

CITY CLERK

TERRE HAUTE CITY COUNCIL STATE OF INDIANA RESOLUTION NO. 6, 2016

A Resolution of the Common Council of the City of Terre Haute, Indiana, Designating an Area Within the City commonly known as 451 E. Margaret Drive, Terre Haute, IN 47802 and identified as Parcel No. 84-09-04-226-028.000-005, Lot 2 of C&N Properties - Subdivision II, being a 2.070 acre part of NE ¼ Sec 4, T11N, R9W, 2nd Principal Meridian, Honey Creek Township, Vigo County, Indiana, as shown by the recorded plat thereof, in Plat Record 28 Page 11 records of Recorder's Office, Vigo County, Indiana an Economic Revitalization Area for the Purpose of a Nine (9) Year Real Property Tax Abatement.

WHEREAS, a Petition for a nine (9) year real property tax abatement has been filed with the Common Council of the City of Terre Haute, Indiana requesting that the real property described therein be designated an Economic Revitalization Area for purposes of real property tax abatement;

WHEREAS, Gurukrupa Hospitality Inc. ("Petitioner") has submitted a Statement of Benefits and provided all information and documentation necessary for the Common Council of the City of Terre Haute, Indiana to make an informed decision, said information including a map of the aforesaid property as set forth in attached **Exhibit A** (which is hereby made a part hereof); and

WHEREAS, Petitioner has estimated that its investment in the described redevelopment or rehabilitation (the "Project") to be located at said real estate itself will create fourteen (14) new, permanent full-time jobs at an approximate average annual wage of \$16,190 and three (3) new, permanent part-time jobs at an approximate average annual wage of \$7,995, and assist in the maintenance of jobs lost from the demolition and downsizing of other neighboring Hotel properties;

WHEREAS, the Common Council of the City of Terre Haute, Indiana is authorized under the provisions of I.C. 6-1.1-12.1-1 et. seq. to designate areas of the City of Terre Haute, Indiana as economic revitalization areas for the purpose of tax abatement; and

WHEREAS, the Common Council of the City of Terre Haute, Indiana has

considered the Petition and Statement of Benefits and has conducted a complete and proper investigation of the subject property and neighborhood to determine that the area qualifies as an economic revitalization area under Indiana statutes; and

WHEREAS, the Common Council of the City of Terre Haute, Indiana has found the subject property to be an area within the boundaries of the City of Terre Haute, Indiana, which area has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property—and/or such is an area where facilities that are technologically, economically or energy obsolete, are located and where the obsolescence may lead to a decline in tax revenues;

WHEREAS, the real property abatement is a declining percentage of the increase in assessed value of the improvements based on the following time period and percentages as determined by the Common Council of the City of Terre Haute, Indiana:

Deduction	Year	 Tax Abated	·	Tax Paid
100%	1 st year	\$139,500	&	\$0
88%	2 nd year	\$122,760	&	\$16,740
77%	3 rd year	\$107,415	&	\$32,085
66%	4 th year	\$92,070	&	\$47,430
55%	5 th year	\$76,725	&	\$62,775
44%	6 th year	\$61,380	&	\$78,120
33%	7 th year	\$46,035	&	\$93,465
22%	8 th year	\$30,690	&	\$108,810
11%	9 th year	\$15,345	&	\$124,155

NOW, THEREFORE, IT IS FOUND, DETERMINED AND RESOLVED by the Common Council of the City of Terre Haute, Indiana that:

- 1. The Petitioner's estimate of the value of the Project to be built on the subject real property is reasonable for projects of that nature.
- 2. The Petitioner's estimate of the number of individuals who will be employed or whose employment will be retained, and the benefits realized thereby, can reasonably

be expected to result from the Project.

- 3. The Petitioner's estimate of the annual salaries or wages of the individuals who will be employed or retained, and the benefits realized thereby, can reasonably be expected to result from the Project.
- 4. The other benefits about which information has been requested can be expected to result from the Project.
- 5. The totality of the benefits of the Project are sufficient to justify a nine (9) year real property tax deduction from assessed valuation to result therefrom under Indiana statutes, and each and all of such deductions should be, and they are hereby, allowed.
- 6. The Petition for designating the subject property as an Economic Revitalization Area for the purposes of a nine (9) year real property tax abatement and the Statement of Benefits (copies of which were submitted with the Petition) are hereby approved and the real estate described hereinabove is hereby designated as an Economic Revitalization Area pursuant to I.C. 6-1.1-12.1-1 et. seq.
- 7. That notice hereof should be published according to law stating the adoption and substance hereof, that a copy of the description of the affected area is available for inspection in the County Assessor's Office, and stating a date on which the Council will hear and receive remonstrances and objections and take final action, all as required by law.
- 8. A copy of this Resolution, following its passage, shall be filed with the Vigo County Assessor as required by I.C. 6-1.1-12.1-2.5(c).

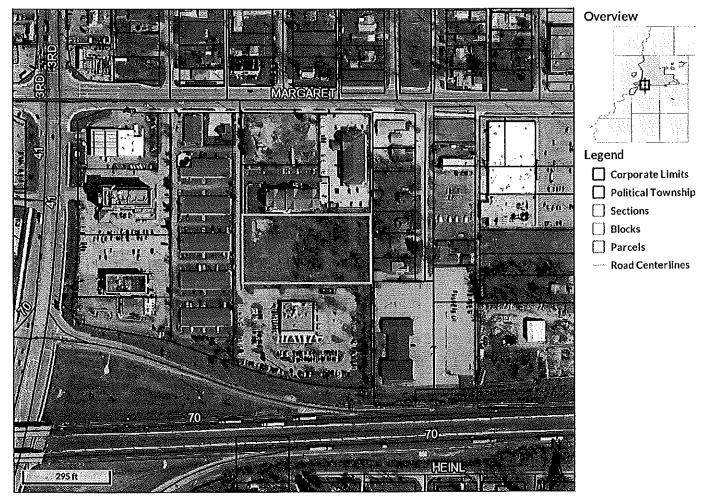
Introduced by:		
Amy Muler		
Amy Auler, Councilman		
Passed in open council this 12 th da	ay of May	<u>2016</u> .
	JAM	An
	Todd Wation	, City Council President
ATTEST: Muley Office Charles P. Hanley, City Cl	lerk	
Presented by me to the Mayor this	day of	, 2016.

Males PHZy G
Charles P. Hanley, City Clerk
Approved by me, the Mayor, this 131 day of MAY, , 2016.
Dhe a Barrett
Duke A. Bennett, Mayor
ATTEST: Charles P. Hanley, City Clerk

This instrument prepared by Heidi L. Slinkard, Attorney, Wilkinson, Goeller, Modesitt, Wilkinson & Drummy LLP 333 Ohio Street, Terre Haute, Indiana 47807 (812) 232-4311

EXHIBIT A

Beacon[™] Vigo County, IN / City of Terre Haute



Parcel ID Sec/Twp/Rng 84-09-04-226-028.000-005

Property Address MARGARET AVE

TERRE HAUTE

Alternate ID 119-09-04-226-028

Class Com Vacant land

Acreage 2.07

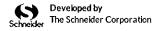
Owner Address C & N PROPERTIES INC P O BOX 1544

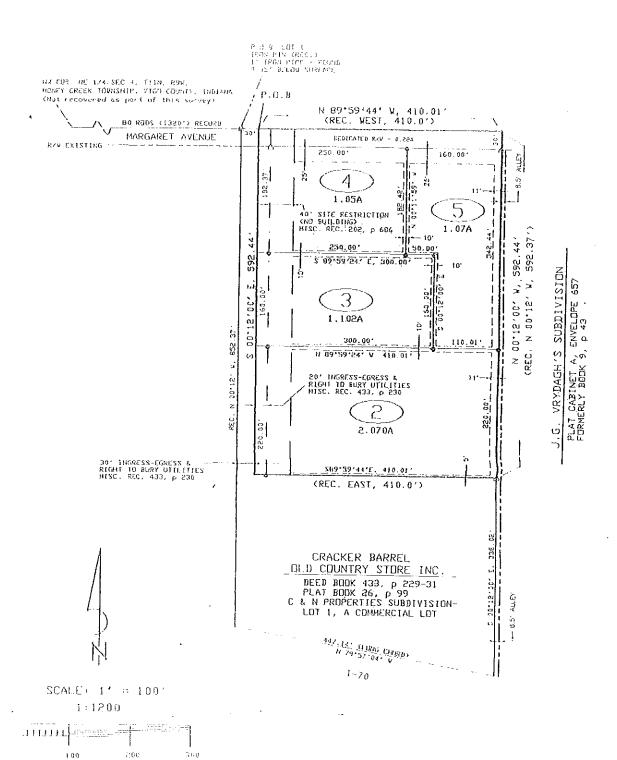
TERRE HAUTE, IN 47808

District 005 HONEY CREEK **Brief Tax Description** C & N PROPERTIES SUB II

MISC 209/1251 & PL-28/11 4-11-9 LOT 2 2.070 (Note: Not to be used on legal documents)

Date created: 4/11/2016





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GRAPHIC SCALE (FEET)

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Date of the Court of the Court

FINAL ACTION BY COMMON COUNCIL OF THE CITY OF TERRE HAUTE, INDIANA REGARDING RESOLUTION NO. 6, 2016

WHEREAS, the Common Council of the City of Terre Haute, Indiana adopted Resolution No. 6, 2016, on the 12-15 day of 15-15 day of 15-15

WHEREAS, the Common Council of the City of Terre Haute, Indiana has conducted the hearing as required by law and has received no remonstrance(s) or objection(s) to designation of the affected area as an economic revitalization area or to approval of the statement of benefits; and

WHEREAS, said matter is before the Common Council of the City of Terre Haute, Indiana for final action pursuant to Indiana law; and

WHEREAS, the Common Council of the City of Terre Haute, Indiana has received and examined, prior to such hearing, both a statement of benefits on the form prescribed by the State Board of Tax Commissioners and a proper application for designation and has heard all appropriate evidence concerning the proposed Project and has found and does find:

- 1. That the estimate of the cost of the proposed described redevelopment or rehabilitation is reasonable for projects of that type.
- 2. That the estimate of individuals who will be employed or whose employment will be retained as a result of the proposed described redevelopment or rehabilitation can reasonably be expected to result from the proposed described redevelopment or rehabilitation.
- 3. The estimate of annual salaries of those individuals who will be employed or whose employment will be retained can reasonably be expected to result from the proposed described redevelopment or rehabilitation.
- 4. That the benefits can reasonably be expected to result from the proposed described redevelopment or rehabilitation.

- 5. That the totality of benefits is sufficient to justify the real property tax deduction from assessed valuation to result therefrom in accordance with Indiana law, and that each and all such deductions should be and are hereby allowed.
- 6. That the such real property is located within an Economic Revitalization Area as required by Indiana Code 6-1.1-12.1-2 for the type of facility proposed by Petitioner.
- 7. That an area has become undesirable for, or impossible of, normal development and occupancy because of lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property.
- 8. That all qualifications for establishing an economic revitalization area have been met.
- 9. That the Petition for designating the subject property as an Economic Revitalization Area for the purposes of a nine (9) year real property improvement tax abatement and the Statement of Benefits (copies of which were submitted with the Petition) are hereby approved and the real estate described hereinabove is hereby designated as an Economic Revitalization Area pursuant to Indiana Code 6-1.1-12.1-1 et. seq.

