

**BOARD OF PUBLIC WORKS AND SAFETY
OF THE CITY OF HOBART, INDIANA**

RESOLUTION NO. 2018 - 02

**A Resolution to Approve and Authorize the Execution of a
Development Agreement between the City of Hobart and ITR America, LLC**

WHEREAS, the Common Council (“Council”) of the City of Hobart, Lake County, Indiana (“City”) adopted Resolution No. 2018-07 on April 4, 2018 declaring that the area commonly known as 6411 North Wind Parkway, Hobart, Lake County, Indiana 46342, as more particularly described in Exhibit “A” attached to said Resolution, is an Economic Revitalization Area for the purpose of encouraging development and occupancy therein by providing real and personal property tax abatements in accordance with I.C. 6-1.1-12.1, *et seq.*; and

WHEREAS, said Resolution was adopted pursuant to the application of ITR America, LLC (“ITR”) for the construction of a manufacturing facility in the City, and the Council subsequently adopted its Resolution No. 2018-08 on May 2, 2018, after public hearing duly noticed in the manner required by law, confirming such designation and abatements; and

WHEREAS, pursuant to said Confirmatory Resolution of the Council, the City of Hobart and ITR America, LLC have negotiated and preliminarily approved a Development Agreement governing the covenants, terms and conditions under which the project will be constructed, and

WHEREAS, the Board of Public Works and Safety (“Board”) of the City is a party to the Agreement which is attached to this Resolution, and the Board also acts as the City’s contracting entity pursuant to law; and

WHEREAS, the Board now desires to approve and adopt said Agreement and to authorize its execution for itself and the City.

NOW, THEREFORE, BE IT RESOLVED by the Board of Public Works and Safety of the City of Hobart as follows:

1. The Development Agreement by and between the City and ITR America, LLC, which is attached hereto, is hereby approved and adopted.
2. The Mayor of the City and the City Clerk-Treasurer are authorized to execute and to attest to the execution of the Agreement, respectively.

ALL OF WHICH IS ADOPTED on this 6th day of June, 2018 by the BOARD OF PUBLIC WORKS AND SAFETY of the City of Hobart, Indiana.


BRIAN K. SNEDECOR, Presiding Officer

ATTEST: 
DEBORAH A. LONGER, Clerk-Treasurer

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DEVELOPMENT AGREEMENT

by and between

THE CITY OF HOBART, INDIANA,

**THE CITY OF HOBART BOARD OF
PUBLIC WORKS AND SAFETY**

and

ITR AMERICA, LLC

June 6, 2018

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82 LLP, Dated March 27, 2018 20
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95 **DEVELOPMENT AGREEMENT**

96
97 THIS AGREEMENT is made and entered into on the _____ day of June, 2018 by and
98 between ITR AMERICA, LLC, a Mississippi Limited Liability Company admitted to do
99 business in the State of Indiana with principal offices located at 6301 Northwind Parkway,
100 Hobart, Indiana 46342 (the “Company”), the CITY OF HOBART, INDIANA, a municipal
101 corporation organized and existing under the laws of the State of Indiana with principal offices at
102 414 Main Street, Hobart, Indiana 46342 (the “City”), and the BOARD OF PUBLIC WORKS
103 AND SAFETY OF THE CITY OF HOBART, an instrumentality of the City, with offices at the
104 same address (“Board”). The City and Board are collectively referred to as the “City Parties.”
105

106 **Recitals**

107
108 WHEREAS, the Company is in the business of manufacturing and distributing
109 components related to the construction equipment industry that are supplied to OEMs and
110 dealers for use on popular earthmoving equipment. The Company previously established a
111 distribution center in Hobart, Indiana in 2013, and has made application to the City for financial
112 incentives to construct an approximately 90,000 square foot light manufacturing and distribution
113 building of pre-cast concrete construction with loading docks, related paved drives and parking,
114 located adjacent to its existing facility upon real estate commonly known as 6411 NorthWind
115 Parkway, Hobart, Indiana 46342 and legally described as follows:

116
117 Lot 3B of Replat No. 1 of North Wind Crossings—Unit Two, an Addition to the
118 City of Hobart, Lake County, Indiana, as per plat thereof recorded on June 26,
119 2012 in Plat Book 105, page 73 in the Office of the Recorder of Lake County,
120 Indiana.

