

COMMON COUNCIL OF THE CITY OF HOBART, INDIANA

RESOLUTION NO. 2014 - 07

A RESOLUTION CONFIRMING RESOLUTION NO. 2014-04 DESIGNATING A CERTAIN AREA WITHIN THE CITY AS AN ECONOMIC REVITALIZATION AREA FOR PURPOSES OF REAL PROPERTY TAX ABATEMENT

WHEREAS, the Common Council ("Council") of the City of Hobart, Lake County, Indiana, ("City"), pursuant to the application of Jefferson, LLC ("land owner" or "petitioner"), adopted Resolution No. 2014-04 on April 2, 2014 declaring that the area commonly known as 5441 East Lincoln Highway, which is more particularly described in Exhibit "A" attached, is an Economic Revitalization Area for the purpose of encouraging development and occupancy therein by providing property tax abatement in accordance with I.C. §6-1.1-12.1-1, *et seq.*; and

WHEREAS, the Council has caused the notice of the adoption and substance of said Resolution No. 2014-04 to be published in accordance with the notice requirements of I.C. 5-3-1, as amended, and has caused a copy of this resolution to be filed with the County Assessor, and has caused the information required by I.C. §6-1.1-12.1-2.5(c) to be filed with the officers of each taxing unit that has authority to levy property taxes in the geographic area where the Economic Revitalization Area is located; and

WHEREAS, pursuant to said Resolution, notice of public hearing was published in *The Times* and the *Post-Tribune*, newspapers of general circulation in the County, in the manner required by law, on April 10, 2014, designating May 7, 2014 at 6:00 p.m. as the date and time the Council would receive and hear all remonstrances and objections from interested persons with respect to the matters set forth in Resolution No. 2014-04; and

WHEREAS, the Council, having conducted said public hearing and has not received any remonstrances or objections; and

WHEREAS, the Council has been informed that the applicant land owner has agreed to share in the expense of a traffic study and possible installation of a traffic signal upon U.S. Highway 30 at its property location, if necessary; and

WHEREAS, the general contractor for the applicant land owner has agreed to execute a Project Labor Agreement in accordance with Council Resolution Nos. 2014-02 and 2014-04; and

WHEREAS, the petitioner has submitted an up-dated Form SB-1 on April 7, 2014, attached hereto and made a part hereof, which contains changes which reflect more timely employment and salary information for the project; and

WHEREAS, the Common Council of the City of Hobart, Lake County, Indiana has considered the evidence and determined that the qualifications for designation as an Economic Revitalization Area have been met and that such Economic Revitalization Area should be designated.

THEREFORE, BE IT RESOLVED by the Common Council of the City of Hobart, Indiana as follows:

1. The qualifications for an Economic Revitalization Area as designated in Resolution No. 2014-04 have been met.

2. In Resolution No. 2014-04, the attached Statement of Benefits, form SB-1 is amended to substitute the SB-1 filed with the City by the petitioner on April 7, 2014 and attached to this Resolution. Said Resolution No. 2014-04 and substituted Statement of Benefits is hereby, in all respects, approved and confirmed, with the exception, that Section 5 of the applicant's said substituted Statement of Benefits is amended to include the following new language:

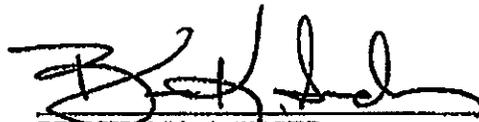
At such time as requested by the City of Hobart, the Petitioner agrees to pay 100% of the cost of a traffic study and/or warrant analysis, as may be required by either INDOT and/or the City, in order to determine if a traffic signal is warranted on U.S. Highway 30 in proximity to Petitioner's business. If such a traffic signal is warranted or determined to otherwise be needed by the City for public safety reasons, the Petitioner agrees to bear 50% of the installation expense or 50% of the expense that would typically be borne by the City.

Said Section 5 is further amended by inserting the following additional language:

Petitioner agrees to require its General Contractor to agree to execute a Project Labor Agreement in accordance with Council Resolution Nos. 2014-03 and 2014-04 with the Northwest Indiana Building and Construction Trades Council.

3. The determination of the Common Council of the City of Hobart, Lake County, Indiana made by this confirmatory resolution shall be final, except that an appeal may be taken and heard as provided in I.C. §6-1.1-12.1-2.5.

