



Department of Community Investment

March 13, 2023

Agenda:

Bill No. 23-03

Declaratory Resolution: Six-Year (6) Industrial Development Real Property Tax Abatement for Properties Located at 2652 Jaclyn Court and 3161 Youngs Court

Bill No. 23-09

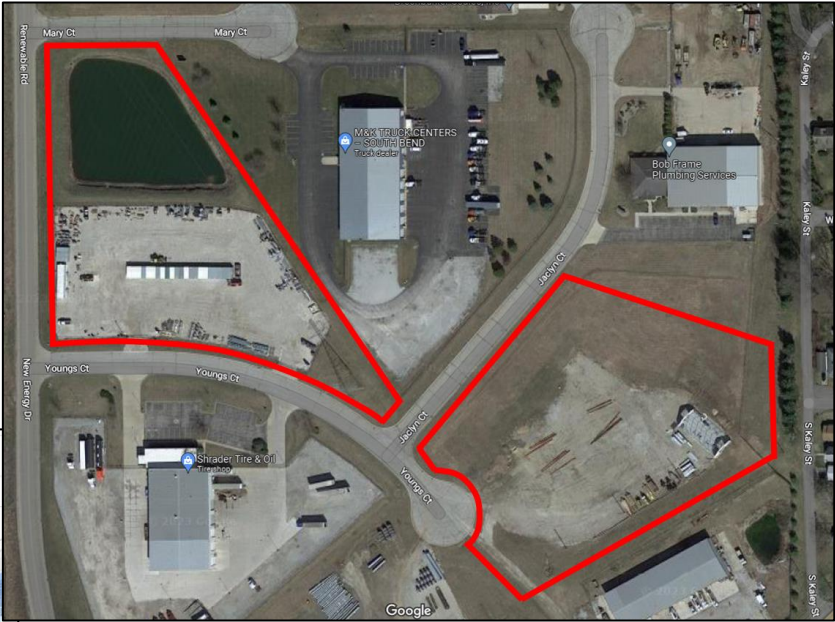
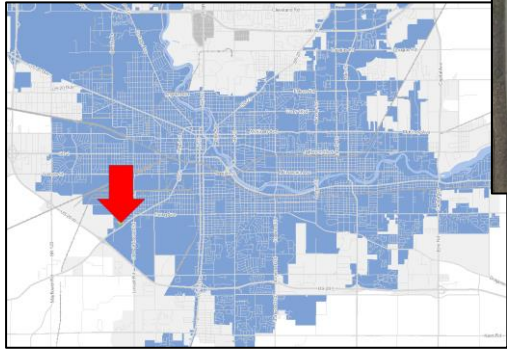
Confirming Resolution: Eight-Year (8) Multi-Family Real Property Tax Abatement for Property Located at 536 South Main Street

Bill No. 23-10

Declaratory Resolution: Ten-Year (10) Industrial Development Real Property Tax Abatement for Property Located at 7468 Vorden Parkway

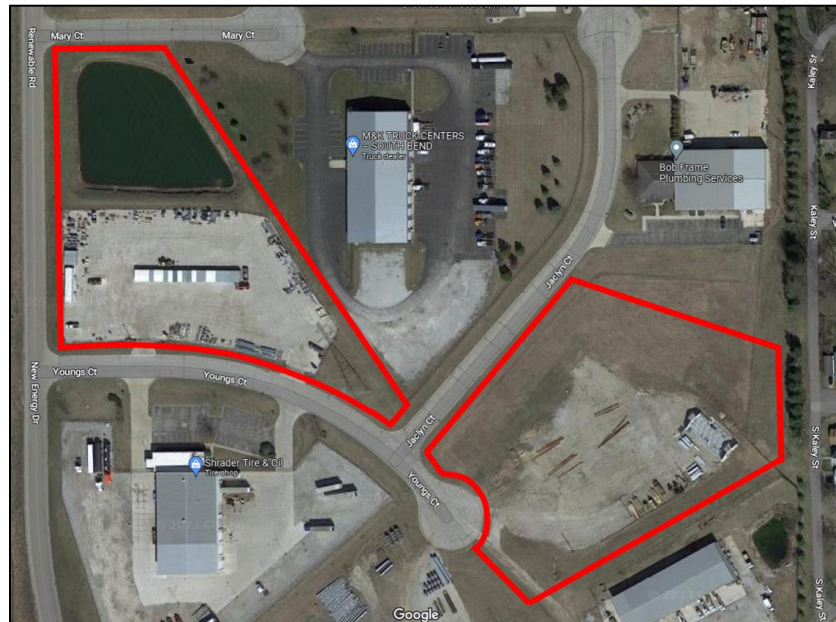


Industrial Development Real Property Tax Abatement for 2652 Jaclyn Court & 3161 Youngs Court



Declaratory Resolution: Bill No. 23-03

Tax Abatement for
2652 Jaclyn Court & 3161 Youngs Court



The Robert Henry Corporation (RHC) has been part of the South Bend community since 1974, delivering building and utility construction services, and prides itself on providing high paying local union jobs.

