

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 6708 Old Trail Road, Fort Wayne, Indiana 46809 (Waynedale Leasing, LLC/H&H Leasing, LLC)

WHEREAS, Petitioner has duly filed its petition dated May 8, 2019 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, the total estimated project cost is \$500,000; 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 a deduction of the assessed value of real estate improvements to be made between June 1, 2019 and May 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 redevelopment or rehabilitation, all contained in Petitioner's

Statement of Benefits, are reasonable and are benefits that can be reasonably expected to result from the proposed described redevelopment or rehabilitation.

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

(a) If the proposed development does not occur, the approximate current year tax rates for this site would be \$3.4283/\$100.

(b) If the proposed development does occur and no deduction is granted, the approximate current year tax rate for the site would be \$3.4283/\$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 \$3.4283/\$100 (the change would be negligible).

SECTION 6. That, this Resolution shall be subject to being confirmed, modified and confirmed, or rescinded after public hearing and receipt by Common Council of the above described recommendations and resolution, if applicable.

SECTION 7. That, pursuant to I.C. 6-1.1-12.1, it is hereby determined that the deduction from the assessed value of the real property shall be for a period of ten years.

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

Year of Deduction	Percentage
1	100%
2	95%
3	80%
4	65%
5	50%
6	40%
7	30%
8	20%
9	10%
10	5%
11	0%

1 **SECTION 9.** That, the benefits described in the Petitioner's Statement of Benefits can
2 be reasonably expected to result from the project and are sufficient to justify the applicable
3 deductions.

4 **SECTION 10.** That, the taxpayer is non-delinquent on any and all property tax due to
5 jurisdictions within Allen County, Indiana.

6 **SECTION 11.** That, pursuant to I.C. 6-1.1-12.1-12 et al, any property owner that has
7 received a deduction under section 3 or 4.5 of this chapter may be required to repay the
8 deduction amount as determined by the county auditor in accordance with section 12 of said
9 chapter if the property owner ceases operations at the facility for which the deduction was
10 granted and if the Common Council finds that the property owner obtained the deduction by
11 intentionally providing false information concerning the property owner's plans to continue
12 operation at the facility.

13 **SECTION 12.** That, this Resolution shall be in full force and effect from and after its
14 passage and any and all necessary approval by the Mayor.

Member of Council

15 APPROVED AS TO FORM AND LEGALITY

16 _____
17 Carol Helton, City Attorney



CITY OF FT. WAYNE 03/2013

CRJ
MAY 08 2019ECONOMIC REVITALIZATION AREA APPLICATION
CITY OF FORT WAYNE, INDIANA COMMUNITY DEVELOPMENT

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

- ☒ Real Estate Improvements
☐ Personal Property Improvements
☐ Vacant Commercial or Industrial Building

Total cost of real estate improvements:

\$ 500,000

Total cost of manufacturing equipment improvements:

Total cost of research and development equipment improvements:

Total cost of logistical distribution equipment improvements:

Total cost of information technology equipment improvements:

TOTAL OF ABOVE IMPROVEMENTS:

\$ 500,000

GENERAL INFORMATION

Real property taxpayer's name: H#H Leasing, LLC & Waynedale Ventures, LLC

Personal property taxpayer's name:

Telephone number: 260-433-1918

Address listed on tax bill: 11321 Thiele Road Fort Wayne, IN 46809

Name of company to be designated, if applicable: Waynedale Ventures LLC

Year company was established: 2013

Address of property to be designated: 608 Old Trail Road

Real estate property identification number: 02-12-28-433-013.000-074

Contact person name: Jerad Harlow

Contact person telephone number: 260-433-1918 Contact person Email: Jerad@propXLLC.com

Contact person address: 536 E Hawthorne St. Ft. Wayne, IN 46806

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Jerad Harlow	Members	536 E Hawthorne St	433-1918
Jeremy Harlow	Members	536 E Hawthorne St	615-9685
Sheryl Harlow	Members	11321 Thiele Rd.	705-4605

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

NAME	PERCENTAGE
Jeremy Lee Harlow	25%
Jerad Wayne Harlow	25%
Sheryl Harlow	50%

- ☐ 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? 0%

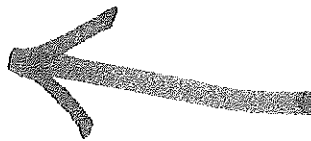
What is the company's primary North American Industrial Classification Code (NAICs)? 531110

