

Received electronically 12/27/2022

RESOLUTION 14-2022

RESOLUTION QUALIFYING REAL ESTATE PROPERTY FOR TAX PHASE-IN FOR PHOENIX AUBURN INDUSTRIAL INVESTORS, LLC

Summary

This resolution establishes that real estate improvements are to be performed, installed, or located within an economic revitalization area.

Further, the resolution allows for **PHOENIX AUBURN INDUSTRIAL INVESTORS, LLC** to receive tax phase-in as follows:

- | | |
|---------|--|
| Year 1: | 100% of the value of the real estate improvements shall be exempt from taxation. |
| Year 2: | 85% of the value of the real estate improvements shall be exempt from taxation. |
| Year 3: | 66% of the value of the real estate improvements shall be exempt from taxation. |
| Year 4: | 50% of the value of the real estate improvements shall be exempt from taxation. |
| Year 5: | 34% of the value of the real estate improvements shall be exempt from taxation. |
| Year 6: | 17% of the value of the real estate improvements shall be exempt from taxation. |

No further exemptions shall be available after the sixth (6th) year for real estate improvements.

Auburn Redevelopment Commission has created the Northwest Redevelopment Area ("Area") and an allocation area entitled the Northwest TIF Allocation Area ("Allocation Area") located in the City's redevelopment district in accordance with IC 36-7-14 ("Act").

The real estate herein is within the boundary of the Area and / or Allocation Area.

The Auburn Redevelopment Commission has consented to the tax phase-in for a period of six (6) years as further set forth herein.

That the Common Council of the City of Auburn, Indiana finds that the real estate improvement described in the application valued at up to approximately **\$3,500,000.00** with an assessed valuation of **\$2,700,600.00** and estimated value of improvements being **\$1,000,000.00** is dedicated for use of real estate improvements. The estimated net value of the improvements for the real estate is **\$4,500,000.00** and estimated assessed value upon completion is **\$3,270,600.00**

The Resolution also sets forth that the Clerk-Treasurer shall file a certified copy of this same resolution with the County Auditor and/or Assessor as directed by statute.

The resolution also sets forth that the Clerk-Treasurer shall file a certified copy of this same Resolution with the County Auditor and/or Assessor as directed by statute.

 x Recorder's Office

 x Publish Public Hearing

 x Auditor's /Assessor's Office

 Clerk's Office

 x Publish summary O/R

 Other:

RESOLUTION 14-2022

RESOLUTION QUALIFYING REAL ESTATE PROPERTY FOR TAX PHASE-IN FOR PHOENIX AUBURN INDUSTRIAL INVESTORS, LLC

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

WHEREAS, Auburn Redevelopment Commission has created the Northwest Redevelopment Area (“Area”) and an allocation area entitled the Northwest TIF Allocation Area (“Allocation Area”) located in the City’s redevelopment district in accordance with IC 36-7-14 (“Act”); and

WHEREAS, the real estate herein is within the boundary of the Area and Allocation Area; and

WHEREAS, the Auburn Redevelopment Commission has consented to the tax phase-in for a period of six years as further set forth herein; and

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

WHEREAS, this ordinance confirms and or establishes or enables the area that is subject herein to be an economic revitalization area, and this Ordinances shall confirm the same and establish the benefits that are allowed under the State of Indiana as a result of certain findings made by the Council Committee on Tax Phase-In, subject to confirmation and passage by the Common Council; and

WHEREAS, the declaration and designation of the Real Estate as an economic revitalization area and the allowance of deductions from the assessed value of new manufacturing equipment, and real estate improvements installed, constructed, or improved thereon, will encourage the development and improvement of the Real Estate; and

WHEREAS, Ind. Code § 6-1.1-12.1-3 and Ind. Code § 6-1.1-12.1-4.5 require that a taxpayer file statements of benefits with the City Council in order to obtain property tax abatement on the installation of new manufacturing equipment, new logistical distribution equipment, new research and development equipment, new information technology equipment and / or real estate improvements in an economic revitalization area;

WHEREAS, the Company has filed with the City Council on or about November 10, 2022, statements of benefits describing a certain new project (a copy of said statements of benefits is incorporated herein and made a part hereof of this Resolution, such project being within the Real Estate (sometimes hereinafter referred to as the “Statements of Benefits”) Form SB-1 / Real Property; and