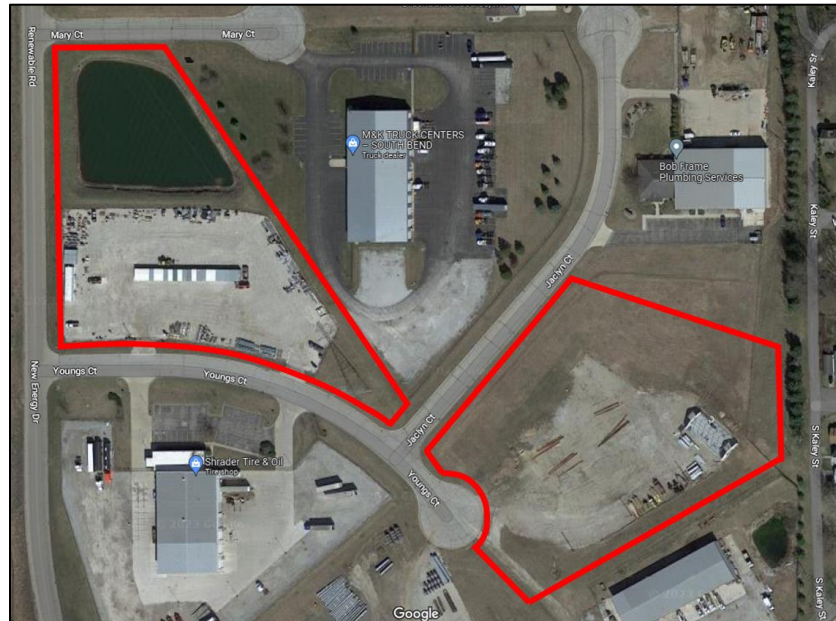
Industrial Development Real Property Abatement

- 6-year abatement
- RHC seeks to relocate current operations from its facilities on South Franches Street
 - New property is in an industrial park
 - South Franches Street operations are in Howard Park neighborhood
- \$6.5 million private investment to build a truck maintenance facility and new offices (33,000 square feet total)



Declaratory Resolution: Bill No. 23-03

Tax Abatement for 2652 Jaclyn Court & 3161 Youngs Court



Industrial Development Real Property Abatement

- 6-year abatement
- Current taxes: \$833
- First year of abatement, estimated taxes to be paid: \$1,200
- During 6-year abatement period
 - Estimated taxes to be paid: \$580,326
 - Estimated taxes abated: \$1,015,732
- Estimated taxes to be paid
 - After 10 years: \$1,644,400 (\$8,330 w/o abatement)
 - After 15 years: \$3,212,200 (\$12,500 w/o abatement)
 - After 20 years: \$4,780,000 (\$16,700 w/o abatement)



Declaratory Resolution: Bill No. 23-03

Tax Abatement for Properties Located at 2652 Jaclyn Court & 3161 Youngs Court

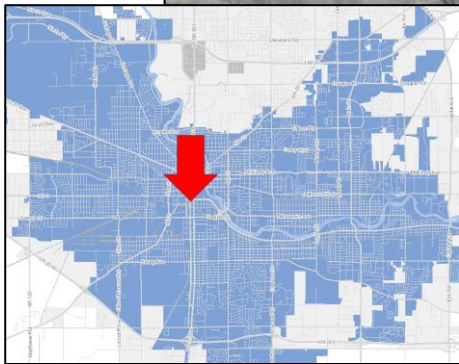
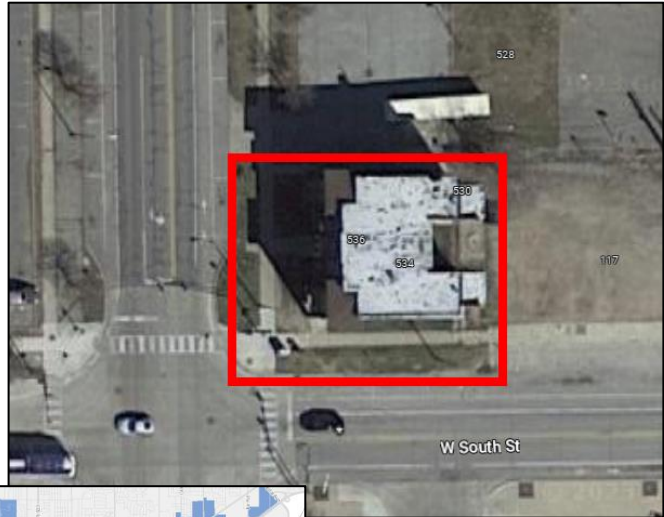
ESTIMATED* Taxes During Abatement Period

Year	Abatement	Current Taxes Due	New Projected Tax	Combined Current & New Taxes	Taxes Abated	Net Taxes Paid
1	100%	\$ 833	\$ 265,177	\$ 266,010	\$ (264,809)	\$ 1,200
2	90%	833	265,177	266,010	(226,601)	39,408
3	80%	833	265,177	266,010	(188,393)	77,617
4	70%	833	265,177	266,010	(150,185)	115,825
5	60%	833	265,177	266,010	(111,976)	154,033
6	50%	833	265,177	266,010	(73,768)	192,242
Total:		4,998	1,591,060	1,596,057	(1,015,732)	580,325

* Assumes constant tax rates and no changes in assessed value.



