

RESOLUTION NO. 2020- 04

**A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF HOBART, INDIANA,
DESIGNATING A CERTAIN AREA WITHIN THE CITY AS AN ECONOMIC
REVITALIZATION AREA FOR PURPOSES OF PERSONAL PROPERTY TAX ABATEMENT**

WHEREAS, a petition for personal property tax abatement has been filed with the City of Hobart for consideration by the Common Council of the City of Hobart, said petition requesting that the area commonly described as **2100 East 69th Avenue**, Hobart, Lake County, Indiana, which is more particularly described in Exhibit "A" attached, be designated as an Economic Revitalization Area under the provisions of Indiana Code 6-1.1-12.1-1 et seq.; and

WHEREAS, the Act provides that such Economic Revitalization Areas are areas within the City which have:

"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," I.C. 6-1.1-12.1-1(a), and

WHEREAS, AMI, LLC doing business in Indiana as AMI Tenant, LLC, has a vested property interest in the real estate commonly known as: **2100 East 69th Avenue**, Hobart, Lake County, Indiana, and

WHEREAS, AMI, LLC doing business in Indiana as AMI Tenant, LLC, has requested that the real estate be designated as an Economic Revitalization Area for the purpose of achieving personal property tax abatement in connection with the following project on the real estate:

PROJECT: Installation of \$9,296,915 in new and used (transferred from out of state) manufacturing equipment; \$1,944,666 in new and used (transferred from out of state) logistical equipment; \$545,000 in new and used (transferred from out of state) information technology equipment; and \$131,811 in new and used (transferred from out of state) research & development equipment

WHEREAS, the Common Council of the City of Hobart has concluded an investigation and has prepared a report with information sufficient for the Common Council to determine that the area qualifies as an Economic Revitalization Area under Indiana Code 6-1.1-12.1-1 et seq. Further, the Common Council has access to maps and plats showing the boundaries and such other information regarding the area in question as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Hobart, as follows:

Section 1: The Common Council of the City of Hobart hereby determines and finds that the petition for personal property tax abatement and the Statement of Benefits Form (see Exhibit "B" attached hereto) completed by the petitioner meets the requirements of Indiana Code 6-1.1-12.1-1 et seq. and qualifies for tax abatement.

Section 2: The Common Council of the City of Hobart hereby determines and finds the following:

- a. That the estimate of the cost of the new and used (transferred from out of state) manufacturing, logistics distribution, information technology, and research & development equipment is

- reasonable for equipment of that type.
- b. That the estimate of the number of individuals who will employed or whose employment will be retained can reasonably be expected to result from the proposed described installation of the new and used (transferred from out of state) manufacturing, logistics distribution, information technology, and research & development equipment.
 - c. That the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be expected to result from the proposed described installation of the new and used (transferred from out of state) manufacturing, logistics distribution, information technology, and research & development equipment.
 - d. That the other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described installation of the new and used (transferred from out of state) manufacturing, logistics distribution, information technology, and research & development equipment.
 - e. That the totality of benefits is sufficient to justify the deduction, all of which satisfy the requirements of Indiana Code 6-1.1-12.1-3 and 6.1.1-12.1-4.5 and can be reasonable expected to result from the installation of the new and used (transferred from out of state) manufacturing, logistics distribution, information technology, and research & development equipment.

Section 3: The Common Council of the City of Hobart hereby determines and finds that the proposed installation of new and used (transferred from out of state) manufacturing, logistics distribution, information technology, and research & development equipment can be reasonably expected to yield the benefits identified in the Statement of Benefits, Exhibit "B" attached, such form prescribed by the State Board of Tax Commissioners, including the list dated 2/6/2020 of the new and used (transferred from out of state) manufacturing, logistics distribution, information technology, and research & development equipment to be installed which is attached hereto as part of Exhibit "B" and is sufficient to justify the deduction granted under IC 6-1.1-12.1-4 and/or IC 6-1.1-12.1-4.5 of the Indiana Code.

Section 4: The Common Council of the City of Hobart hereby designates the area herein described as an Economic Revitalization Area for the purpose of personal property tax abatement.

Section 5: The Common Council of the City of Hobart determines that such designation is for personal property tax abatement for new and used (transferred from out of state) manufacturing, logistics distribution, information technology, and research & development equipment to begin to be installed within twelve (12) months from the date of the adoption of a resolution confirming this resolution, by the Common Council and such installation completed within thirty (30) months from the date of this adoption

Section 6: The Common Council of the City of Hobart hereby determines that the property owner is qualified for and is granted property tax deduction for a period of ten (10) years for the new and used (transferred from out of state) manufacturing, logistics distribution, information technology, and research & development equipment. Such deduction shall be as follows:

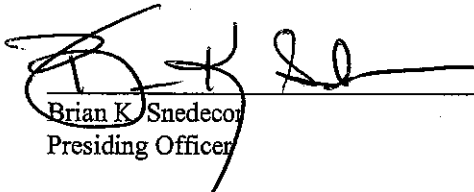
***Year One: 100%, Year Two: 90%, Year Three: 80%, Year Four: 70%, Year Five: 60%,
Year Six: 50%, Year Seven: 40%, Year Eight: 38%, Year Nine: 34%, Year Ten: 31%***

Section 7: The Common Council of the City of Hobart directs the Clerk to cause notice of the adoption and substance of this Resolution for personal property tax abatement to be published in accordance with IC 5-3-1, as amended, said publication providing notice of the public hearing before the Common Council on the proposed confirmation of said declaration and to file a copy of this resolution with the County Assessor, and to file the information required by Indiana Code 6-1.1-12.1-2.5(c) with the officers of each taxing unit that has authority to levy property taxes in the geographic area where the Economic Revitalization Area is located.

