

**PETIONER(S):** \_\_\_\_\_

Department of Planning & Development  
Mayor's Office of Economic Development

**SPONSOR(S):** \_\_\_\_\_

Council Member: Pete Torres, 2<sup>nd</sup> District  
Council Member: Janet Venecz, At-Large

**ORDINANCE No.** 9547

**AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF HAMMOND, INDIANA UPON RECOMMENDATION OF THE HAMMOND ECONOMIC DEVELOPMENT COMMISSION DESIGNATING A CERTAIN AREA WITHIN THE CITY AS AN ECONOMIC DEVELOPMENT TARGET AREA PURSUANT TO INDIANA CODE 6-1.1-12.1**

**WHEREAS**, Indiana Code 6-1.1-12.1 *et seq.*, as amended, (the "Act") under Section 7(a)(1) enables by ordinance a designating body (the Common Council of the City of Hammond, Indiana, the "Common Council") to consider the designation of Economic Development Target Areas (and "EDTA") upon a favorable recommendation by an economic development commission (the Hammond Economic Development Commission, or the "Hammond EDC") for certain geographic territories that have "become undesirable or impossible for normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors that have impaired values or prevent a normal development of property or use of property"; and

**WHEREAS**, the Act further authorizes a designating body the statutory authority to approve certain deductions of tangible (real and personal property) assessed valuation (or "Tax Abatement") as public financial incentive to stimulate and encourage "Redevelopment" or "Rehabilitation" activities in designated Economic Revitalization Areas (an "ERA"), pursuant to those terms as defined in the Act, and

**WHEREAS**, Section 3(e) of the Act provides that any facility the primary purpose of which is retail food or beverage service; automobile sales or service; or other retail is not eligible for a deduction of assessed valuation or property tax abatement unless the facility is located in an EDTA, and

**WHEREAS**, The Hammond EDC in cooperation with the Mayor's Office of Economic Development, the Department of Planning and Development, the Hammond Redevelopment Commission and representatives of the City administration have identified a certain area with the City's jurisdiction to be designated as the **ATG/Rimbach EDTA**, as contiguous with the ATG/Rimbach ERA as confirmed on March 28, 2022 and as identified in EXHIBIT A of the Resolution No. EDC 2022-01 approved on March 21, 2022 titled ATG/Rimbach EDTA Report; and

**WHEREAS**, Section 7(b) of the Act enables the Common Council to designate up to 15% of the total geographic territory of the city to be in designated EDTAs;

**NOW, THEREFORE, BE IT ORDAINED**, by the Common Council of the City of Hammond, Indiana as follows:

**Section 1.** In accordance with Section 7(a) of the Act, the Hammond EDC by resolution (Resolution No. 2022-01 as approved on March 21, 2022) made a favorable recommendation to the Common Council for the designation of the ATG/Rimbach EDTA as described and delineated in ATG/Rimbach EDTA Report as attached to Resolution EDC 2022-01 under EXHIBIT A.

**Section 2.** The Hammond EDC has submitted and filed said EDC Resolution No. 2022-01, including all exhibits attached thereto, to the Common Council for consideration and designation of the ATG/Rimbach EDTA Report.

**Section 3.** That the foregoing findings in the preamble to this ordinance are true, all information required to be submitted pursuant to the Act has been submitted in proper form and all requirements for the consideration and designation of ATG/Rimbach EDTA under this ordinance of the Common Council as the designating body.

**Section 4.** ATG/Rimbach EDTA is located within the City of Hammond, Department of Redevelopment, Downtown No. 1 Urban Renewal Area an "area needing redevelopment" as designated under Hammond Redevelopment Commission Declaratory Resolution No. TIF 9-96, as adopted by the Commission on August 16, 1996, such that pursuant to Section 7(a)(1) of the Act, the Common Council re-affirms the determination and finding of this area as an "area needing redevelopment" meaning this area which includes the ATG/Rimbach EDTA has become undesirable or impossible for normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors that have impaired values or prevent a normal development of property or use of property.

**Section 5.** The Hammond EDC has verified and the Common Council concurs with such finding that ATG / Rimbach EDTA including all existing EDTAs in the City as of this date total approximately 9.438 acres in area and is 0.065% of the City's total geographic territory, being within the statutory maximum limitation of 15% for economic development target areas of the City's total geographic territory.

**Section 6.** The Common Council corroborates and supports the desire and favorable recommendation of the Hammond EDC, including that of the Mayor's Office of Economic Development, the Department of Planning and Development, and the Hammond Redevelopment Commission, and hereby designates by this ordinance the ATG/Rimbach EDTA pursuant to Section 7 of the Act for the purposes to stimulate economic development and redevelopment of vacant and underutilized real property with the City of Hammond, Department of Redevelopment, Downtown No. 1 Urban Renewal Area an "area needing redevelopment" as designated under Hammond Redevelopment Commission Declaratory Resolution No. TIF 9-96, as adopted by the Commission on August 16, 1996.

**Section 7.** That the City Clerk is authorized and directed to file an executed and signed copy of this ordinance with the Mayor's Office of Economic Development, the Department of Planning and Development, and the Hammond Redevelopment Commission as evidence of the designation of the ATG/Rimbach EDTA.

