

# 22R-07

**PETITIONER(S):** \_\_\_\_\_  
Department of Planning & Development  
Mayor's Office of Economic Development

**SPONSOR(S):**  
Council Member: Pete Torres, District 2  
Council Member: Janet Venecz, At-Large

## RESOLUTION NO.: 22R. - 07

### AN RESOLUTION OF THE HAMMOND CITY COUNCIL GRANTING PLAZA LLC 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. 22R.-04 (the "Declaratory Resolution") approved on March 14, 2022, as confirmed by Resolution No. 22R.- 06 (the "Confirmatory Resolution") approved on March 28, 2022; the Common Council designated and established a certain area located within the City as an economic revitalization area, the ATG/Rimbach Economic Revitalization Area (the "ATG/Rimbach ERA"); and
- WHEREAS,** The Declaratory Resolution and Confirmatory Resolution remain in full force and effect; and
- WHEREAS,** Pursuant to City of Hammond, Indiana ("City") Common Council Ordinance (the "Common Council") No. 22-14 as approved on April 11, 2022, the Common Council as the designating body designated a certain area with it jurisdiction as the ATG/Rimbach Economic Development Target Area (the "ATG/Rimbach EDTA") pursuant to a resolution making a favorable recommendation of the Hammond Economic Development Commission (Resolution No. 2022-01 approved on March 21,2022); and
- WHEREAS,** Plaza Square LLC (the "Company") filed with the Mayor's Office of Economic Development and the City a **Statements of Benefits Real Property Improvements (FORM SB-1/RE)** dated **March 11, 2022**, a copy of which is attached hereto as **EXHIBIT A** and is made a part hereof as incorporated herein, proposing real property improvements, more specifically related to the construction, development and occupation of six (6) multi-use structures consisting of 166,000 square feet for the purpose of 206 residential units together with retail, office and similar ancillary amenities, anticipated to cost \$24,000,000 (the "Project") and estimated to be completed by the April 31, 2025 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 Project located at located at 5236 Hohman Avenue in the City pursuant to the Project site identified in a Development Agreement between the City of Hammond, Indiana Redevelopment Commission and the Company dated March 1, 2022 ("Development Agreement") is within the boundaries of the duly designated ATG/Rimbach EDTA and the ATG/Rimbach 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), the Development Agreement 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 currently located within a designated allocation area of the Hammond Redevelopment District, the Downtown No. 1 Urban Renewal Area.

**BE IT FURTHER RESOLVED** the Common Council has determined that the Project 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.

**BE IT FURTHER RESOLVED** that Common Council has determined and discloses pursuant to and in accordance with Section 2(l) of the Act that the Project is located in 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.

**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 **Plaza Square LLC** 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 and the Development Agreement.

**Approved Abatement Schedule, pursuant to I.C. 6-1.1-12.1-17(b)**

*NOTE: Assessment Dates are anticipated based upon the FORM SB-1/Real. Year One of the Abatement Period shall be the first Assessment Date preceding the date of full (100%) assessment, which may vary from the Assessment Dates identified below.*

<b>Year One (1):</b> January 1, 2025	<b>100%</b>		<b>Year Six (6):</b> January 1, 2030	<b>100%</b>
<b>Year Two (2):</b> January 1, 2026	<b>100%</b>		<b>Year Seven (7):</b> January 1, 2031	<b>100%</b>
<b>Year Three (3):</b> January 1, 2027	<b>100%</b>		<b>Year Eight (8):</b> January 1, 2032	<b>100%</b>
<b>Year Four (4):</b> January 1, 2028	<b>100%</b>		<b>Year Nine (9):</b> January 1, 2033	<b>100%</b>

Year Five (5): January 1, 2029	100%	Year Ten (10): January 1, 2034	100%
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**BE IT FURTHER RESOLVED** that the calculation and determination of the amount of assessed valuation deduction of the Project for tangible real property shall be based upon the Project investment estimated to be \$24,000,000 of cost AND limited to first year of full assessment of new improvements, anticipated to be January 1, 2025.

**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, Indiana assessing agency, review board or State of Indiana agency.

**BE IT FURTHER RESOLVED** that the Clerk of the City or an authorized City representative is hereby directed to file with the Office of the Lake County, Indiana 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**  
*[Remainder of Page Intentionally Left Blank]*

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AN ASSESSED VALUATION DEDUCTION (TAX ABATEMENT) FOR QUALIFIED TANGIBLE REAL PROPERTY  
PURSUANT TO INDIANA CODE 6-1.1-12.1

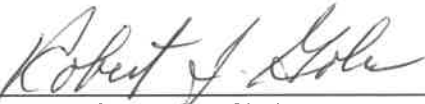
SIGNATURE PAGE

CITY OF HAMMOND, INDIANA COMMON COUNCIL



Dave Woerpel, President

ATTEST:



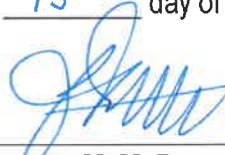
Robert J. Golec, City Clerk  
City of Hammond, Indiana.

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 April, 2022.



