RESOLUTION NO. 5. 2015

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA GRANTING CIM-TECH, INC. AN ASSESSED VALUATION DEDUCTION (TAX ABATEMENT) FOR TANGIBLE REAL 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, CIM-Tech, Inc. (the "Company") has filed with the Common Council a **Statements of Benefits Real Property Improvements (FORM SB-1/Real Property)** dated ______________**, 2015** proposing real property improvements, more specifically related to the expansion of its office facilities for increased growth in in-house support to regional integrated steel mills, anticipated to cost $750,000 (the "Project"), estimated to be completed on or prior to February 29, 2016 and to be fully assessed on March 1, 2016;

WHEREAS, A Statements of Benefits Real Property (FORM SB-1/Real Property) was submitted to the Common Council as the designating body before and prior to the construction, 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 offices and facility located at 1951 Morthland Drive in the City (real property key number **64-09-26-102-007.000-004**) 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 CIM-Tech, Inc. upon review of the (FORM SB-1/real property as well as other pertinent information provided by the Valparaiso Economic Development Corporation and upon the following findings and determinations 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 construction, renovation, redevelopment or installation of real property improvements related 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 from the construction, renovation, redevelopment or installation of real property improvements related 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 real property for a period of **five (5) years** to the Company, being CIM-Tech, Inc., in accordance with IC 6-1.1-12.1-3(c) and IC 6-1.1-12.1-17(b) as it relates to the Project.

BE IT FURTHER RESOLVED that the Common Council hereby grants an assessed valuation deduction (Tax Abatement) of real property with an abatement schedule provided below pursuant IC 6-1.1-12.1-17(b) consistent with the above abatement period as it relates to the Project.

Approved Abatement Schedule:	
Year One (1)	**100%**
Year Two (2)	**80%**
Year Three (3)	**60%**
Year Four (4)	**40%**
Year Five (5)	**20%**

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(c);

(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 five percent (5%) 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., 5% 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 final determination of the amount of assessed valuation deduction as applied to the Project for real property improvements 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 Auditor the following information as it applies to this Resolution and the approval of the Company's assessed valuation deduction in order to insure the application of an assessed valuation deduction as calculated by the Office of the Porter County Assessor, assuming an annual FORM CF-1 is approved by the City Council and all required documents are filed in a timely manner:

1. The FORM SB-1/Real Property, as approved, properly completed and executed 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/Real Property.

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.

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

by a vote of _____ "Ayes" and _____ "Nays" of those Council members present on this day,

March 9, 2015.

Jon Costas
Mayor

ATTEST:

Sharon Swihart

Sharon Swihart, Clerk-Treasurer

EXHIBIT A

March 9, 2015

Pat Lyp
Economic Development Director
City of Valparaiso
166 Lincolnway
Valparaiso, Indiana 46383

Dear Mr. Lyp:

CIM-Tech, Inc. (the "Company") as the property owner that has submitted a FORM SB-1/Real Property (Statement of Benefits) dated _____________, 2015 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") 6-1.1-12.1-14(b).

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 6-1.1-12.1-14;
2) The percentage to be applied by the Porter County Auditor for purposes of STEP TWO of subsection 14(c), which may not exceed fifteen percent (15%), is **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 solely as the **Valparaiso Redevelopment Commission** shall 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 6-1.1-12.1-14, 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 6-1.1-12.1-14(c) for distribution to the one or more public or nonprofit entities as designated by the City Common Council. <u>The Company shall pay the Imposed Fee within 30 days of notification</u>.

Furthermore the Company understands that pursuant to IC 6-1.1-12.1-14(e), if the City Common Council determines that the Company has not paid the Imposed Fee in accordance with IC 6-1.1-12.1-14, 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,

Brian Greubel

Brian Greubel
Secretary/Treasurer
CIM-Tech, Inc.

CIM-Tech, Inc.

ENGINEERING & SUPPLY

Located in Valparaiso, Indiana

CIM-Tech's History in Valparaiso

Started Company in May 2006

Rudy Tolkamp & Brian Greubel

Eastport Centre Drive – 1000 Square Feet

Moved to 332 W. U.S. 30 in 2008 – 3500 Square Feet

Purchased 1951 Morthland Drive building in June 2011.

