

**A RESOLUTION OF THE  
COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA,  
PLEDGING LOCAL INCOME TAX REVENUE TO PAY THE COSTS  
ASSOCIATED WITH CERTAIN PUBLIC INFRASTRUCTURE  
ASSOCIATED WITH A NEW ECONOMIC DEVELOPMENT PROJECT  
IN THE CITY TO BE KNOWN AS ELECTRIC WORKS, TO BE  
UNDERTAKEN BY RTM VENTURES LLC**

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WHEREAS, on October 12, 2020, the Fort Wayne Redevelopment Commission (the “Commission”) entered into an Economic Development Agreement (the “EDA”) with RTM Ventures LLC (the “Developer”), wherein the Developer agreed to develop, construct and rehabilitate a portion of the former General Electric campus located south of downtown Fort Wayne into a mixed-use district to be called Electric Works, constituting an aggregate investment of approximately Two Hundred Eighty-Five Million Dollars (\$285,000,000) (the “Project”); and

WHEREAS, the Commission has determined that completion of the Project is in the best interests of the citizens and taxpayers of the City and, to stimulate and induce the development of the Project, the Commission agreed in the EDA to provide certain incentives in exchange for the development of the Project, including, but not limited to the financing of certain off-site public improvements supporting the Project in the not-to-exceed amount of \$5,665,752, as more particularly described on Exhibit A (the “Off-Site Public Improvements”); and

WHEREAS, the Developer has provided the up-front funds for construction of the Off-Site Public Improvements and the Commission, with the support of the Common Council, anticipates reimbursing the Developer for the cost of the Off-Site Public Improvements with Local Income Tax Revenues (“LIT Revenues”), to be

1 paid to Developer in four annual installments between 2022 and 2025 pursuant to the  
2 schedule contained in Exhibit B, and

3 WHEREAS, Commission will reimburse the LIT Revenues through funds  
4 received from the Summit City Entrepreneur and Enterprise District Participation Fee  
5 which total twenty percent (20%) of the property tax savings received from the property  
6 tax deduction in each of the years that a deduction is realized (the “SEED Participation  
7 Fee”), and, after the expiration of the Developer’s SEED tax deduction, through  
8 incremental tax revenues generated by the Project (the “Tax Increment”); and  
9

10 WHEREAS, the Common Council has determined that the completion of  
11 the Project is in the best interests of the citizens and taxpayers of the City and desires to  
12 provide for the stimulation and inducement of the Project and appropriate the LIT  
13 Revenues as provided in this Resolution;  
14

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

17 1. The Common Council finds, determines, ratifies and confirms that  
18 the Project is in the best interests of the citizens and taxpayers of the City of Fort Wayne  
19 and will support the redevelopment goals of the City of Fort Wayne.  
20

21 2. Pursuant to and in accordance with Indiana Code 5-1-14-4 and 6-  
22 3.6-10-6, the Common Council does hereby approve the use of LIT Revenues for  
23 payment of the actual cost of the Off-Site Public Improvements in the not to exceed  
24 amount of Five Million Six Hundred Sixty Five Thousand Seven Hundred Fifty-Two  
25 Dollars (\$5,665,752), to be paid pursuant to the schedule contained in Exhibit B.  
26

27 3. LIT Revenues used for the Off-Site Public Improvements shall be  
28 reimbursed by, and disbursement shall be subject to: (a) a pledge of the SEED  
29 Participation Fee for each year that the Project receives a SEED tax deduction, and (b) a  
30

pledge by the Fort Wayne Redevelopment Commission ("Commission") of One Hundred Percent (100%) of the Tax Increment generated by the Project, until the LIT Revenues have been reimbursed in full. For purposes of clarity, the pledge of Tax Increment shall apply only to Phase I of Electric Works.

4. This Resolution, and the appropriation of LIT Revenues set forth herein, shall be binding and in full force and effect from and after the time it has been adopted by Common Council, approved by the Mayor and otherwise executed and delivered in accordance with any and all laws appertaining thereto.

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Council Member

APPROVED AS TO FORM AND LEGALITY

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Carol Helton, City Attorney

**EXHIBIT A**

**The “Off-Site Public Improvements”**

| ELECTRIC WORKS WEST CAMPUS INFRASTRUCTURE IMPROVEMENTS |   |                |
|--|---|----------------|
| 1  | Road Improvements Jones Street Adjacent to North Parking Lots   | \$148,793.70   |
| 2  | Road Improvements College Street  | \$644,417.42   |
| 3  | Road Improvements Swinney Avenue  | \$300,806.89   |
| 4  | Road Improvements Broadway  | \$574,795.12   |
| 5  | Union Tunnel  | \$219,618.49   |
| 6  | Road Improvements Wall Street   | \$421,145.49   |
| 7  | CSX Railroad Retaining Wall   | \$310,520.20   |
| 8  | Water Main Electric Works West Campus   | \$277,507.41   |
| 9  | Sanitary Sewer Main Electric Works West Campus  | \$512,456.91   |
| 10   | Storm Water Main Electric Works West Campus   | \$1,617,616.81 |
| 11   | Upsize Storm Sewer Line on Wall Street from 42-inch to 60-inch and on College Street from 30-inch to 42-inch for East Campus Development per City of Fort Wayne Request | \$225,422.19   |
| 12   | Broadway and College Street CSX Railroad Underpass Improvements   | \$412,651.43   |
|  | TOTAL INFRASTRUCTURE  | \$5,665,752.06 |

