

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

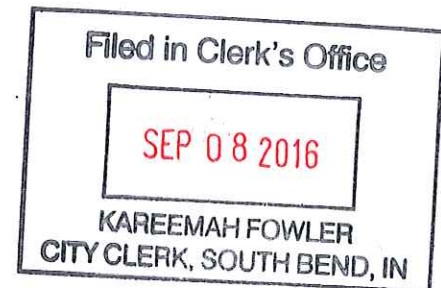


PHONE: 574/235-9371
FAX: 574/235-9021

CITY OF SOUTH BEND PETE BUTTIGIEG, MAYOR
COMMUNITY INVESTMENT

September 7, 2016

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



RE: Personal Property Tax Abatement Petition for: **Imagineering Enterprises, Inc.**

Dear Council Member Ferlic:

Please find the attached information pertaining to a personal property tax abatement petition for Imagineering Enterprises, 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. Imagineering Enterprises, Inc. will be investing approximately \$500,000 in the expansion of their current facility along with purchasing and installing approximately \$3,000,000 of new equipment. Imagineering Enterprises, Inc. is a metal finishing company with two locations in South Bend and one in Indianapolis. This expansion will add additional services to their current product offerings. Most notably, the addition of the Anodize process (a chemical process) will allow Imagineering Enterprises to increase their revenues by an estimated 15-20% and create additional jobs for the community. The project meets the qualifications for a (6) six year real property tax abatement. A representative from Imagineering Enterprises, Inc. will be available to meet with the Committee on Monday, September 12, 2016.

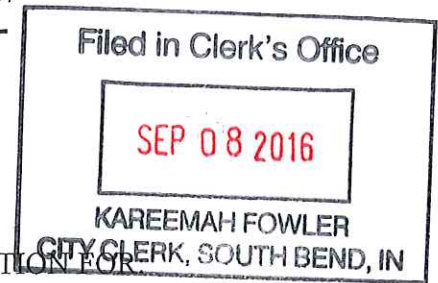
Should you or any of the other Council members have any questions concerning the report, or need additional information, please feel free to call me at 235-5823.

Sincerely,

Aaron Kobb
Director Economic Resources

TAX ABATEMENT REPORT

TO: SOUTH BEND COMMON COUNCIL
FROM: AARON KOBB
SUBJECT: PERSONAL PROPERTY TAX ABATEMENT PETITION FOR
Imagineering Enterprises, Inc.
DATE: September 7, 2016



On Wednesday, September 7, 2016, a petition from Imagineering Enterprises, Inc. was received and subsequently filed with the City Clerk for personal property tax abatement consideration for property to be located at 3722 Foundation Ct., South Bend, IN 46628. 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 – \$257,360
- Estimated taxes abated on new equipment over the five year abatement period – \$118,589
- Total taxes to be paid on new equipment over the five year abatement period – \$138,771

EMPLOYMENT IMPACT

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

- Create 25 permanent, full-time jobs within the six year abatement period, representing a new estimated annual payroll of \$780,000
- 135 total jobs will be retained with a total annual payroll of approximately \$5,616,000

ABATEMENT QUALIFICATION

1. A review of the tax abatements previously granted finds that the petitioner has been granted or associated with previous abatements and was substantially compliant during that time period.
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.

5 YEAR

Imagineering Enterprises, Inc.

South Bend German Township
Personal Property Tax Abatement Schedule *

Tax Key Number: TBD
Current Assessed Value: 0
Estimated Project Cost: 3,000,000

	100%	Current					Pay 2021
		Year 1	Year 2	Year 3	Year 4	Year 5	
Assessed Value:		40%	60%	55%	45%	37%	
Current Assessed Value	0	100%	80%	60%	40%	20%	
Base Assessed Value	1,200,000	1,200,000	1,800,000	1,650,000	1,350,000	1,110,000	
Less Abatement Deduction	(1,200,000)	(1,200,000)	(1,440,000)	(990,000)	(540,000)	(222,000)	
Net Assessed Value	0	0	360,000	660,000	810,000	888,000	

Property Taxes:
Assume constant tax rate of

5.4628% 5.4628% 5.4628% 5.4628% 5.4628%

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

0 0 19,666 36,054 44,248 48,509
0 0 0 0 0 0
0 0 19,666 36,054 44,248 38,803

Circuit Breaker Cap
Circuit Breaker
Debt Service
Circuit Breaker Cap

3.0000% 36,000 54,000 49,500 40,500 33,300
0.6197% 0 2,231 4,090 5,020 5,503
0 36,000 56,231 53,590 45,520 38,803

Year	Existing Taxes	New Project Taxes	Combined Existing & New Taxes	Tax Abated	Net Tax Paid
Pay 2017	0	43,436	43,436	43,436	0
Pay 2018	0	65,154	65,154	45,489	19,666
Pay 2019	0	59,725	59,725	23,671	36,054
Pay 2020	0	48,866	48,866	4,618	44,248
Pay 2021	0	40,179	40,179	1,376	38,803
Totals	0	257,360	257,360	118,589	138,771

*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 at Clerk's Office

SEP 08 2016

KAREEMAH FOWLER
CITY CLERK, SOUTH BEND, IN

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

3722 Foundation Ct., South Bend, IN 46628

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

Imagineering Enterprises, 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 3722 Foundation Ct., South Bend, IN 46628 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.

