BILL NO. R-19-12-19

CONFIRMING RESOLUTION NO. R-________

A CONFIRMING RESOLUTION designating an "Economic Revitalization Area" and approving a waiver of non-compliance under I.C. 6-1.1-12. for 8510 Ardmore Avenue, Fort Wayne, Indiana 46809, (Sabert Corporation/STN Realty Fort Wayne, LLC)

WHEREAS, Common Council has previously designated and declared by Declaratory Resolution the following described property as an "Economic Revitalization Area" under Sections 153.13-153.24 of the Municipal Code of the City of Fort Wayne, Indiana, and I.C. 6-1.1-12.1, to wit:

Attached hereto as "Exhibit A" as if a part herein; and

WHEREAS, said project will create 19 full-time, permanent jobs for a total additional annual payroll of $1,458,600, with the average additional, annual job salary being $76,768 and retain 62 full-time permanent jobs with a total current payroll of $4,024,900 with the average current, annual salary of $64,917; and

WHEREAS, the total estimated project cost is $30,670,590; and

WHEREAS, representatives of Sabert Corporation/STN Realty Fort Wayne, LLC informed Common Council that the real and personal property improvements for which they are requesting designation of an Economic Revitalization Area under I.C. 6-1.1-12.1 have been initiated; and

WHEREAS, Sabert Corporation/STN Realty Fort Wayne, LLC has submitted a written request for a waiver of non-compliance under I.C. 6-1.1-12.1-11.3; and

WHEREAS, I.C. 6-1.1-12.1-11.3 permits non-compliance events such as the untimely filing of an application, statement of benefits, or another document required to be filed under I.C. 6-1.1-12.1; and

WHEREAS, the Common Council acknowledges that Sabert Corporation/STN Realty Fort Wayne, LLC has requested a waiver of non-compliance which the Common Council has the power and authority to approve under I.C. 6-1.1-12.1-11.3; and

WHEREAS, Common Council finds that Sabert Corporation/STN Realty Fort Wayne, LLC did not comply with I.C. 6-1.1-12.1 by:

(a) failure to provide the completed statement of benefits forms to the Common Council before the public hearing,

(b) failure to submit the completed statement of benefits form to the Common Council before initiation of redevelopment or rehabilitation,

WHEREAS, notice of the adoption and substance of said Resolution has been published in accordance with I.C. 6-1.1-12.1-2.5, I.C. 6-1.1-12.1-11.3(c) and I.C. 5-3-1and a public hearing has been conducted on said Resolution and waiver.

WHEREAS, representatives of Sabert Corporation/STN Realty Fort Wayne, LLC were in attendance and presented testimony on why a waiver should be granted; and

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

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

SECTION 1. That, Common Council hereby adopts a waiver of non-compliance with I.C. 6-1.1-12.1-11.3 regarding:

(a) failure to provide the completed statement of benefits forms to the common council before the public hearing,

(b) failure to submit the completed statement of benefits form to the common council before initiation of redevelopment or rehabilitation, and for which Sabert Corporation/STN Realty Fort Wayne, LLC desires to claim an Economic Revitalization Area deduction. Such waiver shall be in effect for real property improvements made during the period of February 1, 2019 through the date of this resolution.

SECTION 2. That, the Resolution previously designating the above described property as an "Economic Revitalization Area" is confirmed in all respects.

SECTION 3. That, the hereinabove described property is hereby declared an "Economic Revitalization Area" pursuant to I.C. 6-1.1-12.1, said designation to begin on the effective date of this Resolution and shall terminate on December 31, 2021, unless otherwise automatically extended in five year increments per I.C. 6-1.1-12.1-9.

SECTION 4. 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 February 1, 2019 and January 31, 2020 and personal property for new manufacturing, research and development, logistical distribution and information technology equipment improvements to be made between December 1, 2019 and May 31, 2020.

SECTION 5. That, the estimate of the number of individuals that will be employed or whose employment will be retained and the estimate of the annual salaries of those individuals and the estimate of redevelopment or rehabilitation and estimate of the value of the new manufacturing, research and development, logistical distribution and information technology 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 the new manufacturing, research and development, logistical distribution and information technology equipment.

SECTION 6. 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).

(d) If the proposed new manufacturing, research and development, logistical distribution and information technology equipment is not installed, the approximate current year tax rates for this site would be $3.4283/$100.

(e) If the proposed new manufacturing, research and development, logistical distribution and information technology equipment is installed and no deduction is granted, the approximate current year tax rate for the site would be $3.4283/$100 (the change would be negligible).

(f) If the proposed new manufacturing, research and development, logistical distribution and information technology equipment is installed and a deduction percentage of eighty percent (80%) is assumed, the approximate current year tax rate for the site would be $3.4283/$100 (the change would be negligible).