Section 8: Pursuant to Common Council Resolution 2019-39, the Council now finds that the owner of the subject personal property will, for the installation of equipment during construction of its building, utilize contractors recommended by the building owner and constructor, which has an established prior history of cooperation with the City and local labor organizations. Further, other equipment will be installed pursuant to agreements with the manufacturers thereof to sell, install and warrant the equipment. Under these circumstances, the Responsible Bidding Practices Ordinance of the City would not be helpful in assuring an adequate supply of skilled labor for the project, and that there is no reason why the project should not be exempted from the application of the Ordinance. This project is hereby declared to be exempt from compliance with the provisions of said Ordinance, HMC Sec. 155.01, *et seq.*

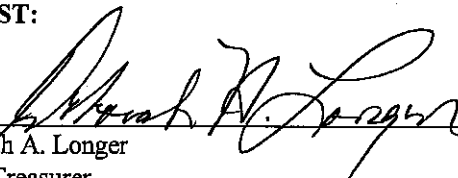
Section 9: This resolution shall be in full force and effect from and after its adoption by the Common Council.

PASSED AND ADOPTED by the Common Council of the City of Hobart, Lake County, Indiana on the 16th day of MARCH, 2020, by a vote of 5 in favor and 0 opposed.



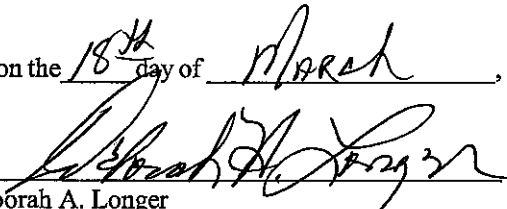
Brian K. Snedecor
Presiding Officer

ATTEST:



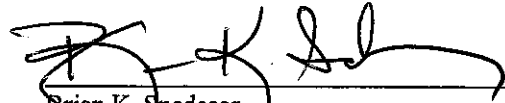
Deborah A. Longor
Clerk-Treasurer

PRESENTED by me to Mayor of the City of Hobart, Indiana, on the 18th day of MARCH, 2020 at 7:00 a.m./p.m.



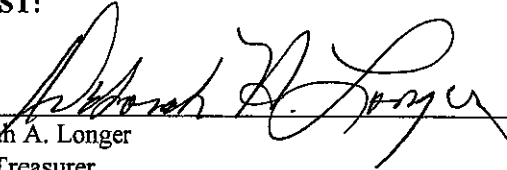
Deborah A. Longor
Clerk-Treasurer

APPROVED, SIGNED AND RETURNED by me to the Common Council of the City of Hobart, Lake County, Indiana this 18th day of MARCH, 2020.



Brian K. Snedecor
Mayor

ATTEST:



Deborah A. Longer
Clerk-Treasurer

Exhibit "A"

**LEGAL DESCRIPTION
OF
NORTHWIND CROSSING SOUTH**

THAT PART OF THE WEST 1/2 OF THE EAST 2/5 OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 11, AND THE EAST 1/5 OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 11, TOGETHER WITH THAT PART OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 11, IN TOWNSHIP 35 NORTH RANGE 8 WEST OF THE 2ND PRINCIPAL MERIDIAN LAYING SOUTH OF THE RIGHT OF WAY OF THE CHICAGO AND GRAND TRUNK ROUTE RAILWAY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION; THENCE SOUTH 89 DEGREES 24 MINUTES 53 SECONDS EAST, 1854.41 FEET; THENCE NORTH 00 DEGREES 06 MINUTES 06 SECONDS EAST, 1037.97 FEET; THENCE NORTH 78 DEGREES 17 MINUTES 25 SECONDS WEST, 1893.22 FEET; THENCE SOUTH 00 DEGREES 05 MINUTES 43 SECONDS WEST, 1403.26 FEET; TO THE PLACE OF BEGINNING CONTAINING 51.9631 ACRES, MORE OR LESS; IN LAKE COUNTY, INDIANA.



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (R4 / 11-15)
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

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** 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.
2. 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.
3. 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 January 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 January 1 and the extended due date of that year.
4. 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)
5. 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 AMI, LLC doing business in Indiana as AMI Tenant, LLC					Name of contact person Gloria Mueller						
Address of taxpayer (number and street, city, state, and ZIP code) 2171 Executive Drive, Suite 100, Addison, IL 60101							Telephone number (708) 915-1734				
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT											
Name of designating body Hobart Common Council							Resolution number (s) 2020-				
Location of property 2100 E. 69th St, Hobart, IN 46410					County Lake		DLGF taxing district number 46				
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.) A \$11,918,392 equipment investment to be used in the secondary fabrication, assembly and distribution of electrical products for use in the non-residential construction industry. See pages 5-11 of Exhibit B for additional detail.					ESTIMATED						
							START DATE		COMPLETION DATE		
					Manufacturing Equipment		11/01/2020		04/30/2021		
					R & D Equipment		12/15/2020		04/30/2021		
					Logist Dist Equipment		12/01/2020		04/30/2021		
IT Equipment		11/01/2020		04/30/2021							
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT											
Current number 49		Salaries \$2,230,041		Number retained 49		Salaries \$2,230,041		Number additional 119		Salaries \$5,499,094	
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			0	0	0	0	0	0	0	0	
Plus estimated values of proposed project			9,296,915	2,789,075	131,811	39,543	1,944,666	583,400	545,000	163,500	
Less values of any property being replaced			0	0	0	0	0	0	0	0	
Net estimated values upon completion of project			9,296,915	2,789,075	131,811	39,543	1,944,666	583,400	545,000	163,500	
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER											
Estimated solid waste converted (pounds) N/A					Estimated hazardous waste converted (pounds) N/A						
Other benefits: Additional benefits around salary - Refer to Council Application with attached page two in regard to equipment installation and salary projections along with accompanying spread sheet data on salary ranges and job groups.											
SECTION 6 TAXPAYER CERTIFICATION											
I hereby certify that the representations in this statement are true.											
Signature of authorized representative <i>Gloria Mueller</i>							Date signed (month, day, year) March 10, 2020				
Printed name of authorized representative Gloria Mueller					Title Assistant Corporate Secretary						

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 N/A calendar years * (see below). The date this designation expires is N/A. NOTE: This question addresses whether the resolution contains an expiration date for the designated area.

B. The type of deduction that is allowed in the designated area is limited to:

1. Installation of new manufacturing equipment;	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Enhanced Abatement per IC 6-1.1-12.1-18
2. Installation of new research and development equipment;	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Check box if an enhanced abatement was approved for one or more of these types.
3. Installation of new logistical distribution equipment.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
4. Installation of new information technology equipment;	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ 9,296,915 cost with an assessed value of \$ _____ (One or both lines may be filled out to establish a limit, if desired.)

