

PETITIONER(S): _____
Department of Planning & Development
Mayor's Office of Economic Development

SPONSOR(S): _____
Councilman Dave Woerpel,
Councilman, 5th District

RESOLUTION NO.: 17R-12

**A DECLARATORY RESOLUTION OF THE HAMMOND CITY COUNCIL DESIGNATING THAT
A CERTAIN AREA OF THE CITY OF HAMMOND, INDIANA BE ESTABLISHED AS THE KORELLIS
ECONOMIC REVITALIZATION AREA TO WHICH DEDUCTIONS FROM ASSESSED VALUE
MAY BE REQUESTED BY AN APPLICANT TO THE COMMON COUNCIL OF THE CITY OF
HAMMOND PURSUANT TO INDIANA CODE 6-1.1-12.1**

WHEREAS, Deduction for Rehabilitated or Redevelopment of Real Property in Economic Revitalization Areas is authorized under Indiana Code ("IC") 6-1.1-12.1 *et seq.*, (the "Act") in the form of deductions of assessed value for qualified real property improvements and the installation of qualified personal property that results from development, redevelopment and rehabilitation; and

WHEREAS, The Common Council of the City of Hammond, Indiana ("City Council") desires to offer assessed valuation deductions for real and personal property development, redevelopment and rehabilitation in a certain area of the City of Hammond (the "City") to stimulate private investment of new construction, redevelopment and rehabilitation and the installation of personal property in order attract, retain and expand existing manufacturing enterprise, to increase the City's primary manufacturing and commercial assessed valuation base, and to provide employment opportunities for residents of the City, northwest Indiana and the State of Indiana; and

WHEREAS, The Act provides for assessed valuation deductions as an incentive resource, also known as tax abatement, to encourage private enterprise (i) to develop, redevelop and rehabilitate real property and/or (ii) to install qualified personal property within the City as a means to attract, retain or expand private enterprise and economic development in the City by designating certain areas within its jurisdiction to be Economic Revitalization Areas (an "ERA"); and

WHEREAS, The Act provides that an ERA is an area as defined under Section 1(1) of the Act "...which has become undesirable for, or impossible of, normal development and occupancy because of lack of development, cessation of growth, deterioration of improvements or character or occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent normal development of property or use of property" for which said term also includes "any area where a facility or a group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenue;" and

WHEREAS, The City's Department of Planning & Development and Mayor's Office of Economic Development in accordance with Section 2.5(a) of the Act have (i) prepared maps identifying an ERA and prepared a simplified description of the boundaries of an ERA by describing its location in relation to public ways, streams, or otherwise, attached hereto as **EXHIBIT A** and (ii) submitted said documents to the City Council for review and consideration as to the designation of an ERA in the City; and

WHEREAS, The City Council has reviewed said documents as submitted for the designation of an ERA in the City and desires to take formal action in order to designate a certain area of the City as an ERA for the purpose of providing for assessed valuation deductions to qualified applicants as an incentive resource to encourage private enterprise (i) to develop, redevelop and rehabilitate real property and/or (ii) to install qualified personal property within the City as a means to attract, retain or expand private enterprise and economic development in the City;

NOW, THEREFORE, BE IT RESOLVED, by the Common Council of the City of Hammond, Indiana, that the area as described and detailed in **EXHIBIT A** as attached hereto is determined to be, established and designated as the **Korellis Economic Revitalization Area** as defined under Section 1(1) of the Act for which said area has become undesirable for, or impossible of, normal development because of deterioration of improvements, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent normal development of property or use of property and that said area is an area where a facility or a group of facilities are technologically and economically obsolete are located and where the obsolescence may lead to a decline in employment and tax revenue for the City, northwest Indiana and the state of Indiana.

BE IT FURTHER RESOLVED that the Korellis ERA, as of the approval date of this Resolution, is not located in an allocation area (as defined in IC 36-7-14-39) pursuant to and in accordance with Section 2(l) of the Act.

BE IT FURTHER RESOLVED that in accordance Section 2(i)(1) of the Act, the Korellis ERA shall be limited to a period of ten (10) years such that the ERA designation shall expire on the earlier of: (i) ten (10) years from the date of the confirming resolution of this Declaratory Resolution or (ii) December 31, 2027.