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%

SECTION 9. The deduction schedule from the assessed value of new manufacturing, research and development, logistical distribution 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	90%
3	80%
4	70%
5	60%
6	50%
7	40%
8	30%
9	20%
10	10%
11	0%

SECTION 10. 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 11. For manufacturing, research and development, logistical distribution and information technology equipment, a deduction application must contain a performance report showing the extent to which there has been compliance with the Statement of Benefits form approved by Common Council at the time of filing. This report must be submitted to the Allen County Assessor's Office and the City of Fort Wayne's Community Development Division and must be included with the deduction application. For subsequent years, the performance report must be updated and submitted along with the deduction application at the time of filing.

SECTION 12. For real property, a deduction application must contain a performance report showing the extent to which there has been compliance with the Statement of Benefits form approved by the Common Council at the time of filing. This report must be submitted to the Allen County Auditor's Office and the City of Fort Wayne's Community Development Division and must be included in the deduction application. For subsequent years, the performance report must be updated each year in which the deduction is applicable at the same time the property owner is required to file a personal property tax return in the taxing district in which the property for which the deduction was granted is located. If the taxpayer does not file a personal property tax return in the taxing district in which the property is located, the information must be provided by May 15.

SECTION 13. The performance report must contain the following information:

A. The cost and description of real property improvements and/or new manufacturing, logistical distribution and information technology equipment acquired.

B. The number of employees hired through the end of the preceding calendar year as a result of the deduction.

C. The total salaries of the employees hired through the end of the preceding calendar year as a result of the deduction.

D. The total number of employees employed at the facility receiving the deduction.

E. The total assessed value of the real and/or personal property deductions.

F. The tax savings resulting from the real and/or personal property being abated.

SECTION 14. That, the taxpayer is non-delinquent on any and all property tax due to jurisdictions within Allen County, Indiana.

SECTION 15. 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.

SECTION 16. 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

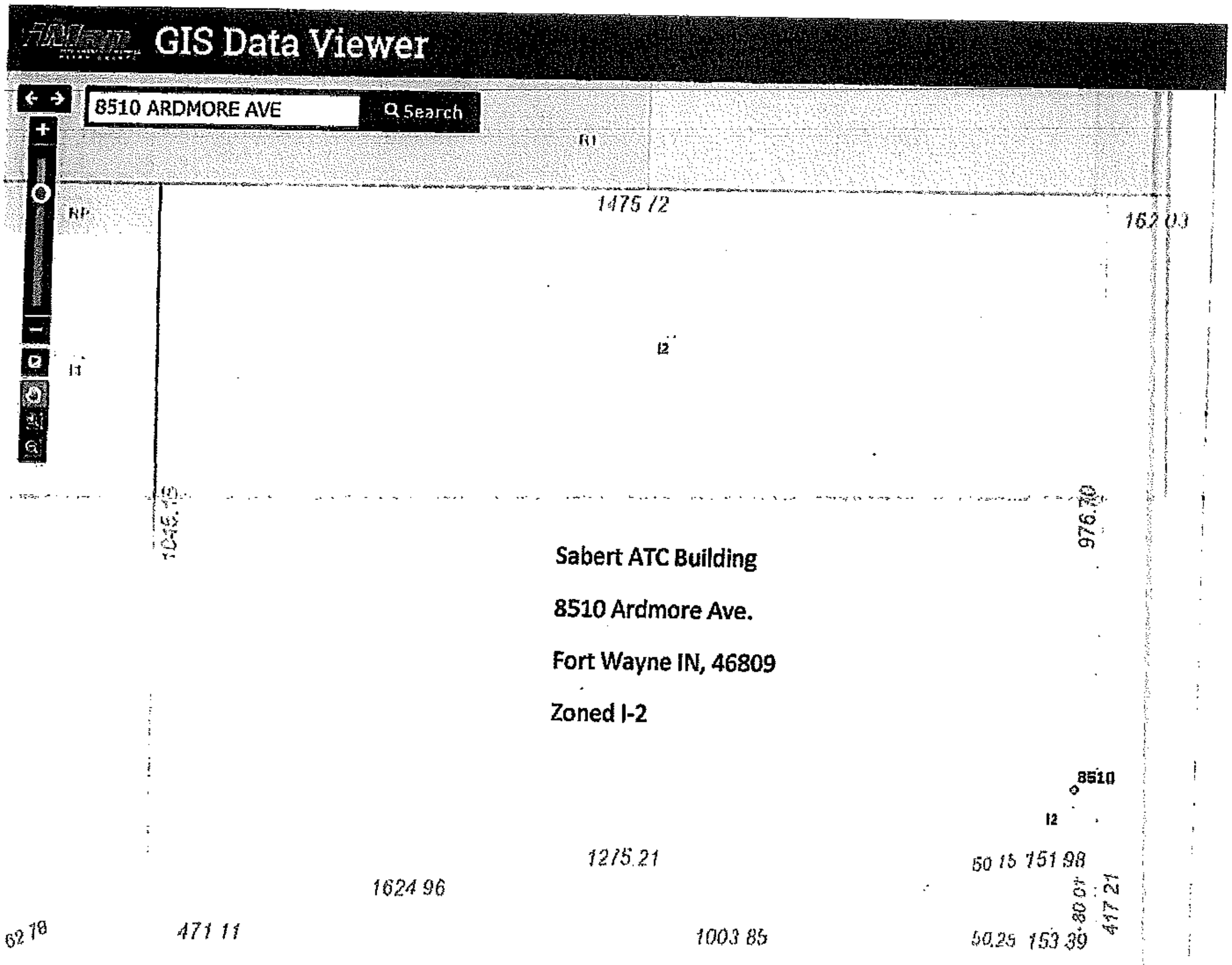
APPROVED AS TO FORM A LEGALITY

____
Carol Helton, City Attorney

EXHIBIT A

PARCEL DESCRIPTION (Title Commitment No. 1830463)

