

First Reading: \_\_\_\_\_

Second Reading: \_\_\_\_\_

Received 11/11/2017  
Clerk-Treasurer email  
Auburn, IN

## RESOLUTION 10-2017

### RESOLUTION QUALIFYING NEW EQUIPMENT FOR PROPERTY TAX PHASE-IN

#### Summary

The City of Auburn, Indiana Common Council hereby grants tax phase-in to **SPECIALIZED COMPONENT PARTS LIMITED, INC.** for certain new manufacturing equipment to the State of Indiana. The real estate associated with the tax phase-in is located at 1700 S. Indiana Avenue, and/or at 1620 S. Indiana Avenue, with both properties are located in the City of Auburn, County of DeKalb, and State of Indiana.

The manufacturing equipment, which will be new to the State of Indiana, is owned by **SPECIALIZED COMPONENT PARTS LIMITED, INC.** Approximately \$4,812,000.00 will be located at 1700 S. Indiana Avenue, Auburn, Indiana and / or 1620 S. Indiana Avenue. Therefore, a total of \$4,812,000.00 in new manufacturing equipment is to be installed and owned by **SPECIALIZED COMPONENT PARTS LIMITED, INC.**

This Resolution establishes that certain equipment and real estate improvements are to be installed or located within an economic revitalization area that is established by the Common Council of the City of Auburn, Indiana. The area set forth herein where the economic revitalization area is located is part of the Municipal City of Auburn, Indiana at 1700 S. Indiana Avenue and/ or 1620 S. Indiana Avenue Auburn, Indiana is hereby declared to be an economic revitalization area as defined by Indiana Code.

Further, this Resolution allows for **SPECIALIZED COMPONENT PARTS LIMITED, INC.** to receive tax phase-in as follows for new manufacturing equipment as follows:

Five (5) years for new manufacturing equipment with a value of approximately \$4,812,000.00, as follows:

- Year 1: 100% of the value of new manufacturing equipment shall be exempt from taxation.
- Year 2: 80% of the value of new manufacturing equipment shall be exempt from taxation.
- Year 3: 60% of the value of new manufacturing equipment shall be exempt from taxation.
- Year 4: 40% of the value of new manufacturing equipment shall be exempt from taxation.
- Year 5: 20% of the value of new manufacturing equipment shall be exempt from taxation.

No further exemptions shall be available after year five (5) for new manufacturing equipment associated with this Resolution.

The Resolution also sets forth that the Clerk-Treasurer will file a certified copy of this same Resolution with the County Auditor and/or County Assessor as required by state statute. A full copy of said resolution is available at the office of the Auburn Clerk-Treasurer located at 210 East Ninth Street Auburn, Indiana 46706 during the regular business hours of said office. Said resolution is also available on the Common Council’s web-site located at [www.ci.auburn.in.us](http://www.ci.auburn.in.us) under ordinances and resolutions of the common council. A summary of this Resolution granting tax phase-in shall be published after a public hearing as set forth herein. The full resolution shall be retained by the Clerk-Treasurer and be available for public review.

|                               |                                      |
|-------------------------------|--------------------------------------|
| _____ Recorder’s Office       | ____x____ Publish Public Hearing     |
| ____x____ Auditor’s Office    | _____                                |
| _____ Clerk’s Office          | ____x____ Publish O/R after adoption |
| ____x____ Other: Clerk-Treas. | _____                                |

**RESOLUTION 10-2017**

**RESOLUTION QUALIFYING NEW EQUIPMENT  
FOR PROPERTY TAX PHASE-IN**

*WHEREAS*, the Common Council of the City of Auburn, Indiana, has approved and established an economic revitalization and tax phase-in pursuant to the provisions of Indiana Code, I.C. 6-1.1-12.1 et seq. and has previously enacted ordinance number 86-22 to implement economic revitalization and tax phase-in pursuant to this statute and the rules and regulations governing the same;