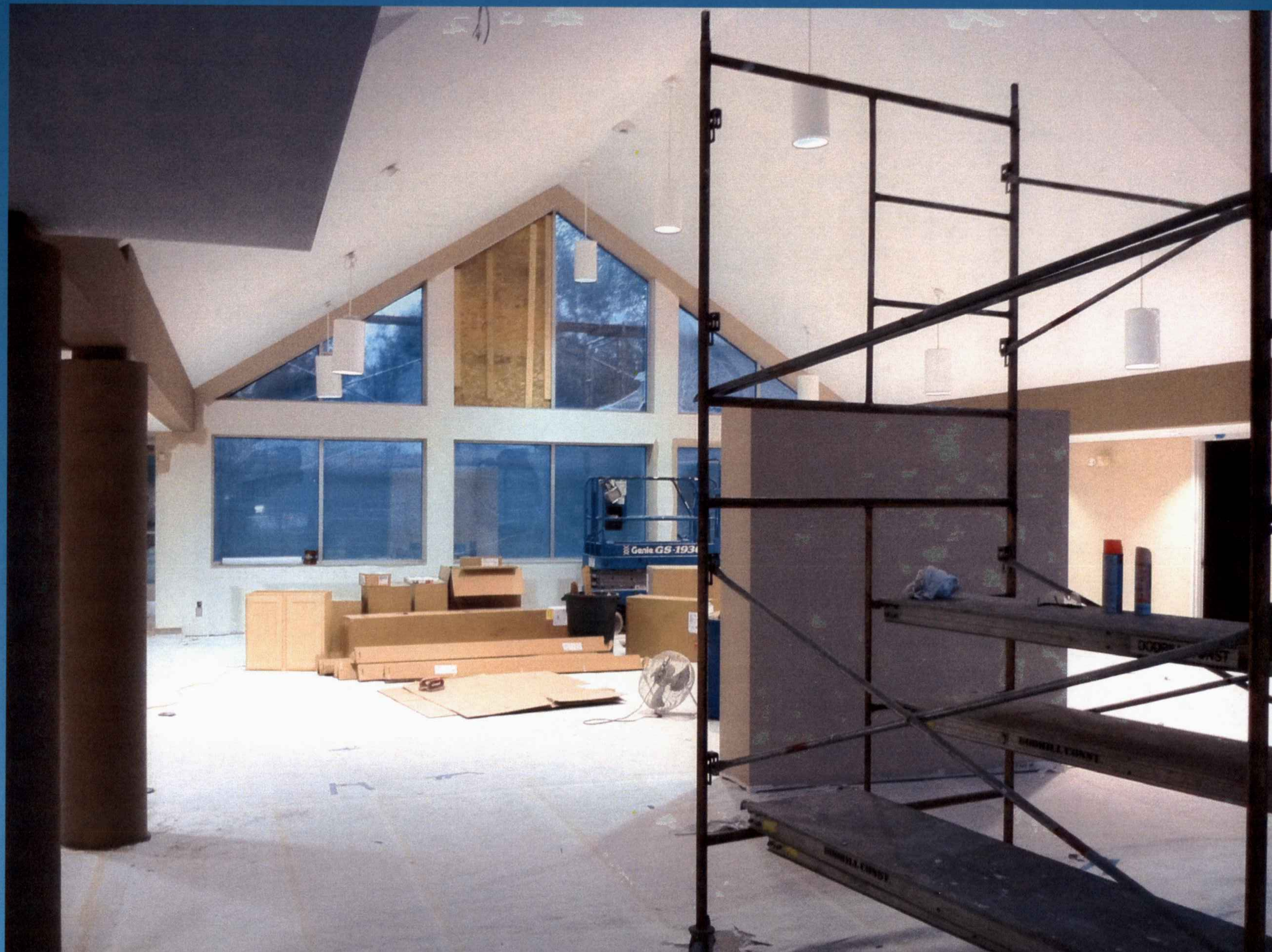
After extensive renovation, moved in October 2011.

Room for 24 employees – presently we have 23 employees.

Expansion will accommodate 26 additional full time employees.

