

BILL NO. S-22-04-05

SPECIAL ORDINANCE NO. _____

**AN ORDINANCE ESTABLISHING THE KEYSTONE
ECONOMIC DEVELOPMENT AREA FUND.**

WHEREAS, in February 2021, the Fort Wayne Redevelopment Commission adopted Declaratory Resolution 2021-02 for the purpose of establishing the Keystone Economic Development Area and tax allocation area ("EDA"); and,

WHEREAS, in February 2021, the Fort Wayne Plan Commission determined that the plan for redevelopment of the EDA conformed to the plan for development of the City of Fort Wayne; and,

WHEREAS, in March 2021, the Common Council approved Resolution R-15-21 confirming the order of the Fort Wayne Redevelopment Commission and the Fort Wayne Plan Commission; and,

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

SECTION 1. The Keystone Economic Development Area Fund shall be established for the purpose of holding, accounting for, administering and appropriating all funds for this specific project.

SECTION 2. That this Ordinance shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

Council Member

APPROVED AS TO FORM AND LEGALITY

Carol Helton, City Attorney

**A Resolution confirming the approving
order of the Fort Wayne Plan Commission
and Fort Wayne Redevelopment
Commission Resolution 2021-02
concerning establishment of the Keystone
Redevelopment Project Area and Economic
Development Area**

WHEREAS, pursuant to the provisions of the Redevelopment of Blighted Areas Act of 1981, P.L. 309 and 310 of Acts of 1981 of the General Assembly of the State of Indiana, as amended and supplemented, on February 8, 2021, the Fort Wayne Redevelopment Commission adopted Declaratory Resolution 2021-02, attached hereto as Exhibit A, for the purpose of establishing the Keystone Economic Development Area and tax allocation area ("EDA"); and

WHEREAS, on February 15, 2021, the Fort Wayne Plan Commission considered said Declaratory Resolution 2021-02 and the plan for redevelopment of the EDA attached thereto and issued its Findings of Fact and Resolution, attached hereto as Exhibit B, whereby said Plan Commission determined that the plan for redevelopment of the EDA conformed to the plan for development of the City of Fort Wayne;

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

Section 1. The approvals of the Fort Wayne Redevelopment Commission and Fort Wayne Plan Commission described herein are hereby approved, ratified and confirmed.

Section 2. The geographic area described in the redevelopment plan attached to Declaratory Resolution 2021-02 is an economic development area as defined at IC 36-7-14 et seq.

Section 3. This Resolution shall be in full force and effect from and after its passage and approval by the Fort Wayne Common Council and by the Mayor of the City of Fort Wayne.


Council Member

APPROVED as to form and legality


Carol Helton, City Attorney

BILL NO. R-21-03-12

REPORT OF COMMITTEE ON REGULATIONS

March 23, 2021

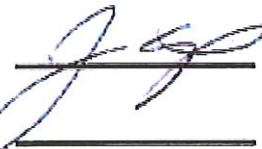
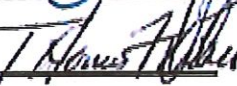
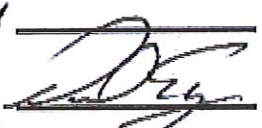
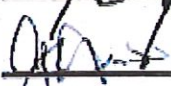
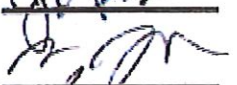
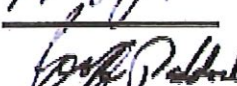
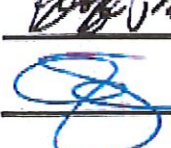
Tom Freistroffer Chair

Geoff Paddock Co-Chair

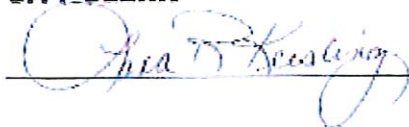
All Council Members

A Resolution confirming the approving order of the Fort Wayne Plan Commission and Fort Wayne Redevelopment Commission Resolution 2021-02 concerning establishment of the Keystone Redevelopment Project Area and Economic Development Area

COMMITTEE ON REGULATIONS HAVE HAD SAID Ordinance under consideration and beg leave to report back to the Common Council that said Ordinance

<u>COUNCIL MEMBER</u>	<u>DO PASS</u>	<u>DO NOT PASS</u>	<u>ABSTAIN</u>
ARP			
CHAMBERS			
DIDIER			
ENSLEY			
FREISTROFFER			
HINES			
JEHL			
PADDOCK			
TUCKER			

LANA R. KEESLING
CITY CLERK



Public Hearing Date: N/A

Read the first time in full and on motion by Councilperson Freistroffer.

