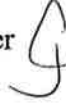


**DISTRIBUTED**  
TCRM 1-27-14

**MEMORANDUM**

**TO:** President and Members of the Town Council

**FROM:** Clay Johnson, Assistant Town Manager 

**MEETING**

**DATE:** January 27, 2014

**RE:** **Resolution \_\_\_\_: Request for Incentives – Three Floyds Brewing, LLC**

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On Monday, representatives from Three Floyds will be present to discuss their plans for a brewery expansion and to request for economic development incentives from the Town Council. This project will be brought in front of Plan Commission next month. In preparation of the expansion, Three Floyds has purchased the lot to the north of their brewery. Their proposed expansion will nearly double the size of their current facility and include the purchase of a new state-of-the-art bottling line, storage areas, distillery, and tasting room.

Three Floyds presented the staff with two options for their expansion. Option One included a remodel of the structure on the northern lot and connecting the current facility with the building to the north. This option did not help with the logistical flow of product and did not solve process inefficiencies. Option Two would demolish the northern structure and build a new building that expanded into the northern lot. Three Floyds prefers this second option. They believe it to be a better use of the land and offers more potential for future growth.

Option Two is also the more expensive of these two options costing \$7.5M versus \$2.8M of Option One. To help with the financing of this project, Three Floyds is requesting five year abatement on both their real and personal property. They have recommended a sliding scale abatement, rolling off 10% of the abatement for each of the five years. For example, 100% of real and personal property taxes would be abated in Year One and scale down to 60% in Year Five (100/90/80/70/60). By their calculations, if approved, over the course of ten (10) years Three Floyds will pay \$643,000 in property taxes and receive \$477,000 in abatement.

For your consideration this evening, a preliminary resolution has been prepared that names the parcels to receive abatement, the length of the abatement, and conditions of the abatement. The confirmatory resolution will include the approved abatement schedule. Included for your review are the SB-1/Real and SB-1/PP forms that must be submitted to the Town prior to abatement being granted. Also included is the abatement scoring matrix for their project. Three Floyds self-scored a 53, which could be higher if they included the amount of landscaping on site. With that in mind, the score would fall between a six or ten year abatement, according to our matrix.

**Recommendation: Adopt Resolution \_\_\_\_: Property Tax Abatement for Three Floyds and set this item for public hearing on March 10, 2014.**

**RESOLUTION NO. \_\_\_\_\_**

**A PRELIMINARY RESOLUTION DECLARING AN ADDITIONAL PARTICULAR AREA WITHIN THE TOWN OF MUNSTER AS ECONOMIC REVITALIZATION AREAS FOR THE PURPOSE OF ENCOURAGING DEVELOPMENT AND OCCUPANCY THEREIN BY PROVIDING REAL AND PERSONAL PROPERTY TAX DEDUCTIONS IN ACCORDANCE WITH THE PROVISIONS OF I.C. 6-1.1-12.1, AS AMENDED (Three Floyds Brewing, LLC, 9748 & 9750 Indiana Parkway).**

**WHEREAS**, there are within the corporate limits of the Town of Munster, Indiana (TOWN), certain areas which have 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 the property or use of property, or where a facility or a group of facilities there are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues (all of which are hereafter referred to as economic revitalization area or areas); and,

**WHEREAS**, the Town Council of the TOWN desires to comply with the requirements of I.C. 6-1.1-12.1-1, et seq., as amended, to find and designate particular areas as economic revitalization areas; and,

**WHEREAS**, the Town Council of the TOWN has prepared a simplified description of an additional parcel to be added to the existing economic revitalization areas by describing its location in relation to public ways, public streets, streams and other memorials, as well as its legal description, all of which is set forth on Exhibit A attached hereto and made a part hereof.

**NOW, THEREFORE, BE IT RESOLVED** that the Town Council of the Town of Munster, Lake County, as follows:

1. The definitions of economic revitalization area, property, redevelopment and rehabilitation shall be the same as that defined in I.C. 6-1.1-12.1-1, as now amended, and as amended hereafter from time to time.
2. The Town Council hereby finds that the additional area or areas within its jurisdiction that are economic revitalization areas are set forth in Exhibit A of this Resolution, which exhibit is attached hereto, made a part hereof and incorporated herein by reference. Said Exhibit A contains a simplified description of the boundary of the additional economic revitalization area describing its location in relation to public ways, public streets, streams and other memorials, as well as its legal description.
3. The additional economic revitalization area has the following development objectives: the development of the unimproved real estate, the redevelopment of existing structures, the expansion of current facilities to increase employment, and

the installation of new manufacturing equipment. Therefore, the additional economic revitalization area shall have the following standards applied to it which shall be met in order to cause its application to the area: commencement of construction of "property" within one year from the date of confirmation of this resolution. Nothing herein is intended to limit the right and power of the Town Council to amend, modify, expand or delete economic revitalization areas from time to time, upon satisfaction of existing statutory requirements, if any.

