

227 W. JEFFERSON BOULEVARD
SUITE 1400 S.
SOUTH BEND, IN 46601-1830



PHONE: 574/235-9371
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CITY OF SOUTH BEND PETE BUTTIGIEG, MAYOR
COMMUNITY INVESTMENT

September 8, 2016

Council Member Gavin Ferlic, Chairperson
Community Investment Committee
South Bend Common Council
4th Floor, County City Building
South Bend, IN 46601

Filed in Clerk's Office

SEP 08 2016

KAREEMAH FOWLER
CITY CLERK, SOUTH BEND, IN

RE: Personal Property Tax Abatement Petition for: **Industrial Metal-Fab, Inc.**

Dear Council Member Ferlic:

Please find the attached information pertaining to a personal property tax abatement petition for Industrial Metal-Fab, Inc.:

- Department of Community Investment's summary report
- Copy of the petition
- Statement of Benefits form
- Supporting information.

The report contains the Department's findings relative to the above petition. Industrial Met-Fab, Inc. will be investing approximately \$400,000 in the new building construction and the expansion of their current facility along with purchase and installation of approximately \$120,000 of new equipment. Industrial Metal-Fab, Inc. is a full service metal fabricator employing highly trained operators in the processes of CNC profiling, forming, welding, and machining. Their diverse customer base includes the energy, construction, and agricultural industries. This expansion will serve as additional storage to make their overall operations more efficient as well as the ability to house new machinery leading to growth. The project meets the qualifications for a (5) five year personal property tax abatement. A representative from Industrial Met-Fab, Inc. will be available to meet with the Committee on Monday, September 12, 2016.

Should you or any of the other Council members have any questions concerning the report, or need additional information, please feel free to call me at 235-5823.

Sincerely,

Aaron Kobb
Director Economic Resources

TAX ABATEMENT REPORT Filed in Clerk's Office

SEP 08 2016

KAREEMAH FOWLER
CITY CLERK, SOUTH BEND, IN

TO: SOUTH BEND COMMON COUNCIL

FROM: AARON KOBBS

SUBJECT: PERSONAL PROPERTY TAX ABATEMENT PETITION FOR:
Industrial Met-Fab, Inc.

DATE: September 8, 2016

On Wednesday, September 7, 2016, a petition from Industrial Met-Fab, Inc. was received and subsequently filed with the City Clerk for personal property tax abatement consideration for property to be located at 2806 W. Sample Street, South Bend, IN 46619. Pursuant to Chapter 2, Article 6, Section 2-84.2 of the Municipal Code of the City of South Bend, this petition was referred to the Department of Community Investment for purposes of investigation and preparation of a report determining whether the area qualifies as an Economic Revitalization Area pursuant to I.C.6-1.1-12.1 and whether all zoning requirements have been met.

The Department of Community Investment has reviewed the petition (a copy of which is attached), investigated the area, and makes the following report.

PROJECT SUMMARY

- Approximately \$500,000 expansion of current facility along with the purchase of approximately \$3,000,000 of new equipment.
- Estimated total taxes on new equipment over the five year abatement period – \$10,294
- Estimated taxes abated on new equipment over the five year abatement period – \$4,719
- Total taxes to be paid on new equipment over the five year abatement period – \$5,575

EMPLOYMENT IMPACT

Per the petition, it is estimated that the total project will:

- Create 10 permanent, full-time jobs within the six year abatement period, representing a new estimated annual payroll of \$332,800

ABATEMENT QUALIFICATION

1. A review of the tax abatements previously granted finds that the petitioner has not been granted or associated with any previous abatements.
2. The Building Commissioner has reviewed the petition and finds the property to be properly zoned for the proposed project.
3. A review of the South Bend Redevelopment designation areas finds that the property is located in the River West Development Area.
4. A review of the Tax Abatement Ordinance No. 9394-03 finds that the petitioner meets the qualifications for a (5) five year personal property tax abatement under section 2-84.2, Real Property Tax Abatement.

RESOLUTION NO. _____

A RESOLUTION OF THE COMMON COUNCIL OF THE
CITY OF SOUTH BEND DESIGNATING CERTAIN AREAS WITHIN
THE CITY OF SOUTH BEND, INDIANA, COMMONLY KNOWN AS

2806 W. Sample Street, South Bend, IN 46619

AN ECONOMIC REVITALIZATION AREA FOR PURPOSES OF A
(5) FIVE-YEAR PERSONAL PROPERTY TAX ABATEMENT FOR:

Industrial Metal-Fab, Inc.

