BILL NO. R-20-07-20

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 4108 W. Ferguson Road, Fort Wayne, Indiana 46809 (Ellison Bakery LLC)

WHEREAS, Petitioner has duly filed its petition dated June 6, 2020 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 25 full-time, permanent jobs for a total created, annual payroll of $1,013,480, with the average created annual job salary being $40,539 and retain 163 full-time, permanent jobs for a total retained annual payroll of $6,227,162, with the average retained, annual job salary being $38,203; and

WHEREAS, the total estimated project cost is $9,700,000; 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 personal property for new manufacturing equipment improvements to be made between June 1, 2020 and December 31, 2023.

SECTION 4. That, the estimate of the number of individuals that will be employed or whose employment will be retained and the estimate of the annual salaries of those individuals and the estimate of the value of new personal property manufacturing equipment, all contained in Petitioner's Statement of Benefits, are reasonable and are benefits that can be reasonably expected to result from the proposed described installation of new personal property manufacturing equipment.

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

(a) If the proposed new personal property manufacturing equipment is not installed, the approximate current year tax rates for this site would be $2.9190/$100.

(b) If the proposed new personal property manufacturing equipment is installed and no deduction is granted, the approximate current year tax rate for the site would be $2.9190/$100 (the change would be negligible).

(c) If the proposed new personal property manufacturing equipment is installed and a deduction percentage of eighty percent (80%) is assumed, the approximate current year tax rate for the site would be $2.9190/$100 (the change would be negligible).

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 That, this Resolution shall be subject to being confirmed, modified and confirmed, or rescinded after public hearing and receipt by Common Council of the above described recommendations and resolution, if applicable.

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

SECTION 8. The deduction schedule from the assessed value of new personal property manufacturing 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 9. That, the benefits described in the Petitioner's Statement of Benefits can be reasonably expected to result from the project and are sufficient to justify the applicable deductions.

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

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

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

____

Member of Council

APPROVED AS TO FORM AND LEGALITY

____

Carol Helton, City Attorney

CITY OF FT. WAYNE
JUN 06 2020 CRY
COMMUNITY DEVELOPMENT

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:	
Total cost of manufacturing equipment improvements:	$9,700,000.00
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:	$9,700,000.00

GENERAL INFORMATION

Real property taxpayer's name: Ellison Bakery LLC

Personal property taxpayer's name: Ellison Bakery LLC

Telephone number: (800) 711-8091

Address listed on tax bill: 4108 W Ferguson Road, Fort Wayne, IN 46809

Name of company to be designated, if applicable: ______

Year company was established: 1945

Address of property to be designated: 4108 W Ferguson Road, Fort Wayne, IN 46809

Real estate property identification number: 02-17-05-477-004.000-080

Contact person name: Brant Gerber

Contact person telephone number: 260-747-6136 Contact email: brantgerber@ebakery.com

Contact person address: 4108 W Ferguson Road, Fort Wayne, IN 46809

List company officer and/or principal operating personnel

NAME	TITLE	ADDRESS	PHONE NUMBER
Stephanie Chattillion	CEO	4108 W Ferguson Rd, Fort Wayne, IN 46809	800-711-8091
Annette Apel	CFO	4108 W Ferguson Rd, Fort Wayne, IN 46809	800-711-8091
Todd Wallin	COO	4108 W Ferguson Rd, Fort Wayne, IN 46809	800-711-8091

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

NAME	PERCENTAGE
Bakery Consolidation Company, LLC	100.00%

☐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? N/A
What percentage of sales is made to the ultimate customer? N/A
What percentage of sales will be from service calls? N/A

What is the percentage of clients/customers served that are located outside of Allen County? 99%

What is the company's primary North American Industrial Classification Code (NAICs)? 311821

Describe the nature of the company's business, product, and/or service: Founded in 1945, Ellison Bakery has established a distinguished reputation of producing high-quality baked goods made from only the finest ingredients. Over time, Ellison has experienced multiple expansions and its products are now sold throughout the entire U.S - all while remaining a family-owned business committed to excellence in all phases of its operations.

Dollar amount of annual sales for the last three years:

Year	Annual Sales

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

Customer Name	City/State	Annual Gross Sales

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

Describe the product or service to be produced or offered at the project site: Ellison produces a variety of high quality baked good, including cookie products and crunch and inclusion products. Ellison has the ability to internally design and custom manufacture new products to meet customer needs.

