

## ORDINANCE NO. 31, 2014

### AN ORDINANCE DESIGNATING CERTAIN AREA WITHIN THE CITY OF VALPARAISO AS ECONOMIC DEVELOPMENT TARGET AREA FOR THE PURPOSE OF ESTABLISHING THE COMMERCIAL BUSINESS TAX ABATEMENT PROGRAM IN THE CITY OF VALPARAISO, INDIANA

**WHEREAS**, deductions from assessed value of tangible property (or "tax abatement") is authorized under Indiana Code ("IC") 6-1.1-12.1 for real property improvements that results from new development, redevelopment and rehabilitation of real property;

**WHEREAS**, the Common Council of the City of Valparaiso, Indiana ("Common Council") desires to offer tax abatement for real property development, redevelopment and rehabilitation in a certain areas of the City of Valparaiso, Porter County, Indiana (the "City") to provide a catalyst for and to stimulate new construction, redevelopment and rehabilitation in order to improve the City's central business district (the "downtown"), its commercial building stock, its overall quality of life, including the diversification its tax base and availability to residential units within the downtown area;

**WHEREAS**, in accordance with IC 6-1.1-12.1-3(e)(10) and (11), a deduction for the redevelopment or rehabilitation of real property may not be approved for any facility for which the primary purpose is: (a) retail food or beverage; (b) automobile sales or service; or (c) other retail, unless the facility is located in an Economic Development Target Area ("EDTA") or for residential facilities, unless it is a multifamily facility that contains at least 20% of the units available for use by low- and moderate-income individuals or said facility is located in an EDTA or a residentially distressed area;

**WHEREAS**, the Common Council in accordance with IC 6-1.1-12.1-7(b) may designate a maximum of 15% of the total geographic territory of the City to be in economic development target areas;

**WHEREAS**, the Valparaiso Economic Development Commission (the "VEDC") has prepared a *Central Business District Tax Abatement Program* (the "Program") identifying a Program area (the "Program Area") and a simplified description of the Program Area boundaries, including the process to designate the Program Area as an EDTA and an economic revitalization area ("ERA") to implement the Program.

**WHEREAS**, the Program Area must first be established as EDTA by ordinance of the Common Council in order to initiate the process to offer tax abatement for facilities specified above;

**WHEREAS**, in order to designate the Program area as an EDTA by ordinance, the Common Council must receive a favorable recommendation from the Valparaiso Economic Development Commission (the "VEDC") for its review;

**WHEREAS**, on October 7, 2014 the VEDC did meet and adopt Resolution No. 01-2014 which made a formal recommendation of the Program for Common Council consideration by Ordinance, which includes the purpose of the Program, its statutory authority, a map identifying the Program Area and a simplified description of the Program Area boundaries, in accordance with IC 6-1.1-12.1-7(a);

**WHEREAS**, the VEDC verified that the Program Area totals approximately 50.7 acres in area and consists of 0.494 percent (0.50%) of the City's total geographic territory (10,272 acres);

**WHEREAS**, the Common Council received a signed original of VEDC Resolution No. 01-2014 as the VEDC formal favorable recommendation to establish the Program area as an EDTA in order to initiate the process to offer tax abatement for facilities specified above;

**WHEREAS**, the VEDC corroborates and supports the Common Council's intent to establish a *Central Business District Tax Abatement Program* to stimulate development in the Program area as a result of tax abatement in the form of deductions from assessed value for real property improvements from development, redevelopment and rehabilitation;

**WHEREAS**, the Common Council now desires to establish a Central Business District Tax Abatement Program to stimulate development in the Program Area as a result of tax abatement in the form of deductions from assessed value for real property improvements from development, redevelopment and rehabilitation.

**NOW, THEREFORE, BE IT ORDAINED** by the Common Council of the City of Valparaiso, Porter County, Indiana, as follows:

**Section 1.** The Program Area as described and delineated in the *Central Business District Tax Abatement Program*, Figure 1 is designated and established as an economic development target area.

