

RESOLUTION NO.: R10

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 QUALIFIED TANGIBLE REAL PROPERTY 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/RE)** dated **March 19, 2015** proposing real property improvements, more specifically related to the occupation, redevelopment and rehabilitation of vacant building located at 3520 Calumet Avenue (including, but not limited to, the renovation of the structure to insure structural integrity for the purpose of the production, manufacture and storage of metal stairs and railings and the build out of office space for professional, managerial and administrative staff), anticipated to cost \$1,030,000 (the “Project”) and estimated to be completed by or on February 28, 2016 for the March 1, 2016 assessment date; and
- WHEREAS,** A Statements of Benefits Real Property (FORM SB-1/RE) was submitted to the Common Council as the designating body before and prior to the 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 3(b) of the Act based upon the evidence as to whether Company shall be allowed an assessed valuation deduction of qualified real property improvements.

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/RE) 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(b) of the Act, such that:

- (1) The Project and the estimates and expectations contained in the FORM SB-1/RE are 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 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 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 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) from qualified tangible real property for a period of **ten (10) years** to **FJ Building of Indiana, LLC** (d.b.a. American Stair Corporation”) in accordance with Section 3(c) and Section 17(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 Section 17(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.

BE IT FURTHER RESOLVED that having received the consent of the Company and in accordance with Section 14(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 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; and

- (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 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 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/RE, 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/RE.

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. R10 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/