NOW, THEREFORE, for final action on Resolution No. 6, 2016, the Common Council of the City of Terre Haute, Indiana, RESOLVES, FINDS AND DETERMINES:

- 1. That all of the requirements for designation of the real estate described in Resolution No. 6, 2016, as an Economic Revitalization Area have been met, the foregoing findings are true and that all information required to be submitted has been submitted in proper form.
- 2. That Resolution No. 6, 2016, is in all respects confirmed and approved (as modified to incorporate therein this final action) and that the benefits of the proposed redevelopment or rehabilitation are sufficient to justify a nine (9) year real property tax abatement under Indiana statutes for the proposed described redevelopment or rehabilitation described in the statement of benefits, and the deduction for the proposed described redevelopment or rehabilitation and the statement of benefits submitted are approved, and the Common Council of the City of Terre Haute, Indiana authorizes and directs the endorsement of said statement to show such approval and the real estate described in Resolution No. 6, 2016, is declared an economic revitalization area for the purposes of a nine (9) year real property tax abatement and the said real estate is hereby designated as an Economic Revitalization Area pursuant to I.C. 6-1.1-12.1-1 et seq.
- 3. That said Resolution supplements any other designation (if any) of the real estate as an Economic Revitalization Area.

shall be incorporated in and be a part of Resolution No. 6, 2016.
Amy Auler, Councilman
Passed in open council this
Todd Nation, City Council President
ATTEST: Charles P. Hanley, City Clerk
Presented by me to the Mayor this 9th day of June, 2016.
Charles P. Hanley, City Clerk
Approved by me, the Mayor, this day of, 2016.
Duke A. Bennett, Mayor
ATTEST: Charles P. Hanley, City Clerk

4. That this Final Action, findings and confirmation of Resolution No. 6, 2016,

This instrument prepared by Heidi L. Slinkard, Attorney, Wilkinson, Goeller, Modesitt, Wilkinson & Drummy LLP 333 Ohio Street, Terre Haute, Indiana 47807 (812) 232-4311

CITY OF TERRE HAUTE PETITION FOR REAL PROPERTY TAX ABATEMENT CONSIDERATION

The undersigned contingent future owner of real property located within the City of Terre Haute hereby petitions the Common Council of the City of Terre Haute for real property tax abatement consideration pursuant to I.C. 6-1.1-12.1-1, et seq. and for this Petition states the following:

1. The Project.

The Project proposed by Gurukrupa Hospitality Inc. will consist of the construction of a new 45,940 square foot, 4-story, LaQuinta Inns & Suites hotel which will contain an estimated 80 guestrooms, meeting space, breakfast serving area, fitness room, patio, indoor pool and hot tub, and approximately 115 parking spaces. The projected real property improvements and costs for the Project are estimated to total up to \$4,650,000, with additional personal property improvements as required to equip and furnish a new hotel of such quality estimated to total up to \$1,500,000. The site of the proposed Project is currently undeveloped, vacant land with no current use, improvements, or business operating onsite and a total assessed value of \$6,700.

The area surrounding the intersection of Highway 41 (3rd Street) and I-70 near the Project site has deteriorated during the past several years and the quality of hotels, restaurants, and other businesses have been in decline during much of that time due to the age of the facilities, character of occupancy, and an overall cessation of growth, with the lodging industry in the area suffering significantly. In fact, one of the hotels in that area was the victim of an armed robbery just this month, one motel was recently demolished after having suffered significant reputational harm due to the character of its occupancy, another hotel was downsized, and the Project site has been an undeveloped 2.070 acre tract of land for decades which, at times, has been subject to grass liens due to high and uncontrolled vegetation. Further, with the demolition of the EconoLodge and downsizing of the Holiday Inn, there are now significantly fewer rooms available (a loss of approximately 232 rooms) in this area and in a community which already suffered from 80-90 sell-outs per year prior to these recent room reductions but which also needs these rooms to support local tourism investment efforts now and into the future.

The Project is proposed in an area in close proximity to ISU, St. Mary of-the-Woods College and Ivy Tech, the newly constructed Terre Haute Aquatic Center, existing soccer, baseball, softball and tennis complexes, the mall and major shopping areas, and at a major crossroads within the state connecting Terre Haute with other communities. It lies in an area which could benefit from the addition of a new hotel to not only replace the hotel and motel rooms recently lost, but to also provide newly constructed and furnished accommodations which will attract guests for nearby leisure, sporting and academic activities and entice groups to host such events in our community. Further, the Project would add Innkeeper's Tax revenue for the nightly stays, payroll tax revenue associated with the furnishings needed

to finish the Project, significant water and sewer fee revenue from the facility, sales tax revenue from the patrons staying overnight and employees working in that area, and (potentially) added food and beverage tax revenue if such laws pass.

The Project location has not been developed and instead has been a vacant, undeveloped lot covered in vegetation among the remaining hotels and restaurants and near the recently demolished motel. The addition of a new LaQuinta Inns & Suites hotel on this previously undeveloped land could serve as a springboard for further revitalization of the area hotels, restaurants and shopping. Not only will the Project develop a currently undeveloped 2.070 acre tract of land (thereby providing a welcome facelift for the Project site and the surrounding area which is currently marked by deterioration and demolition), it will also increase its property value nearly 700 times over which will undoubtedly increase surrounding property values (and property tax revenue for the City).

The addition of this Project will expand the local room count and generate growth and job security for those already employed in the hotel industry and for those who have or will lose their jobs due to the demolition and renovation of nearby lodging facilities, all while also creating more business for nearby restaurants and shopping, and tax revenue as set forth above.

The Project site has remained undeveloped due to a lack of economic incentives available for commercial developers to assume the financial risk associated with such costly, long-term projects which satisfy an ancillary, yet vital, need to adequately support tourism and community development projects (even though the local community has already undertaken and invested significant funds in such tourism and community development projects with the expectation that necessary ancillary services and facilities such as this Project would also develop to support those investments in our community). Unfortunately, the high initial costs associated with the Project and long-term recovery of the same is why a real property tax abatement is necessary for execution of such a Project and is also why prior unsuccessful tax abatement petitioners have not executed projects on this site upon the denial of their tax abatement petitions.

2. Jobs.

The Project itself is estimated to bring to Terre Haute seventeen (17) permanent jobs within the two years following completion of the Project, representing fourteen (14) full-time and three (3) part-time jobs with a new annual payroll estimated to be approximately \$250,643 (\$226,658 full-time payroll and \$23,985 part-time payroll) which may also result in the retention of existing jobs lost or soon-to-be lost due to the demolition and downsizing of other nearby facilities.

3. Property Value of Project Improvements.

The estimated dollar value of the Project real property improvements is \$4,650,000.00.

4. Ownership and Current Use.

(a) The real property for which tax abatement consideration is petitioned (Property) is subject to a conditional purchase agreement based on successful zoning and tax abatement under which the Property will ultimately be owned by the following Indiana corporation:

NAME
Gurukrupa Hospitality Inc.
(Individual Contact: Mr. Purang "Pete" Patel)

ADDRESS
5837 Clubhouse Land, Terre Haute, IN 47802
100%

(b) Currently, there is no business operation at the Property as it is vacant and undeveloped land covered with vegetation which has been in its current state for several years.

5. Property Location.

The commonly known address of the Property is estimated to be 451 E. Margaret Drive, Terre Haute, IN 47802, identified as Parcel No. 84-09-04-226-028.000-005, Lot 2 of C&N Properties - Subdivision II, being a 2.070 acre part of NE ¼ Sec 4, T11N, R9W, 2nd Principal Meridian, Honey Creek Township, Vigo County, Indiana, as shown by the recorded plat thereof, in Plat Record 28 Page 11 records of Recorder's Office, Vigo County, Indiana. The property is immediately north of 429 E. Margaret Drive (the Cracker Barrel Old Country Store restaurant), east of 401 E. Margaret Drive (the demolished EconoLodge) and south of 475 E. Margaret Avenue (the current Fairfield Inn & Suites).

6. Map of Property.

A map designating the Property is attached hereto, marked **Exhibit A** and incorporated herein.

7. Current Assessed Value and Improvements.

The last assessment of the value of the improvements on the Property is zero as there are no improvements located thereon. The last assessment of the value of the Property's land is \$6700.

8. Photographs.

Photographs of the Property, taken within two (2) weeks of filing of this Petition, are attached hereto, marked **Exhibit B** and incorporated herein.

9. Future Assessed Value of the Project on the Property.

The best estimate of the after-rehabilitation market value of the Property is \$4,656,700 (\$6,700 assessed value of the land <u>and</u> \$4,650,000 for the new improvements/building).

10. Tax Abatement.

Petitioner seeks a nine (9) year real property tax abatement for the reasons set forth herein. The best estimate of the amount of taxes to be abated during each of the first nine (9) years after rehabilitation is as follows:

Tax rate for Terre Haute – Honey Creek Township is estimated to be 4.0956% with a property tax cap of 3%.

Assumed Assessed Value of Improvement: \$4,650,000

Annual Tax without Abatement: \$139,500

Deduction	Year		Tax Abated		Tax <u>Paid</u>
40004	4 st		****	•	*
100%	1 st year	=	\$139,500	&	\$0
88%	2 nd year	=	\$122,760	&	\$16,740
77%	3 rd year	=	\$107,415	&	\$32,085
66%	4 th year	=	\$92,070	&	\$47,430
55%	5 th year	=	\$76,725	&	\$62,775
44%	6 th year	=	\$61,380	&	\$78,120
33%	7 th year	=	\$46,035	&	\$93,465
22%	8 th year	=	\$30,690	&	\$108,810
11%	9 th year	=	\$15,345	&	\$124,155

It is estimated that \$563,580 of additional real estate tax will be paid over the course of the abatement period as compared to the \$2000 resulting from the estimated \$200 annual tax paid on the undeveloped land in its current state.

The franchise agreement which is contingent on successful tax abatement is a 20 year contract. If a nine year tax abatement is granted, then the City would also receive at least 11 more years of 100% taxes paid on the improved land (approximately \$1,534,500 more). This 20 year total additional tax paid reaches \$2,098,080 for the Project, as opposed to the 20 year total tax of \$4000 if the site remains vacant.

11. Building Permits.

No building permit has been issued for construction on the Property in connection with the improvement in question as of the date of filing of this Petition. The signature below is verification of this statement.

12. Public Financing.

Other anticipated public financing for the Project (including, if any, industrial revenue bonding to be sought or already authorized, assistance through the United States Department of Housing and Urban Development funds from the City of Terre Haute or other public financial assistance: None.

13. Current Use; Allocation Area.

- (a) The current use of the Property is vacant, undeveloped land. The current zoning is: C-3, Regional Commercial.
 - (b) The Property is not located in any Allocation Area.

14. Agreement Terms.

Petitioner agrees to enter into an Agreement with the Board of Public Works for the City of Terre Haute, Indiana, in substantially the same form as is attached hereto and made a part hereof as **Exhibit C** and further Petitioner agrees to comply with Special Ordinance 2, 2009 (which replaced Special Ordinance 43, 2000).

15. Contacts; Notice.

The following persons should be contacted as the Petitioner's agent regarding additional information and public hearing notifications:

Name:

Heidi L. Slinkard

Purang "Pete" Patel

Attorney at Law

Gurukrupa Hospitality Inc.

Address:

333 Ohio Street Terre Haute, IN 47807 5837 Clubhouse Lane

City, State, Zip:

(0.40) 0.00 40.44

Terre Haute, IN 47802

Telephone:

(812) 232-4311

(812) 878-3990

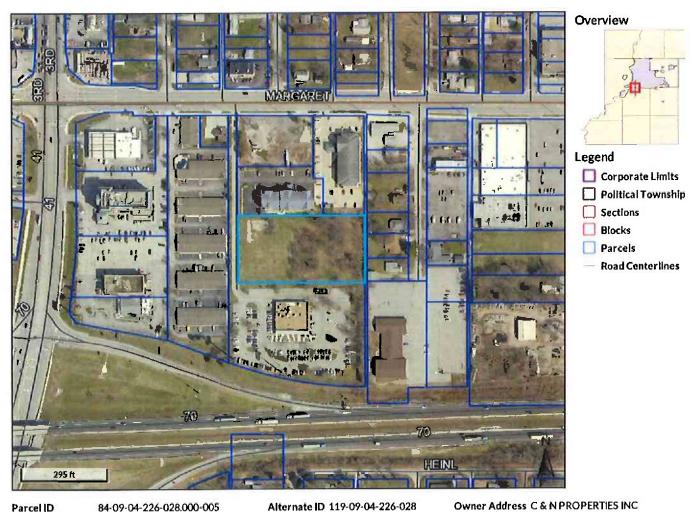
16. Economic Development/Revitalization Project Type.