Robert J. Golec, City Clerk

The foregoing Resolution No. R07 consisting of (5) 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 City of Hammond Common Council on the 11th day of April, 2022  
and Approved by the Mayor on the 13<sup>th</sup> day of April, 2022.



Robert J. Golec, City Clerk

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**A RESOLUTION OF THE HAMMOND CITY COUNCIL GRANTING PLAZA LLC  
AN ASSESSED VALUATION DEDUCTION (TAX ABATEMENT) FOR QUALIFIED TANGIBLE REAL PROPERTY  
PURSUANT TO INDIANA CODE 6-1.1-12.1**

**EXHIBIT A**

Statements of Benefits Real Property Improvements (FORM SB-1/RE):  
Plaza Square LLC dated March 11, 2022

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**STATEMENT OF BENEFITS  
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R7 / 1-21)  
Prescribed by the Department of Local Government Finance

20 25 PAY 20 26

FORM SB-1 / Real Property

**PRIVACY NOTICE**

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
- Residentially distressed area (IC 6-1.1-12.1-4.1)

**INSTRUCTIONS:**

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise, this statement must be submitted to the designating body **BEFORE** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
3. To obtain a deduction, a Form 322/RE must be filed with the county auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between January 1 and May 10 of a subsequent year.
4. A property owner who files for the deduction must provide the county auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
5. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/Real Property that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. IC 6-1.1-12.1-17

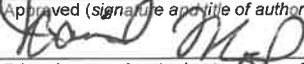

SECTION 1 TAXPAYER INFORMATION					
Name of taxpayer <b>Plaza Square LLC</b>					
Address of taxpayer (number and street, city, state, and ZIP code) <b>2901 Carlson Dr</b>					
Name of contact person <b>Eric T Gastevich</b>		Telephone number <b>( 219 ) 844.2929</b>		E-mail address <b>egastevich@atgred.com</b>	
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body <b>Plaza Square LLC</b>					Resolution number
Location of property <b>5236 Hohman Avenue, Hammond, IN 46320</b>		County <b>Lake</b>		DLGF taxing district number	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) construction and development of six residential apartment buildings totaling approximately 166,000 square feet and containing approximately 206 rental units, together with retail, office and similar amenities				Estimated start date (month, day, year) <b>10/1/2022</b>	
				Estimated completion date (month, day, year) <b>4/31/2025</b>	
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current Number	Salaries	Number Retained	Salaries	Number Additional	Salaries
		<b>0.00</b>		<b>5.00</b>	<b>\$250,000.00</b>
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
			REAL ESTATE IMPROVEMENTS		
			COST	ASSESSED VALUE	
Current values			350,000.00	667,800.00	
Plus estimated values of proposed project			24,000,000.00		
Less values of any property being replaced					
Net estimated values upon completion of project			24,350,000.00		
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER					
Estimated solid waste converted (pounds) <u><b>N/A</b></u>			Estimated hazardous waste converted (pounds) <u><b>N/A</b></u>		
Other benefits					
SECTION 6 TAXPAYER CERTIFICATION					
I hereby certify that the representations in this statement are true.					
Signature of authorized representative 				Date signed (month, day, year) <b>3/11/22</b>	
Printed name of authorized representative <b>Eric T Gastevich</b>				Title <b>Principal</b>	

**FOR USE OF THE DESIGNATING BODY**

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

- A. The designated area has been limited to a period of time not to exceed 10 calendar years\* (see below). The date this designation expires is April 11, 2032.
- B. The type of deduction that is allowed in the designated area is limited to:  
 1. Redevelopment or rehabilitation of real estate improvements  Yes  No  
 2. Residentially distressed areas  Yes  No
- C. The amount of the deduction applicable is limited to \$ \$24,000,000 (Improvement Cost).
- D. Other limitations or conditions (specify) Limitation of Deduction based upon the Project investment estimated to be \$24,000,000 of cost AND limited to first year of full assessment of new improvements.
- E. Number of years allowed:  Year 1  Year 2  Year 3  Year 4  Year 5 (\* see below)  
 Year 6  Year 7  Year 8  Year 9  Year 10
- F. For a statement of benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?  
 Yes  No  
 If yes, attach a copy of the abatement schedule to this form.  
 If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

We have also reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved (signature and title of authorized member of designating body) 	Telephone number ( 219 ) 853-6404	Date signed (month, day, year) April 11, 2022
Printed name of authorized member of designating body <b>Dave Woerpel, President</b>	Name of designating body <b>Hammond Common Council</b>	
Attested by (signature and title of attester) 	Printed name of attester <b>Robert J. Golec, City Clerk</b>	

\* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

- A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4.1 remain in effect. The deduction period may not exceed five (5) years. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. The deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)
- B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. (See IC 6-1.1-12.1-17 below.)

**IC 6-1.1-12.1-17**

**Abatement schedules**

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
  - (2) The number of new full-time equivalent jobs created.
  - (3) The average wage of the new employees compared to the state minimum wage.
  - (4) The infrastructure requirements for the taxpayer's investment.
- (b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.
- (c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.