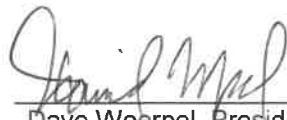
**Section 8.** Severability.

A. If any Court of competent jurisdiction shall adjudge any section, subsection, paragraph, sentence, clause, or phrase of this Ordinance, or amendment thereto, to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance, or amendment thereto, not specifically included in said judgment. It is expressly declared that this Ordinance and each section, subsection, paragraph, sentence, clause and phrase would have been adopted regardless of the fact that any one or more sections, subsections, paragraphs, sentences, clauses, or phrases might be declared invalid or unconstitutional.


B. If any Court of competent jurisdiction shall adjudge invalid the application of any provision of this Ordinance, or amendment thereto, to a particular property, building, or other structure, such judgment shall not affect the application of said provision to any other property, building, or structure not specifically included in said judgment.

C. If any Court of competent jurisdiction shall determine that any word, clause, phrase, sentence, paragraph, or subsection of the Ordinance, or amendment thereto, is unconstitutional as worded, the court shall first attempt to construe or interpret such unconstitutional provision so as to enable the same to be constitutional as so narrowed or construed. If the court cannot so limit or construe such word or provision narrowly so as to render the same constitutional, it shall strike or modify only the minimum number of words, phrases, clauses, sentences, or paragraphs as will be absolutely necessary to render the remainder constitutional. In no case shall a subordinate clause, phrase, or word render the attached major section or provision unconstitutional, but instead such subordinate clause, phrase, or word shall be severed there from, unless such severance renders the remainder wholly meaningless or unconstitutional.

**BE IT FURTHER ORDAINED** by the Common Council of the City of Hammond, Indiana that the herein Ordinance shall be in full force and effect from and after passage and approval hereof by the Common Council, signing by the President thereof, and approval and signing by the Mayor.

  
Dave Woerpel, President

Attest:

  
Robert J. Golec, City Clerk

PRESENTED BY ME, the undersigned City Clerk of the City of Hammond to the Mayor of said City for his approval on the 12<sup>th</sup> day of April, 2022.

  
Robert J. Golec, City Clerk

The foregoing Ordinance No. 9547 consisting of (4) typewritten pages, including this page was Approved by the Mayor on the 13<sup>th</sup> day of April, 2022.

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

PASSED by the Common Council on the 11<sup>th</sup> day of April, 2022 and Approved by the Mayor on the 13<sup>th</sup> day of April, 2022.

  
Robert J. Golec, City Clerk

## **ATTACHMENT**

City of Hammond, Indiana Economic Development Commission  
Transmittal Letter and Resolution EDC 2022-01

## TRANSMITTAL LETTER

**TO:** David Woerpal, President – Common Council of the City of Hammond, Indiana  
Robert J. Golec, Clerk of the City of Hammond, Indiana

**DATE:** March 21, 2022

**SUBJECT:** Transmittal of Economic Development Commission Resolution No. EDC 2022-01 to the  
Common Council of the City of Hammond, Indiana:  
ATG / Rimbach EDTA Recommendation

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In accordance with Indiana Code 6-1.1-12.1 (the "Act") more specifically Section 7(a), the Economic Development Commission of the City of Hammond, Indiana (the "EDC") is recommending the designation of an economic development target area (an "EDTA") within a certain area of the City of Hammond, Indiana (the "City") for continued economic development and redevelopment activities related to Rimbach Square within the Downtown No. 1 Urban Renewal Area.

On March 21, 2022, the EDC adopted and approved Resolution No. EDC 2022-01, as attached hereto, as its favorable recommendation to the Common Council pursuant to the Act to initiate the legislative process to designate a certain area within the City as an EDTA, more specifically the ATG / Rimbach EDTA. Resolution No. EDC 2022-01 includes a general boundary description and map of the ATG / Rimbach EDTA.

The purpose of designating an EDTA is a prerequisite to designating this EDTA as an economic revitalization area (an "ERA") so that the property owner may be qualified to submit an application for an assessed valuation deduction (or tax abatement) of real property improvements as a financial incentive for development of the ATG / Rimbach EDTA.

Therefore, I have enclosed one (1) original signed Resolution for the Common Council files and records and ten (10) copies of the resolution to disseminate to the Common Council for its review prior to consideration of an ordinance to designate the ATG / Rimbach EDTA, pursuant to the Act.

The EDC staff will work closely with the City's Legal Department to prepare for submission the Common Council ordinance for discussion and consideration of the ATG / Rimbach EDTA as the next step in the designation approval process of the EDTA. If you should have any questions, please do not hesitate to contact me.



