

A RESOLUTION determining SUBSTANTIAL COMPLIANCE OR NON-COMPLIANCE with Statement of Benefits (CF-1) form filing for 2024 for Hoffmaster Group, Inc. for property at 7310 Innovation Boulevard, Fort Wayne, IN 46818 under Confirming Resolution R-112-18 with an "Economic Revitalization Area" approved under I.C. 6-1.1-12.1

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

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

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

WHEREAS, Hoffmaster Group, Inc.'s approved SB-1 form stated that 98 full-time jobs would be retained and 156 full-time jobs created by February 28, 2021; and

WHEREAS, Hoffmaster Group, Inc.'s approved SB-1 form stated \$3,023,216 in annual payroll would be retained for the 98 full-time retained jobs and \$4,873,560 in annual payroll created for the 156 full-time jobs to be created; and

WHEREAS, Hoffmaster Group, Inc.'s 2024 CF-1 form filing stated that 67 full-time jobs have been retained and zero full-time jobs have been created; and

WHEREAS, Hoffmaster Group, Inc.'s 2024 CF-1 form filing stated \$3,445,350 in annual payroll for the 67 full-time jobs retained and no annual payroll for the zero full-time jobs created; and

WHEREAS, Common Council designated the City of Fort Wayne Community Development Division as the entity for the administration, application, processing and monitoring of Economic Revitalization Areas under Section 153.13 of the Municipal Code of the City of Fort Wayne; and

1 **WHEREAS**, Common Council has defined substantial compliance under Section
2 153.21 of the Municipal Code of the City of Fort Wayne as:

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

9 **WHEREAS**, meeting 75% of the 98 full-time jobs to be retained and 156 full-time
10 jobs to be created means retaining 73 full-time jobs and creating 117 full-time jobs; and

11 **WHEREAS**, meeting 75% of the \$3,023,216 retained annual payroll means
12 \$2,267,412 in retained annual payroll and 75% of the \$4,873,560 in created annual payroll
13 means \$3,655,170 in created annual payroll; and

14 **WHEREAS**, Common Council will determine no later than forty-five (45) days after
15 receipt of the CF-1 form that an approved business has either failed to substantially
16 comply or has substantially complied with the original SB-1 form approved by Common
17 Council; and

18 **WHEREAS**, Common Council made a determination on June 25, 2024 that
19 Hoffmaster Group, Inc. was not in substantial compliance as a result of its failure to retain
20 at least 73 full-time jobs with a retained annual payroll of at least \$2,267,412 and create
21 at least 117 new full-time jobs with at least \$3,655,170 in created annual payroll; and

22 **WHEREAS**, Council directed the Community Development Division to mail written
23 notice to Hoffmaster Group, Inc. explaining the reasons for Council's determination and a
24 date, time, place of a hearing to be conducted by Council for the purpose of further
25 considering Hoffmaster Group, Inc.'s compliance with Statement of Benefits; and

26 **WHEREAS**, the aforementioned notice was properly prepared and served upon
27 Hoffmaster Group, Inc. to appear before Council on August 6, 2024 at 5:30pm in Room
28 030 at Citizen's Square 200 E. Berry Street Fort Wayne, IN; and

29 **WHEREAS**, Hoffmaster Group, Inc. [appeared/failed to appear] before Common
30 Council on August 6, 2024 to provide additional information concerning compliance.

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

SECTION 1. That, Common Council finds that the CF-1 form filed by Hoffmaster
Group, Inc. with an approved Economic Revitalization Area for 2024 is not in substantial
compliance pursuant to I.C. 6-1.1-12.1 and Section 153.21 of the Municipal Code of the
City of Fort Wayne for failure to retain 75% of the 98 full-time, or 73 full-time jobs, as stated

1 and create 75% of the 156 full-time jobs, or 117 full-time jobs, as stated and retain 75%
2 of the \$3,023,216, or \$2,267,412, in annual payroll or create 75% of the \$4,873,560, or
3 \$3,655,170, in annual payroll that was stated that would be generated by the created jobs.

4 **SECTION 2a.** Hoffmaster Group, Inc. failed to appear and otherwise testify and
5 therefore Council confirms its determination of June 25, 2024 that Hoffmaster Group, Inc.
6 has failed to substantially comply pursuant to IC 6-1.1-12.1 and Section 153.21 of the
7 Municipal Code of the City of Fort Wayne as detailed in Section 1 above. Council therefore
8 finds that Hoffmaster Group, Inc. has failed to substantially comply and said failure was
9 not caused by factors outside of Hoffmaster Group, Inc.'s control. As a result of said
failure, Hoffmaster Group, Inc.'s deduction/abatement under R-112-18 is hereby
terminated.

10 **SECTION 2b.** That Hoffmaster Group, Inc. appeared and testified at the hearing
11 and from its testimony it was determined that notwithstanding Hoffmaster Group, Inc.'s
12 failure to substantially comply as detailed in Section 1 above that Hoffmaster Group, Inc.
13 did make reasonable efforts to substantially comply with the statement of benefits and
14 Hoffmaster Group, Inc.'s failure to substantially comply was caused by factors beyond the
control of Hoffmaster Group, Inc. Therefore, the continuation of Hoffmaster Group, Inc.'s
deduction/abatement under R-112-18 is hereby approved.

15 **SECTION 2c.** That Hoffmaster Group, Inc. appeared and testified at the hearing
16 and from its testimony it was determined in addition to Hoffmaster Group, Inc.'s failure to
17 substantially comply as detailed in Section 1 above, that Hoffmaster Group, Inc. did not
18 make reasonable efforts to substantially comply with the statement of benefits and
19 Hoffmaster Group, Inc.'s failure to substantially comply was not caused by factors beyond
20 the control of Hoffmaster Group, Inc. As a result of said failure, Hoffmaster Group, Inc.'s
deduction/abatement under R-112-18 is hereby terminated.

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

23
24 _____
25 Member of Council

26 APPROVED AS TO FORM A LEGALITY

27
28 _____
29 Malak Heiny, City Attorney
30

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE: Resolution Confirming Substantial Compliance or Non-Compliance with a Statement of Benefits (SB-1) for 2024

DEPARTMENT REQUESTING ORDINANCE: Community Development Division

SYNOPSIS OF ORDINANCE: This resolution confirms that Compliance with Statement of Benefits (CF-1) Form filings made by Hoffmaster Group, Inc. in May 2024 with an approved economic revitalization area are either in substantial compliance or non-compliance pursuant to both Council policy and Indiana law.

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

EFFECT OF NON-PASSAGE:

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

ASSIGNED TO COMMITTEE (CHAIR & CO-CHAIR): Martin Bender and Rohli Booker