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RESOLUTION 01-2017

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

Summary

The attached resolution grants tax phase-in to **SHILOH DIE CAST MIDWEST, LLC** for certain equipment.

The attached resolution establishes that certain equipment is to be installed within an economic revitalization area.

Further, the resolution allows for **SHILOH DIE CAST MIDWEST, LLC** to receive tax phase-in as follows:

Five (5) years for manufacturing equipment with a cost of \$2,950,000.00 and approximate assessed value of \$1,770,000.00.

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

- Year 1: 100% of the value of new equipment shall be exempt from taxation.
- Year 2: 95% of the value of new equipment shall be exempt from taxation.
- Year 3: 80% of the value of new equipment shall be exempt from taxation.
- Year 4: 60% of the value of new equipment shall be exempt from taxation.
- Year 5: 50% of the value of new equipment shall be exempt from taxation.

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

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 or	_____ <u>4/17/2017 @ 6:00pm</u> _____
_____ Clerk's Office or	_____ x _____ Publish O/R after adoption
_____ x _____ Other: Assessor or	_____

RESOLUTION 01-2017

**RESOLUTION QUALIFYING
NEW EQUIPMENT FOR PROPERTY 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, **SHILOH DIE CAST MIDWEST, LLC** has filed an application for tax phase-in for new manufacturing equipment pursuant to said statute and ordinance which application was filed on February 27, 2017.

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;

WHEREAS, the City of Auburn, Indiana Common Council hereby grants tax phase-in to **SHILOH DIE CAST MIDWEST, LLC** for certain equipment located at 1200 Power Drive, City of Auburn, County of DeKalb, State of Indiana.

This resolution establishes that certain equipment is to be installed or located within an economic revitalization area.

**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 Southwest Quarter of Section 31, Township 34 North, Range 13 East,
DeKalb County, Indiana, more particularly described as follows:

Beginning at the intersection of the North line of the Southwest Quarter of Section
31, Township 34 North, Range 13 East, DeKalb County, Indiana, and the centerline
of the Grandstaff Ditch, said intersection being 75 feet East of the Northwest corner
of the Southwest Quarter of Section 31, Township 34 North, Range 13 East; thence
East along the North line of the Southwest Quarter of Section 31, Township 34 North,
Range 13 East, a distance of 930.0 feet; thence South with a deflection angle to the
right of 90 degrees 52 minutes 30 seconds a distance of 615.0 feet; thence West with
a deflection angle to the right of 89 degrees 07 minutes 30 seconds a distance of
930.0 feet to the centerline of the Grandstaff Ditch; thence North with a deflection
angle to the right of 90 degrees 52 minutes 30 seconds along the centerline of the
Grandstaff Ditch, a distance of 615.0 feet to the point of beginning, containing 13.13
acres.

PRESENTLY AND COMMONLY KNOWN AS 1200 Power Drive, Auburn,
Indiana, 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 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. MANUFACTURING EQUIPMENT IS ELIGIBLE That the Common Council of the City of Auburn hereby resolves and declares that the 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 equipment described in the application with

an approximate assessed cost of 2,950,000.00 and an approximate assessed value of \$1,770,000.00 is dedicated for use as manufacturing.

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

- Year 1: 100% of the value of new equipment shall be exempt from taxation.
- Year 2: 95% of the value of new equipment shall be exempt from taxation.
- Year 3: 80% of the value of new equipment shall be exempt from taxation.
- Year 4: 60% of the value of new equipment shall be exempt from taxation.
- Year 5: 50% of the value of new equipment shall be exempt from taxation.

No further exemptions shall be available after year five (5) for the new 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 February 27, 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 **Monday, April 17, 2017**, 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 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. Deductions from the assessed value of manufacturing equipment installed in the economic revitalization area established by this Resolution within four (4) years of the date of this Resolution shall be allowed over a five (5) year deduction period.

For the Statement of Benefits submitted by the Company for the installation of manufacturing equipment, the Common Council makes the following findings of fact pursuant to Ind. Code § 6-1.1-12.1-4.5(c):

- a) The estimate of the cost of the manufacturing equipment is reasonable for equipment of that type.
- 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 installation of manufacturing equipment.
- 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 installation of manufacturing equipment.
- d) Other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed installation of manufacturing equipment.
- e) The statement of benefits submitted by the Company on February 27, 2017, should be and is hereby approved.

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 for new manufacturing equipment for five (5) 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. 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 appropriate County Offices of DeKalb County, Indiana.

BE IT RESOLVED by the Common Council, the Company's request for the adoption of the Waiver pursuant to Ind. Code § 6 1.1 12.1 11.3 regarding the requirement that Statements of Benefits be filed before the initiation of the installation of new equipment for which a person desires to claim a deduction under Ind. Code § 6 1.1 12.1 should be considered by the Common Council at a public hearing.

BE IT FURTHER RESOLVED by the Common Council, that there shall be published notice of the adoption and substance of this Resolution in accordance with Ind. Code § 5 3 1, which notice shall name a date for the public hearing on the approval of the Statement of Benefits, and the request for adoption of the Waiver, and that at the conclusion of said public hearing the Common Council may take final action on said matters.

ADOPTED BY THE COMMON COUNCIL OF THE CITY OF AUBURN, INDIANA, ON THE ____ DAY OF _____, 2017.

JAMES FINCHUM
Councilmember

ATTEST:

Patricia Miller
Clerk-Treasurer

Presented by me to the Mayor of the City of Auburn, Indiana, this _____ day of _____, 2017.

PATRICIA MILLER
Clerk-Treasurer

APPROVED AND SIGNED by me this _____ day of _____, 2017.

NORMAN E. YODER
Mayor

VOTING:

AYE

NAY

Denny Ketzenberger

Dennis “Matthew” Kruse III

James Finchum

David Painter

Mike Watson

Kevin Webb

Michael Walter