Please indicate the type of Economic Development/Revitalization Project involved in your request:

a. Housing b. Office c. Retail/Commercial X* d. Mixed Use - Retail, Ho e. Industrial f. Warehousing	ousing and Office
* Hotel accommodations	with limited food service (breakfast)
Haute, Indiana, adopt a declaratory Rebe an Economic Revitalization Area (Econsideration and, after publication of	ests that the Common Council of the City of Terre esolution designating the area described herein to ERA) for purposes of real property tax abatement notice and public hearing, determine qualifications we been met and confirm such Resolution.
	Name of Property Owner:
	Gurukrupa Hospitality Inc.
	By Purang Patel, Director
DO NOT USE THIS SPACE	
Resolution # Target Area Requ	uired
Confirming Ordinance #	
Date of Notice	
Final Action	
Target Area Ord. Effective	<u>.</u>

This instrument prepared by Heidi L. Slinkard, Attorney, Wilkinson, Goeller, Modesitt, Wilkinson & Drummy LLP 333 Ohio Street, Terre Haute, Indiana 47807 (812) 232-4311

Beacon Vigo County, IN / City of Terre Haute



Com Vacant land

2.07

PO BOX 1544

TERRE HAUTE, IN 47808

Parcel ID

84-09-04-226-028.000-005

Sec/Twp/Rng

Property Address MARGARET AVE **TERRE HAUTE**

District

Brief Tax Description

005 HONEY CREEK

C & N PROPERTIES SUB II

MISC 209/1251 & PL-28/11 4-11-9 LOT 2 2.070

Class

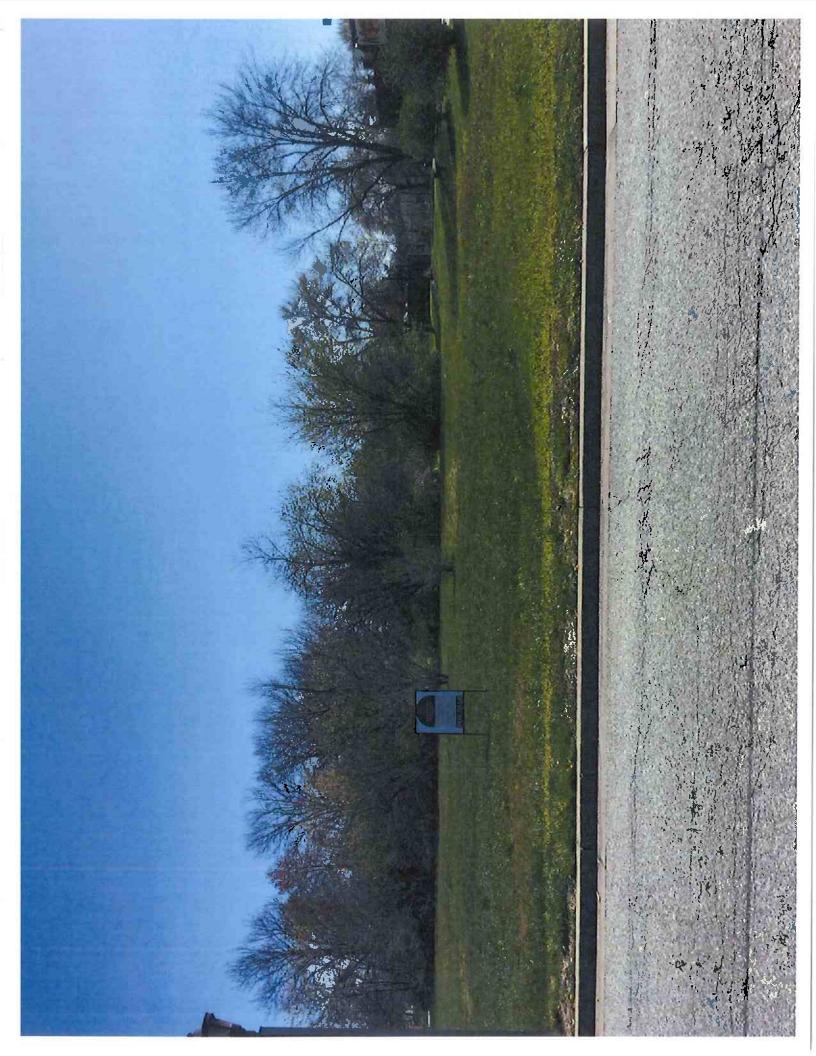
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(Note: Not to be used on legal documents)

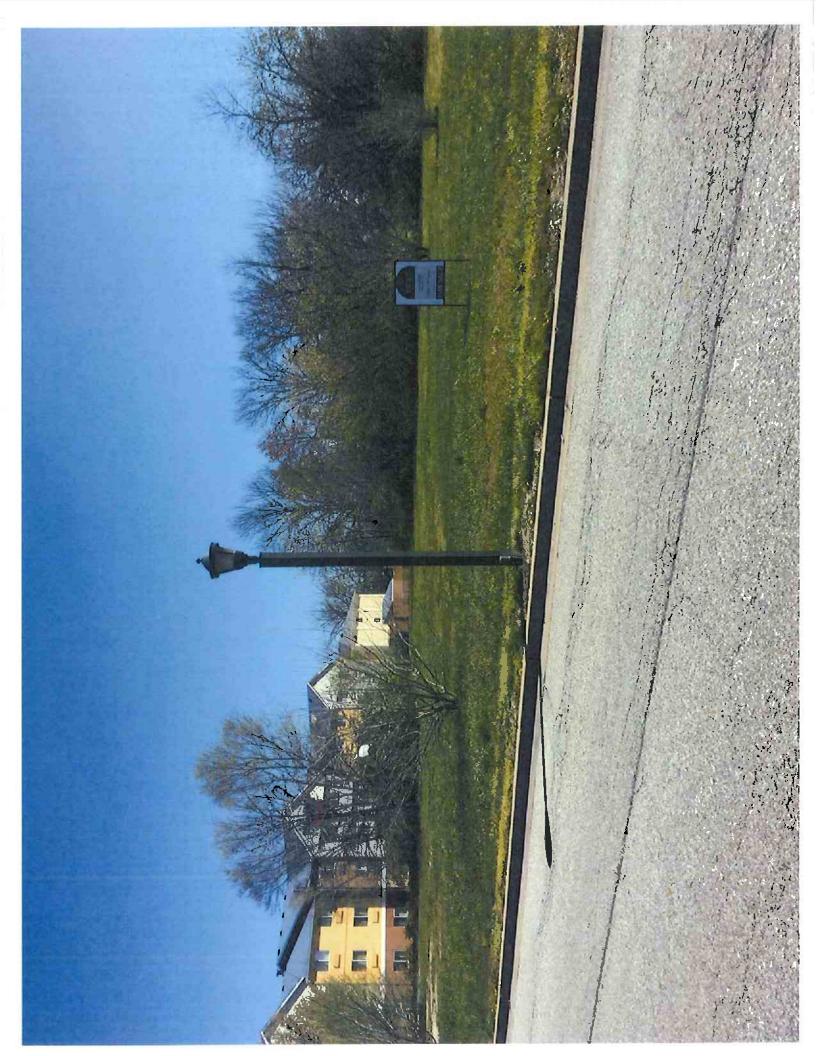
Date created: 4/11/2016

Developed by The Schneider Corporation

Exhibit B







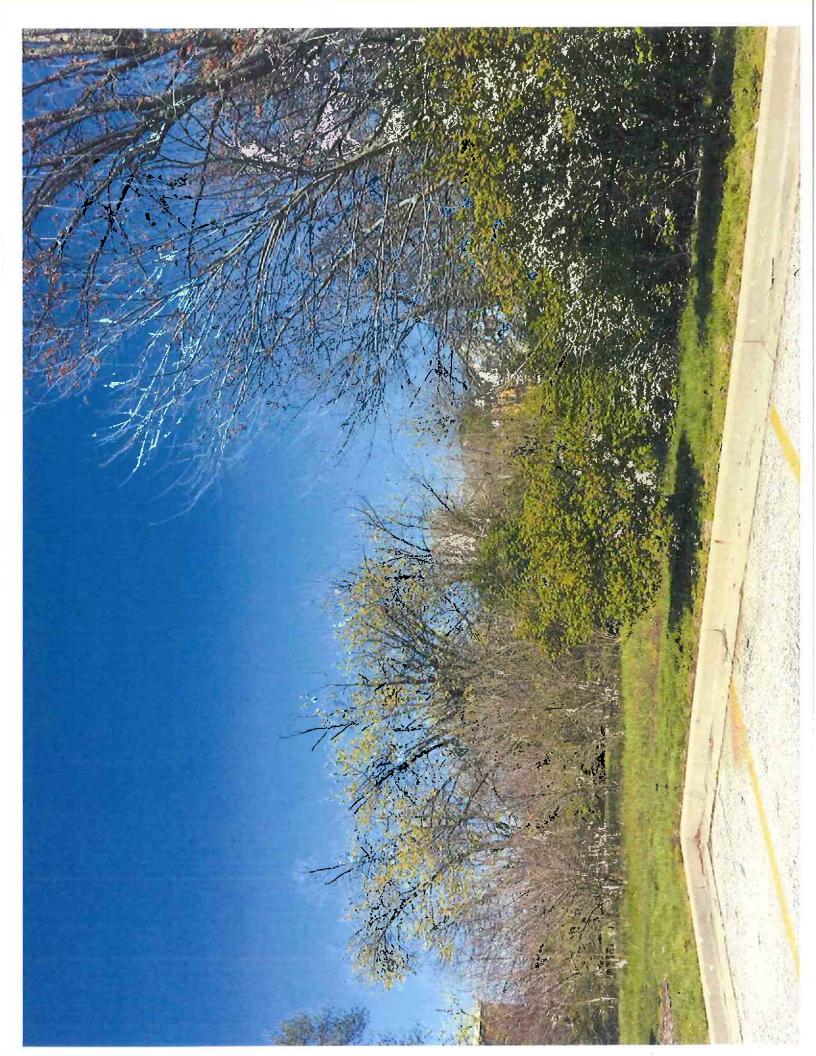


Exhibit C

AGREEMENT

	day of,
2016, serves as a confirmation of the commitment (the "Con	nmitment") of Gurukrupa
Hospitality Inc. (the "Applicant"), pending a	, 2016 public hearing,
to comply with (i) the project description and job creation (an	
and salaries) figures contained in its designation application,	
Resolution No. 6, 2016 and attachments, adopted by the Co	
Terre Haute, Indiana (the "Council") on, 2016,	, and (ii) this Agreement.

Subject to the adoption of a Final Economic Revitalization Area Resolution by the Council, the City of Terre Haute, Indiana (the "City") commits to providing a nine (9) year real property tax abatement for the Applicant's capital expenditure estimated to be up to \$4,650,000 associated with constructing the building (the "Project") described and approved as a part of the Commitment. The Project will create fourteen (14) new full-time jobs with an annual payroll average of approximately \$16,190 and three (3) new part-time jobs with an annual payroll average of approximately \$7,995, excluding benefits and overtime. The capital expenditure for the Project and the creation of such positions shall occur within two (2) years of the estimated completion date of October 31, 2017, contained in the approved Statement of Benefits Form SB-1 (the "Commitment Date").

During the term of the abatement, the City may annually request information from the Applicant concerning the status of the Project, the approved capital expenditure for the Project, the number of full-time permanent positions newly created by the Project, and the average wage rates and salaries (excluding benefits & overtime) associated with the positions, and the Applicant shall endeavor to provide the City with adequate written evidence thereof within 15 days of such request (the "Annual Survey"). The applicant shall provide a copy of the annual CF-1 to the Board of Public Works and Safety at the same time the CF-1 is filed with Vigo County. The City shall utilize this information to verify that the Applicant has complied with the commitments contained in the Commitment at all times after the Commitment Date and during the duration of the abatement. The Applicant further agrees to provide the City with such additional information requested by the City related to the information provided in the Annual Survey and the CF-1 form within a reasonable time following any such additional request.

The City, by and through its Common Council, reserves the right to terminate the Economic Revitalization Area designation and associated property tax abatement deductions if it determines that the Applicant has not made reasonable efforts to substantially comply with the Commitment, and the Applicant's failure to substantially comply with the Commitment was not due to factors beyond its control.

As used in this Agreement, "factors beyond the control of the Applicant" shall only include factors not reasonably foreseeable at the time of the designation application and submission of Statement of Benefits which are not caused by any act or

omission of the Applicant and which materially and adversely affect the ability of the Applicant to substantially comply with this Agreement.

If the City terminates the Economic Revitalization Area designation and associated tax abatement deductions, it may require the Applicant to repay the City all or a portion of the tax abatement savings received through the date of such termination. The amount of tax abatement required to be repaid for each year of noncompliance shall not exceed an amount equal to the percentage by which the Applicant has failed to attain substantial compliance in creation and average hourly wage rate categories multiplied by the dollar amount of taxes actually abated. If the Applicant fails to substantially comply with more than one of the aforementioned categories, repayment shall be based on the highest level of noncompliance.

