

RESOLUTION NO. 18 - 2016

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA GRANTING FOUR POINTS PROPERTIES, LLC 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, Four Points Properties, LLC (the "Company") has filed with the Common Council a Statements of Benefits Real Property Improvements (FORM SB-1/Real Property) dated July 27, 2016 proposing real property improvements, more specifically related to the building improvements including an extension of the warehouse and testing facility on the existing building, anticipated to cost \$180,000 (the "Project"), estimated to be completed on or prior to December 30, 2016 and to be fully assessed on or prior to January 1, 2017;

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;

WHEREAS, The Company's facility will be located at 1450 Clark Drive in the City (real property key number 64-09-26-430-001.000-004) 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 Four Points Properties, LLC 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 hereby grants an assessed valuation deduction (Tax Abatement) from tangible real property **limited to a cost of \$180,000 to be constructed between September 1, 2016 and December 30, 2016 for full assessment on January 1, 2017** for an abatement period of **four (4) years** to the Company, being Four Points Properties, LLC 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 assessed valuation deduction(s) (Tax Abatement) from tangible real property shall be applied only to the Company's qualified real property improvements to be located at 1450 Clark Drive in the City (real property key number 64-09-26-430-001.000-004).

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 Period Schedule:	
<i>Tangible real property improvements:</i>	
a. To be installed and placed into service between September 1, 2016 and December 30, 2016;	
b. Construction as completed is limited to the following assessment date: January 1, 2017;	
c. Real property construction during the period under section (a) above and for the assessment dates identified under section (b) is limited to a cost of \$180,000.	
Year of Abatement Period	Deduction Percentage
Year One (1)	100%
Year Two (2)	80%
Year Three (3)	60%
Year Four (4)	40%

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), as agreed upon in the Tax Abatement Agreement (**EXHIBIT A**), 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 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 (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 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's 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 6 "Ayes" and 1 "Nays" of those Council members present on this day,
September 12, 2016.



Jon Costas
Mayor

ATTEST:



Sharon Swihart, Clerk-Treasurer

To: Mayor Costas and Members of the City
Council From: Patrick Lyp
Re: Tax Abatement Request – Alliance, LLC
Date: September 2, 2016

1. **Company Background:** Alliance LLC (“Alliance”) is a nationally recognized supplier of magnetic materials for the automotive, industrial, defense, alternative energy and communication industries. Alliance is headquartered at 1450 Clark Dr. in Valparaiso. Much of the success of Alliance is based on the hard work, determination and innovation of its President and owner, Dan Vukovich, who founded the company in 2001. Alliance’s ability to provide quality products and offer excellent technical support has earned the company the title as one of America’s 100 fastest growing companies in Entrepreneur Magazine’s annual compilation. Alliance was also featured in a Northwest Indiana Business Quarterly article – **a copy is attached**. Although most of Alliance’s customers are well known Fortune 100 corporations, Alliance also provides magnetic products to many small and mid-size companies in the United States and abroad.
2. **History of magnets in Valparaiso:** As I learned from Mr. Vukovich, well before Bryce Drew’s famous basketball shoot in 1998, Valparaiso was well known throughout the world in the 1950’s and 1960’s because of magnet research and manufacturing. At one time Indiana General, located in Valparaiso was the world’s largest manufacturer of magnetic material. Indiana General became Ugimag and then Magnequench. Unfortunately, almost all magnetic manufacturing left the United States in the mid-1990’s and Magnequench closed its last 2 operations in Valparaiso in the early 2000’s. These businesses did not go bankrupt nor did the need for magnetic materials diminish. These companies moved their manufacturing operations overseas. Today, over 90% of magnets are produced in China. That said, because of Indiana General’s long history in our community there are still magnet company representatives that live in the Valparaiso area and Valparaiso’s name is still recognized by many in the magnet industry.
3. **Proposed Project:** Alliance was awarded a contract to build and test magnetic rotors for electric motors that are used inside the Hybridrive engine. **I have attached material concerning the HybriDrive engine.** The Hybridrive was developed by BAE (British Aerospace and Engineering). BAE contracted with UT (United Technologies) to manufacture the engine. UT contracted Alliance to develop and test the magnetic components. One of the initial applications for the electric motor will be buses in large metropolitan cities to reduce emissions. Testing at the Valparaiso facility will require 1 new employee for 2017 (plus the promotion of another employee). By 2018, Alliance will need to hire 2 additional employees. Depending on the success of the HybriDrive and testing requirements, Alliance may need to further expand its Valparaiso facility.
4. **Attached Applications.** I have attached the *Statement of Benefits* filed with the City. As you will note, the proposed 15,000 sq/ft addition to the existing building is estimated to cost \$180,000. There is one new job associated with the expansion; however, as noted above, there is a strong possibility for two or more additional jobs in 2018 and the possibly of a second facility expansion.
5. **Attached Financial Analysis.** As is the City’s practice, prior to making any conditional

offer to an Applicant, a financial analysis is prepared by Cender & Company. **I generally do not provide this to the Applicant and so I would ask that you treat this as confidential.** As you will note, based on an estimated increase in assessed value of **\$108,000** (which is 60% of the gross investment of **\$180,000**), the total tax receipts generated by the facility over the 4 year term of the tax abatement will be **\$61,823**. This will be divided among all taxing units. The scaled tax abatement, if approved, will save Alliance a total of **\$9,169**. The City receives **40.75%** of the taxes paid on the real estate. As such the reduction in taxes to the City is approximately **\$3,700** over 4 years – although with the tax abatement fee of **\$1,375**, the net reduction to the City is further reduced to **\$2,325**.

5. Observations/Recommendations:

In making a recommendation to the City Council, it is important to note that tax abatement is not the equivalent of a “lifetime achievement award” which is granted simply because you have been a good corporate citizen in our community. There must be some economic rationale to the request or granting the tax abatement is nothing more than a gift. My analysis focuses on: (i) the company making the request; (ii) the type of proposed improvements; (ii) the number of jobs being created by the investment (and average salary); (iv) the possibility of future investment by the company in Valparaiso; (v) collateral benefits to other local businesses; (vi) the type of tax abatement being offered; and, if applicable, (vii) the history of the company’s compliance with past tax abatement requests. This list is not exhaustive, and all requests are not equal; however, answers to these questions provide a good indication of whether consideration of the request is warranted.