D. The amount of deduction applicable to new research and development equipment is limited to \$ 131,811 cost with an assessed value of \$ _____ (One or both lines may be filled out to establish a limit, if desired.)

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ 1,944,666 cost with an assessed value of \$ _____ (One or both lines may be filled out to establish a limit, if desired.)

F. The amount of deduction applicable to new information technology equipment is limited to \$ 545,000 cost with an assessed value of \$ _____ (One or both lines may be filled out to establish a limit, if desired.)

G. Other limitations or conditions (specify) See below

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 checked="" type="checkbox"/> Year 1	<input checked="" type="checkbox"/> Year 2	<input checked="" type="checkbox"/> Year 3	<input checked="" type="checkbox"/> Year 4	<input checked="" type="checkbox"/> Year 5	<input type="checkbox"/> Enhanced Abatement per IC 6-1.1-12.1-18
<input checked="" type="checkbox"/> Year 6	<input checked="" type="checkbox"/> Year 7	<input checked="" type="checkbox"/> Year 8	<input checked="" type="checkbox"/> Year 9	<input checked="" type="checkbox"/> Year 10	Number of years approved: _____
(Enter one to twenty (1-20) years; may not exceed twenty (20) years.)					

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. See below deduction schedule as per Sect. 6, Res. 2020-_____
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 <u>(919) 942-1940</u>	Date signed (month, day, year)
Printed name of authorized member of designating body	Name of designating body Hobart Common Council	
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.

N/A is Not Applicable All blanks are intentional	i. Year 1: 100% Year 6: 50% Year 2: 90% Year 7: 40% Year 3: 80% Year 8: 38% Year 4: 70% Year 9: 34% Year 5: 60% Year 10: 31%
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G. The taxpayer and City of Hobart have executed, delivered, and recorded a Development Agreement dated April ____, 2020, which memorializes the benefits of the project and duties of the parties. In the event of conflict between this instrument and the Development Agreement, the language of the Agreement shall control.

Exhibit "B"

Other Benefits Promised – Section 5 (continued)

Applicant: AMI, LLC doing business in
Indiana as AMI Tenant, LLC

Signed:



Personal Property

Date:

3/10/2020

For this abatement request, Applicant agrees to pay a sum of no more than \$750 per year, for each year in which the abatement is in effect, at such time the City is required to comply with certain tax abatement transparency reporting requirements required by the State government, Federal government, or other applicable regulatory organization or agency. This payment will be paid for all applicable remaining years of abatement that require such reporting in one lump sum upon invoice by the City of Hobart.

Applicant agrees to adhere to the terms of the Development Agreement dated April _____, 2020.

Exhibit "B"

Taxes Payable Year Property Taxes to be paid on the Proposed Personal Property Investment
(as per the 2-6-2020 Baker Tilly Analyses)

<u>2022</u>	<u>\$2,940</u>
<u>2023</u>	<u>\$32,140</u>
<u>2024</u>	<u>\$38,430</u>
<u>2025</u>	<u>\$45,710</u>
<u>2026</u>	<u>\$58,160</u>
<u>2027</u>	<u>\$70,400</u>
<u>2028</u>	<u>\$82,000</u>
<u>2029</u>	<u>\$91,080</u>
<u>2030</u>	<u>\$93,080</u>
<u>2031</u>	<u>\$96,450</u>
<u>2032</u>	<u>\$102,610</u>

If needed, Applicant agrees to execute on an annual basis a Reimbursement Agreement, which shall require payment for services engaged by the City in order to review compliance with the minimum tax payments promised as contained in sub-section 3(e)(i) of the Development Agreement dated April ____, 2020.

Manufacturing Equipment 2/6/2020

Asset Description	Acquisition Cost	Original In Service Date	Useful Life	Assessed Value	Check if		Estimated In Service Date at New Facility	Estimated Retirement Date (if planned/known)	Original Depreciable Months	Remaining Depreciation (Years)
					Transferred from out of state	New				
SRAC50-400 Tooling for 8 sizes	\$ 5,000	12/01/16	3	\$ 1,500	X		04/30/21		36	0.0
NHUB 1/2" thru 6" Tooling	\$ 10,120	12/01/16	3	\$ 3,036	X		04/30/21		36	0.0
Longluck Nuts 3/4" & 1" Tooling	\$ 7,580	02/01/17	3	\$ 2,274	X		04/30/21		36	0.0
ERC50-ERSS100 Tooling	\$ 10,200	02/01/17	3	\$ 3,060	X		04/30/21		36	0.0
SETC, SPRAC, RSK & RSC Tooling	\$ 18,470	07/24/17	3	\$ 5,541	X		04/30/21		36	0.0
Tooling SECR Rubber Seal & Nylon Tooling fee	\$ 8,750	05/30/18	3	\$ 2,625	X		04/30/21		36	0.1
Tooling Black Rubber Gasket & SECR Sealing Ring tooling	\$ 10,430	09/13/18	3	\$ 3,129	X		04/30/21		36	0.4
Warehouse Quality Control tools - tooling, drills, re-work tools, misc	\$ 4,000	12/01/16	3	\$ 1,200	X		04/30/21		36	0.0
2 LIGHT CURTAINS	\$ 11,000	12/23/10	7	\$ 3,300	X		01/31/21		84	0.0
60 TON PUNCH PRESS MACHIN	\$ 14,400	12/23/10	7	\$ 4,320	X		01/31/21		84	0.0
ABRASIVE BLAST MACHINE	\$ 1,455	07/15/11	7	\$ 436	X		01/31/21		84	0.0
AIR COMPRESSOR #1	\$ 500	10/02/11	7	\$ 150	X		01/31/21		84	0.0
AIR COMPRESSOR #2	\$ 400	10/02/11	7	\$ 120	X		01/31/21		84	0.0
AIR DRYER FOR COMPRESSOR	\$ 4,300	12/23/10	7	\$ 1,290	X		01/31/21		84	0.0
AUTOMATIC BRUSH TUBE	\$ 144,180	01/15/11	7	\$ 43,254	X		01/31/21		84	0.0
BLISS 125 TON PRESS	\$ 100	12/23/10	7	\$ 30	X		01/31/21		84	0.0
BLISS PRESS OVERHAUL	\$ 27,000	12/23/10	7	\$ 8,100	X		01/31/21		84	0.0
CONCRETE INSERT PRESS	\$ 224,374	11/15/12	7	\$ 67,312	X		01/31/21		84	0.0
DIMPLEX 20TON WATER CHILL	\$ 27,300	12/23/10	7	\$ 8,190	X		01/31/21		84	0.0
FABLOK HEM SAW MH#100H1A3	\$ 30,200	12/23/10	7	\$ 9,060	X		01/31/21		84	0.0
FOUR POST MANDREL DIES	\$ 500	12/23/10	3	\$ 150	X		01/31/21		36	0.0
HIM3751 INDUSTRIAL HOSE	\$ 37,300	12/23/10	7	\$ 11,190	X		01/31/21		84	0.0
HOODS FOR PEER WELDER	\$ 35,400	12/23/10	7	\$ 10,620	X		01/31/21		84	0.0
LATHE #2	\$ 900	10/02/11	7	\$ 270	X		01/31/21		84	0.0
LINCOLN WELDER	\$ 400	12/23/10	7	\$ 120	X		01/31/21		84	0.0
LORS WELD FEEDER	\$ 49,111	02/15/15	7	\$ 14,733	X		01/31/21		84	1.1
REBUILD 125 TON PRES	\$ 6,100	12/23/10	7	\$ 1,830	X		01/31/21		84	0.0
REFURBISH 100 TON PRESS	\$ 51,900	12/23/10	7	\$ 15,570	X		01/31/21		84	0.0
SOHO 60 TON BLISS REFURB	\$ 24,480	09/15/19	7	\$ 7,344	X		01/31/21		84	5.7
VEGAS WELDER	\$ 623,217	06/15/18	7	\$ 186,965	X		01/31/21		84	4.4
VEGAS WELDER	\$ 35,785	03/15/19	7	\$ 10,736	X		01/31/21		84	5.2
WELD CONTROL PEER RSW	\$ 23,555	03/15/11	7	\$ 7,066	X		01/31/21		84	0.0
WELDER UPGRADE	\$ 12,000	12/23/10	7	\$ 3,600	X		01/31/21		84	0.0
WRIGHT K WELDER	\$ 457,439	05/15/11	7	\$ 137,232	X		01/31/21		84	0.0
NEW LATHE SOUTH HOLLAND	\$ 13,600	12/23/10	7	\$ 4,080	X		01/31/21		84	0.0