WHEREAS, a petition for personal property tax abatement consideration has been filed with the City Clerk for consideration by the Common Council of the City of South Bend, Indiana, requesting that the area commonly known as 2806 W. Sample Street, South Bend, IN 46619 and which is more particularly described as follows:

Business Personal Property

and which has a Key Number to be assigned be designated as an Economic Revitalization Area under the provisions of Indiana Code 6-1.1-12.1 et seq., and South Bend Municipal Code Sections 2-76 et seq., and;

WHEREAS, the Department of Community Investment has concluded an investigation and prepared a report with information sufficient for the Common Council to determine that the area qualifies as an Economic Revitalization Area under Indiana Code 6-1.1-12.1, et seq., and South Bend Municipal Code Sections 2-76, et seq., and has further prepared maps and plats showing the boundaries and such other information regarding the area in question as required by law; and

WHEREAS, the Community Investment Committee of the Common Council has reviewed said report and recommended to the Common Council that the area qualifies as an Economic Revitalization Area.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of South Bend, Indiana, as follows:

SECTION I. The Common Council hereby determines and finds pursuant to Indiana Code 6-1.1-12.1-4.5 et seq., that:

- a. The estimate of the cost of the new manufacturing equipment is reasonable for

- equipment of that type;
- b. That the estimate of the number of individuals that will be employed or whose employment will be retained by the Petitioner can reasonably be expected to result from the proposed installation of new manufacturing equipment;
 - c. That the estimate of the annual salaries of those individuals that will be employed or whose employment will be retained by the Petitioner can be reasonably expected to result from the proposed installation of new manufacturing equipment;
 - d. Any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed new manufacturing equipment; and
 - e. The totality of benefits is sufficient to justify the deduction requested.

SECTION II. The Common Council hereby determines and finds that the proposed new equipment can be reasonably expected to yield the benefits identified in the Statement of Benefits as set forth in Sections 1 through 3 of the Petition for Personal Property Tax Abatement Consideration and that Statement of Benefits form completed by the petitioner, said form being prescribed by the State Board of Accounts, are sufficient to justify the deduction granted under Indiana Code 6-1.1-12.1-4.5.

SECTION III. The Common Council hereby accepts the report and recommendation of the Department of Community Investment, and the Community Investment Committee's favorable recommendation, that the area herein described be designated as an Economic Revitalization Area for purposes of personal property tax abatement and hereby makes such a designation.

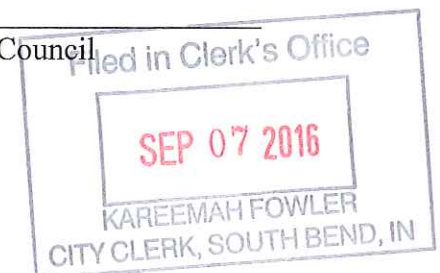
SECTION IV. The Common Council determines that such designation is for personal property tax abatement only and shall be limited to two (2) calendar years from the date of the adoption of this Resolution by the Common Council.

SECTION V. The Common Council hereby determines that the property owner is qualified for and is granted property tax deduction for a period of (5) five years as shown by the attachment pursuant to Indiana Code 6-1.1-12.1-17.

SECTION VI. The Common Council directs the City Clerk to cause notice of the adoption of this Declaratory Resolution for Personal Property Tax Abatement to be published pursuant to Indiana Code 5-3-1, said publication providing notice of the public hearing before the Common Council on the proposed confirming of said declaration.

SECTION VII. This Resolution shall be in full force and effect from and after its adoption by the Common Council and approval by the Mayor.

Member of the Common Council



PRESENTED
 NOT APPROVED
 ADOPTED

5 YEAR

8-Sep-16

Industrial Metal-Fab, Inc.