COMMENCING at the Southeast corner of the Southeast Quarter of said Section 32, Township 30 North, Range 12 East as marked by a Harrison monument; thence North 00 degrees 15 minutes 52 seconds West (adjoining deed bearing and is used as the basis for the bearings in this description), along the East line of said Southeast Quarter, a distance of 1605.66 feet; thence South 89 degrees 22 minutes 24 seconds West, a distance of 146.19 feet to a mag nail with "Tazian Assoc. Firm #0020" disk at the Northeast corner of Gulfstream Drive as recorded in Document Number 2015053264 in the Office of the Recorder of Allen County, Indiana, this being the POINT OF BEGINNING; thence Northerly, along the Westerly right-of-way of Ardmore Avenue as defined by a curve to the right having a radius of 11546.54 feet, an arc distance of 56.94 feet, being subtended by a chord having a length of 56.94 feet and a bearing of North 01 degrees 18 minutes 13 seconds West to a mag nail with "Tazian Assoc. Firm #0020" disk; thence North 01 degrees 09 minutes 42 seconds West, continuing along said Westerly right-of-way of Ardmore Avenue, a distance of 976.70 feet to the intersection of said Westerly right-of-way with the North line of the Southeast Quarter of said Section 32; thence South 89 degrees 41 minutes 23 seconds West, along said North line, a distance of 1475.72 feet to a 5/8-inch rod with "Tazian Assoc. Firm #0020" cap; thence South 01 degrees 05 minutes 14 seconds East, along a line partially defined by the Westerly line of a 100 foot wide easement granted to AEP Indiana Michigan by deed recorded in Document Number 2017014329, a distance of 1045.15 feet to a 5/8-inch rod with "Tazian Assoc. Firm #0020" cap on the Northerly right-of-way of the aforesaid Gulfstream Drive; thence North 89 degrees 26 minutes 38 seconds East, along said Northerly right-of-way, a distance of 1275.21 feet to a 5/8-inch rod with "Tazian Assoc. Firm #0020" cap; thence North 83 degrees 43 minutes 21 seconds East, continuing along said Northerly right-of-way, a distance of 50.15 feet to a 5/8-inch rod with "Tazian Assoc. Firm #0020" cap; thence North 89 degrees 22 minutes 24 seconds East, continuing along said Northerly right-of-way, a distance of 151.98 feet to the Point of Beginning, containing 35.29 acres of land, more or less.



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Fort Wayne Common Council

Citizen's Square

200 E. Berry Street Suite 120

Fort Wayne, IN 46802

Sabert Corporation is applying for a waiver of non-compliance related to the construction of our Advanced Technology Center located at 8510 Ardmore Avenue, Fort Wayne, IN 46809. The project started prior to submitting the application due to the turnover of the Plant Controller position at our Fort Wayne manufacturing plant. Work was beginning as the new controller was starting and there was confusion between this application and at the state level. We appreciate the council's understanding in this matter and appreciate the consideration of the application at such a late date.

Sincerely,

James McFadden

Fort Wayne Plant Controller

www.sabert.com

3511 Engle Road
Fort Wayne, IN 46809

Phone: (260) 747-3149
Fax: (260) 747-1598

Admn. Appr.____________

DIGEST SHEET

TITLE OF ORDINANCE: **Confirming Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **This is to approve a waiver of non-compliance for late filing and to confirm the designation of an Economic Revitalization Area for Sabert Corporation/STN Realty Fort Wayne, LLC for eligible real and personal property improvements. Sabert Corporation/STN Realty Fort Wayne will construct a new manufacturing, tooling, and testing facility for thermoforming manufacturing operation for food packaging products. Sabert Corporation/STN Realty Fort Wayne will also purchase and install new personal property manufacturing, research and development, logistical distribution and information technology equipment.**

EFFECT OF PASSAGE: **Investment of $30,670,590, the retention of 62 full-time permanent jobs with an annual payroll of $4,024,900 and the creation of 19 new full-time permanent jobs with an annual payroll of $1,458,600.**

EFFECT OF NON-PASSAGE: **Potential loss of investment, the retention of 62 full-time permanent jobs with an annual payroll of $4,024,900 and the creation of 19 new full-time permanent jobs with an annual payroll of $1,458,600.**

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

ASSIGNED TO COMMITTEE (CO-CHAIRS): **Russ Jehl and Jason Arp**