CHASER GRINDER 1	\$	1	06/15/18	7	\$	0	X		04/30/21	84	4.2
CHASER GRINDER 2	\$	1	06/15/18	7	\$	0	X		04/30/21	84	4.2
IMC REAMER TOOLING	\$	56,228	03/15/19	3	\$	16,868	X		04/30/21	36	0.9
LANDIS 16T DIE HEAD	\$	17,298	01/15/13	3	\$	5,189	X		04/30/21	36	0.0
LARGE LINE BURNER	\$	1	06/15/18	7	\$	0	X		04/30/21	84	4.2
LARGE LINE THREADER	\$	231,037	06/15/19	7	\$	69,311	X		04/30/21	84	5.2
LARGE RIGID THREADER	\$	52,600	12/23/10	7	\$	15,780	X		04/30/21	84	0.0
LARGE THREADER	\$	1	06/15/18	7	\$	0	X		04/30/21	84	4.2
MAIN SAW	\$	1	06/15/18	7	\$	0	X		04/30/21	84	4.2
ONE EC-60 SHARPENING	\$	1,300	12/23/10	7	\$	390	X		04/30/21	84	0.0
ROTARY CUTOFF MACHINE	\$	7,900	12/23/10	7	\$	2,370	X		04/30/21	84	0.0
SAW BLADE SHARPENER	\$	1	06/15/18	7	\$	0	X		04/30/21	84	4.2
SM LINE HYDRAULIC SYSTEM	\$	5,000	12/23/10	7	\$	1,500	X		04/30/21	84	0.0
SMALL RIGID THREADER	\$	67,000	12/23/10	7	\$	20,100	X		04/30/21	84	0.0
TORIT DUST COLLECTOR	\$	55,900	12/23/10	7	\$	16,770	X		04/30/21	84	0.0
UPGRADE OF SMALL ELEC LIN	\$	167,500	12/23/10	7	\$	50,250	X		04/30/21	84	0.0
UPGRADE SCREW CONVEYOR	\$	28,700	12/23/10	7	\$	8,610	X		04/30/21	84	0.0
Compressed Air System	\$	300,000	12/31/20	7	\$	90,000	X	X	12/31/20	84	7.0
Electrical Distribution	\$	500,000	12/31/20	7	\$	150,000	X	X	12/31/20	84	7.0
Water Distribution	\$	25,000	12/31/20	7	\$	7,500	X	X	12/31/20	84	7.0
Striping and Floor Epoxy	\$	400,000	12/31/20	7	\$	120,000	X	X	12/31/20	84	7.0
Large Line Saw Replacement	\$	50,000	04/30/21	7	\$	15,000	X	X	04/30/21	84	7.0
Small Line Replacement	\$	5,000,000	04/30/21	7	\$	1,500,000	X	X	04/30/21	84	7.0
Lors Replacement	\$	400,000	04/30/21	7	\$	120,000	X	X	04/30/21	84	7.0
	\$	9,296,915			\$	2,789,075					