Read the second time by title and referred to the Regulations Committee.

Read the third time in full and on motion by Councilperson Freistroffer, placed on passage by the following vote:

<u>TOTAL VOTES</u>	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>
ARP	☐	☒	☐	☐
CHAMBERS	☒	☐	☐	☐
DIDIER	☒	☐	☐	☐
ENSLEY	☐	☒	☐	☐
FREISTROFFER	☒	☐	☐	☐
HINES	☒	☐	☐	☐
JEHL	☒	☐	☐	☐
PADDOCK	☒	☐	☐	☐
TUCKER	☒	☐	☐	☐

DATED: March 23, 2021


LANA R. KEESLING, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as

Resolution No. R-21-03-12 on the 23rd day of March, 2021

ATTEST:


LANA R. KEESLING
CITY CLERK


PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 24th
of March 2021, at the hour of 11:10 o'clock A.M. E.S.T.


LANA R. KEESLING, CITY CLERK

Approved and signed by me this 24TH day of MARCH

2021, at the hour of 12:30 o'clock PM E.S.T.

FORT WAYNE, INDIANA
RECEIVED

MAR 23 2021

LANA R. KEESLING
CITY CLERK


THOMAS C. HENRY, MAYOR

**RESOLUTION 2021-02
FORT WAYNE REDEVELOPMENT COMMISSION**

**DECLARATORY RESOLUTION FOR THE
KEYSTONE REDEVELOPMENT PROJECT AREA
AND ECONOMIC DEVELOPMENT AREA**

WHEREAS, the Fort Wayne Redevelopment Commission ("Commission") has made investigations, studies and surveys of areas and activities in the City of Fort Wayne ("City") that have the potential to attract private development and create, attract and retain significant job opportunities, and has further considered the conditions which would prevent such activities from occurring; and

WHEREAS, in cooperation with various departments and bodies of the City, the Commission has made investigations, studies and surveys of areas and activities in the City that have the potential to attract private development and create, attract and retain significant job opportunities so as to best serve the interests of the City and its inhabitants, both from the standpoint of human needs and economic values, and has further considered the conditions which would prevent such activities from occurring; and

WHEREAS, the Keystone Distribution Park (the "Park"), located north of the intersection of Ley Road and Speedway Drive in north central Fort Wayne, and certain adjoining real estate, are well-situated for small- to medium-scale industrial development from a location perspective, but certain barriers to redevelopment exist including lack of public infrastructure, inadequate or inappropriately placed private infrastructure, and site accessibility, which cannot be corrected by regulatory processes or by the ordinary operation of private enterprise without resort to the provisions of the Redevelopment of Blighted Areas Act of 1981 (P.L. 309 and 310 of the Acts of 1981) of the General Assembly of the State of Indiana, as amended and supplemented (the "Act"); and

WHEREAS, the Commission's commitment to redevelopment of the Park and adjoining real estate requires the establishment of an Economic Development Area ("EDA") and creation of two tax allocation areas ("Allocation Areas") pursuant to Indiana Code 36-7-14, in order to fund local public improvements that will support the proposed redevelopment plan; and

WHEREAS, the Commission has investigated the existing public infrastructure in and serving the EDA and has prepared a redevelopment plan, attached hereto as Attachment 1, that will construct or reconstruct public infrastructure as necessary to support redevelopment of the EDA; and

WHEREAS, the Commission has determined that implementation of such redevelopment plan will support construction of needed public improvements and provide for the creation of additional job opportunities and amenities for citizens of the City, and that the public health, safety and welfare will be benefited by the redevelopment of the EDA under the provisions of the Act;

NOW, THEREFORE, BE IT RESOLVED by the Fort Wayne Redevelopment Commission ("Commission"), that

1. The foregoing recitals are true and are incorporated herein and made a part hereof.
2. The land within the boundaries described in Attachment 1: Exhibit A "Boundary Description, Economic Development Area" of the *Keystone Economic Development Area* ("Redevelopment Plan"), which Redevelopment Plan is attached hereto as Attachment 1 and made a part hereof, is a

"redevelopment project area" as that term is defined in, and for the purposes of Indiana Code ("IC") 36-7-14 et seq. ("RPA").

