

STATE OF INDIANA
BEFORE THE TOWN COUNCIL OF SELLERSBURG, INDIANA

RESOLUTION NO. 2016 – R – 005

**A RESOLUTION APPROVING STATEMENT OF BENEFITS FOR REAL PROPERTY
AND GRANTING OF TAX ABATEMENT**

WHEREAS, this Town Council of Sellersburg, Indiana (“Council”) is the town legislative body of the town and the President of the town council is the town executive pursuant to Ind. Code § 36-5-2 *et seq.*; and,

WHEREAS, pursuant to Ind. Code § 36-5-2-9, the legislative body may adopt ordinances and resolutions for the performance of functions of the town; and,

WHEREAS, Clarion Partners d/b/a LIT Industrial Limited Partnership (“Owner”) has petitioned this Council for a tax abatement in real property taxes to be assessed on property located at 7615 Hwy 31 East, Sellersburg, IN 47172; and,

WHEREAS, the Owner has submitted a Statement of Benefits on the form prescribed by the Department of Local Government Finance for such purpose, which includes a description and estimate of cost for Phase III of the real property improvements, a description of the total project, and an estimated start and completion date of Phase III; and,

WHEREAS, this Council has previously determined that the area of 7615 Hwy 31 East, Sellersburg, IN 47172 qualifies as an economic revitalization area pursuant to Ind. Code § 6-1.1-12.1-5 *et seq.* (Resolution No. 2016-R-001); and,

WHEREAS, this Council has previously reviewed the Statement of Benefits for Phase III and incorporates it herein (*See Exhibit “A”*); and,

WHEREAS, the Sellersburg Redevelopment Commission has adopted a resolution in support of this Council granting said tax abatement (*See Exhibit “B”*).

NOW, THEREFORE BE IT RESOLVED by the Town Council as follows:

1. That all information and all required forms have been filed by Clarion Partners d/b/a LIT Industrial Limited Partnership and the benefits described in such information can be reasonably expected to result.
2. That the totality of benefits for said expansion is sufficient to justify the deduction.
3. That the Town Council hereby approves the application for deduction presented in the Statement of Benefits filed by Clarion Partners d/b/a LIT Industrial Limited Partnership and said company shall be entitled to deductions for a period of ten (10) years for improvements to real property as set forth in Exhibit "C" and pursuant to Ind. Code § 6-1.1-12.1 *et seq.*, with the timely filing and perfection thereof with the Clark County Auditor's Office.


This Resolution shall be in full force and effect after its adoption by the Town Council of Sellersburg, Indiana.

[Signature page to follow]


So Resolved this 14 day of March, 2016

“Aye”

“Nay”



Paul J. Rhodes
Council President


Paul J. Rhodes
Council President


Brad Amos
Council Vice President


Brad Amos
Council Vice President

Martina Webster
Council Member

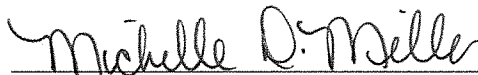

Martina Webster
Council Member


Jim LaMaster
Council Member

Jim LaMaster
Council Member


William Conlin
Council Member

William Conlin
Council Member


Attested by: Michelle Miller
Sellersburg Clerk-Treasurer



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51787 (R6 / 10-14)

Prescribed by the Department of Local Government Finance

20__ PAY 20__

FORM SB-1 / Real Property

PRIVACY NOTICE

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

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

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

INSTRUCTIONS.