Pre-Occupancy Renovation

Pre-Occupancy Renovation

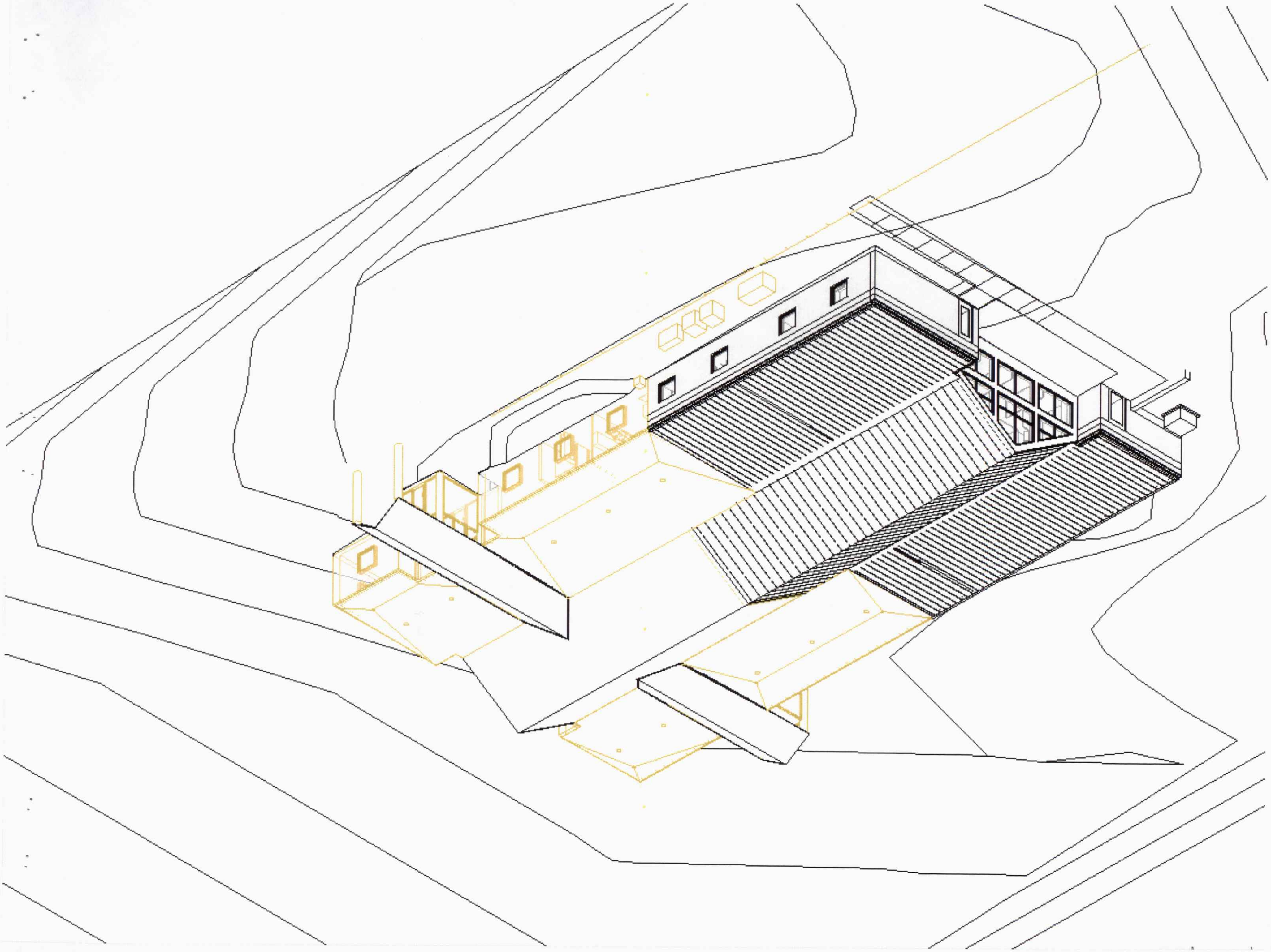


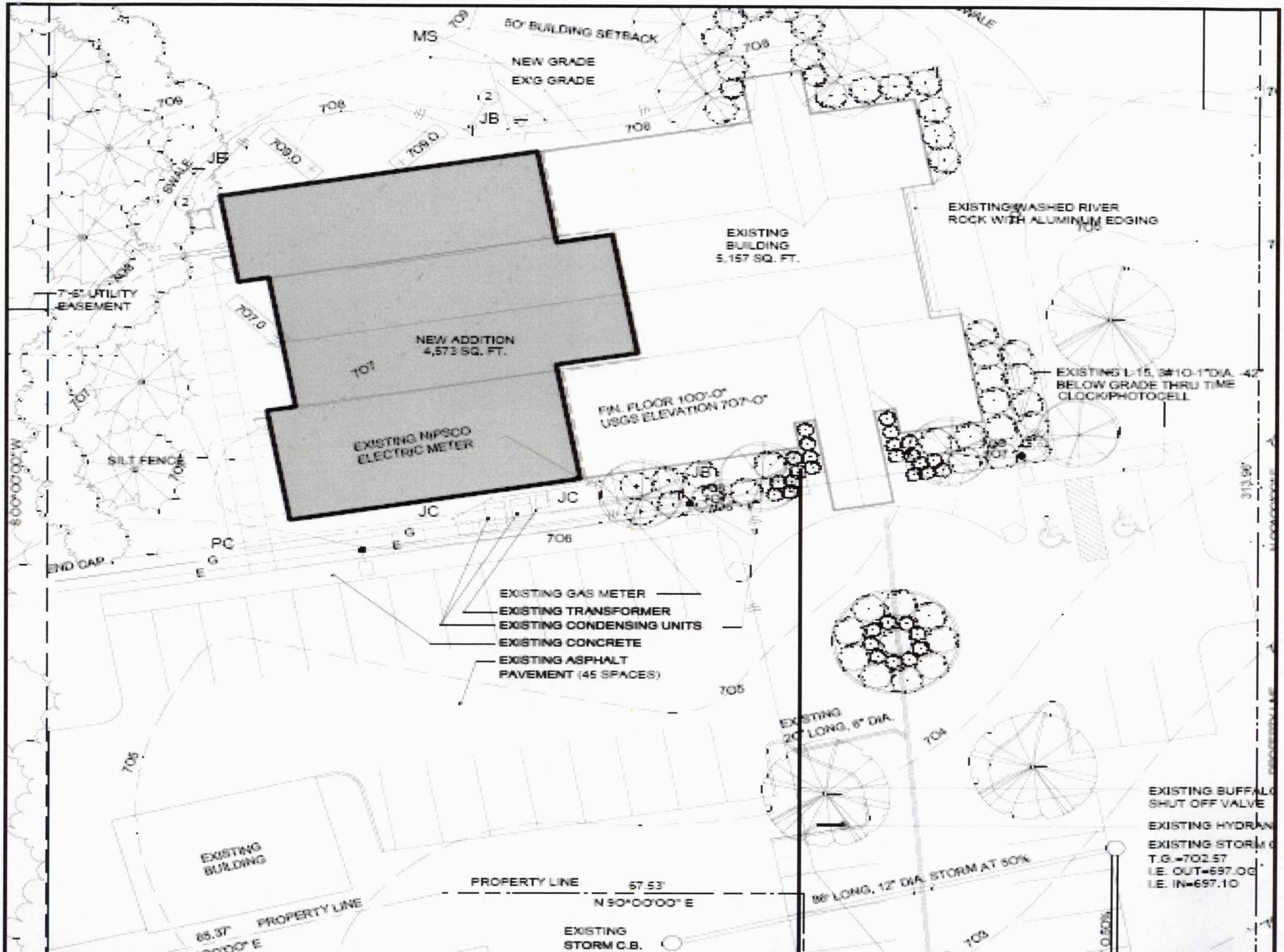
Some of our Customers

- **U.S. Steel**
  - Gary, Indiana
  - Granite City, Illinois
  - Detroit, Michigan
  - Fairfield, Alabama
  - Kosice, Ukraine
- **AK Steel**
  - Ashland, Kentucky
  - Middletown, Ohio
- **Nu-Iron, Trinidad (Nucor Steel)**
- **ArcelorMittal**
  - Indiana Harbor – East & West
  - Burns Harbor, Indiana
  - Cleveland, Ohio
  - Monlevade, Brazil
  - Newcastle, South Africa
  - Vanderbijlpark, South Africa
  - Dofasco, Canada
- **Ford – Chicago Stamping Plant**
- **Toyal America – Lockport, IL**
