

RESOLUTION NO.

214.008

ORIGINAL

PRELIMINARY ECONOMIC REVITALIZATION AREA RESOLUTION

REAL PROPERTY TAX ABATEMENT

WHEREAS, Delaware Advancement Corporation ("DAC") and Garmong Development Company, LLC (the "Company" and, together with DAC, the "Applicants") have requested that the Delaware County Council (the "Council") approve a ten-year real property tax deduction period for a proposed project including real property redevelopment or rehabilitation (the "Project");

WHEREAS, the Applicants have advised the Council that the Applicants intends to construct an approximately 200,000 square foot shell building (the "Project") on property located in Center Township, as further described in the map attached hereto as Exhibit A and incorporated herein by reference (collectively, the "Real Property");

WHEREAS, the Applicants have further requested that the Real Property be designated an economic revitalization area (an "ERA") for purposes of permitting such deductions;

WHEREAS, the Applicants submitted to the Council a form SB-1/Real Property (Statement of Benefits, Real Estate Improvements) in connection with the Project, and provided all information and documentation necessary for the Council to make an informed decision (collectively, the "Statement");

WHEREAS, the Council is authorized under the provisions of I.C. 6-1.1-12.1-1 *et seq.* to designate areas of the County as an ERA for the purposes described herein; and

WHEREAS, the Council has considered the Statement submitted by the Applicant and has conducted a complete and proper investigation of the Real Property and determined that the area qualifies as an ERA under Indiana statutes;

NOW, THEREFORE, IT IS FOUND, DETERMINED AND RESOLVED by the Council:

1. That the estimate of the value of the redevelopment or rehabilitation of the Real Property is reasonable for projects of that nature.
2. That the estimate of the number of individuals who will be employed or whose employment will be retained as a result of the proposed redevelopment or rehabilitation of the Real Property can reasonably be expected to result from the proposed redevelopment or rehabilitation of the Real Property.
3. That the estimate of annual salaries of those individuals who will be employed or whose employment will be retained can reasonably be expected to result from the proposed redevelopment or rehabilitation of the Real Property.

4. That the number of individual opportunities for employment, both temporary and permanent, and the compensation to be paid to employees, along with the value of the acquisition and construction of improvements as a result of the Project, create benefits of the type and quality anticipated by the Council within the ERA and can reasonably be expected to result from the proposed redevelopment or rehabilitation of the Real Property.

10. That the benefits described in the Statement can reasonably be expected to result from the proposed redevelopment or rehabilitation of the Real Property.

6. That the totality of benefits from the proposed redevelopment or rehabilitation of the Real Property is sufficient to justify a ten-year real property tax deduction period.

NOW, THEREFORE, based on the foregoing, the Council further RESOLVES, FINDS AND DETERMINES:

1. That all of the conditions for the designation of the ERA and all of the requirements for the tax deductions to be granted hereby have been met, and the foregoing findings are true and all information required to be submitted has been submitted in proper form.

2. That the Statement submitted by the Applicants is hereby approved.

3. That the Real Property is hereby designated as an ERA pursuant to I.C. 6-1.1-12.1-1 *et seq.* and the Applicants are entitled to a ten-year real property deduction period for the proposed redevelopment or rehabilitation of the Real Property.

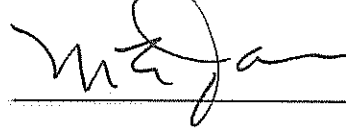
4. The percentage of deductions for each of said ten (10) years shall be as follows (with the first year to begin upon disposition of the Real Property to the ultimate user):

Year 1	100%
Year 2	95%
Year 3	80%
Year 4	65%
Year 5	50%
Year 6	40%
Year 7	30%
Year 8	20%
Year 9	10%
Year 10	5%

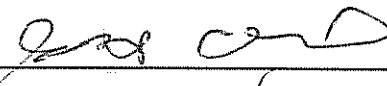
5. That notice hereof should be published according to law stating the following: the adoption and substance hereof, a copy of the description of the affected area is available for inspection in the County Assessor's Office and the date on which the Council will hear and receive remonstrances and objections and take final action, all as required by law.

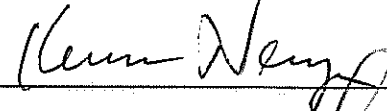
Adopted this 25th day of February, 2014.