In the case of Alliance, I was able to meet with the owner and visit the Valparaiso facility. The seven current employees at Alliance have an average salary in excess of \$100,000. Those jobs will remain in Valparaiso. Although the first job will start at a substantially lower wage (\$30,000), the job is an entry level position and there will be opportunities for the position to grow. Alliance currently has 1 additional facility in the United States (Eminence, Kentucky) and 1 facility in Mexico City. This test facility could have been placed at any of the three locations. Part of my decision to recommend this tax abatement is the fact that Alliance is a growing company and this relatively small tax abatement could lead to further investment in Valparaiso.

I would also note that after looking at the numbers, one could ask if this tax abatement is worth the effort. For the most part, the amount of work for the City is the same whether the tax abatement is \$10M over 10 years or \$10,000 over four years. My answer in this situation is “yes”. Part of the value of this tax abatement is the goodwill generated by this act. Mr. Vukovich was very appreciative that the City took an interest in his business. As I have found, the willingness of the City to offer appropriate assistance can often mean more than the actual monetary value of any benefit.

TAX ABATEMENT

Real Property

THIS TAX ABATEMENT AGREEMENT ("Agreement") is made and entered into as of the _____ day of September, 2016 ("Effective Date"), by the **Common Council of the City of Valparaiso** ("City"); and **Four Points Properties, LLC** ("Applicant").

WITNESSETH:

WHEREAS, Applicant is the owner of real property located at **1450 Clark Drive** Valparaiso, Indiana and identified by the Porter County Assessor as parcel **64-09-26-430-001.000-004** ("Parcel");

WHEREAS, Applicant has submitted a completed Statement of Benefits forms for real property tax abatement ("SB-1/RP"). Such form is incorporated by referenced into this Agreement;

WHEREAS, the City, after due and careful consideration, has concluded that the Project (as defined below) is consistent with the overall vision for commercial development and job creation and specifically finds that it is in the best interest of the City and its inhabitants to approve the requested tax abatement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

ARTICLE I. The Project

1.1 The Project. Applicant will construct a **15,000 sq/ft addition onto its current facility** ("Project"). The Applicant commits to investing at least **\$150,000** (excluding land acquisition costs) towards real property improvements. Such Project investments shall be of a quality, size, character and appearance substantially similar to Applicant's representations to the City during its Site-Review presentation.

1.2 Project Assessment. Applicant represents and commits that the real property improvements, once completed, will have a minimum gross assessment of no less than **\$90,000** excluding the assessed valuation on the preexisting real property ("Minimum Assessed Value").

1.3 Development of Project. The Applicant commits to commence the Project within **45 days** of this Agreement and agrees to complete the Project within **one year** of this Agreement ("Completion Date").

ARTICLE II. Tax Abatement

2.1 Tax Abatement: Subject to full compliance with the procedures required by law and to ongoing compliance by the Applicant for maintaining a tax abatement, the City will offer tax

abatement on the Project for a term of 4 years commencing **tax year 2017/payable 2018** (having a schedule of **100%, 80%, 60% and 40%**).

2.2 Annual Information. During the term of the tax abatement and for a period of two (2) years thereafter, the City or its authorized agent may annually request information from the Applicant concerning the nature of the Project, the approved capital expenditures for the Project, the number of full-time permanent positions retained and newly created by the Project, and the average wage rates and salaries (excluding benefits & overtime) associated with the positions, and the Applicant shall provide the City with adequate written evidence thereof within **15 days** of such request ("Annual Survey"). The City shall utilize this information and the information required to be filed by the Applicant in the CF-1 Compliance with the SB-1/RP form to verify that the Applicant has complied with the all commitments during the duration of the tax abatement. The Applicant further agrees to provide the City with such additional information requested by the City related to the information provided in the Annual Survey and the CF-1 form within a reasonable time following any such request.

2.3. Termination and Repayment.

A. Right to Terminate. The City, by and through the Council reserves the right to terminate the tax abatement deductions if it determines that the Applicant has not substantially complied with all of the commitments (**including, but not limited to, the commitments of Sections 1.1-1.3 and 2.4**).

B. Notice of Termination and Repayment. In the event that the City determines that the tax abatement deductions should be terminated or that any of the tax abatement savings should be repaid, it will give the Applicant notice of such determination, including a written statement calculating the amount due from the Applicant, and will provide the Applicant with an opportunity to meet with the City's designated representatives to show cause why the abatement should not be terminated and/or the tax benefits repaid. Such notice shall state the names of the person with whom the Applicant may meet and will provide that the Applicant shall have **thirty (30) days** from the date of such notice to arrange such meeting and to provide its evidence concerning why the abatement termination and/or tax benefits repayment should not occur. If, after giving such notice and receiving such evidence, if any, the City determines that the abatement termination and/or tax benefits repayment action is proper, the Applicant shall be provided with written notice and a hearing before the Council before any final action shall be taken terminating the abatement and/or requiring repayment of tax benefits. If the Council adopts a resolution terminating the tax abatement and/or requiring repayment of tax benefits, the Applicant shall be entitled to appeal that determination to a Porter County Superior or Circuit Court.

C. Time of Repayment. In the event that the City requires repayment of the tax abatement benefits as provided hereunder, it shall provide Applicant with a written statement calculating the amount due ("Statement"), and the Applicant shall make such repayment to the City within thirty (30) days of the date of delivery of the Statement, unless such repayment has been stayed pending an appeal. If the Applicant does not make timely repayment, the City shall be entitled to all reasonable costs and attorneys fees incurred in the enforcement and collection of the tax abatement savings required to be repaid hereunder.

D. Special Provision as to Default under Section 1.2. If, after completion of the Project or at any time during the term of the tax abatement, the Assessed Value of the Improvements, as determined by the Porter County Assessor, is greater than **five percent (5%) below** the Minimum Assessed Value, Applicant shall have the right, but not the obligation, to enter into a Payment in-lieu-of-Taxes ("PILOT") agreement with the City for the purpose of insuring full tax payments, as represented to the City, are paid during the term of the tax abatement. Absent entry of a PILOT agreement within sixty (60) days after notice is provided to the Applicant, the City may proceed under the terms of Section 2.3.