Logistics Distribution Equipment 2/6/2020

Asset Description	Acquisition Cost	Original In Service Date	Useful Life	Assessed Value	Check if		Estimated In Service Date at New Facility	Estimated Retirement Date (if planned/known)	Original Depreciable Months	Remaining Depreciation (Years)
					Transferred from out of state	New				
CK 75 Scanner Device and Equipment	\$ 2,574	12/07/18	5	\$ 772	X		09/01/21		60	2.8
CK 75 Scanner Device and Equipment	\$ 2,574	12/07/18	5	\$ 772	X		03/01/21		60	2.8
CK 75 Scanner Device and Equipment	\$ 2,574	12/07/18	5	\$ 772	X		03/01/21		60	2.8
ZT410 Zebra Printers	\$ 1,706	12/07/18	5	\$ 512	X		03/01/21		60	2.8
Hyster NA Grocery Reach	\$ 36,132	12/01/16	7	\$ 10,840	X		04/01/21		84	2.7
Hyster NA Grocery Reach	\$ 36,132	12/01/16	7	\$ 10,840	X		04/01/21		84	2.7
Hyster New Forklift	\$ 26,865	12/01/16	7	\$ 8,059	X		04/01/21		84	2.7
Hyster NA Grocery Reach	\$ 36,132	12/01/16	7	\$ 10,840	X		04/01/21		84	2.7
Hyster NA Grocery Reach	\$ 36,132	12/01/16	7	\$ 10,840	X		04/01/21		84	2.7
CROWN SP3210-30	\$ 30,000	12/23/10	7	\$ 9,000	X		04/01/21		84	2.7
CROWN SP3220-30	\$ 30,000	12/23/10	7	\$ 9,000	X		04/01/21		84	0.0
CROWN RD5220-30	\$ 30,000	12/23/10	7	\$ 9,000	X		04/01/21		84	0.0
RAYMOND EASI-DR25TT	\$ 30,000	12/23/10	7	\$ 9,000	X		04/01/21		84	0.0
JUNGH HENRICH ETV116	\$ 30,000	12/23/10	7	\$ 9,000	X		04/01/21		84	0.0
Warehouse Racking	\$ 200,000	12/01/16	7	\$ 60,000	X		04/01/21		84	0.0
Warehouse Forklift Chargers - 8	\$ 4,000	12/01/16	7	\$ 1,200	X		04/01/21		84	2.7
5000# TOYOTA FORKLIFT	\$ 10,700	12/23/10	7	\$ 3,210	X		01/31/21		84	2.7
5000LB TOYOTA FORKLIFT	\$ 12,100	12/23/10	7	\$ 3,630	X		01/31/21		84	0.0
8000LB TOYOTA FORKTRUCK	\$ 15,100	12/23/10	7	\$ 4,530	X		01/31/21		84	0.0
8000LB TOYOTA FORKTRUCK	\$ 15,100	12/23/10	7	\$ 4,530	X		01/31/21		84	0.0
8000LB TOYOTA FORKTRUCK	\$ 15,100	12/23/10	7	\$ 4,530	X		01/31/21		84	0.0
CK75 SCANNER	\$ 2,574	04/15/19	5	\$ 772	X		01/01/21		60	3.3
CK75 SCANNER	\$ 2,574	04/15/19	5	\$ 772	X		01/01/21		60	3.3
CK75 SCANNER	\$ 2,574	04/15/19	5	\$ 772	X		01/01/21		60	3.3
CK75 SCANNER	\$ 2,574	04/15/19	5	\$ 772	X		01/01/21		60	3.3
CLARK 10,000# FORKLIFT	\$ 5,400	12/23/10	7	\$ 1,620	X		01/31/21		84	0.0
COMBLIFT	\$ 52,600	12/23/10	7	\$ 15,780	X		01/31/21		84	0.0
COMBLIFT #C8000	\$ 49,100	12/23/10	7	\$ 14,730	X		01/31/21		84	0.0
DOUBLE SIDED CANTILEVER	\$ 6,659	06/15/14	7	\$ 1,998	X		01/31/21		84	0.4
ENGINE UNIT #H80C	\$ 500	12/23/10	7	\$ 150	X		01/31/21		84	0.0
NISSAN FORKLIFT 12K LB	\$ 7,200	12/23/10	7	\$ 2,160	X		01/31/21		84	0.0
NISSAN FORKLIFT JP100YLP	\$ 17,200	12/23/10	7	\$ 5,160	X		01/31/21		84	0.0
PALLET WRAPPER	\$ 100	10/02/11	7	\$ 30	X		01/31/21		84	0.0
PEER WELDER	\$ 19,000	12/23/10	7	\$ 5,700	X		01/31/21		84	0.0
PRCHASE 5 NEW FORK TRUCKS	\$ 96,000	12/23/10	7	\$ 28,800	X		01/31/21		84	0.0

SCISSOR LIFT REPLACEMENT	\$	8,970	06/15/17	7	\$	2,691	X	01/31/21	84	3.4
SIDE SHIFTER & INSTALLTN	\$	4,900	12/23/10	7	\$	1,470	X	01/31/21	84	0.0
SOHO COMBLIFT REPLACEMENT	\$	82,145	11/15/19	7	\$	24,644	X	01/31/21	84	5.8
TOYOTA FORKLIFT	\$	45,954	11/15/15	7	\$	13,786	X	01/31/21	84	1.8
TOYOTA FORKLIFT	\$	78,993	11/15/15	7	\$	23,698	X	01/31/21	84	1.8
ZEBRA ZT 400 PRINTER	\$	1,705	04/15/19	5	\$	512	X	01/31/21	60	3.3
ZEBRA ZT 400 PRINTER	\$	1,705	04/15/19	5	\$	512	X	01/31/21	60	3.3
CTI RACKING	\$	10,378	10/15/16	7	\$	3,113	X	01/01/21	84	2.8
CTI RACKING/CANTILEVERS	\$	15,894	06/15/15	7	\$	4,768	X	01/01/21	84	1.5
PALLET RACKS FOR ECN	\$	7,822	05/15/12	7	\$	2,347	X	01/01/21	84	0.0
PALLET RACKS FOR ECN	\$	7,822	05/15/12	7	\$	2,347	X	01/01/21	84	0.0
PALLET RACKS FOR ECN	\$	7,822	05/15/12	7	\$	2,347	X	01/01/21	84	0.0
PICK PACK/WAREHOUSE SHELV	\$	3,000	12/23/10	7	\$	900	X	01/01/21	84	0.0
PICK PACK/WAREHOUSE SHELV	\$	3,000	12/23/10	7	\$	900	X	01/01/21	84	0.0
PICK PACK/WAREHOUSE SHELV	\$	3,000	12/23/10	7	\$	900	X	01/01/21	84	0.0
PICK PACK/WAREHOUSE SHELV	\$	3,000	12/23/10	7	\$	900	X	01/01/21	84	0.0
PICK PACK/WAREHOUSE SHELV	\$	3,000	12/23/10	7	\$	900	X	01/01/21	84	0.0
PICK PACK/WAREHOUSE SHELV	\$	3,000	12/23/10	7	\$	900	X	01/01/21	84	0.0
PICK PACK/WAREHOUSE SHELV	\$	3,000	12/23/10	7	\$	900	X	01/01/21	84	0.0
PICK PACK/WAREHOUSE SHELV	\$	3,000	12/23/10	7	\$	900	X	01/01/21	84	0.0
PICK PACK/WAREHOUSE SHELV	\$	3,000	12/23/10	7	\$	900	X	01/01/21	84	0.0
PICK PACK/WAREHOUSE SHELV	\$	3,000	12/23/10	7	\$	900	X	01/01/21	84	0.0
PICK PACK/WAREHOUSE SHELV	\$	3,000	12/23/10	7	\$	900	X	01/01/21	84	0.0
PICK PACK/WAREHOUSE SHELV	\$	3,000	12/23/10	7	\$	900	X	01/01/21	84	0.0
PICKER TRUCK BATTER CHARG	\$	3,800	12/23/10	7	\$	1,140	X	01/01/21	84	0.0
PICKER TRUCK BATTERY CHAR	\$	3,800	12/23/10	7	\$	1,140	X	01/01/21	84	0.0
RAYMOND SWING LIFF TRUCK	\$	83,400	12/23/10	7	\$	25,020	X	01/01/21	84	0.0
SWING LIFF TRUCK BATTERY	\$	5,400	12/23/10	7	\$	1,620	X	01/01/21	84	0.0
Jib Cranes	\$	100,000	01/31/21	7	\$	30,000	X	01/31/21	84	7.0
2 Combi Lifts	\$	120,000	01/31/21	7	\$	36,000	X	01/31/21	84	7.0
Material Handling Equipment	\$	250,000	12/31/21	7	\$	75,000	X	12/31/21	84	7.0
Carts	\$	30,000	12/31/21	7	\$	9,000	X	12/31/21	84	7.0