3. Pursuant to IC 36-7-14-41(b), the Commission hereby determines that the area described in the Redevelopment Plan constitutes an RPA as well as an "economic development area" in that:

A. The plan for the EDA:

1. *Promotes significant opportunities for the gainful employment of its citizens.*
The EDA is situated in an important center of employment in the City and currently provides a range of small to medium-scale commercial/industrial spaces occupied by a wide range of businesses. Strategic and coordinated public infrastructure improvements protects these investments and provides opportunities for additional development and employment in the EDA.
2. *Attracts a major new business enterprise to the City of Fort Wayne ("City").*
The EDA contains unimproved sites which are appropriately zoned for industrial development. There is a shortage of such sites in the City, as documented in recent market scans of the industrial space market. Ensuring that appropriately-zoned sites, such as those in the EDA, are able to accommodate new businesses is an essential component of business attraction.
3. *Retains or expands a significant business enterprise existing in the boundaries of the City.*
One of the initial objectives of the Redevelopment Plan is to facilitate development of an industrial shell building. Such development has been successfully undertaken in other parts of the City and has proven to be an effective way of quickly addressing the needs of businesses as their needs change. In addition, the owner of the Park notes that many businesses within the Park move to larger spaces as their needs change, potentially opening up smaller spaces for new businesses.
4. *Meets other purposes of this section and IC 36-7-14-2.5 and IC 36-7-14-43.*
Encouraging development of manufacturing and other industrial uses in appropriate areas supports job creation, utilizes existing infrastructure, and is compatible with surrounding development, thereby benefitting the public health, safety, morals, and welfare and economic well-being of the City and the state. The Redevelopment Plan meets the purposes of IC 36-7-14-2.5 and IC 36-7-14-43 in all other respects.

- B. The plan for the EDA cannot be achieved by regulatory processes or by the ordinary operation of private enterprise without resort to the powers allowed under this section and IC 36-7-14-2.5 and IC 36-7-14-43 because of:

1. *Lack of local public improvement;*
The EDA encompasses a number of industrial sites that are served largely by aging private infrastructure that has become increasingly inadequate for full build-out of the EDA. Only the southernmost portion of the North Allocation Area (as that term is defined in the Redevelopment Plan) can be accessed via public road, which road primarily serves a large apartment community, or via private road, which can only be accessed by travelling through the parking lot of adjacent businesses.
2. *Existence of improvements or conditions that lower the value of the land below that of*

nearby land;

Layout changes to surface parking lots adjacent to private roadways must be made before the private roads serving much of the EDA can be accepted as public infrastructure. An initial public infrastructure project within the EDA would replace the aging private water line serving the Park with a public line.

3. *Multiple ownership of land; or*

The entire EDA is owned by a single entity, Keystone Realty Ltd.

4. *Other similar conditions.*

Although the EDA is zoned I-2, which allows a wide range of industrial activities, the EDA is adjacent to two residential areas and a large commercial shopping center which could potentially limit use of the real estate or entail substantial screening/buffering that would not be required for development in greenfield areas.

C. *The public health and welfare will be benefited by accomplishment of the plan for the EDA.*

Redevelopment and revitalization of the EDA will facilitate private investment and development, thereby providing new tax revenue, jobs and neighborhood services in an established production center. Providing a mechanism for the roads and utilities in the EDA to become public increases public safety by ensuring access to and through the EDA by emergency vehicles.

D. *The accomplishment of the plan for the EDA will be a public utility and benefit as measured by:*

1. *The attraction or retention of permanent jobs.*

Recent market scans note historically low levels of vacancy in the industrial space market, illustrating a strong demand for the type of development that would be appropriate for the EDA. Small- to mid-size industrial spaces are an essential component for new businesses and entrepreneurship.

2. *An increase in the property tax base.*

The EDA contains a number of vacant sites that are industrially zoned and physically well-suited for industrial development. This type of development generates substantial tax revenue with low service costs, making it a tax-efficient investment. The location of the EDA in an area largely served by existing infrastructure adds to its fiscal efficiency.

3. *Improved diversity of the economic base and other similar public benefits.*

The EDA currently contains a wide variety of industrial, showroom, retail, instructional, and sports and fitness uses that do not require prime street frontage to be successful. Future development within the EDA is expected to further propagate this business model.

E. *The plan for the EDA conforms to other development and redevelopment plans for the City.*

The Redevelopment Plan is supported by numerous City policies and plans, including the Comprehensive Plan. Consistency with existing policies, zoning and land use are described in Section VII of the Redevelopment Plan.

