

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

SPONSOR(S): _____
Councilman Dan Spitale

RESOLUTION NO.: **R04**

A RESOLUTION OF THE HAMMOND CITY COUNCIL APPROVING THE APPLICATION OF EZ DEDUCTIONS TO REAL OR PERSONAL PROPERTY OF PARTICIPATING BUSINESSES LOCATED WITHIN THE HAMMOND ENTERPRISE ZONE THAT ARE ALSO LOCATED WITHIN DESIGNATED ALLOCATION AREAS AS IT APPLIES TO THE JANUARY 1, 2018 ASSESSMENT DATE FOR TAXES PAYABLE IN 2019

- WHEREAS,** The Common Council of the City of Hammond, Indiana (the "Common Council") has a continuing interest in the economic and development of the City of Hammond, Indiana (the "City") and its residents; and
- WHEREAS,** The Hammond Urban Enterprise Association, Inc. (the "HUEA") administers and manages the Hammond Enterprise Zone Program which is governed by Indiana Code 5-28-15 (the "Act") as initially established on January 1, 1985, re-designated on January 1, 2005 and then again re-designated on January 1, 2015 (pursuant to Resolution No. 14R-28 approved on October 27, 2014 as the "2014 Re-Designation Resolution") for a five-year period ending December 31, 2019, pursuant to Section 10(c) and (d) of the Act; and
- WHEREAS,** The Common Council approved resolution 18R-43 (the 2018 Re-Designation Resolution") on December 10, 2018 that gave all administrative and oversight powers to the UEA that was originally granted to the Indiana Economic Development Corporation ("IEDC") and extended the sunset date of the Hammond Enterprise Zone Program an additional five years for a period ending December 31, 2024, and
- WHEREAS,** The Common Council pursuant to the 2018 Re-Designation Resolution supports the Indiana Enterprise Zone Program under the UEA as well as the goals and objectives of the HUEA, and
- WHEREAS,** Pursuant to Indiana Code 6-1.1-45-9(a), a participating business that makes a qualified investment in the Hammond Enterprise Zone (the "Zone") and that submits a complete and timely FORM EZ-2 to the Office of the Lake County Auditor is qualified and entitled to an EZ Deduction upon verification of said qualified investments; and
- WHEREAS,** The Common Council pursuant to the 2018 Re-Designation Resolution acknowledges that the HUEA is self-funded through a thirty-six percent (36%) local compliance fee (the "Participation Fee") of realized tax saving as a result of an EZ Deduction applied by the Lake County Auditor based upon the submission of timely a FORM EZ-2 by enterprise zone program participating business for a deduction of a qualified investment in real and/or personal property for which said Participation Fees, in total, are utilized by the HUEA to further development, redevelopment,

rehabilitation and the implementation of programs for the enhancement of opportunities for Zone residents and the quality of life of the Zone, and

WHEREAS, Pursuant to Indiana Code 6-1.1-45-9(d)(3), if said participating business's qualified investment is also located within a designated allocation area for the purposes of tax increment financing under Indiana Code 36-7-14, the legislative body of the unit that established the Hammond Department of Redevelopment, being the Common Council, must approve the application of an EZ Deduction (FORM EZ-2) to the Office of the Lake County Auditor for the purpose to ensure that any EZ Deductions applied does not impact the Hammond Redevelopment Commission's (the "Commission's) ability to make payment on outstanding obligations (leases, bonds or pay-as-you-go projects) from pledges of tax increment generated in a designated allocation area; and

WHEREAS, The Commission, with the assistance of the HUEA, has identified each participating business and its qualified investment in the Zone that is also located within a designated allocation area for which a FORM EZ-2 has been completed and timely submitted in order to determine if said EZ Deduction, if applied by the Office of the Lake County Auditor, would impact the Commission's ability to make payment on outstanding obligations for which a list of said participating businesses to be applied to the January 1, 2018 assessment date for taxes payable in 2019 have been attached at **EXHIBIT A**; and

WHEREAS, The Commission: (i) determined that the application of said EZ Deductions to real or personal property of participating businesses as located within the Zone that are also located within designated allocation areas, identified in **EXHIBIT A**, do not impact the Commission's ability to make payment on outstanding obligations, and (ii) approved a letter of the Commission as attached hereto as **EXHIBIT B** to be submitted to the City Council recommending the approval of **EXHIBIT A** for submission to the Lake County, Auditor as it applies to the January 1, 2018 assessment date for taxes payable in 2019; and

WHEREAS, The Common Council now desires to take action on **EXHIBIT A** pursuant to Indiana Code 6-1.1-45-9(d)(3).

NOW, THEREFORE, BE IT RESOLVED, by the Common Council of the City of Hammond, Indiana, that the application of said EZ Deductions to real or personal property of participating businesses as located within the Zone which are also located within designated allocation areas, as identified in **EXHIBIT A**, are hereby approved in entirety for application to the January 1, 2018 assessment date for taxes payable in 2019.

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.

BE IT FURTHER RESOLVED that this Resolution upon execution be submitted to the Office of the Lake County Auditor as its approval.

HAMMOND COMMON COUNCIL

Robert A. Markovich, 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 12th day of February, 2019.

Robert J. Golec, City Clerk /s/

The foregoing Resolution No. R04 consisting of five (3) typewritten pages, including this page was approved by the Mayor on the 12th day of February, 2019.

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

PASSED by the City of Hammond Common Council on the 11th day of February, 2019 and approved by the Mayor on the 12th day of February, 2019.

Robert J. Golec, City Clerk /s/