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

Building affordable housing

Dollar amount of annual sales for the last three years:

Year	Annual Sales
2016	\$21,000
2017	\$21,000
2018	\$21,000



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

Customer Name	City/State	Annual Gross Sales
Dr. Robinsons eye clinic	Ft. Wayne, IN	\$21,000
Jarrad Hollister-AutoWorx	Ft. Wayne IN	\$10,200.00
John Shaffer	Ft. Wayne IN	\$10,200.00

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

Supplier Name	City/State	Annual Gross Purchases

List the company's top three competitors:

Competitor Name	City/State
BND Commercial	Ft. Wayne, IN

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

The project is going to consist of a multi unit complex.
8 units to rent out. It is going to help fill
a housing shortage.

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?

- 6708 Old Trail Road. It is located in EDTA area.
- It provides more housing which there is a shortage of.

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:

Bare Land

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

N/A

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

will be The project is going to consist of a multi unit complex. 8 units to rent out. It is going to help fill a housing shortage.

Projected construction start (month/year): 6/19

Projected construction completion (month/year): 4/20

☐ Yes ☒ No Will construction result in Leadership in Energy and Environmental Design (LEED) certification by the U.S. Green Building Council?

☒ Yes ☐ No Will construction use techniques to minimize impact on combined sewer overflows? (i.e. rain gardens, bio swales, etc.)

PERSONAL PROPERTY INFORMATION

Complete this section of the application if you are requesting a deduction from assessed value of new manufacturing, research and development, logistical distribution or information technology equipment.

List below the equipment for which you are seeking an economic revitalization area designation.

Manufacturing equipment must be used in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property at the site to be designated. Research and development equipment consists of laboratory equipment, research and development equipment, computers and computer software, telecommunications equipment or testing equipment used in research and development activities devoted directly and exclusively to experimental or laboratory research and development for new products, new uses of existing products, or improving or testing existing products at the site to be designated. Logistical distribution equipment consists of racking equipment, scanning or coding equipment, separators, conveyors, fork lifts or lifting equipment, transitional moving equipment, packaging equipment, sorting and picking equipment, software for technology used in logistical distribution, is used for the storage or distribution of goods, services, or information. Information technology equipment consists of equipment, including software used in the fields of information processing, office automation, telecommunication facilities and networks, informatics, network administration, software development and fiber optics: (use additional sheets, if necessary)

☐ Yes ☐ No Has the above equipment for which you are seeking a designation, ever before been used for any purpose in Indiana? If yes, was the equipment acquired at an arms length transaction from an entity not affiliated with the applicant? ☐ Yes ☐ No

☐ Yes ☐ No Will the equipment be leased?

Date first piece of equipment will be purchased (month/year): _____

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

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

ELIGIBLE VACANT BUILDING INFORMATION

Complete this section of the application if you are requesting a deduction from the current assessed value of a vacant building

☐ Yes ☐ No Has the building for which you are seeking designation for tax phase-in been unoccupied for at least one year? Please provide evidence of occupation. (i.e. certificate of occupancy, paid utility receipts, executed lease agreements)

Describe any structure(s) that is/are currently on the property:

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

Projected occupancy date (month/year): _____

Describe the efforts of the owner or previous owner in regards to selling, leasing or renting the eligible vacant building during the period the eligible vacant building was unoccupied including how much the building was offered for sale, lease, or rent by the owner or a previous owner during the period the eligible vacant building was unoccupied.

PUBLIC BENEFIT INFORMATION

EMPLOYMENT INFORMATION FOR FACILITY TO BE DESIGNATED

ESTIMATE OF EMPLOYEES AND PAYROLL FOR FORT WAYNE FACILITY REQUESTING ECONOMIC REVITALIZATION AREA DESIGNATION

Please be specific on job descriptions. When listing the occupation codes, please avoid using the "Major Occupational Groupings" (i.e. 11-000, 13-000, 15-000, etc.) which are more general in nature. Instead, use specific occupation codes (i.e. 11-1021, 13-1081, 15-2041 etc) for each created and retained job. To fill out information on occupation and occupation code, use data available through Occupation Employment Statistics for Fort Wayne http://www.bls.gov/oes/current/oes_23060.htm

Any information concerning the cost of the property and specific salaries paid to individual employees is confidential per Indiana Code (I.C. 6-1.1-12.1-5.1)

Current Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll

Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll

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

- | | | |
|--|---|---|
| ☐ Pension Plan | ☐ Major Medical Plan | ☐ Disability Insurance |
| ☐ Tuition Reimbursement | ☐ Life Insurance | ☐ Dental Insurance |

List any benefits not mentioned above:

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

REQUIRED ATTACHMENTS

The following must be attached to the application.

