

A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 713 Incentive Drive, Fort Wayne, Indiana 46825 (Key Millwork Inc./Weigand Properties, LLC)

WHEREAS, Petitioner has duly filed its petition dated November 30, 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 additional payroll of \$438,000 with an average annual job salary being \$43,800 and retain nine full-time permanent jobs for a current annual payroll of \$494,720, with the average current annual job salary being \$51,168; and

WHEREAS, the total estimated project cost is \$1,241,000; 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 both a deduction of the assessed value of real estate improvements made between December 1, 2018 and June 30, 2019 and personal

1 property for new manufacturing and information technology equipment improvements to be made
2 between January 1, 2019 and December 31, 2022.

3 **SECTION 4.** That, the estimate of the number of individuals that will be employed or
4 whose employment will be retained and the estimate of the annual salaries of those individuals
5 and the estimate of the value of redevelopment or rehabilitation and the estimate of the value of
6 new manufacturing and information technology equipment, all contained in Petitioner's Statement
7 of Benefits, are reasonable and are benefits that can be reasonably expected to result from the
8 proposed described redevelopment or rehabilitation and from the installation of new
9 manufacturing and information technology equipment.

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

- 12 (a) If the proposed development does not occur, the approximate current year tax rates
13 for this site would be \$3.4092/\$100.
- 14 (b) If the proposed development does occur and no deduction is granted, the
15 approximate current year tax rate for the site would be \$3.4092/\$100 (the change
16 would be negligible).
- 17 (c) If the proposed development occurs and a deduction percentage of fifty percent
18 (50%) is assumed, the approximate current year tax rate for the site would be
19 \$3.4092/\$100 (the change would be negligible).
- 20 (d) If the proposed new manufacturing and information technology is not installed, the
21 approximate current year tax rates for this site would be \$3.4092/\$100.
- 22 (e) If the proposed new manufacturing and information technology is installed and no
23 deduction is granted, the approximate current year tax rate for the site would be
24 \$3.4092/\$100 (the change would be negligible).
- 25 (f) If the proposed new manufacturing and information technology equipment is installed
26 and a deduction percentage of eighty percent (80%) is assumed, the approximate
27 current year tax rate for the site would be \$3.4092/\$100 (the change would be
28 negligible).

29 **SECTION 6.** That, this Resolution shall be subject to being confirmed, modified and
30 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 five years, and the
deduction from the assessed value of the new manufacturing, research and development and
information technology equipment 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. The deduction schedule from the assessed value of new manufacturing and information technology equipment 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 11. 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 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.

CITY OF FT WAYNE

NOV 30 2018

03/2013



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:	\$ 916,000
Total cost of manufacturing equipment improvements:	\$ 275,000
Total cost of research and development equipment improvements:	\$ 0
Total cost of logistical distribution equipment improvements:	\$ 0
Total cost of information technology equipment improvements:	\$ 50,000
TOTAL OF ABOVE IMPROVEMENTS:	\$ 1,241,000

GENERAL INFORMATION

Real property taxpayer's name: Weigand Properties, LLC
 Personal property taxpayer's name: Key Millwork, Inc.
 Telephone number: 260-490-7449
 Address listed on tax bill: - Northrop Industrial Park Lot 7
 Name of company to be designated, if applicable: _____
 Year company was established: 1998/1995
 Address of property to be designated: 713 Incentive Drive
 Real estate property identification number: 02-07-11-302-002-000073
 Contact person name: Andrew Boxberger
 Contact person telephone number: (260) 423-9411 Contact person Email: aboxberger@carsonllp.com
 Contact person address: 301 W. Jefferson Suite 200, Fort Wayne, IN 46802

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Larry Weigand	CEO / Secretary	7808 Honeywell Dr. Fort Wayne, IN	(260) 469-7449
Thomas Klaffke	President / Treasurer	1830 Wayne Trace Fort Wayne, IN	(260) 426-6501

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? NA
 What percentage of sales is made to the ultimate customer? 5%
 What percentage of sales will be from service calls? NA

What is the percentage of clients/customers served that are located outside of Allen County? 30

What is the company's primary North American Industrial Classification Code (NAICS)? 238250

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

Key Millwork, a decades old company, based in Fort Wayne, is a cabinet building specialist that offers crown molding installation, cabinet installation and more.