2.4 Local Contractors, Suppliers and Vendors. Applicant acknowledges the use of local incentives for this Project and recognizes the benefits of utilizing local contractors and suppliers. The City strongly urges Applicant to maximize the employment opportunities of the citizens, and resources found within Northwest Indiana. As a material part of this Agreement, Applicant agrees that it will use commercially reasonable efforts to employ price competitive contractors, suppliers and vendors located within Northwest Indiana (Porter, Lake, and LaPorte counties) with respect to the Project, and will additionally use such efforts to purchase materials and supplies from price competitive suppliers and vendors located within Northwest Indiana (Porter, Lake, and LaPorte counties). Upon request, Applicant shall provide the City an accounting of the Project as to the: i) contractors and suppliers used; and, ii) "commercially reasonable efforts" used by the Applicant. **Failure to comply with this provision shall result in the revocation of Applicant's tax abatement as provided under Section 2.3.**

2.5 Community Engagement. Applicant acknowledges, as a business within Valparaiso, its obligation (and that of its employees) to fully engage with the community and support groups, organizations, initiatives and institutions that contribute towards the betterment of Valparaiso. Such engagement and support may include, but is not limited to, financial contributions, volunteering of time, and/or participating in social, cultural, civic and religious events within Valparaiso. As a part of its annual filing of its CF-1, Applicant shall include an overview outlining what actions the Applicant and its employees have taken to satisfy its obligation.

2.6 Tax Abatement Fee. As provided by Indiana Code § 6-1.1-12.1-14, the City is imposing a **fifteen percent (15%)** fee on the tax abatement. Applicant consents to such fee. To the extent an Imposed Fee Letter is executed, such is incorporated by reference into this Agreement.

Article III. Additional Provisions

3.1 Indemnity: No Joint Venture or Partnership. The Applicant covenants and agrees at its expenses to pay and to indemnify and save the City, and their officers and agents, including the Economic Development Director ("Indemnitees") harmless of, from and against, any and all claims, damages, demands, expense and liabilities relating to bodily injury or property damage resulting directly or indirectly from the Applicant's (and/or any affiliate's thereof) activities with respect to the Project unless such claims, damages, demands, expenses or liabilities arise by reason for the negligent act or omission for the City or other Indemnitees or arise from the City's breach of this

Agreement. The parties further agree that this Agreement does not constitute a joint venture or partnership.

3.2 Amendment. This Agreement can only be amended by the mutual consent of the parties to this Agreement.

3.3 No Other Agreement. Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the parties.

3.4 Severability. If any provision, covenant, agreement or portion of this Agreement or its application to any person, entity or property, is held invalid, such invalidity shall not affect the application or validity of any other provisions, covenants, agreements or portions of this Agreement and, to that end, any provisions, covenants, agreements or portions of this Agreement are declared to be severable.

3.5 Indiana Law/Venue/Attorneys' Fees. This Agreement shall be construed in accordance with the laws of the State of Indiana. Any action to enforce any provision of this Agreement shall be filed in the state courts of Indiana, Porter County. The successful party in any action to enforce this Agreement shall be entitled to reimbursement of court costs and attorney fees.

3.6 Notices. All notices and requests required pursuant to this Agreement shall be deemed sufficiently made if delivered, as follows:

Applicant:

Dan Vukvoich
1450 Clark Dr.
Valparaiso, IN 46385

With a Copy to:

To City:

Patrick Lyp
Economic Development
Director 162 W. Lincolnway
Valparaiso, IN 46383

With a Copy to:

Ethan Lowe
Blachly, Tabor, Bozik & Hartman,
LLC 56 South Washington St.
Valparaiso, IN 46383

or at such other addresses as the parties may indicate in writing to the other either by personal delivery, courier, or by registered mail, return receipt requested, with proof of delivery thereof. Mailed notices shall be deemed effective on the third day after mailing; all other notices shall be effective when delivered.

3.7 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

3.8 Recordation of Agreement. At the request of any party hereto, the parties hereby agree to execute and deliver the original of this Agreement or a Memorandum thereof in property form for recording in the appropriate property or governmental records.

3.9 Consent or Approval. Except as otherwise provided herein, whenever consent or approval of any party is required, such consent or approval shall not be unreasonably withheld.

3.10 Assignment. The rights and obligations contained in this Agreement may not be assigned by the Applicant without the express prior written consent of the Commission; provided, however, that the Applicant may assign its rights and obligations hereunder to an affiliate of the Applicant upon notice and consent of the City, but any such assignment to an affiliate of the Applicant shall not have the effect of releasing the Applicant from its obligations hereunder.

3.11 No Third Party Beneficiaries. This Agreement shall be deemed to be for the benefit solely of the parties hereto and shall not be deemed to be for the benefit of any third party.

3.12 Authority. Each individual executing this Agreement represents that they possess the requisite authority to sign this Agreement.

IN WITNESS WHEREOF, the parties have duly executed this Agreement pursuant to all requisite authorizations as of the date first above written.

Applicant:

City:

Dan Vukvoich

Jon Costas
Mayor, City of Valparaiso

Recommended

Patrick Lyp
Economic Development Director

**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R5 / 12-13)

Prescribed by the Department of Local Government Finance

20 PAY 20**FORM SB-1 / Real Property****PRIVACY NOTICE**

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

This statement is being completed for real property that qualifies under the following Indiana Code (check one box): 0 Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
EI Residentially distressed area (IC 6-1.1-12.1-4.1)

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 the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
3. To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between March 1 and May 10 of a subsequent year.
4. A property owner who files for the deduction must provide the County Auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
5. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/Real Property that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. IC 6-1.1-12.1-17

SECTION 1**TAXPAYER INFORMATION**

Name of taxpayer

Four Points Properties

Address of taxpayer (number and street, city, state, and ZIP code)

1450 Clark Drive

Name of contact person

Dan Vukovich

Telephone number

(219) 548-3799

E-mail address

dan@allianceorg.com

SECTION 2**LOCATION AND DESCRIPTION OF PROPOSED PROJECT**

Name of designating body

Alliance LLC

Resolution number

Location of property

1450 Clark Drive

County

Porter

DLGF taxing district number

Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary)

Extention of warehouse and testing facility to existing bldg. Size 60'x80'

Estimated start date (month, day, year)

09/01/2016

Estimated completion date (month, day, year)