John Vezmar, President  
Economic Development Commission  
City of Hammond, Indiana

### ATTACHMENT

pc: Phil Taillon, Chief of Staff  
Anne Anderson, Director – Mayor's Office of Economic Development  
Africa Tarver, Director – Department of Planning & Development

**CITY OF HAMMOND, INDIANA  
ECONOMIC DEVELOPMENT COMMISSION**

**Resolution No.: EDC 2022 - 01**

**A RESOLUTION OF THE ECONOMIC DEVELOPMENT COMMISSION OF THE CITY OF HAMMOND, INDIANA MAKING A RECOMMENDATION TO THE COMMON COUNCIL OF THE CITY OF HAMMOND, INDIANA TO DESIGNATE CERTAIN AREAS WITHIN THE JURISDICTION OF THE CITY AS AN ECONOMIC DEVELOPMENT TARGET AREA FOR REDEVELOPMENT AND ECONOMIC DEVELOPMENT PURPOSES INCLUDING FINANCIAL INCENTIVIZATION OF QUALIFIED REDEVELOPMENT AND ECONOMIC DEVELOPMENT PROJECTS, IN ACCORDANCE WITH INDIANA CODE 6-1.1-12.1.**

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- WHEREAS,** Property tax abatement ("Tax Abatement") is authorized under Indiana Code ("IC") 6-1.1-12.1 in the form of deductions from assessed value for real property improvements that results from development, redevelopment and rehabilitation;
- WHEREAS,** In accordance with IC 6-1.1-12.3(e)(10) and (11), a deduction for the redevelopment or rehabilitation of real property may not be approved for any facility for which the primary purpose is: (a) retail food or beverage; (b) automobile sales or service; or (c) other retail, unless the facility is located in an Economic Development Target Area ("EDTA") or for residential facilities, unless it is a multifamily facility that contains at least 20% of the units available for use by low and moderate income individuals or said facility is located in an EDTA;
- WHEREAS,** The Hammond Economic Development Commission (EDC) in coordination with the Mayor's Office of Economic Development has prepared the **ATG / Rimbach EDTA Report**, attached hereto as EXHIBIT A, in advance of its recommendation to the Common Council of the City of Hammond, Indiana (Common Council) for legislative and designating body review, which includes the purpose of an EDTA, its statutory authority, a map identifying the EDTA and a simplified boundary description of the EDTA;
- WHEREAS,** The ATG / Rimbach EDTA and its geographic area must be first be designated by ordinance of the Common Council as an EDTA to initiate the process to offer any qualified assessed valuation deduction (or tax abatement) for facilities specified above pursuant to the Act;
- WHEREAS,** The EDC reviewed ATG / Rimbach EDTA Report and on March 21, 2022 heard a presentation from the staff of the Mayor's Office of Economic Development requesting that the EDC consider and make a recommendation to the Common Council in accordance with IC 6-1.1-12.1-7(a) on the designation of the ATG / Rimbach EDTA;
- WHEREAS,** The Common Council may designate a maximum of 15% of the total geographic territory of the City of Hammond, Indiana to be in EDTAs;
- WHEREAS,** In order to designate the ATG / Rimbach EDTA as EDTA, Common Council must approve said designation by ordinance, upon which the Common Council must first receive a favorable recommendation from the EDC for said designation;

**WHEREAS,** The EDC now desires to take official action to make a recommendation to the Common Council as it applies to the ATG / Rimbach EDTA Report and the designation of the ATG / Rimbach EDTA.

**NOW, THEREFORE, BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT COMMISSION OF THE CITY OF HAMMOND, INDIANA, AS FOLLOWS:**

**Section 1.** The EDC reviewed the ATG / Rimbach EDTA and other such documents prepared and presented to the EDC for its deliberations and consideration as presented by the staff of the Mayor's Office of Economic Development in order to initiate the approval process for designation of the ATG / Rimbach EDTA.

**Section 2.** The EDC has verified that the ATG / Rimbach EDTA including all existing EDTAs in the City as of this date total approximately 9.438 acres in area and is 0.065% of the City's total geographic territory, being within the statutory maximum limitation of 15% for economic development target areas of the City's total geographic territory.

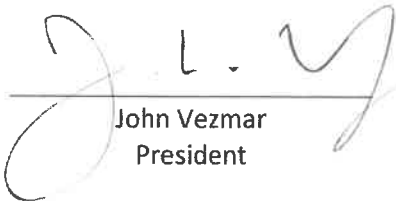
**Section 3.** The EDC corroborates and supports the desire of the City administration and that of the Mayor's Office of Economic Development to designate the ATG / Rimbach EDTA to stimulate economic development and redevelopment within the City of Hammond, Department of Redevelopment, Downtown No. 1 Urban Renewal Area an "area needing redevelopment" as designated under Hammond Redevelopment Commission Declaratory Resolution No. TIF 9-96, as adopted by the Commission on August 16, 1996, which includes the ATG / Rimbach EDTA for the purpose of qualify property owners with the EDTA for tax abatement in the form of deductions from assessed value for real property improvements resulting from development, redevelopment and rehabilitation.

**Section 4.** The EDC in accordance with IC 6-1.1-12.1-7(a) makes a favorable recommendation to the Common Council to designate the ATG / Rimbach EDTA as described and delineated in ATG / Rimbach EDTA Report.

**Section 5.** The EDC hereby authorizes and directs the secretary to:

- a. Submit one (1) original signed Resolution to the Office of the Common Council, the Clerk of the City of Hammond, Indiana and the Mayor's Office of Economic Development for their files and records as it relates to the approval process for the designation of the ATG / Rimbach EDTA;
- b. Retain one (1) original signed Resolution for the EDC files and records as it relates to the approval process for ATG / Rimbach EDTA.

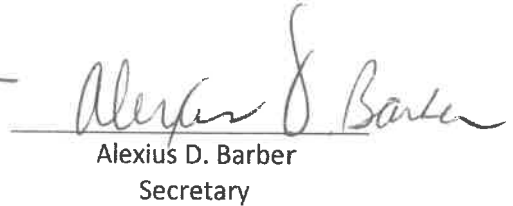
**ADOPTED AND APPROVED** at a meeting of the Economic Development Commission of the City of Hammond held on March 21, 2022 in Hammond City Hall, 5925 Calumet Avenue, Hammond, Indiana, 46320.