ALL OF WHICH IS PASSED and ADOPTED on this Seventh day of May, 2014, by the Common Council of the City of Hobart, Indiana.



PRESIDING OFFICER

ATTEST:



DEBORAH A. LONGER, Clerk-Treasurer

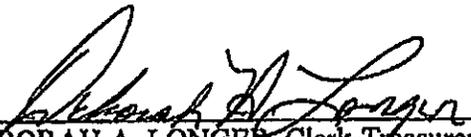
PRESENTED by me to the Mayor of the City of Hobart on the 7th day of May, 2014 at the hour of 7:05 pm.


DEBORAH A. LONGER, Clerk-Treasurer

APPROVED, EXECUTED and RETURNED by me to the Common Council of the City of Hobart on this 7th day of May, 2014.


BRIAN K. SNEDECOR, Mayor

ATTEST:


DEBORAH A. LONGER, Clerk-Treasurer

EX 'A'

DESCRIPTION OF PROPERTY

LOTS 2, 3, 4 AND THE EAST 100 FEET OF LOT 5 IN US 30 ENTERPRISE PARK SUBDIVISION RECORDED IN THE LAKE COUNTY RECORDER'S OFFICE IN PLAT BOOK 81 PAGE 99, LYING IN THE SOUTH HALF OF SECTION 19, TOWNSHIP 35 NORTH, RANGE 7 WEST IN HOBART, INDIANA, HAVING AN AREA OF 21.015 ACRES MORE OR LESS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT NORTHWEST CORNER OF THE EAST HALF OF THE SOUTH WEST CORNER OF SAID SECTION 19; THENCE SOUTH $00^{\circ} 06' 34''$ EAST ALONG THE WEST LINE OF EAST HALF OF THE SAID SOUTHWEST CORNER, 154.243 FEET TO THE SOUTH RIGHT OF WAY LINE OF THE SOUTH US 30 FRONTAGE ROAD AS DEDICATED IN SAID US 30 ENTERPRISE PARK SUBDIVISION; THENCE SOUTH $89^{\circ} 32' 13''$ EAST ALONG SAID RIGHT OF WAY LINE, SAID LINE ALSO BEING THE NORTH LINE OF LOT 5 IN SAID ADDITION, 600.110 FEET TO A POINT 100.00 FEET WEST OF THE EAST LOT LINE OF SAID LOT 5 AND TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH $89^{\circ} 32' 13''$ EAST ALONG SAID SOUTH FRONTAGE ROAD RIGHT OF WAY LINE, 804.713 FEET TO THE EAST LINE OF LOT 2 IN SAID SUBDIVISION; THENCE SOUTH $00^{\circ} 05' 31''$ EAST ALONG SAID LOT 2 EAST LINE, 889.803 FEET TO THE SOUTHEAST CORNER OF SAID LOT 2; THENCE NORTH $89^{\circ} 28' 34''$ WEST ALONG THE SOUTH LINE OF LOT 2 OF SAID SUBDIVISION AND PARALLEL TO THE SOUTH LINE OF THE NORTH HALF OF THE SOUTH HALF OF SAID SECTION 19, 188.76 FEET, TO THE NORTHEAST CORNER OF LOT 4 IN SAID SUBDIVISION; THENCE SOUTH $00^{\circ} 07' 34''$ EAST ALONG SAID LOT 4 EAST LINE, 322.12 FEET TO THE NORTH RIGHT OF WAY LINE OF 83RD AVENUE; THENCE NORTH $89^{\circ} 52' 33''$ WEST ALONG SAID RIGHT OF WAY LINE, 616.07 FEET TO A LINE PARALLEL TO AND 100 FEET FROM THE EAST LINE OF LOT 5 IN SAID SUBDIVISION; THENCE NORTH $00^{\circ} 05' 41''$ WEST ALONG SAID PARALLEL, 1215.366 FEET TO THE POINT OF BEGINNING; CONTAINING 21.015 ACRES MORE OR LESS.

SUBJECT TO ALL EASEMENTS AND SETBACKS ALREADY DEDICATED.



**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R5 / 12-13)

Prescribed by the Department of Local Government Finance

Exhibit 'B' pg 1 of 3

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:

1. 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.
2. 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.
3. 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.
4. 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)
5. 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
Jefferson LLC.