10/01/2016

SECTION 3**ESTIMATE OF EM****AND SALARIES****AS RESULT OF PROPOSED PROJECT**

Current number

7.00

Salaries

\$720,000.00

Number retained

7.00

Salaries

\$720,000.00

Number additional

1.00

Salaries

\$28,000.00

SECTION 4**ESTIMA****TOTAL COST AND****VALUE OF PROPOSED PROJECT****REAL ESTATE IMPROVEMENTS****COST****ASSESSED VALUE**

Current values

650,000.00

Plus estimated values of proposed project

100,000.00

Less values of any property being replaced

0.00

Net estimated values upon completion of project

750,000.00

SECTION 5**WASTE CONVERTED AND OTHER****BENEFITS PROMISED BY THE TAXPAYER**

Estimated solid waste converted (pounds) 0.00

Estimated hazardous waste converted (pounds) 0.00

Other benefits

This is a pilot run for electric vehicle motor assembly testing. Once in serial production, it is estimated to grow 300% in 2 years. This would employ an additional 3 workers and additional extension of 15,000 sq feet.

SECTION 6**TAXPAYER CERTIFICATION**

I hereby certify that the representations in this statement are true.

Signature of authorized representative

Date signed (month, day, year)

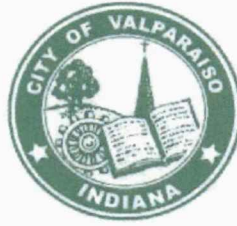
07/27/2016

Printed name of authorized representative

Dan Vukovich

Title

President



DEPARTMENT OF ECONOMIC DEVELOPMENT
CITY OF VALPARAISO, INDIANA

Economic Development Analysis of
Real and/or Personal Property Investments
Real Property Abatement - 4 Year

Prepared For:
Four Points Properties L.L.C. AV Deduction
2016-06

Prepared On:
September 1, 2016

VISION STATEMENT

Valparaiso is a quality community with a strong economic environment attracting motivated and talented business and entrepreneurs, offering outstanding lifelong learning, a pro-business climate, cutting edge technology, collaborative spirit, social harmony and distinctive physical design.

DEPARTMENT OF ECONOMIC DEVELOPMENT
166 W. Lincolnway
Valparaiso, IN 46383

Telephone: (219) 462-1161

Facsimile: (219) 464-4273

www.valpoedc.org



NOTE: The Economic Development Model Analysis attached hereto is an estimate of tax implications based upon data and information provided by the prospect, current tax and assessment data and assumptions, for which actual results may vary and may be material. This analysis is provided as a resource for City staff and elected official in making determinations as to the estimated impact of the project on the City of Valparaiso.

DEPARTMENT OF ECONOMIC DEVELOPMENT
CITY OF VALPARAISO, INDIANA

Four Points Properties L.L.C. AV Deduction
Data Entry Worksheet

General Data Required:		Data Entry	Note(s):
1	Date Analysis Prepared or Revised	September 1, 2016	Enter date analysis is to be dated (Month Date, Year)
2	County, City or Town:	CITY OF VALPARAISO, INDIANA	
3	Organization:	DEPARTMENT OF ECONOMIC DEVELOPMENT	
4a	Title of the Project (Or Business Name):	Four Points Properties L.L.C. AV Deduction	
4b	Subtitle for AV Deduction Purposes:	Real Property Abatement - 4 Year	
5	Project Number:	2016-06	Enter project number in format for year first and project number as consecutive (Year-Number)
6	Township Location of Site:	Center Township	Enter Township
7	First Assessment Date (January 1, xxxx)	2017	Enter the first year real property will be fully assessed
8	First Collection Year	2018	Automatically Calculated for subsequent year after first assessment
9	Taxing Unit (Political Subdivision):	Valparaiso - Center Township (Unit 004)	
10	Most Current Tax Rates for Taxes in Year Payable:	2015 Pay 2016	Enter tax rate year applied (apply most current available formatted as: "Year" Pay "Year")
11	Gross Tax Rate (Estimated):	\$ 3.0323	ALWAYS check to make sure the correct net tax rate applies to the correct year
11a	Circuit Breaker (Percent Applicable to Gross AV Effective 2009 Pay 2010)	3.0000%	of investment on all schedules.
11b	Exempt Debt (Tax rate to NAV - Lake/St. Joseph Counties only)	\$ -	Automatically Calculated , linked to Tax Rate Sheet
12	Real Property PTRC (as a percentage):	0.0000%	Enter or link cell to Real PTRC for appropriate taxing unit
13	Personal Property PTRC (as a percentage):	0.0000%	Enter or link cell to Personal Property PTRC for appropriate taxing unit
14	Annual Estimated Increase of Gross Tax Rate (as a percentage):	0.00%	Enter a percentage not to exceed 3 percent, if applicable to the analysis or default at 0
Real Property Data Required:			
15	Primary Land (11) - Comparable Assessed Valuation/Acre	\$ 84,080	Enter the comparable AV/Acre or the base rate for assessment purposes.
15a	Number of Acres of Primary Land for the Project	1.00	Enter acreage (to the nearest hundredth of an acre)
16	Secondary Land (12) - Comparable Assessed Valuation/Acre	\$ 65,780	Enter the comparable AV/Acre or the base rate for assessment purposes.
16a	Number of Acres of Secondary Land for the Project	1.05	Enter acreage (to the nearest hundredth of an acre)
17	Undeveloped Usable Land (13) - Comparable Assessed Valuation/Acre	\$ -	Enter the comparable AV/Acre or the base rate for assessment purposes.
17a	Number of Acres of Undeveloped Usable Land for the Project	0.00	Enter acreage (to the nearest hundredth of an acre)
18	Undeveloped Unusable Land (14) - Comparable Assessed Valuation/Acre	\$ -	Enter the comparable AV/Acre or the base rate for assessment purposes.
18a	Number of Acres of Undeveloped Unusable Land for the Project	0.00	Enter acreage (to the nearest hundredth of an acre)
19	TOTAL Number of Acres of Land for the Project	2.05	Automatically Calculated
20	Estimated Assessed Valuation of Land for the Project	\$ 149,900	Automatically Calculated (Rounded to nearest 100s)
21	AV/Acre	\$ 73,122	Automatically Calculated

Model Developed for the
Department of Economic Development by:



DEPARTMENT OF ECONOMIC DEVELOPMENT
CITY OF VALPARAISO, INDIANA

Four Points Properties L.L.C. AV Deduction
Data Entry Worksheet

Real Property Data Required (continued):		Data Entry	Note(s):
22	Real Improvement User Description:		Extension of warehouse and testing facility to existing building. 60'x80' at 1450 Clark Drive. PIN 64-09-26-430-001.000-004
22a	Existing Assessment of Real Property Improvements:	\$ 327,400	
23	Assessment Year FULLY Assessed (as of January 1, XXXX):	2017	Automatically Calculated (linked to "First Assessment Date" above)
24a	Building: Square Feet:	-	Enter square footage of real property structure
24b	Building: Estimated Cost of Improvements:	\$ 180,000	Enter Zero if applying a comparison value analysis
24c	OR Building: Comparable Assessed Value/Square Feet:	\$ -	Enter Zero if applying a cost value analysis
25	Default Percentage of Cost to Estimated Assessed Value	60%	Enter the following: 70% - Conservative; 80% - Average; 85% - Optimistic; 50% to 60% - Rehabilita
	Estimated Assessed Valuation of Building (if "x" in box, cost approach applied) x	\$ 108,000	Automatically Calculated (Rounded to nearest 100s)
26	Square feet of Asphalt for Parking (Estimate)	-	Enter square footage of asphalt area if provided (or equivalent of 400 s.f. per parking space)
27	Assessed Valuation per s.f. of Asphalt (Paving):	\$ 2.18	Default base rate for asphalt applied for this analysis
	Estimated Assessed Valuation of Asphalt (Paving):	\$ -	Automatically Calculated (Rounded to nearest 100s)
	TOTAL: Estimated Assessed Valuation of Real Property Improvements:	\$ 435,400	Automatically Calculated (Rounded to nearest 100s)
28	Tax Abatement (Yes or No):	Yes	Enter as either "Yes" or "No"
29a	Years of Tax Abatement, If Yes Above	4	Enter period of Tax Abatement from 1 to 10 years. If no tax abatement in considered, enter zero.
	Type of Deduction and Form:	FORM 322/RE	
29b	Assessed Valuation Limited to (Percent of Total Estimated AV):	100.00%	Enter percentage
29c	Assessed Valuation Limited to:	\$ 435,400	Default to Total Assessed Valuation of Real Property if not limited. Round to Nearest 100s.
30a	Name of the Allocation Area:		
30b	Base Assessment:	\$ -	
30c	Base Year:		
Personal Property Data Required:			
31	Year INITIAL Investment is Fully Assessed (January 1):	2017	MUST BE the same year real property is fully assessed (or model links need to be revised)
32	Economic Life Pool of PPM&E:	Pool 1	
32	Initial Year Investment:	\$ -	Pool 1: 1 to 4 Year Life
33	Economic Life Pool of PPM&E:	Pool 2	in the ED calculation
33	Initial Year Investment:		Enter zero if no investment in personal property is to be included Pool 2: 5 to 8 Year Life
34	Economic Life Pool of PPM&E:	Pool 3	in the ED calculation
34	Initial Year Investment:		Enter zero if no investment in personal property is to be included Pool 3: 9 to 12 Year Life
35	Economic Life Pool of PPM&E:	Pool 4	in the ED calculation
35	Initial Year Investment:	\$ -	Enter zero if no investment in personal property is to be included Pool 4: 13 Years or Longer
36	Tax Abatement (Yes or No):	\$ -	Enter as either "Yes" or "No"
37	Years of Tax Abatement, If Yes Above	0	Enter period of Tax Abatement from 1 to 10 years. If no tax abatement in considered, enter zero.
38a	Is the Project located in an designated Enterprise Zone of the State of Indiana?	No	Enter as either "Yes" or "No"
38b	If in an Enterprise Zone, Qualified New Manufacturing/Equipment: AV		Automatically Calculated: Pool 3 and Pool 4 initial year investment (See Schedules for PP).

DEPARTMENT OF ECONOMIC DEVELOPMENT
CITY OF VALPARAISO, INDIANA

Four Points Properties L.L.C. AV Deduction
Data Entry Worksheet

Personal Property Data Required (continued):		Data Entry	Note(s):
NOTE: Schedules assume additional investment is fully assessed the following year after the initial investment. All summary worksheets <u>MUST</u> be revised if otherwise.			
39	Year ADDITIONAL Investment is Fully Assessed (January 1):	2018	Automatically Calculated - Must be the subsequent year (See note above)
40	Economic Life Pool of PPM&E:	Pool 2	Pool 1: 1 to 4 Year Life; Pool 2: 5 to 8 Year Life; Pool 3: 9 to 12 Year Life; Pool 4: 13 Years or
41	Year of Additional Investment:	\$ -	Longer Enter zero if no investment in personal property is to be included in the ED calculation
42	Special Tooling/Retooling Investment:	\$ -	
	Total Investment of Personal Property:	\$ -	Automatically Calculated
43	Tax Abatement (Yes or No):	No	Enter as either "Yes" or "No"
44	Years of Tax Abatement, If Yes Above	0	Enter period of Tax Abatement from 1 to 10 years. If no tax abatement in considered, enter zero.
	Type of Deduction and Form:	FORM 322/PPME	
45	Is Personal Property Designated for a "Designated Taxpayer"	Yes	Enter as either "Yes" or "No"
46	Name of the Allocation Area:	0	
Imposition of a Fee for Tax Abatement (IC 6-1.1-12.1-14):			
47	Imposed Fee Calculated:	Yes	Enter as either "Yes" or "No"
48	Imposed Fee Percentage:	15%	May not exceed 15% per IC 6-1.1-12.1-14(C) Step Two.