121
122 Said proposed building and accompanying equipment is referred to herein as the “new facility”
123 or “project,” and
124

125 WHEREAS, the City is an Indiana municipality of approximately 30,000 persons,
126 strategically situated in Lake County along I-65 near its junction with Interstate Highways 80,
127 90, 94 and several rail lines. The Board is an instrumentality of the City empowered to issue and
128 approve City contracts and to supervise the City’s Public Works and emergency services
129 departments; and
130

131 WHEREAS, the Company’s new facility will occupy a site of approximately 8.095 acres
132 in NorthWind Crossings, a Class A industrial park, very near the interchange of I-65 and 61st
133 Avenue in the City. In connection with the construction of the facility, ITR has engaged the
134 services of Becknell Industrial, the developer and operator of NorthWind Crossings, and has
135 applied to the City for the grant of real estate and personal property tax abatements under I.C.
136 §6-1.1-12.1-1, *et seq.*; and
137

138 WHEREAS, the City and the Company have reached agreement upon the promises,
139 terms and conditions upon which the City will grant such abatements to the Company, which
140 abatements are important to ITR in assuring the financial viability of the project and its

141 subsequent profitability, and the parties now wish to document their agreements in this
142 instrument.

143
144 THEREFORE, IN CONSIDERATION of the mutual promises, terms and conditions
145 hereinafter set forth and intending themselves to be legally bound, the parties agree as follows:
146

147 **1. Duties of the Company.** The Company, for itself and for its officers,
148 directors and employees, agrees to undertake and perform the following duties:
149

150 a. Timely complete the purchase of and close the transfer of title to
151 the above described real estate;

152
153 b. Cause the construction and operation of its proposed new facility
154 in Hobart, Indiana in substantial and material conformance to the written
155 applications, Statements of Benefit forms, plans and specifications submitted to
156 and approved by the City;

157
158 c. Comply with all applicable requirements of the City's Zoning
159 Ordinance, particularly the site review process as applied to Planned Unit
160 Developments for Manufacturing, Office Service or Planned Business Parks as
161 required by Hobart Municipal Code (HMC) §154.296 (B) and the design
162 guidelines appearing in HMC §154.308, the City's Building Codes, and the orders
163 and actions of the City Plan Commission, Board of Zoning Appeals and Common
164 Council;

165
166 d. Comply with the requirements of the City of Hobart Responsible
167 Bidding Practices Ordinance, as amended, (HMC §§33.200 through 207) as to
168 any contractor and subcontractor engaged by ITR, unless the application of such
169 Ordinance is waived by the Common Council of the City;

170
171 e. Pay in full, when required, all City fees prescribed by ordinance in
172 connection with the construction of its facility and the tax deduction and
173 abatement process, including, but not limited to building permit fees, abatement
174 application and exaction fees, financial impact and analysis fees and compliance
175 review fee.;

176
177 f. Make all filings of applications, Forms SB-1 and CF-1 when due
178 under I.C. §6-1.1-12.1-1, *et seq.*, particularly I.C. §§6-1.1-12.1-3, 3.5, 5, 5.6 and
179 5.3;

180
181 g. Pay all property taxes levied upon the real and personal property of
182 ITR in connection with the facility when due subject only to Section 3 (d) below
183 on tax appeals;

184
185 h. Within 30 days of the taking effect of this Agreement, sign and
186 deliver to the City a sworn affidavit pursuant to I.C. §22-5-1.7-11 that affirms that

187 ITR has enrolled and is participating in the E-Verify program, provides
188 documentation to the City that ITR is participating in the E-Verify program, and
189 signs an affidavit affirming that ITR does not knowingly employ an unauthorized
190 alien;

191
192 i. Refrain from any discrimination in employment on account of
193 race, religion, gender, color, national origin, sexual orientation, disability or age
194 under Title VII of the Civil Rights Act of 1964, the Age Discrimination in
195 Employment Act, the Americans with Disabilities Act, and any other federal law,
196 similar state law or local ordinance applicable to the Company’s operations at the
197 new facility;

198
199 j. Comply with all applicable laws of the City of Hobart, the State of
200 Indiana and the United States in the construction, operation and maintenance of
201 the Company’s business and property at the new facility;

202
203 k. Record this fully-executed Agreement in the Office of the Lake
204 County Recorder, Crown Point, Indiana at the Company’s expense, and deliver
205 copies of the recorded Agreement to the City Clerk-Treasurer and the City
206 Department of Development. This Agreement shall take effect upon its execution
207 and said recordation; and

208
209 l. Comply with all provisions of this Agreement.