John Vezmar  
President



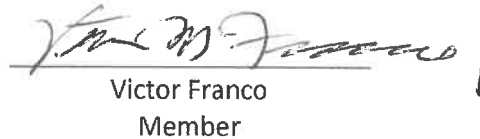
Monica Rubio  
Vice President



Alexis D. Barber  
Secretary

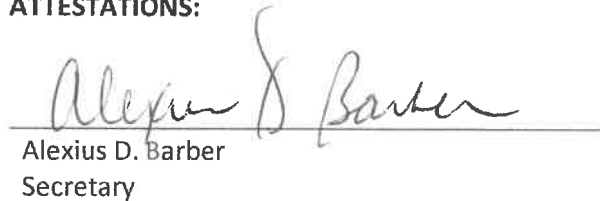


Bonnie Henry  
Member

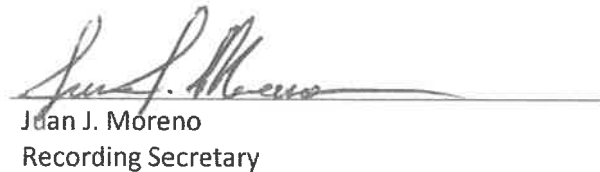


Victor Franco  
Member

**ATTESTATIONS:**



Alexis D. Barber  
Secretary



Juan J. Moreno  
Recording Secretary



## **EXHIBIT A**

ATG / Rimbach EDTA Report

# EXHIBIT A



HAMMOND, INDIANA  
CITY OF HAMMOND

## ATG / Rimbach EDTA Report

March 11, 2022

**Prepared for:**

Mayor's Office of Economic Development,  
Department of Planning and Development, and the  
City of Hammond Common Council

**Prepared by:**



**HAMMOND, INDIANA  
CITY OF HAMMOND**

**ATG / Rimbach EDTA Report**

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## I. PURPOSE OF THE REPORT

The City of Hammond, Indiana (the “City”) is committed to economic and community development. The focus of this report is to provide the basis and foundation for the designation of an economic development target area (an “EDTA”) pursuant to Indiana Code (“IC”) 6-1.1-12.1 titled Deduction for Rehabilitation or Redevelopment of Real Property in Economic Revitalization Areas (the “Act”). The title of this report is the **ATG / Rimbach EDTA Report** (the “Report”).

This Report has been prepared and submitted to the City’s Mayor’s Office of Economic Development to provide the necessary economic development stimulus for new construction, redevelopment<sup>1</sup> and rehabilitation<sup>2</sup> of existing commercial, retail and residential structures on real property located in the ATG / Rimbach EDTA located in downtown Hammond being the City of Hammond, Department of Redevelopment, Downtown No. 1 Urban Renewal Area an “area needing redevelopment” as designated under Hammond Redevelopment Commission Declaratory Resolution No. TIF 9-96, as adopted by the Commission on August 16, 1996.

The City through its Common Council (the “City Council”) as the designating body, desires to designate the ATG / Rimbach EDTA to: (i) establish an area for the City administration to target economic development opportunities and (2) if also designated as an economic revitalization area (an “ERA”), provide for commercial use deductions of assessed value for real property improvements (or “Tax Abatement”) because of new construction, redevelopment or rehabilitation in ATG / Rimbach EDTA. The purpose of this Report is for the Office of Economic Development to initiate the EDTA approval process for the City Council to consider the designation and establishment of the ATG / Rimbach EDTA.

The City may offer certain financial incentives authorized under the Act to qualified property owners who develop, redevelop or rehabilitate real property in a certain area identified herein as the ATG / Rimbach EDTA which that is generally includes those real property parcel (parcel identification numbers or “PINs”) located within the proposed Rimbach Square development area of the City and the Downtown No. 1 Urban Renewal Area of the Hammond Redevelopment District:

Real Property Key Number	Owner (as of January 1, 2022)
45-02-36-153-001.000-023	City of Hammond by and through its Redevelopment Commission
45-02-36-153-006.000-023	City of Hammond Redevelopment Commission
45-02-36-177-001.000-023	City of Hammond by and through its Redevelopment Commission
45-02-36-177-002.000-023	Hammond Redevelopment Commission
45-02-36-177-010.000-023	City of Hammond by and through its Redevelopment Commission
45-02-36-177-011.000-023	City of Hammond by and through its Redevelopment Commission
45-02-36-177-023.000-023	The City of Hammond Redevelopment Commission
45-02-36-177-024.000-023	The City of Hammond by and through its Redevelopment Commission
45-02-36-178-005.000-023	Hammond Redevelopment Commission
45-02-36-178-011.000-023	City of Hammond

See **FIGURE 1** – ATG / Rimbach EDTA Boundary Map

<sup>1</sup> Redevelopment means the construction of new structures in economic revitalization areas, either (i) on unimproved real estate or (ii) on real estate upon which a prior existing structure is demolished to allow for new construction.

<sup>2</sup> Rehabilitation means the remodeling, repair, or betterment of property in any manner or any enlargement or extension or property.