Multi-Family Residential Tax Abatement for 536 South Main Street



Confirming Resolution: Bill No. 23-09

Tax Abatement for 536 South Main Street



Multi-Family Residential Real Property Abatement

- 8-year abatement
- Building has been vacant since 2021 following 2 fires
- \$2.065 million private investment to rehabilitate existing real property
 - All new mechanical, HVAC, plumbing, fire, and electrical infrastructure; new appliances
 - New windows and restored exterior
- 12 apartments; 3 units for low- to moderate-income households



Confirming Resolution: Bill No. 23-09

Tax Abatement for 536 South Main Street



Multi-Family Residential Real Property Abatement

- 8-year abatement
- Current taxes: \$5,235
 - Estimated \$41k over 8 years
- First year of abatement, estimated taxes to be paid: \$10,451
- During 8-year abatement period (estimates)
 - Taxes to be paid: \$129,693
 - Taxes abated: \$213,157
- Estimated taxes to be paid
 - After 10 years: \$ 215,000 (\$52,000 w/o abatement)
 - After 15 years: \$ 430,000(\$77,000 w/o abatement)
 - After 20 years: \$ 644,000 (\$102,000 w/o abatement)



Confirming Resolution: Bill No. 23-09

Tax Abatement for Property Located at 536 South Main Street

ESTIMATED* Taxes During Abatement Period

Year	Abatement	Current Taxes Due	New Projected Tax	Combined Current & New Taxes	Taxes Abated	Net Taxes Paid
1	100%	\$ 5,133	\$ 37,723	\$ 42,856	\$ (32,405)	\$ 10,451
2	100%	5,133	37,723	42,856	(32,405)	10,451
3	95%	5,133	37,723	42,856	(28,565)	14,291
4	95%	5,133	37,723	42,856	(28,565)	14,291
5	90%	5,133	37,723	42,856	(24,724)	18,132
6	90%	5,133	37,723	42,856	(24,724)	18,132
7	85%	5,133	37,723	42,856	(20,884)	21,972
8	85%	5,133	37,723	42,856	(20,884)	21,972
Total:		41,064	301,786	342,850	(213,157)	129,693

* Assumes constant tax rates and no changes in assessed value.



Industrial Development Real Property Tax Abatement for 7468 Vorden Parkway



Declaratory Resolution: Bill No. 23-10

Tax Abatement for 7468 Vorden Parkway



Coast Southwest is a leading chemical distribution and ingredient technology company serving the personal care and household products industry.

Industrial Development Real Property Abatement

- 10-year abatement
- Coast Southwest will relocate current distribution center to South Bend from Illinois
- \$8.203 million private investment to build 94,000 square foot facility
- Future Phase II – 136,000 square foot expansion



Declaratory Resolution: Bill No. 23-10

Tax Abatement for 7468 Vorden Parkway



Industrial Development Real Property Abatement

- 10-year abatement
- Current taxes: \$942
 - Estimated \$9,420 over 10 years
- First year of abatement, estimated taxes to be paid: \$1,353
- During 10-year abatement period
 - Estimated taxes to be paid: \$1,225,917
 - Estimated taxes abated: \$824,136
- Estimated taxes to be paid
 - After 15 years: \$2,250,940 (\$14,120 w/o abatement)
 - After 20 years: \$3,275,970 (\$18,830 w/o abatement)



Declaratory Resolution: Bill No. 23-10

Tax Abatement for Property Located at 7468 Vorden Parkway

ESTIMATED* Taxes During Abatement Period

Year	Abatement	Current Taxes Due	New Projected Tax	Combined Current & New Taxes	Taxes Abated	Net Taxes Paid
1	100%	\$ 942	\$ 204,064	\$ 205,005	\$ (203,652)	\$ 1,353
2	90%	942	204,064	205,005	(174,327)	30,678
3	80%	942	204,064	205,005	(145,002)	60,003
4	70%	942	204,064	205,005	(115,677)	89,328
5	60%	942	204,064	205,005	(86,352)	118,653
6	50%	942	204,064	205,005	(57,028)	147,978
7	40%	942	204,064	205,005	(27,703)	177,303
8	30%	942	204,064	205,005	(7,197)	197,808
9	20%	942	204,064	205,005	(4,798)	200,207
10	10%	942	204,064	205,005	(2,399)	202,606
Total:		9,417	2,040,636	2,050,053	(824,136)	1,225,917

* Assumes constant tax rates and no changes in assessed value.

