dated November 13, 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 create ten full-time, permanent jobs for a total new, annual payroll of $369,376, with the average new annual job salary being $36,937 and retain 45 full-time, permanent jobs for a total current annual payroll of $2,284,352, with the average current, annual job salary being $50,763; and

WHEREAS, the total estimated project cost is $2,414,460; 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 personal property for new manufacturing equipment improvements to be made between December 1, 2018 and December 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 the value of new manufacturing 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 installation of new manufacturing equipment.

SECTION 5. That, the current year approximate tax rates for taxing units within the City would be:

(a) If the proposed new manufacturing equipment is not installed, the approximate current year tax rates for this site would be $3.4092/$100.

(b) If the proposed new manufacturing 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).

(c) If the proposed new manufacturing 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, 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 new manufacturing equipment shall be for a period of seven years.

SECTION 8. The deduction schedule from the assessed value of new manufacturing equipment pursuant to I.C. 6-1.1-12.1-17 shall look like this:

Year of Deduction	Percentage
1	100%
2	85%
3	71%
4	57%
5	43%
6	29%
7	14%
8	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 said 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

03/2013

NOV 1 3 2018

COMMUNITY DEVL

ECONOMIC REVITALIZATION AREA APPLICATION
CITY OF FORT WAYNE, INDIANA

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

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

Total cost of real estate improvements:	$ 0
Total cost of manufacturing equipment improvements:	$ 2,414,460
Total cost of research and development equipment improvements:	$ 0
Total cost of logistical distribution equipment improvements:	$ 0
Total cost of information technology equipment improvements:	$ 0
TOTAL OF ABOVE IMPROVEMENTS:	$ 2,414,460

GENERAL INFORMATION

Real property taxpayer's name: McCoy Realty, LLC

Personal property taxpayer's name: McCoy Bolt Works, Inc.

Telephone number: (260) 482-4476

Address listed on tax bill: 2811 Congressional Parkway Fort Wayne, IN 46808

Name of company to be designated, if applicable: McCoy Bolt Works, Inc.

Year company was established: 1949

Address of property to be designated: 2811 Congressional Parkway Fort Wayne, IN 46808

Real estate property identification number: 02-07-28-252-005.000-73

Contact person name: Michael McArdle

Contact person telephone number: (937) 266-8947 Contact person Email: mikemcardle@mccoybolt.com

Contact person address: 2486 Edgewater Dr. Apt. 5, Beavercreek, OH, 45431

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
John McArdle	President/CEO	11430 Dell Loch Way Ft. Wayne, IN 46814	(260) 615-9066
Michael McArdle	VP of Sales & Marketing	Same as Above	(937) 266-8947

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

NAME	PERCENTAGE
The McArdle Family	66.6%
The Huston Family	33.4%

☐ 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? 100%

What is the company's primary North American Industrial Classification Code (NAICs)? 331200

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

OEM Heavy Duty Suspension U-Bolt Manufacturer

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2017	$10,934,000
2016	$8,282,000
2015	$11,166,000

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

Customer Name	City/State	Annual Gross Sales
Navistar International	Lisle, IL	$ 4,525,800
Dayton Parts, LLC	Harrisburg, PA	$ 3,591,900
Volvo Group North America	Greensboro, NC	$ 3,053,400

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

Supplier Name	City/State	Annual Gross Purchases
Clark Precision Machined Components	Blawnox, PA	$ 7,619,295
Nucor Corporation	Charlotte, NC	$ 1,025,751
OSG U.S.A., Inc.	Glendale Heights, IL	$ 333,457

List the company's top three competitors:

Competitor Name	City/State
Consolidated Metal Products	Cincinnati, OH
L & H Threaded Rod	Dayton, OH
Pratsa Fastner	Guadalajara, MX

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

OEM Heavy Duty Suspension U-Bolts

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 #5 and #6 Wire Draw Lines will enable McCoy Bolt Works to bring the associated process in-house, while currently outsourced to an out-of-state third party provider. Process improvement and production capacity increases are imperative to meeting an ever-changing customer demand. New/additional Cut Chamfer, Parts Washer, and Steel Threader machinery will give rise to McCoy Bolt's ability to meet those demands as the company becomes better equipped to serve the market.