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2018	\$ 2,300,000.00
2017	\$ 2,100,000
2016	\$ 1,500,000

Name	Total
THOMAS J. KLAPFKE	30.15548
LAURENCE M. WEIGAND	57.45458
ANDY BINKLEY	.71808
JEREMY RINGGER	5.74558
CHRIS SOSEBEE	2.15438
DAVE JANKOWSKI	1.43648
BARON LYBARGER	.17118
STAN MEYER	2.15438

03/2013

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

Customer Name	City/State	Annual Gross Sales
Parkview Cancer Institute	Fort Wayne, IN	\$ 1,826,000
Great Lakes Capital (skyline tower)	South Bend, IN	\$ 635,000
ZZC, LLC (Ruth's Chris)	South Bend, IN	\$ 284,000

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

Supplier Name	City/State	Annual Gross Purchases
Cooper Enterprises	Shelby, OH	\$ 494,460
AIA Countertops	Syracuse, IN	\$ 256,844
M&W Counterops	Grabill, IN	\$ 102,664

List the company's top three competitors:

Competitor Name	City/State
Big C Lumber	Fort Wayne, IN
Bracht's Cabinets	Fort Wayne, IN
Molargik Woodworking	Garrett, IN

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

Cabinet building, crown molding installation and cabinet installation

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 subject property is a vacant parcel in Fort Wayne, Indiana. To the south of the site is wetlands. This will require a storm water quality unit that will need to treat the water prior to draining into the wetlands. The property is an odd shaped site which presents some challenges logistically with building orientation and truck turning radius. Finally, the south end of the site is wooded that will need to be cleared and grubbed.

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:

vacant land

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

NA

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

120' x 130' Pre-Engineered Metal Building (PEMB) that will become the new production facility for Key Millwork. The building will include 1472sf of office space/restrooms. There will be a mezzanine over the top of the office and a 900 sf storage mezzanine in the southwest corner of the building. The PEMB building will be a single sloped structure with a 24' low eave height. To the south of the facility will be (1) 14x16 overhead door at grade and a 9x10 recessed loading dock for semi-trailer loading/unloading.

Projected construction start (month/year): 12/2018

Projected construction completion (month/year): 06/2019

☐ 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)

Weeke Vantech 510 Nested Base CNC; Weeke Optimat ABD 060 Doweling Center; Nederman 10 hp dust collector; drill press; belt/disc sander, Microvellum ver. 15.6 software; and 4000# scissor lift table.

☐ 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): 01/2019

Date last piece of equipment will be installed (month/year): 12/2022

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

All equipment will be depreciated over 7 years.

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
Chief Executive	11-1011	1	██████████
Operations Mgr	11-1021	1	██████████
Admin Assistant	43-6014	1	██████████
Drafter	17-3019	1	██████████
Cabinetmaker	51-7011	5	255,840

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Chief Executive	11-1011	1	██████████
Operations Mgr	11-1021	1	██████████
Admin Assistant	43-6014	1	██████████
Drafter	17-3019	1	██████████
Cabinetmaker	51-7011	5	255,840

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
Book Keeping	43-3031	1	██████████
Cabinetmaker	51-7011	6	268,000
Drafter	17-3019	1	██████████
Truck Driver	53-3023	1	██████████
Manager	11-9199	1	██████████

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			
f			

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			
f			

Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
N/A			
f			

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:

401 k with matching

When will you reach the levels of employment shown above? (month/year): 12/2022

REQUIRED ATTACHMENTS

The following must be attached to the application.