WHEREAS, the City Council has reviewed and considered the Company's Statements of Benefits; and

WHEREAS, on Tuesday December 20 and also Thursday December 22, 2022 the Ordinance Committee of the City Council adopted a Declaratory Finding and vote approving the SB-1 form and scheduling a public hearing and said findings and declaratory actions are incorporated herein to this Resolution; and

WHEREAS, notice of adoption and substance of said Declaratory Resolution and the scheduling of a public hearing on January 17, 2023, regarding said Resolution has taken place; and

WHEREAS, all requirements of Ind. Code § 6-1.1-12.1-2.5 have been fulfilled; and on January 17, 2023, the Common Council of the City of Auburn has given careful consideration to all comments and views expressed regarding the Statements of Benefits.

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 that the following described real estate, situate in DeKalb

County, State of Indiana, to-wit:

Part of the Southeast Quarter of Section 30, Township 34 North, Range 13 East, Union Township, DeKalb County, Indiana, described as follows:

Beginning at a point 691 feet south of the center and 30 feet east of the North – South centerline of said Section 30 hence East 1277.8 feet to an iron pin; thence south 1303.5 feet to an iron pin; thence west 1287 feet to an iron pin 30 feet east of said North – South centerline; thence north 1304 feet to the point of beginning containing 38.41 acres more or less.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED TRACT OF REAL ESTATE:

Part of the southeast quarter of Section 30, Township 34 North, Range 13 East, Union Township, DeKalb County, Indiana, more particularly described as follows: Commencing at the Northwest corner of the southeast quarter of Section 30, Township 34 North, Range 13 East; thence South 00 degrees 00 minutes 00 seconds East (assumed) along the west line of the said southeast quarter a distance of 703.55 feet; thence North 89 degrees 00 minutes 28 seconds East a distance of 30.00 feet to the point of beginning said point being situated at the south right-of-way line of North Street at the east right-of-way line of Grandstaff Drive; thence North 89 degrees 00 minutes 28

seconds East along the said south Right-of-way line of North Street a distance of 977.07 feet; thence leaving the said south right-of-way line South 00 degrees 08 minutes 47 seconds West a distance of 768.67 feet; thence South 89 degrees 51 minutes 27 seconds West a distance of 167.61 feet; thence South 00 degrees 08 minutes 39 seconds West a distance of 532.04 feet; thence South 89 degrees 31 minutes 24 seconds West a distance of 806.03 feet to a point on the East right-of-way line of Grandstaff Drive, said point being situated 30 feet East of the west line of the southeast quarter of Section 30 aforementioned; thence North 00 degrees 00 minutes 00 seconds East along the said east right-of-way line a distance of 1290.92 feet to the point of beginning containing 26.96 acres more or less and subject to all easements of record.

ALSO: Commencing at a point 644 feet 6 inches north of the northwest corner of Brandon's 2nd addition to the City of Auburn on the extended west line of said addition to the same being the Northwest corner of the property now owned by the Eaton Corporation; thence north along the extended west line of Brandon's 2nd addition to the intersection thereof with the extended south line of North Street; thence east along the extended south line of North Street to the west line of Indiana Avenue; thence south along the west line of Indiana Avenue to a point 264 feet north of the intersection thereof with the north line of Michigan Avenue as platted in Brandon's 1st addition to the City of Auburn; thence west 132 feet; thence south to a point 37 ½ feet north of the north line of Michigan Avenue as platted in Brandon's 1st Addition to the City of Auburn; thence west 301.04 feet; thence south 37.50 feet to the north line of Michigan Avenue as platted in Brandon's 1st Addition OT the City of Auburn; thence west 50 feet to the west line of Brandon Street as now located; thence south to the extended south line of Michigan Avenue as platted in Brandon's 1st addition to the City of Auburn; thence west to the place of beginning.

ALSO: Commencing at a point on the west line of Indiana Avenue in the City of Auburn 264 feet north of the intersection thereof with the north line of Michigan Avenue as platted in Brandon's First Addition to said City; thence north along the west line of Indiana Avenue 37 ½ feet; thence west 132 feet; thence south parallel with the west line of Indiana Avenue 37 ½ feet; thence east to the place of beginning.