*WHEREAS*, the City of Auburn, Indiana has enabled and identified that in accordance with I.C. 6-1.1-12.1 et seq. and applicable ordinances that certain areas located in the City of Auburn, Indiana including the location associated with Specialized Component Parts Limited, Inc. meets the requirements of an economic revitalization area;

*WHEREAS*, **SPECIALIZED COMPONENT PARTS LIMITED, INC.** has filed an application for tax phase-in for new manufacturing equipment pursuant to said statute and ordinance which application was filed on **October 5, 2017**; and

*WHEREAS*, said application has been reviewed by the Committee of the Common Council with a do-pass recommendation and the applicant has paid the required filing fees; and

*WHEREAS*, the real estate and the area located at 1700 S. Indiana Avenue, and / or 1620 S. Indiana Avenue and the specific area where the new manufacturing equipment is to be located is enabled and declared to be an area in need of economic revitalization as further set forth herein.

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF AUBURN, DEKALB COUNTY, INDIANA, THAT:**

1. **AREA INCLUDED IN ECONOMIC REVITALIZATION AREA** It is hereby declared the following described real estate herein, be designated as an economic revitalization zone, as situated in DeKalb County, State of Indiana, to-wit:

**PRESENTLY AND COMMONLY KNOWN AS 1620 South Indiana Avenue** and located in the City of Auburn, County of DeKalb and State of Indiana.

Legal Description attached as Exhibit “A”

**AND / OR the area that is**

**PRESENTLY AND COMMONLY KNOWN AS 1700 South Indiana Avenue** and located in the City of Auburn, County of DeKalb and State of Indiana.

Legal Description attached as Exhibit “B”

Said real estate is hereby declared an “economic revitalization area” as that phrase is used and defined in the above cited statute and ordinance, in that the subject real estate has been “undesirable for, or impossible of, normal development and occupancy” inasmuch as the land has been underutilized and/or void of development, which factors have impaired values and prevented an efficient normal use of the subject property. The City of Auburn declares, enables and establishes the declaration of the “economic revitalization area”. In addition and / or in the alternative the Common Council declares, the area described above is within the corporate limits of the City of Auburn, Indiana and has 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. The term ‘economic revitalization area’ also includes: Any area where a facility or a group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues. The area described herein meet the statutory minimums to be declared an economic revitalization area and for the manufacturing equipment new to the State of Indiana to receive tax-phase in treatment as contemplated by the applicable statutes and ordinances.

2. **FINDINGS** It is hereby found:

(A) The estimate of the value of the redevelopment or rehabilitation is reasonable for the projects of that nature.

(B) The estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation.

(C) The estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation.

(D) There are other benefits about which information was requested and those benefits can be reasonably expected to result from the proposed described redevelopment or rehabilitation.

(E) The totality of benefits is sufficient to justify the deduction.

3. **NEW MANUFACTURING EQUIPMENT IS ELIGIBLE.** That the Common Council of the City of Auburn hereby resolves and declares that the new manufacturing equipment described in the Statement of Benefits, Form SB-1, is hereafter eligible for property tax phase-in pursuant to the provisions of the above statute and ordinance. That the Common Council of the City of Auburn, Indiana, finds that the new equipment described in the application with an approximate cost of **\$8,020,000** and an approximate assessed value of **\$4,812,000.00** is dedicated for use as manufacturing. The Application approved by this Ordinance is set forth on the SB-1 that was filed on **October 5, 2017** and is incorporated herein by reference.

The five (5) year phase-in shall be as follows:

Year 1: 100% of the value of new manufacturing equipment shall be exempt from taxation.

Year 2: 80% of the value of new manufacturing equipment shall be exempt from taxation.

- Year 3: 60% of the value of new manufacturing equipment shall be exempt from taxation.
- Year 4: 40% of the value of new manufacturing equipment shall be exempt from taxation.
- Year 5: 20% of the value of new manufacturing equipment shall be exempt from taxation.

No further exemptions shall be available after year five (5) for new manufacturing equipment.