If at any time during the term of this Agreement, whether before or after the Commitment Date, the Applicant shall: (i) cease operations at the facility for which the tax abatement was granted; or (ii) announce the cessation of operations at such facility, then the City may, at its discretion, immediately terminate the Economic Revitalization Area designation and associated future tax abatement deductions.

In the event the City requires repayment of the tax abatement savings as provided hereunder, it shall provide Applicant with a written statement calculating the amount due (the "Statement"), and Applicant shall make such repayment to the City within 30 days of the date of the Statement. If the Applicant does not make timely repayment, the City shall be entitled to all reasonable costs and reasonable attorneys fees incurred in the enforcement and collection of the tax abatement savings required to be repaid hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

"Applicant"	Board of Public Works & Safety
Gurukrupa Hospitality Inc.	
By Purang Patel, Director	
Approved as to Legal Adequacy and form on 2016.	this,
By, City Attorney	

20 18 PAY 20 19

FORM SB-1 / Real Property

PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R6 / 10-14)

Prescribed by the Department of Local Government Finance

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)

paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1. 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. 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.

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 malled 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 March 1 and May 10 of a subsequent year.

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)

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						
Gurukrupa Hospit						
5837 Clubhouse L	and street, city, state, and ZIP cod _ane, Terre Haute, IN					
Name of contact person			Telephone number		E-mail address	
Purang Patel			(812)878-3990		purangpa	atel@yahoo.com
SECTION 2	LOC	ATION AND DESCRIPT	ION OF PROPOSED PROJ	ECT		
Name of designating body					Resolution num	nber
Common Council	of the City of Terre H	aute			6, 2016	
Location of property			County		DLGF taxing di	strict number
451 E. Margaret D	rive, Terre Haute, IN	47802	Vigo		84-0005	
	provements, redevelopment, or re					date (month, day, year)
	vacant/undeveloped land in				July 1, 20	
	ire foot, LaQuinta Inns & Suiti om, patio, indoor pool and ho			space,		pletion date (month, day, year)
Variable III-management	711 W SWEIGHT ST. 2 / 3	WELLOWING A PASS OF THREE PASS.	(A) the Wester Walness Still 1		October	31, 2017
SECTION 3			RIES AS RESULT OF PROI			
Current number 0.00	Salaries	Number retained		Sataries Number addition		Salaries
	\$0.00	0.00	\$0.00	17.00		\$250,643.00
SECTION 4	ESTIM/	ATED TO TAL COST AN	D VALUE OF PROPOSED I			
				L ESTATE I	MPROVEMEN	
Our man facilities			COST		ASS	SESSED VALUE
Current values	£					0.00 4,650,000.00
Plus estimated values of					4,830,000.0	
Less values of any prop	pon completion of project					4.650,000.00
SECTION 5		NVERTED AND OTHER	BENEFITS PROMISED BY	THE TAYE	AVER	4,000,000.00
OLC HOLD	WASTEGO	IVERTED AND OTHER				
Estimated solid waste of	converted (pounds) 0.00		Estimated hazardous wa	ste converte	ed (pounds) <u>C</u>	0.00
Other benefits						
SECTION 6		TAXPAYER CE	RTIFICATION	ووالتلام		
I hereby certify that the	he representations in this :	statement are true.				
Signature of a worker d repres	sentative				Date signed (m	ionth, day, year)
(149)					04/12/	16
Printed name of adhorized re	presentative		Title			-
Purang Patel			Director			

FOR USE OF THE DESIGNATING BODY					
We find that the applicant meets the general standards in the resolution adopt under IC 6-1.1-12. \P , provides for the following limitations:	nted or to be adopted by this body. Said resolution, passed or to be passed				
A. The designated area has been limited to a period of time not to excee expires is	d calendar years* (see below). The date this designation				
 B. The type of deduction that is allowed in the designated area is limited 1. Redevelopment or rehabilitation of real estate improvements 2. Residentially distressed areas 	to:				
C. The amount of the deduction applicable is limited to $\sum N/A$					
D. Other limitations or conditions (specify) N/A					
E. Number of years allowed: Year 1 Year 2 Year 6 Year 7	☐ Year 3 ☐ Year 4 ☐ Year 5 (* see below) ☐ Year 8 ☑ Year 9 ☐ Year 10				
F. For a statement of benefits approved after June 30, 2013, did this des \[\forall \forall \text{Yes} \text{No} \] If yes, attach a copy of the abatement schedule to this form. If no, the designating body is required to establish an abatement schedule to the designation of the statement of benefit determined that the totality of benefits is sufficient to justify the deduction designation.	dute before the deduction can be determined. s and find that the estimates and expectations are reasonable and have				
pproved (signature and title of a binerical member of designating body)	Telephone number Date signed (month, day, year)				
1000000	(812) 232-3375 6-9-16				
rinted name of authorized member of designating body Todd Nation	Name of designating body Terre Haute City Cowcic				
itlested by (signature and title of attester)	Printed name of attester Charles P. Hanley				
* 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.) 					
for each deduction allowed under this chapter. An abatement the deduction. An abatement schedule may not exceed ten (1)	g factors: I and personal property I to the state minimum wage. vestment. er June 30, 2013. A designating body shall establish an abatement schedule schedule must specify the percentage amount of the deduction for each year of 0) years. ore July 1, 2013, remains in effect until the abatement schedule expires under				

CITY OF TERRE HAUTE

PROPERTY TAX ABATEMENT PROGRAM APPLICATION

Ownership Information

Percentage Interest

Name:

Address:

Phone:

(if applicable):

*Gurukrupa Hospitality Inc.

5837 Clubhouse Lane, T.H., IN 47802 812-878-3990

100%

Contact Person:

Purang ("Pete") Patel, Director 5837 Clubhouse Lane, T.H., IN 47802 812-878-3990

*Gurukrupa Hospitality, Inc. will be the property owner if property tax abatement is successful. There is currently a conditional / pending Purchase Agreement between the current owners and "Purang Patel and or assigns" which will be assigned to Gurukrupa Hospitality, Inc. if the tax abatement is successful or purchase agreement revoked if tax abatement is unsuccessful.

Note: If the owner is a corporation, list the name, address and telephone number for the contact person representing the corporation.

If the owner is a partnership, list the name, address and telephone number of each general and/or limited partner and the percentage of interest in the property held by each general and/or limited partner.

If the owner is a sole proprietor, list the name, address and telephone number of the proprietor.

Property Description

- A. Street Address: 451 E. Margaret Drive, Terre Haute, IN 47802
- B. Parcel ID Number(s): 84-09-04-226-028.000-005

Current Status of Property

- A. Current zoning designation of property: <u>C-3, Regional Commercial</u>
- B. Describe current improvements to the property, including estimated age of existing buildings:

 The property is currently undeveloped land and has been for quite some time.
- C. Describe the current use of the property, including the names of businesses currently operating (if applicable) and the current number of jobs (if applicable): N/A. This property is undeveloped land with no current use, no business is operating onsite, and no employees currently work onsite.
- D. Current total assessed valuation of land and all improvements: The current total assessed value is \$6,700, which includes an assessed value of \$6,700 for the land and \$0 for the improvements because there are no improvements on the property.
- E. Describe any unique historical structure or aesthetic improvements: N/A The property has no improvements at all, so there are no historical structures or aesthetic improvements.

Proposed Improvements

- A. Describe proposed real property improvements and projected costs: The Project is for the construction of a new, 45,940 square foot, 4-story LaQuinta Inns & Suites hotel which will contain an estimated 80 guestrooms, meeting space, breakfast serving area, fitness room, patio, indoor pool and hot tub, and approximately 115 parking spaces. The projected real property improvements and costs for the Project are estimated to total up to \$4,650,000.
- B. Describe proposed depreciable personal property improvements and projected costs: <u>Personal property improvements and costs are estimated to total up to \$1,500,000.</u>
- C. List any public infrastructure improvements, with estimated costs, that will be necessary for the project: <u>Unknown at this time</u>, but it is possible that utilities (including water and sewer) may need to be run to the property because it has been vacant for decades.
- D. Project Start Date: July 1, 2016, pending zoning and tax abatement
- E. Project Completion Date: <u>Approximately 1 year after construction begins (estimated to be complete by October 31, 2017)</u>

Eligibility

A. State reasons why the project site qualifies as an Economic Revitalization Area as defined under State Law, i.e., lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings or other factors that have impaired values or prevent a normal development of property or use of property. In the case of manufacturing equipment, also indicate whether or not the area contains a facility or group of facilities that are technologically, economically, or energy obsolete and if the obsolescence may lead to a decline in employment and tax revenues:

The area surrounding the intersection of Highway 41 (3rd Street) and I-70 near the Project site has deteriorated during the past several years and the quality of hotels, restaurants, and other businesses have been in decline during much of that time due to the age of the facilities, character of occupancy, and an overall cessation of growth, with the lodging industry in the area suffering significantly. In fact, one of the hotels in that area was the subject of an armed robbery just this month, one motel was recently demolished and had suffered significant reputational harm due to the character of its occupancy, another hotel downsized, and the Project site itself has been an undeveloped 2.070 acre tract of land for decades which, at times, has been subject to grass liens due to high and uncontrolled vegetation.

Further, with the demolition of the EconoLodge and downsizing of the Holiday Inn, there are now significantly fewer rooms available (a loss of approximately 232 rooms—125 and 107 rooms respectively) in this community which already suffered from 80-90 sell-outs per year prior to these reductions, but which also needs these rooms to support local tourism investment efforts now and into the future.

B. State the estimated number of new full-time employees (if applicable) and new employees retained (if applicable). Also include salaries and a description of employee benefits:

Number of new employees: 14 full-time and 3 part-time within 2 years of Project

completion

Average Annual Salary: \$16,189.86 (full-time), \$7995 (part-time), \$14,743.71 (total)

Number of retained employees: *While there are no employees retained specifically onsite,

(because there are no current improvements on the Project site's vacant land), the addition of this hotel will result in the retention of employees whose jobs were or will be lost due to the recent demolition and downsizing of the lodging facilities

in the area.

Average Annual Salary: See above.

Description of employee benefits for new and/or retained employees: All full-time employees will receive vacation days, merit-based pay increases, and holiday pay.

C. Please attach completed State of Indiana Statement of Benefits form for real property improvements (Form SB-1/RE) and/or State of Indiana Statement of Benefits form for personal property improvements (Form SB-1/PP) to this application material.

Ineligible Projects

Projects will not be considered if a building permit has already been obtained or construction has been initiated. This is because the decision of the Council to designate the Economic Revitalization Area must be passed on the finding that the area is "undesirable for normal development".

The City Council has the right to void the tax abatement designation awarded to a project if the project has not been initiated within twelve (12) months of the reconfirmation date of the tax abatement resolution, or if the actual use is different than that approved.

Tax abatement for the rehabilitation or development of real property is not eligible for the following types of facilities:

- 1. Private or commercial golf courses.
- 2. Country club.
- 3. Massage parlor.
- 4. Tennis club.
- 5. Skating facility (including roller skating, skateboarding or ice skating).
- 6. Racquet sport facility (including any handball or racquetball court).
- 7. Hot tub facility.
- 8. Suntan facility.
- 9. Racetrack.
- 10. Any facility the primary purpose of which is:
 - a. retail food and beverage service;
 - b. automobile sales or service; or
 - c. other retail
- 11. Residential.
- 12. A package liquor store that holds a liquor dealer's permit under IC 7.1-3-10 or any other entity that is required to operate under a license issued under IC 7.1. This subdivision does

not

apply to an applicant that:

- (A) was eligible for tax abatement under this chapter before July 1, 1995;
- (B) is described in IC 7.1-5-7-11; or
- (C) operates a facility under:
 - (i) a beer wholesaler's permit under IC 7.1-3-3;
 - (ii) a liquor wholesaler's permit under IC 7.1-3-8; or
 - (iii) a wine wholesaler's permit under IC 7.1-3-13;

Certification

I hereby certify that the representations made in this application are true and I understand that if above improvements are not commenced (defined as obtaining a building permit and actual start of construction) within 12 months of the date of the designation of the above area as an Economic Revitalization Area, the Terre Haute Common Council shall have the right to void such designation.

