

PASSED 3/28/16 BY A VOTE OF 7-0

RESOLUTION NO. 6, 2016

**A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA
GRANTING NUCO STEEL BAR TECHNOLOGIES, LLC 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, NUCO Steel Bar Technologies, LLC (the "Company") has filed with the Common Council a **Statements of Benefits Personal Property (FORM SB-1/PP)** dated **January 25, 2016** proposing the installation of new personal property manufacturing and IT equipment as detailed in said form (the "Project") anticipated to cost \$22,000,000, estimated to be installed and placed-in-service on or prior to March 1, 2017 and to be fully assessed on January 1, 2018;

WHEREAS, The Company submitted said Statements of Benefits Personal Property ("FORM SB-1/PP") to the Common Council as the designating body prior to the installation of the Project for which the Company desires to request an assessed valuation deduction;

WHEREAS, The new personal property manufacturing and IT equipment as installed as it relates to the Project will be used by the Company consistent with IC 6-1.1-12.1-1(3);

WHEREAS, The new personal property manufacturing and IT equipment as 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(1); and

WHEREAS, The Company's facility will be located at 555 Eastport Centre Drive in the City (real property key numbers that will be re-subdivided: 64-10-29-220-008.000-029, 64-10-29-220-009.000-029, 64-10-29-220-010.000-029, and 64-10-29-220-011.000-029) 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 NUCO Steel Bar Technologies, LLC upon review of the (FORM SB-1/PP 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 located within a designated allocation area of the Valparaiso Redevelopment District, more specifically the Consolidated Valparaiso Allocation Area.

BE IT FURTHER RESOLVED that the Common Council hereby grants an assessed valuation deduction (Tax Abatement) from tangible personal property - manufacturing and IT equipment ("PPME") limited to a cost of 22 ,000,000 to be installed and placed into service between October 1, 2016 and March 1, 2017 as fully assessed on January 1, 2018 for an abatement period of ten (10) years to the Company, being NUCO Steel Bar Technologies, LLC, in accordance with IC 6-1.1-12.1 as it relates to the Project.

BE IT FURTHER RESOLVED that the Common Council hereby grants an assessed valuation deduction (Tax Abatement) from tangible personal property - manufacturing and IT equipment ("PPME") 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 :		
Depreciable p ersonal property - machinery and equipment ("PPME"):		
a. To be installed and placed into service on or prior to March 1, 2017 as fully assessed on January 1, 2018; ;		
b. Limited to a cost of \$ 22,000,000.		
Year of Abatement Period	Assessment Deduction	Deductio n Percentage
Year One (1)	January 1, 2018	100%
Year Two (2)	January 1, 2019	90%
Year Three (3)	January 1, 2020	80%
Year Four (4)	January 1, 2021	70%
Year Five (5)	January 1, 2022	60%
Year Six (6)	January 1, 2023	50%
Year Seven (7)	January 1, 2024	40%

Year Eight (8)	January 1, 2025	30%
Year Nine (9)	January 1, 2026	20%
Year Ten(10)	January 1, 2027	10%

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;
- (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 final determination of the amount of assessed valuation deduction as applied to the Project for PPME 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 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/PP.

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/PP, 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/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.

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March __28__, 2016

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**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 _____, 2016.

Jon Costas
Mayor

ATTEST:

Sharon Swihart, Clerk-Treasurer