- **Georgia Pacific – Wheatfield, IN**

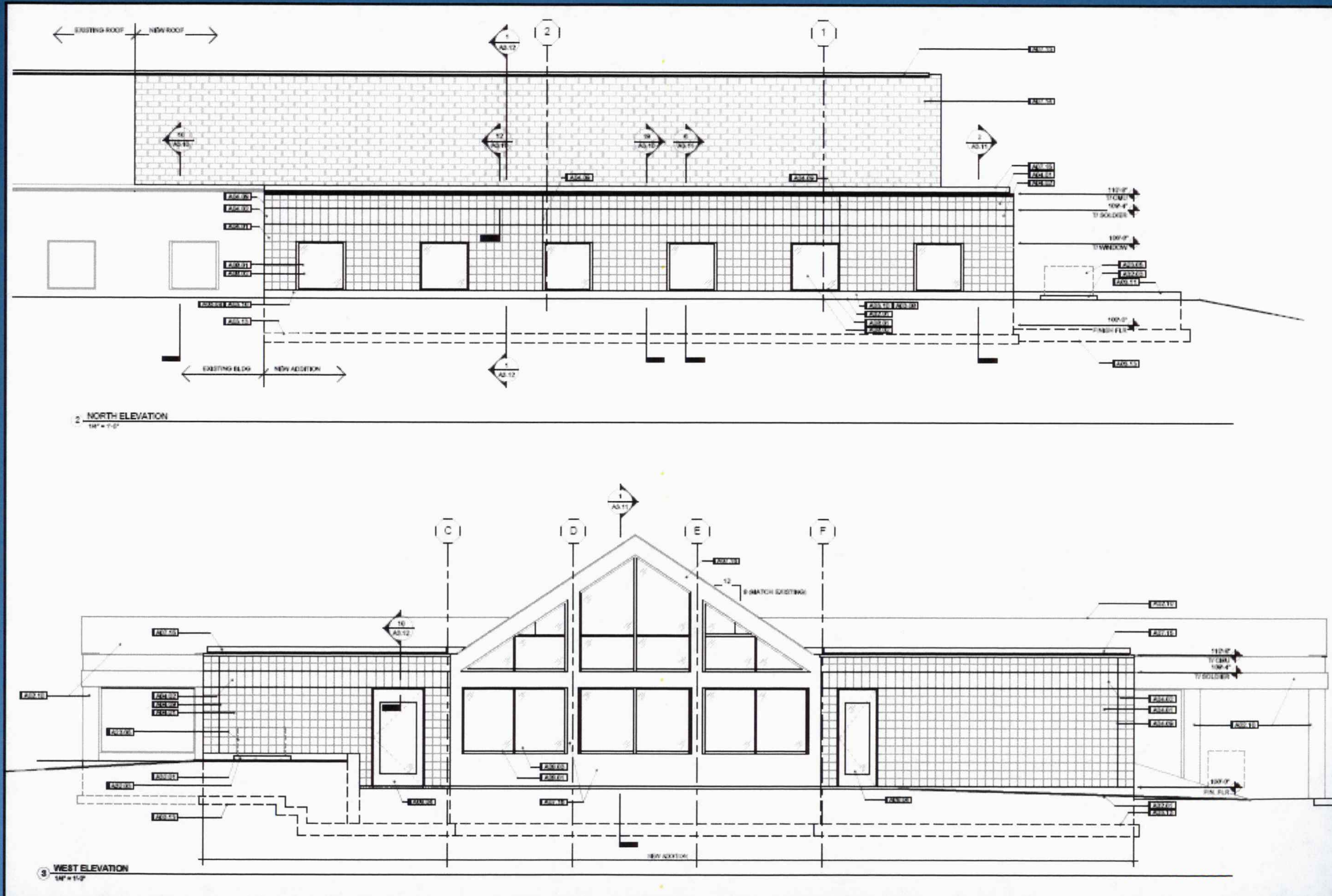
Specialized Work

- In-House Engineering and Design
  - Mechanical
  - Electrical & Instrumentation
  - Structural
  - Refractory (Ceramic)
  - Process
  - Chemical
- Project & Construction Management
- Scope Development
- Basic & Detailed Engineering
- Equipment Design & Fabrication
- Cooling Systems
- Failure Analysis
- Hydraulic Systems
- Environmental Engineering
- Waste Water Treatment
- AutoCAD / 2D & 3D / Solid Modeling
- FEA (Finite Element Analysis)
- CFD (Computational Fluid Dynamics)
- Monitoring & Assessment Services
- Refractory Repairs
- Training Services (Operation & Maint.)