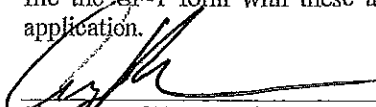
1. **Statement of Benefits Form(s) (first page/front side completed)**
2. **Full legal description of property and a plat map identifying the property boundaries. (Property tax bill legal descriptions are not sufficient.) Should be marked as Exhibit A.**
3. **Check for non-refundable application fee 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

Andy Boxberger Authorized Rep. / Attorney
Printed Name and Title of Applicant

11/29/18
Date


**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R6 / 10-14)

Prescribed by the Department of Local Government Finance

NOV 30 2018

COMMUNITY DEVL

20__ PAY 20__

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 Weigand Properties, LLC					
Address of taxpayer (number and street, city, state, and ZIP code) 7808 Honeywell Drive Fort Wayne, IN 46825					
Name of contact person Andrew Boxberger			Telephone number (260) 4239411		E-mail address aboxberger@carsonllp.com
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body Fort Wayne Common Council					Resolution number
Location of property Honeywell Dr. - Northrop Industrial Park Lot 7			County Allen		DLGF taxing district number 073
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) 120' x 130' Pre-Engineered Metal Building (PEMB). Including: a 1472sf of office space/restrooms, a mezzanine over the top of the office and a 900 sf storage mezzanine in the southwest corner of the building.					Estimated start date (month, day, year) 12/1/2018 Estimated completion date (month, day, year) 6/30/2019
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 9.00	Salaries \$494,720.00	Number retained 9.00	Salaries \$494,720.00	Number additional 10.00	Salaries \$438,000.00
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
		REAL ESTATE IMPROVEMENTS			
		COST		ASSESSED VALUE	
Current values				42,900.00	
Plus estimated values of proposed project		916,000.00		916,000.00	
Less values of any property being replaced					
Net estimated values upon completion of project		916,000.00		916,000.00	
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) 11/29/18	
Printed name of authorized representative Andy Boxberger				Title Attorney	