- 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 LIT Industrial Limited Partnership | | | | | |
| Address of taxpayer (number and street, city, state, and ZIP code) c/o Clarion Partners 1717 McKinney Ave. Suite 1900, Dallas, TX 75202 | | | | | |
| Name of contact person Mr. Andy Sitzer, Senior Vice President | | Telephone number (214) 647-4929 | | E-mail address andy.sitzer@clarionpartners.com | |
| SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT | | | | | |
| Name of designating body Sellersburg Town Board | | | | Resolution number | |
| Location of property 7615 Highway 31E | | | | County Clark | |
| Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Construction of Phase III of a two-building, Class A warehouse/distribution project, consisting of approximately 244,400 square feet out of a total project of approximately 1,075,360 square feet. | | | | DLGF taxing district number 017 031 | |
| | | | | Estimated start date (month, day, year) May 1, 2021 | |
| | | | | Estimated completion date (month, day, year) December 31, 2021 | |
| SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT | | | | | |
| Current number | Salaries | Number retained | Salaries | Number additional | Salaries |
| 0.00 | \$0.00 | 0.00 | \$0.00 | 0.00 | |
| SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT | | | | | |
| | | | REAL ESTATE IMPROVEMENTS | | |
| | | | COST | ASSESSED VALUE | |
| Current values | | | | 0.00 | |
| Plus estimated values of proposed project | | | | 9,750,000.00 | |
| Less values of any property being replaced | | | | 0.00 | |
| Net estimated values upon completion of project | | | | 9,750,000.00 | |
| 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) Feb. 25 2016 | |
| Printed name of authorized representative Jon Seiz, Fortis Group, LLC Authorized Agent | | | | Title President | |

EXHIBIT

tabbies

A

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 \$ 9,750,000.00.
- 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 (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.

- 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.

Resolution No: 16-001

RESOLUTION OF THE
REDEVELOPMENT COMMISSION
OF THE
TOWN OF SELLERSBURG, INDIANA

WHEREAS, the Town of Sellersburg Redevelopment Commission (the "Commission") as the governing body for the Town of Sellersburg Redevelopment Department, pursuant to Indiana Code § 36-7-14, as amended (the "Act") previously adopted a resolution designating an area as an economic development area.

WHEREAS, LIT Industrial Limited partnership, a real estate entity managed by Clarion Partners, (collectively "Purchaser") has contracted to purchase 77.9 acres of land located within the economic development area and identified by the common address of 7615 Hwy 31 East, Sellersburg, IN 47172 (the "Real Estate") as shown on the attached Exhibit A.

WHEREAS, Fortis Group LLC dba: NAI Fortis Group ("Developer") is contemplating the development of the Real Estate on behalf of Purchaser for the purposes of developing Class A warehouse/distribution space of approximately 1,075,360 square feet in up to three phases.

WHEREAS, the Commission believes that the redevelopment of the Real Estate will benefit the public health, safety, morals, and welfare of the Town, will increase the economic well-being of the Town and the state; and will serve to protect and increase property values in the Town and the state.

WHEREAS, the Commission has studied certain areas needing redevelopment and desires to promote the use of land in the manner that best serves the interests of the Town and Area and its inhabitants; and desires to cooperate with the Town in a manner that best serves the community in accordance with I.C. § 36-7-14.

WHEREAS, the Commission has approved a representative to discuss with Developer certain development requests, and having done so, the Commission recommends the Town and Commission cooperate in a manner that best serves the community as follows:

WHEREAS, the Town Council of Sellersburg has already rezoned the Real Estate from A&R-1 to I-1 by Ordinance No. 2015-0015 on December 28, 2015.

WHEREAS, the Commission supports, as part of the economic development incentives to be approved by the Town, that the Town grant Purchaser (Clarion

Partners dba: LIT Industrial Limited Partnership) certain real estate property tax abatements as described in SB-1 forms listed as Exhibit B.

WHEREAS, the Commission further supports that the Town waive certain sewer tap-in fees conditioned upon the Developer installing all sewer systems to Town's specifications and connecting all such systems to the Town's existing sewer system.

WHEREAS, contingent on the approval and acceptance of the above Town incentives and Developer obligations, then the Commission desires to enter into a Contract for the construction of local public improvements to specific portions of US 31 for certain areas needing redevelopment in an amount not to exceed \$250,000.00.

WHEREAS, Developer shall pay for the design of the public improvements to the roadway to INDOT specifications subject to the Commission's ultimate approval and shall maintain an irrevocable letter of credit in an amount that covers any costs that exceed the Commission's \$250,000 cost cap.

WHEREAS, as a condition precedent to Commission or Town entering into the above incentive agreements, the Commission requests that the Town require that Developer to grant to the Town a permanent easement adjacent to Butler Drive, which is currently used by certain residences and has not been dedicated to the Town as a public right-of-way.