OWNER(S)	DATE
↑ 1/04	04/12/16
For: Gurnkrupa Hospitality Inc.	· ·

By: Purang Patel, Director

^{*} If the entity seeking tax abatement is a corporation, an authorized representative must sign. If the entity is a partnership, all partners must sign. If the entity is a sole proprietorship, the proprietor must sign.

CITY OF TERRE HAUTE

PROPERTY TAX ABATEMENT PROGRAM OVERVIEW AND GUIDELINE SCORING SYSTEM

Program Description

Property tax abatement in Indiana is authorized under Indiana Code 6-1.1-12.1 in the form of deductions from assessed valuation. Any property owner in a locally-designated Economic Revitalization Area (ERA) who makes improvements to the real property or installs eligible new or used personal property (such as manufacturing equipment and certain research and development equipment) is eligible for property tax abatement. Land does not qualify for abatement.

Scoring System

The City of Terre Haute utilizes a scoring system as a guide for determining the appropriate length of time (one of ten time periods can be used) of the property tax abatement(s) being sought for a proposed project. Additional information on the scoring system can be found elsewhere in this document.

Indiana Real Property Assessment Standard

A property's assessed value is the basis for property taxes. Annually, local assessing officials assess the value of real property on March 1 based on market value in use of the property. Property owners can estimate the property taxes for new construction by adding the cost of the land and improvements together and multiplying by the tax rate. For real property tax abatement calculation purposes, the cost of the improvements (the land itself cannot be abated) would be utilized as the real property assessed value. This real property assessment value would then be phased-in over one of ten time periods.

Indiana Personal Property Assessment Standard

Personal property values are assessed March 1 of every year and are self reported by property owners to township assessors using prescribed state forms. Generally speaking, personal property taxes are levied against all tangible property other than real property. Numerous deductions can be applied to personal property. Of course, the value of personal property over time will be subject to depreciation, therefore, applicants are advised to seek the counsel of a financial advisor to determine which asset pool(s) (see following table) would be applicable to their particular project.

Additional information on the State of Indiana's property tax assessment system can be found at the Indiana Department of Local Government Finance website at www.in.gov/dlgf.

Exhibit A
Indiana Pools of Assets by Lives Utilized on Federal Tax Return

Year of Acquisition	Pool#1 (1-4 Yrs)	Pool #2 (5-8 Yrs)	Pool #3 (9-12 yrs)	Pool #4 (13+ Yrs)
1	65%	40%	40%	40%
2	50%	56%	60%	60%
3	35%	42%	55%	63%
4	20%	32%	45%	54%
5		24%	37%	46%
6		18%	30%	40%
7		15%	25%	34%
8			20%	29%
9			16%	25%
10			12%	21%
11				15%
12				10%
13				5%

Note: The total valuation of a taxpayer's assessable depreciable personal property in a single taxing district cannot be less than 30% of the adjusted cost of all such property of the taxpayer.

Real Property Abatement Calculation

Real property abatement is a declining percentage of the increase in assessed value of the improvement based on one of the ten following time periods and percentages as determined by the City Council:

Vanu	10 Year 9 Year		8 Year	7 Year	6 Year	5 Year 4	4 Year 3	Year 2	Year 1	Year
Year										
1	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2	95%	88%	88%	85%	85%	80%	75%	66%	50%	
3	80%	77%	75%	71%	66%	60%	50%	33%		
4	65%	66%	63%	57%	50%	40%	25%			
5	50%	55%	50%	43%	34%	20%				
6	40%	44%	38%	29%	17%					
7	30%	33%	25%	14%						
8	20%	22%	13%							
9	10%	11%								
10	5%									

Depreciable Personal Property Abatement Calculation

Depreciable personal property tax abatement is a declining percentage of the assessed value of the newly installed manufacturing (and certain research/development and warehousing/distribution equipment), based upon one of the ten time periods and percentages as determined by the City Council:

10 Year 9 Year 8 Year 7 Year 6 Year 5 Year 4 Year 3 Year 2 Year 1 Year

Year										
1	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2	90%	88%	88%	85%	85%	80%	75%	66%	50%	
3	80%	77%	75%	71%	66%	60%	50%	33%		
4	70%	66%	63%	57%	50%	40%	25%			
5	60%	55%	50%	43%	34%	20%				
6	50%	44%	38%	29%	17%					
7	40%	33%	25%	14%						
8	30%	22%	13%							
9	20%	11%								
10	10%									

Adopted: 4/16/15

Project Eligibility Criteria

Decisions to designate areas as Economic Revitalization Areas are determined by the City Council. The City Council utilizes a numerical scoring system as a guide for designating areas as Economic Revitalization Areas within the corporate limits of the City of Terre Haute. Each project is scored on its individual merits. The points system that is utilized to evaluate projects considers the degree of revitalization that the project will have on the surrounding area as well as other facts such as employment (created and/or retained), investment, utilization of local construction firms and labor and so forth.

The following projects will be considered by the Terre Haute City Council for property tax abatement. The real property guideline project scoring criteria can be found in the section entitled "City of Terre Haute Real Property Tax Abatement Guideline Scoring Criteria" on page 8. For projects seeking personal property tax abatement, the "City of Terre Haute Personal Property Tax Abatement Guideline Scoring Criteria" can be found on page 10.

(A.) Manufacturing Project.—Local manufacturing projects, local manufacturing-related office structures and local manufacturing-related warehouses that create or preserve employment—within the city limits are eligible for property tax abatement. In the case of manufacturing facilities that directly produce product (as well as manufacturing related-warehouses), both real and depreciable personal property are eligible. In the case of manufacturing-related office structures, only real property is eligible for abatement. Also, certain research and development equipment may qualify for depreciable personal property tax abatement.

(B.) Non-Manufacturing Warehouse and Distribution Center Projects — Warehouses and distribution centers not related to a local manufacturing facility may be eligible for both real and depreciable personal property tax abatement. To be eligible for property tax abatement, the facility must substantially serve markets beyond the Terre Haute metropolitan area.

(C.) Office Space Development – Office space developments within the city limits are eligible for real property abatement provided the project substantially serves markets beyond the Terre Haute metropolitan area.

(D.) Historic Preservation – Projects within the city limits that assist in the preservation of buildings of significant historical nature will be considered for real property abatement.

Exhibit B CITY OF TERRE HAUTE REAL PROPERTY TAX ABATEMENT GUIDELINE SCORING CRITERIA

Company Name: Gurukrupa Hospitality Inc. Application Date: April 12, 2016 1. New Real Property Investment 5 points maximum <\$500,000 1 \$501,000 to \$1,000,000 2 3 \$1,000,001 to \$2,000,000 \$2,000,001 to \$3,000,000 4 \$3,000,001 and up 5 2. Anticipated New Full-Time Jobs Created Within 5 Years 5 points maximum I to 10 employees 1 11 to 20 employees 2 21 to 30 employees 3 31 to 40 employees 4 41 employees and up 5 3. Anticipated Jobs to Be Retained 5 points maximum 1 to 10 employees 1 11 to 20 employees 2 21 to 30 employees 3 31 to 40 employees 4 41 employees and up 5 4. Wage Rates 3 points maximum 0 \$7.50 to \$10.00 per hour \$10.01 to \$12.00 per hour 1 \$12.01 to \$14.00 per hour 2 3 \$14.01 per hour and up 5. Benefits Package 1 point if offered 6. Targeted Business 1 point if project is good fit for community 7. Community Involvement I point if company plans or is already involved in community **Activities** 1 point if "Yes" 8. Is this project a headquarters or new project to the community?

I point if applicant maintains an affirmative action plan or other statement of specific goals with respect to employee diversity

9. Diverse Workforce

^{*} While the property is currently undeveloped and therefore has no employee to retain, the Project will result in the retention of employees whose jobs were or will be lost due to the recent demolition and downsizing of the hotels in the area.

^{**} Full time employees will receive vacation days, merit-based pay increases, and holiday pay.

Exhibit B

Total Points		14
Scoring	Length of Real Property Abatement	
20 points and up 18 to 19 points 16 to 17 points 14 to 15 points 12 to 13 points 10 to 11 points 8 to 9 points 6 to 7 points 4 to 5 points 2 to 3 points	10 years 9 years 8 years 7 years 6 years 5 years 4 years 3 years 2 years	
Bonus Points		
1. Common Construction Wage	Council may award one bonus point if company includes common construction wage requirement in its bid specs	
2. Contractors Licensed To Do		
Business in Vigo County	Council may award one bonus point If substantial percentage of the total fees for construction work associated with the project are paid to companies licensed to do business in Vigo County	
3. Materials and Supplies From Vigo County Vendors	Council may award one bonus point if the applicant commits to purchase a substantial amount of materials and supplies for the construction work associated with the project from Vigo County-based Vendors	
4. Existing Facility	Council may award one bonus point for use, reuse, rehabilitation and/or expansion of an existing facility	0****
5. Mentoring/Intern Program	Council may award one bonus point if applicant pledges to participate in a mentoring or intern program associated with a Vigo County educational institution	_1_
Total Bonus Points		5
Grand Total Points		18
Recommended Length of Real Pro Per Guideline Scoring Criteria	operty Abatement	9 Years

^{***} The contractor and supplier have not yet been determined, but Petitioner has been in negotiations with Garmong, a local contractor who may use local suppliers and union workers for the job if granted the contract upon successful tax abatement and zoning decisions.

^{****} The proposed hotel is a new facility on vacant land, but it will replace a gap resulting from the demolition of the EconoLodge and downsizing of the Holiday Inn, resulting in expanded availability of accommodations through this Project. While not an actual "expansion", it has similar effects as an expansion. We did not include a point for this category, but believe an argument could be made to add one here.

AGREEMENT

This Agreement (the "Agreement") dated as of the _	day of,
2016, serves as a confirmation of the commitment (the "Co	mmitment") of Gurukrupa
Hospitality Inc. (the "Applicant"), pending a	, 2016 public hearing,
to comply with (i) the project description and job creation (a	nd associated wage rates
and salaries) figures contained in its designation application	n, Statement of Benefits,
Resolution No. 6, 2016 and attachments, adopted by the C	ommon Council of the City of
Terre Haute, Indiana (the "Council") on, 2016	S, and (ii) this Agreement.

Subject to the adoption of a Final Economic Revitalization Area Resolution by the Council, the City of Terre Haute, Indiana (the "City") commits to providing a nine (9) year real property tax abatement for the Applicant's capital expenditure estimated to be up to \$4,650,000 associated with constructing the building (the "Project") described and approved as a part of the Commitment. The Project will create fourteen (14) new full-time jobs with an annual payroll average of approximately \$16,190 and three (3) new part-time jobs with an annual payroll average of approximately \$7,995, excluding benefits and overtime. The capital expenditure for the Project and the creation of such positions shall occur within two (2) years of the estimated completion date of October 31, 2017, contained in the approved Statement of Benefits Form SB-1 (the "Commitment Date").

During the term of the abatement, the City may annually request information from the Applicant concerning the status of the Project, the approved capital expenditure for the Project, the number of full-time permanent positions newly created by the Project, and the average wage rates and salaries (excluding benefits & overtime) associated with the positions, and the Applicant shall endeavor to provide the City with adequate written evidence thereof within 15 days of such request (the "Annual Survey"). The applicant shall provide a copy of the annual CF-1 to the Board of Public Works and Safety at the same time the CF-1 is filed with Vigo County. The City shall utilize this information to verify that the Applicant has complied with the commitments contained in the Commitment at all times after the Commitment Date and during the duration of the abatement. The Applicant further agrees to provide the City with such additional information requested by the City related to the information provided in the Annual Survey and the CF-1 form within a reasonable time following any such additional request.

The City, by and through its Common Council, reserves the right to terminate the Economic Revitalization Area designation and associated property tax abatement deductions if it determines that the Applicant has not made reasonable efforts to substantially comply with the Commitment, and the Applicant's failure to substantially comply with the Commitment was not due to factors beyond its control.

As used in this Agreement, "factors beyond the control of the Applicant" shall only include factors not reasonably foreseeable at the time of the designation application and submission of Statement of Benefits which are not caused by any act or

omission of the Applicant and which materially and adversely affect the ability of the Applicant to substantially comply with this Agreement.

If the City terminates the Economic Revitalization Area designation and associated tax abatement deductions, it may require the Applicant to repay the City all or a portion of the tax abatement savings received through the date of such termination. The amount of tax abatement required to be repaid for each year of noncompliance shall not exceed an amount equal to the percentage by which the Applicant has failed to attain substantial compliance in creation and average hourly wage rate categories multiplied by the dollar amount of taxes actually abated. If the Applicant fails to substantially comply with more than one of the aforementioned categories, repayment shall be based on the highest level of noncompliance.