**Section 2.** The Program area shall be known as the "**CBD Economic Development Target Area**" for the purpose of describing and discussion of the Program Area in the future.

**Section 3.** That said Program, Program Area and **CBD Economic Development Target Area** shall continue in effect until it is modified or abolished by ordinance of the Common Council as the fiscal body of the City.

**Section 4.** All existing Ordinances, or parts thereof, in conflict with the establishment of **CBD Economic Development Target Area** are hereby deemed null, void, and of no legal effect, and are specifically repealed.

**DULY PASSED AND ADOPTED** by the Common Council of the City of Valparaiso, Porter County, Indiana on this 13<sup>th</sup> day of October 2014.

SEE SIGNATURE PAGE

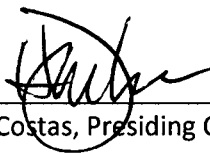
ORDINANCE NO. - 31, 2014

AN ORDINANCE DESIGNATING CERTAIN AREA WITHIN THE CITY OF VALPARAISO AS ECONOMIC DEVELOPMENT TARGET AREA FOR THE PURPOSE OF ESTABLISHING THE COMMERCIAL BUSINESS TAX ABATEMENT PROGRAM IN THE CITY OF VALPARAISO, INDIANA

**SIGNATURE PAGE**

DULY PASSED AND ADOPTED by the Common Council of the City of Valparaiso, Porter County, Indiana on this 27<sup>th</sup> day of October 2014. 5-1 vote

COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA



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Jon Costas, Presiding Officer

ATTEST:



Sharon Emerson Swihart  
Clerk-Treasurer

PRESENTED BY ME to the Mayo or the City of Valparaiso on the 27<sup>th</sup> day of October 2014, at 7:12 o'clock p.m.



Sharon Emerson Swihart,  
Clerk-Treasurer

THIS ORDINANCE approved and signed by me on the 27<sup>th</sup> day of October, 2014, at 7:12 o'clock p.m.



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Jon Costas  
Mayor

**CITY OF VALPARAISO, INDIANA  
ECONOMIC DEVELOPMENT COMMISSION**

**EDC 01 - 2014**

**A RESOLUTION OF THE ECONOMIC DEVELOPMENT COMMISSION OF THE CITY OF VALPARAISO, INDIANA MAKING A RECOMMENDATION TO THE CITY OF VALPARAISO COMMON COUNCIL TO DESIGNATE A CERTAIN AREA WITHIN THE CITY AS AN ECONOMIC DEVELOPMENT TARGET AREA FOR THE PURPOSE OF ESTABLISHING A CENTRAL BUSINESS DISTRICT TAX ABATEMENT PROGRAM**

- WHEREAS,** Assessed valuation deductions of tangible property (“Tax Abatement”) is authorized under Indiana Code (“IC”) 6-1.1-12.1 in the form of deductions from assessed value for real property improvements that results from development, redevelopment and rehabilitation;
- WHEREAS,** The Common Council of the City of Valparaiso, Porter County, Indiana (“Common Council”) desires to offer Tax Abatement for real property development, redevelopment and rehabilitation in a certain areas of the City of Valparaiso, Porter County, Indiana (the “City”) to provide a catalyst for and to stimulate new construction, redevelopment and rehabilitation in order to improve the City’s central business district (the “downtown”), its commercial building stock and its overall quality of life and to diversity its tax base;
- WHEREAS,** In accordance with IC 6-1.1-12.3(e)(10) and (11), a deduction for the redevelopment or rehabilitation of real property may not be approved for any facility for which the primary purpose is: (a) retail food or beverage; (b) automobile sales or service; or (c) other retail, unless the facility is located in an Economic Development Target Area (“EDTA”) or for residential facilities, unless it is a multifamily facility that contains at least 20% of the units available for use by low and moderate income individuals or said facility is located in an EDTA or a residentially distressed area;
- WHEREAS,** The City may designate a maximum of 15% of the total geographic territory of the City of to be in economic development target areas;
- WHEREAS,** The Valparaiso Economic Development Commission (the “VEDC”) has prepared a *Central Business District Tax Abatement Program* (the “Program”), attached hereto as **EXHIBIT A**, for Common Council review, which includes the purpose of Program, its statutory authority, a map identifying a Program area and a simplified description of the Program Area boundaries;
- WHEREAS,** The Program Area must be established as an EDTA in order to initiate the process to offer Tax Abatement for any facility for which the primary purpose is: (a) retail food or beverage; (b) automobile sales or service; or (c) other retail or for residential facilities;
- WHEREAS,** In order to designate the Program area as an EDTA by ordinance, the Common Council must receive a favorable recommendation from the EDC.

