

Date:	Reference No.:	Agenda Item No.:
6/23/2011	Resolution #2011-29	08.04.

Subject: Vance & Hines P/P Tax Abatement

Summary of Request:

On May 19, 2011 the EDC reviewed a tax abatement request presented by Vance & Hines for Personal Property located at Lot #10 Eaglepoint Business Park more commonly known as 1207 E. Northfield Drive. The proposed investment is \$1,275,000.00. The EDC unanimously passed a motion to send a favorable recommendation to the Town Council subject to an approval not to exceed \$1,275,000.00 for seven years and annual review from the County Assessor for compliance. On June 6, 2011, the Town Council approved Declaratory Resolution #2011-21. The requirements for the Declaratory Resolution have been met and now we are requesting the public hearing be held along with final approval of Confirmatory Resolution #2011-29.

Financial Summary:

Budget Funds Available	If Yes, Amount
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	

	Line Item Name	Line Item Number
Budget Fund Information:		

Recommend Bid/Contract Amount: _____

Estimated Project Costs: (whole numbers)	Architecture/Engineering	
	Construction/Procurement	
	Contingency	
	Miscellaneous Costs	
	TOTAL ESTIMATE	
	Future Expenses (if any)	
	Revenue Generated (if any)	

Department Head Approval: _____

Date: _____

Assistant Town Manager Approval: *Shant A. Clainburg*

Date: 6/28/2011

ATM Comments:

After reviewing the documents, all seems to be in order for the Personal Property Tax Abatement for Vance & Hines for a proposed investment in equipment in the amount of \$1,275,000 (\$1,200,000 for manufacturing equipment, \$50,000 for R&D equipment and \$25,000 for IT equipment). The project will create 30 additional employees with an estimated annual payroll of \$750,000 (average annual salary of \$25,000). I recommend approval of this resolution.

Supporting Documentation:

Confirming Resolution 2011-29 and paperwork, Declaratory Resolution 2011-21, and Application SB-1 Personal Property Form

Action Requested:

Public Hearing and Approval of Confirming Resolution #2011-29 granting a 7 year Personal Property Tax Abatement for Vance & Hines for the purchase of \$1,275,000 in equipment.

Town Manager Approval:

Sac

Date:

@ July 11

TM Comments:

Resolution #2011-29
Brownsburg, Indiana
July 14, 2011

**RESOLUTION NO. 2011-29
TOWN OF BROWNSBURG, INDIANA**

**A RESOLUTION SETTING FORTH FINAL ACTION IN DETERMINING THAT
THE QUALIFICATIONS FOR AN ECONOMIC REVITALIZATION AREA HAVE
BEEN MET AND CONFIRMING RESOLUTION NO. 2011-21 OF 06/09/11**

WHEREAS, the Town Council for the Town of Brownsburg, Indiana adopted a Tax Abatement Procedure Resolution #93-04 on April 8, 1993; and

WHEREAS, pursuant to said Tax Abatement Procedure Resolution Vance & Hines filed with the Town Council of the Town of Brownsburg, Indiana an "Application for Deduction from Assessed Valuation, Real Property and Improvements in an Economic Revitalization Area", pursuant to I.C. 6-1.1-2.1-1 et. seq.

WHEREAS, at a duly constituted meeting of the Town Council of the Town of Brownsburg, Indiana held on June 9, 2011 said Town Council reviewed and approved said Application and declared certain real personal property within the Town of Brownsburg, Indiana to be an "Economic Revitalization Area" pursuant to the specifications of Resolution #2011-21 adopted and approved June 9, 2011; and

WHEREAS, pursuant to I.C. 6-1.1-12.1-1 et.seq., the Town Council of the Town of Brownsburg, Indiana has properly published "Notice of Public Hearing by the Town Council of Brownsburg, Indiana Regarding Designation of Area as Economic Revitalization Area", and

WHEREAS, no remonstrances, written or oral, were filed, heard, or considered with regard to Resolution #2011-21 stating opposition, of any type or character, to said Resolution, or the designation of the personal property described therein as an "Economic Development Area"; and

NOW THEREFORE, Be It Resolved by the Town Council of the Town of Brownsburg, Indiana as follows:

1. Final Action. After legally required public notice, and after public hearing of even date herewith pursuant to such notice, the Town Council of the Town of Brownsburg, Indiana hereby takes "final action", as that phrase is defined in I.C. 6-1.1-12.1-1 et. seq. with regard to the aforesated Application of Vance & Hines and the adoption of Resolution #2011-21 on June 9, 2011 authorizing a seven (7) year personal property tax abatement period subject to annual review by the Economic Development Commission for compliance for the property located at Lot #10 Eaglepoint Business Park (1207 E. Northfield Drive).