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:

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

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

Projected construction start (month/year): ____________________

Projected construction completion (month/year): ______________________

☐ 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)

1 No. 5 Self-Powered Wire Draw Line- Clean, Straighten, and Cut-off
1 No. 6 Self-Powered Wire Draw Line- Clean, Straighten, and Cut-off
3 Double End Cut Chamfer & Center Mark Knurl Machines
1 High-Pressure Parts Washer
1 Steel Bar/Rod Threader

☐ 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): 12/2018

Date last piece of equipment will be installed (month/year): 12/2020

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

7-year Depreciation Schedule Term

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
See Appendix 1			

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Appendix 1			

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
See Appendix 1			

Appendix 1 **Public Benefit Information**

Current Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Chief Executives	11-1011	2	$349,400.00
Industrial Production Managers	11-3051	1	[redacted]
1st Line Supervisor of Production Workers	50-1011	1	[redacted]
Computer Programmers	15-1131	1	[redacted]
Production, Planning, & Expediting Clerks	43-5061	1	[redacted]
Payroll & Timekeeping Clerks	43-3051	1	[redacted]
Office Clerks, General	43-9061	1	[redacted]
Customer Service Representatives	43-4051	1	[redacted]
Cutting, Flat Press, & Bending	51-4031	11	$471,291.16
Planetary Threading & Hand Threading	51-4034	5	$194,201.52
Small Line & Utility Operations	51-4081	5	$256,326.12
Stress Relief	51-4191	3	$100,385.52
Phosphate	51-9121	2	$89,873.04
Parts Washer	51-4192	3	$96,739.00
Kitting	53-7054	1	[redacted]
Quality Control	51-9061	2	$87,288.00
Shipping	53-7062	1	[redacted]
Maintenance	49-1011	2	$133,873.64
Engineering Technician	17-3026	1	[redacted]
		45	**$2,284,352.24**

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Chief Executives	11-1011	2	$349,400.00
Industrial Production Managers	11-3051	1	[redacted]
1st Line Supervisor of Production Workers	50-1011	1	[redacted]
Computer Programmers	15-1131	1	[redacted]
Production, Planning, & Expediting Clerks	43-5061	1	[redacted]
Payroll & Timekeeping Clerks	43-3051	1	[redacted]
Office Clerks, General	43-9061	1	[redacted]
Customer Service Representatives	43-4051	1	[redacted]
Cutting, Flat Press, & Bending	51-4031	11	$471,291.16
Planetary Threading & Hand Threading	51-4034	5	$194,201.52
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Phosphate	51-9121	2	$89,873.04
Parts Washer	51-4192	3	$96,739.00
Kitting	53-7054	1	[redacted]
Quality Control	51-9061	2	$87,288.00
Shipping	53-7062	1	[redacted]
Maintenance	49-1011	2	$133,873.64
Engineering Technician	17-3026	1	[redacted]
		45	**$2,284,352.24**

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Cut Chamfer	51-4034	3	$116,520.90
Draw Line	51-4021	4	$142,929.12
Parts Washer	51-4192	1	[redacted]
Threader	51-4034	2	$77,680.60
		10	**$369,376.95**

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
None			

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
None			

Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
None			

Check the boxes below if the existing jobs and the jobs to be created will provide the listed benefits:

- [ ] Pension Plan
- [ ] Major Medical Plan
- [x] Disability Insurance
- [ ] Tuition Reimbursement
- [x] Life Insurance
- [x] Dental Insurance

List any benefits not mentioned above:

Vision Insurance

When will you reach the levels of employment shown above? (month/year): June, 2020

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.