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

ERA filing fee (either real or personal property improvements)	.1% of total project cost not to exceed \$500
ERA filing fee (both real and personal property improvements)	.1% of total project cost not to exceed \$750
ERA filing fee (vacant commercial or industrial building)	\$500
ERA filing fee in an EDTA	\$100
Amendment to extend designation period	\$300
Waiver of non compliance with ERA filing	\$500 + ERA filing fee
4. **Owner's Certificate (if applicant is not the owner of property to be designated)
Should be marked as Exhibit B if applicable.**

CERTIFICATION

I, as the legal taxpayer and/or owner, hereby certify that all information and representations made on this application and its attached exhibits are true and complete and that no Improvement Location Permit or Structural Permit has been filed for construction of improvements, the occupation of the vacant building has not taken place and no manufacturing, research and development, logistical distribution or information technology equipment which is a part of this application been purchased and installed as of the date of filing of this application. I also certify that the taxpayer is not delinquent on any and all property tax due to taxing jurisdictions within Allen County, Indiana. I understand that any incorrect information on this application may result in a rescission of any tax phase-ins which I may receive.

I understand that I must file a correctly completed Compliance with Statement of Benefits Form (CF-1/Real Property for real property improvements, CF-1/PP for personal property improvements, and CF-1/VBD for vacant building deduction) and the Public Benefit Annual Update with the City of Fort Wayne Community Development Division in each year in which I receive a deduction. Further the CF-1/PP form must be filed with the county assessor and the CF-1/Real Property and CF-1/VBD must be filed with the county auditor. Failure to file the CF-1 form with these agencies may result in a rescission of any tax phase-in occurring as a result of this application.


Signature of Taxpayer/Owner

Jerad Harlow, member
Printed Name and Title of Applicant

4/12/19
Date



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R6 / 10-14)

Prescribed by the Department of Local Government Finance

CITY OF FT. WAYNE
CR
MAY 08 2019

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

COMMUNITY DEVELOPMENT

SECTION 1 TAXPAYER INFORMATION					
Name of taxpayer H & H Leasing LLC					
Address of taxpayer (number and street, city, state, and ZIP code) 11321 Thiele Rd Ft. Wayne IN 46809					
Name of contact person Jerad Harlow		Telephone number (260) 433-1918		E-mail address jerad@propxllc.com	
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body Waynedale Ventures LLC			Resolution number		
Location of property 6708 Old Trail Rd.		County Allen		DLGF taxing district number 674 Fort Wayne (91-95)	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Redevelop a bare piece of ground. Putting affordable housing of 8 units.			Estimated start date (month, day, year) 6/1/2019		
			Estimated completion date (month, day, year) 4/1/2020		
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number	Salaries	Number retained	Salaries	Number additional	Salaries
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
		REAL ESTATE IMPROVEMENTS			
		COST		ASSESSED VALUE	
Current values					
Plus estimated values of proposed project					
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 Jerad Harlow				Date signed (month, day, year) 4/17/19	
Printed name of authorized representative Jerad Harlow				Title Member	

The undersigned Land Surveyor, registered under the laws of the State of Indiana, hereby certifies that he has made a survey of the real estate depicted below. Measurements were made and monuments perpetuated as shown, in conformance with the record thereof in the office of the recorder of Allen County, Indiana. No encroachments existed. The description of the real estate is as follows, to wit: See Attached



For: H and H Leasing, LLC
Job No. 14100141
Date of Fieldwork: October 31, 2014

IN WITNESS WHEREOF, I HEREUNTO PLACE MY HAND AND SEAL THIS
10TH DAY OF NOVEMBER, 2014.

I hereby certify that to the best of my knowledge and belief this plat
represents a survey conducted under my supervision in accordance with
Title 865 IAC, Article 1, Rule 12, Section 1 thru 30.