South Bend Portage Township
Personal Property Tax Abatement Schedule*

Tax Key Number
Current Assessed Value:
Estimated Project Cost:

TBD
0
120,000

40% 55% 45% 37%
100% 60% 40% 20%
Year 1 Year 2 Year 3 Year 4 Year 5

Assessed Value:	Current AV & Tax	Pay 2017	Pay 2018	Pay 2019	Pay 2020	Pay 2021
Current Assessed Value	0	0	0	0	0	0
Base Assessed Value	48,000	48,000	72,000	66,000	54,000	44,400
Less Abatement Deduction	(48,000)	(48,000)	(57,600)	(39,600)	(21,600)	(8,880)
Net Assessed Value	0	0	14,400	26,400	32,400	35,520

Property Taxes:

Assume constant tax rate of

5.4968% 5.4968% 5.4968% 5.4968% 5.4968%

Gross Tax (tax rate x net assessed value)
Less Circuit Breaker Credit
Net Tax

0 0 792 1,451 1,781 1,952 (400)
0 0 0 0 0 0
0 0 792 1,451 1,781 1,781 1,552

Circuit Breaker Cap
Circuit Breaker
Debt Service
Circuit Breaker Cap

3.0000% 1,440 2,160 1,980 1,620 1,332
0.6197% 0 89 164 201 220
0 1,440 2,249 2,144 1,821 1,552

Year	Existing Taxes	New Project Taxes	Combined Existing & New Taxes	Tax Abated	Net Tax Paid
Year 1	0	1,737	1,737	1,737	0
Year 2	0	2,606	2,606	1,815	792
Year 3	0	2,389	2,389	938	1,451
Year 4	0	1,955	1,955	174	1,781
Year 5	0	1,607	1,607	55	1,552
Totals	0	10,294	10,294	4,719	5,576

*This schedule is for estimation purposes only and assumes constant tax rates. The true tax values will ultimately be determined by the actual assessed valuation and the then current tax rates.

Filed in Clerk's Office
SEP 08 2016
KAREEMAH FOWLER
CITY CLERK, SOUTH BEND, IN

City of South Bend Petition for Incentives

Petition must include a \$250 filing fee payable to the City Clerk's Office or online via the City's website at <http://southbendin.gov/government/content/tax-abatement> before processing can be complete



General Information		Project Name	Project Number
Legal name as registered with Secretary of State	INDUSTRIAL METAL-FAB, INC.		
Business structure	PRIVATELY OWNED		
Company website	www.lmfonline.com		
Proposed Project Information			
Proposed project address	2806 W. SAMPLE ST	Parent company name	
City, State, Zip	SOUTH BEND, IN, 46619	Legal owner	MARK & MONTE BEAUDWAY
Site acreage or acreage required	1.5 - 2	Is the real estate owned or leased	OWNED
Square feet of facility	30,000	If leased by whom	
Primary Contact Information			
Primary company contact name	PATRICK FOX	Title	PLANT MANAGER
Address of company contact		Phone	
City, State, Zip		Email	pfox@lmfonline.com
Senior Official Information			
Company senior official name	KYLE BEAUDWAY	Title	OWNER
Address of company contact (if different from above)		Phone	
City, State, Zip		Email	kyle@lmfonline.com
Consultant Information/Agent			
Hired business consultant/agent name		Consultant release (Y/N)	
Address		Local economic development partners approval (Y/N)	
City, State, Zip		Email	
Project Overview			
Brief description of your company, project, and why the property is necessary for economic growth	<p>As a soon-to-be 3rd generation family owned business, current and future leadership is investigating the growth ability of our facilities. Industrial Metal-Fab is a full service metal fabricator and we employ highly trained operators in the processes of CNC profiling, forming, welding and machining. We sell to industries in the energy, construction and agriculture fields, to name a few. We expect to grow with these industries over the coming years.</p> <p>Our 30,000 sqft manufacturing space is divided between 2 buildings. There is another 6,500 sqft of pole barn storage currently used to house our extensive plate steel inventory. Our primary concern is the inability to easily add manufacturing space at this landlocked site (railroad property to the south and businesses to the East and West). Our only prospect for more manufacturing space is in the area now consumed by the pole barn storage building.</p> <p>Project Summary:</p> <ol style="list-style-type: none"> 1.1 Pave the area between our buildings to manage water drainage and degradation of building foundations. Prep this area for step 1.2 & 2. 1.2 Install new cantilever racking along unused side of main manufacturing building. This would allow us to evacuate the pole barn of the plate steel and relocate its storage to these new racks. This presents us with a more efficient storage method in about 30% of the sqft space. 2. When needed, build 6,500 sqft of new manufacturing space (steel building) to house new machinery and processes to create jobs and grow the business. <p>We believe this will extend our lifespan at this facility by 10-15 years.</p>		
Certified Technology Park appropriate	NO		
Is the project in a Tax Incremental Financing (TIF) area? If so, which?	YES, RIVER WEST		
Certify that the Building Permit has not been issued (Y/N)	NO	Number of residential units created by project	NONE
If this is a petition for personal property tax abatement, has the equipment been installed	NO		