2. Confirmation of Resolution #2011-21. It is hereby declared by the Town Council of the Town of Brownsburg, Indiana that Resolution #2011-21 adopted June 9, 2011 is in all respects hereby confirmed, and it is hereby stated that the qualifications for Economic Revitalization Area have been met by Vance & Hines and to the personal property and real estate described in Exhibit A of Resolution # 2011-21.

It is also hereby declared that the Town Council has made the following findings in regards to this request: a) the estimate of cost of the new equipment is reasonable for equipment of that type; b) the estimate of the number of individuals employed is reasonably expected to result from the installation of the new equipment; c) the estimate of the annual salaries of those individuals employed as a result of the installation can reasonably be expected; and d) the totality of the benefits is sufficient to justify the deduction.

3. Effective Date. This Resolution shall be effective immediately upon its passage, subject to the appeal proceedings through Court action, contemplated by I.C. 6-1.1-12.1-2.5.

4. Filing with Hendricks County Authorities. Upon the adoption of this Resolution, the Clerk-Treasurer of the Town of Brownsburg, Indiana shall cause a certified copy of this Resolution to be filed with the Hendricks County Assessor and/or such other Hendricks County government officials as shall be

necessary to make Vance & Hines eligible to file for property tax abatements as and to the personal and real property and improvements contemplated via the Application heretofore reviewed and approved by Resolution #2011-21 and ratified and confirmed by this Resolution.

Adopted by the Town Council of the Town of Brownsburg, Indiana this 14th day of July, 2011.