4. All limitations on the property tax deductions provided in I.C. 6-1.1-12.1, as now amended, and as amended hereafter from time to time, shall apply to all owners of property who shall apply for and receive a deduction. Following the adoption and passage of their resolution, said resolution shall be filed with the County Assessor for the County of Lake. After passage adoption of this resolution, the Town Council shall publish notice of its adoption and the substance of this resolution in accordance with the notice requirements of I.C. 5-3-1. The notice shall state that a description of the affected area or areas is available and can be inspected in the office of the County Assessor of Lake County. The notice of the County Assessor of Lake County. The notice shall also name a date when the Town Council will receive and hear all remonstrances and objections from interested persons with respect to the matters set forth in this resolution. Following the date for receipt of remonstrances and objections, the Town Council shall consider the evidence, shall determine whether the qualification for an economic revitalization area or areas have been met, and shall confirm modify and confirm, or rescind this resolution. Thereafter, the determination of the Town Council shall be final except that an appeal may be taken and heard as provided in I.C. 6-1.1-12.1-2.5.
5. The amount of the deduction from assessed value which the property owner is entitled to receive for property which has been redeveloped or rehabilitated, as defined in I.C. 6-1.1-12.1-1 shall not exceed five (5) years, in the manner set forth in I.C. 6-1.1-12.1-4.
6. The amount of the deduction from the assessed value which the property owner is entitled to receive for new manufacturing equipment, as defined in I.C. 6-1.1-12-1-1, shall be five (5) years, in the manner set forth in I.C. 6-1.12.1-4.5
7. The property owners agree to conform to the Conditions of Abatement as outlined in Exhibit B of this Resolution.
8. A property owner who desires to obtain the deduction provided by this and subsequent resolutions must file a certified deduction application, on forms prescribed by the State Board of Tax Commissioners, with the Auditor of Lake County, in the form and manner prescribed in I.C. 6-1.1-12.1, as now amended and as amended hereafter from time to time, and shall include any additional information required to show compliance with the statement of benefits under I.C. 6-1.1-12.1-3.

9. Nothing herein is intended to limit, alter, or change any zoning ordinance or subdivision control ordinances as they relate to an economic revitalization area or areas, and all owners who apply for the deduction provided for herein shall comply with all ordinances of the TOWN, including but not limited to ordinances controlling zoning, subdivision, development and building.
10. After passage, adoption and resolution, the Town Council shall publish and post notice of a public hearing on this Preliminary Resolution for March, 2014, and thereafter, the Town Council shall confirm, modify and confirm, or rescind this Resolution.

**RESOLVED** and **ADOPTED** this 27<sup>th</sup> day of January, 2014, by a vote of \_\_\_\_ in favor and \_\_\_\_ opposed.

**TOWN COUNCIL OF THE TOWN OF MUNSTER,  
LAKE COUNTY, INDIANA**

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**John P. Reed**

**President**

**ATTEST:**

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**David F. Shafer**

**Clerk-Treasurer**

## **EXHIBIT "A"**

to Resolution \_\_\_\_\_

### **LEGAL DESCRIPTIONS:**

Property # 45-06-36-201-008.000-027

Lot 15 and the North 14 Feet of Lot 16 in Midwest Central Industrial Park Unit 1 in the Town of Munster (being a subdivision in Section 36, Township 36 North, Range 10 West of Second Principal Meridian, Lake County, Indiana, as per plat thereof recorded in Plat Book 52 Page 31, in the Office of Lake County, Indiana Recorder).

Property #45-06-36-201-007.000-027

Lot 14 in Midwest Central Industrial Park Unit 1 in the Town of Munster (being a subdivision in Section 36, Township 36 North, Range 10 West of Second Principal Meridian, Lake County, Indiana, as per plat thereof recorded in Plat Book 52 Page 31, in the Office of Lake County, Indiana Recorder).

