

**COMMON COUNCIL OF THE CITY OF HOBART, INDIANA
Resolution Number 2018 - 24**

A Resolution Terminating the Real Estate Tax Deduction Previously Granted to the Patricia Jansen Trust for Failure to Make Reasonable Efforts to Comply with the Statement of Benefits Approved on February 7, 2018

WHEREAS, the Common Council (“Council”) of the City of Hobart, Indiana (“City”) previously granted to the Patricia Jansen Trust (“Jansen”), a real property tax abatement pursuant to I.C. §6-1.1-12.1-3 for a parcel of improved real property identified by Property Number 45-09-21-353-008.000-045 and located in the City of Hobart at 8190 East Ridge Road through the adoption of Declaratory Resolution Number 2010-04 on March 3, 2010, and confirmatory resolution Number 2010-05 on April 8, 2010, and

WHEREAS, the Council subsequently approved Jansen’s filings of forms CF-1, Compliance with Statement of Benefits, the most recent such form filed on January 16, 2018 and approved by the Council on February 7, 2018 authorizing deduction (abatement) of 20% from real estate taxes for said parcel for 2018 taxes payable in 2019; and

WHEREAS, the City Department of Development subsequently learned that the business that was conducted upon said parcel, Jansen’s Michigan Fruit Market, closed its doors permanently without opening in 2018; and

WHEREAS, in accordance with the provisions of I.C. §6-1.1-12.1-5.9, written notice was given by the Director of Development on behalf of the Council to Jansen on May 24, 2018, explaining that the Council had preliminarily determined that the approval of compliance with Statement of Benefits for 2018 real estate taxes might be subject to withdrawal, and requested that Jansen appear before the Council at its public meeting of July 18, 2018 for the purpose of further considering Jansen’s compliance with Statement of Benefits. Said letter of notice is attached as Exhibit A; and

WHEREAS, prior to said hearing by the Council, the Director of Development received a letter dated June 6, 2018 signed by Patricia Jansen, Trustee of the Patricia Jansen Trust and by Bruce A. Jansen, Agent of the Trust, requesting voluntary withdrawal of the real estate tax abatement for 2018 taxes payable in 2019 with the understanding that the abatement will not be reinstated without the filing of a new Statement of Benefits (Form SB-1), and waiving notice and hearing before the Council. Said letter is attached as Exhibit B; and

WHEREAS, the Council, having been duly advised, desires through this Resolution to terminate said real estate tax deduction for 2018 taxes payable in 2019 and for subsequent years in the event that no new Form SB-1 is filed and approved.

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

1. The Council finds that the form for Compliance with Statement of Benefits (CF-1) for 2018 pay 2019 for the improvements to the real estate identified above was improvidently granted in that the business which previously qualified for real estate tax abatement permanently ceased operations prior to 2018.

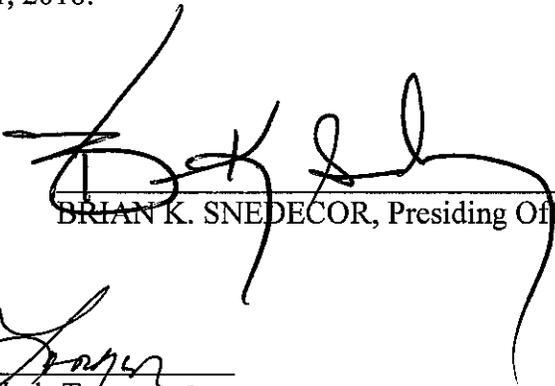
2. The Council further finds that the applicant for the abatement has requested its withdrawal for 2018 real estate taxes payable in 2019 and for subsequent years unless a new Statement of Benefits is filed and approved, and that the applicant, the Patricia Jansen Trust, has waived notice and hearing upon same.

3. The Council finds, therefore, that the property owner has not made reasonable efforts to comply with the statement of benefits previously filed for 2018 real estate taxes payable in 2019.

4. The Council now terminates the property owner's deduction for said parcel for 2018 real estate taxes payable in 2019 and for subsequent years unless a new Statement of Benefits is filed and approved, all pursuant to I.C. §6-1.1-12.1-5.9 (c).

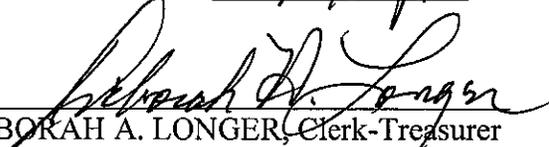
5. The Clerk-Treasurer is directed, immediately upon the adoption of this resolution, to mail a certified copy of same to the property owner, the Patricia Jansen Trust, the Auditor of Lake County and the Assessor of Lake County as required by I.C. §6-1.1-12.1-5.9 (d).

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

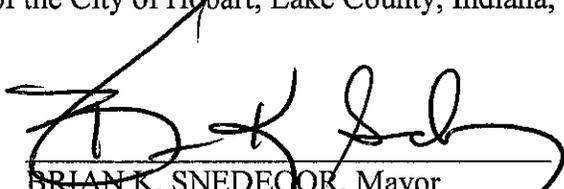

BRIAN K. SNEDECOR, Presiding Officer

ATTEST: 
DEBORAH A. LONGER, Clerk-Treasurer

PRESENTED by me to the Mayor of the City of Hobart, Indiana this 7th day of November, 2018, at 7:45 pm. o'clock.


DEBORAH A. LONGER, Clerk-Treasurer

APPROVED, SIGNED, and RETURNED by me as Mayor of the City of Hobart, Lake County, Indiana, to the Common Council of the City of Hobart, Lake County, Indiana, this 7th day of November, 2018.