Filed in Clerk's Office

SEP 08 2016

**KAREEMAH FOWLER
CITY CLERK, SOUTH BEND, IN**

Investment Details			
Public infrastructure needs (Off-site of project in dollars)	Has any 504 funding been received?	What is the value of any equipment being purchased in Indiana for the project?	What is the value of any equipment being purchased from out of state for the project?
\$75,000	NO	\$120,000	N/A

New Project Investments								
Calendar Year	2016	2017	2018	2019	2020	2021	2022	2023
Land Acquisition								
Building Lease Payments								
Building Purchase Costs								
New Building Construction	\$ 75,000		\$ 250,000					
Existing Building Improvements	\$ 25,000	\$ 25,000	\$ 25,000					
New Machinery & Equipment	\$ 120,000							
Special Tooling/Retooling								
New Furniture/Fixtures								
New Computer/IT Hardware								
New Software								
On-site Rail Infrastructure								
On-site Fiber Infrastructure								
TOTAL	\$ 220,000	\$ 25,000	\$ 275,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Full-Time Permanent Indiana-Resident Positions by Calendar Year						
Calendar Year	Jobs retained	Total hourly wage w/o fringe or bonuses	Cumulative # of net NEW full time permanent jobs created at project	Hourly average wage, w/o benefits or bonuses, of cumulative net new jobs	Total training expenditure - not cumulative	Total # to be trained - not cumulative
2016						
2017			2	\$16.00	\$2000	2
2018			4	\$16.00	\$2000	2
2019			6	\$16.00	\$2000	2
2020			8	\$16.00		
2021			10	\$16.00		
2022						
2023						
2024						
2025						
2026						
2027						

Provide hourly wage information for new employees in the following positions.

	Full time	Part time
Laborers	\$13 - \$19	
Technical	\$15 - \$22	
Managerial	\$20 - \$30	
Administrative	\$13 - \$16	

Who will be the individual responsible for coordinating with WorkOne on recruiting?

Does your company have an EEO hiring policy? YES

Are you an EEO employer? YES

Please list the number of full time and part time minority and/or female employees for each of the last three years:

Year	2014		2015		2016		Please describe your commitment to diversity and inclusion by detailing your outreach and recruitment efforts for the last three years as well as current policies.
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	
Black	1		0		0		WE STRICTLY ADHERE TO STATE GUIDELINES, BUT DO NOT HAVE OUR OWN WRITTEN POLICY.
Hispanic	4		4		5		
Asian							
Indian							
Female	2		2		2		
Other							

**Complete below for Real or Personal Property Tax Abatement only.
Please sign for all requested incentives.**

Public Benefit Item:

Information is required on both the construction companies and the companies which will provide materials purchased for this project. Please complete the table below with the appropriate information. If you qualify for the points, please enter the full amount of available points.

		Qualify (Yes or No)	Earned Points	Available Points	
1	Construction Related (Contractors):				
	A.	Employ Local Companies (75%)	Y	20	20
	B.	Purchase Materials from Local Companies (75%)	Y	20	20
	C.	Require Employees vs. Independent Contractors	N		19
	D.	Require Prevailing Wage (Davis Bacon)	Y	22	22
	E.	Require Health Benefits	Y	22	22
	F.	Require Pension Benefits	Y	18	18
	G.	Maintain Affirmative Action Plan	N		20
	Sub-total Construction Related:			102	141
2	Wage & Benefit Related (Owner):				
	A.	Pay Target Wage Levels	Y	33	33
	B.	Provide Health Benefits	Y	34	34
	C.	Provide Pension Benefits	Y	29	29
	D.	Provide Training	N		28
	E.	Provide Child Care	N		15
	F.	Provide Transportation Assistance	N		14
	G.	Provide Employer Assisted Housing program	N		9
Sub-total Wage & Benefit Related:			96	162	
3	Workforce Related:				
	A.	Create New Jobs	Y	42	42
	B.	Retain Existing Jobs	Y	41	41
	C.	Maintain Affirmative Action Plan	Y	35	35
	D.	Provide Targeted Hiring Preference	Y	34	34
Sub-total Workforce Related:			152	152	
4	Support a Municipal Facility:				
	A.	Support a SB Municipal Facility (donations to the zoo, conservatory, museum, etc.)	Y	84	84
	Name of Facility				
Sub-total Municipal Facility:			84	84	
Sub-total from Above:			434	539	