Exhibit A

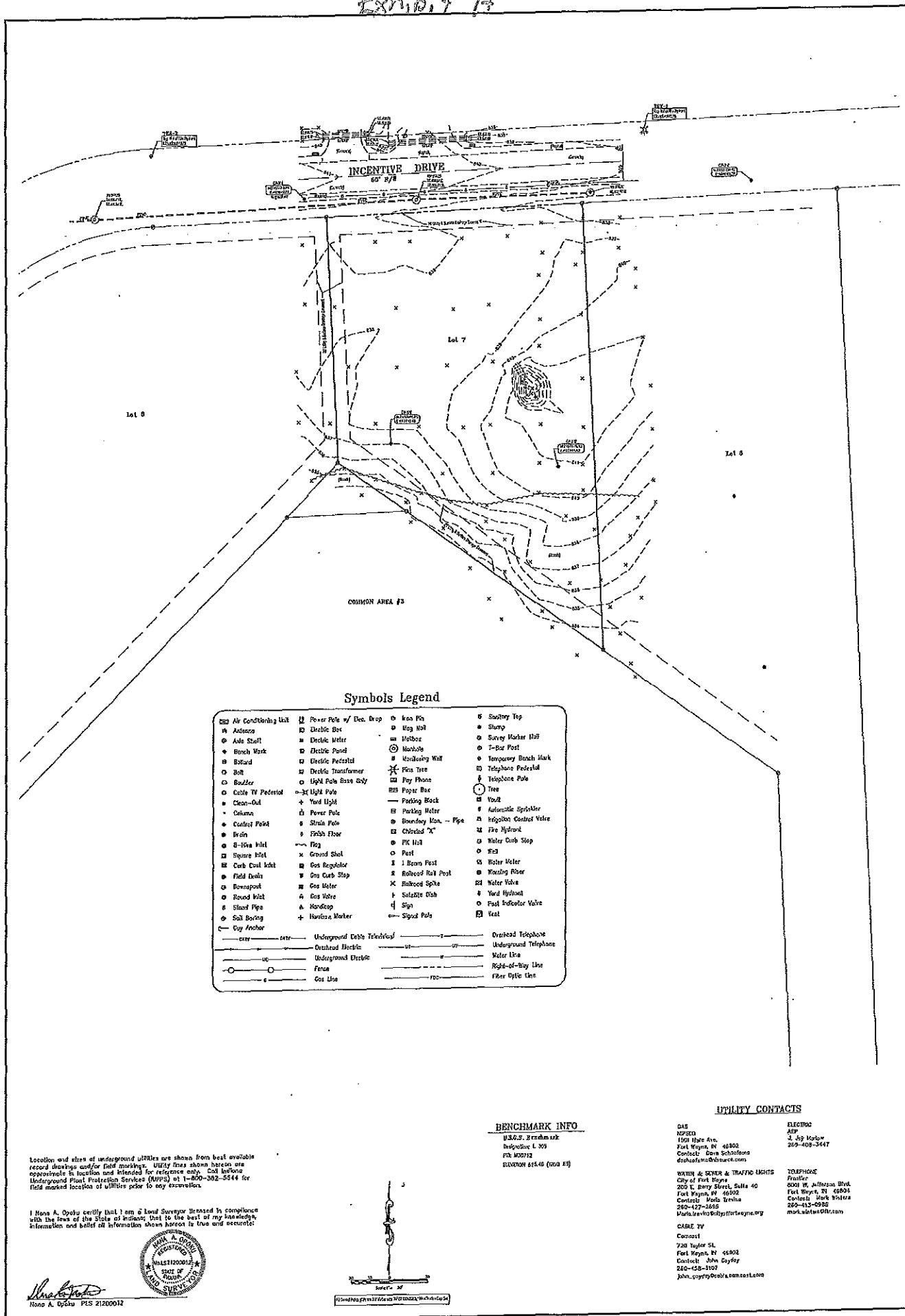


Exhibit A

LEGAL DESCRIPTION

Lot Number 7 in Northrop Industrial Park, as recorded in Plat Cabinet E, page 51, and Document Number 990064402, in the Office of the Recorder of Allen County, Indiana.

TOGETHER WITH:

Part of the Southwest Quarter of Section 11, Township 31 North, Range 12 East, Second Principal Meridian, Allen County, Indiana, more particularly described as follows:

BEGINNING at the Southeast corner of Lot Number 8 in Northrop Industrial Park, said point being monumented by a #5 rebar; thence South 52 degrees 35 minutes 49 seconds East (recorded bearing from the Plat of Northrop Industrial Park and the basis for all bearings in this description) on the Southerly line of Lot Number 7 in said Park, a distance of 65.85 feet to a #5 rebar; thence North 90 degrees 00 minutes 00 seconds West, a distance of 94.51 feet to a #5 rebar on the Southerly line of said Lot Number 8; thence North 46 degrees 32 minutes 06 seconds East on aforesaid Southerly line a distance of 58.14 feet to the Point of Beginning. Containing 1890.13 square feet.



STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R4 / 11-15)

Prescribed by the Department of Local Government Finance

CITY OF FT WAYNE

NOV 30 2018

COMMUNITY DEVL.

