

FILED

OCT 04 2022

CITY CLERK

RESOLUTION 7 2022

A CONFIRMING RESOLUTION designating an "Economic Revitalization Area" and approving a waiver of non-compliance under IC 6-1.1-12 for property commonly known as 1800 3rd Street, Terre Haute, Indiana 47802

WHEREAS, said project will create 20 full-time, permanent jobs for a total additional annual payroll of \$1,200,000.00, with the average additional annual job salary being \$60,000.00 and

WHEREAS, the total project cost is \$2,300,000 and

WHEREAS, IC 6-1.1-12.1-11.3 permits non-compliance events such as the untimely filing of an application, statement of benefits, or another document required to be filed under IC 6-1.1-12.1; and

WHEREAS, the Common Council acknowledges that KP Properties LLC has requested a waiver of non-compliance, which the Common Council has the power and authority to approve under IC 6-1.1-12.1-11.3; and

WHEREAS, Common Council finds that KP Properties LLC did not comply with IC 6-1.1-12.1 by

(a) failing to provide the completed statement of benefits forms to the Common Council before the public hearing.

(b) failing to submit the completed statement of benefits form to the Common Council before initiation of redevelopment or rehabilitation,

(c) failing to file a petition, property tax application and final action.

WHEREAS, notice of the adoption and substance of said Resolution has been published in accordance with IC 6-1.1-12.1-11.3(c) and IC 5-3-1, and a public hearing has been conducted on said Resolution and waiver

WHEREAS, a representative of KP Properties LLC was in attendance and presented testimony on why a waiver should be granted, and

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF TERRE HAUTE HAUTE, INDIANA:

SECTION 1. That Common Council hereby adopts a waiver of non-compliance under IC 6-1.1-12.1-11.3 regarding:

(a) failure to provide the completed statement of benefits forms to the common council before the public hearing.

(b) failure to submit the completed statement of benefits form to the common council before initiation of redevelopment or rehabilitation, and for which KP Properties LLC desires to claim an Economic Revitalization Area deduction.

(c) failure to provide a property tax application, Petition, Resolution and Final action before initiation of redevelopment or rehabilitation, and for which KP Properties LLC desires to claim an Economic Revitalization Area deduction.

SECTION 3. That, the hereinabove described property is hereby declared an "Economic Revitalization Area" pursuant to IC 6-1.1-12.1, said designation to begin on the effective date of this Resolution and shall terminate on after ten (10) years.

SECTION 4. That said designation of the hereinabove described property as an "Economic Revitalization Area" shall apply to both a deduction of the assessed value of real estate improvements made between June 1, 2021, and March 31, 2022.

SECTION 5. That, the estimate of the number of individuals that will be employed or whose employment will be retained and the estimate of the annual salaries of those individuals, and the estimate of redevelopment or rehabilitation, all contained in Petitioner's Statement of Benefits, are reasonable and are benefits that can be reasonably expected to result from the described renovations.

SECTION 7. That, pursuant to IC 6-1.1-12.1, it is hereby determined that the deduction from the assessed value of the real property shall be for a period of ten years.

SECTION 8. The deduction schedule from the assessed value of the real property pursuant to IC 6-1.1-12.1-17 shall look like this.

	Abatement Percentage	Property Taxes	Circuit Breaker Breaker Tax Credit	Net Property Taxes	Property Taxes	Circuit Breaker Tax Credit	Net Property Taxes	Estimated Tax Abatement Savings
Year 1	100%	\$ 0.00	\$ 0.00	\$ 0.00	\$103,385.00	(\$34,385.00)	\$69,000.00	\$69,000.00
Year 2	95%	\$ 5,169.00	\$ 0.00	\$ 5,169.00	\$103,385.00	(\$34,385.00)	\$69,000.00	\$63,831.00
Year 3	80%	\$ 20,677.00	\$ 0.00	\$20,677.00	\$103,385.00	(\$34,385.00)	\$69,000.00	\$48,323.00
Year 4	65%	\$ 36,185.00	\$ 0.00	\$36,185.00	\$103,385.00	(\$34,385.00)	\$69,000.00	\$32,815.00
Year 5	50%	\$ 51,693.00	\$ 0.00	\$51,693.00	\$103,385.00	(\$34,385.00)	\$69,000.00	\$17,307.00
Year 6	40%	\$ 62,031.00	\$ 0.00	\$62,031.00	\$103,385.00	(\$34,385.00)	\$69,000.00	\$ 6,969.00
Year 7	30%	\$ 72,370.00	(\$ 3,370.00)	\$69,000.00	\$103,385.00	(\$34,385.00)	\$69,000.00	\$ 0.00
Year 8	20%	\$ 82,708.00	(\$13,708.00)	\$69,000.00	\$103,385.00	(\$34,385.00)	\$69,000.00	\$ 0.00
Year 9	10%	\$ 93,047.00	(\$24,047.00)	\$69,000.00	\$103,385.00	(\$34,385.00)	\$69,000.00	\$ 0.00
Year 10	5%	\$ 98,216.00	(\$29,216.00)	\$69,000.00	\$103,385.00	(\$34,385.00)	\$69,000.00	\$ 0.00
Totals		\$522,096.00	(\$70,341.00)	\$451,755.00	\$1,033,850.00	(\$343,850.00)	\$690,000.00	\$238,245.00

SECTION 9. That the benefits described in the Petitioner's Statement of Benefits can be reasonably expected to result from the project and are sufficient to justify the applicable deductions.

SECTION 10. For real property, a deduction application must contain a performance report showing the extent to which there has been compliance with the Statement of Benefits form approved by the Common Council at the time of filing. This report must be submitted to the Vigo County's Auditor's Office and City of Terre Haute's Clerk's Office and must be included in the deduction

application. For subsequent years, the performance report must be updated each year for which the deduction applies.

SECTION 11. That the taxpayer is non-delinquent on any and all property tax due to jurisdictions within Vigo County, Indiana.

SECTION 12. That this Resolution shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

Presented by:

Cheryl Loudermilk, Councilperson

Passed in open Council this ____ day of _____, 2022.

Cheryl Loudermilk, President,
Common Council of the City of
Terre Haute, Indiana

ATTEST:

Michelle Edwards, City Clerk

Presented by me to the Mayor this ____ day of _____, 2022.

Michelle Edwards, City Clerk

Approved by me, the Mayor, this ____ day of _____, 2022.

Duke Bennett, Mayor
City of Terre Haute, Indiana

ATTEST:

Michelle Edwards, City Clerk

This instrument was prepared by Richard J. Shagley II, Attorney,
WRIGHT, SHAGLEY & LOWERY, 500 Ohio Street,
Terre Haute, Indiana 47807