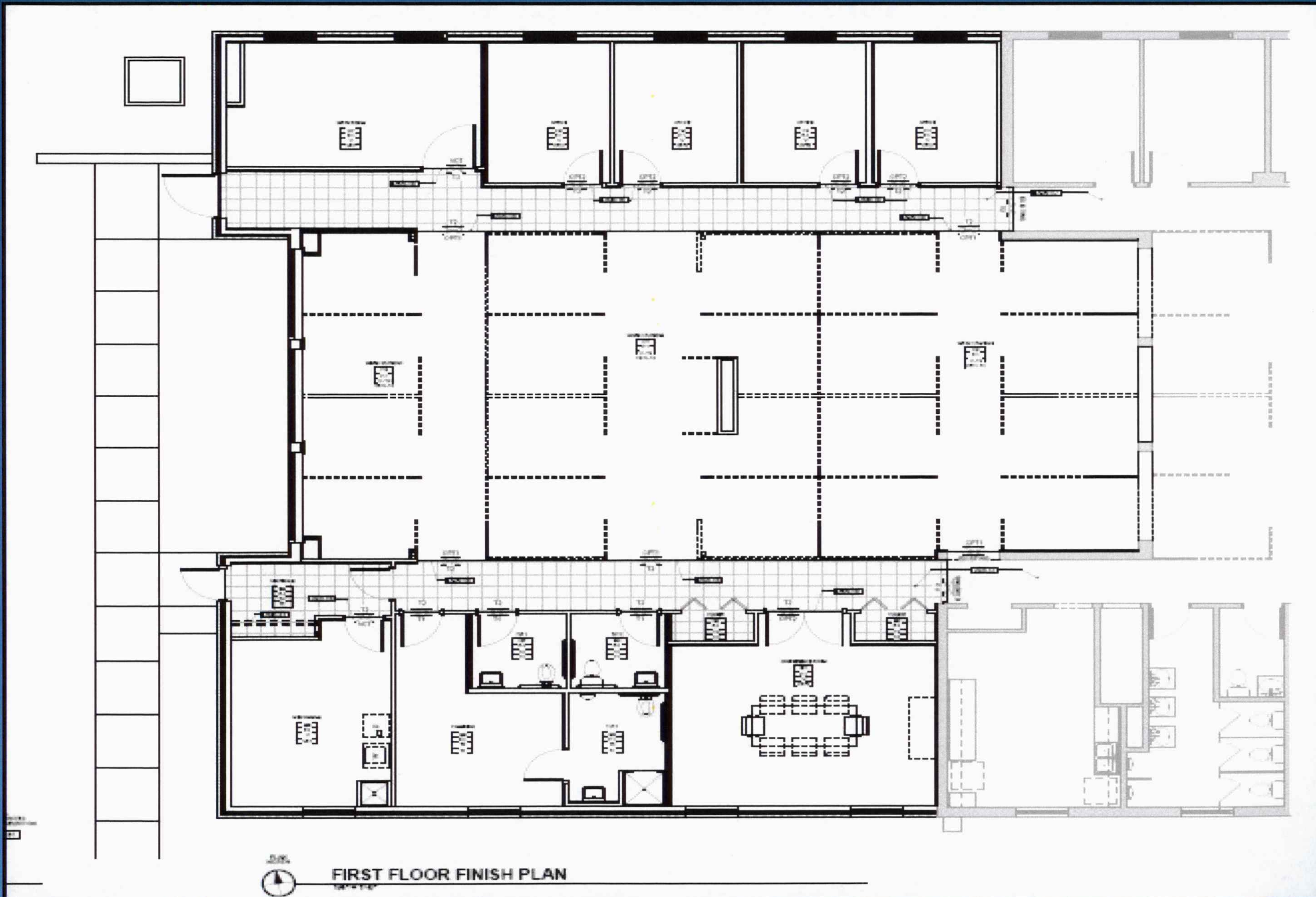



50' BUILDING SETBACK
MS
NEW GRADE
EX'G GRADE
JB
JB
SWALE
7'-6" UTILITY EASEMENT
NEW ADDITION
4,573 SQ. FT.
EXISTING NIPSCO
ELECTRIC METER
EXISTING
BUILDING
5,157 SQ. FT.
EXISTING WASHED RIVER
ROCK WITH ALUMINUM EDGING
FIN. FLOOR 100'-0"
USGS ELEVATION 707'-0"
EXISTING L-15, 3#10-1"DIA. -42"
BELOW GRADE THRU TIME
CLOCK/PHOTOCELL
SILT FENCE
JC
JC
PC
END CAP
EXISTING GAS METER
EXISTING TRANSFORMER
EXISTING CONDENSING UNITS
EXISTING CONCRETE
EXISTING ASPHALT
PAVEMENT (45 SPACES)
EXISTING
20' LONG, 6" DIA.
EXISTING
BUILDING
PROPERTY LINE
67.53'
N 90°00'00" E
65.37'
PROPERTY LINE
EXISTING
STORM C.B.
86' LONG, 12" DIA. STORM AT 60%
EXISTING BUFFALO
SHUT OFF VALVE
EXISTING HYDRANT
EXISTING STORM
T.G.=702.57
I.E. OUT=697.00
I.E. IN=697.10
313.96'