If at any time during the term of this Agreement, whether before or after the Commitment Date, the Applicant shall: (i) cease operations at the facility for which the tax abatement was granted; or (ii) announce the cessation of operations at such facility, then the City may, at its discretion, immediately terminate the Economic Revitalization Area designation and associated future tax abatement deductions.

In the event the City requires repayment of the tax abatement savings as provided hereunder, it shall provide Applicant with a written statement calculating the amount due (the "Statement"), and Applicant shall make such repayment to the City within 30 days of the date of the Statement. If the Applicant does not make timely repayment, the City shall be entitled to all reasonable costs and reasonable attorneys fees incurred in the enforcement and collection of the tax abatement savings required to be repaid hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

"Applicant"	Board of Public Works & Safety		
Gurukrupa Hospitality Inc. Λ			
By Purang Patel, Director			
Approved as to Legal Adequacy and form on th 2016.	is, day of,		
Ву			
, City Attorney			

FILED

MAY **2 5** 2016

CITY CLERK

AGREEMENT

This Agreement (the "Agreement") dated as of the <u>13</u> day of <u>MAY</u> 2016, serves as a confirmation of the commitment (the "Commitment") of Gurukrupa Hospitality Inc. (the "Applicant"), pending a <u>6-9-</u>, 2016 public hearing, to comply with (I) the project description and job creation (and associated wage rates and salarles) figures contained in its designation application, Statement of Benefits, Resolution No. 6, 2016 and attachments, adopted by the Common Council of the City of Terre Haute, Indiana (the "Council") on <u>5-/2</u>, 2016, and (ii) this Agreement.

Subject to the adoption of a Final Economic Revitalization Area Resolution by the Council, the City of Terre Haute, Indiana (the "City") commits to providing a nine (9) year real property tax abatement for the Applicant's capital expenditure estimated to be up to \$4,650,000 associated with constructing the building (the "Project") described and approved as a part of the Commitment. The Project will create fourteen (14) new full-time jobs with an annual payroll average of approximately \$16,190 and three (3) new part-time jobs with an annual payroll average of approximately \$7,995, excluding benefits and overtime. The capital expenditure for the Project and the creation of such positions shall occur within two (2) years of the estimated completion date of October 31, 2017, contained in the approved Statement of Benefits Form SB-1 (the "Commitment Date").

During the term of the abatement, the City may annually request information from the Applicant concerning the status of the Project, the approved capital expenditure for the Project, the number of full-time permanent positions newly created by the Project, and the average wage rates and salaries (excluding benefits & overtime) associated with the positions, and the Applicant shall endeavor to provide the City with adequate written evidence thereof within 15 days of such request (the "Annual Survey"). The applicant shall provide a copy of the annual CF-1 to the Board of Public Works and Safety at the same time the CF-1 is filed with Vigo County. The City shall utilize this information to verify that the Applicant has complied with the commitments contained in the Commitment at all times after the Commitment Date and during the duration of the abatement. The Applicant further agrees to provide the City with such additional information requested by the City related to the information provided in the Annual Survey and the CF-1 form within a reasonable time following any such additional request.

The City, by and through its Common Council, reserves the right to terminate the Economic Revitalization Area designation and associated property tax abatement deductions if it determines that the Applicant has not made reasonable efforts to substantially comply with the Commitment, and the Applicant's fallure to substantially comply with the Commitment was not due to factors beyond its control.

As used in this Agreement, "factors beyond the control of the Applicant" shall only include factors not reasonably foreseeable at the time of the designation application and submission of Statement of Benefits which are not caused by any act or

omission of the Applicant and which materially and adversely affect the ability of the Applicant to substantially comply with this Agreement.

If the City terminates the Economic Revitalization Area designation and associated tax abatement deductions, it may require the Applicant to repay the City all or a portion of the tax abatement savings received through the date of such termination. The amount of tax abatement required to be repaid for each year of noncompliance shall not exceed an amount equal to the percentage by which the Applicant has falled to attain substantial compliance in creation and average hourly wage rate categories multiplied by the dollar amount of taxes actually abated. If the Applicant fails to substantially comply with more than one of the aforementioned categories, repayment shall be based on the highest level of noncompliance.

If at any time during the term of this Agreement, whether before or after the Commitment Date, the Applicant shall: (i) cease operations at the facility for which the tax abatement was granted; or (ii) announce the cessation of operations at such facility, then the City may, at its discretion, immediately terminate the Economic Revitalization Area designation and associated future tax abatement deductions.

In the event the City requires repayment of the tax abatement savings as provided hereunder, it shall provide Applicant with a written statement calculating the amount due (the "Statement"), and Applicant shall make such repayment to the City within 30 days of the date of the Statement. If the Applicant does not make timely repayment, the City shall be entitled to all reasonable costs and reasonable attorneys fees incurred in the enforcement and collection of the tax abatement savings required to be repaid hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

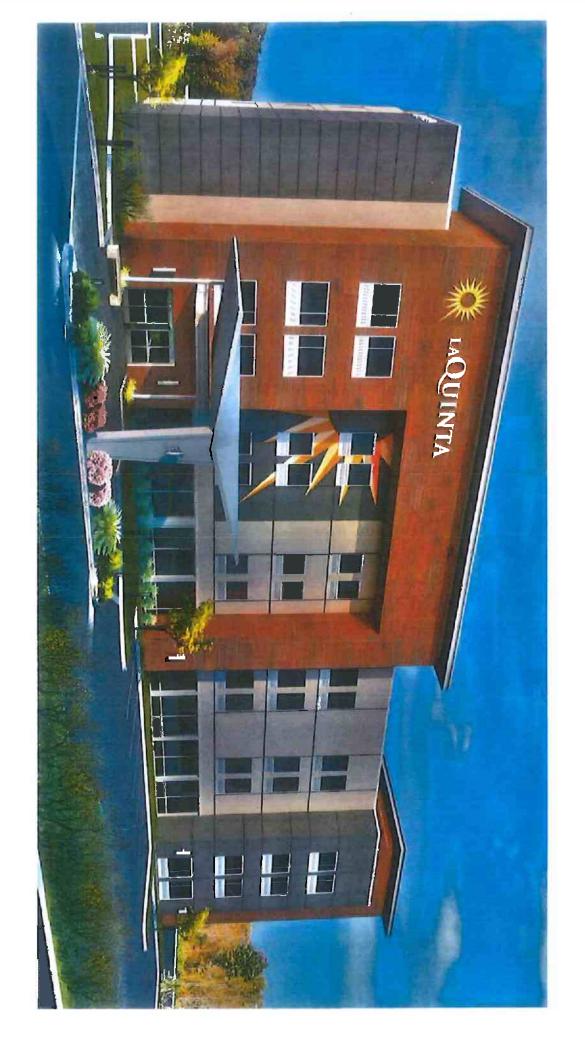
Gurukrupa Hospitality Inc.

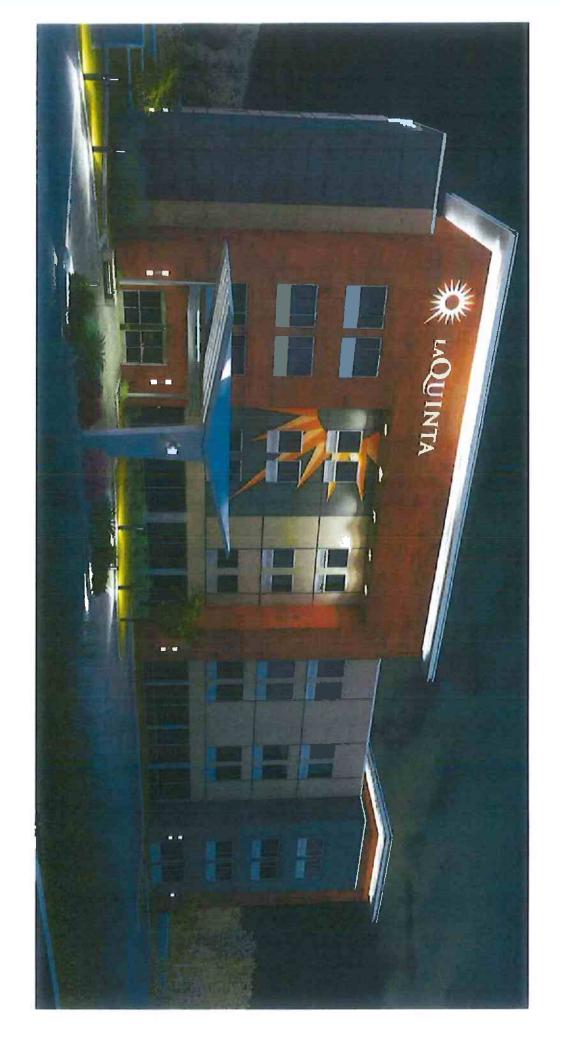
"Applicant"