Model Developed for the
Department of Economic Development by:



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

Schedule of Tax Rate:
Valparaiso- Center Township (Unit 004)
2015 Pay 2016

Assessment Year (January 1, ____): Collection Year: Porter County	2015 Pay 2016	Percentage of Gross Rate	Certified Assessment	Certified Levy
General	\$ 0.3626	11.96%	\$ 8,956,801,745	\$ 32,477,363
2015 Property Reassessment	0.0037	0.12%	8,956,801,745	331,402
Debt Payment	-	0.00%	8,956,801,745	-
(1) Cumulative Bridge	0.0091	0.30%	8,956,801,745	815,069
Health	0.0122	0.40%	8,956,801,745	1,092,730
Jail Lease Rental	0.0306	1.01%	8,956,801,745	2,740,781
(1a) Cumulative Capital Development	0.0212	0.70%	8,956,801,745	1,898,842
Total County Rate	\$ 0.4394	14.49%		\$ 39,356,187
Porter County Airport Authority				
Special Airport General	\$ 0.0060	0.20%	\$ 8,956,801,745	\$ 537,408
(1) Special Airport Cumulative Building	0.0017	0.06%	8,956,801,745	152,266
Total Airport Rate	\$ 0.0077	0.25%		\$ 689,674
Center Township				
General	\$ 0.0100	0.33%	\$ 2,196,843,611	\$ 219,684
Township Assistance (Poor Relief)	0.0134	0.44%	2,196,843,611	294,377
Total Township Rate	\$ 0.0234	0.77%		\$ 514,061
City of Valparaiso Corporation				
General	\$ 0.7234	23.86%	\$ 1,579,934,251	\$ 11,429,244
Debt Service	0.0653	2.15%	1,579,934,251	1,031,697
Motor Vehicle Highway	0.0267	0.88%	1,579,934,251	421,842
Park	0.1413	4.66%	1,579,934,251	2,232,447
(1) Cumulative Capital Development	0.0134	0.44%	1,579,934,251	211,711
Special Fire Territory General	0.2481	8.18%	2,370,590,374	5,881,435
Special Fire Territory Equipment	0.0176	0.58%	2,370,590,374	417,224
Total Corporation Rate	\$ 1.2358	40.75%		\$ 21,625,601
Valparaiso Community School Corporation				
Ref Sch Post09	\$ 0.2042	6.73%	\$ 2,359,247,474	\$ 4,817,583
Debt Service	0.4062	13.40%	2,196,843,611	8,923,579
School Pension Debt	0.0650	2.14%	2,196,843,611	1,427,948
Ref Debt Post09	0.2387	7.87%	2,359,247,474	5,631,524
(1) Capital Projects	0.1769	5.83%	2,196,843,611	3,886,216
Transportation	0.1394	4.60%	2,196,843,611	3,062,400
Bus Replacement	0.0279	0.92%	2,196,843,611	612,919
Total School Rate	\$ 1.2583	41.50%		\$ 28,362,170
Porter County Public Library				
General	0.0677	2.23%	\$ 7,348,064,999	\$ 4,974,640
Total Library Rate	\$ 0.0677	2.23%		\$ 4,974,640
Total Gross Tax Rate	\$ 3.0323			

NOTE:

- (1) Funds controlled by a State statute maximum tax rate or are cumulative funds.
(1a) Cumulative fund not controlled, which is sensitive to the tax rate. A taxing unit may only have one controlled

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

Four Points Properties L.L.C. AV Deduction

Schedule of Tax Rates Applied:
Valparaiso - Center Township (Unit 004)

Current Net Tax Rate:	\$ 3.0323	
Estimated Increase or Decrease of Gross Tax Rate:	0.00%	
Estimated Tax Rates Based Upon the Most Current Rates for:	2015 Pay 2016	
Legislative Circuit Breaker, for "Other Real" Property 2009 Pay 2010:	3.00% of Gross Assessed Valuation	
Legislative Circuit Breaker, for "Personal" Property 2009 Pay 2010:	3.00% of Gross Assessed Valuation	
Exempt debt applicable to the adjusted Circuit Breaker tax cap (1):	\$ -	
		Estimated Adjusted
Circuit Breaker tax cap:	\$ 3.0000	

Project Year	(January 1, __)		Collection Year	Gross Tax Rate	Net Real Tax Rate	Net Personal Property Tax Rate	Application of Legislative Circuit Breaker (2)	
	Assessment Year	Pay					Real Property	Personal Property
Current	2015	Pay	2016	\$ 3.0323	\$ 3.0323	\$ 3.0323	Yes	Yes
	2016	Pay	2017	3.0323	3.0323	3.0323	Yes	Yes
1	2017	Pay	2018	3.0323	3.0323	3.0323	Yes	Yes
2	2018	Pay	2019	3.0323	3.0323	3.0323	Yes	Yes
3	2019	Pay	2020	3.0323	3.0323	3.0323	Yes	Yes
4	2020	Pay	2021	3.0323	3.0323	3.0323	Yes	Yes

N o t e :

(1) Application of Exempt Debt tax levies for debt issued prior to July 1, 2008 to the adjusted Circuit Breaker "tax cap" is only applied in Lake County and St. Joseph County.

(2) Application of House Enrollment Act (HEA) 1001(2008).

DEPARTMENT OF ECONOMIC DEVELOPMENT
CITY OF VALPARAISO, INDIANA

Four Points Properties L.L.C. AV Deduction

Schedule of Abatement Percentages Applied Pursuant to Indiana Code 6-1.1-12.1-17(b)
(Effective as of July 1, 2013)

ASSESSED VALUATION DEDUCTIONS: Property tax abatement in Indiana is authorized under Indiana Code 6-1.112.1 in the form of deductions from assessed valuation. Any property owner in a locally designated Economic Revitalization Area ("ERA") who constructs new or makes improvements to real property or installs new manufacturing equipment, new research and development equipment, new logistical distribution equipment; or new information technology equipment is eligible for an assessed valuation of qualified tangible property ("Tax Abatement"). Used equipment can also qualify as long as the equipment is new to the State of Indiana. Equipment not used in direct production, such as office equipment, does not qualify for abatement.

ABATEMENT PERCENTAGES APPLIED: Pursuant to Section 17(b) of Indiana Code 6-1.1-21.1 for a statement of benefits approved after June 30, 2013, "A designating body shall establish an abatement schedule for each deduction allowed under this chapter." Furthermore, "An abatement schedule must specify the percentage amount of the deduction for each year of the deduction" which may not exceed 10 years.

Real Property Abatement Schedule: Real property abatement is a declining percentage of the increase in assessed value of the improvement based on one of the following time periods and percentages as determined by a local governing body. **Land does not qualify for abatement.**

Year	Abatement Period			Four Year
1	2017	Pay	2018	100%
2	2018	Pay	2019	80%
3	2019	Pay	2020	60%
4	2020	Pay	2021	40%
5	2021	Pay	2022	0%
6	2022	Pay	2023	0%
7	2023	Pay	2024	0%
8	2024	Pay	2025	0%
9	2025	Pay	2026	0%
10	2026	Pay	2027	0%
Average:				70.00%

Personal Property Abatement Schedule: Personal property abatement is a declining percentage of the increase in assessed value of the newly installed manufacturing equipment based on one of the following time periods and percentages as determined by a local governing body.