210
211 **2. Duties of the City.** The City, the Board, their officials and employees agree to
212 undertake and perform the following duties:

213
214 a. Approve the designation of the site of the new facility as an
215 Economic Revitalization Area pursuant to I.C. §6-1.1-12.1-1, *et seq.*, for the
216 purpose of qualifying the new facility for the grant of real and personal property
217 tax abatement. The parties agree that the abatements to be granted by the City
218 will conform to the following terms. These tax years are based upon information
219 provided by the Company. The Company agrees to notify the City in writing if
220 construction completion or equipment installation is delayed or accelerated, which
221 may affect the tax years in the following tables:

222
223 Real Property:

| | | | |
|-----|---------------------------|------------|-----------|
| 224 | Estimated Cost | \$ | 5,500,000 |
| 225 | Estimated Assessed Value: | | 4,675,000 |
| 226 | | | |
| 227 | Deduction Period: | | Ten Years |
| 228 | | | |
| 229 | Deduction Schedule: | Year One | 100% |
| 230 | | Year Two | 95% |
| 231 | | Year Three | 80% |
| 232 | | | |

| | | |
|-----|------------|-----|
| 233 | Year Four | 65% |
| 234 | Year Five | 50% |
| 235 | Year Six | 40% |
| 236 | Year Seven | 30% |
| 237 | Year Eight | 20% |
| 238 | Year Nine | 10% |
| 239 | Year Ten | 5% |

240 Personal Property

241
242 Total Estimated Amount of Equipment to be Purchased: \$ 539,820.00

243
244 Deduction Period: Ten Years

| | | | |
|-----|---------------------|------------|------|
| 245 | Deduction Schedule: | Year One | 100% |
| 246 | | Year Two | 90% |
| 247 | | Year Three | 80% |
| 248 | | Year Four | 70% |
| 249 | | Year Five | 60% |
| 250 | | Year Six | 50% |
| 251 | | Year Seven | 40% |
| 252 | | Year Eight | 30% |
| 253 | | Year Nine | 20% |
| 254 | | Year Ten | 10% |

255
256
257 b. Provide assistance, advice, and guidance to ITR at its request
258 concerning any of the matters discussed in this Agreement.

259
260 c. Provide all City services customarily provided by the City to
261 businesses similar to the Company located in Ross Township including, but not
262 limited to, police, fire prevention and suppression, storm water management,
263 street and infrastructure management of City thoroughfares.

264 The Company understands that:

265
266 (i) Waste water collection, treatment and disposal is not the
267 responsibility of the City of Hobart, but of the Merrillville Conservancy
268 District, and that water service is the responsibility of Indiana American
269 Water Company, a privately-owned public utility; and

270
271 (ii) The assessment of real property is the responsibility of the
272 Ross Township Assessor, the application of the deduction to the
273 Company's assessed value is the responsibility of the Lake County
274 Auditor, and personal property assessment, including the calculation and
275 application of deductions, is the responsibility of the Company.
276

277 **3. Additional Covenants and Representations of the Company.** In
278 addition to the duties of the Company specified in Section 1 above, the Company agrees to
279 adhere to and carry out the following commitments and representations:
280