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT COMMISSION OF THE TOWN OF SELLERSBURG, INDIANA, THAT:

1. The Commission intends to pursue and seek approval of the Town, where appropriate, certain economic development incentives for the redevelopment of the Real Estate as follows:

2. The Commission supports, as part of the economic development incentives to be approved by the Town, that the Town grant Taxpayer certain real estate property tax abatements as described in SB-1 forms listed as Exhibit B. The ten-year abatement program will commence upon the completion of the construction of each phase separately on the condition that the Purchaser and/or Developer agreeing not to appeal the property tax assessment to an amount lower than the amount presented within the SB-1 forms for each phase of development.

3. The Commission further supports that the Town waive certain sewer tap-in fees, estimated to be approximately One Hundred Ten Thousand and No/100 (\$110,000.00) Dollars, conditioned upon the Developer installing all sewer systems to Town's specifications and connecting all such systems to the Town's existing sewer system. The design and specifications for such improvements shall be mutually

agreed upon by the Town and Purchaser. The engineer's estimate of these Developer funded sewer system improvements is Four Hundred Eighty Thousand and No/100 (\$480,000) Dollars. Any pump station and force main constructed as part of this system shall be granted to the Town for long term operation and maintenance.

4. Contingent on the approval and acceptance of the above Town incentives and Developer obligations, then the Commission desires to enter into a Contract for the construction of local public improvements for certain areas needing redevelopment, specifically portions of U.S. Highway 31 near the Real Estate. The Commission intends to contribute up to a maximum of Two Hundred Fifty Thousand and No/100 (\$250,000.00) Dollars with the Developer responsible for any such costs the Commission incurs in the project that exceed such amount. Commission shall not advertise or offer the public improvements for bid until Developer has both closed on the Real Estate and paid for the design to INDOT specifications, subject to the Commission's ultimate approval. Prior to the publication for any bid documents by the Town or Commission, the Developer must maintain an irrevocable letter of credit in the amount of the engineered estimate that exceeds the Commissions' \$250,000.00 construction cost cap, with such irrevocable letter being subject to amendment upward at the Commission's direction to cover any project costs above \$250,000 after actual bids are received. Such irrevocable letter of credit shall be in a form agreeable to the Town and Commission so that the Commission may draw upon such funds during the construction of the local public improvements. If the Developer progresses on site improvements to the Real Estate in a commercially reasonable manner, the Commission will complete the public improvements to US-31 within substantial completion of the shell building of Developer's first phase of construction. The "first phase of construction" shall include the construction of a 415,480 square foot Class A warehouse/distribution center and such phase shall be completed when the building is substantially complete so as to be marketable to potential tenants.

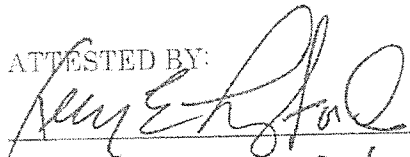
5. As an additional condition precedent to Commission or Town entering into the above incentive agreements, the Commission requests that the Town further require that Purchaser and/or Developer grant to the Town an approximately 15 foot by 1,500 foot permanent access easement contiguous to the Real Estate's north property line as shown as Exhibit A. The easement is intended to assist the Town in its efforts to enhance traffic access on Butler Drive and to provide for adequate right-of-way for future expansion of Butler Drive as a public right-of-way. Purchaser and/or Developer and Town will enter into a mutually agreeable shared easement agreement regarding the construction, maintenance and repair of the right-of-way.

Dated this 7th day of March, 2016.

Town of Sellersburg Redevelopment
Commission

By: 
Michael J. Hostetler, President

ATTESTED BY:


Terry E Langford
Printed Name/Secretary

Town of Sellersburg, Indiana

Tax Abatement Schedule for Real Property

| Year | Percent Deduction |
|------|-------------------|
| 1 | 100% |
| 2 | 90% |
| 3 | 80% |
| 4 | 70% |
| 5 | 60% |
| 6 | 50% |
| 7 | 40% |
| 8 | 30% |
| 9 | 20% |
| 10 | 10% |