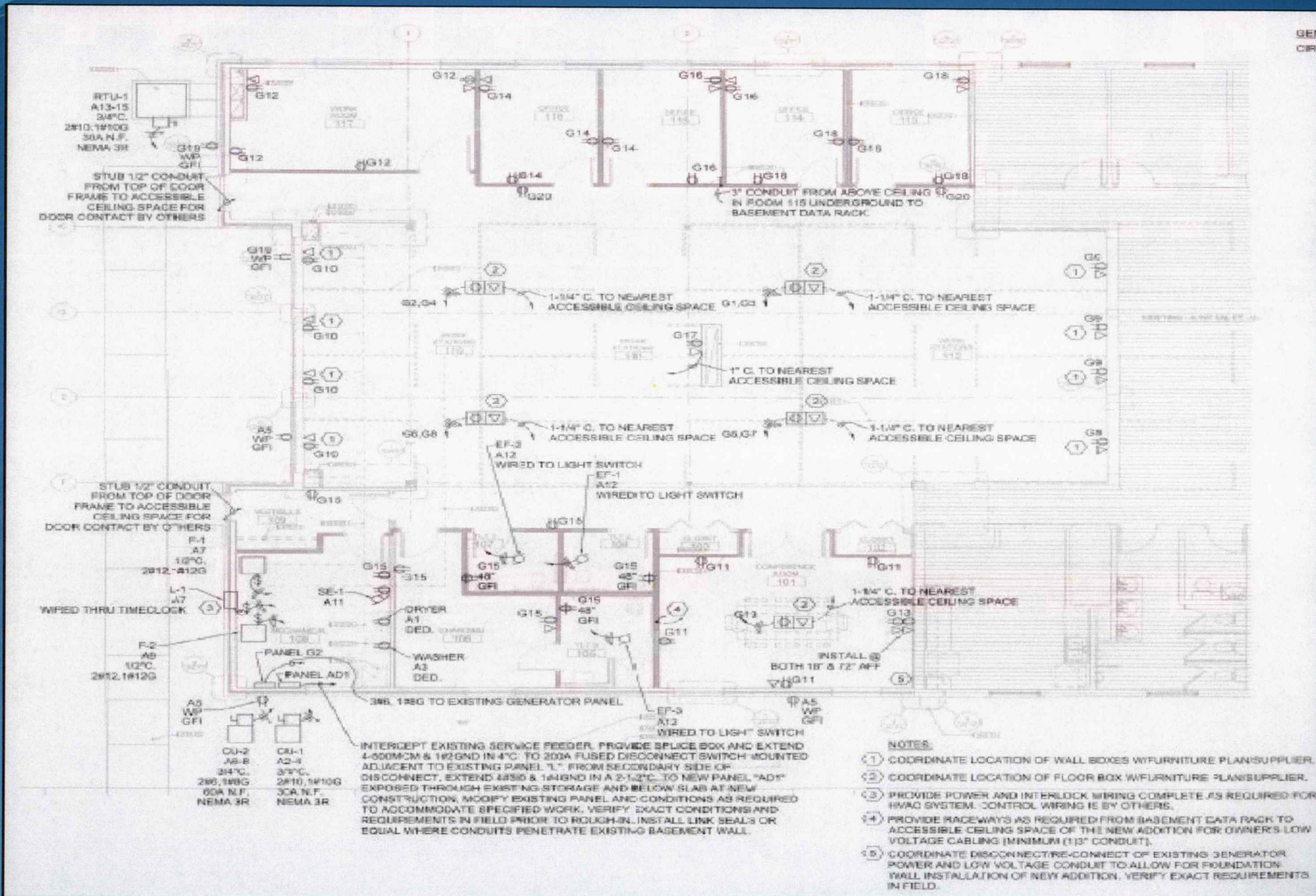
Elevations


EXISTING ROOF
NEW ROOF
EXISTING BLDG
NEW ADDITION
2 NORTH ELEVATION
T/ WINDOW
FINISH FLR
T/ SOLDIER
9 (MATCH EXISTING)
NEW ADDITION
3 WEST ELEVATION