Any new commercial, office, or retail development shall meet the general standards set by the City for new construction, redevelopment and rehabilitation to improve the quality of life in the City and shall be consistent and in compliance with the Downtown No. 1 Urban Renewal Area Plan, including all zoning regulations and requires unless a variance is approved by the City's Board of Zoning Appeals (the "BZA"). Any real property improvements shall be mindful of the architectural character of the community and the business or economic development district in which the improvements occur. In addition to the above, all rehabilitation improvements shall take into consideration the elimination of existing code violations to improve the overall condition of commercial, retail or office structures or building stock in the ATG / Rimbach EDTA.

## II. Statutory Authority for Tax Abatement of Limited Uses

### Overview

The Act provides the statutory authority for the City to provide certain financial incentives authorized under the Act to qualified property owners who develop, redevelop or rehabilitate real property in a certain area identified herein as the ATG / Rimbach EDTA.

Assessed valuation deductions of tangible property (or Tax Abatement) is an incentive resource available to local cities, town and counties to stimulate economic development in certain areas at the discretion of the designating body (fiscal body). Tax Abatement may only be made available to qualified property owners in specific areas designated as an ERA. The deduction of assessed valuation is a percentage of the increase in assessed value that results from real or personal property improvements, specific to new construction, redevelopment or rehabilitation.

As this relates to the City, the City Council as the "designating body" is authorized to establish an ERA and to approve individual applications submitted by property owners for tax abatements in the form of a Statement of Benefits (FORM SB-1). The City Council may approve a deduction period of any number of years not to exceed ten (10) years for real or personal property improvements.

If the City Council approves by resolution an assessed valuation deduction application for Real Property (FORM SB-1/Real Property) pursuant to Sections 2 and 2.5 of the Act, the resolution must include in accordance with Section 17(b) of the Act an abatement schedule specifying the percentage amount of the deduction for each year of the approved abatement period [Reference: Section 4(a)(2) of the Act for real property]. Prior to July 1, 2011, the abatement percentages were determined by the abatement period for both real and personal property assessed valuation deduction, known as the "**Traditional Abatement Schedule Percentages**." However, as of July 1, 2011, abatement percentages for each year of an abatement period are at the discretion of the City Council. It is recommended that the City Council consider its abatement percentage options and the tax rate and levy impacts prior to determining or approving the percentage amount of the deduction for each year of the approved abatement period.

Reference **TABLE 1** - Real Property Traditional Abatement Schedule Percentages herein.

### Tax Abatement Limitations

Deductions of assessed value for rehabilitation and redevelopment is limited and may not be utilized for those real property improvements specifically described in IC 6-1.1-12.1-3(e). But more specifically, a deduction for the redevelopment or rehabilitation of real property may not be approved for: (1) any facility where the primary purpose is retail food and beverage service; automobile sales or service; or

other retail unless the facility is located in an economic development target area established under IC 6-1.1-12.1-7 and (2) residential, unless the facility is a multifamily facility that contains at least 20% of the units available for use by low and moderate individuals; the residential facility is located in an economic development target area also established under IC 6-1.1-12.1-7; or the area is designated as a residentially distressed area.

**TABLE 1: Real Property Traditional Abatement Schedule Percentages**

*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 the designating body. Land does not qualify for abatement. State of Indiana Tax Abatement Schedule as of July 1, 2000 per IC 6-1.1-12.1.*

Year	Ten-Year	Nine-Year	Eight-Year	Seven-Year	Six-Year	Five-Year	Four-Year	Three-Year	Two-Year	One-Year
1	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2	95%	88%	88%	85%	85%	80%	75%	66%	50%	
3	80%	77%	75%	71%	66%	60%	50%	33%		
4	65%	66%	63%	57%	50%	40%	25%			
5	50%	55%	50%	43%	34%	20%				
6	40%	44%	38%	29%	17%					
7	30%	33%	25%	14%						
8	20%	22%	13%							
9	10%	11%								
10	5%									

Therefore, an EDTA must first be established under IC 6-1.1-12.1-7 prior to the establishment of an ERA if an assessed valuation deduction applies to a land use classification or type limited under the Act. Both an ERA and an EDTA must be established prior to the City Council approving applications (a FORM SB-1) for deductions of assessed value for rehabilitation and redevelopment.

#### Economic Development Target Areas

An EDTA by statute<sup>3</sup> is defined as a specific geographic territory that has become undesirable or impossible for normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors that have impaired values or prevent a normal development of property or use of property.

The Hammond Economic Development Commission (the “HEDC”) upon recommendation of the Mayor’s Office of Economic Development or any other planning, redevelopment or development entity of the City may initiate the process to establish an EDTA or may review requests to designate an EDTA with an intent to stimulate economic development in targeted areas of the City. Upon its initiation or review, the HEDC must make a favorable or unfavorable recommendation to the City Council. Upon the Commission’s favorable recommendation to establish an EDTA as submitted to the City Council, only then may the City Council consider an ordinance for passage and adoption to formally designate an identified area of the City as an EDTA if within the statutory area limitation.

<sup>3</sup> Reference Indiana Code 6-1.1-12.1-7(a)(1).