## **EXHIBIT "B"**

### **Conditions of Abatement**

1. Occupancy within 12 months of approval.
2. Landscaping and Appearance in Conformance with Plans Approved by the Plan Commission.
3. Agreement for Public Art Contribution in the amount of 1% of Abatement value. The contribution shall be made to the Munster Civic Foundation upon approval of this abatement.



**STATEMENT OF BENEFITS  
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R5 / 12-13)  
Prescribed by the Department of Local Government Finance

20 <u>15</u> PAY 20 <u>16</u>
FORM SB-1 / Real Property
<b>PRIVACY NOTICE</b>
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:**

- 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 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 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 Three Floyds Brewing LLC					
Address of taxpayer (number and street, city, state, and ZIP code) 9750 Indiana Parkway -- Munster, IN 46321					
Name of contact person Chris Boggess			Telephone number (219) 922-4425		E-mail address chris@3floyds.com
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body Munster Town Council					Resolution number
Location of property 9750 Indiana Parkway -- Munster, IN 46321				County Lake	DLGF taxing district number 45027
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) See attached.					Estimated start date (month, day, year) 4/1/14
					Estimated completion date (month, day, year) 12/31/15
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 66	Salaries \$2,495,000	Number retained 66	Salaries \$2,495,000	Number additional 15*	Salaries \$435,000*
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
			REAL ESTATE IMPROVEMENTS		
			COST	ASSESSED VALUE	
Current values			See Attached	See Attached	
Plus estimated values of proposed project					
Less values of any property being replaced					
Net estimated values upon completion of project					
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER					
Estimated solid waste converted (pounds) _____			Estimated hazardous waste converted (pounds) _____		
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) 1-23-14	
Printed name of authorized representative ROBERT DANWORTH				Title CEO	

\* To be phased in through 12/31/2017.

**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 \_\_\_\_\_ calendar years\* (*see below*). The date this designation expires is \_\_\_\_\_.
- 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 \$ \_\_\_\_\_.
- D. Other limitations or conditions (*specify*) \_\_\_\_\_
- 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 ( <i>signature and title of authorized member of designating body</i> )	Telephone number (     )	Date signed ( <i>month, day, year</i> )
Printed name of authorized member of designating body	Name of designating body	
Attested by ( <i>signature and title of attester</i> )	Printed name of attester	

\* 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.

**Attachment to SB-1 (Real)**

This project will involve demolition of the building adjacent to the company's current Munster facility and build-out for increased production capacity. The total square footage of the completed project will be approximately 56,000, an increase of approximately 26,000 square feet from current operations. The company estimates that the hard costs of real property improvements will be up to approximately \$2.7 million.

The improvements will be made on the two parcels described as follows:

**Parcel One**

Lot 15 and the north fourteen (14.00) feet of Lot 16 in Midwest Central Industrial Park Unit 1 in the Town of Munster (being a subdivision in Section 36, Township 36 North, Range 10 West of Second Principal Meridian, Lake County, Indiana, as per plat thereof recorded in Plat Book 52 Page 31, in the Office of Lake County, Indiana Recorder).

Current tax parcel number 45-06-36-201-008.000-027.

**Parcel Two**

Lot 14 in Midwest Central Industrial Park Unit 1 in the Town of Munster (being a subdivision in Section 36, Township 36 North, Range 10 West of Second Principal Meridian, Lake County, Indiana, as per plat thereof recorded in Plat Book 52 Page 31, in the Office of Lake County, Indiana Recorder).

Current tax parcel number 45-06-36-201-007.000-027.

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**STATEMENT OF BENEFITS  
PERSONAL PROPERTY**

State Form 51764 (R3 / 12-13)  
Prescribed by the Department of Local Government Finance