FORM SB-1 / PP

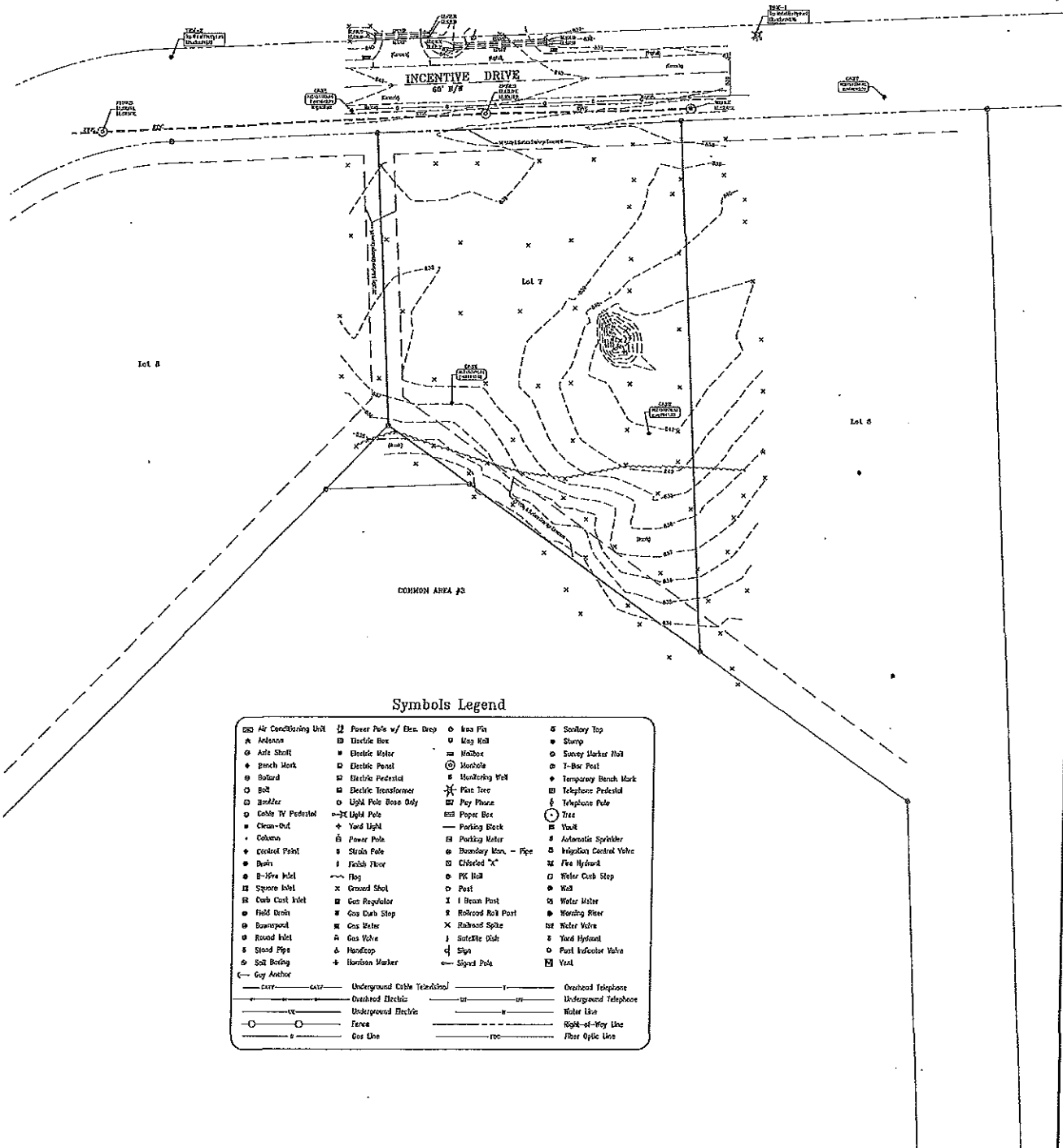
PRIVACY NOTICE

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 Key Millwork, Inc.		Name of contact person Andrew Boxberger						
Address of taxpayer (number and street, city, state, and ZIP code) 1830 Wayne Trace Fort Wayne, IN 46803		Telephone number (260) 423-9411						
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT						
Name of designating body Fort Wayne Common Council		Resolution number (s)						
Location of property Honeywell Dr. - Northrop Industrial Park Lot 7		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.) Weeke Vantech 510 Nested Base CNC; Weeke Optimat ABD 060 Doweling Center; Nederman 10 hp dust collector; drill press; belt/disc sander, Microvellum ver. 15.6 software; and 4000# scissor lift table.				ESTIMATED				
				START DATE	COMPLETION DATE			
		Manufacturing Equipment		01/01/2019	12/01/2022			
		R & D Equipment						
		Logist Dist Equipment						
		IT Equipment		01/01/2019	10/01/2022			
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT						
Current number 9	Salaries 494,720	Number retained 9	Salaries 494,720	Number additional 10	Salaries 438,000			
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	275,000	275,000					50,000	50,000
Less values of any property being replaced								
Net estimated values upon completion of project	275,000	275,000					50,000	50,000
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) 11/29/18				
Printed name of authorized representative Andy Boxberger				Title Attorney				



