SPONSOR: Councilman: Mark Kalwinski

RESOLUTION NO.: R09

A RESOLUTION OF THE HAMMOND CITY COUNCIL GRANTING FJ BUILDING OF INDIANA, LLC (D.B.A. AMERICAN STAIR CORPORATION) AN ASSESSED VALUATION DEDUCTION (TAX ABATEMENT) FOR THE OCCUPATION OF AN ELIGIBLE VACANT BUILDING 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 the qualified real property improvements, the installation of qualified tangible personal property, and/or the occupation of an eligible vacant building that results from development, redevelopment and rehabilitation; and

WHEREAS, Pursuant to Resolution No. R15 (14R – 15) (the "Declaratory Resolution") approved on May 12, 2014, as confirmed by Resolution No. R05 (15R – 05) (the "Confirmatory Resolution") approved on April 27, 2015, the Common Council of the City of Hammond, Indiana (the "City") designated and established a certain area located within the City as an economic revitalization area (an "ERA"); and

WHEREAS, The Declaratory Resolution remains in full force and effect; and

WHEREAS, FJ Building of Indiana, LLC (d.b.a. American Stair Corporation, the "Company") filed with the City a **Statements of Benefits Real Property Improvements (FORM SB-1/VBD)** dated **March 18, 2015** proposing the occupation and use of an eligible and qualified vacant building as defined pursuant to Section 1(17) of the Act for the purpose of the production, manufacture and storage of metal stairs and railings and for immediate occupation of the structure located at 3520 Calumet Avenue upon approval of economic development incentives by the City, but no later than February 28, 2016 for the March 1, 2016 assessment date; and

WHEREAS, A Statements of Benefits Real Property (FORM SB-1/VBD) was submitted to the Common Council as the designating body before and prior to the occupation, construction, renovation, redevelopment, rehabilitation or installation of real property improvements related to the Project for which the Company desires to request an assessed valuation deduction; and

WHEREAS, The Company's facility located at located at 3520 Calumet Avenue in the City (real property key number 45-02-24-277-001.000-023) is within the boundaries of a duly designated ERA, and therefore the Common Council may make a determination pursuant to Section 4.8(b) and (e) of the Act based upon the evidence as to whether Company shall be allowed an assessed valuation deduction of an eligible vacant building.

NOW, THEREFORE, BE IT RESOLVED that the actions of the Common Council of the City of Hammond, Indiana are based upon the evidence as presented by the Company after review of the Statement of Benefits (FORM SB-1/VBD) as well as other pertinent information provided by the Department of Planning and Development and the Mayor's Office of Economic Development including the following findings pursuant to Section 3(e) of the Act, such that:

(1) The Project and the estimates and expectations contained in the FORM SB-1/VBD are reasonable for a project of its nature; and

(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 and the occupation of the eligible vacant building; and

(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 the occupation of the eligible vacant building; and

(4) The occupation of the eligible vacant building will increase the tax base of the City and assist in the redevelopment, rehabilitation and development of the ERA; and

(5) 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 located at located at 3520 Calumet Avenue in the City (real property key number 45-02-24-277-001.000-023) is currently zoned for industrial purposes (I-2, Industrial Manufacturing District).

BE IT FURTHER RESOLVED that the Company has proposed the occupation and use of an eligible and qualified vacant building as defined pursuant to Section 1(17) of the Act located at located at 3520 Calumet Avenue in the City for the purpose of the production, manufacture and storage of metal stairs and railings as a light industrial use in the City, consistent with current zoning district requirements, restrictions and regulations.

BE IT FURTHER RESOLVED that the Company's facility located at located at 3520 Calumet Avenue in the City (real property key number 45-02-24-277-001.000-023) was unoccupied for at least one (1) year before the Company purchased said real property for proposed occupation of the eligible vacant building.

BE IT FURTHER RESOLVED that the Common Council has determined that the Project is not currently located within a designated allocation area of the Hammond Redevelopment District.

BE IT FURTHER RESOLVED that the Common Council hereby grants an assessed valuation deduction (Tax Abatement) of an eligible vacant building for a period of **ten (10) years** to **FJ Building of Indiana, LLC** (d.b.a. American Stair Corporation") in accordance with Section 4.8(f), (g) and (h) and Section17(b) of the Act as it relates to the Project.

BE IT FURTHER RESOLVED that the Common Council hereby grants an assessed valuation deduction (Tax Abatement) from qualified tangible real property with an abatement schedule provided below pursuant Section17(b) of the Act consistent with the above abatement period as it relates to the Project.

Approved Abatement Schedule:				
Year One (1): March 1, 2016	**100%**		**Year Six** (6): March 1, 2021	**100%**
Year Two (2): March 1, 2017	**100%**		**Year Seven** (7): March 1, 2022	**100%**
Year Three (3); March 1, 2018	**100%**		**Year Eight** (8): March 1, 2023	**100%**
Year Four (4): March 1, 2019	**100%**		**Year Nine** (9): March 1, 2024	**100%**
Year Five (5): March 1, 2020	**100%**		**Year Ten** (10): March 1, 2025	**100%**

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 Lake County assessing agency, review board or State of Indiana agency consistent with Section 4.8(h).

BE IT FURTHER RESOLVED that having received the consent of the Company and in accordance with Section14(b) of the Act, a copy of which is attached hereto as **EXHIBIT A** and is made a part hereof as incorporated herein, and pursuant to Section 14 of the Act for each year the Company's tangible real property tax liability of an eligible vacant building is reduced by an assessed valuation deduction related specifically to the Project, the Company shall pay to the Lake County Treasurer a fee in the amount computed and determined by the Lake County Auditor pursuant to the provisions of Section 14(c) of the Act (the "Imposed Fee") such that:

(1) The Common Council hereby determines that **fifteen percent (15%)** shall be the percentage to be applied by the Lake County Auditor for purposes of STEP TWO of Section 14(c) of the Act;

(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 tangible real property tax savings of an eligible vacant building attributable to a deduction from the assessed valuation as a result of the Project); and

(3) The Imposed Fee as collected shall be distributed to the **City of Hammond 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 Clerk of the City pursuant to Section 4.8(g) of the Act is hereby directed to file with the Office of the Lake 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/VBD, 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/VBD.

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.

See Signature Page

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CITY OF HAMMOND, INDIANA COMMON COUNCIL

_____
Michael Opinker, President /s/
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 to the Mayor of said City for his approval on the 28th day of April, 2015.

_____
Robert J. Golec, City Clerk /s/

The foregoing Resolution No. R09 consisting of 4 typewritten pages, including this page was approved by the Mayor on the 29th day of April, 2015.

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

PASSED by the City of Hammond Common Council on the 27th day of April, 2015 and approved by the Mayor on the 29th day of April, 2015.

_____
Robert J. Golec, City Clerk /s/