

A RESOLUTION determining SUBSTANTIAL COMPLIANCE OR NON-COMPLIANCE with Statement of Benefits (CF-1) form filing for 2019 for Craftline Graphics, Inc. for property at 3522 W. Ferguson Road, Fort Wayne, IN 46809 under Confirming Resolution R-4-11 with an "Economic Revitalization Area" approved under I.C. 6-1.1-12.1

WHEREAS, Common Council has previously designated and declared by Declaratory Resolution and Confirming Resolution with approved Statement of Benefits (hereinafter "SB-1") forms, certain property for **Craftline Graphics, Inc.** as an "Economic Revitalization Area" under Sections 153.13-153.24 of the Municipal Code of the City of Fort Wayne, Indiana, and I.C. 6-1.1-12.1; and

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

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

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

WHEREAS, **Craftline Graphics, Inc.'s** approved SB-1 form stated **\$5,349,063** in annual payroll for the **137** full-time and **250** part-time retained jobs and **\$960,000** in annual payroll would be generated by the **32** full-time jobs to be created; and

WHEREAS, **Craftline Graphics, Inc.'s 2019** CF-1 form filing stated that **183** jobs were retained and **zero** jobs were created; and

WHEREAS, **Craftline Graphics Inc.'s 2019** CF-1 form filing stated **\$3,638,369** in annual payroll for the **183** jobs retained and **\$0.00** in annual payroll for the **zero** jobs created; and

WHEREAS, Common Council designated the City of Fort Wayne Community Development Division as the entity for the administration, application, processing and

1 monitoring of Economic Revitalization Areas under Section 153.13 of the Municipal
2 Code of the City of Fort Wayne; and

3 **WHEREAS**, Common Council has defined substantial compliance under Section
4 153.21 of the Municipal Code of the City of Fort Wayne as:

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

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

13 **WHEREAS**, meeting 75% of the **32** full-time jobs to be created means creating
14 **24** full-time jobs; and

15 **WHEREAS**, meeting 75% of the **\$5,349,063** in retained annual payroll means
16 **\$4,011,797** in retained annual payroll; and

17 **WHEREAS**, meeting 75% of the **\$960,000** in annual payroll to be created means
18 **\$720,000** in created annual payroll; and

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

23 **WHEREAS**, Common Council made a determination on **June 26, 2019** that
24 **Craftline Graphics, Inc.** was not in substantial compliance as a result of its failure to
25 create at least **24** jobs and at least **\$720,00** in annual payroll created, and that the failure
26 to substantially comply was not caused by factors beyond the control of **Craftline**
27 **Graphics, Inc.**; and

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

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

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

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

5 **SECTION 1.** That, Common Council finds that the CF-1 form filed by **Craftline**
6 **Graphics, Inc.** with an approved Economic Revitalization Area for **2019** are not in
7 substantial compliance pursuant to I.C. 6-1.1-12.1 and Section 153.21 of the Municipal
8 Code of the City of Fort Wayne for failure to retain **137** full-time and **250** part-time jobs
9 or **102** full-time and **187** part-time jobs stated and retain 75% of the **\$5,349,063** in
10 retained annual payroll or **\$4,011,797** in retained annual payroll state and create 75% of
11 the **32** full-time jobs or **24** jobs that were stated that would be created and create 75% of
the **\$960,000** in annual payroll or **\$720,000** that was stated that would be generated by
the created jobs.

12 **SECTION 2a. Craftline Graphics, Inc.** failed to appear and otherwise testify
13 and therefore Council confirms its determination of **June 26, 2019** that **Craftline**
14 **Graphics, Inc.** has failed to substantially comply pursuant to IC 6-1.1-12.1 and Section
15 153.21 of the Municipal Code of the City of Fort Wayne as detailed in Section 1 above.
16 Council therefore finds that **Craftline Graphics, Inc.** has failed to substantially comply
17 and said failure was not caused by factors outside of **Craftline Graphics, Inc.'s** control.
As a result of said failure, **Craftline Graphics, Inc.'s** deduction/abatement under **R-4-11**
is hereby terminated

18 **SECTION 2b.** That **Craftline Graphics, Inc.** appeared and testified at the
19 hearing and from its testimony it was determined that notwithstanding **Craftline**
20 **Graphics, Inc.'s** failure to substantially comply as detailed in Section 1 above that
21 **Craftline Graphics, Inc.** did make reasonable efforts to substantially comply with the
22 statement of benefits and **Craftline Graphics, Inc.'s** failure to substantially comply was
23 caused by factors beyond the control of **Craftline Graphics, Inc..** Therefore, the
continuation of **Craftline Graphics, Inc.'s** deduction/abatement under **R-4-11** is hereby
approved.

24 **SECTION 2c.** That **Craftline Graphics, Inc.** appeared and testified at the
25 hearing and from its testimony it was determined in addition to **Craftline Graphics,**
26 **Inc.'s** failure to substantially comply as detailed in Section 1 above, that **Craftline**
27 **Graphics, Inc.** did not make reasonable efforts to substantially comply with the
28 statement of benefits and **Craftline Graphics, Inc.'s** failure to substantially comply was
29 not caused by factors beyond the control of **Craftline Graphics, Inc.** As a result of said
30

1 failure, **Craftline Graphics, Inc.'s** deduction/abatement under **R-4-11** is hereby
2 terminated.

3 **SECTION 3.** That, this Resolution shall be in full force and effect from and after
4 its passage and any and all necessary approval by the Mayor.

5
6 _____
7 Member of Council

8
9 APPROVED AS TO FORM A LEGALITY

10
11 _____
12 Carol Helton, City Attorney

Admn. Appr. _____

DIGEST SHEET

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

DEPARTMENT REQUESTING ORDINANCE: Community Development Division

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

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

EFFECT OF NON-PASSAGE:

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

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