

Passed 3/11/19 by a Vote of 6-1 Cotton Voted No

RESOLUTION NO. 7-2019

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA GRANTING TASK FORCE TIPS LLC, INC. AN ASSESSED VALUATION DEDUCTION (TAX ABATEMENT) FOR TANGIBLE PERSONAL PROPERTY UNDER INDIANA CODE 6-1.1-12.1

WHEREAS, Pursuant to Resolution No. 5-2010, as confirmed by Resolution No. 7-2010, the Common Council of the City of Valparaiso, Indiana (the “City”), designated a certain area located within the City as an economic revitalization area (an “ERA”);

WHEREAS, Resolution No. 5-2010 remains in full force and effect;

WHEREAS, Task Force Tips, LLC (the “Company”) has filed with the Common Council a **Statements of Benefits Personal Property Improvements (FORM SB-1/Personal Property)** dated **February 13, 2019** proposing the installation of new personal property manufacturing equipment, anticipated to cost \$2,750,000 (the “Project”), estimated to be completed on or prior to December 31, 2019 and to be fully assessed on or prior to January 1, 2020;

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 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 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 real property located at in the City (real property parcel number 64-10-32-200-008.000-029) 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 Task Force Tips, LLC upon review of the FORM SB-1/Personal 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 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 hereby grants an assessed valuation deduction (Tax Abatement) from tangible personal property - manufacturing equipment ("PPME") limited to a cost of \$2,750,000 to be installed and placed into service between March 12, 2019 and December 31, 2019 as fully assessed on January 1, 2020 for an abatement period of **five (5) years** to the Company, being Task Force Tips, 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 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 personal property - machinery and equipment ("PPME"):	
a. To be installed and placed into service on or prior to December 31, 2019 as fully assessed on January 1, 2020 ;	
b. Limited to a cost of \$ 2,750,000.	
Year of Abatement Period	Deduction Percentage
Year One (1)	90%
Year Two (2)	90%
Year Three (3)	85%
Year Four (4)	80%
Year Five (5)	75%

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 personal property tax liability is reduced by an assessed valuation deduction related specifically to the Project, the Company shall pay to the Porter County Treasurer a fee in the amount computed and determined by the Porter County Auditor pursuant to the provisions of subsection (c) of Indiana Code 6-1.1-12.1-14 (the "Imposed Fee") such that:

- (1) The Common Council hereby determines that **fifteen percent (15%)** shall be the percentage to be applied by the Porter County Auditor for purposes of STEP TWO of subsection (c) of Indiana Code 6-1.1-12.1-14;
- (2) Accordingly, for each year the Imposed Fee is payable by the Company, the Imposed Fee shall be equal to the lesser of One Hundred Thousand Dollars

(\$100,000) or fifteen percent (15%) of the additional amount of personal property taxes that would have been paid by the Company during that year if the deductions approved in this Resolution had not been in effect (i.e., 15% of the Company's personal property tax savings attributable to a deduction from the assessed valuation from the Project; and

- (3) The Imposed Fee as collected shall be distributed to the **City of Valparaiso Redevelopment Commission** as a public entity established to promote economic development within the corporate limits of the City as determined by the Common Council as the designating body.

BE IT FURTHER RESOLVED that the 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.

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

RESOLUTION NO. 7-2019

March 11, 2019

Page 4 of 4

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

March 11, 2019 .

Jon Costas
Mayor

ATTEST:

Sharon Swihart, Clerk-Treasurer