Symbols Legend

AS Air Conditioning Unit	EL Electric Box	FF Fire Hydrant	ST Storm Drain
AD Adornment	EM Electric Meter	MB Mailbox	SM Survey Marker Nail
ASL Aisle Shelf	EP Electric Panel	MO Monolith	T-Bar Post
BM Bench Mark	EPD Electric Pedestal	MT Monitoring Well	TM Temporary Bench Mark
BU Buford	ET Electric Transformer	PT Plant Tree	TP Telephone Pedestal
BO Bolt	ELP Electric Light Pole Only	PP Pay Phone	TPF Telephone Pole
BR Braker	ELLP Electric Light Pole	PB Paper Box	TR Tree
CB Cable TV Pedestal	YD Yard Light	PK Parking Block	YU Youth
CD Clean-Out	PP Power Pole	PM Parking Meter	AS Automatic Sprinkler
CO Column	SP Strain Pole	BM Boundary Mark - Pipe	IC Irrigation Control Valve
CP Control Point	FF Finish Floor	CH Chilled "X"	FW Free Hydrant
DB Drain	FL Flag	PK Pit	WC Water Curb Stop
DS D-Side Inlet	GS Ground Sheet	PO Post	WV Water Valve
SI Spore Inlet	GR Gas Regulator	IP Iron Pipe	WR Working Water
CI Cast Iron Inlet	GS Gas Stop	RS Railroad Right of Way	WV Water Valve
FD Field Drain	GV Gas Valve	SS Saturated Soil	YH Yard Hydrant
BP Bypass Point	GV Gas Valve	SS Saturated Soil	YI Yard Indicator Valve
BI Bypass Inlet	GV Gas Valve	SS Saturated Soil	YI Yard Indicator Valve
SI Solid Pipe	GV Gas Valve	SS Saturated Soil	YI Yard Indicator Valve
SB Soil Boring	GV Gas Valve	SS Saturated Soil	YI Yard Indicator Valve
CA Coy Anchor	GV Gas Valve	SS Saturated Soil	YI Yard Indicator Valve
Underground Cable Television	Overhead Telephone	Underground Telephone	Water Line
Overhead Electric	Underground Electric	Right-of-Way Line	Fiber Optic Line
Fence	Gas Line		

Location and sizes of underground utilities are shown from best available record drawings and/or field markings. Utility lines shown hereon are approximate in location and intended for reference only. Call Indiana Underground Plant Protection Services (UUPS) at 1-800-362-5544 for field marked location of utilities prior to any excavation.

I, Nance A. O'Quinn, certify that I am a Licensed Surveyor in compliance with the laws of the State of Indiana; that to the best of my knowledge, information and belief all information shown hereon is true and accurate.



Nance A. O'Quinn PLS 21220012

BENCHMARK INFO

U.S.G.S. Benchmark
Geodetic 1355
M.S. 102112
ELEVATION 425.46 (2000 AD)

UTILITY CONTACTS

GAS
INDSCO
1501 Main Ave.
Fort Wayne, IN 46802
Contact: Steve Schickman
dschickman@indisco.com

WATER & SEWER & TRAFFIC LIGHTS
City of Fort Wayne
205 E. Berry Street, Suite 40
Fort Wayne, IN 46802
Contact: Mark Whiters
260-427-3696
Mark.Whiters@cityoffortwayne.org

CABLE TV
Comcast
720 Taylor St.
Fort Wayne, IN 46802
Contact: John Gayday
260-455-5107
john.gayday@comcast.com

ELECTRIC
AEP
4 Jody Markow
260-408-3447

TELEPHONE
Frontier
5000 W. Jefferson Blvd.
Fort Wayne, IN 46804
Contact: Mark Whiters
260-413-0950
mark.whiters@frontier.com

Exhibit A

LEGAL DESCRIPTION

Lot Number 7 in Northrop Industrial Park, as recorded in Plat Cabinet E, page 51, and Document Number 990064402, in the Office of the Recorder of Allen County, Indiana.