John M McArdle

Signature of Taxpayer/Owner

John M McArdle, President/CEO

Printed Name and Title of Applicant

11/13/2018

Date

STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R4 / 11-15)
Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE
NOV 13 2018
COMMUNITY DEVL.

FORM SB-1 / PP

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.

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*** *a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment 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 installation of qualifying abatable equipment for which the person desires to claim a deduction.*
3. *To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between January 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between January 1 and the extended due date of that year.*
4. *Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)*
5. *For a Form SB-1/PP 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/PP 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: McCoy Bolt Works, Inc.	Name of contact person:
Address of taxpayer *(number and street, city, state, and ZIP code)*: 2811 Congressional Parkway, Fort Wayne, IN 46808	Telephone number: (260) 482-4476

SECTION 2 — LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body: Fort Wayne Common Council		Resolution number (s):
Location of property: 2811 Congressional Parkway, Fort Wayne, IN 46808	County: Allen	DLGF taxing district number: 073

Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. *(Use additional sheets if necessary.)*

1 No. 5 Self-Powered Wire Draw Line- Clean, Straighten, and Cut-off
1 No. 6 Self-Powered Wire Draw Line- Clean, Straighten, and Cut-off
3 Double End Cut Chamfer & Center Mark Knurl Machines
1 High-Pressure Parts Washer
1 Steel Bar/Rod Threader

	ESTIMATED START DATE	ESTIMATED COMPLETION DATE
Manufacturing Equipment	12/20/2018	12/20/2020
R & D Equipment		
Logist Dist Equipment		
IT Equipment		

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
45	2,284,352.24	45	2,284,352.24	10	369,376.95

SECTION 4 — ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the **COST** of the property is confidential.

	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Current values								
Plus estimated values of proposed project	2,414,460							
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: John M McArdle	Date signed *(month, day, year)*: 11/13/2018
Printed name of authorized representative: John M McArdle	Title: President/CEO

MEMORANDUM

TO: City Council

FROM: Carman Young, Economic Development Specialist

DATE: November 15, 2018

RE: Request for designation by McCoy Bolt Works, Inc. as an ERA for personal property improvements.

BACKGROUND

PROJECT ADDRESS:	**2811 Congressional Parkway**	PROJECT LOCATED WITHIN:	**N/A**
PROJECT COST:	**$2,414,460**	COUNCILMANIC DISTRICT:	**3**

COMPANY PRODUCT OR SERVICE:	**McCoy Bolt Works, Inc. is a OEM heavy duty suspension u-bolt manufacturer.**
PROJECT DESCRIPTION:	**McCoy Bolt Works, Inc. will purchase and install new personal property equipment.**

CREATED		RETAINED	
JOBS CREATED (FULL-TIME):	**10**	JOBS RETAINED (FULL-TIME):	**45**
JOBS CREATED (PART-TIME):	**0**	JOBS RETAINED (PART-TIME):	**0**
TOTAL NEW PAYROLL:	**$369,376**	TOTAL RETAINED PAYROLL:	**$2,284,352**
AVERAGE SALARY (FULL-TIME NEW):	**$36,937**	AVERAGE SALARY (FULL-TIME RETAINED):	**$50,763**

COMMUNITY BENEFIT REVIEW

Yes ☐ **No** ☐ **N/A** ☒ — Project will encourage vacant or under-utilized land appropriate for commercial or industrial use?

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 I2/General Industrial. 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?
Explain: McCoy Bolt Works, Inc. will purchase and install new manufacturing 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? **Explain: McCoy Bolt Works, Inc. will create ten new full-time jobs with an annual payroll of $369,376 and retain 45 full-time jobs with an annual payroll of $2,284,352.**
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 personal property improvements is seven years.

Under Fort Wayne Common Council's tax abatement policies and procedures, McCoy Bolt Works, Inc. is eligible for a recommended seven year deduction on speculative real property improvements. Attached is a calculation of property taxes saved/paid with the deduction.