Overhead Tarping System	\$	100,000	01/31/21	7	\$	30,000	X	X	01/31/21	84	7.0
CK 75 SCANNER #1	\$	2,574	05/15/19	5	\$	772	X		01/01/21	60	3.4
CK 75 SCANNER #10	\$	2,574	05/15/19	5	\$	772	X		01/01/21	60	3.4
CK 75 SCANNER #11	\$	2,574	05/15/19	5	\$	772	X		01/01/21	60	3.4
CK 75 SCANNER #12	\$	2,574	05/15/19	5	\$	772	X		01/01/21	60	3.4
CK 75 SCANNER #13	\$	2,574	05/15/19	5	\$	772	X		01/01/21	60	3.4
CK 75 SCANNER #14	\$	2,574	05/15/19	5	\$	772	X		01/01/21	60	3.4
CK 75 SCANNER #15	\$	2,574	05/15/19	5	\$	772	X		01/01/21	60	3.4
CK 75 SCANNER #16	\$	2,574	05/15/19	5	\$	772	X		01/01/21	60	3.4
CK 75 SCANNER #17	\$	2,574	05/15/19	5	\$	772	X		01/01/21	60	3.4
CK 75 SCANNER #18	\$	2,574	05/15/19	5	\$	772	X		01/01/21	60	3.4
CK 75 SCANNER #19	\$	2,574	05/15/19	5	\$	772	X		01/01/21	60	3.4
CK 75 SCANNER #20	\$	2,574	05/15/19	5	\$	772	X		01/01/21	60	3.4
CK 75 SCANNER #21	\$	2,574	05/15/19	5	\$	772	X		01/01/21	60	3.4
CK 75 SCANNER #22	\$	2,574	05/15/19	5	\$	772	X		01/01/21	60	3.4
	\$	1,944,666			\$	583,400					

APPLICATION FOR TAX ABATEMENT - COMMON COUNCIL

Form CCAP revised 7/21/16

PETITIONER'S NAME: AMI, LLC doing business in Indiana as AMI Tenant, LLC PHONE: 708-915-1734

ADDRESS: 2171 Executive Dr, Ste 100 FAX: _____

CITY, STATE, ZIP CODE: Addison, IL 60101

COMMON LOCATION OF PROPERTY: 2100 E. 69th Ave, Hobart, IN 46410

(Also attach 1. Legal description and 2. Project description for real property improvements proposed.)

IF ABATEMENT ON EQUIPMENT IS SOUGHT, ATTACH A LIST WITH DESCRIPTION, COST, AND DATE OF INSTALLATION FOR ALL EQUIPMENT.

ARE ANY PROPOSED BUILDINGS MANUFACTURED OFF SITE? N/A WHERE? _____

NUMBER OF UNITS: _____

PROPOSED STARTING DATE FOR BUILDING CONSTRUCTION: Equipment install will begin 11/01/2020
(Must be within 12 months of approval date of confirmatory resolution)

PROPOSED COMPLETION DATE OF FIRST BUILDING UNIT: Equipment install will end 04/30/2021

WHAT HOBART BUSINESSES WILL BE INVOLVED IN THE PROJECT? See pg 2 for additional support around equipment installation

*NUMBER OF JOBS THE PROJECT WILL RETAIN AND THE PROJECTED PAYROLL FOR THE RETAINED JOBS:

(Show construction jobs separate from business jobs. Show as current & retained on SB-1)

CONSTRUCTION #:	<u>N/A</u>	\$ _____
BUSINESS #:	<u>49</u>	\$ <u>2,230,041</u>

*NUMBER OF JOBS THE PROJECT WILL CREATE AND THE PROJECTED PAYROLL FOR THE JOBS CREATED:

(These jobs do not currently exist and are to be listed on SB-1 as additional)

BUSINESS #:	<u>119</u>	\$ <u>5,499,094</u>
-------------	------------	---------------------

WINDOW OF OPPORTUNITY PERIOD REQUESTED: 18 months

TAX ABATEMENT PERIOD OF DEDUCTION REQUESTED: 10 years (Flexible)

ARE YOU SEEKING A LOCAL ECONOMIC INCENTIVE IN ANOTHER INDIANA COMMUNITY? No

If so, explain what incentive, value, term and status of approval: _____

I affirm that the information contained in this application is true to the best of my knowledge. I agree to update this information if changes occur. I understand that the intent is to encourage the use of Hobart businesses and residents in the project. I agree to adhere to the City's requirements for annual written reports (CF-1 Form) on the project. I agree to adhere to all City code requirements. I agree to adhere to the policies and regulations associated with the City's tax abatement program. I have paid the required application fee and public and posted notice fees.