TOWN COUNCIL FOR THE TOWN
OF BROWNSBURG, INDIANA

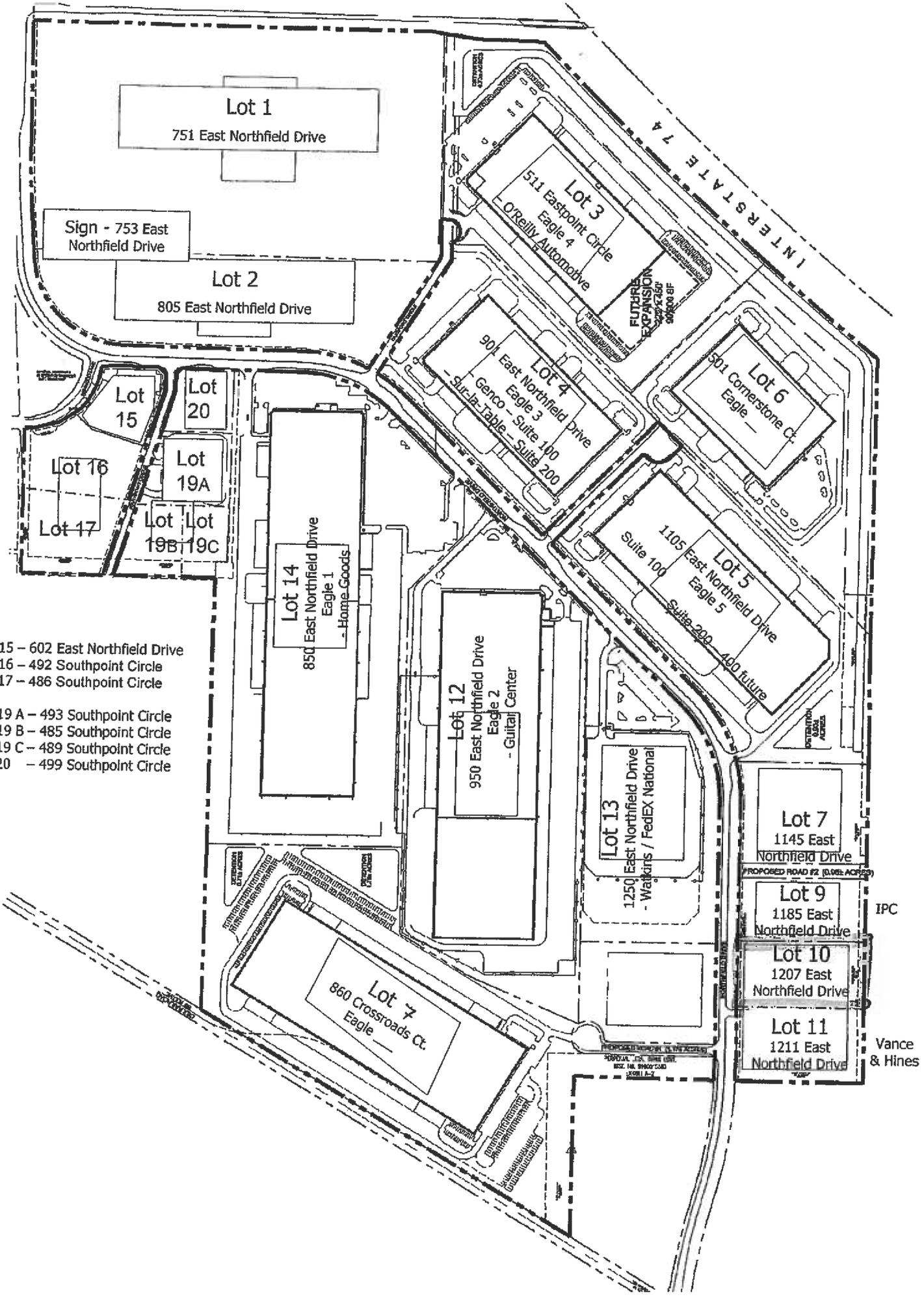
BY: _____
Matthew S. Bowles, President

ATTEST:

Clerk-Treasurer

Vance & Hines
Legal Description

A description of the real estate located on Lot 10, commonly known as 1207 E. Northfield Drive, in the Eaglepoint Business Park.



- Lot - 15 - 602 East Northfield Drive
- Lot - 16 - 492 Southpoint Circle
- Lot - 17 - 486 Southpoint Circle
- Lot - 19 A - 493 Southpoint Circle
- Lot - 19 B - 485 Southpoint Circle
- Lot - 19 C - 489 Southpoint Circle
- Lot - 20 - 499 Southpoint Circle

IPC
Vance & Hines

**RESOLUTION NO. 2011-21
TOWN OF BROWNSBURG, INDIANA**

**A RESOLUTION DESIGNATING ECONOMIC REVITALIZATION AREA AND
QUALIFYING CERTAIN NEW MANUFACTURING EQUIPMENT
FOR TAX ABATEMENT**

WHEREAS, the Town Council for the Town of Brownsburg, Indiana (the “Town Council”) adopted a Tax Abatement Procedure Resolution on April 8, 1993 (the “Tax Abatement Resolution”); and

WHEREAS, pursuant to the Tax Abatement Resolution, Vance & Hines has filed with the Town Council an “Application for Deduction from Assessed Valuation, New Equipment in an Economic Revitalization Area” (the “Application”) attached hereto as Exhibit “A”, pursuant to I.C. 6-1.1-12.1-1 *et seq.* on April 26, 2011; and

WHEREAS, the Application has been reviewed by the Economic Development Commission of the Town of Brownsburg, Indiana (“EDC”) and the Town Council at a duly held public meeting of said Bodies.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF BROWNSBURG, INDIANA AS FOLLOWS:

1. Declaration of Economic Revitalization Area. It has been previously declared by the Town Council that the real property described as Lot #10 Eaglepoint Business Park, Brownsburg, Indiana, which is more specifically described and depicted in attached Exhibit “B” (the “Property”), is deemed an “economic revitalization area” as that phrase is used and intended under the provisions of Indiana Code Sections 6-1.1-12.1-1 *et seq.*

2. New Manufacturing Equipment. The Town Council hereby further declares that certain new manufacturing equipment as set forth in the Application and placed upon the Property after the date of the adoption of this Resolution by the Town Council (the "Equipment"), shall be eligible for property tax abatement pursuant to the provision of I.C. 6-1.1-12.1-1 *et seq.*

3. Compliance with Applicable Resolution and Statutes. It is hereby declared by the Town Council that the Application complies in all respects with the Tax Abatement Resolution, and all governing Indiana statutes, and that the Application, in all respects, is hereby granted and approved.