4. The Redevelopment Plan is hereby approved, subject to any amendments to it that the Commission may approve in a resolution either confirming or amending and confirming this Resolution.
5. Pursuant to IC 36-7-14-15(a):
 - A. The land area described in the Redevelopment Plan is an area in the territory under the Redevelopment Commission's jurisdiction that is in need of redevelopment.
 - B. The public health and welfare will be benefited by the passage declaratory resolution and the existing redevelopment plan.
6. Pursuant to IC 36-7-14-15(a)(4) and IC 36-7-14-15(d), the Commission, having prepared the Redevelopment Plan for the URA-3 declares that:
 - A. The EDA is a menace to the social and economic interest of the City of Fort Wayne and its inhabitants;
 - B. It will be of public utility and benefit to acquire the EDA and/or redevelop it pursuant to IC 36-7-14 et seq.; and
 - C. The EDA is designated as a redevelopment project area for purposes of IC 36-7-14.
7. The general boundaries of the EDA and Allocation Areas are described and depicted in the Redevelopment Plan.
8. The Commission does not at this time intend to acquire any real estate within the boundaries of the EDA; however, the Commission will, through its Department of Redevelopment, acquire real estate as required to implement the Redevelopment Plan.
9. As provided by IC 36-7-14-39(a), IC 36-7-14-39(b) and IC 36-7-14-43(a)(6), a portion of the area included in the boundary description in the Redevelopment Plan is an allocation area as that term is defined in, and qualifies for the allocation and distribution of property taxes pursuant to IC 36-7-14-39 ("Allocation Area").
10. The adoption of the allocation provision in this Resolution will result in new property taxes in the Allocation Area that would not have been generated but for the adoption of the allocation provision. The Redevelopment Plan contemplates the development of land that is strategically located, but logistically challenging to the extent that redevelopment cannot be accomplished solely with private-sector funds.
11. Pursuant to IC 36-7-14-39(a)(1), "base assessed value" as used in this Resolution means:
 - A. The net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of this Resolution, as adjusted under IC 36-7-14-39(h); plus
 - B. To the extent that it is not included in subsection (A), the net assessed value of property that is assessed as residential property under the rules of the Indiana Department of Local

Government Finance, as finally determined for any assessment date after the effective date of the allocation provision.

12. Pursuant to IC 36-7-14-39(b), after the date of adoption of a resolution that confirms the establishment of the FDA and the Allocation Area, any property taxes levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the Allocation Area shall be allocated and distributed as follows:
 - A. Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:
 1. The assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
 2. The base assessed value,shall be allocated to and, when collected, paid into the funds of the respective taxing units.
 - B. The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subsection (A) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.
 - C. Except as otherwise provided in this section, property tax proceeds in excess of those described in subsections (A) and (B) shall be allocated to the City's redevelopment district and, when collected, paid into the allocation fund established for the Allocation Area that may be used by the Commission only to do one (1) or more of the following:
 1. Pay the principal of and interest on any obligations payable solely from allocated tax proceeds which are incurred by the City's redevelopment district for the purpose of financing or refinancing the redevelopment of the Allocation Area.
 2. Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in the Allocation Area.
 3. Pay the principal of and interest on bonds payable from allocated tax proceeds in the Allocation Area and from the special tax levied under IC 36-7-14-27.
 4. Pay the principal of and interest on bonds issued by the City to pay for local public improvements that are physically located in or physically connected to the Allocation Area.
 5. Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in the Allocation Area.
 6. Make payments on leases payable from allocated tax proceeds in the Allocation Area under IC 36-7-14-25.2.
 7. Reimburse the City for expenditures made by it for local public improvements (which include buildings, parking facilities, and other items described in IC 36-7-14-25.1(a)) that are physically located in or physically connected to the Allocation Area.
 8. Reimburse the City for rentals paid by it for a building or parking facility that is physically located in or physically connected to the Allocation Area under any lease entered into under IC 36-1-10.
 9. For property taxes first due and payable before January 1, 2009, pay all or a part of a property tax replacement credit to taxpayers in the Allocation Area as determined by the

Commission. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the Allocation Area:

- a. STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.
- b. STEP TWO: Divide:
 1. That part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2 (before its repeal)) for that year as determined under IC 6-1.1-21-4 (before its repeal) that is attributable to the taxing district; by
 2. The STEP ONE sum.
- c. STEP THREE: Multiply:
 1. The STEP TWO quotient; times
 2. The total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

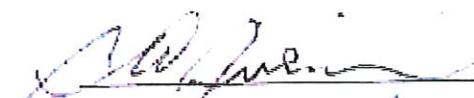
If not all the taxpayers in the Allocation Area receive the credit in full, each taxpayer in the Allocation Area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under IC 36-7-14-39.5 (before its repeal) in the same year.