SIGNATURE OF PETITIONER: Gloria Mueller DATE: 3/10/2020

*Construction jobs and the wages paid during the construction of the project may be counted as retained jobs in addition to existing Hobart jobs and salaries retained by the business. Created jobs and salaries are those applicable to the business that are new and not relocated from another non-Hobart location. Relocated jobs are to be listed as retained jobs.

Denarie Kane
City of Hobart
414 Main Street
Hobart, Indiana 46342

RE: Equipment Installation and Salary Projections

Dear Hobart Common Council:

Equipment Installation

In House Installation

- Install racking/shelving, relocate inventory, and install equipment that does not require electrical hookups.
- AMI Tenant (the "Company") Maintenance and Engineering employees will be working with contractor groups configuring and setting up equipment.

Contractor Installation

- Equipment relocations/installations are quoted as turnkey projects. Contractors will quote an all in cost which includes equipment, material, and labor. These quotes rarely break individualized costs, making any estimations of contractor labor inaccurate.
- The Company intends to use Becknell's suggested contractors for the utility and equipment installations during the construction of the new facility. Once the Company has taken possession of the building, we will be using our preferred contractors and OEMs (Original Equipment Manufacturer).
 - Note: This could be subject to change depending on availability or more critically, qualifications around installing certain pieces of equipment.

Salary Projections

- The Company is estimating that our headcount will remain the same from years 2021-2024.
- Beginning in 2025, positions were excluded in our projections due to the nature of our business and potential expansion. We have provided a salary range that we are comfortable with projecting from 2025+.
 - The Company has preliminary plans to utilize the additional expansion space within the next 2-4 years. This would be an additional increase to both Manufacturing and Distribution activities.
 - The manufacturing at this facility is secondary fabrication and assembly. The products produced will be a mixture of MTO (Made to Order) and MTS (Made to Stock). MTO product volume is difficult to project over 10 years, and any projection would be inaccurate.
 - The Company anticipates relocating office personnel which is currently not considered within the salary projection. We are currently in the process of defining which employees would be eligible to transfer.
 - There are ~50 unassigned office/cubicle spaces that are reserved for additional employees.



MUNICIPAL ADVISORS

now joined with
Springsted and Umbaugh

Baker Tilly Municipal Advisors, LLC
8365 Keystone Crossing, Ste 300
Indianapolis, IN 46240
United States of America

T: +1 (317) 465 1500
F: +1 (317) 465 1550
bakertilly.com

February 6, 2020

Ms. Denarie Kane, Director of Development
City of Hobart
414 Main Street
Hobart, Indiana 46324

Re: Proposed Project X

Dear Ms. Kane:

Per your request, we have prepared this illustrative property tax abatement analysis to assist you in the discussion and consideration of incentives for the proposed Project X. The attached schedules (listed below) present unaudited and limited information. The use of these schedules should be restricted to this purpose, for internal use only, as the information is subject to future revision and final report.

Page
2 Assumptions

Traditional Abatement

3 Estimated Property Tax Liability for the Existing and Proposed Investment in Personal Property

Modified Abatement

4 Estimated Property Tax Liability for the Existing and Proposed Investment in Personal Property

In the preparation of these schedules, certain assumptions were made as noted regarding certain future events. As is the case with such assumptions regarding future events and transactions, some or all may not occur as expected and the resulting differences could be material. We have not examined the underlying assumptions nor have we audited or reviewed the historical data. Consequently, we express no opinion thereon nor do we have a responsibility to prepare subsequent reports.

We would appreciate your questions or comments on this information and would provide additional information upon request.

Very truly yours,

BAKER TILLY MUNICIPAL ADVISORS, LLC

Todd A. Samuelson, Partner

HOBART INDIANA REDEVELOPMENT COMMISSION

Proposed Project X

ASSUMPTIONS

The following investment assumptions are based on information provided by company representatives

	<u>Estimated Cost</u>
Depreciable Personal Property: (1)	
Existing Facilities - Transferred Property (2)	
Out-of-State	
- First assessed January 1, 2022 for taxes payable in 2023	\$4,143,392
In-State	
- First assessed January 1, 2022 for taxes payable in 2023	<u>4,907,556</u>
Subtotal	9,050,948
 Proposed Investment (1)	
Pool #2 (3)	
- First assessed January 1, 2021 for taxes payable in 2022	2,025,000
- First assessed January 1, 2022 for taxes payable in 2023	<u>6,050,000</u>
 Total Investment	 <u><u>\$17,125,948</u></u>

- (1) Per investment information provided by Company officials.
- (2) Represents the total acquisition cost of equipment estimated to be transferred to the project site from existing facilities. Information on acquisition cost, original in-service year, and depreciable life for the estimated transferred equipment provided by Company officials.
- (3) For the purposes of this analysis, it has been assumed that the proposed new equipment will be purchased as new and be depreciated in Pool # 2 (5 - 8 year useful life) for property tax purposes. Once installed, the Company may report the depreciation in a different pool, which may have a material effect on the resulting tax increment calculations. No assumption has been made for future equipment retirement/replacement.

Property Tax Rates	
Certified Pay 2020 Tax Rate	
- Hobart-Ross Township taxing district	\$2.8484

Note: Indiana Code 6-1.1-20.6 provides taxpayers with a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property (the "Circuit Breaker Tax Credit"). For commercial and industrial property, the Circuit Breaker Tax Credit reduces a taxpayer's tax liability to 3% of their property's gross assessed value. The Indiana property tax caps, in combination with other potential future changes, such as increases in budgets and tax rates of overlapping taxing units, a loss of a major taxpayer, the adoption of local option income tax for property tax relief purposes, or future changes in Indiana property tax law and regulations, could affect the actual assessed value of the proposed development and the applicable property tax rates, and cause the actual property tax liability to differ significantly from the estimates shown in these schedules.