The undersigned owner(s) of real property, located within the City of South Bend, hereby petition the Common Council of the City of South Bend for a real and/or personal property tax abatement consideration and pursuant to I.C., 6-1.1-12.1-1, et seq., and South Bend Municipal Code Sec. 2-76 et seq., for this petition state the above.

Submitted By: Patricia Fox Date: 8-23-16

What is the current assessed value?	Real Property:	162,800	Personal Property:	
What is the projected assessed value?	Real Property:		Personal Property:	
What is the tax key number for this project?	018-8075-2826 ; 018-8075-282502			
What is the applicable NAICS code?				
Please attach a Google map and street view of the location.				
Please list the amount of real and personal property taxes paid for the last five years when applicable.	Real Property Taxes	Personal Property Taxes		
	Year One	5861		
	Year Two	6110		
	Year Three	6121		
	Year Four	6060		
	Year Five	6062		

Staff Use Only
Please fill out the Public Benefit Summary Information and add to the total from above.

Public Benefit Item			(Y or N)	Points	Points
Project Related:					
5	A	Redevelop a Site that has Special Needs			49
	B	Develop Based on Local University Research			35
	C	Achieve a Physical Element of a Plan			36
		Sub-total Project Related:	0		120
	Super-Size Projects (point values are cumulative):				
6	A	100% to 199%			25
	B	200% to 299%			68
	C	300% to 399%			65
	D	400% and Over			52
		Sub-total Super-Size Projects:	0		210
Pay for Municipal Infrastructure:					
7	A	Pay for Oversizing or Upgrading			14
	B	Pay for 26-50% of Extension Costs			26
	C	Pay for 51-75% of Extension Costs			39
	D	Pay for 76-100% of Extension Costs			52
		Sub-total Infrastructure Related:	0		131
Total from Applicant Section:			434		539
Total from Staff Section:			0		461
Total Public Benefit Points:			434		1000



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (R4 / 11-15)
Prescribed by the Department of Local Government Finance

Filed in Clerk's Office
SEP 09 2018
KAREEMAH FOWLER
CITY CLERK, SOUTH BEND, IN

FORM SB-1 / PP

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.

INSTRUCTIONS

- 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 a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction.
- The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the installation of qualifying abatable equipment for which the person desires to claim a deduction.
- To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between January 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between January 1 and the extended due date of that year.
- Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
- For a Form SB-1/PP 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/PP 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 INDUSTRIAL METAL FAB, INC.					Name of contact person PATRICK FOX -OR- KYLE BEAUDWAY				
Address of taxpayer (number and street, city, state, and ZIP code) 2806 WEST SAMPLE, SOUTH BEND, IN 46619							Telephone number (574) 288-8368		
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT									
Name of designating body							Resolution number (s)		
Location of property 2806 WEST SAMPLE, SOUTH BEND, IN 46619					County ST. JOSEPH		DLGF taxing district number		
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (Use additional sheets if necessary.) <i>Material handling equipment (racking) with roof. To be used to store plate inventory.</i>					ESTIMATED				
							START DATE	COMPLETION DATE	
					Manufacturing Equipment		10-15-16	3-15-17	
					R & D Equipment				
					Logist Dist Equipment				
IT Equipment									
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT									
Current number	Salaries	Number retained	Salaries	Number additional	Salaries				
18	\$16/hr			10	\$16/hr				
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT									
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.		MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
		COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Current values									
Plus estimated values of proposed project		\$120,000							
Less values of any property being replaced									
Net estimated values upon completion of project									
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER									
Estimated solid waste converted (pounds)					Estimated hazardous waste converted (pounds)				
Other benefits:									
SECTION 6 TAXPAYER CERTIFICATION									
I hereby certify that the representations in this statement are true.									
Signature of authorized representative <i>Patrick Fox</i>						Date signed (month, day, year) <i>9-10-18</i>			
Printed name of authorized representative PATRICK FOX						Title PLANT MANAGER			