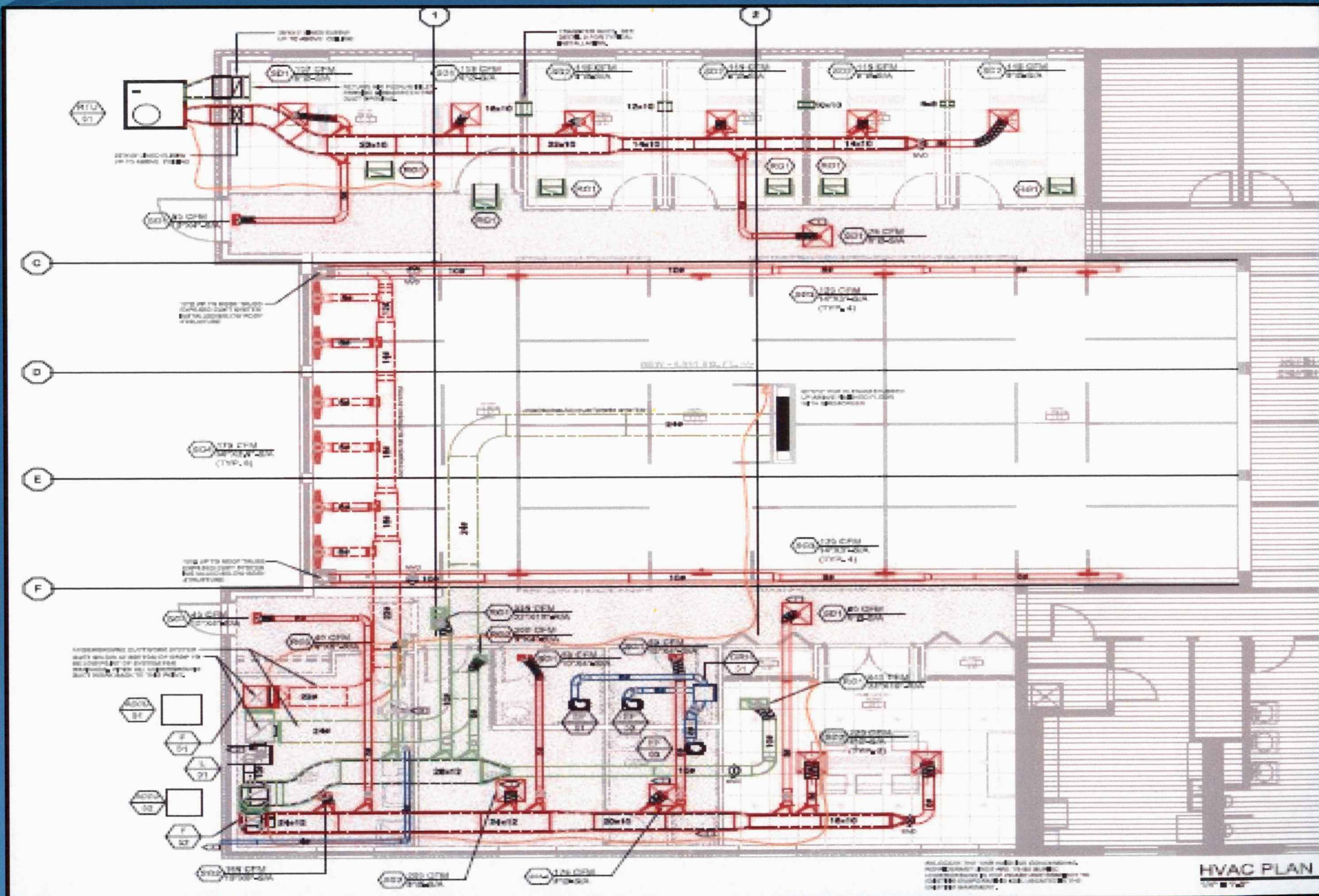
Floor Plan



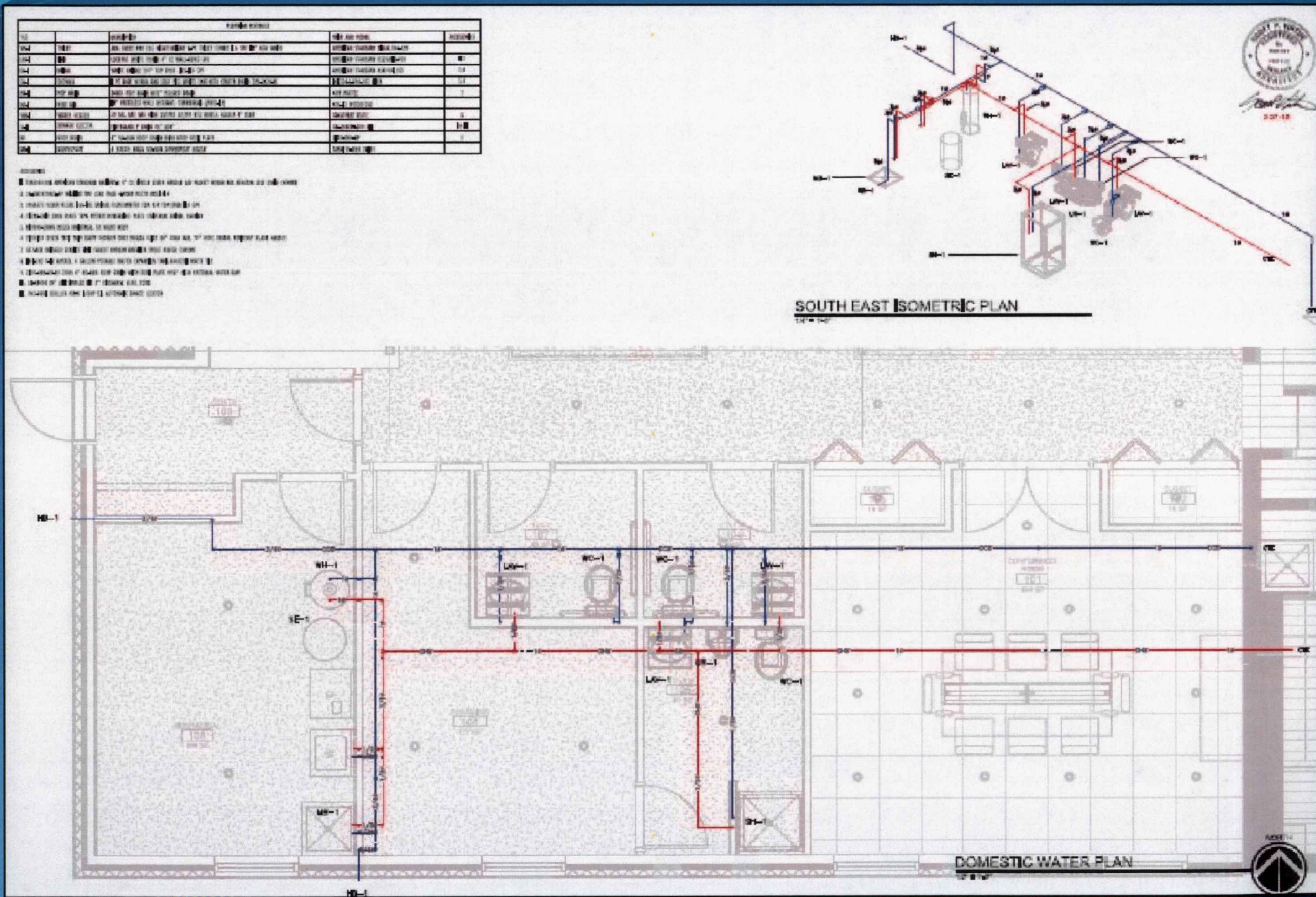
Power & Systems Plan