BE IT FURTHER RESOLVED that in accordance Section 2.5(b) of the Act, a determination of the number of years a deduction under:

- (i) Section 3 of the Act (as it relates to qualified real property assessed valuation deductions) is allowed and shall not exceed 10 years, as based upon the “Cost” and “Assessed Value” of “Estimated Values of Proposed Project” that may be found in Section 4 of the Statement of Benefits (FORM SB-1/Real Property), as submitted to the City Council for consideration and approval; and
- (ii) Section 4.5 of the Act (as it relates to qualified personal property assessed valuation deductions) is allowed and shall not exceed 10 years, as based upon the “Cost” and “Assessed Value” of “Estimated Values of Proposed Project” that may be found in Section 4 of the Statement of Benefits (FORM SB-1/PP), as submitted to the City Council for consideration and approval.
- (iii) Section 4.8 of the Act (as it relates to the occupation of eligible vacant buildings for an assessed valuation deduction) is allowed and shall not exceed 10 years, as based upon the “Cost” and “Assessed Value” of “Estimated Values of Proposed Project” that may be found in Section 4 of the Statement of Benefits (FORM SB-1/VBD), as submitted to the City Council for consideration and approval.

BE IT FURTHER RESOLVED that the Common Council may impose a fee in accordance with Section 14 of the Act on any development, redevelopment and rehabilitation of real property and/or (ii) the installation of qualified personal property within the Korellis ERA, which by an appropriate resolution approving a FORM SB-1/Real Property, FORM SB-1/PP and/or FORM SB-1/VBD shall be distributed to one or more identified public or non-profit entities established to promote economic development in the City.

BE IT FURTHER RESOLVED that in accordance Section 2.5(c)(1) of the Act, the Clerk is directed and authorized to publish notice of the adoption and substance of this Resolution, as a declaratory resolution, in accordance with IC 5-3-1 for a public hearing scheduled of the City Council for a date, time and place to be determined by the City Council.

BE IT FURTHER RESOLVED that in accordance Section 2.5(c)(2) of the Act, the City Council directs the Mayor's Office of Economic Development to file the following information with each taxing unit that has authority to levy property taxes in the geographic area where the Korellis ERA is located:

1. A copy of the notice published in accordance with IC 5-3-1; and
2. A statement containing substantially the same information as a statement of benefits filed with the City Council (a "Report on Economic and Tax Impact Analysis") before a public hearing required by Sections 2.5 of the Act under Sections 3, 4.5 and 4.8 of the Act.

BE IT FURTHER RESOLVED that this Resolution including all exhibits attached hereto, as the Declaratory Resolution, be filed with the Lake County Assessor in accordance with Section 2.5(b) of the Act.

BE IT FURTHER RESOLVED that this Resolution shall have full force and effect from and after its passage by the City Common Council, signing by the President thereof and approval by the Mayor.

ADOPTED AND APPROVED BY the Common Council of the City of Hammond, Lake County, Indiana on this 27th day of March, 2017.

HAMMOND COMMON COUNCIL

Janet Venecz, President /s/
Hammond Common Council

ATTEST:

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana

PRESENTED BY ME, the undersigned City Clerk of the City of Hammond, Indiana, to the Mayor, for approval and signature, this 28th day of March, 2017.

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana

The foregoing Resolution No. R12 consisting of four (5) typewritten pages, including this page, was APPROVED AND SIGNED BY ME, the undersigned Mayor of the City of Hammond, Indiana, this 28th day of March, 2017.

Thomas M. McDermott, Jr., Mayor /s/
City of Hammond, Indiana

PASSED by the Common Council on the 27th day of March, 2017 and approved by the Mayor on the 28th day of March, 2017.

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana

EXHIBIT A

Korellis Economic Revitalization Area: Boundary Description and Map

A general description of the boundaries of the **Korellis Economic Revitalization Area** (the "Korellis ERA") predominantly includes commercial service land uses, light industrial land uses, and underutilized and vacant land. A boundary description and map is provided below.

The Korellis ERA is further described in detail by a metes and bounds boundary description as follows.