BRIAN K. SNEDECOR, Mayor

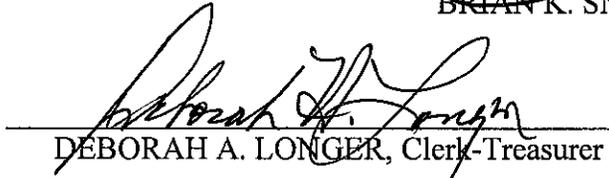
ATTEST: 
DEBORAH A. LONGER, Clerk-Treasurer

EXHIBIT A (2 pages)



ECONOMIC DEVELOPMENT

Via Certified Mail

May 24, 2018

Mr. Bruce Jansen
800 Carol Avenue
New Smyrna Beach, FL 32169

Dear Mr. Jansen:

The City Council took action on February 7, 2018, in regard to your Compliance with Statement of Benefits form submitted on January 16, 2018. This Council action provided approval for abatement at a 20% level for 2018 pay 2019 taxes. Subsequent to this action, the news media ran a story about how the business, Jansen's Fruit Market, will not be opening in 2018. There is currently a for sale sign on the property.

Due to these circumstances, the City Council requests your presence at their July 18th City Council meeting at 6:00 PM to discuss your abatement status. If no jobs are generated by the business in 2018, the Council may choose to revoke their prior approval for 2018 pay 2019 as well as remove the abatement eligibility for 2019 pay 2020, and 2020 pay 2021 taxes. To date, the attached represents the tax savings that have been realized as provided by the Lake County Auditor's office.

If a new buyer opens the business in 2018 or later, they would need to seek an amendment at their cost from the City Council in order to potentially realize the remaining years of tax savings. Please advise me at (219) 942-5517 or dkane@cityofhobart.org of your attendance at this meeting. Thank you.

Very Truly Yours,

A handwritten signature in cursive script that reads "Denarie Kane (DK)".

Denarie Kane, Director of Development

Cc: Mayor Brian Snedecor
City Attorney Anthony DeBonis
Clerk-Treasurer Deborah Longer
Assistant Director of Development Beth Jacobson

DENARIE KANE
DIRECTOR OF DEVELOPMENT
DKANE@CITYOFHOBART.ORG
PH: (219) 942-5517 FX: (219) 947-2314

ECONOMIC DEVELOPMENT DEPARTMENT
414 MAIN STREET
HOBART, INDIANA 46342
WWW.CITYOFHOBART.ORG

Comparison of Jansen property

45-09-21-353-008.000-045	Tax with abatement	Tax without abatement	Savings
10 Year abatement			
2011 payable 2012	8,314.26	14,604.15	6,289.89
2012 payable 2013	8,967.46	15,366.92	6,399.46
2013 payable 2014	8,674.28	14,031.04	5,356.76
2014 payable 2015	9,369.60	13,489.38	4,119.78
2015 payable 2016	11,126.96	14,677.08	3,550.12
2016 payable 2017	12,585.46	15,596.45	3,010.99
2017 payable 2018	13,385.85	15,595.75	2,209.90
2018 payable 2019	Schedule 20%	N/A	
2019 payable 2020	Schedule 10%	N/A	
2020 payable 2021	Schedule 5%	N/A	
	72,423.87	103,360.77	30,936.90

EXHIBIT B (2 pages)

JANSEN TRUST
c/o Bruce Jansen
800 Carol Avenue
New Smyrna Beach, FL 32169

June 6, 2018

Ms. Denarie Kane, Director of Development
The City of Hobart
414 Main Street
Hobart, IN 46342

Dear Ms. Kane:

We are in receipt of your letter dated May 24, 2018 regarding the tax abatement for the Jansen property, parcel number 45-09-21-353-008.000-045. I also want to thank you for your time in further explaining the letter to me during our call on May 25, 2018.

As I explained during our call and to clarify what happened, a Compliance with Statement of Benefits was submitted to your office on January 16, 2018. It was my understanding based on my conversations with your office, that the information to be submitted was for calendar 2017; and that the Statement applied to **2017/pay 2018 taxes**. The letter indicates, and you further clarified, that the Statement contains the information for 2017, but applies to the abatement for **2018/pay 2019 taxes**.

You are correct that Jansen's Market did not open in the spring of 2018. We are working to locate a new tenant or a buyer for the property. However, at this point, we do not have anything in place. We will continue our active search; however, we do not anticipate we will have anything in place by the time of the meeting on July 18, 2018.

During our call Friday, I inquired if we could withdraw the request for abatement for 2018/pay 2019 real property taxes. It is my understanding from our conversation that we can withdraw the request in writing, and that the City will revoke the 2018/pay 2019 action without penalty. Furthermore, if we withdraw the request, it will not be necessary for us to attend the July 18, 2018 City Council meeting.

Ms. Denarie Kane
June 6, 2018
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If our understanding is correct, please consider this letter to be a request to withdraw the tax abatement for 2018/pay 2019 real estate taxes applicable to parcel number 45-09-21-353-008.000-045 and to waive notice and hearing before the City Council on this request for voluntary withdrawal. We understand that the abatement will not be reinstated unless a new application for abatement is filed with the City together with a new form SB-1, and other information required by the City's tax abatement policies, and the City Council, after public hearing, approves same. If our understanding is incorrect, please notify me and advise as to the procedure that is required to address this matter appropriately.

We appreciate your time and understanding.

Sincerely,

Bruce A. Jansen, Agent for Patricia Jansen Trust

Bruce A. Jansen 6-6-18

Patricia Jansen, Trustee

Patricia Jansen, Trustee 6-6-18