10. Pay expenses incurred by the Commission for local public improvements that are in the Allocation Area or serving the Allocation Area. Public improvements include buildings, parking facilities, and other items described in IC 36-7-14-25.1(a).
11. Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:
 - a. In the Allocation Area; and
 - b. On a parcel of real property that has been classified as industrial property under the rules of the Indiana Department of Local Government Finance;however, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this section. The reimbursements under this subsection must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.
12. Pay the costs of carrying out an eligible efficiency project (as defined in IC 36-9-41-1.5) within the City. However, property tax proceeds may be used under this subsection to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:
 - a. Make, when due, any payments required under subsections (1) through (11) above, including any payments of principal and interest on bonds and other obligations payable under this section, any payments of premiums under this section on the redemption before maturity of bonds, and any payments on leases payable under this section.
 - b. Make any reimbursements required under this section.
 - c. Pay any expenses required under this section.
 - d. Establish, augment, or restore any debt service reserve under this section.
13. Expend money and provide financial assistance as authorized in IC 36-7-14-12.2(a)(27).

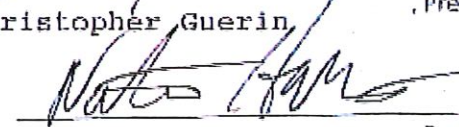
D. The allocation fund shall not be used for operating expenses of the Commission.

13. Pursuant to IC 36-7-25-3(a), projects, improvements, or purposes that may be financed by the Commission in redevelopment project areas or economic development areas may be financed if the projects, improvements, or purposes are not located in those areas or the redevelopment district as long as the projects, improvements, or purposes directly serve or benefit those areas.
14. Pursuant to IC 36-7-14-39(b), the allocation provision in this Resolution shall expire on the later of:
 - A. Twenty-five (25) years after the date on which the first obligation is incurred to pay principal and interest on bonds, or lease rentals on leases payable from tax increment revenues; or
 - B. Twenty-five (25) years after the date of adoption of a resolution confirming, or amending and confirming this Resolution.
15. Following adoption of this Resolution, the Executive Director shall deliver a copy of this Resolution and Redevelopment Plan to the City's Plan Commission for its review and determination as to whether the Resolution and Redevelopment Plan conform to the plan of development for the City, and shall request that the Plan Commission issue its written order approving the Resolution and Redevelopment Plan.
16. Following receipt of the Plan Commission's written approving order, the Executive Director shall deliver the approving order together with this Resolution and Redevelopment Plan to the City's Common Council, and shall request that the Council issue its written order approving the additional area as part of the existing redevelopment project area and approving the Resolution and Redevelopment Plan.
17. Following receipt of the Common Council's written approving order, the Executive Director shall publish notice of the adoption and substance of this Resolution together with notice of a public hearing to be held by the Commission in accordance with IC 5-3-1, IC 36-7-14-17(a) and IC 36-7-14-17(b), and shall mail the notices required by IC 36-7-14-17(c). In the event this resolution amends an existing redevelopment area, the Executive Director shall mail the notices required by IC 36-7-14-17.5(a) and IC 36-7-14-17.5(b) as required.
18. Adopted and effective this 8 day of February, 2021.

FORT WAYNE REDEVELOPMENT COMMISSION



Christopher Guerin, President



Nathan Hartman, Secretary

ACKNOWLEDGEMENT

STATE OF INDIANA)
) SS
COUNTY OF ALLEN)

BEFORE ME, a Notary Public in and for said State and County, personally appeared Christopher Goerlin
and Nathan Hartman President and Secretary of the Redevelopment Commission, and acknowledged the
execution of the foregoing Resolution as a voluntary act and deed for the uses and purposes therein
contained.

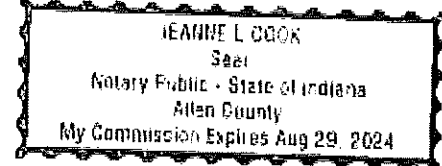
WITNESS my hand and seal this 12 day of February, 2021.

My Commission Expires: 8/29/2024

Resident of Allen County

Jeanne L Cook
Signature of Notary Public

Jeanne L Cook
Printed Name



#690084

*I affirm, under penalties for perjury, that I have taken reasonable care to redact each
Social Security number in this document, unless required by law. Joseph R. Giant.*

*This instrument prepared by Joseph R. Giant, Redevelopment Manager
Department of Redevelopment, 200 East Berry Street, Suite 320, Fort Wayne, Indiana 46802.*