TOGETHER WITH:

Part of the Southwest Quarter of Section 11, Township 31 North, Range 12 East, Second Principal Meridian, Allen County, Indiana, more particularly described as follows:

BEGINNING at the Southeast corner of Lot Number 8 in Northrop Industrial Park, said point being monumented by a #5 rebar; thence South 52 degrees 35 minutes 49 seconds East (recorded bearing from the Plat of Northrop Industrial Park and the basis for all bearings in this description) on the Southerly line of Lot Number 7 in said Park, a distance of 65.85 feet to a #5 rebar; thence North 90 degrees 00 minutes 00 seconds West, a distance of 94.51 feet to a #5 rebar on the Southerly line of said Lot Number 8; thence North 46 degrees 32 minutes 06 seconds East on aforesaid Southerly line a distance of 58.14 feet to the Point of Beginning. Containing 1890.13 square feet.

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Key Millwork, Inc. and Weigand Properties, LLC are requesting the designation of an Economic Revitalization Area for eligible real and personal property improvements in the amount of \$1,241,000. Weigand Properties will construct a new 120' x 130' production facility into which Key Millwork, Inc. will relocate from the Urban Enterprise Center where it has been a long time tenant.**

EFFECT OF PASSAGE: **Investment of \$1,241,000, creation of ten new full-time jobs with an annual payroll of \$438,000 and retention of nine current full-time jobs with an annual payroll of \$494,720.**

EFFECT OF NON-PASSAGE: **Potential loss of investment, creation of ten new full-time jobs with an annual payroll of \$438,000 and retention of nine current full-time jobs with an annual payroll of \$494,720.**

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

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

MEMORANDUM



TO: City Council

FROM: Carman Young, Economic Development Specialist

DATE: December 4, 2018

RE: Request for designation by Key Millwork, Inc. and Weigand Properties, LLC as an ERA for real and personal property improvements.

BACKGROUND

PROJECT ADDRESS:	713 Incentive Drive	PROJECT LOCATED WITHIN:	N/A
PROJECT COST:	\$1,241,000	COUNCILMANIC DISTRICT:	3

COMPANY PRODUCT OR SERVICE:	Key Millwork, Inc. is a decades old cabinet building specialist that offers crown molding and cabinet installation. Weigand Properties, LLC is a commercial real estate developer.
PROJECT DESCRIPTION:	Weigand Properties, LLC will construct a new 120'x 130' production facility into which Key Millwork, Inc. will relocate purchasing and installing new personal property equipment.

CREATED

RETAINED

JOBS CREATED (FULL-TIME):	10	JOBS RETAINED (FULL-TIME):	9
JOBS CREATED (PART-TIME):	0	JOBS RETAINED (PART-TIME):	0
TOTAL NEW PAYROLL:	\$438,000	TOTAL RETAINED PAYROLL:	\$494,720
AVERAGE SALARY (FULL-TIME NEW):	\$43,800	AVERAGE SALARY (FULL-TIME RETAINED):	\$54,968

COMMUNITY BENEFIT REVIEW

Yes ☒ No ☐ N/A ☐

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

Explain: Weigand Properties, LLC will construct a new 15,600 square foot facility on currently vacant land.

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: Key Millwork, Inc. will relocate to the new facility and purchase and install new manufacturing and information technology 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: Key Millwork, Inc. will create ten new full-time positions with an annual payroll of \$438,000 and retain nine full time-positions with an annual payroll of \$494,720.

Yes ☒ No ☐ N/A ☐

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

POLICY

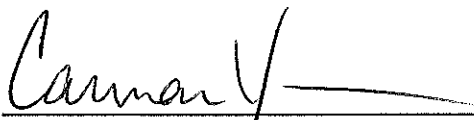
Per the policy of the City of Fort Wayne, the following guidelines apply to this project:

1. The period of deduction for real property improvements is five years.
2. The period of deduction for personal property improvements is five years.

Under Fort Wayne Common Council's tax abatement policies and procedures, Weigand Properties, LLC is eligible for a five year deduction on real property improvements and Key Millwork, Inc. is eligible for a five year deduction on personal property improvements. Attached is a calculation of property taxes saved/paid with the deduction.