Lots numbered 55,56,57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, and 77 in Brandon's Second

Addition to the City of Auburn together with one half the width of all vacated streets and alleys located adjacent to each lot.

ALSO: the following described tract in the southeast quarter of section 30, township 34 north, range 13 east, bounded by a line commencing at the northwest corner of Brandon's Second Addition to the City of Auburn and running thence north on the west line of said Brandon's Second Addition extended a distance of 235 feet thence east parallel with the north line of said Brandon's Second Addition to the west line of Brandon Street; thence southwesterly along the west line of Brandon Street to the north line of said Brandon's Second Addition thence west on said north line of said addition to the place of beginning.

Commonly and presently known as:

**201 Brandon Street
Auburn, IN 46706**

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 void of development, which factors have impaired values and prevented an efficient normal use of the subject property. In the alternative, 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.

2. **FINDINGS.** The Ordinance Committee has made the following findings and has enabled and passed a due recommendation based on the tax Phase-in Worksheet. The Common Council now confirms with this Resolution, and it is hereby found:

(A) The estimate of value of the redevelopment or rehabilitation is reasonable for the projects of this 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 allowed by statute.

(F) The Auburn Redevelopment Commission has created the Northwest Redevelopment Area (“Area”) and an allocation area entitled the Northwest TIF Allocation Area (“Allocation Area”) located in the City’s redevelopment district in accordance with IC 36-7-14 (“Act”).

(G) The real estate herein is within the boundary of the Area and / or Allocation Area.

(H) The Auburn Redevelopment Commission has consented to the tax phase-in for a period of six (6) years as further set forth herein.

3. **REAL ESTATE IMPROVEMENT IS ELIGIBLE.** That the Common Council of the City of Auburn hereby resolves and declares that the real estate improvement described in the Statement of Benefits, Form SB-1, be hereafter eligible for property tax phase-in pursuant to the provisions for the above referenced statute and ordinance. That the Common Council of the City of Auburn, Indiana finds that the real estate improvement described in the application valued at up to approximately **\$3,500,000.00** with an assessed valuation of **\$2,700,600.00** and estimated value of improvements being **\$1,000,000.00** is dedicated for use of real estate improvements. The estimated net value of the improvements for the real estate is **\$4,500,000.00** and estimated assessed value upon completion is **\$3,270,600.00**
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 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 the **17th of January 2023**, the City of Auburn Common Council Chambers in Auburn, Indiana at **6:00 p.m.** At such meeting the Common Council final action in determining whether the qualifications for real estate improvements and new manufacturing equipment have been met and the Common Council then confirmed, this resolution on the record. 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. All granted tax benefits, are expressly contingent

upon the ownership of the real estate being in the name of Phoenix Auburn Industrial Investors, LLC acquiring ownership of the real estate described herein.

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 real estate improvements for six (6) years. Should this Auburn facility of the applicant close and/or cease operations during the phase-in period any phase-in of taxes gained by this resolution shall cease and applicant will immediately pay back any and all taxes abated by this resolution.

The tax phase in shall be executed as follows:

Year 1: 100% of the value of the real estate improvements shall be exempt from taxation.

Year 2: 85% of the value of the real estate shall be exempt from taxation.

Year 3: 66% of the value of the real estate improvements shall be exempt from taxation.

Year 4: 50% of the value of the real estate improvements shall be exempt from taxation.


Year 5: 34% of the value of the real estate improvements shall be exempt from taxation.

Year 6: 17% of the value of the real estate improvements shall be exempt from taxation.

No further exemptions shall be available after the sixth (6th) year of exemptions for real estate improvements.

6. **ON SITE INSPECTION.** Upon installation the improvements and/or rehabilitation of site 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 designated City Officials or Officers to inspect the equipment to ensure 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 may be applicable. Said deductions shall be implemented in due course in accordance with applicable laws.

**ADOPTED BY THE COMMON COUNCIL OF THE CITY OF AUBURN,
INDIANA, ON THE 17th DAY OF JANUARY 2023.**


Council Member

ATTEST:

Patricia Miller, Clerk-Treasurer

1ST Reading 1/3/2023
2nd Reading 1/17/2023

Presented by me to the Mayor of the City of Auburn, Indiana, this **17th day of January**
2023.