Nana A. Oporu
Registered Land Surveyor 21200012

RECORD DESCRIPTION

Parcel I (Document Number 2014051209)

Lot Number 4 in Elzey's Third Addition to the Original Plat of Waynedale and Lot Number 5 in Elzey's Third Addition to the Original Plat of Waynedale, except 50 feet of even width off the West end thereof, according to the recorded plat thereof in the Office of the Recorder of Allen County, Indiana.

Parcel II (Document Number 206047077)

Parts of Lots Numbered and 3 in Elzey's Third Addition to the Original Plat of Waynedale, as recorded in Plat Record 11, page 12, and more particularly described as follows:

BEGINNING at the Northeast corner of Lot Number 3, in Elzey's Third Addition to the Original Plat of Waynedale; thence Southerly along the East line of Lots Numbered 2 and 3 in said Addition a distance of 62.50 feet; thence Westerly a distance of 76.55 feet; thence Northerly a distance of 62.25 feet to a point on the North line of Lot Number 3 in said Addition; thence Easterly along the North line of said Lot Number 3 a distance of 77.5 feet to the point of beginning, together with the following ingress and egress easement:

An ingress and egress easement over a portion of Lots #2 and 3 in Elzey's Third Addition to the Original Plat of Waynedale and more particularly described as follows:

Commencing at the Northeast corner of Lot #3 in Elzey's Third Addition to the Original Plat of Waynedale; thence South along the East line of Lot #3 and 2 in said Addition a distance of 62.5 feet to the point of beginning.

Beginning at the above described point; thence Westerly a distance of 76.55 feet along the Southern boundary of the above-described real estate; thence South 20 feet; thence East 76.55 feet parallel to the North line of this easement; thence North 20 feet, more or less to the point of beginning.

Surveyor's Report ~ Lot 4 and Part of Lots 2, 3, & 5 in Elzey's Third Addition to the Original Plat of Waynedale

SURVEYOR'S REPORT

In accordance with Title 865, Article 1, Rule 12, Section 1 through 30 of the Indiana Administrative Code, the following opinion is submitted regarding the various uncertainties in the locations of the lines and corners established on this parcel as a result of:

a) Variances in the reference monuments; b) Discrepancies in the record descriptions and plats; c) Inconsistencies in lines of occupation; d) Relative Positional Accuracy;

An electronic total station and data collector were used to collect data for physical location of pavement and lot corner monumentation was accomplished employing the total station using standard radial surveying techniques and dual GPS receivers. The bearing used as basis for this survey was derived by dual frequency GPS receivers connected to INDOT CORS Network.

INTENT: To retrace Lot 4 and parts of Lots 2, 3, & 5 in Elzey's Third Addition to the Original Plat of Waynedale; as described in Document Number 206047077 and 2014051209 all in the Office of the Recorder of Allen County, Indiana.

OCCUPATION: Shown on plat.

MONUMENTS FOUND: Found monuments, record descriptions, and recorded plat were used to establish the subject tract. Existing Lot corners were found as noted, corners not found were set as noted.

AMBIGUITIES: None

VARIATIONS:

Dimensions shown as Meas. (measured) were made by inversing between found monuments. Dimensions shown as Calc. (calculated) were developed with the intent to maintain the geometric relationship of the deed description in correlation to the monuments found.

As a result of the above findings, it is my opinion that the uncertainties in the locations of the lines and corners of this surveyed parcel are as follows:

Due to Variances in reference monuments See Certificate of Survey

Due to Discrepancies in the record descriptions: none

Due to Inconsistencies in lines of occupation: none

The calculated Relative Positional Accuracy due to random errors in measurement of the corners of this survey is within the specifications for a Suburban Survey as defined in IAC 865.