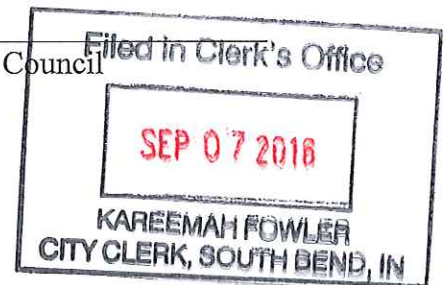
SECTION IV. The Common Council determines that such designation is for personal property tax abatement only and shall be limited to two (2) calendar years from the date of the adoption of this Resolution by the Common Council.

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

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://southbend.in.gov/government/content/tax-abatement> before processing can be complete



General Information		Project Name	Project Number
Legal name as registered with Secretary of State		Imagineering Enterprises, Inc.	
Business structure		Subchapter S Corporation	
Company website		www.iftworldwide.com	
Proposed Project Information			
Proposed project address		3722 Foundation Court	Parent company name Imagineering Enterprises, Inc.
City, State, Zip	South Bend, Indiana		Legal owner F. James Hammer
Site acreage or acreage required	5.1 Acres	Is the real estate owned or leased	Owned
Square feet of facility	55,000	If leased by whom	N/A
Primary Contact Information			
Primary company contact name		Joseph Rowan	Title CFO/VP of Finance
Address of company contact		1302 W. Sample Street	Phone 574-807-8723
City, State, Zip	South Bend, Indiana 46601		Email jrowan@iftww.com
Senior Official Information			
Company senior official name		Joseph Rowan	Title CFO/VP of Finance
Address of company contact (if different from above)		1302 W. Sample Street	Phone 574-807-8723
City, State, Zip	South Bend, Indiana 46601		Email jrowan@iftww.com
Consultant Information/Agent			
Hired business consultant/agent name		N/A	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>We are a metal finishing company that has been in business since 1959 with two locations in South Bend and one location in Indianapolis. We currently provide a variety of chemical finishing processes to our customers; increasing the useful life of their parts. We have a variety of customers that compete within the Aerospace, Automotive, Military & Defense, Medical, Firearms, and Construction industries.</p> <p>We are looking to expand our business by adding additional services to our current product offerings. We believe the addition of the Anodize process (a chemical process) will allow us to grow to our next desired level, increasing revenues by 15% - 20% which then allows us to create jobs. We expect expansion to increase our business within the Aerospace industry.</p>	
Certified Technology Park appropriate		No	
Is the project in a Tax Incremental Financing (TIF) area? If so, which?		Yes (River West Development Area)	
Certify that the Building Permit has not been issued (Y/N)		No permit has been issued	Number of residential units created by project N/A
If this is a petition for personal property tax abatement, has the equipment been installed		Equipment has not been purchased/installed	

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?
None	None	\$500,000	\$2,500,000

New Project Investments								
Calendar Year	2016	2017	2018	2019	2020	2021	2022	2023
Land Acquisition								
Building Lease Payments								
Building Purchase Costs								
New Building Construction								
Existing Building Improvements	\$ 250,000	\$ 250,000						
New Machinery & Equipment	\$ 1,500,000	\$ 1,500,000						
Special Tooling/Retooling								
New Furniture/Fixtures								
New Computer/IT Hardware								
New Software								
On-site Rail Infrastructure								
On-site Fiber Infrastructure								
TOTAL	\$ 1,750,000	\$ 1,750,000						

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	135	\$20.00				
2017			5	\$15.00	\$3,500	5
2018			10	\$15.00	\$3,500	5
2019			15	\$15.00	\$3,500	5
2020			20	\$15.00		
2021			25	\$15.00		
2022						
2023						
2024						
2025						
2026						
2027						

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

	Full time	Part time
Laborers	\$13.00	\$13.00
Technical	\$17.00	\$17.00
Managerial	\$25.00	\$25.00
Administrative	\$15.00	\$15.00