DELAWARE COUNTY COUNCIL

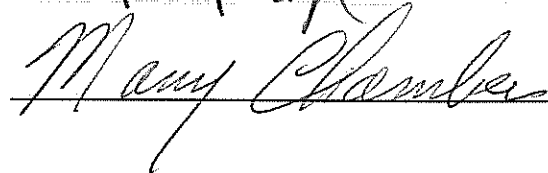












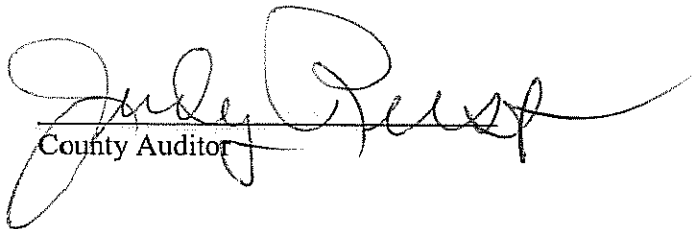

County Auditor

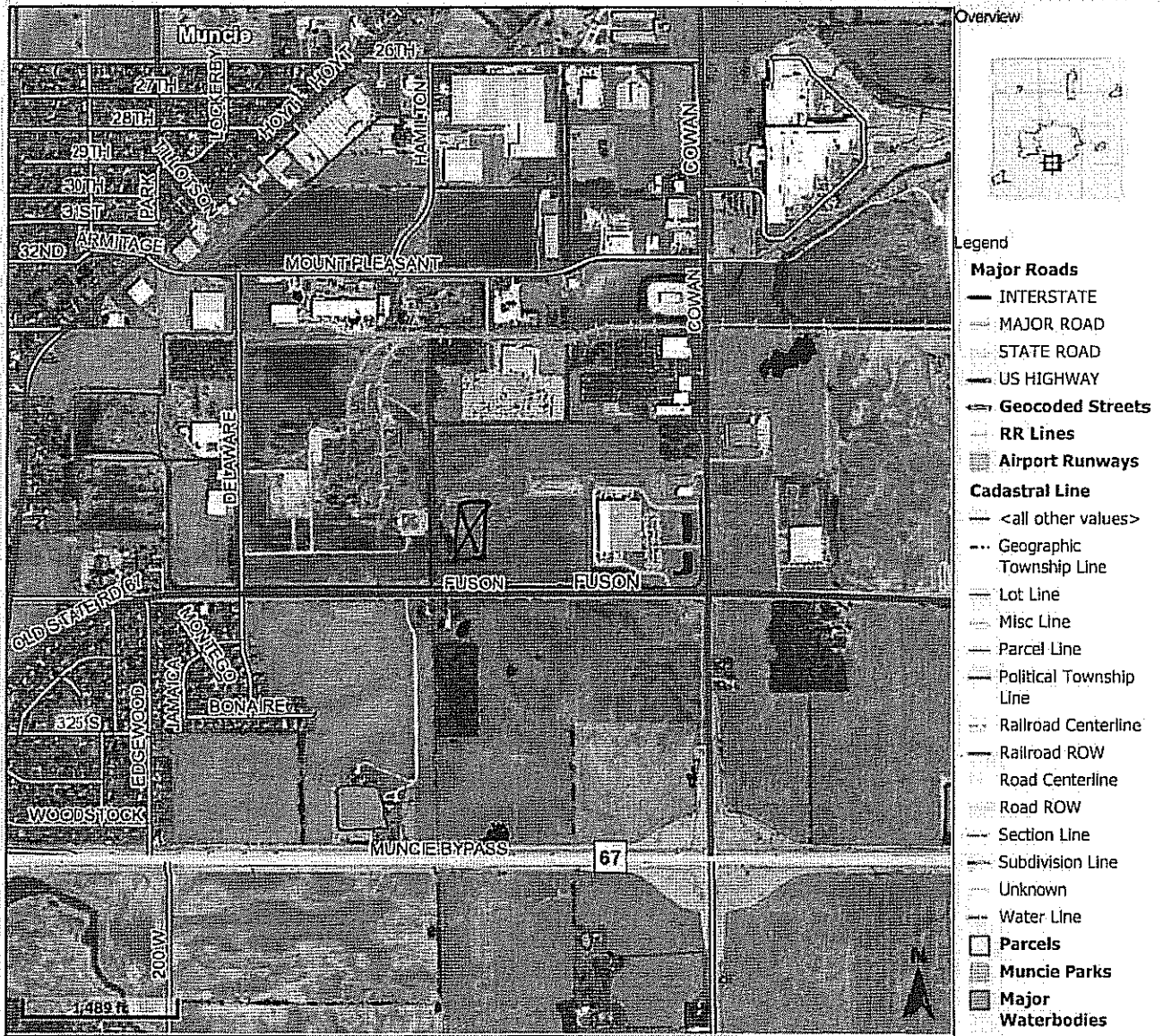
EXHIBIT A
PROJECT MAP

Exhibit A Project Map

Delaware County, IN



Date Created: 2/10/2014



☒ = Project Location



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R5 / 12-13)

Prescribed by the Department of Local Government Finance

20__ PAY 20__

FORM SB-1 / Real Property

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.

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☐ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Residentially distressed area (IC 6-1.1-12.1-4.1)

INSTRUCTIONS:

- 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** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction.
- The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
- To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between March 1 and May 10 of a subsequent year.
- A property owner who files for the deduction must provide the County Auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
- For a Form SB-1/Real Property 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/Real Property 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 Delaware Advancement Corporation					
Address of taxpayer (number and street, city, state, and ZIP code) 401 South High Muncie, Indiana 47305					
Name of contact person Terry Murphy		Telephone number (765) 751-9104		E-mail address tmurphy@muncie.com	
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body Delaware County Council				Resolution number	
Location of property 2400 S Fuson Road Muncie, IN 47305		County Delaware		DLGF taxing district number	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary)				Estimated start date (month, day, year) 03/01/2014	
				Estimated completion date (month, day, year) 12/01/2014	
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 0.00	Salaries \$0.00	Number retained 0.00	Salaries \$0.00	Number additional 100.00	Salaries \$2,870,400.00
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
			REAL ESTATE IMPROVEMENTS		
			COST		ASSESSED VALUE
			Current values		
			Plus estimated values of proposed project		8,100,000.00
			Less values of any property being replaced		
Net estimated values upon completion of project			8,100,000.00		
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 				Date signed (month, day, year) 2/12/14	
Printed name of authorized representative Terry Murphy				Title V.P. Economic Development	