**FORM SB-1/PP**

**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.

**INSTRUCTIONS**

- 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** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment 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 installation of qualifying abatable equipment for which the person desires to claim a deduction.
- To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
- Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
- For a Form SB-1/PP 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/PP 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>Three Floyds Brewing LLC Floyds Concern LLC &amp; Floyd Well, LLC</b>					Name of contact person <b>Chris Boggess</b>						
Address of taxpayer (number and street, city, state, and ZIP code) <b>9750 Indiana Parkway -- Munster, IN 46321</b>							Telephone number <b>(219) 922-4425</b>				
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT											
Name of designating body <b>Munster Town Council</b>							Resolution number (s)				
Location of property <b>9750 Indiana Parkway -- Munster, IN 46321</b>					County <b>Lake</b>		DLGF taxing district number <b>45027</b>				
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (Use additional sheets if necessary.)  <b>Taxpayer plans to install manufacturing, logis. dist., and IT equipment as part of it's expansion of microbrewery operations.</b>					ESTIMATED						
							START DATE		COMPLETION DATE		
					Manufacturing Equipment		2/28/14		12/31/17		
					R & D Equipment						
					Logist Dist Equipment		2/28/14		12/31/17		
IT Equipment		2/28/14		12/31/17							
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT											
Current number <b>66</b>		Salaries <b>\$2,495,000</b>		Number retained <b>66</b>		Salaries <b>\$2,495,000</b>		Number additional <b>15*</b>		Salaries <b>\$435,000*</b>	
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT											
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.			MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT		
			COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	
Current values			See Attached				See Attached		See Attached		
Plus estimated values of proposed project											
Less values of any property being replaced											
Net estimated values upon completion of project											
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER											
Estimated solid waste converted (pounds) _____					Estimated hazardous waste converted (pounds) _____						
Other benefits:											
SECTION 6 TAXPAYER CERTIFICATION											
I hereby certify that the representations in this statement are true.											
Signature of authorized representative <i>[Signature]</i>							Date signed (month, day, year) <b>1-23-14</b>				
Printed name of authorized representative <b>ROBERT WANDERL</b>					Title <b>COO</b>						

\* To be phased in through 12/31/2017.

**FOR USE OF THE DESIGNATING BODY**

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

- A. The designated area has been limited to a period of time not to exceed \_\_\_\_\_ calendar years \* (see below). The date this designation expires is \_\_\_\_\_.
- B. The type of deduction that is allowed in the designated area is limited to:
- |  |                              |                             |
|--|------------------------------|-----------------------------|
| 1. Installation of new manufacturing equipment;            | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment.  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Installation of new information technology equipment;   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
- C. The amount of deduction applicable to new manufacturing equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.
- D. The amount of deduction applicable to new research and development equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.
- E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.
- F. The amount of deduction applicable to new information technology equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.
- G. Other limitations or conditions (specify) \_\_\_\_\_
- H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction is allowed for:
- |                                 |                                 |                                 |                                 |                                  |               |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|----------------------------------|---------------|
| <input type="checkbox"/> Year 1 | <input type="checkbox"/> Year 2 | <input type="checkbox"/> Year 3 | <input type="checkbox"/> Year 4 | <input type="checkbox"/> Year 5  | (see below *) |
| <input type="checkbox"/> Year 6 | <input type="checkbox"/> Year 7 | <input type="checkbox"/> Year 8 | <input type="checkbox"/> Year 9 | <input type="checkbox"/> Year 10 |               |
- I. 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.

Also we have 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 by: (signature and title of authorized member of designating body)	Telephone number ( )	Date signed (month, day, year)
Printed name of authorized member of designating body	Name of designating body	
Attested by: (signature and title of attester)	Printed name of attester	

\* 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.

**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.

**Attachment to SB-1 (Personal)**

This project involves a significant expansion of the company's Munster operations. The company plans to install manufacturing, logistical distribution, and IT equipment totaling up to approximately \$5,000,000. New equipment will include, but is not limited to, a filler and labeling system, a conveyor and case packer, a packaging system, a vacuum lifting system, a TPO/CO2 meter, a lab density meter, a copper and brass distillery unit, a wort kettle, and other equipment in the company's micro-brewing operations.

The investment will be made at the two parcels described as follows:

**Parcel One**

Lot 15 and the north fourteen (14.00) feet of Lot 16 in Midwest Central Industrial Park Unit 1 in the Town of Munster (being a subdivision in Section 36, Township 36 North, Range 10 West of Second Principal Meridian, Lake County, Indiana, as per plat thereof recorded in Plat Book 52 Page 31, in the Office of Lake County, Indiana Recorder).

Current tax parcel number 45-06-36-201-008.000-027.

**Parcel Two**

Lot 14 in Midwest Central Industrial Park Unit 1 in the Town of Munster (being a subdivision in Section 36, Township 36 North, Range 10 West of Second Principal Meridian, Lake County, Indiana, as per plat thereof recorded in Plat Book 52 Page 31, in the Office of Lake County, Indiana Recorder).