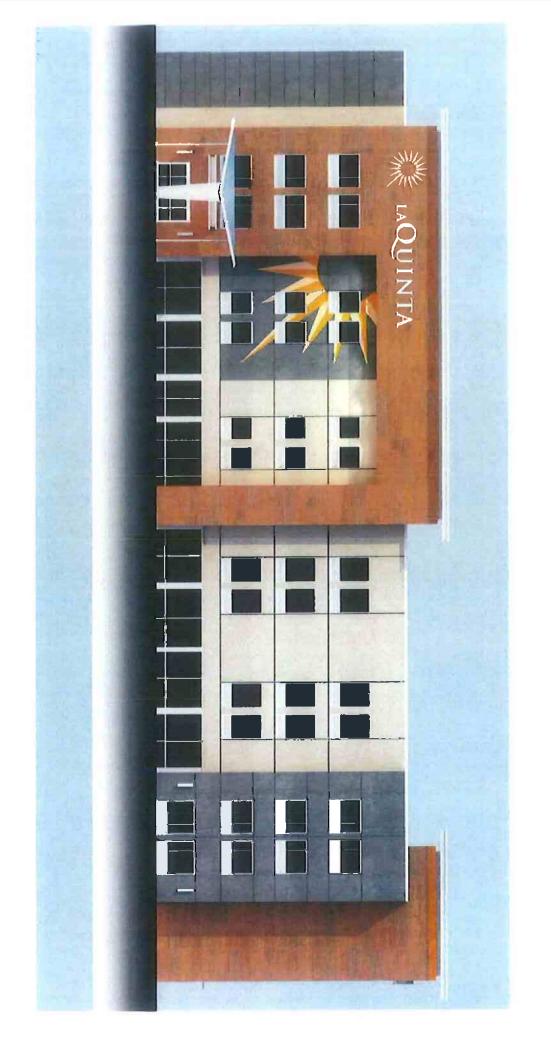
Purang Patel, Director

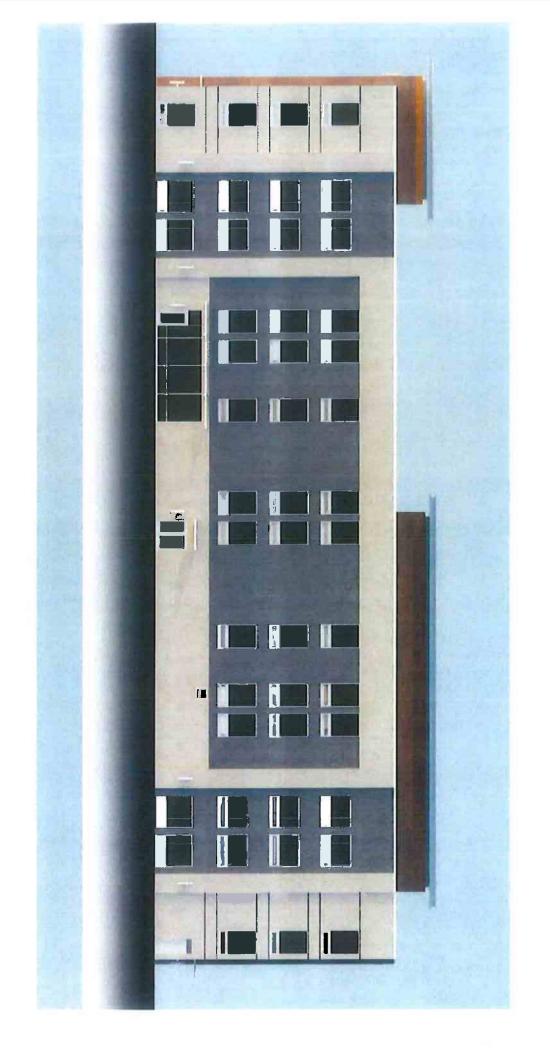
Board of Public Works & Safety

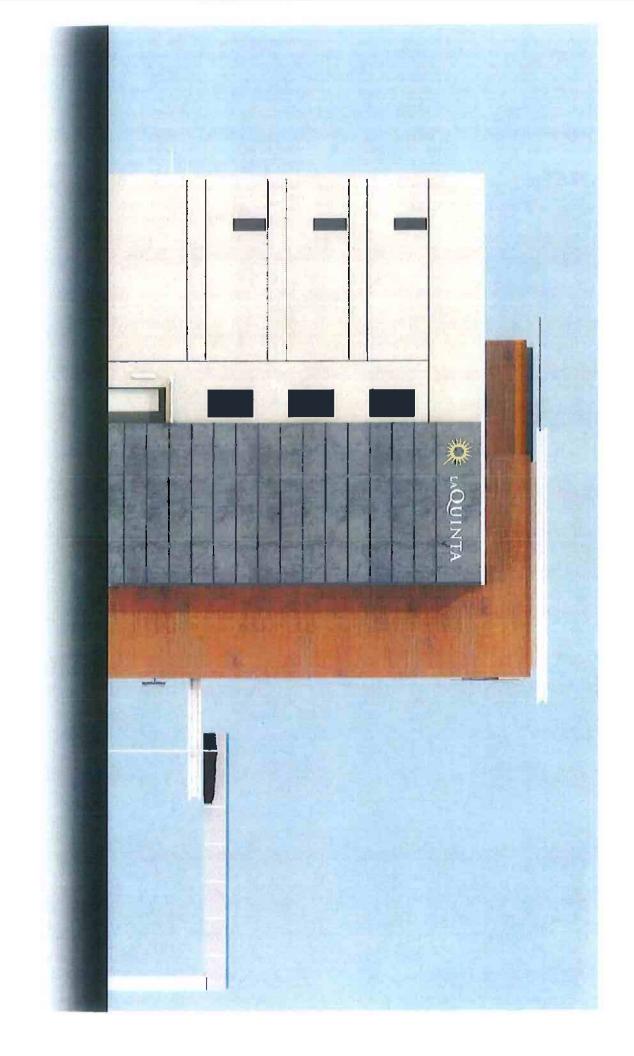
Approved as to Legal Adequacy and form on this 23 day of _ 2016.





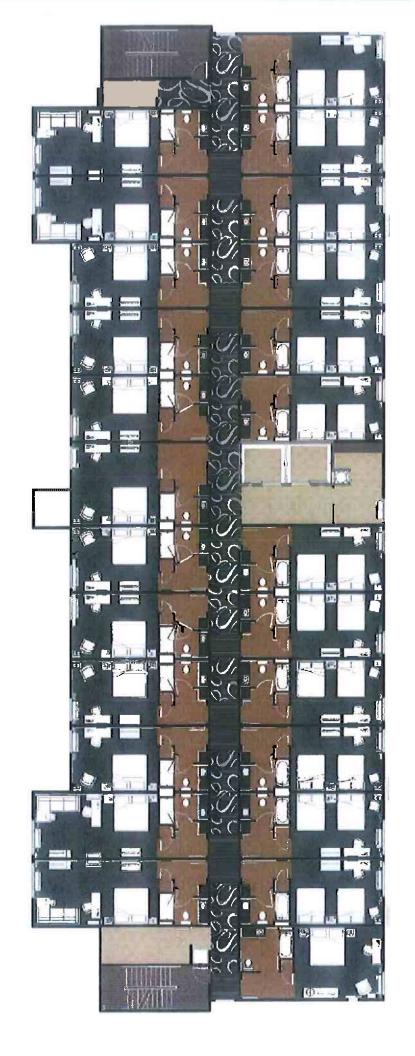




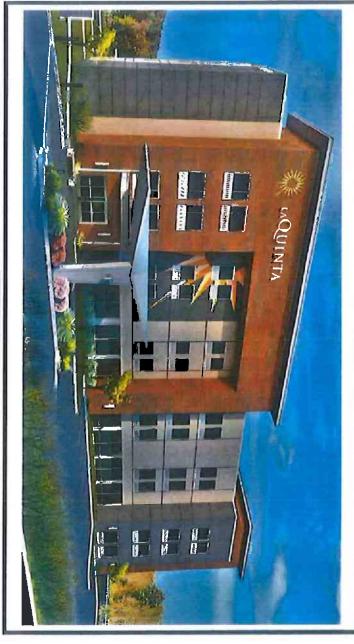




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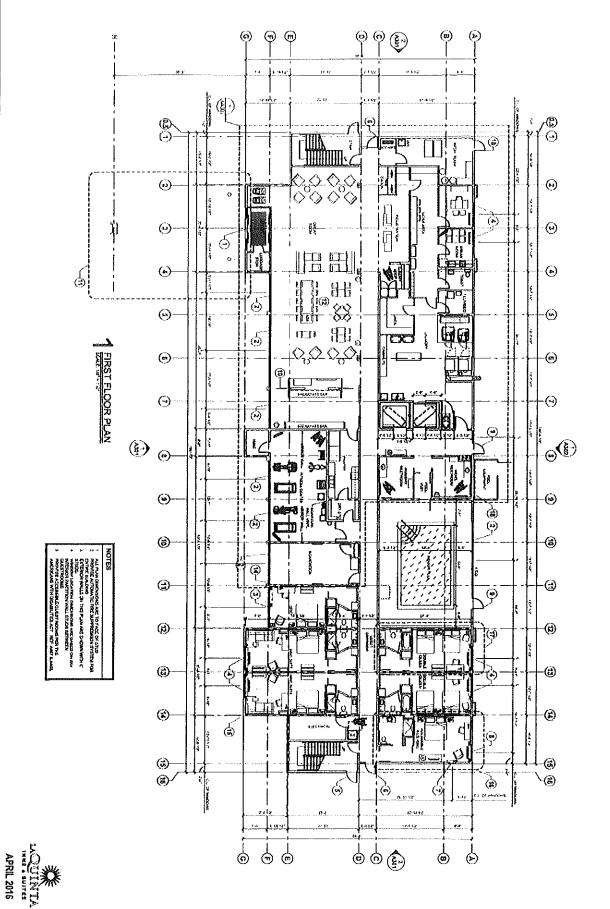


URBAN DESIGN 3.0
ALL INTERIOR FINISHES SHALL BE DETERMINED PER SELECTED INTERIOR DESIGN SCHEME



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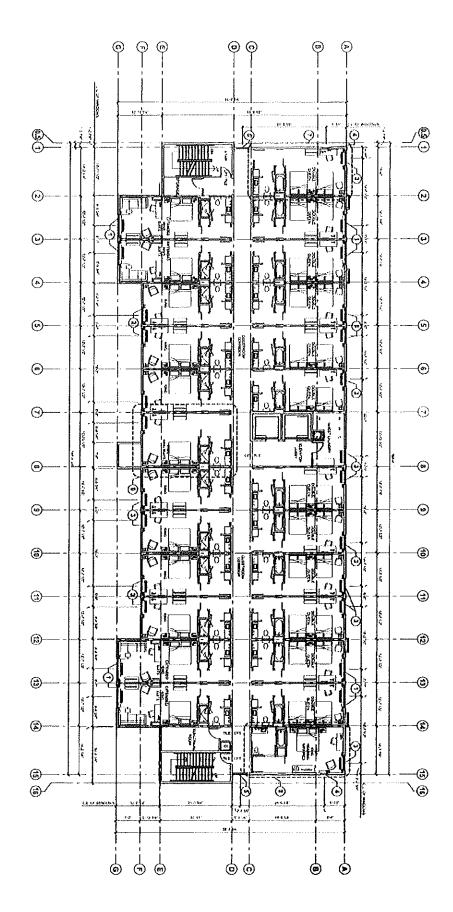
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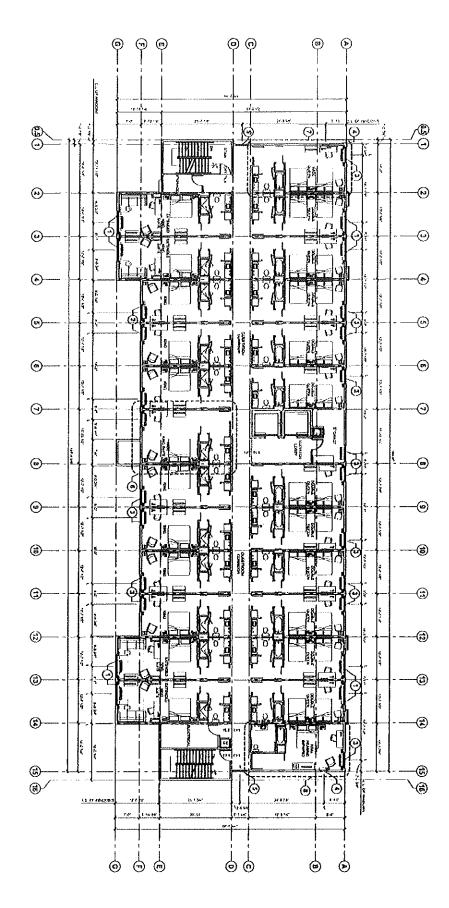
> — EIS (COURSE SUM) TEXTURE! PAINTED
>
> SNE-THS. THANDER CRAY
>
> EIES (FINE SUM) TEXTURE! PAINTED
>
> SNE-THY. LAEGA GREGGE — ALUMNUM PLUSH PANELS (PORTE-COCHERE)
> PAC-CUAD - CTONE WHITE FINISH — ALLINNUM (MINDOWS, STOREFRONT, & PTAC GRILLS)
> CLEAR ANODIZED - SPE (PIKE SAND TOCHAR)
> SWEDNI- DECENTATE
> SWEDNI- TRICHLUMIT
> SWEDNI- TRICHLUMIT
> SWEDNI- TRICHLUMIT
> ALLIMINIAL (TOWER PARAPET ENTERSIONS)
> PACCILIA - SILVER