FOR USE OF THE DESIGNATING BODY

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

- 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 _____.
- B. The type of deduction that is allowed in the designated area is limited to:
1. Redevelopment or rehabilitation of real estate improvements ☐ Yes ☐ No
 2. Residentially distressed areas ☐ Yes ☐ No
- C. The amount of the deduction applicable is limited to \$ _____.
- D. Other limitations or conditions (specify) _____
- E. Number of years allowed: ☐ Year 1 ☐ Year 2 ☐ Year 3 ☐ Year 4 ☐ Year 5 (* see below)
☐ Year 6 ☐ Year 7 ☐ Year 8 ☐ Year 9 ☐ Year 10
- F. 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.

We have also 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 (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.

- A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4-1 remain in effect. The deduction period may not exceed five (5) years. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. The deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)
- B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. (See IC 6-1.1-12.1-17 below.)

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.



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R4 / 2-13)

Prescribed by the Department of Local Government Finance

20__ PAY 20__

FORM SB-1 / Real Property

PRIVACY NOTICE

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1(c) and (d).

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☐ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Residentially distressed area (IC 6-1.1-12.1-4.1)

INSTRUCTIONS:

- 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 the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1-1)
- Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitation, BEFORE a deduction may be approved.
- To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. If the property owner misses the May 10 deadline in the initial year of occupation, he can apply between March 1 and May 10 of a subsequent year.
- Property owners whose Statement of Benefits was approved after June 30, 1991, must attach a Form CF-1/Real Property annually to the application to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.1(b) and IC 6-1.1-12.1-5.3(j)).
- The schedules established under IC 6-1.1-12.1-4(d) for rehabilitated property apply to any economic revitalization areas designated after June 30, 2000, unless an alternative deduction schedule is adopted by the designating body (IC 6-1.1-12.1-17). The schedules effective prior to July 1, 2000, shall continue to apply to economic revitalization areas designated before July 1, 2000.

SECTION 1		TAXPAYER INFORMATION	
Name of taxpayer <u>Delaware County</u> <u>Garmong Development Company, LLC</u>			
Address of taxpayer (number and street, city, state, and ZIP code) <u>3050 Poplar Street Terre Haute, IN 47803</u>			
Name of contact person <u>Gary Bishop</u>		Telephone number <u>(812) 234-3714</u>	E-mail address <u>gbishop@garmong.net</u>
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT	
Name of designating body <u>Delaware County Council</u>		Resolution number	
Location of property <u>2400 Block of West Fuson Road</u> <u>Municipal Indiana 46302</u> County <u>Delaware</u>		DLGF taxing district number	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) <u>An industrial 'shell building' will be constructed on this site that will hopefully employ 60+ people.</u>		Estimated start date (month, day, year) <u>Fall 2014</u>	
		Estimated completion date (month, day, year)	
SECTION 3			
ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT			
Current number	Salaries	Number retained	Salaries
			<u>100</u> <u>\$2870,400.00</u>
SECTION 4			
ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT			
		REAL ESTATE IMPROVEMENTS	
		COST	ASSESSED VALUE
Current values			
Plus estimated values of proposed project		<u>\$8,100,000</u>	
Less values of any property being replaced			
Net estimated values upon completion of project			
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 <u>[Signature]</u>		Title <u>Director of Properties Management</u>	Date signed (month, day, year)

FOR USE OF THE DESIGNATING BODY

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

- 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 _____.
- B. The type of deduction that is allowed in the designated area is limited to:
1. Redevelopment or rehabilitation of real estate improvements ☐ Yes ☐ No
 2. Residentially distressed areas ☐ Yes ☐ No
- C. The amount of the deduction applicable is limited to \$ _____.
- D. Other limitations or conditions (specify) _____.
- E. The deduction is allowed for _____ years* (see below).
- F. Did the designating body adopt an alternative deduction schedule per IC 6-1.1-12.1-17? ☐ Yes ☐ No
If yes, attach a copy of the alternative deduction schedule to this form.

We have also 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 (signature and title of authorized member of designating body)	Telephone number ()	Date signed (month, day, year)
Attested by (signature and title of officer)	Designated body	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.

- A. For residentially distressed areas, the deduction period may not exceed five (5) years.
- B. For redevelopment and rehabilitation or real estate improvements:
1. If the Economic Revitalization Area was designated prior to July 1, 2000, the deduction period is limited to three (3), six (6), or ten (10) years.
 2. If the Economic Revitalization Area was designated after June 30, 2000, and is not in a residentially distressed area, the deduction period may not exceed ten (10) years.