DEPARTMENT OF ECONOMIC DEVELOPMENT
CITY OF VALPARAISO, INDIANA

Four Points Properties L.L.C. AV Deduction

Schedule of Real Property (Land and Improvements) Estimate of Assessed Valuations and Taxes Due

Project Year	Fully Assessed January 1, xxxx	Collection Year	(Rounded to \$100)				Total Assessed Valuation	Estimated Effective Tax Rate (1)	Estimated Real Property Taxes	Accumulated Real Property Taxes
	Assessment		Estimated Assessed Valuation Real Property Improvements							
			Land	Existing	New					
1	2017	2018	\$ 149,900	\$ 327,400	\$ 108,000	\$ 585,300	\$ 3.0323 (2)	\$ 17,748	\$ 17,748	
2	2018	2019	149,900	327,400	108,000	585,300	3.0323 (2)	17,748	35,496	
3	2019	2020	149,900	327,400	108,000	585,300	3.0323 (2)	17,748	53,244	
4	2020	2021	149,900	327,400	108,000	585,300	3.0323 (2)	17,748	70,992	
Total may not sum as a result of rounding; however, said rounding is immaterial.								TOTAL:	\$ 70,992	

Total may not sum as a result of rounding; however, said rounding is immaterial.

Notes:

(1) Changes (increases or decreases) in the gross tax rate may or have not been factored into this analysis. (2)

- (3) The Valparaiso Community School Corporation passed a referendum that contributes an additional \$0.4429 to the tax rate. The Circuit Breaker cap at \$3.00 per \$100 of assessed valuation is not in applied in this because the referendum does not count against the tax rate as it relates to the cap.

Model Developed for the
Department of Economic Development by:



DEPARTMENT OF ECONOMIC DEVELOPMENT
CITY OF VALPARAISO, INDIANA

Four Points Properties L.L.C. AV Deduction

Schedule of Real Property (Land and Improvements) Estimate of Assessed Valuations -
Including Assessed Valuation Deduction (Tax Abatement)

Assessed Valuation Deduction Limitation, If Applicable:			TAX ABATEMENT CALCULATION															
Fully Assessed January 1, xxxx			(Rounded to \$100)			Total Assessed Valuation	Estimated Effective Tax Rate (1)	Estimated Real Property Taxes	4 Abatement Percentage (2)	Assessed Valuation Deduction (4)	Net Assessed Valuation	Net Real Property Tax Rate (1)	Net Real Property Taxes	Legislative Circuit Breaker (3)	Anticipated Taxes Due	Real Property Taxes Due	Estimated Tax Savings	Accumulated Tax Savings
Project Year	Assessment Year	Collection Year	Land	Existing	New													
1	2017	2018	\$ 149,900	\$ 327,400	\$ 108,000	\$ 585,300	\$ 3.0323 (3)	\$ 17,748	100%	\$ 108,000	\$ 477,300	\$ 3.0323	\$ 14,473	n/a	\$ 14,473	\$ 14,473	\$ 3,275	\$ 3,275
2	2018	2019	149,900	327,400	108,000	585,300	3.0323 (3)	17,748	80%	86,400	498,900	3.0323	15,128	n/a	15,128	29,601	2,620	5,895
3	2019	2020	149,900	327,400	108,000	585,300	3.0323 (3)	17,748	60%	64,800	520,500	3.0323	15,783	n/a	15,783	45,384	1,965	7,860
4	2020	2021	149,900	327,400	108,000	585,300	3.0323 (3)	17,748	40%	43,200	542,100	3.0323	16,438	n/a	16,438	61,823	1,310	9,169
TOTALS:								\$ 70,992	70.00%	= 10-Year Average Deduction Percentage					\$ 61,823		\$ 9,169	

Totals may not sum as a result of rounding; however, said rounding is

immaterial. Notes:

- (1) Changes (increases or decreases) in the gross tax rate may or have not been factored into this analysis (See Worksheet titled Tax Rates Applied).
- (2) See Worksheet titled "Schedule of Abatement Percentages Applied Pursuant to Indiana Code 6-1.1-12.1-17(b)."
- (3) Application of House Enrollment Act (HEA) 1001(2008). If the legislative Circuit Breaker is applicable, the effective tax rate of the Statutory tax cap plus the Exempt Debt is applied in Lake and St. Joseph Counties.
- (4) Assessed valuation deduction applied to real property improvements related to structural or building improvements/infrastructure. The estimated assessed valuation of land and other improvements such as asphalt are not qualified for an assessed valuation deduction.

Model Developed for the
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DEPARTMENT OF ECONOMIC DEVELOPMENT
CITY OF VALPARAISO, INDIANA

Four Points Properties L.L.C. AV Deduction

Summary of Real and Personal Property Investment(s) -
Estimated Tax Savings AFTER Assessed Valuation Deductions (Tax Abatement) and AFTER an Imposed Fee per I.C. 6-1.1-12.1-14

Fully Assessed January 1, xxxx			Reference: Indiana Code 6-1.1-12.1.14										
Project Assessment Collection Real			Property	Personal Property	TOTAL	Tax Savings Accumulated	Imposed Fee Percentage	Calculated Imposed Fee		Actual Imposed Fee Due (1)			NET
Year	Year	Year						Real	Personal	Real	Personal	TOTAL	Tax Savings
1	2017	2018	\$ 3,275	\$ -	\$ 3,275	\$ 3,275	15%	\$ 491	\$ -	\$ 491	\$ -		\$ 491
2	2018	2019	2,620	-	2,620	5,895	15%	393	-	393	-	393	2,227
3	2019	2020	1,965	-	1,965	7,860	15%	295	-	295	-	295	1,670
4	2020	2021	1,310	-	1,310	9,169	15%	196	-	196	-	196	1,114
TOTALS:			\$ 9,169	\$ -	\$ 9,169		TOTALS	\$ 1,375	\$ -			\$ 1,375	\$ 7,794

NOTE: CALCULATED FOR INFORMATIONAL PURPOSES ONLY

Totals may not sum as a result of rounding; however, said rounding is immaterial.