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?

Ellison Bakery is located adjacent to the airport, making the site undesirable for many development uses. As a food processing facility, production equipment can become quickly obsolete as new processes, regulations, and consumer demands arise. Investing in new production equipment will continue to strengthen Ellison's presence, while also continuing to represent the highest and best use of the existing facility. This capital investment in equipment will enable Ellison to better serve out of state customers' production needs - effectively bringing production into Indiana that currently occurs outside the state.

REAL PROPERTY INFORMATION

Complete this section of the application if you are requesting a deduction from assessed value for real property improvements.

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

____

____

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

____

____

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

____

____

____

____

Projected construction start (month/year): ____________________

Projected construction completion (month/year): ____________________

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

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

This project will adhere to all applicable federal, state, and municipal statutes, regulations, ordinances and codes, including but not limited to all Indiana and Allen County Building Codes and the Allen County Zoning Ordinance. Adherence to all applicable federal, state, and municipal statutes, regulations, ordinances and codes will be maintained throughout all design, permitting, contractor licensure, and construction phases of the Property owner's project. Said adherence shall be attested to on the initial tax phase-in application and each annual Compliance with Statement of Benefits Form.

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)

Ellison Bakery intends to purchase new production and manufacturing equipment in an effort to modernize its current processes and manufacturing operations. The equipment will be utilized in all phases of the Company's manufacturing operations. A listing is attached.

☐ 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): 6/1/2020

Date last piece of equipment will be installed (month/year): 12/31/2023

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

See attached.

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)

What year was the structure built? ____________________

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.

____

____

____

____

____

____

____

____

This project will adhere to all applicable federal, state, and municipal statutes, regulations, ordinances and codes, including but not limited to all Indiana and Allen County Building Codes and the Allen County Zoning Ordinance. Adherence to all applicable federal, state, and municipal statutes, regulations, ordinances and codes will be maintained throughout all design, permitting, contractor licensure, and construction phases of the Property owner's project. Said adherence shall be attested to on the initial tax phase-in application and each annual Compliance with Statement of Benefits Form.

PUBLIC BENEFIT INFORMATION

EMPLOYMENT INFORMATION FOR FACILITY TO BE DESIGNATED

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

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

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

Current Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
See attached			

Retained Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
See attached			

Additional Full-Time Employment

Occupation	Occupation Code	Number of Jobs	Total Payroll
See attached			

PUBLIC BENEFIT INFORMATION

Current Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
See attached			

Retained Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
See attached			

Additional Part-Time or Temporary Jobs

Occupation	Occupation Code	Number of Jobs	Total Payroll
See attached			

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) Retirement Plan and Section 125

When will you reach the levels of employment shown above? (month/year): December 31, 2023

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 $1,000
ERA filing fee (both real and personal property improvements)	.1% of total project cost not to exceed $1,500
ERA filing fee (vacant commercial or industrial building)	$500
ERA filing fee in an EDTA	$200
Amendment to extend designation period	$300
Waiver of non-compliance with ERA filing	$1,000 + 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 have 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

Brant Gerber, Controller

Printed Name and Title of Applicant

4/28/2020

Date

Return completed application to Community Development staff at 200 E. Berry Street Suite 320 Fort Wayne, IN 46802

Exhibit A

IDENTIFICATION OF PROPERTY:

Subject property is located at 4108 Ferguson Road, Fort Wayne, Indiana 46809.

LEGAL DESCRIPTION:

The following legal descriptions have been obtained from the property owner. These legal descriptions are assumed to be equal to those used in the mortgage underwriting process.