4. Limitations or Restrictions. It is hereby declared by the Town Council that based on the Town of Brownsburg's Tax Abatement Incentive Policy # 92-01 (the "Policy"), an allowance for a seven (7) year abatement for the Equipment meets the requirements as stipulated in the Policy and as requested in the Application. In order to receive the benefit of multi-year tax abatements, the applicant must file an annual report with the Town Manager's office which shows the stated goals and how the applicant is progressing toward meeting those goals. Failure to file the report or meet the stated goals may result in the suspension of the tax abatement granted herein.

5. Effective Date. This Resolution shall be effective immediately upon its passage, subject to the notice and hearing provisions of I.C. 6-1.1-12.1-2.5. The public hearing contemplated by I.C. 6-1.1-12.1-2.5 shall be held at the time and place of the regular meeting of the Town Council on Thursday, July 14, 2011 at 7:00 p.m. at the Town Hall, 61 N. Green St., Brownsburg, Indiana. At such meeting, the Town Council shall take final action determining whether the qualifications for an economic revitalization area have been met, and shall confirm,

modify and confirm, or rescind the Resolution. Such determination and final action by the Council shall be binding upon all affected parties, subject to the appeal procedures set forth in I.C. 6-1.1-12.1-1 *et seq.*

6. Filing With Hendricks County Authorities. Upon adoption of this Resolution, the Clerk-Treasurer of the Town of Brownsburg, Indiana shall cause a certified copy of this Resolution, including the legal description of the Property and corresponding map of the Property, to be filed with the Hendricks County Assessor and/or such other Hendricks County Government officials as shall be necessary to make Vance & Hines eligible to file for property tax abatement as to the personal property contemplated by the Application.

Adopted by the Town Council of the Town of Brownsburg, Indiana this 10th day of June, 2011.

TOWN OF BROWNSBURG, INDIANA

BY:

Matthew S. Bowles
Matthew S. Bowles, President

ATTEST:

Jeanette M. Brickler
Jeanette M. Brickler
Clerk-Treasurer



STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R / 1-06)

Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

PRIVACY NOTICE

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

INSTRUCTIONS:

1. 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. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, **BEFORE** a deduction may be approved
3. 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. The 103-ERA must be filed between March 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 March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001. For equipment installed prior to March 2, 2001, the schedules and statutes in effect at the time shall continue to apply. (IC 6-1.1-12.1-4.5(f) and (g))

SECTION 1 TAXPAYER INFORMATION											
Name of taxpayer Vance & Hines											
Address of taxpayer (number and street, city, state, and ZIP code) 1211 Northfield Drive, Brownsburg, IN 46112											
Name of contact person Paul Langley				Telephone number (317) 852-9057							
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT											
Name of designating body Brownsburg Town Council				Resolution number (s)							
Location of property 1207 Northfield Drive, Brownsburg, IN 46112			County Hendricks	DLGF taxing district number 016							
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) ONLY THE EQUIPMENT LOCATED AT 1207 E. NORTHFIELD DRIVE WILL BE SUBJECT TO THIS ABATEMENT. ML					ESTIMATED						
						START DATE	COMPLETION DATE				
					Manufacturing Equipment	04/01/2011	09/30/2011				
					R & D Equipment	04/01/2011	09/30/2011				
					Logist Dist Equipment						
IT Equipment	04/01/2011	09/30/2011									
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT											
Current number 0	Salaries 0.00	Number retained 0	Salaries 0.00	Number additional 30	Salaries 750,000.00						
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		1,200,000.00		50,000 ML				25,000.00	
		Less values of any property being replaced									
Net estimated values upon completion of project		1,200,000.00		50,000 ML				25,000.00			
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 			Title Senior VP		Date signed (month, day, year) 04/20/2011						

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 _____.

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 |
| 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 \$ _____.

D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____.

F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____.

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 on or after July 1, 2000, is allowed for:

- | | |
|-------------------------------------|--------------------------------------|
| <input type="checkbox"/> 1 year | <input type="checkbox"/> 6 years |
| <input type="checkbox"/> 2 years | <input type="checkbox"/> 7 years |
| <input type="checkbox"/> 3 years | <input type="checkbox"/> 8 years |
| <input type="checkbox"/> 4 years | <input type="checkbox"/> 9 years |
| <input type="checkbox"/> 5 years ** | <input type="checkbox"/> 10 years ** |

** For ERA's established prior to July 1, 2000, only a 5 or 10 year schedule may be deducted.

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: (signature and title of authorized member)	Telephone number	Date signed (month, day, year)
Attested by:	Designated body	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5