

RESOLUTION NO. 18- 2011

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA GRANTING LDCC, LLC (AKA LARSON-DANIELSON CONSTRUCTION COMPANY) AN ASSESSED VALUATION DEDUCTION (TAX ABATEMENT) FOR TANGIBLE REAL PROPERTY PURSUANT TO INDIANA CODE 6-1.1-12.1

WHEREAS, Pursuant to Resolution No. 5-2010, as confirmed by Resolution No. 7-2010, the Common Council of the City of Valparaiso, Indiana (the "City"), designated a certain area located within the City as an economic revitalization area (an "ERA");

WHEREAS, Resolution No. 5-2010 remains in full force and effect;

WHEREAS, LDCC, LLC (aka Larson-Danielson Construction Company) (the "Company") has filed with the Common Council a **Statements of Benefits Real Property Improvements (FORM SB-1/RE)** dated **May 26, 2011** proposing real property improvements, more specifically related to the construction of a new 215,630 square foot beverage distribution facility including 32,323 square feet of two-story office space anticipated to cost \$15,685,500 (the "Project") estimated to be completed on January 31, 2012 and to be fully assessed on March 1, 2013;

WHEREAS, A Statements of Benefits Real Property (FORM SB-1/RE) was submitted to the Common Council as the designating body before and prior to the renovation, redevelopment or installation of real property improvements related to the Project for which the Company desires to request an assessed valuation deduction; and

WHEREAS, The Company's new facility to be located at approximately 2850 Barley Road on State Route 49 (real property key number 64-10-31-200-006.000-004) is within the boundaries of an ERA, and therefore the Common Council may make a determination pursuant to IC 6-1.1-12.1-3(b) based upon the evidence as to whether Company shall be allowed an assessed valuation deduction.

NOW, THEREFORE, BE IT RESOLVED that the actions of the Common Council of the City of Valparaiso, Indiana are based upon the evidence as presented by the Company after review of the Statement of Benefits (FORM SB-1/RE) as well as other pertinent information provided by the Valparaiso Economic Development Corporation and upon the following findings pursuant to IC 6-1.1-12.1-3(b), such that:

- (1) The Project and the estimates and expectations contained in the FORM SB-1/RE are reasonable for a project of its nature;
- (2) The estimated number of individuals who will be employed or whose employment will be retained can reasonably be expected to result from the Project;
- (3) The estimated annual salaries of those individuals who will be employed or whose employment will be retained can reasonably be expected to result from the Project; and
- (4) The totality of the benefits is sufficient to justify an assessed valuation deduction on the Project.

BE IT FURTHER RESOLVED that the Common Council acknowledges that the Project is located within a designated allocation area of the Valparaiso Redevelopment District, namely the North Coast Allocation Area as designated by the Valparaiso Redevelopment Commission on February 9, 2011 (Resolution No. 02-09-2011-01) and as confirmed on April 13, 2011 (Resolution No. 04-13-2011-01).

BE IT FURTHER RESOLVED that the Common Council hereby grants an assessed valuation deduction (Tax Abatement) from tangible real property for a period of **ten (10) years** to **LDCC, LLC (aka Larson-Danielson Construction Company)** in accordance with IC 6-1.1-12.1 as it relates to the Project.

BE IT FURTHER RESOLVED that having received the consent of the Company and in accordance with Indiana Code 6-1.1-12.1-14(b), a copy of which is attached hereto as **EXHIBIT A** and is made a part hereof as incorporated herein, and pursuant to Indiana Code 6-1.1-12.1-14 for **each year the Company's** real property tax liability is reduced by an assessed valuation deduction related specifically to the Project, the Company shall pay to the Porter County Treasurer a fee in the amount computed and determined by the Porter County Auditor pursuant to the provisions

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of subsection (c) of Indiana Code 6-1.1-12.1-14 (the "Imposed Fee") such that:

- (1) The Common Council hereby determines that fifteen percent (15%) shall be the percentage to be applied by the Porter County Auditor for purposes of STEP TWO of subsection (c) of Indiana Code 6-1.1-12.1-14;
- (2) Accordingly, for each year the Imposed Fee is payable by the Company, the Imposed Fee shall be equal to the lesser of One Hundred Thousand Dollars (\$100,000) or fifteen percent (15%) of the additional amount of real property taxes that would have been paid by the Company during that year if the deductions approved in this Resolution had not been in effect (i.e., 15% of the **Company's** real property tax savings attributable to a deduction from the assessed valuation from the Project; and
- (3) The Imposed Fee as collected shall be distributed to the City of Valparaiso Redevelopment Commission as a public entity established to promote economic development within the corporate limits of the City as determined by the Common Council as the designating body.

BE IT FURTHER RESOLVED that the final determination of the amount of assessed valuation deduction of the Project for tangible real property shall be made by the appropriate Porter County assessing agency, review board or State of Indiana agency.

BE IT FURTHER RESOLVED that the Clerk-Treasurer of the City is hereby directed to file with the Office of the Porter County Auditor the following information as it applies to this Resolution and the approval of **the Company's** assessed valuation deduction:

1. The FORM SB-1/RE, as approved, properly completed consistent with this Resolution and as signed and attested by the appropriate City officials;
2. A certified copy of this Resolution; and
3. A copy of the meeting minutes which approved this Resolution and the FORM SB-1/RE.

BE IT FURTHER RESOLVED that if any part, clause, or portion of this Resolution shall be adjudged invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of this Resolution as a whole or any other part, clause, or portion of this Resolution.

BE IT FURTHER RESOLVED that this Resolution shall be in full force and effect from and after its passage and adoption by the City Common Council and upon the signature of the Mayor of the City as the executive of the City.

See Signature Page

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SIGNATURE PAGE

PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA,

by a vote of 7 "Ayes" and 0 "Nays" of those Council members present on this day, **June 13, 2011**.

/s/ Jon Costas
Mayor

ATTEST:

/s/ Sharon Swihart, Clerk-Treasurer



EXHIBIT A

Consent of the Company for the Imposition of a Fee
In accordance with Indiana Code 6-1.1-12.1-14(b))