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

- 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 _____. *NOTE: This question addresses whether the resolution contains an expiration date for the designated area.*
- B. The type of deduction that is allowed in the designated area is limited to:
- | | | | |
|------------------------------------------------------------|------------------------------|-----------------------------|----------------------------------------------------------------------------------------|
| 1. Installation of new manufacturing equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Enhanced Abatement per IC 6-1.1-12.1-18 |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <i>Check box if an enhanced abatement was approved for one or more of these types.</i> |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No | |
- C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____. *(One or both lines may be filled out to establish a limit, if desired.)*
- D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____. *(One or both lines may be filled out to establish a limit, if desired.)*
- E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____. *(One or both lines may be filled out to establish a limit, if desired.)*
- F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____. *(One or both lines may be filled out to establish a limit, if desired.)*
- G. Other limitations or conditions *(specify)* _____
- H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction is allowed for:
- | | | | | | |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|----------------------------------|------------------------------------------------------------------------------|
| <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 | <input type="checkbox"/> Enhanced Abatement per IC 6-1.1-12.1-18 |
| <input type="checkbox"/> Year 6 | <input type="checkbox"/> Year 7 | <input type="checkbox"/> Year 8 | <input type="checkbox"/> Year 9 | <input type="checkbox"/> Year 10 | Number of years approved: _____ |
| | | | | | <i>(Enter one to twenty (1-20) years; may not exceed twenty (20) years.)</i> |
- I. 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? Yes No
 If yes, attach a copy of the abatement schedule to this form.
 If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

Also we have 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 by: <i>(signature and title of authorized member of designating body)</i>	Telephone number ()	Date signed <i>(month, day, year)</i>
Printed name of authorized member of designating body	Name of designating body	
Attested by: <i>(signature and title of attester)</i>	Printed name of attester	

* 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.

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.



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

Slate Form 51767 (R6 / 10-14)
Prescribed by the Department of Local Government Finance

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KAREEMAH FOWLER
CITY CLERK, SOUTH BEND, IN

20 <u>16</u> 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:

- 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.
- 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.
- 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.
- 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)
- 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 INDUSTRIAL METAL FAB, INC.					
Address of taxpayer (number and street, city, state, and ZIP code) 2806 WEST SAMPLE, SOUTH BEND, IN 46619					
Name of contact person PATRICK FOX -OR- KYLE BEAUDWAY			Telephone number (574) 288-8368		E-mail address PFOX@IMFONLINE.COM
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body					Resolution number
Location of property 2806 WEST SAMPLE, SOUTH BEND, IN 46619			County ST. JOSEPH		DLGF taxing district number
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Address water drainage issues with concrete & drywells. Install material handling equipment (racks). Remove damaged pole barn. Build new steel building for added manufacturing space.					Estimated start date (month, day, year) 10-15-2016
					Estimated completion date (month, day, year) 10-15-2018
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 18	Salaries \$16/hr	Number retained	Salaries	Number additional 10	Salaries \$16/hr
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
REAL ESTATE IMPROVEMENTS					
			COST		
			ASSESSED VALUE		
Current values			\$165,000		
Plus estimated values of proposed project			\$375,000		
Less values of any property being replaced			\$12,000		
Net estimated values upon completion of project					
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER					
Estimated solid waste converted (pounds) _____			Estimated hazardous waste converted (pounds) _____		
Other benefits					
SECTION 6 TAXPAYER CERTIFICATION					
I hereby certify that the representations in this statement are true.					
Signature of authorized representative Patrick Fox				Date signed (month, day, year) 9-16-16	
Printed name of authorized representative PATRICK FOX			Title PLANT MANAGER		

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*) _____

E. Number of years allowed: Year 1 Year 2 Year 3 Year 4 Year 5 (* *see below*)
 Year 6 Year 7 Year 8 Year 9 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?
 Yes No
 If yes, attach a copy of the abatement schedule to this form.
 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 (<i>signature and title of authorized member of designating body</i>)	Telephone number () - - - - - - - - - - -	Date signed (<i>month, day, year</i>)
Printed name of authorized member of designating body	Name of designating body	
Attested by (<i>signature and title of attester</i>)	Printed name of attester	

* 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.