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

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:							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.
Year	2016		2015		2014		
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	
Black	16		13		13		We currently have an affirmative action plan in place and intend on continuing to comply; keeping it in good standings.
Hispanic	11		8		7		
Asian	1		1		1		
Indian	-0-		1		-0-		
Female	33		27		29		
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%)	Yes	20	20
	B.	Purchase Materials from Local Companies (75%)	Yes	20	20
	C.	Require Employees vs. Independent Contractors	Yes	19	19
	D.	Require Prevailing Wage (Davis Bacon)	No	0	22
	E.	Require Health Benefits	Yes	22	22
	F.	Require Pension Benefits	No	0	18
	G.	Maintain Affirmative Action Plan	Yes	20	20
		Sub-total Construction Related:		101	141
2	Wage & Benefit Related (Owner):				
	A.	Pay Target Wage Levels	Yes	33	33
	B.	Provide Health Benefits	Yes	34	34
	C.	Provide Pension Benefits	Yes	29	29
	D.	Provide Training	Yes	28	28
	E.	Provide Child Care	No	0	15
	F.	Provide Transportation Assistance	No	0	14
	G.	Provide Employer Assisted Housing program	No	0	9
	Sub-total Wage & Benefit Related:		124	162	
3	Workforce Related:				
	A.	Create New Jobs	Yes	42	42
	B.	Retain Existing Jobs	Yes	41	41
	C.	Maintain Affirmative Action Plan	Yes	35	35
	D.	Provide Targeted Hiring Preference	Yes	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.)	Yes	84	84
		Name of Facility	Potawatomi Zoo		
	Sub-total Municipal Facility:		84	84	
Sub-total from Above:			461	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: John E. Rowan **Date:** 9/7/2011

For Staff Use Only Below This Line

What is the current assessed value?	Real Property:	1,218,300	Personal Property:	
What is the projected assessed value?	Real Property:	1,568,300	Personal Property:	

What is the tax key number for this project? **025-1010-040018**

What is the six digit 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		43,861	
Year Two		42,187	
Year Three		49,007	
Year Four		49,603	
Year Five		49,538	

Please fill out the following Public Benefit Summary Information and add to total from above.

		(Y or N)	Points	Points
Public Benefit Item:				
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:			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:			210
7	Pay for Municipal Infrastructure:			
	A. Pay for Oversizing or Upgrading			14
	B. Pay for 26-50% of Extension Cost			26
	C. Pay for 51-75% of Extension Cost			39
	D. Pay for 76-100% of Extension Cost			52
Sub-total Infrastructure Related:			131	
Total from Applicant Section:				539
Total from Staff Section:				461
Total Public Benefit Points:				1000



**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

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

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

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:

- 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 Imagineering Enterprises, Inc.					
Address of taxpayer (number and street, city, state, and ZIP code) 1302 W. Sample Street; South Bend, Indiana 46619					
Name of contact person Joseph Rowan			Telephone number (574) 807-8723	E-mail address jrowan@iftww.com	
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body South Bend Common Council				Resolution number TBD	
Location of property 3722 Foundation Court; South Bend, Indiana 46628			County St. Joseph	DLGF taxing district number 71 009	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Building addition of approximately 8,000 square feet.				Estimated start date (month, day, year) October 15, 2016	
				Estimated completion date (month, day, year) April 15, 2017	
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 135	Salaries 5,773,000	Number retained 135	Salaries 5,773,000	Number additional 25	Salaries 780,000
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
			REAL ESTATE IMPROVEMENTS		
			COST		ASSESSED VALUE
Current values			1,900,000		1,480,500
Plus estimated values of proposed project			500,000		TBD
Less values of any property being replaced					
Net estimated values upon completion of project			2,400,000		TBD
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 				Date signed (month, day, year) 9/7/2016	
Printed name of authorized representative Joseph Rowan				Title CFO/VP of Finance	

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 (signature and title of authorized member of designating body)	Telephone number ()	Date signed (month, day, year)
Printed name of authorized member of designating body	Name of designating body	
Attested by (signature and title of attester)	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.



**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 08 2016
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 Imagineering Enterprises, Inc.			Name of contact person Joseph Rowan					
Address of taxpayer (number and street, city, state, and ZIP code) 1302 W. Sample Street; South Bend, Indiana 46619				Telephone number (574) 807-8723				
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT								
Name of designating body South Bend Common Council				Resolution number (s) TBD				
Location of property 3722 Foundation Court; South Bend, Indiana 46628			County St. Joseph	DLGF taxing district number 71 009				
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.) Our investment in equipment will consist of tanks for processing, holsts, chiller, rectifier, air make up unit, ovens, etc.				ESTIMATED				
				START DATE		COMPLETION DATE		
				Manufacturing Equipment	October '16	April '17		
				R & D Equipment				
				Logist Dist Equipment				
IT Equipment								
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT								
Current number 135	Salaries 5,773,000	Number retained 135	Salaries 5,773,000	Number additional 5	Salaries 156,000			
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	
	Current values		1,446,814 434,044					
	Plus estimated values of proposed project		3,000,000 1,200,000					
	Less values of any property being replaced							
Net estimated values upon completion of project		4,446,814 1,634,044						
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>Joseph Rowan</i>				Date signed (month, day, year) 9/7/2016				
Printed name of authorized representative Joseph Rowan			Title CFO/VP of Finance					

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
Check box if an enhanced abatement was approved for one or more of these types. |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 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
Number of years approved: _____
(Enter one to twenty (1-20) years; may not exceed twenty (20) years.) |
| <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 | |

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: (signature and title of authorized member of designating body)	Telephone number ()	Date signed (month, day, year)
Printed name of authorized member of designating body	Name of designating body	
Attested by: (signature and title of attester)	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.