## ATG / RIMBACH EDTA REPORT

By statute<sup>4</sup>, the City Council as the fiscal body may designate a maximum of 15% of the total geographic territory of the City to be an EDTA. The ATG / Rimbach EDTA as delineated herein is approximately 4.6± acres of area and is 0.014% of the total geographic territory (Area) of the City, together with and including ATG / Rimbach EDTA, the total area of EDTAs is within the statutory limitation.



Reference EXHIBIT A for the ATG /Rimbach EDTA Boundary Description.

See **TABLE 2**: Economic Development Target Area – Land Area Calculation below.

**TABLE 2**  
**Economic Development Target Area - Land Area Calculation**

	(Approximate) Square Feet	(Approximate) Acres	(Approximate) Square Miles	Percent of City of Hammond
City of Hammond (land area)	632,561,000	14,521.600	22.69	100%
<b>EDTA Threshold IC 6-1.1-12.1-7(b)</b>	<b>94,884,150</b>	<b>2,178.240</b>	<b>3.40</b>	<b>15.00%</b>
ATG / Rimbach EDTA	200,376	4.600	.0078	0.032%
Oxbow Landing EDTA #1	120,008	2.755	.0043	0.019%
Oxbow Landing EDTA #2	<u>90,735</u>	<u>2.083</u>	<u>.0033</u>	<u>0.014%</u>
<b>TOTAL AREA OF EDTAs:</b>	<b><u>411,119</u></b>	<b><u>9.438</u></b>	<b><u>0.0154</u></b>	<b><u>0.065%</u></b>
<b>EDTA Area Available (Balance):</b>	<b>94,473,031</b>	<b>2,168.802</b>	<b>3.3846</b>	<b>14.935%</b>

<sup>4</sup> Reference Indiana Code 6-1.1-12.1-7(b).

Upon approval of an ordinance establishing an EDTA, the City Council may then establish the EDTA as an ERA in accordance with IC 6-1.1-12.1-2.5 by making a finding that the area, as an EDTA, is also an ERA for the specific purpose of offering Tax Abatement for qualifying projects.

#### Economic Revitalization Areas

The City Council as the designating body may only approve Tax abatement within an area that it finds to be an ERA. "Economic revitalization area" is an area which is within the corporate limits of a city, town, or county which has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property. The term "economic revitalization area" 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 revenues; and
- A residentially distressed area, except as otherwise provided in IC 6-1.1-12.1.

If the City Council finds it necessary to designate an EDTA as an ERA in order for property owners limited in ability to access an assessed valuation deduction under Section 3(e) of the Act, it shall either:

- Prepare maps and plats that identify the EDTA or parts thereof; and
- Prepare a simplified description of the boundaries of the area proposed for and ERA by describing its location in relation to public ways, streams, or otherwise.

During the preparation of this Report, the Mayor's Office of Economic Development and the Department of Planning and Development caused to be prepared a map that identifies a certain area of the City by PIN and a simplified description of the boundaries of the ERA by describing its location in relation to public ways, streams, or otherwise. See **FIGURE 2: ATG / Rimbach ERA Boundary Map**.





After the compilation of the materials described above as included herein, the City Council may declare and confirm by respective resolutions said area to be the ATG / Rimbach ERA, using the procedures prescribed in Section 2.5 of the Act and discussed hereinafter.

The City Council may consider a **declaratory resolution** in accordance with Section 2(g) of the Act establishing the general standards to be used, along with the requirements set forth for establishing an ERA. The standards per Section 3 of the Act must have a reasonable relationship to the development objectives of the City for economic development as a catalyst for and to stimulate new construction, redevelopment and rehabilitation in commercial and retail areas.

The City Council declaratory resolution must contain a description of the affected area. In addition, by declaring the EDTA, to be an ERA, the City Council may:

- Limit the time period to a certain number of calendar years during which the ERA shall be so designated;
- Limit the type of deductions that will be allowed within the ERA to a deduction allowed under Section 3 of the Act;
- Limit the dollar amount of the deduction that will be allowed with respect to redevelopment and rehabilitation occurring in areas that are designated as an ERA;
- Impose reasonable conditions related to the purpose of the Act or to the general standards adopted under Section 2(g) of the Act, allowing the deduction for the redevelopment or rehabilitation of the property; or
- To exercise one (1) or more of the above powers, the City Council, as the designating body, must include these fact(s) in the resolution passed and adopted under section 2.5 of the Act.

A declaratory resolution adopted after June 30, 2000, may include a determination of the number of years a deduction under IC 6-1.1-12.1-3 is allowed.

The EDTA and ERA are located within the is located within the City of Hammond, Department of Redevelopment, Downtown No. 1 Urban Renewal Area an "area needing redevelopment" as designated under Hammond Redevelopment Commission Declaratory Resolution No. TIF 9-96, as adopted by the Commission on August 16, 1996. Furthermore, the EDTA and ERA are also located within a designated allocation area (as defined in I.C. 36-7-14-39) of the Hammond Redevelopment District, namely the City of Hammond, Department of Redevelopment, Downtown Urban Renewal Area Allocation Area No. 1 as designated by the Hammond Redevelopment Commission pursuant to declaratory Resolution No. TIF 9-96, as adopted by the Commission on August 16, 1996<sup>5</sup>. Therefore, an application for a property tax deduction or Tax Abatement may not be approved unless the City Council (as the designating body of the City's Department of Redevelopment) adopts a resolution approving the application.<sup>6</sup>

After passage and adoption of a declaratory resolution establishing the EDTA as an ERA under Section 2.5(b) of the Act, the City Council shall file the declaratory resolution with the Lake County Assessor and shall do the following:

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<sup>5</sup> Redevelopment Plan for the Gateways Redevelopment Area. Hammond Redevelopment Commission. Adopted and approved on May 5, 2011 and amended on October 25, 2015 and amended on December 17, 2019.