Current tax parcel number 45-06-36-201-007.000-027.

**ATTACHMENT B**

**MATRIX FOR TAX ABATEMENT CONSIDERATION FOR REDEVELOPMENT AND/OR EQUIPMENT PURCHASE PROJECTS**

**JOB CREATION/RETENTION**

**Outstanding**

**Unsatisfactory**



Criteria:

1. Total Number of New Jobs Created or Retained:
  - 50 or more 6 points
  - 40-49 5 points
  - 30-39 4 points
  - 20-29 3 points
  - 10-19 2 points
  
2. Percentage of Full-Time Jobs: (Based on 30 or more employees)
  - 80% or greater 3 points
  - 65% to 79% 2 points
  
3. Are the Jobs new to the area:
  - Yes 1 point

**OVERALL QUALITY OF JOBS**

**Outstanding**

**Unsatisfactory**



Criteria:

Average Salary of 50% or more of employees' earnings, both new and/or retained, Benefits (Based on 10 or more Employees), according to the updated information of Department of Labor:

- fall within the upper tenth of the industrial average 10 points
- are above the 80<sup>th</sup> percentile of the industrial average 7 points
- fall within the upper quartile of the industrial average 3 points

**PROJECT SIZE AND SCOPE**

**Outstanding**

**Unsatisfactory**

46

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**Criteria:**

1. Investment and Quality of Construction. Building must be constructed of 80% or more of brick or equivalent masonry material.

Overall Investment in Project

\$10 Million or more	13 points
\$5 Million to \$9.99 Million	11 points
\$2.5 Million to \$4.99 Million	9 points
\$1 Million to \$2.49 Million	7 points
\$0.5 Million to \$0.99 Million	5 points

2. Landscaping

30% or more of remaining lot to be heavily landscaped 7 points

20%-29% of remaining lot to be heavily landscped 4 point

- 3.\* Demolition of existing structures to include building facades deemed to be inadequate, outdated or blighted by Town standards.

Removal of 100% of these structures	10 points
Removal of 50%-99% of these structures	6 points
Removal of some structures, less than 50%	2 points

*\*this question does not apply to those projects, involving construction on land that had not been previously developed*

4. Improvement to property shall grow total assessed valuation by:

Over 30%	5 points
Between 20%-29%	3 points
Above 10%	1 point

- 5.<sup>r</sup> Amount of new Equipment brought into the Business Operation.

Overall Investment in Project

\$10 Million or more	11 points
\$5 Million to \$9.99 Million	9 points
\$2.5 Million to \$4.99 Million	7 points
\$1 Million to \$2.49 Million	5 points
\$0.5 Million to \$0.99 Million	3 points

*<sup>r</sup> this question does not apply to those projects, involving solely development, without equipment tax abatement*

**MATRIX SCORING**

	<b>Redevelopment &amp; Equipment</b>	<b>New Development &amp; Equipment</b>	<b>New Development No Equipment</b>	<b>Equipment Only</b>
10-Year Tax Abatement	56 - 66	47 - 56	38 - 45	28 - 36
6 -Year Tax Abatement	50 - 55	42 - 46	34 - 37	21 - 27
3 -Year Tax Abatement	40 - 49	33 - 41	27 - 33	19 - 20
Exclusions:		Project Size & Scope #3	Project Size & Scope #s 3&5	Project Size & Scope #s 1,2,&3

**Project Score: 53**

The Town reserves the right to add or subtract additional points dependent upon additional information available to the Town. Those redevelopment projects that use innovative means of production or materials such as using recyclable building materials or retaining additional stormwater runoff in addition to the capacity required for the facility alone will be evaluated and possibly receive additional points.

LEED Certification of Development projects shall be awarded points in addition to those available within the matrix in the following manner:

- Platinum LEED Certification 10 points
- Gold LEED Certification 6 points
- Silver LEED Certification 4 points
- LEED Certification 3 points

Those businesses that fail to be good community citizens or build contrary to the Town’s development plans may be penalized points from their total score.

***The Matrix is a tool used by the Town Council to assess the strength of a development proposal. The Town Council may, at its sole discretion, choose to utilize the matrix to grant or deny abatement or may make such a choice without utilizing any of the matrices.***