COMMENTS

Signed and Reviewed: Carman Y

Economic Development Specialist

POOL #2 FORT WAYNE COMMUNITY DEVELOPMENT DIVISION

TAX ABATEMENT - ESTIMATE OF SAVINGS

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

Quake Manufacturing, Inc.

PERSONAL PROPERTY TAX ABATEMENT - 7 yr Schedule

Year	True Cash Value	"Pool 2"	True Tax Value	Assessed Value	Tax Abatement %	Tax Paid %	Deduction	Taxable A V	Tax Rate	Tax Paid	Tax Saved
1	$2,414,460	40%	$965,784	$965,784	100%	0%	$965,784	$0	0.034092	$0	$32,926
2	$2,414,460	56%	$1,352,098	$1,352,098	85%	15%	$1,149,283	$202,815	0.034092	$6,914	$39,181
3	$2,414,460	42%	$1,014,073	$1,014,073	71%	29%	$719,992	$294,081	0.034092	$10,026	$24,546
4	$2,414,460	32%	$772,627	$772,627	57%	43%	$440,398	$332,230	0.034092	$11,326	$15,014
5	$2,414,460	30%	$724,338	$724,338	43%	57%	$311,465	$412,873	0.034092	$14,076	$10,618
6	$2,414,460	30%	$724,338	$724,338	29%	71%	$210,058	$514,280	0.034092	$17,533	$7,161
7	$2,414,460	30%	$724,338	$724,338	14%	86%	$101,407	$622,931	0.034092	$21,237	$3,457
8	$2,414,460	30%	$724,338	$724,338	0%	100%	$0	$724,338	0.034092	$24,694	$0
							TOTAL TAX SAVED		(7 yr deduction)		**$132,904**
							TOTAL TAX PAID		(7 yr deduction)		**$105,806**

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

Personal Property Abatements

Tax Abatement Review System

McCoy Bolt Works, Inc.

	Points Possible	Points Awarded
INVESTMENT (30 points possible)		
Total new investment in equipment		
Over $5,000,000	10	
$1,000,000 to $4,999,999	8	8
$500,000 to $999,999	6	
$0 to $499,999	4	
Investment per employee (both jobs created and retained)		
$35,000 or more	10	10
$18,500 to $34,999	8	
$6,250 to $18,499	6	
$1,250 to $6,249	4	
less than $1,249	2	
Estimated local income taxes generated from jobs retained		
$80,000 or more	5	
$30,000 to $79,999	4	4
$10,000 to $29,999	3	
$5,000 to $9,999	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
$3,000 to $4,999	2	
less than $3,000	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	5
Estimated Percent of Business done outside Allen County		
Greater than 75%	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	4
10 to 24	2	
1 to 9	1	
Total number of permanent jobs created (Double for start-up)		
Over 100	10	
50-99	8	
25-49	6	
10-24	4	4
1 to 9	2	
WAGES (20 points possible)		
Median salary of the jobs created and/or retained		
Over $47,999	20	
$43,000 to $47,999	16	
$38,000 to $42,999	12	12
$33,000 to 37,999	8	
$28,000 to $32,999	4	
under $28,000	0	

BENEFITS (10 points possible)

Major Medical Plan	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	

Total	68

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

* If average annual salary of the full-time jobs created by listed occupation is 10% or greater than the current average salary for Allen County and is eligible for a 7 or 10 year abatement, then the applicant is eligible for an alternate deduction schedule.

Personal Property Deduction Schedules	Alternative Deduction Personal Property Schedules
10 year	**10 Year**
Year 1: 100%	Year 1: 100%
Year 2: 90%	Year 2: 100%
Year 3: 80%	Year 3: 100%
Year 4: 70%	Year 4: 100%
Year 5: 60%	Year 5: 100%
Year 6: 50%	Year 6: 90%
Year 7: 40%	Year 7: 80%
Year 8: 30%	Year 8: 65%
Year 9: 20%	Year 9: 50%
Year 10: 10%	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%	