

Received 9/13/2016
Clerk-Treasurer email

RESOLUTION 07-2016

**RESOLUTION QUALIFYING REAL ESTATE IMPROVEMENTS
FOR TAX PHASE-IN**

Summary

The attached resolution grants tax phase-in to **11th & Phillip, LLC** for certain real estate improvements and equipment.

The attached resolution establishes that certain equipment and real estate improvements are to be installed or located within an economic revitalization area.

Further, the resolution allows for **11th & Phillips, LLC** to receive tax phase-in as follows: Ten (10) Years for real estate improvements with a cost of approximately \$1,244,248.00

- Year 1: 100% of the increased value of the real estate improvements shall be exempt.
- Year 2: 95% of the increased value of the real estate improvements shall be exempt.
- Year 3: 80% of the increased value of the real estate improvements shall be exempt.
- Year 4: 65% of the increased value of the real estate improvements shall be exempt.
- Year 5: 50 % of the increased value of the real estate improvements shall be exempt.
- Year 6: 40% of the increased value of the real estate improvements shall be exempt.
- Year 7: 30 % of the increased value of the real estate improvements shall be exempt.
- Year 8: 20% of the increased value of the real estate improvements shall be exempt.
- Year 9: 10% of the increased value of the real estate improvements shall be exempt.
- Year 10: 5% of the increased value of the real estate improvement shall be exempt.

No exemptions shall be allowed after year 10.

The resolution also sets forth that the Clerk-Treasurer will file a certified copy of this same resolution with the appropriate County Offices of DeKalb County, Indiana.

_____ Recorder's Office	_____ x _____ Publish Public Hearing
_____ x _____ Auditor's Office	_____ 10/4/2016 @:00pm _____
_____ Clerk's Office	_____ x _____ Publish O/R after adoption
_____ x _____ Other: Assessor	_____

RESOLUTION 07-2016

**RESOLUTION QUALIFYING REAL ESTATE IMPROVEMENTS
FOR TAX PHASE-IN**

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, **11th and Phillips, LLC** has filed an application for tax phase-in for the real estate improvements and new manufacturing equipment pursuant to said statute and ordinance which application was filed on August 16, 2016.

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;

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:

See legal attached as Exhibit "A"

Commonly known at 635 West 11th Street, Auburn,
Indiana.

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** 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. **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 of the above 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 \$1,244,248.00 is dedicated for use of real estate improvement.
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 August 16, 2016. 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 **October 4, 2016** at the City Hall Council Chambers, 210 East 9th Street in Auburn, Indiana, at **6:00 p.m.** At such meeting the Common Council took final action in determining whether the qualifications for real estate improvements and new manufacturing equipment have been met and the Common Council will then 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.

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 ten (10) 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 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. **The schedule of exemptions is as follows:**

Ten (10) years for real estate improvements with a cost of approximately

\$1,244,248.00

- Year 1: 100% of the increased value of the real estate improvements shall be exempt.
- Year 2: 95% of the increased value of the real estate improvements shall be exempt.
- Year 3: 80% of the increased value of the real estate improvements shall be exempt.
- Year 4: 65% of the increased value of the real estate improvements shall be exempt.
- Year 5: 50 % of the increased value of the real estate improvements shall be exempt.
- Year 6: 40% of the increased value of the real estate improvements shall be exempt.
- Year 7: 30 % of the increased value of the real estate improvements shall be exempt.
- Year 8: 20% of the increased value of the real estate improvements shall be exempt.
- Year 9: 10% of the increased value of the real estate improvements shall be exempt.
- Year 10: 5% of the increased value of the real estate improvement shall be exempt.

No exemptions shall be allowed after year 10.

7. **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.

8. **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 appropriate County Offices of DeKalb County, Indiana.

**ADOPTED BY THE COMMON COUNCIL OF THE CITY OF AUBURN, INDIANA,
ON THE ____ DAY OF _____, 2016.**

James Finchum, Council Member

ATTEST:

Patricia Miller, Clerk-Treasurer

Presented by me to the Mayor of the City of Auburn, Indiana, this _____ day of _____, 2016.

**PATRICIA MILLER
Clerk-Treasurer**

APPROVED AND SIGNED by me this _____ day of _____, 2016.

NORMAN E. YODER, Mayor

VOTING

AYE

NAY

Denny Ketzenberger

Kevin Webb

Todd Sanderson

Denis “Matthew” Kruse

James Finchum

Michael Watson

Michael Walter