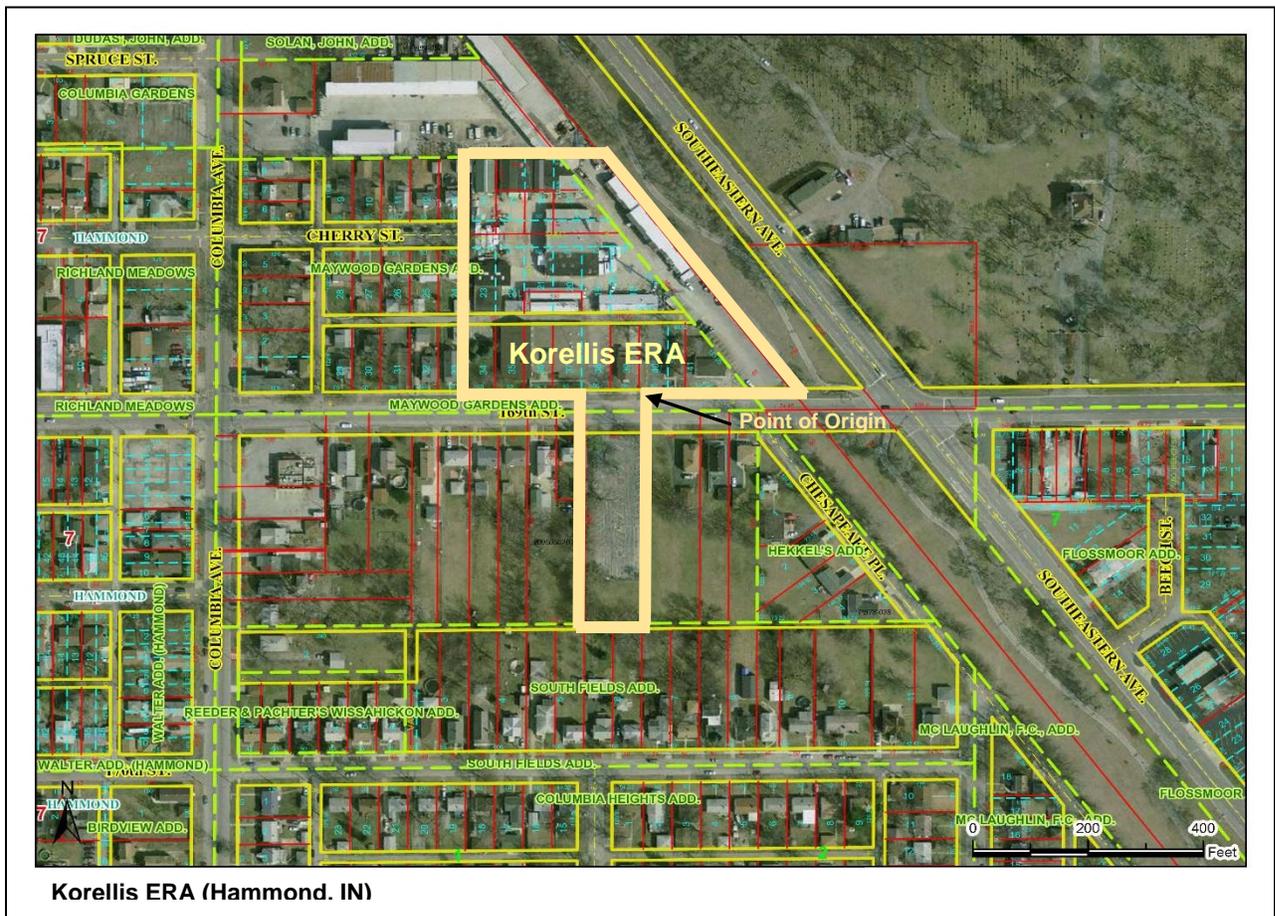
Parts of the Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ and the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 7, Township 36 North, Range 9 West of the Second Principal Meridian in the City of Hammond, Lake County, Indiana, being more particularly described as follows: Beginning at the intersection of the north right-of-way line of 169th Street and the east property line of 0.91 acre parcel (property key number 45-07-07-401-017.000-023) as extended north, being the **Point of Origin**:

Thence south perpendicular to the north right-of-way line of 169th Street approximately 80 feet to the south right-of-way line of 169th Street, also being the east property line of said 0.91 acre of parcel (property key number 45-07-07-401-017.000-023), thence approximately 359 feet continuing south along the east property line of said 0.91 acre parcel to its south property line; thence west 100 feet along its south property line to the west property line of said 0.91 acre parcel (property key number 45-07-07-401-017.000-023); thence north approximately 359 feet along the west property line of said 0.91 acre parcel (property key number 45-07-07-401-017.000-023) to its intersection with the south right-of-way line of 169th Street and continuing further north approximately 80 feet to the north right-of-way line of 169th Street, also being the south property line of a 0.282 acre parcel (property key number 45-07-07-252-020.000-023); thence west approximately 208 feet to the southwest corner of a 0.141 acre parcel (property key number 45-07-07-252-017.000-023); thence north along: (i) the west property line of said 0.141 acre parcel approximately 123 feet, (ii) across the right-of-way of the Cherry Street/169th Street east-west alley approximately 20 feet, (iii) the west property line of a 0.942 acre parcel (property key number 45-07-07-252-011.000-023) approximately 123 feet, (iv) the east right-of-way line of the Cherry Street approximately 50 feet and (v) the west property line of a 0.138 acre parcel (property key number 45-07-07-251-018.000-023) approximately 119 feet for a total distance of approximately 435 feet to the northwest corner of said 0.138 acre parcel (property key number 45-07-07-251-018.000-023); thence east along the: north property lines of: (i) said 0.138 acre parcel (property key number 45-07-07-251-018.000-023) approximately 50 feet, (ii) a 0.202 acre parcel (property key number 45-07-07-251-019.000-023) approximately 108 feet, and (iii) a 0.816 acre parcel (property key number 45-07-07-252-024.000-023) approximately 75 feet, for a total distance of 233 feet to the northeast corner of said 0.816 acre parcel (property key number 45-07-07-252-024.000-023); thence southeast along the east property line of said 0.816 acre parcel (property key number 45-07-07-252-024.000-023) approximately 545 feet to its intersection with the north right-of-way line of 169th Street; thence west along the north right-of-way line of 169th Street, also being the south property lines of: (i) said 0.816 acre parcel approximately 75 feet; (ii) a 0.209 acre parcel (property key number 45-07-07-252-023.000-023) approximately 108 feet, (iii) a 0.226 acre parcel (property key number 45-07-07-252-022.000-023) approximately 75 feet, a total distance of approximately 258 feet to its intersection with the east property line of 0.91 acre parcel (property key number 45-07-07-401-017.000-023) as extended north to the north right-of-way line of 169th Street, being the **Point of Origin**, a total area of 4.97 acres, more or less.

Real Property Key Numbers within the Korellis ERA

Real Property Key Number	Owner (as of January 1, 2016)	Lot(s): Maywood Gardens Add.
45-07-07-251-018.000-023	Korellis Holdings	14
45-07-07-251-019.000-023	Korellis Holdings LLC	Part of Lots 15, 16 and 17
45-07-07-251-020.000-023	Korellis Holdings LLC	Lot 15
45-07-07-251-021.000-023	Korellis Holdings LLC	Lot 16
45-07-07-251-022.000-023	Korellis Holdings LLC	Lot 17
45-07-07-252-010.000-023	Hammond Development Corp.	Part of Lots 20 and 21
45-07-07-252-011.000-023	Korellis Holdings LLC	Lots 18, 19, 22, 23 and parts of Lots 20 and 21
45-07-07-252-017.000-023	Hammond Development Corp.	Lot 34
45-07-07-252-018.000-023	Hammond Development Corp.	Lot 35
45-07-07-252-019.000-023	Hammond Development Corp.	Lot 36
45-07-07-252-020.000-023	Hammond Development Corp.	Lots 38 and 38
45-07-07-252-021.000-023	Torres Rogelio	Lot 39
45-07-07-252-022.000-023	David C. & Carol George Living Revocable Living Trust	Lot 40 and Part of Lot 41
45-07-07-252-023.000-023	Genco Properties, LLC Series B	Part Lot 41
45-07-07-252-024.000-023	Korellis Holdings LLC	Southeasterly 592.71ft of 60 feet R/W across SW1/4 NE1/4 S.7 T.36 R.9
45-07-07-401-017.000-023	Hammond Development Corp	E. 100 FT. OF W. 740 FT. OF N. 395.7 FT. OF NW. SE. S.7 T.36 R.9

MAP 1: ERA Boundary



Map is no to Scale

