

RESOLUTION NO. 13 - 2010

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA GRANTING TASK FORCE TIPS, INC. AN ASSESSED VALUATION DEDUCTION (TAX ABATEMENT) FOR TANGIBLE PERSONAL PROPERTY UNDER 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,** Task Force Tips, Inc. (the "Company") has filed with the Common Council a Statements of Benefits Personal Property (FORM SB-1/PP) dated March 23, 2011 proposing the installation of personal property machinery as detailed in said form (the "Project") anticipated to cost \$730,000, estimated to be installed and placed-in-service by February 28, 2012 and to be fully assessed on March 1, 2012;
- WHEREAS,** The Company submitted said Statements of Benefits Personal Property (FORM SB-1/PP) to the Common Council as the designating body before the installation of the Project for which the Company desires to request an assessed valuation deduction;
- WHEREAS,** The new manufacturing equipment installed as it relates to the Project will be used in the direct production, manufacture, fabrication, assembly or finishing of other tangible personal property consistent with IC 6-1.1-12.1-1(3)(B);
- WHEREAS,** The new manufacturing equipment tangible personal property installed as it relates to the Project has never been used for any purpose in Indiana before consistent with IC 6-1.1-12.1-1(3)(D); and
- WHEREAS,** The Company's facility located at 3701 Innovation Way in the City 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 Task Force Tips, Inc. upon review of the Statement of Benefits (FORM SB-1/PP) dated March 23, 2011 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 is 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 installation of 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 installation of 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 not located within a designated allocation area of the Valparaiso Redevelopment District.

BE IT FURTHER RESOLVED that the Common Council hereby grants an assessed valuation deduction (Tax Abatement) from tangible personal property – new manufacturing equipment for a period of five (5) years to the Company, being Task Force Tips, Inc., 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 personal 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 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 personal 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 personal 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 Company has agreed to the following imposed reasonable condition for approval of an assessed valuation deduction for tangible personal property – new manufacturing equipment as herein specified and authorized under I.C. 6-1.1-12.1-2(i)(6) and as included under Item G (page 2) of the approved FORM SB-1/PP (Statement of Benefits Personal Property):

Condition: The Company by May 10 of each calendar year during the period for which an assessed valuation deduction is applicable shall submit to the City as it applies to the Project, the FORM 103, FORM 103-EL and/or FORM 103-ERA to supplement the FORM CF-1/PP (Compliance with Statement of Benefits) that is annually filed with the City for each personal property assessed valuation deduction so that the City may verify and confirm the following: (i) the assessed valuation deductions reported by the Company and/or approved by the Office of the Porter County Assessor and (ii) the calculation of the Imposed Fee by Office of the Porter County Auditor.

Be It Further Resolved that the City agrees to comply with the privacy notices of said FORM 103, FORM 103-EL and FORM 103-ERA as confidential filings in accordance with I.C. 6-1.1-35-9 and that said documents: (i) are not statutorily required filings to the City to review a personal property assessed valuation deduction of the Company but as a reasonable condition as herein specified and included under Item G (page 2) of an approved FORM SB-1/PP (Statement of Benefits Personal Property) and (ii) are submitted to supplement the Company's annually filed FORM CF-1/PP (Compliance with Statement of Benefits) for each personal property assessed valuation deduction such that City may only utilize said forms to verify and confirm: (a) assessed valuation deductions reported by the Company and/or approved by the Office of the Porter County Assessor and (b) the calculation of an Imposed Fee by Office of the Porter County Auditor; and, therefore said documents are deemed not to be public record(s) and shall not be made available to the public.

BE IT FURTHER RESOLVED that the final determination of the amount of assessed valuation deduction as applied to the Project for tangible personal property – new manufacturing equipment shall be made by the appropriate Porter County 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 Assessor the following information as it applies to this Resolution and the approval of the Company's assessed valuation deduction:

1. The FORM SB-1/PP, 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/PP.

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.

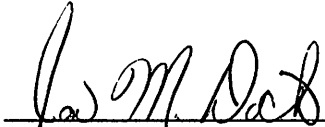
ADOPTED AND APPROVED by a vote of all members present and voting of the Common Council of the City of Valparaiso, Indiana this day **April 11, 2011**.

See Signature Page

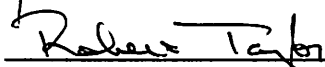
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SIGNATURE PAGE

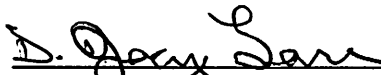
ADOPTED AND APPROVED by a vote of all members present and voting of the Common Council of the City of Valparaiso, Indiana this day April 11, 2011.


Jan Dick, Council President


Art Elwood

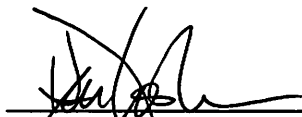

Robert Taylor


~~Al Eisenmenger~~ Deb Butterfield


Joey Larr


Michael Baird


John Bowker


Jon Costas, Mayor

ATTEST:


Sharon Emerson Swihart, Clerk-Treasurer

EXHIBIT A

April 11, 2011

Matt Murphy
Economic Development Director
City of Valparaiso
166 Lincolnway
Valparaiso, Indiana 46383

Dear Mr. Murphy:

Task Force Tips, Inc. (the "Company") as the property owner that has submitted a FORM SB-1/PP (Statement of Benefits) dated March 23, 2011 to the City of Valparaiso, Indiana (the "City") Common Council, as the designating body, for approval of an assessed valuation deduction (Tax Abatement) consents to the imposition of a fee (the "Imposed Fee") pursuant to Indiana Code ("IC") 6-1.1-12.1-13.

The Company understands that the City Common Council will incorporate the following statements into a resolution as its approval of the Company's statement of benefits and assessed valuation deduction:

- 1) The Common Council's intent to subject the Company to an Imposed Fee pursuant to IC 6-1.1-12.1-13(b);
- 2) The percentage to be applied by the Porter County Auditor for purposes of STEP TWO of subsection (c), which may not exceed fifteen percent (15%) and which shall remain in effect throughout the term of the assessed valuation deduction; and
- 3) The one or more public or nonprofit entities established to promote economic development within the City served by the City Common Council as the designating body identified to receive distributions of the Imposed Fee and the proportions of those distributions by the Porter County Auditor

The Company understands that for each year in which its property tax liability is reduced as the result of the application of an assessed valuation deduction pursuant to IC 6-1.1-12.1-13, the Company shall pay to the Porter County Treasurer upon notification the Imposed Fee in an amount calculated by the Porter County Auditor pursuant to IC 6-1.1-12.1-13(c) for distribution to the one or more public or nonprofit entities as designated by the City Common Council. The Company shall pay the Imposed Fee within 30 days of notification.

Furthermore the Company understands that pursuant to IC 6-1.1-12.1-13(e), if the City Common Council determines that the Company has not paid the Imposed Fee in accordance with IC 6-1.1-12.1-13, the City Common Council may adopt a resolution terminating the Company's assessed valuation deduction under Sections 3, 4.5 or 4.8. And, if the City Common Council adopts such a resolution, the assessed valuation deduction, previously approved under Sections 3, 4.5 or 4.8 as now terminated, does not apply to the next installment of property taxes owed by the Company or to any subsequent installment of property taxes.

Very truly yours,

Martin Sonnenburg,
Chief Financial Officer