(Subject to the attached letter dated February 6, 2020)
(Preliminary - Subject to Change)
(For Internal Use Only)

HOBART INDIANA REDEVELOPMENT COMMISSION

Proposed Project X

Traditional Abatement

ESTIMATED PROPERTY TAX LIABILITY FOR THE EXISTING AND PROPOSED INVESTMENT IN PERSONAL PROPERTY
Assumes a 10-year personal property tax abatement

Taxes Payable Year	Estimated Net Assessed Value (1)		Net Tax Rate (3)	Estimated Property Tax Liability			Estimated Abatement Savings			
	With Proposed Abatement (2)	Without Proposed Abatement		With Proposed Abatement		Without Proposed Abatement				
				Gross Taxes	Circuit Breaker Tax Credit (4)	Net Taxes		Gross Taxes	Circuit Breaker Tax Credit (4)	Net Taxes
2022	\$120,000	\$810,000	2.4489	\$2,940	\$0	\$2,940	\$19,840	\$0	\$19,840	\$16,900
2023	1,312,370	5,479,430	2.4489	32,140	0	32,140	134,190	0	134,190	102,050
2024	1,569,440	5,881,760	2.4489	38,430	0	38,430	144,040	0	144,040	105,610
2025	1,866,370	5,137,790	2.4489	45,710	0	45,710	125,820	0	125,820	80,110
2026	2,374,990	5,137,790	2.4489	58,160	0	58,160	125,820	0	125,820	67,660
2027	2,874,820	5,137,790	2.4489	70,400	0	70,400	125,820	0	125,820	55,420
2028	3,348,370	5,137,790	2.4489	82,000	0	82,000	125,820	0	125,820	43,820
2029	3,760,390	5,137,790	2.4489	92,090	0	92,090	125,820	0	125,820	33,730
2030	4,117,610	5,137,790	2.4489	100,840	0	100,840	125,820	0	125,820	24,980
2031	4,474,830	5,137,790	2.4489	109,580	0	109,580	125,820	0	125,820	16,240
2032	4,832,050	5,137,790	2.4489	118,330	0	118,330	125,820	0	125,820	7,490
Totals				\$750,620	\$0	\$750,620	\$1,304,630	\$0	\$1,304,630	\$554,010

- (1) Based on the assumptions outlined on page 2. Assumes the Company is designated as a "designated taxpayer" for the purposes of capturing personal property assessed value with a base assessment date of January 1, 2020.
- (2) Assumes a 10-year personal property tax abatement on the new personal property and out-of-state transferred personal property with the following deduction percentages: 100%, 90%, 80%, 70%, 60%, 50%, 40%, 30%, 20%, and 10%. Personal property transferred to the project site from within the state of Indiana is not eligible for property tax abatement.
- (3) Based on the certified pay 2020 tax rate for the Hobart-Ross Township taxing district of \$2.8484. Accounts for the application of the pay 2019 LIT PTRC of 14.0238%.
- (4) Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 3% of gross assessed value for a commercial or industrial parcel, is applied. Accounts for the pay 2019 LIT PTRC of 14.0238%. Adjusted to account for the sunset of the pre-2008 debt service tax rate exemption following tax year 2019.

Note: Changes to the assumptions outlined above and on page 2 may have a material effect on the property tax liability illustrations contained in this analysis.

(Subject to the attached letter dated February 6, 2020)
(Preliminary - Subject to Change)
(For Internal Use Only)

HOBART INDIANA REDEVELOPMENT COMMISSION

Proposed Project X

Modified Abatement

ESTIMATED PROPERTY TAX LIABILITY FOR THE EXISTING AND PROPOSED INVESTMENT IN PERSONAL PROPERTY
Assumes a 10-year personal property tax abatement

Taxes Payable Year	Estimated Net Assessed Value (1)		Net Tax Rate (3)	Estimated Property Tax Liability		Without Proposed Abatement Circuit Breaker Tax Credit (4)	Net Taxes	Estimated Abatement Savings
	With Proposed Abatement (2)	Without Proposed Abatement		Gross Taxes	Without Proposed Abatement Gross Taxes			
2022	\$120,000	\$810,000	\$2,4489	\$2,940	\$19,840	\$0	\$19,840	\$16,900
2023	1,312,370	5,479,430	2,4489	32,140	134,190	0	134,190	102,050
2024	1,569,440	5,881,760	2,4489	38,430	144,040	0	144,040	105,610
2025	1,866,370	5,137,790	2,4489	45,710	125,820	0	125,820	80,110
2026	2,374,990	5,137,790	2,4489	58,160	125,820	0	125,820	67,660
2027	2,874,820	5,137,790	2,4489	70,400	125,820	0	125,820	55,420
2028	3,348,370	5,137,790	2,4489	82,000	125,820	0	125,820	43,820
2029	3,719,200	5,137,790	2,4489	91,080	125,820	0	125,820	34,740
2030	3,800,940	5,137,790	2,4489	93,080	125,820	0	125,820	32,740
2031	3,938,680	5,137,790	2,4489	96,450	125,820	0	125,820	29,370
2032	4,190,020	5,137,790	2,4489	102,610	125,820	0	125,820	23,210
Totals				\$713,000	\$1,304,630	\$0	\$1,304,630	\$591,630

- (1) Based on the assumptions outlined on page 2. Assumes the Company is designated as a "designated taxpayer" for the purposes of capturing personal property assessed value with a base assessment date of January 1, 2020.
- (2) Assumes a 10-year personal property tax abatement on the new personal property and out-of-state transferred personal property with the following deduction percentages: 100%, 90%, 80%, 70%, 60%, 50%, 40%, 38%, 34%, and 31%. Personal property transferred to the project site from within the state of Indiana is not eligible for property tax abatement.
- (3) Based on the certified pay 2020 tax rate for the Hobart-Ross Township taxing district of \$2.8484. Accounts for the application of the pay 2019 LIT PTRC of 14.0238%.
- (4) Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 3% of gross assessed value for a commercial or industrial parcel, is applied. Accounts for the pay 2019 LIT PTRC of 14.0238%. Adjusted to account for the sunset of the pre-2008 debt service tax rate exemption following tax year 2019.

Note: Changes to the assumptions outlined above and on page 2 may have a material effect on the property tax liability illustrations contained in this analysis.

(Subject to the attached letter dated February 6, 2020)
 (Preliminary - Subject to Change)
 (For Internal Use Only)