<sup>6</sup> See Indiana Code 6-1.1-12.1-2(l).

- Publish notice of the adoption and substance of the City Council resolution in accordance with IC 5-3-1.
- File the following information with each taxing unit that has authority to levy property taxes in the geographic area where the ERA is located:
  - a. A copy of the notice required by subdivision (1) above.
  - b. A statement containing substantially the same information as a statement of benefits filed with the designating body before the hearing required by sections 2.5, 3 and 4.5 of the Act.

The notice as published must state that a description of the ERA is available and can be inspected in the Office of the Lake County, Indiana Assessor. The notice must also name a date when the City Council as the designating body will receive and hear all remonstrances and objections from interested persons. The City Council shall file the information required by Section 2.5(c)(2) of the Act with the officers of the taxing units who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten (10) days before the date of the public hearing.

After considering the evidence at a public hearing, the City Council may take final action determining whether the qualifications for the ERA within an EDTA have been met. The City Council by resolution may then by resolution confirm, modify and confirm, or rescind its declaratory resolution, the **confirmatory resolution**. This determination is final except that an appeal may be taken and heard as provided under IC 6-1.1-12.1-2.5(d) and (e).

A person who files a written remonstrance with the City Council under Section 2.5(d) of the Act and who is aggrieved by the final action taken may, within ten (10) days after that final action, initiate an appeal of that action by filing in the Office of the Clerk of the Circuit or Superior Court a copy of the order of the City Council and the remonstrance against that order, together with his bond conditioned to pay the costs of his appeal if the appeal is determined against the aggrieved party. The only ground of appeal that the Court may hear is whether a proposed project will meet the qualifications of the ERA law. The burden of proof is on the appellant.

### III. Filing for a Tax Abatement in the ATG / Rimbach ERA as an EDTA

#### Statement of Benefits

A property owner that desires to development, redevelop or rehabilitate real property in the ATG / Rimbach EDTA (which is contiguous with the ATG / Rimbach ERA) may file for and request Tax Abatement from the City Council as the designating body. The property owner must provide and submit a statement of benefits (FORM SB-1/Real Property) to the City Council through the Mayor's Office of Economic Development, the entity to receive, confirm the information and initiate the approval process if directed by the City administration. The Department of Local Government Finance (the "DLGF") shall prescribe the form. The statement of benefits must be submitted to the City Council before the initiation of the development, redevelopment or rehabilitation for which the applicant desires Tax Abatement to claim a deduction of assessed value. Failing to file FORM SB-1 prior to the start of a development, redevelopment or rehabilitation project with the Mayor's Office of Economic Development and to receive City Council approval of Tax Abatement prior beginning a project is a "false start" and may result in forfeiture of any or all Tax Abatement benefits.

When completing FORM SB-1/Real Property, the applicant may face difficulties in estimating the increase in assessed value related to the project. When faced with this situation, label the values placed

on the Statement of Benefits as “estimates subject to change.” Though labeling values as estimates provides the applicant with some leeway when computing a project’s increase in assessed value, the applicant should attempt to ensure the assessed value and cost estimates submitted are adequate in amount to cover the eventual deduction claims which will be filed.

For example, if you estimate a \$250,000 increase in assessed value and the actual increase is \$350,000, the City Council may argue that, based on the Statement of Benefits, only the first \$25,000 is qualified for an assessed valuation deduction (or Tax Abatement). Time allowing, the applicant may consider contacting the Office of the Lake County, Indiana Assessor to request a preliminary assessment of the real property improvement(s) from professionally prepared drawings prior to completing the form.

While underestimating benefits may pose difficulties in claiming a deduction of assessed value, overstating benefits may result in the loss of Tax Abatement benefits. Each year the tax deduction is claimed, the applicant must file a FORM CF-1/Real Property, Compliance with Statement of Benefits, stating the extent to which an applicant has complied with the Statement of Benefits.

If an applicant significantly overstated benefits, particularly employment and salary benefits, on the Statement of Benefits, the City Council may argue that you have not substantially complied with the Statement of Benefits and withdraw the Tax Abatement. The City Council retains the sole right to determine the merits or reasonableness of the assessed value or employment figure estimates provided by the applicant.

#### Tax Abatement Approval Process

Upon submission of a properly completed FORM SB-1/Real Property as prescribed by the DLGF, the City Council must review it in accordance with Section 3 of the Act and shall determine whether a Tax Abatement should be allowed, based on the following findings:

- Whether the estimate of the value of development, redevelopment or rehabilitation is reasonable for projects of that nature;
- Whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described development, redevelopment or rehabilitation;
- Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described development, redevelopment or rehabilitation;
- Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described development, redevelopment or rehabilitation;
- Whether the totality of benefits is sufficient to justify the Tax Abatement.