APRIL 2016

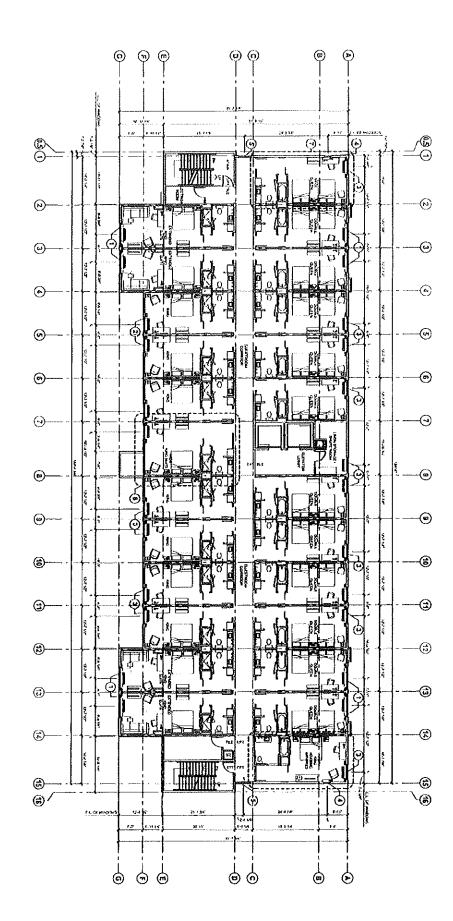


SECOND FLOOR PLAN

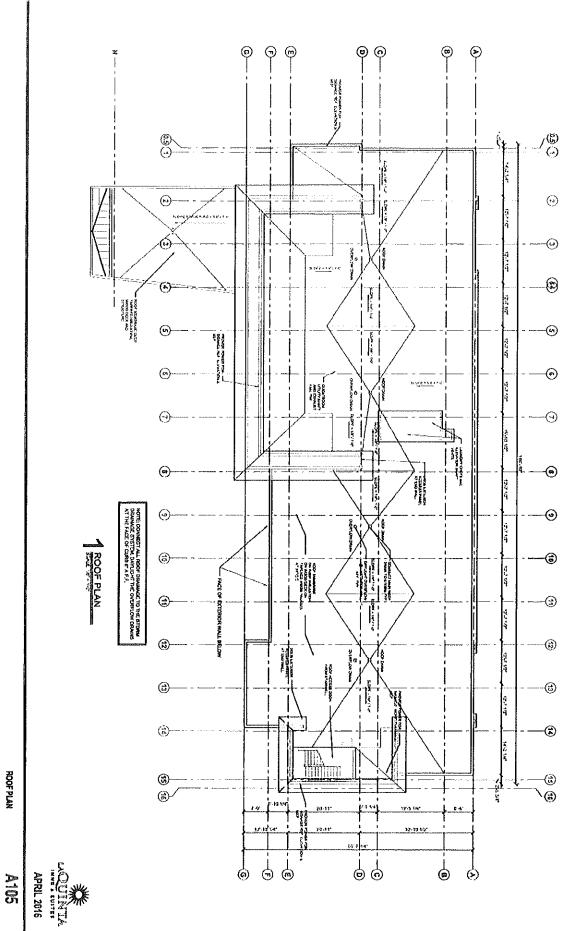
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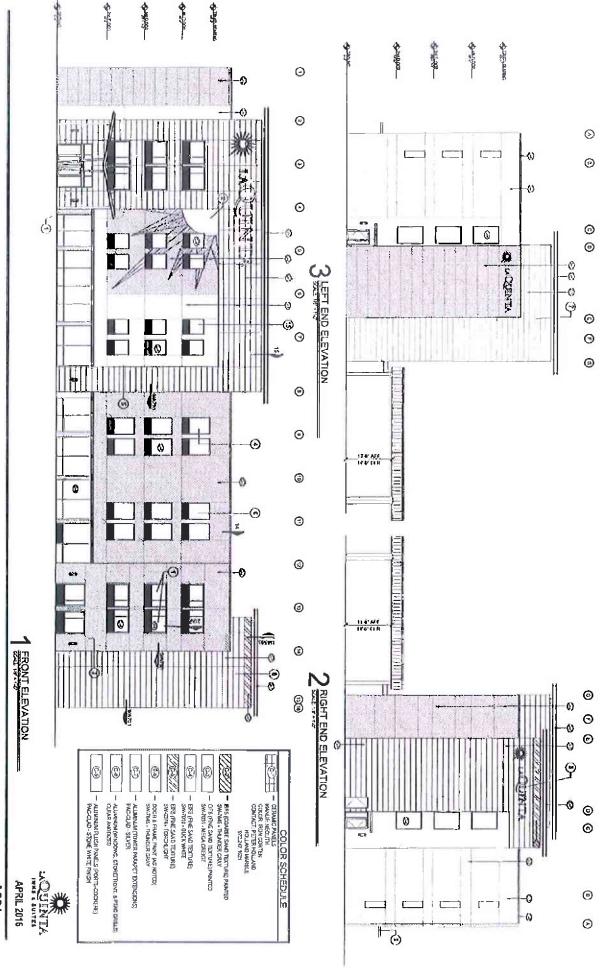
HIRD FLOOR PLAN

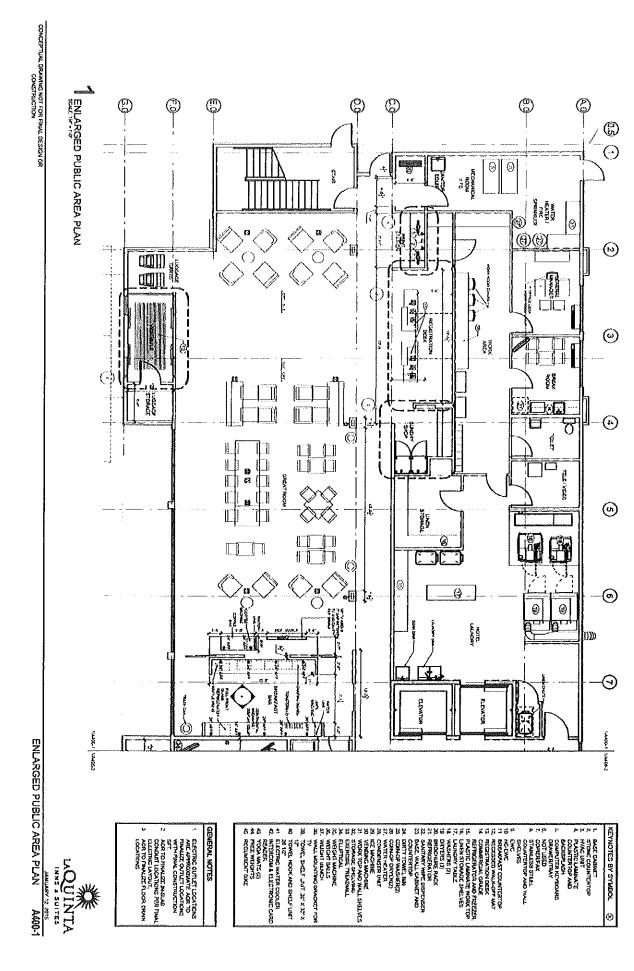


RTH FLOOR PLAN

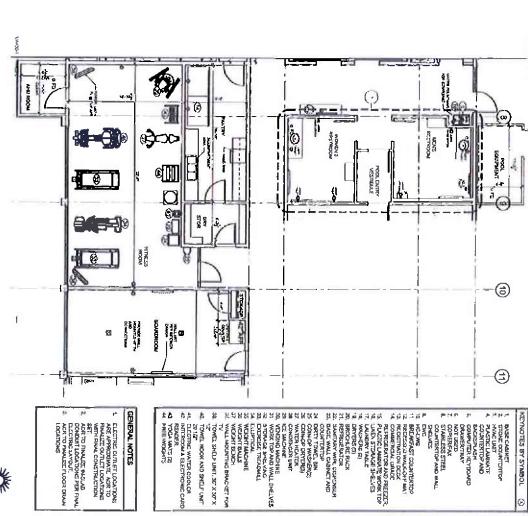


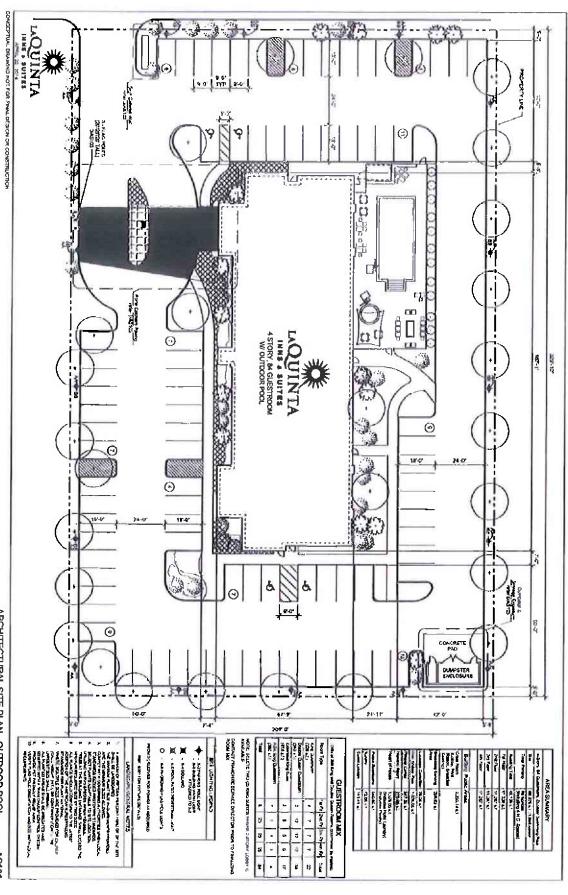
ROOF PLAN

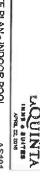


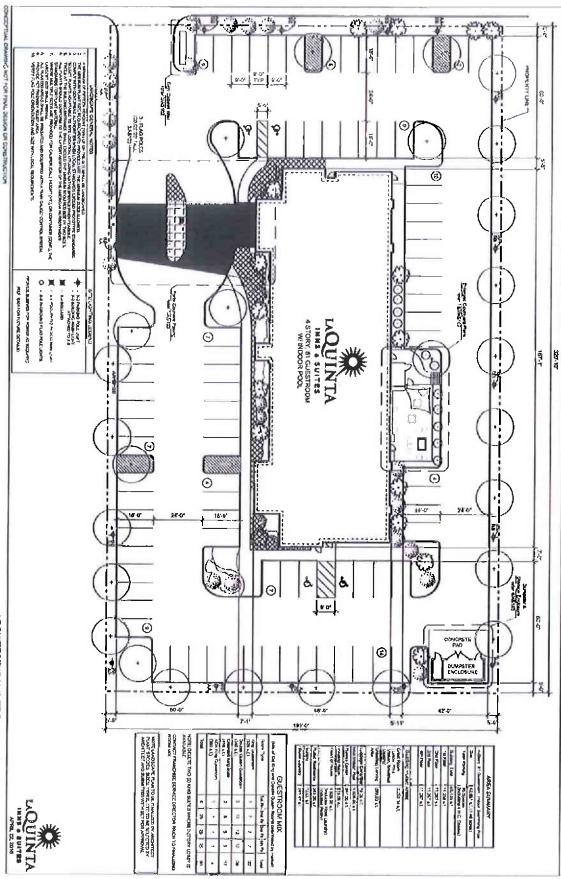


ENLARGED PUBLIC AREA PLAN









DESIGN DEVELOPMENT DRAWING KEY NOTES TO DEL SOL PROTOTYPE DOCS.

A101- FIRST FLOOR

1	E1	Sliding	Entry	/ Doors	refer	A902
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- 2 F1 Storefront refer A902 slm.
- 3 E1 Storefront refer A902 sim.
- 4 D Type Window refer A902
- 5 E2 Exit Door refer A902
- 6 E3 Exit Door refer A902
- 7 J Type Window refer A902
- 8 C Type Window refer A902
- 9 E5 Exit Door refer A902
- 10 D10 Interior Door refer A902
- 11 Porte Cochere Drawings & Details refer AS104-AS107
- 12 Public Area Ceiling Details refer A705
- 13 Breakfast Serving Plan refer 1/A400-2
- 14 Standard King Plan refer A401 sim.
- 15 Extended King Plan refer A403 sim.
- 16 Accessible King Plan refer A407 sim.
- 17 Standard Double Queen Plan refer A402
- 18 E7 Exterior Door refer A902

A102 - SECOND FLOOR (Third and Fourth sim.)

- 1 A Type Window refer A902
- 2 B Type Window refer A902
- 3 C Type Window refer A902
- 4 J Type Window refer A902
- 5 H Type Window refer A902
- 6 Wide King Guestroom Plan refer A404
- 7 Wide Double Queen Guestroom refer A406
- 8 ADA King Plan refer A407

A400-1 & A400-2 ENLARGED PUBLIC AREA PLAN

- 1 Public Restrooms Plan refer 1/A400-2 & A414
- 2 Front Desk Area Plan refer 1/A400-1 sim./A805/A806/A807
- 3 Sundry Shop Plan & Details refer A413
- 4 Print Station Details refer A804
- 5 Breakfast Area Elevations and Details refer A803
- 6 Vestibule Plan (SIM)

A301 - FRONT AND SIDE ELEVATIONS

- 1 Porte Cochere Drawings & Details refer AS104-AS107
- 2 Sunburst Mosaic refer A301
- 3 Cement Panel to EIFS detail refer 5/A701
- 4 Demising Wall at Window Detail refer 8/A701
- 5 Engaged Tower at Pilaster Detail refer 9/A701 sim.
- 6 Roof Parapet Detail refer 3/A702
- 7 Entry Tower Overhang Detail refer 9/AA702
- 8 Small Tower Overhang Detail refer 9/A702 sim.
- 9 Rear Overhang Detail refer 1/A704.2

A302 - BACK ELEVATION

- 1 Small Tower Overhang Detail refer 9/A702 sim.
- 2 Roof Parapet Detail refer 3/A702
- 3 Canopy Detail refer 1/A704.2

AS101 - SITE PLAN

- 1 Porte Cochere Paving refer 1/AS103
- 2 Enlarged Courtyard Plans refer 1&2/AS102
- 3 Dumpster & Storage Enclosure refer 6/AS103
- 4 Sign Cabinet Wall refer 3/AS102

