

RESOLUTION NO. 13, 2010

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA GRANTING U.G.N., 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, U.G.N., Inc. (the "Company") has filed with the Common Council a **Statements of Benefits Real Property Improvements (FORM SB-1/RE)** dated **November 15, 2010** proposing real property improvements, more specifically related to a "Resinated Line and Camry Trunk Investment Project" anticipated to cost \$2,081,040 (the "Project") estimated to be completed on August, 31, 2011 and to be fully assessed on March 1, 2012;

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

WHEREAS, The Company's facility located at 2252 Industrial Drive in the City is within the boundaries of the 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 U.G.N., Inc. after review of the Statement of Benefits (FORM SB-1/RE) as well as other pertinent information provided by the Valparaiso Economic Development Corporation and upon the following findings pursuant to IC 6-1.1-12.1-3(b), such that:

- (1) The Project 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 Project;
- (3) The estimated annual salaries of those individuals who will be employed or whose employment will be retained can reasonably be expected to result from the Project; and
- (4) The totality of the benefits is sufficient to justify an assessed valuation deduction on the Project.

BE IT FURTHER RESOLVED that the Company's facility for which the Project is to be constructed within the ERA is not located within a designated allocation area within the Valparaiso Redevelopment District, such that prior approval of this assessed valuation deduction pursuant to IC 6-1.1-12.1-2(l) is not required by the Valparaiso Redevelopment Commission as the designating body of an allocation area.

BE IT FURTHER RESOLVED that the Common Council hereby grants an assessed valuation deduction (Tax Abatement) from tangible real property for a period of ten (10) years to U.G.N., 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 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;
- (2) Accordingly, for each year the Imposed Fee is payable by the Company, the Imposed Fee shall be equal to the lesser of One Hundred Thousand Dollars (\$100,000) or fifteen percent (15%) of the additional amount of real property taxes that would have been paid by the Company during that year if the deductions approved in this Resolution had not been in effect (i.e., 15% of the Company's real property tax savings attributable to a deduction from the assessed valuation from the Project; and
- (3) The Imposed Fee as collected shall be distributed to the City of Valparaiso Redevelopment Commission as a public entity established to promote economic development within the corporate limits of the City as determined by the Common Council as the designating body.

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

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

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

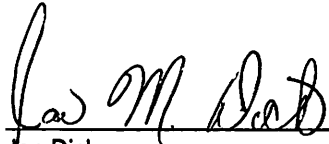
BE IT FURTHER RESOLVED that if any part, clause, or portion of this Resolution shall be adjudged invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of this Resolution as a whole or any other part, clause, or portion of this Resolution.

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

ADOPTED AND APPROVED by a vote of all members present and voting of the Common Council of the City of Valparaiso, Indiana this day **November 29th, 2010**.

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 **November 29th, 2010**.



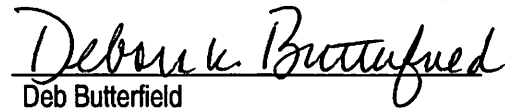
Jan Dick



Art Elwood

absent

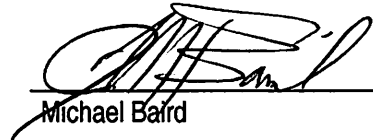
Robert Taylor



Deb Butterfield



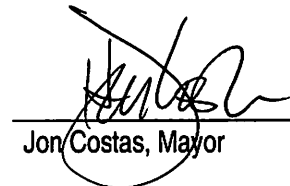
Joey Larr



Michael Baird

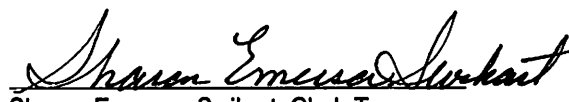


John Bowker



Jon Costas, Mayor

ATTEST:



Sharon Emerson Swihart, Clerk-Treasurer



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R2 / 1-07)

Prescribed by the Department of Local Government Finance

20__ PAY 20__

FORM SB-1 / Real Property

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☐ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Eligible vacant building (IC 6-1.1-12.1-4.8)

INSTRUCTIONS:

- 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. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
- Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitation, **BEFORE** a deduction may be approved.
- To obtain a deduction, application Form 322 ERA/RE or Form 322 ERA/VBD, Whichever is applicable, must be filed with the County Auditor by the later of: (1) May 10; or (2) thirty (30) days after the notice of addition to assessed valuation or new assessment is mailed to the property owner at the address shown on the records of the township assessor.
- Property owners whose Statement of Benefits was approved after June 30, 1991, must attach a Form CF-1/Real Property annually to the application to show compliance with the Statement of Benefits. [IC 6-1.1-12.1-5.1(b) and IC 6-1.1-12.1-5.3(j)]
- The schedules established under IC 6-1.1-12.1-4(d) for rehabilitated property and under IC 6-1.1-12.1-4.8(1) for vacant buildings apply to any statement of benefits approved on or after July 1, 2000. The schedules effective prior to July 1, 2000, shall continue to apply to a statement of benefits filed before July 1, 2000.

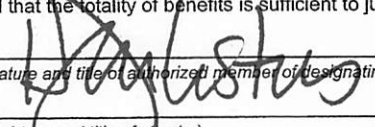
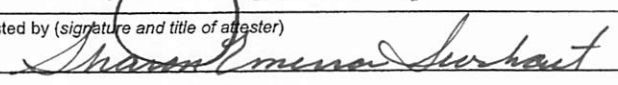
SECTION 1		TAXPAYER INFORMATION			
Name of taxpayer UGN Inc					
Address of taxpayer (number and street, city, state, and ZIP code) 18410 Crossing Drive Tinley Park, IL 60487					
Name of contact person Gary Hibbler		Telephone number (773) 437-2459		E-mail address gary.hibbler@uqnauto.com	
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT			
Name of designating body		Resolution number 13-2010			
Location of property 2252 Industrial Drive Valparaiso, IN 46383		County Porter		DLGF taxing district number	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Resinated line and Camry Trunk Investment Project				Estimated start date (month, day, year) 10/31/2010	
				Estimated completion date (month, day, year) 08/31/2010	
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT			
Current number 224.00	Salaries \$7,321,933.00	Number retained 224.00	Salaries \$7,321,933.00	Number additional 28.00	Salaries \$641,586.40
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT			
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.		REAL ESTATE IMPROVEMENTS			
		COST		ASSESSED VALUE	
		Current values		0.00	0.00
		Plus estimated values of proposed project		2,081,040.00	0.00
		Less values of any property being replaced		0.00	0.00
Net estimated values upon completion of project		2,081,040.00	0.00		
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER			
Estimated solid waste converted (pounds) 455,625.00		Estimated hazardous waste converted (pounds) 0.00			
Other benefits					
SECTION 6		TAXPAYER CERTIFICATION			
I hereby certify that the representations in this statement are true.					
Signature of authorized representative 		Title CFO		Date signed (month, day, year) 11/15/2010	

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this Economic Revitalization Area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1, provides for the following limitations:

- A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____.
- B. The type of deduction that is allowed in the designated area is limited to:
- | | | |
|--|------------------------------|-----------------------------|
| 1. Redevelopment or rehabilitation of real estate improvements | ☐ Yes | ☐ No |
| 2. Residentially distressed areas | ☐ Yes | ☐ No |
| 3. Occupancy of a vacant building | ☐ Yes | ☐ No |
- C. The amount of the deduction applicable is limited to \$ _____.
- D. Other limitations or conditions (specify) _____
- E. The deduction is allowed for 10 years* (see below).

We have also reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved (signature and title of authorized member of designating body) 	Telephone number <u>219-462-1161</u>	Date signed (month, day, year) <u>11-29-10</u>
Attested by (signature and title of attester) 	Designated body <u>City of VACPARAISO Common Council</u>	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.12-12.1-4.

- A. For residentially distressed areas, the deduction period may not exceed five (5) years.
- B. For redevelopment and rehabilitation or real estate improvements:
1. If the Economic Revitalization Area was designated prior to July 1, 2000, the deduction period is limited to three (3), six (6), or ten (10) years.
 2. If the Economic Revitalization Area was designated after June 20, 2000, the deduction period may not exceed ten (10) years.
- C. For vacant buildings, the deduction period may not exceed two (2) years.