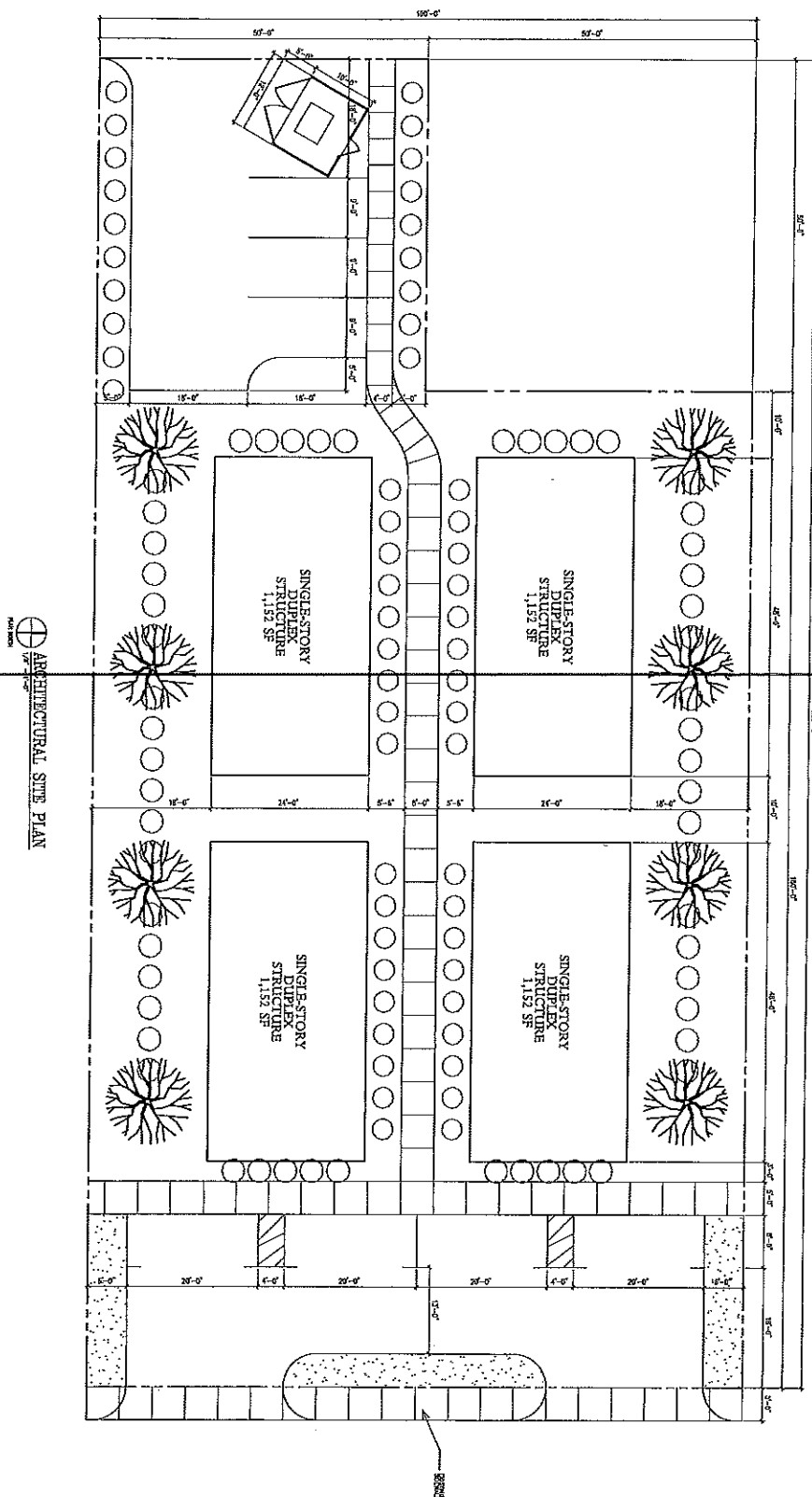
REFERENCES:

The opinion of this survey is based on the evidence extant at the date of this survey. A commitment for title insurance was not provided to this surveyor at the time of this report. An abstract or title search may reveal additional information affecting the property.

"I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security Number in this document, unless required by law"

Survey No. 14100141
APEX Consulting & Surveying
October 31, 2014

Page 2 of 2



Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Waynedale Ventures, LLC/H&H Leasing, LLC is requesting the designation of an Economic Revitalization Area for eligible real property improvements. Waynedale Ventures, LLC/H&H Leasing, LLC will construct four duplex apartment buildings resulting in eight new apartments.**

EFFECT OF PASSAGE: **Investment of \$500,000 and eight new apartments.**

EFFECT OF NON-PASSAGE: **Potential loss of investment.**

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

ASSIGNED TO COMMITTEE (PRESIDENT): **Russ Jehl and Jason Arp**

MEMORANDUM



TO: City Council

FROM: Carman Young, Economic Development Specialist

DATE: May 21, 2019

RE: Request for designation by Waynedale Ventures, LLC/H&H Leasing, LLC as an ERA for real property improvements.