4. **EFFECTIVE DATE** This resolution shall be effective upon its passage subject to the notice and hearing provisions of Indiana Code, I.C. 6-1.1-12.1-2.5. The tax phase-in shall be effective from and after the date the Statement of Benefits was filed, which was **October 5, 2017**. The hearing contemplated by said statute was held at the time and the place designated for a regular meeting of the Common Council of the City of Auburn, Indiana, on **December 5, 2017** at the City Hall Council Chambers, **210 East 9<sup>th</sup> Street in Auburn, Indiana**, at **6:00 p.m.** At such meeting the Common Council took final action in determining whether the qualifications for new manufacturing equipment have been met and the Common Council considered to confirm, modify, or rescind this original resolution. Such determination and final action by the Council shall be binding upon all affected parties, subject to the appeal procedures contemplated by Indiana Code, I.C. 6-1.1-12.1-1, et seq. The Common Council in this case chose to pass this Resolution and grant the tax relief, credits and phase-in as set forth in the statute.
5. **PHASE-IN PERIOD.** That the Common Council of the City of Auburn further resolves and declares that the application shall receive tax phase-in on new manufacturing equipment for five (5) years. Should this Auburn facility located at or on one or the other of the two (2) common addresses and legal descriptions described in this resolution of the applicant close and/or cease operations during the phase-in period any phase-in of taxes gained by this resolution ceases and applicant will

immediately pay back any and all taxes abated by this resolution. By accepting tax phase-in, applicant hereby agrees to be bound by the terms hereof.

6. **ON SITE INSPECTION** Upon installation of the new equipment that is to receive tax phase-in the recipient shall notify the Clerk-Treasurer of the City of Auburn of the installation. Thereafter the recipient shall allow the City to inspect the equipment to insure compliance on an annual basis throughout the period of phase-in.
7. **FILING WITH DEKALB COUNTY AUTHORITIES** Upon the adoption of this resolution the Clerk-Treasurer of the City of Auburn, Indiana, shall cause a certified copy of this resolution to be filed with the DeKalb County Auditor and/or Assessor as required by Indiana Code.

**PASSED AND ADOPTED** by the Common Council of the City of Auburn, Indiana, this 5th day of December, 2017.

\_\_\_\_\_  
**JAMES FINCHUM**  
*Councilmember*

**ATTEST:**

\_\_\_\_\_  
Patricia Miller  
*Clerk-Treasurer*

Presented by me to the Mayor of the City of Auburn, Indiana, this **5<sup>th</sup> Day of December 2017.**

\_\_\_\_\_  
**PATRICIA MILLER**  
*Clerk-Treasurer*

**APPROVED AND SIGNED** by me this **5<sup>th</sup> day of December, 2017**

\_\_\_\_\_  
**NORMAN E. YODER, Mayor**

**VOTING:**

**AYE**

**NAY**

Dennis “Matthew” Kruse

James Finchum

Wayne Madden

Mike Watson

Denny Ketzenberger

Kevin Webb

Michael Walter

Exhibit "A"

A part of the Southwest Quarter of Section 32, Township 34 North, Range 13 East, DeKalb County, Indiana, more particularly described as follows:

Beginning at a point where the South boundary line extended of Ensley Second Addition to the Town, now City of Auburn, Indiana, would intersect the East line of Indiana Avenue extended; thence East on the South boundary line of said addition 126.25 feet; thence South parallel with the East line of said Indiana Avenue extended 125 feet to the North line of Lincoln Street in the City of Auburn, thence North on said East line of Indiana Avenue to the place of beginning.