Beginning on the South line of the Southeast Quarter of said Section 5 at a point situated 659.0 feet, N 89°-08' E (deed bearing and is used as the basis for the bearings in this description) from the Southwest corner of the Southeast Quarter of said Southeast Quarter; thence N 89°-08' E, on and along said South line, being within the right-of-way of Ferguson Road, a distance of 415.0 feet; thence N 01°-41' W and parallel to the West line of the Southeast Quarter of said Southeast Quarter, a distance of 654.55 feet to a point on the South right-of-way line of Piper Drive (formerly "C" Street); thence S 88°-11' W, on and along said South right-of-way line, a distance of 415.0 feet; thence S 01°-41' E and parallel to said West line, a distance of 647.5 feet to the point of beginning, containing 6.202 acres of land (270,148 square feet), subject to legal right-of-way for Ferguson Road and subject to all easements of record.

and

Commencing at a 5/8 diameter rebar with an orange identification cap stamped "SCO Engineering LLC-Firm #0053-Boundry Point" at the Southwest Corner of the Southeast Quarter of the Southeast Quarter of Fractional Section 5; Township 29 North, Range 12 East, Second Principal Meridian, Pleasant Civil Township, Allen County, Indiana; thence North 89 degrees 30 minutes 47 seconds East (calculated bearing per the Fort Wayne International Airport—Horizontal and Vertical Control Plan and is the basis for this and all subsequent bearings appearing in this description), along the South line of the Southeast Quarter of the Southeast Quarter of said Fractional Section, being within the right-of-way of Ferguson Road, a distance of 1065.00 feet to a survey marker nail with an identification washer stamped "SCO Engineering-Firm #0053" at the point of beginning for the parcel herein described; thence North 01 degrees 07 minutes 33 seconds West, parallel with the West line of the Southeast Quarter of the Southeast Quarter of said Fractional Section, a distance of 678.57 feet to a survey marker nail with an identification washer stamped "SCO Engineering-Firm #0053" on the centerline of Piper Drive (formerly "C" Street); thence North 88 degrees 41 minutes 39 seconds East, along the centerline of Piper Drive, a distance of 146.80 feet to a P.K. nail on the centerline of Sixth Street; thence South 01 degrees 13 minutes 46 seconds East, along the centerline of Sixth Street, a distance of 680.68 feet to a survey marker nail with an identification washer stamped "SCO Engineering-Firm #0053" on the South line of the Southeast Quarter of the Southeast Quarter of said Fractional Section; thence South 89 degrees 30 minutes 47 seconds West, along the South line of the Southeast Quarter of the Southeast Quarter of said Fractional Section, a distance of 148.04 feet to the point of beginning for the parcel herein described, containing 2.30 acres of land, more or less.

Employee Listing: Ellison Bakery Abatement

Occupation Description	Occupation Code	Number of Jobs	Total Salary
Current/Retained Full-Time Employees			
Computer Network Support Specialist	15-1152	2	74,397
Line Inspectors	51-9061	6	147,283
Line Packers	51-9111	39	979,245
Machine Operators	51-9023	26	858,875
Maintenance & Repair Workers	49-9071	11	536,572
Quality Assurance Technician	51-9198	6	171,744
R&D/Lab assistant	19-4031	2	72,931
Office	43-3031	4	122,234
Sanitation	37-2011	7	208,522
Seal-out / Wrapper Operator	51-9198	9	246,010
Shift Supervisors	51-1011	7	279,720
Utility Operator/Machine Breaker	51-9032	15	439,033
Warehouse	53-7064	4	134,714
Assistant Warehouse Mgr	53-1021	2	78,506
HR Specialist	13-1071	2	84,177
Industrial Production Managers	11-3051	6	318,786
Purchasing Agent	13-1023	2	147,343
Sales Representative	41-4012	2	173,344
Customer Service	41-4012	2	102,075
Financial Manager	11-3031	2	140,618
Chief Executives	11-1011	7	911,035
		163	$ 6,227,162.60
Additional Full-Time Employees			
Maintenance & Repair Workers	49-9071	2	112,450
Machine Operators	51-9023	5	208,354
Utility Operators	51-9032	11	428,873
Line Packers	51-9111	3	105,416
Warehouse	53-7064	2	83,341
Sanitation	37-2011	2	75,046
		25	$ 1,013,480.00

Equipment Listing: Ellison Bakery Abatement

Equipment Description	Depreciation Life
Oven	7 years
Mixer	7 years
Mixer integration	7 years
Metal detector (x2)	7 years
Fuji rebuild or new	7 years
Conveyoring	7 years
Scale for bagger	7 years
Labeling equipment	7 years
Packaging conveyors	7 years
Check weigher	7 years
Bulk delivery system	7 years
Dough troughs (x 3)	7 years
Rotary dies (x 2-4)	7 years
Hoist system	7 years
Oil spray system	7 years
Various production equipment	7 years