BACKGROUND

PROJECT ADDRESS:	6708 Old Trail Road	PROJECT LOCATED WITHIN:	EDTA
PROJECT COST:	\$500,000	COUNCILMANIC DISTRICT:	4

COMPANY PRODUCT OR SERVICE:	Waynedale Ventures, LLC/H&H Leasing, LLC constructs affordable housing.
PROJECT DESCRIPTION:	Waynedale Ventures, LLC/H&H Leasing, LLC will construct four duplex apartment buildings resulting in eight new apartments.

CREATED

RETAINED

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

COMMUNITY BENEFIT REVIEW

Yes ☒ No ☐ N/A ☐

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

Explain: The proposed project will be constructed 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 C3, General Commercial. Use of this property is consistent with the land use policies of the City of Fort Wayne.

Yes ☐ No ☐ N/A ☒

Project encourages the improvement or replacement of a deteriorated or obsolete structure?

Yes ☐ No ☐ N/A ☒

Project encourages the improvement or replacement of obsolete manufacturing and/or research and development and/or information technology and/or logistical distribution equipment?

Yes ☐ No ☐ N/A ☒

Project will result in significant conversion of solid waste or hazardous waste into energy or other useful products?

Yes ☐ No ☐ N/A ☒

Project encourages preservation of a historically or architecturally significant structure?

Yes ☐ No ☒ N/A ☐

Construction will result in Leadership in Energy and Environmental Design (LEED) certification by the U.S. Green Building Council?

Yes ☒ No ☐ N/A ☐

Construction will use techniques to minimize impact on combined sewer overflows? (i.e. rain gardens, bio swales, etc.)

Yes ☐ No ☐ N/A ☒

ERA designation induces employment opportunities for Fort Wayne area residents?

Yes ☒ No ☐ N/A ☐

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

POLICY

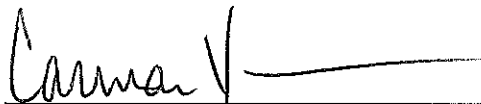
Per the policy of the City of Fort Wayne, the following guidelines apply to this project:

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

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

COMMENTS

Signed:


 Economic Development Specialist

Reviewed:


 Economic Development Administrator

FORT WAYNE COMMUNITY DEVELOPMENT DIVISION **TAX ABATEMENT - ESTIMATE OF SAVINGS**

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

REAL PROPERTY TAX ABATEMENT - 10 yr Schedule

Year	Cash Value	True Tax Value	Assessed Value	Abatement %	Tax		Deduction	Taxable AV	Tax Rate	Tax Paid	Tax Saved
					Tax Paid %						
1	\$500,000	\$500,000	\$500,000	100%	0%		\$500,000	\$0	0.03428	\$0	\$17,142
2	\$500,000	\$500,000	\$500,000	95%	5%		\$475,000	\$25,000	0.03428	\$857	\$16,284
3	\$500,000	\$500,000	\$500,000	80%	20%		\$400,000	\$100,000	0.03428	\$3,428	\$13,713
4	\$500,000	\$500,000	\$500,000	65%	35%		\$325,000	\$175,000	0.03428	\$6,000	\$11,142
5	\$500,000	\$500,000	\$500,000	50%	50%		\$250,000	\$250,000	0.03428	\$8,571	\$8,571
6	\$500,000	\$500,000	\$500,000	40%	60%		\$200,000	\$300,000	0.03428	\$10,285	\$6,857
7	\$500,000	\$500,000	\$500,000	30%	70%		\$150,000	\$350,000	0.03428	\$11,999	\$5,142
8	\$500,000	\$500,000	\$500,000	20%	80%		\$100,000	\$400,000	0.03428	\$13,713	\$3,428
9	\$500,000	\$500,000	\$500,000	10%	90%		\$50,000	\$450,000	0.03428	\$15,427	\$1,714
10	\$500,000	\$500,000	\$500,000	5%	95%		\$25,000	\$475,000	0.03428	\$16,284	\$857
11	\$500,000	\$500,000	\$500,000	0%	100%		\$0	\$500,000	0.03428	\$17,142	\$0
TOTAL TAX SAVED REAL PROPERTY (10 yrs on 10 yr deduction)											\$84,850
TOTAL TAX PAID REAL PROPERTY (10 yrs on 10 yr deduction)											\$103,706

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