For an area (such as the ATG / Rimbach EDTA) designated as an ERA after June 30, 2000, that is not a residentially distressed area, the City Council shall determine the number of years for which the property owner is entitled to a Tax Abatement. However, the Tax Abatement may not be allowed for more than 10 years. See **TABLE 1** - Real Property Traditional Abatement Schedule Percentages herein or develop and propose alternative abatement schedule percentages under Section 17 of the Act. This determination shall be made in conformance with and as a part of the resolution (the “**Declaratory Resolution**”) adopted and confirmed under Section 2.5 of the Act.

- In accordance with IC 6-1.1-12.1-3(b), if the City Council, upon review of FORM SB-1, makes all of the above described findings in the affirmative (and identifies if the Tax Abatement application is located within a designated allocation area of the Hammond Development District), an applicant will be entitled to the Tax Abatement once the new construction occurs or the property has been redeveloped or rehabilitated and all appropriate forms have been submitted in a timely manner.

Tax Abatement Calculation for a Deduction of Assessment

In accordance with Section 4 of the Act, the amount of Tax Abatement which a property owner is entitled, notwithstanding a City Council limit on the dollar amount of a deduction that will be allowed with respect to the development, redevelopment or rehabilitation occurring for a particular project in an ERA<sup>7</sup>, equals the product of:

1. The increase in the assessed value resulting from the development, redevelopment or rehabilitation as a result of a project in the ERA multiplied by
2. The percentage prescribed in **TABLE 1** - Real Property Traditional Abatement Schedule Percentages herein or develop and propose alternative abatement schedule percentages under Section 17 of the Act.

The amount of the deduction determined as discussed above<sup>8</sup> shall be adjusted in accordance with Section 4(b) of the Act in the following circumstances:

1. Upon completion of a general reassessment of real property; and
2. If an appeal of an assessment is approved.

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<sup>7</sup> Reference IC 6-1.1-12.1-2(i)(4).

<sup>8</sup> Per IC 6-1.1-12.1-4(a).

**EXHIBIT A****ATG/Rimbach EDTA:  
Boundary Description**

A general description of the boundaries of the **ATG/Rimbach Economic Development Target Area** (the "ATG/Rimbach EDTA") predominantly includes real estate land currently zoned for commercial land uses. A general boundary description is below.

The ATG/Rimbach EDTA has the following description as identified from assessment record cards of the Lake County, Indiana Office of the Assessor identified and from the Lake County, Indiana GIS Portico available online at [www.portico.mygisonline.com](http://www.portico.mygisonline.com) as provided by the Lake County, Indiana Surveyor:

A certain area of real estate in the City of Hammond, Lake County, Indiana consisting of approximately 4.60± acres, more or less as, further described below and identified on the map of the ATG/Rimbach EDTA.

Commencing at the northwest corner of a 0.696± acre parcel of real estate (PIN: 45-02-36-177-001.000-023), being the west right-of-way line of Morton Court (the "**Point of Beginning**"); thence southwest along the west right-of-way line of Morton Court approximately 360 feet to the southwest corner of a 0.095± acre parcel of real estate (PIN: 45-02-36-153-001.000-023), being the north right-of-way line of Rimbach Street; thence southeast along the north right-of-way line of Rimbach Street approximately 420 feet to its intersection with the west property line of a 0.199± acre parcel of real estate (PIN: 45-02-36-178-011.000-023) as extended northeast to said north right-of-way line of Morton Court; thence southwest along the west property line of said 0.199± acre parcel of real estate (PIN: 45-02-36-178-011.000-023) as extended northeast to said north right-of-way line of Morton Court approximately 225 feet to its intersection with the southwest corner of a 0.278± acre parcel of real estate (PIN: 45-02-36-178-005.000-023); thence southeast along said 0.278± acre parcel of real estate (PIN: 45-02-36-178-005.000-023) approximately 113 feet to its southeast corner and east property line, being the west right-of-way of Hohman Avenue; thence northwest along the west right of way line approximately 560 feet to its intersection with the south right-of-way line of Sibley Street; thence northwest along said south right-of-way of Sibley Street approximately 560 feet to its intersection with the northwest corner of a 0.696± acre parcel of real estate (PIN: 45-02-36-177-001.000-023), being the west right-of-way line of Morton Court, **Point of Beginning**; and excepting therefrom the ATG/Rimbach EDTA a 0.259± acre parcel of real estate (PIN: 45-02-36-177-003.000-023).

<b>Real Property Key Number</b>	<b>Owner (as of January 1, 2022)</b>
<b>45-02-36-153-001.000-023</b>	City of Hammond by and through its Redevelopment Commission
<b>45-02-36-153-006.000-023</b>	City of Hammond Redevelopment Commission
<b>45-02-36-177-001.000-023</b>	City of Hammond by and through its Redevelopment Commission
<b>45-02-36-177-002.000-023</b>	Hammond Redevelopment Commission
<b>45-02-36-177-010.000-023</b>	City of Hammond by and through its Redevelopment Commission
<b>45-02-36-177-011.000-023</b>	City of Hammond by and through its Redevelopment Commission
<b>45-02-36-177-023.000-023</b>	The City of Hammond Redevelopment Commission
<b>45-02-36-177-024.000-023</b>	The City of Hammond by and through its Redevelopment Commission
<b>45-02-36-178-005.000-023</b>	Hammond Redevelopment Commission
<b>45-02-36-178-011.000-023</b>	City of Hammond