**NOW, THEREFORE, BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT COMMISSION OF THE CITY OF VALPARAISO, PORTER COUNTY, INDIANA, AS FOLLOWS:**

**Section 1.** The VEDC has prepared and developed the *Central Business District Tax Abatement Program* to provide a catalyst for and to stimulate new construction, redevelopment and rehabilitation in order to improve the City's central business district (the "downtown"), its commercial building stock and its overall quality of life and to diversity its tax base in order for the Common Council to initiate the process to designate and establish the Program area as Economic Development Target Area.

**Section 2.** The VEDC has verified that the Program area in the City as of this date totals approximately 50.7 acres in area and is 0.494 percent of the City's total geographic territory (as of October 1, 2014 being 10,272 acres), within the statutory maximum limitation of 15 percent for economic development target area of the City's total geographic territory.

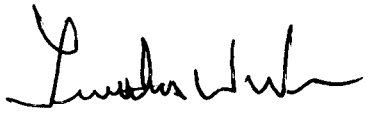
**Section 3.** The VEDC corroborates and supports the Common Council's desires to establish the Program to stimulate development in the Program area as a result of Tax Abatement in the form of deductions from assessed value for real property improvements from development, redevelopment and rehabilitation.

**Section 4.** The VEDC in accordance with IC 6-1.1-12.1-7(a) makes a favorable recommendation to the Common Council to designate the Program area as Economic Development Target Areas as described and delineated in Program.

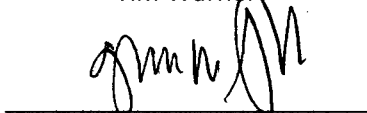
**Section 5.** The VEDC hereby authorizes and directs the secretary to:

- a. Submit one (1) original signed Resolution to the Valparaiso Common Council for its files and records as it relates to the approval process for the designation of the Program area as Economic Development Target Area;
- b. Retain one (1) original signed Resolution for the Economic Development Commission files and records as it relates to the approval process for the designation of the Program area as Economic Development Target Area.

**ADOPTED AND APPROVED** at a meeting of the Economic Development Commission of the City of Valparaiso, Indiana held on October 7, 2014 in the Common Council chambers of Valparaiso City Hall, 166 Lincolnway, Valparaiso, Indiana, 46383.



Tim Warner



Tim Scannel



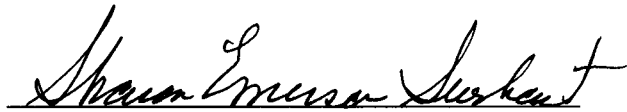
Eric Garrard



Patrick McGinley

Christopher Campbell

**ATTEST:**



Sharon Emerson Swihart, Clerk - Treasurer

**CITY OF VALPARAISO, INDIANA  
ECONOMIC DEVELOPMENT COMMISSION**

**EDC 01 - 2014**

**A RESOLUTION OF THE ECONOMIC DEVELOPMENT COMMISSION OF THE CITY OF VALPARAISO, INDIANA MAKING A RECOMMENDATION TO THE CITY OF VALPARAISO COMMON COUNCIL TO DESIGNATE A CERTAIN AREA WITHIN THE CITY AS AN ECONOMIC DEVELOPMENT TARGET AREA FOR THE PURPOSE OF ESTABLISHING A CENTRAL BUSINESS DISTRICT TAX ABATEMENT PROGRAM**

**EXHIBIT A**

**Central Business District Tax Abatement Program**