

COMMON COUNCIL OF THE CITY OF HOBART, INDIANA

Resolution Number 2018-19

A Resolution Granting Vacant Building Deduction from Real Property Tax Assessment to Race Enterprises, LLC

WHEREAS, the Common Council (“Council”) of the City of Hobart, Indiana (“City”), by confirmatory Resolution No. 2018-18 adopted on September 5, 2018, designated a certain parcel of real estate in the City, improved with a commercial building (“subject property”), an Economic Revitalization Area pursuant to I.C. 6-1.1-12.1-2.5; and

WHEREAS, said resolution was adopted to promote the occupancy and use of the subject property by Race Enterprises, LLC, an Indiana Limited Liability Company (“Race “), who has contracted to acquire the subject property, which is located at 524 East 3rd Street, Hobart, Indiana 46342 and is legally described as follows:

The West 44.75 feet of Lot 41 & Lot 40 in the Town (now City) of Hobart, as per plat thereof, recorded in Deed Record “D,” page 423, in the Office of the Recorder of Lake County, Indiana.

Property Number: 45-09-32-131-010.000-018;

and

WHEREAS, the subject property has been entirely vacant and continuously unoccupied for a period of more than 12 months, and Race has not yet occupied it; and

WHEREAS, Race desires to develop the subject property into a restaurant with both take-out and dining room facilities (“project”), and has applied to the City economic development staff and the Council for the grant of a three (3)-year vacant building deduction (“VBD”) from the assessed value of the real estate improvements of the subject property as provided for and authorized in I.C. §6-1.1-12.1-4.8; and

WHEREAS, Race has submitted a Designation Application in the form previously approved by the Council’s Tax Abatement Committee together with statement of benefits in the form prescribed by the Indiana Department of Local Government Finance (Form SB-1/VBD) for its project to be developed upon the subject property; and

WHEREAS, Race has operated a restaurant business in the City known as “Brickie Gyros” for a number of years , and is required to move from its current location due to the construction of the new Third Street Bridge Project, and the Council desires to grant the deduction requested to retain this business as part of the City’s commercial community; and

WHEREAS, the Council has received the report of H.J. Umbaugh & Associates Certified Public Accountants, LLP analyzing the estimated property tax liability for the subject property

and the estimated tax increment for the subject property which is located in the State Road 130 Industrial and Greater Downtown Redevelopment Area dated July 27, 2018, together with Umbaugh's letter of the same date rendering its opinion that the loss of some tax increment due to the grant of the VBD will not jeopardize the City's ability to meet its debt service obligations; and

WHEREAS, the real estate improvements and land have an assessed value of \$89,600.00, and the subject real estate is zoned for commercial purposes under the City of Hobart Comprehensive Plan; and

WHEREAS, the Council now desires to grant said Vacant Building Deduction to Race and to memorialize its action in this Resolution.

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

SECTION ONE. The Council now finds that:

A. The application of Race Enterprises, LLC for vacant building deduction meets all of the requirements established by law in I.C. §6-1.1-12.1-4.8.

B. The real estate improvements upon the subject property are an eligible vacant building within the meaning and intent of I.C. §6-1.1-12.1-1 (17).

C. The estimate of the number of individuals who will be employed or whose employment will be retained by the project can be reasonably expected to result from the proposed occupation of the eligible vacant building.

D. 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 occupation of the eligible vacant building.

E. The establishment of the applicant's business in the eligible vacant building can reasonably be expected to support the development of other nearby properties and will enhance the suitability of the City as a home for similar businesses.

F. The occupation of the eligible vacant building will increase the tax base and assist in the rehabilitation of the economic revitalization area.

G. The totality of benefits is sufficient to justify the deduction.

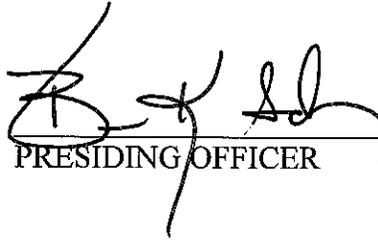
SECTION TWO: Based upon the foregoing findings, the Council now:

A. Approves and grants to Race Enterprises, LLC vacant building deduction from the assessed value of the real estate improvements upon the

subject property described above for a period of three (3) years. Subject to the provisions of I.C. §6-1.1-12.1-4.8 (j) and (k), the amount of such deduction shall be determined by multiplying the assessed value of the building or part of the building that is occupied by Race Enterprises, LLC or tenant of Race by 100 % in each of the three years. The final determination of such deduction in each year for which it is granted shall be made by the appropriate County and State agencies; and

B. Waives any fee that could be imposed upon Race, as allowed pursuant to I.C. §6-1.1-12.1-14, in recognition of the desire of this business to remain in Downtown Hobart.

ALL OF WHICH is adopted as the Resolution of the Common Council of the City of Hobart on this Fifth day of September, 2018.



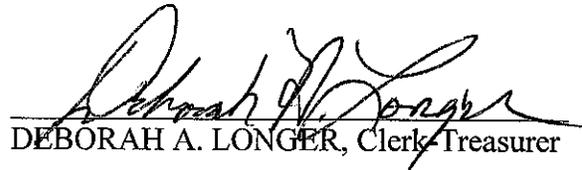
PRESIDING OFFICER

ATTEST:



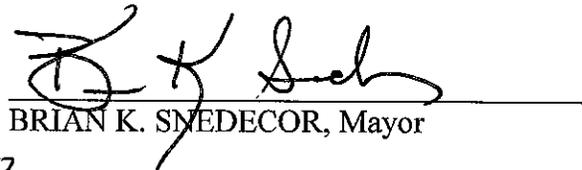
DEBORAH A. LONGER, Clerk-Treasurer

PRESENTED by me to the Mayor of the City of Hobart on the 5th day of September, 2018 at the hour of 7:15 pm.



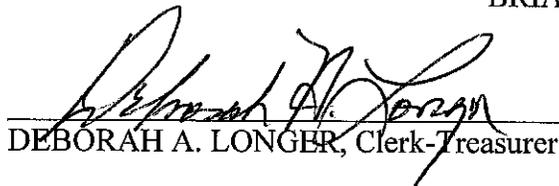
DEBORAH A. LONGER, Clerk-Treasurer

APPROVED, EXECUTED and RETURNED by me to the Common Council of the City of Hobart on this 5th day of September, 2018.



BRIAN K. SNEDECOR, Mayor

ATTEST:



DEBORAH A. LONGER, Clerk-Treasurer