Address of taxpayer (number and street, city, state, and ZIP code)
5441 East Lincoln HWY. Merrillville, IN 46410

Name of contact person James Dragon	Telephone number (219) 942-1877	E-mail address
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SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body Hobart City Council	Resolution number
Location of property 5441 East Lincoln Hwy in Hobart	County Lake
DLGF taxing district number 46	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Building Addition in the size of 194,329sq/ft. with Manufacturing, Warehouse, and Office space. 8 Truck Loading Docks, 270 additional parking spaces, Paved Drives to access parking and Loading Docks	Estimated start date (month, day, year) 06/01/2014
	Estimated completion date (month, day, year) 01/15/2015

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
239.00 as of 12/31/13	\$7,973,183.00	239.00	\$7,973,183.00	30.00	\$10,319,916.00

SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values	7,567,340.00	8,655,700.00
Plus estimated values of proposed project	12,106,780.00	12,106,780.00
Less values of any property being replaced	0.00	
Net estimated values upon completion of project	19,674,120.00	20,762,480.00

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
See Attached Sheet

SECTION 6 TAXPAYER CERTIFICATION

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

Signature of authorized representative <i>Scott Albanese</i>	Date signed (month, day, year) 04/07/2014
Printed name of authorized representative Scott Albanese	Title CEO

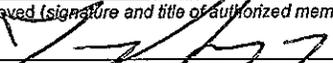
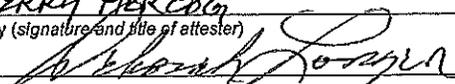
FOR USE OF THE DESIGNATING BODY

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) enhanced deduction schedule as per Sect 6 of Res.
- E. Number of years allowed:

<input type="checkbox"/> Year 1	<input type="checkbox"/> Year 2	<input type="checkbox"/> Year 3	<input type="checkbox"/> Year 4	<input type="checkbox"/> Year 5 (* see below)
<input type="checkbox"/> Year 6	<input type="checkbox"/> Year 7	<input type="checkbox"/> Year 8	<input type="checkbox"/> Year 9	<input checked="" type="checkbox"/> 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? 2014-04
 - Yes No
 - If yes, attach a copy of the abatement schedule to this form. see Sect 6 of Res 2014-04
 - 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 (219) 942-1940	Date signed (month, day, year) 5-7-14
Printed name of authorized member of designating body TERRY HEROLD	Name of designating body Common Council	
Attested by (signature and title of attester) 	Printed name of attester DEBORAH A. LONGER	

* 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.

(219) 942-1877

Fax (219) 942-1899

5441 E. Lincoln Highway, Merrillville, Indiana 46410

Setting higher standards in confectionery.

Statement of Benefits Real Estate Improvements

Section 5

Waste Converted and Other Benefits Promised by the Taxpayer

The Proposed Project will having the following Benefits to the City and Community:

- Attraction of Similar Businesses on Adjacent property and Development of these Sites.
- Increased Tourism brought to the area to Visit our Candy Factory and Retail Store.
- Increased revenue brought to the surrounding areas from our Building and Plant Manufacturing Expansion.
- Numerous Tradesmen's and Technical Jobs retained to help build the New Building Addition and install the New Manufacturing Equipment
 - Approx. 6-10 Electricians with an estimated earned wage totaling - \$272,000
 - Approx. 4-6 Plumbers with an estimated earned wage totaling - \$228,000
 - Approx. 10-15 Iron Workers with an estimated earned wage totaling - \$432,000
 - Approx. 6-8 Operating Engineers with an estimated earned wage totaling - \$192,000
 - Approx. 12-15 Concrete Workers with an estimated earned wage totaling - \$195,000
 - Approx. 3-4 Site Surveyors with an estimated earned wage totaling - \$12,000
 - Approx. 4-6 Pipe Fitters with an estimated earned wage totaling - \$72,000
 - Approx. 4-6 Sheet Metal Workers with an estimated earned wage totaling - \$72,000
 - Approx. 3-4 Electrical Engineer Tech. with an est. earned wage totaling - \$120,000
 - Approx. 3-4 Carpenters with an estimated earned wage totaling - \$27,200
 - Approx. 3-4 Draftsmen with an estimated earned wage totaling - \$332,800