**Exhibit B**

**LIT Revenue Payment Schedule**

| <b><u>Year</u></b> | <b><u>LIT Revenue Allocation</u></b> |
|--------------------|--------------------------------------|
| 2022               | \$1,416,438                          |
| 2023               | \$1,416,438                          |
| 2024               | \$1,416,438                          |
| 2025               | \$1,416,438                          |
| <b>TOTAL</b>       | <b>\$5,665,752</b>                   |





## COMMUNITY DEVELOPMENT REDEVELOPMENT

Thomas C. Henry, Mayor

City of Fort Wayne  
Community Development  
200 East Berry Street, Suite 320  
Fort Wayne, IN 46802

260-427-2150 [fwcommunitydevelopment.org](http://fwcommunitydevelopment.org)

February 17, 2022

### MEMO

**To:** City of Fort Wayne Common Council

**Copy:** City of Fort Wayne Redevelopment Commission

**From:** Jonathan Leist, Redevelopment Director, 427-1323

**Re:** **A Resolution of the Common Council of the City of Fort Wayne, Indiana, pledging Local Income Tax revenue to pay the costs associated with certain public infrastructure associated with a new economic development project in the city to be known as Electric Works, to be undertaken by RTM Ventures, LLC.**

The Redevelopment Commission hereby requests that the Common Council consider and approve the attached resolution to approve use of available LIT revenue by the Department of Redevelopment for the payment of public infrastructure reimbursements to the developer (RTM Ventures) for public improvements related to an economic development project known as Electric Works Phase I. The full amount of LIT revenue expended under this approval will be repaid by SEED fees and tax increment generated by the Phase 1 Electric Works project over an estimated period of 13 years.

Please find enclosed herewith a digest sheet and a proposed resolution authorizing the use of LIT revenues by Redevelopment for public infrastructure costs under the terms of the October 2020 Economic Development Agreement and subsequent amendments. Please feel free to contact me at your convenience with any questions.

*Vibrant. Prosperous. Growing.*



## **DIGEST SHEET**

**TITLE OF RESOLUTION.** A Resolution of the Common Council of the City of Fort Wayne, Indiana, pledging Local Income Tax revenue to pay the costs associated with certain public infrastructure associated with a new economic development project in the city to be known as Electric Works, to be undertaken by RTM Ventures, LLC.

**DEPARTMENT REQUESTING RESOLUTION.** Redevelopment Commission.

**SYNOPSIS OF RESOLUTION.** In October 2020, the Redevelopment Commission approved an Economic Development Agreement (EDA) for Phase 1 of the Electric Works project, with subsequent approvals and reaffirmations of public support of the project at City Council in late 2020 and early 2021. The EDA outlined public incentives for the Phase I project, including use of Legacy and LIT in support of the project. Also included in the agreement was a pledge from the city to construct over \$5 million in necessary public improvements surrounding the project, including street improvements, sidewalk replacement, and water, sanitary, and storm improvements to replace outdated or inadequate infrastructure. A specific "upfront" budget source and schedule for construction was not identified at that time, though these costs were intended to be repaid with TIF and SEED funds over time. This resolution would approve the use of LIT as the "upfront" budget source for the public improvements, which will then be reimbursed with SEED fees and tax increment from the Broadway – Taylor allocation area. The repayment to the developer would occur over a four-year period beginning in 2022. SEED and TIF funds from the Broadway-Taylor allocation area will be used to repay the LIT expenditure over a period of approximately 13 years until the full costs of public infrastructure have been repaid to LIT.

**EFFECT OF PASSAGE.** Approval would provide an initial source of repayment to the developer for construction of public improvements that are currently underway in accordance with the schedule of public improvements and private development at the Phase I project site agreed to in the EDA.

**EFFECT OF NON-PASSAGE.** Non-passage would delay the reimbursement to the developer for the public improvements necessary for the completion of the Electric Works Phase I Project. Non-passage would extend to a repayment period of 13 years for public infrastructure currently under construction and nearing completion.

**MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS).** Council would be committing up to \$1,416,438 per year in LIT repayments, not to exceed a total of \$5,665,752 over four years. The LIT funds would then be repaid with TIF and SEED funds generated by the project until the LIT funds are repaid in full, estimated to take approximately thirteen years.

**ASSIGNED TO COMMITTEE (PRESIDENT).** \_\_\_\_\_