COMMENTS

Signed and Reviewed:


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

Key Millwork, Inc./Weigand Properties, LLC

PERSONAL PROPERTY TAX ABATEMENT - 10 yr Schedule

Year	True Cash Value	"Pool 2"	True Tax Value	Assessed Value	Tax Abate %	Tax Paid %	Deduction	Taxable A V	Tax Rate	Tax Paid	Tax Saved
1	\$300,000	40%	\$120,000	\$120,000	100%	0%	\$120,000	\$0	0.034092	\$0	\$4,091
2	\$300,000	56%	\$168,000	\$168,000	80%	20%	\$134,400	\$33,600	0.034092	\$1,145	\$4,582
3	\$300,000	42%	\$126,000	\$126,000	60%	40%	\$75,600	\$50,400	0.034092	\$1,718	\$2,577
4	\$300,000	32%	\$96,000	\$96,000	40%	60%	\$38,400	\$57,600	0.034092	\$1,964	\$1,309
5	\$300,000	30%	\$90,000	\$90,000	20%	80%	\$18,000	\$72,000	0.034092	\$2,455	\$614
6	\$300,000	30%	\$90,000	\$90,000	0%	0%	\$0	\$0	0.034092	\$0	\$0
TOTAL TAX SAVED										(5 yrs on 5 yr deduction)	<u>\$13,173</u>
TOTAL TAX PAID										(5 yrs on 5 yr deduction)	<u>\$7,282</u>

REAL PROPERTY TAX ABATEMENT - 10 yr Schedule

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

Key Millwork, 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	
\$500,000 to \$999,999	\$300,000	6	
\$0 to \$499,999		4	4

Investment per employee (both jobs created and retained)

\$35,000 or more		10	
\$18,500 to \$34,999		8	
\$6,250 to \$18,499	\$15,789	6	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	
\$10,000 to \$29,999		3	
\$5,000 to \$9,999	\$7,321	2	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	\$6,482	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	
50% to 74%		10	
25% to 49%		5	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	
10 to 24		2	
1 to 9	1	1	1

Total number of permanent jobs created (Double for start-up)

Over 100		10	
50-99		8	
25-49		6	
10-24	10	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	\$44,666	16	16
\$38,000 to \$42,999		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

SUSTAINABILITY

Construction uses green building techniques (ie LEED Certification)	5
Construction uses techniques to minimize impact on Combined Sewer Overflows (CSOs)	5

Total	46
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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 average salary for Allen County using current occupational employment statistics, 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%	

Real Property Abatements

Tax Abatement Review System

Welgand Properties, LLC

Points Possible	Points Awarded
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INVESTMENT (30 points possible)

Total new investment in real property (new structures and/or rehabilitation)

Over \$1,000,000		10	
\$500,000 to \$999,999	\$916,000	8	8
\$100,000 to \$499,999		6	
Under \$100,000		4	

Investment per employee (both jobs created and retained)

\$35,000 or more	\$48,210	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	
\$10,000 to \$29,999		3	
\$5,000 to \$9,999	\$7,321	2	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	\$6,482	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
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Estimated Percent of Business done outside

Allen County

Greater than 75%	15	
50% to 74%	10	
25% to 49%	5	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	
10 to 24		2	
1 to 9	9	1	1

Total number of permanent jobs created (Double for start-up)

Over 100		10	
50-99		8	
25-49		6	
10-24	10	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	\$44,666	16	16
\$38,000 to \$42,999		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

SUSTAINABILITY

Construction uses green building techniques (ie LEED Certification)	5
Construction uses techniques to minimize impact on Combined Sewer Overflows (CSOs)	5

Total	54
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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

Five year phase-in

* If Average annual salary of the full-time jobs created by listed occupation is 10% or greater than the average salary for Allen County using current occupational employment statistics, then the applicant is eligible for an alternate deduction schedule.

Real Property Deduction Schedules	Alternative Deduction Real Property Schedules
10 year	10 Year
Year 1: 100%	Year 1: 100%
Year 2: 95%	Year 2: 100%
Year 3: 80%	Year 3: 100%
Year 4: 65%	Year 4: 100%
Year 5: 50%	Year 5: 100%
Year 6: 40%	Year 6: 90%
Year 7: 30%	Year 7: 80%
Year 8: 20%	Year 8: 65%
Year 9: 10%	Year 9: 50%
Year 10: 5%	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%	