Also:

A part of the Southwest Quarter of Section 32, Township 34 North, Range 13 East, DeKalb County, Indiana, more particularly described as follows:

Commencing at the Southeast Quarter of Lot Number 76 in Ensley's Second Addition to the City of Auburn, Indiana; thence Southerly, along the West right-of-way line of Sprott Street, a distance of 125.0 feet to the North right-of-way line of West Lincoln Street; thence Westerly, along said North right-of-way line, a distance of 156.75 feet to the West side of an existing 16.5 foot alley; thence continuing Westerly, along said North right-of-way line, a distance of 69.0 feet to the true point of beginning; thence continuing Westerly, along said North right-of-way line, a distance of 191.0 feet; thence Northerly, parallel to said West right-of-way line, a distance of 125.0 feet to the South line of Lot Number 85 in said Ensley's Second Addition; thence Easterly, parallel to said North right-of-way line and along the South line of Lots Numbered 85 and 84 of said Ensley's Second Addition, a distance of 191.0 feet; thence Southerly, parallel to said West right-of-way line, a distance of 125.0 feet to the point of beginning.

Excepting therefrom, the following described real estate, to-wit:

A tract of land located in the Southwest Quarter of Section 32, Township 34 North, Range 13 East, Union Civil Township, in DeKalb County, State of Indiana and being more particularly described as follows:

Commencing at a 1-inch diameter iron pin found marking the Southeast Corner of Lot 76 in Ensley's Second Addition to the

City of Auburn, as recorded in DeKalb County Plat Book 3, Page 71; thence West (record) along the South line of said Ensley's Second Addition, for 225.76 feet to the Northwest Corner of a tract of land described to Quad Investments, Inc. per DeKalb County Document #20508477, and the point of beginning; thence continuing West, along the South line of said Ensley's Second Addition, for 110.28 feet to a rebar set; thence South 00 degrees 07 minutes 11 seconds West, parallel with the West line of Sprott Street, for 125.11 feet to the North line of Lincoln Street, marked with a rebar set; thence South 89 degrees 54 minutes 55 seconds East, along the North line of said Lincoln Street, for 110.28 feet to the Southwest Corner of said tract described to Quad Investments Inc.; thence North 00 degrees 07 minutes 11 seconds East, along the West line of said tract described to Quad Investments Inc., for 125.27 feet to the point of beginning. Said tract of land contains 0.32 acres, more or less.

Presently and commonly known as 1620 South Indiana Avenue, Auburn, Indiana.

Exhibit “B”

Parcel I:

Beginning at the intersection of the East right-of-way line of Indiana Avenue and the South right-of-way line of Lincoln Street extended West in the City of Auburn, DeKalb County, Indiana and from thence as follows: South on said East right-of-way line of Indiana Avenue 191.2 feet; thence North 89 degrees 36 minutes East 253.72 feet; thence North 0 degrees 06 minutes East 191.2 feet to said right-of-way line of Lincoln Street extended West; thence West on said right-of-way line of Lincoln Street extended West 254.0 feet to the Place of Beginning, enclosing an area containing 1.11 acres.

Parcel II:

A part of Section 32, Township 34 North, Range 13 East, described as follows, to-wit:

Beginning at a point on the East right-of-way line of Indiana Avenue 191.2 feet South of the intersection of the East right-of-way line of Indiana Avenue and the South right-of-way line of Lincoln Street all in the City of Auburn, DeKalb County, Indiana and from thence as follows: South on the East right-of-way line of Indiana Avenue 45.0 feet; thence North 89 degrees 36 minute East parallel with the South right-of-way line of Lincoln Street 141.79 feet; thence South parallel with Indiana Avenue 116.17 feet; thence North 89 degrees 36 minutes East parallel with the South right-of-way line of Lincoln Street 73.56 feet; thence North 22 degrees 05 minutes East 89.4 feet; thence North 68 degrees 01 minutes West 10.0 feet; thence North 3 degrees 07 minutes East 46.35 feet; thence North 89 degrees 38 minutes East 11.5 feet; thence North 0 degrees 06 minutes East 28.53 feet; thence South 89 degrees 36 minutes West parallel with the South right-of-way line of Lincoln Street 253.72 feet to the Place of Beginning, enclosing an area containing .505 acres.

Presently and commonly known as 1700 South Indiana Avenue, Auburn, Indiana.