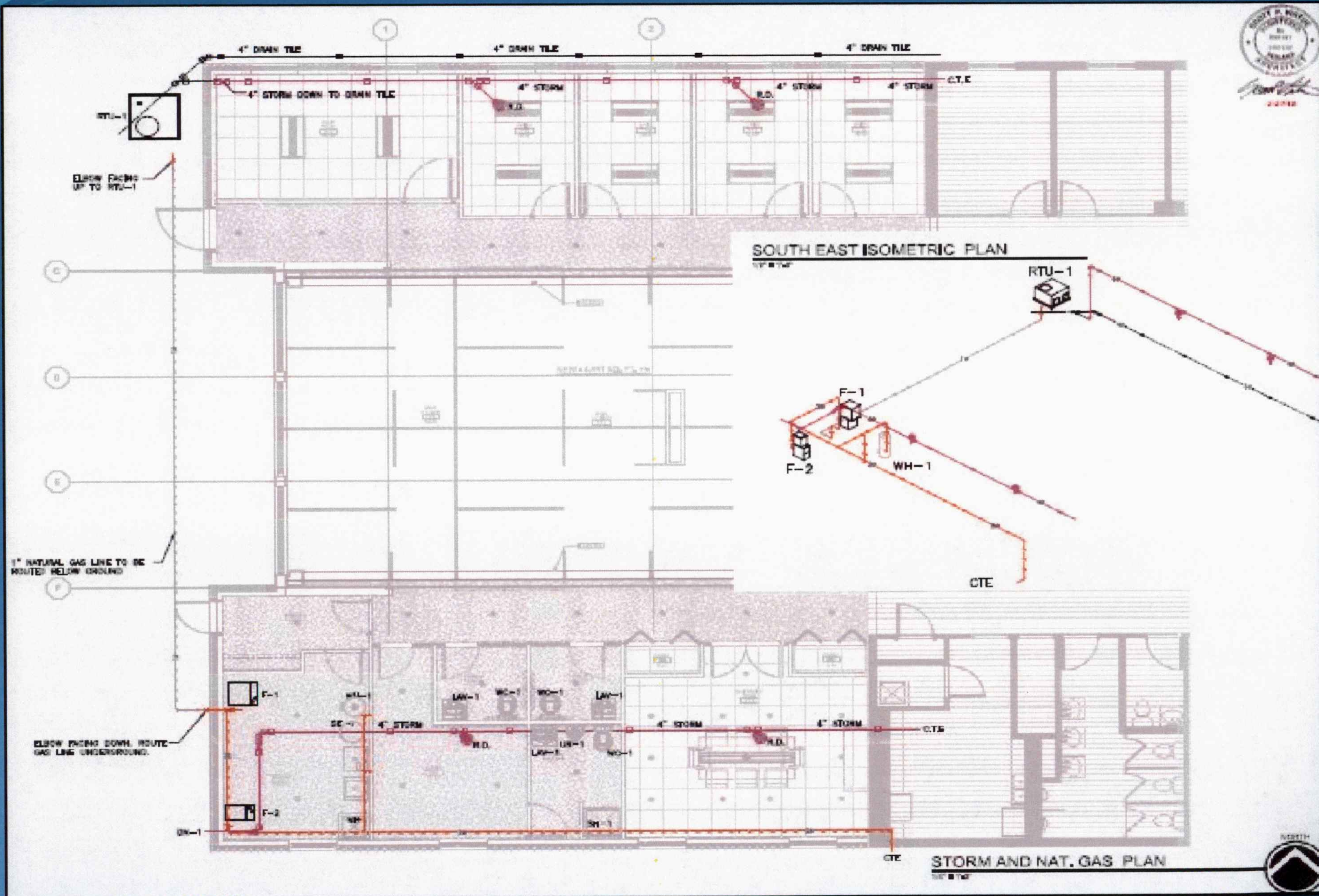
HVAC Plan



Plumbing Plan



Storm & Natural Gas Plan



Sanitary & Vent Plan