One-Time Imposed Fee Paid on or prior to December 31, 2016: \$ 1,254

One-Time Imposed Fee Paid on or prior to December 31, 2017: \$

1,291

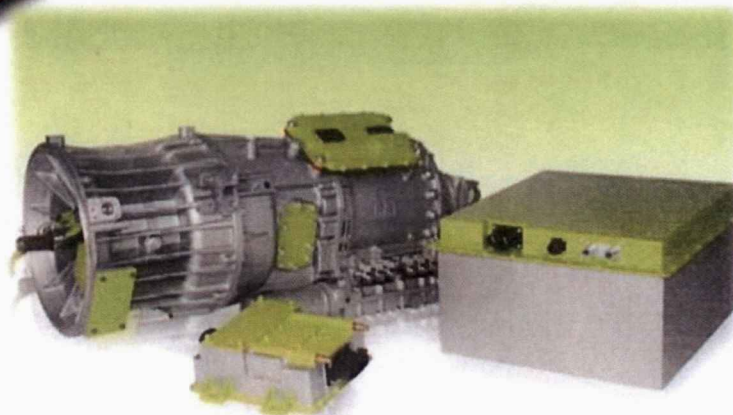
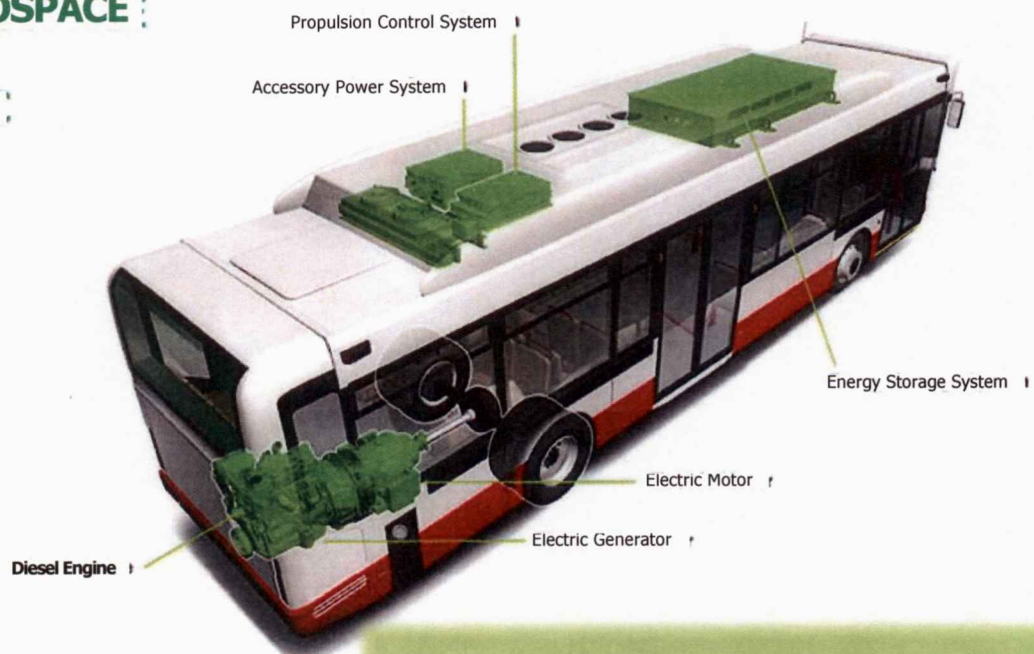
Note:

- (1) Per I.C. 6-1.1-12.1-14(c) Step Three, a property owner is limited to an assessed valuation deduction (tax abatement) Imposed Fee of \$100,000 annually. However, according to the Indiana Department of Local Government Finance (Pam Eustace, April 20, 2006) the statute is vague on how the \$100,000 limitation is applied. Therefore, until the DLGF provides further interpretation, the imposed fee limitation may be applied based upon the consent of both the designating body and the applicant property owner either: (1) uniquely to real property limited to \$100,000 annually and to personal property limited to \$100,000 if the designating body approves separate resolutions for Form SB-1/RE and Form SB-1/PP as submitted, or (2) to real and personal property limited to \$100,000 if the Forms SB-1/RE and SB-1/PP are approved together under one resolution. Consent to the imposed fee as negotiated between the designating body and the applicant property owner is the determining factor for the calculation of the imposed fee by the County Auditor. This model assumes each type of tangible property (real and personal) is treated as a unique assessed valuation deductions.

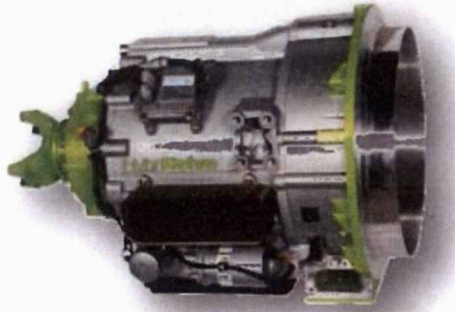
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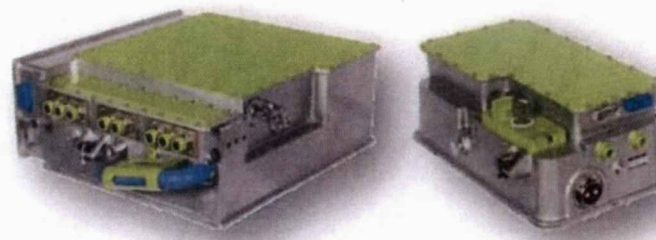
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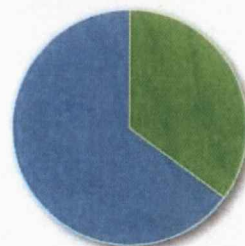
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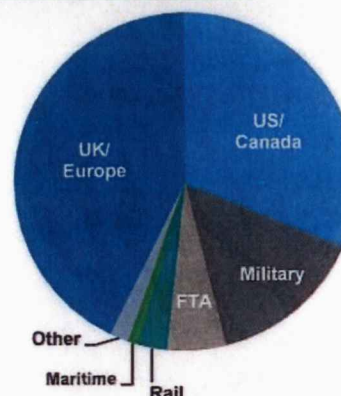


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