STATEMENT OF BENEFITS
PERSONAL PROPERTY
State Form 51764 (R3 / 12-13)
Prescribed by the Department of Local Government Finance

CITY OF FT. WAYNE
JUN 06 2020 CRY
COMMUNITY DEVELOPMENT

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 March 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 March 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: Ellison Bakery LLC	Name of contact person: Brant Gerber
Address of taxpayer *(number and street, city, state, and ZIP code)*: 4108 W. Ferguson Road, Fort Wayne, IN 46809	Telephone number: (800) 711-8091

SECTION 2 — LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body: Fort Wayne Common Council		Resolution number (s):
Location of property: 4108 W. Ferguson Road, Fort Wayne, IN 46809	County: Allen	DLGF taxing district number: 02080

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.)*
The manufacturing equipment that will be purchased will be used to update and modernize the Company's manufacturing processes and operations.

	ESTIMATED START DATE	ESTIMATED COMPLETION DATE
Manufacturing Equipment	06/01/2020	12/31/2023
R & D Equipment		
Logist Dist Equipment		
IT Equipment		

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
163	$6,227,162.60	163	$6,227,162.60	25	$1,013,480

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	9,700,000							
Less values of any property being replaced								
Net estimated values upon completion of project	9,700,000							

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: [signature]	Date signed *(month, day, year)*: April 29, 2020
Printed name of authorized representative: Brant Gerber	Title: Controller

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed — calendar years * *(see below)*. The date this designation expires is December 31, 2021.

B. The type of deduction that is allowed in the designated area is limited to:
1. Installation of new manufacturing equipment; ☒ Yes ☐ No
2. Installation of new research and development equipment; ☐ Yes ☒ No
3. Installation of new logistical distribution equipment. ☐ Yes ☒ No
4. Installation of new information technology equipment; ☐ Yes ☒ No

C. The amount of deduction applicable to new manufacturing equipment is limited to $ Unlimited cost with an assessed value of $ Unlimited.

D. The amount of deduction applicable to new research and development equipment is limited to $ N/A cost with an assessed value of $ N/A.

E. The amount of deduction applicable to new logistical distribution equipment is limited to $ N/A cost with an assessed value of $ N/A.

F. The amount of deduction applicable to new information technology equipment is limited to $ N/A cost with an assessed value of $ N/A.

G. Other limitations or conditions *(specify)* N/A

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction is allowed for:

☐ Year 1 ☐ Year 2 ☐ Year 3 ☐ Year 4 ☐ Year 5 (see below *)
☐ Year 6 ☐ Year 7 ☐ Year 8 ☐ Year 9 ☒ Year 10

I. For a Statement of Benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17? ☒ Yes ☐ No
If yes, attach a copy of the abatement schedule to this form.
If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved by: *(signature and title of authorized member of designating body)*	Telephone number ( )	Date signed *(month, day, year)*
Printed name of authorized member of designating body	Name of designating body	
Attested by: *(signature and title of attester)*	Printed name of attester	

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

IC 6-1.1-12.1-17
Abatement schedules
Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:
(1) The total amount of the taxpayer's investment in real and personal property.
(2) The number of new full-time equivalent jobs created.
(3) The average wage of the new employees compared to the state minimum wage.
(4) The infrastructure requirements for the taxpayer's investment.
(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.
(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

MEMORANDUM

TO: City Council

FROM: Carman Young, Economic Development Specialist

DATE: July 18, 2020

RE: Request for designation by Silverado Cook Properties, LLC as an ERA for personal property manufacturing equipment improvements.

BACKGROUND

PROJECT ADDRESS:	**4108 W. Ferguson Road**	PROJECT LOCATED WITHIN:	**N/A**
PROJECT COST:	**$14,000,000**	COUNCILMANIC DISTRICT:	**4**

COMPANY PRODUCT OR SERVICE:	**Ellison Bakery LLC is a family owned bakery established in 1945**
PROJECT DESCRIPTION:	**Ellison Bakery LLC is purchasing and installing new personal property manufacturing equipment.**