PATRICIA MILLER
Clerk-Treasurer

APPROVED AND SIGNED by me this 17th day of January 2023.


MICHAEL D. LEY, MAYOR

VOTING

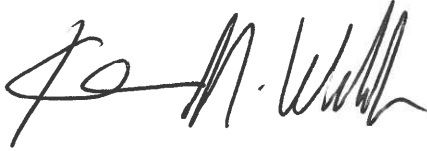
AYE

NAY

Natalie DeWitt
President



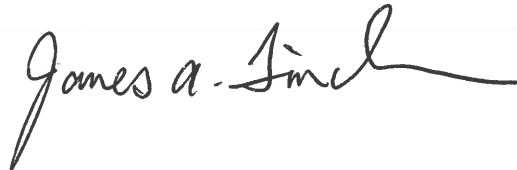
Kevin Webb



Dennis K Kruse II

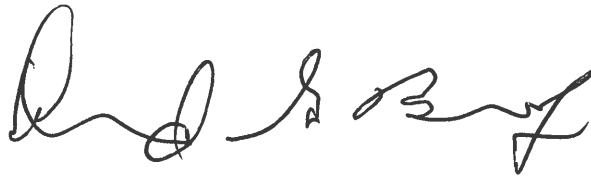


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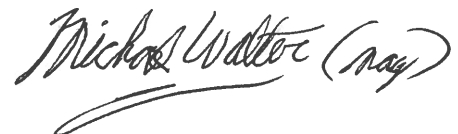


Dennis Ketzenberger

David Bundy



Michael Walter





STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R6 / 10-14)

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

Phoenix Auburn Industrial Investors LLC

Address of taxpayer (number and street, city, state, and ZIP code)

401 E. Kilbourn Ave.

Name of contact person

Anthony Crivello

Telephone number

(414) 405-2496

E-mail address

anthony@phoenixinvestors.com

SECTION 2

LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body

City of Auburn Common Council

Resolution number

Location of property

201 Brandon St., Auburn, IN 46706

County

DeKalb

DLGF taxing district number

Auburn 025

Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary)

General Demo of obsolete roof extremities. General roof repairs. Fire suppression upgrades, Interior and exterior painting, Repairs to electrical service/distribution. T8 LED light installation. Repair to docks and related equipment. Asphalt parking lot repair. Interior concrete floor repair.

Estimated start date (month, day, year)

10/1/2022

Estimated completion date (month, day, year)

9/30/2023

SECTION 3

ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
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SECTION 4

ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values	3,500,000.00	2,270,600.00
Plus estimated values of proposed project	1,000,000.00	1,000,000.00
Less values of any property being replaced	0.00	0.00
Net estimated values upon completion of project	4,500,000.00	3,270,600.00

SECTION 5

WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted (pounds) _____	Estimated hazardous waste converted (pounds) _____
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Other benefits

Taxpayer anticipates estimates bringing one or more high-quality companies into the building. Depending on the ultimate use, Taxpayer expects there to be good paying jobs upon stabilization of the project.

SECTION 6

TAXPAYER CERTIFICATION

I hereby certify that the representations in this statement are true.

Signature of authorized representative

Date signed (month, day, year)

11/10/2022

Printed name of authorized representative

Jacob Tomachek

Title

Analyst

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 6 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

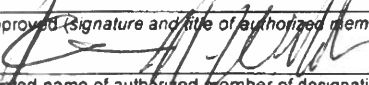
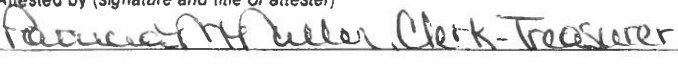
F. For a statement of benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?

☒ 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 <u>(202) 925-6450</u>	Date signed (month, day, year) <u>1-17-2023</u>
Printed name of authorized member of designating body <u>Kevin Webb</u>	Name of designating body <u>City of Auburn Common Council</u>	
Attested by (signature and title of attester) 	Printed name of attester <u>Patricia M. Miller</u>	

* 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.