CREATED		RETAINED	
JOBS CREATED (FULL-TIME):	**25**	JOBS RETAINED (FULL-TIME):	**163**
JOBS CREATED (PART-TIME):	**0**	JOBS RETAINED (PART-TIME):	**0**
TOTAL NEW PAYROLL:	**$1,013,480**	TOTAL RETAINED PAYROLL:	**$6,227,162**
AVERAGE SALARY (FULL-TIME NEW):	**$40,539**	AVERAGE SALARY (FULL-TIME RETAINED):	**$38,203**

COMMUNITY BENEFIT REVIEW

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

Yes ☒ **No** ☐ **N/A** ☐ Real estate to be designated is consistent with land use policies of the City of Fort Wayne?
Explain: Property to be designated is zoned C-1, Professional Office and Personal Services. 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: New personal property manufacturing equipment will be purchased and installed.

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: 25 new full-time permanent positions will be created with an annual payroll of $1,013,480, and 163 full-time permanent positions will be retained with an annual payroll of $6,227,162.**
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 speculative real property improvements is ten years.

Under Fort Wayne Common Council's tax abatement policies and procedures, Ellison Bakery LLC is eligible for a recommended ten year deduction on personal property manufacturing equipment improvements. Attached is a calculation of property taxes saved/paid with the deduction.

COMMENTS

Signed: ______________________

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

Ellison Bakery

PERSONAL PROPERTY TAX ABATEMENT - 10 yr Schedule

Year	True Cash Value	"Pool 2"	True Tax Value	Assessed Value	Abatement %	Tax Paid %	Deduction	Taxable A V	Tax Rate	Tax Paid	Tax Saved
1	$9,700,000	40%	$3,880,000	$3,880,000	100%	0%	$3,880,000	$0	0.029172	$0	$113,187
2	$9,700,000	56%	$5,432,000	$5,432,000	90%	10%	$4,888,800	$543,200	0.029172	$15,846	$142,616
3	$9,700,000	42%	$4,074,000	$4,074,000	80%	20%	$3,259,200	$814,800	0.029172	$23,769	$95,077
4	$9,700,000	32%	$3,104,000	$3,104,000	70%	30%	$2,172,800	$931,200	0.029172	$27,165	$63,385
5	$9,700,000	30%	$2,910,000	$2,910,000	60%	40%	$1,746,000	$1,164,000	0.029172	$33,956	$50,934
6	$9,700,000	30%	$2,910,000	$2,910,000	50%	50%	$1,455,000	$1,455,000	0.029172	$42,445	$42,445
7	$9,700,000	30%	$2,910,000	$2,910,000	40%	60%	$1,164,000	$1,746,000	0.029172	$50,934	$33,956
8	$9,700,000	30%	$2,910,000	$2,910,000	30%	70%	$873,000	$2,037,000	0.029172	$59,423	$25,467
9	$9,700,000	30%	$2,910,000	$2,910,000	20%	80%	$582,000	$2,328,000	0.029172	$67,912	$16,978
10	$9,700,000	30%	$2,910,000	$2,910,000	10%	90%	$291,000	$2,619,000	0.029172	$76,401	$8,489
11	$9,700,000	30%	$2,910,000	$2,910,000	0%	100%	$0	$2,910,000	0.029172	$84,891	$0
							TOTAL TAX SAVED		(10 yr deduction)		$592,536
							TOTAL TAX PAID		(10 yr deduction)		$482,744

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

Admn. Appr.____________

DIGEST SHEET

TITLE OF ORDINANCE: **Declaratory Resolution**

DEPARTMENT REQUESTING ORDINANCE: **Community Development Division**

SYNOPSIS OF ORDINANCE: **Ellison Bakery LLC is requesting the designation of an Economic Revitalization Area for eligible personal property improvements. Ellison Bakery LLC purchase and install new personal property manufacturing equipment.**

EFFECT OF PASSAGE: **Investment of $14,000,000, the retention of 163 full-time permanent jobs with an annual payroll of $6,227,162 and the creation of 25 new full-time permanent jobs with an annual payroll of $1,013,480.**

EFFECT OF NON-PASSAGE: **Potential loss of investment, the retention of 163 full-time permanent jobs with an annual payroll of $6,227,162 and the creation of 25 new full-time permanent jobs with an annual payroll of $1,013,480.**

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

ASSIGNED TO COMMITTEE (PRESIDENT): **Jason Arp and Sharon Tucker**