281 a. Employment

282 The Company represents and agrees that the new facility will result in the creation
283 and addition of not less than eight (8) additional full-time jobs during the period
284 of the tax abatement incentives to be granted by the City pursuant to this
285 Agreement, and that the total payroll of said new jobs shall not be less than
286 \$409,500.00 annually during such period. For purposes of this Agreement, "full-
287 time" describes any employee working at least forty (40) hours per week.
288 Employees of the Company and any other entity working exclusively or primarily
289 at the new facility (e.g., trucking, logistics, technology, janitorial, maintenance)
290 will be included as "employees" for the purpose of this Section and this
291 Agreement. The Company has determined that the new facility will result in
292 approximately 55 retained construction jobs, the total payroll for such
293 construction personnel being not less than \$2.2 million during the period of the
294 construction of the new facility which is estimated to be completed by January 31,
295 2019. This is an estimated figure based on forty percent (40%) of the total cost of
296 construction. Compliance with the above construction payroll shall be determined
297 solely by the actual total construction cost and payroll at the conclusion of
298 construction, irrespective of the actual number of retained jobs achieved.
299

300 b. Local Sub-Contractors

301 The Company further represents and agrees that during the period of the tax
302 abatement incentives to be granted by the City pursuant to this Agreement, any
303 sub-contractors based in the City of Hobart or Lake, County, Indiana, with
304 competitive bids shall be preferred for all work contracted by the Company at the
305 Hobart location.
306

307 c. Union Labor

308 The Company's contractor has represented that it will employ union labor in the
309 construction of the new facility.
310

311 d. Tax Payments and Appeals

312 The Company shall pay, when due, all real and personal property taxes assessed for the
313 new facility. Property tax appeals shall be governed by the following requirements:
314

315 (i) *Real Estate Property Tax Appeals:* The Company agrees
316 to refrain from filing or otherwise pursuing any real property tax appeal
317 regarding the new facility for any year in which the real property tax
318 abatement granted under this Agreement is in effect, and which would
319 have the effect of reducing the net real estate property taxes payable for
320 the new facility for that year stated in the following table, provided that,
321 the assessed value of the real property improvements for the new facility
322 reaches \$ 4,675,000.00. In the event that the assessed value of the real

323 property of the new facility is less than \$ 4,675,000.00, the amount
 324 indicated in the table below for that year will be reduced by the percentage
 325 by which the actual valuation is less than \$ 4,675,000.00, so that the net
 326 taxes to be paid under this no appeal agreement, is reduced
 327 proportionately:
 328

| 329 Taxes Payable Year | Property Taxes to be Paid on the 330 Proposed Real Property Investment 331 (per the March 27, 2018 Analysis by 332 H.J. Umbaugh & Company Certified 333 Public Accountants, LLP attached as 334 Exhibit "A") |
|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 335 | |
| 336 | 2021 \$ 0 |
| 337 | 2022 6,060.00 |
| 338 | 2023 24,230.00 |
| 339 | 2024 42,410.00 |
| 340 | 2025 60,580.00 |
| 341 | 2026 72,700.00 |
| 342 | 2027 84,820.00 |
| 343 | 2028 96,930.00 |
| 344 | 2029 109,050.00 |
| 345 | 2030 115,110.00 |
| 346 | |

347 (ii) *Personal Property Tax Appeals:* The Company agrees to
 348 refrain from materially reducing the reported acquisition cost, acquisition
 349 year or depreciation pool (currently assumed to be Pool Nos. 2 or 3 as per
 350 Umbaugh analysis of March 27, 2018 attached as Exhibit "A" to this
 351 Agreement) for the new equipment for any year in which the personal
 352 property tax abatement granted under this Agreement is in effect which
 353 would have the effect of reducing the net personal property taxes payable for
 354 the new manufacturing equipment for that year as stated in the following
 355 table below, provided that the acquisition cost of the personal property is
 356 greater than or equal to \$539,820.00. In the event that the acquisition cost
 357 of the proposed personal property investment is less than \$539,820.00, the
 358 amount indicated in the table below for that year will be reduced
 359 accordingly, so that the net taxes to be paid under this Agreement is
 360 reduced.
 361

| 362 Taxes Payable Year | Property Taxes to be paid on the Proposed 363 Personal Property Investment (per the March 27, 364 2018 Analysis by H.J. Umbaugh & Company 365 Certified Public Accountants, LLP attached as 366 Exhibit "A") |
|------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 367 | |
| 368 | 2021 \$ 0 |
| 369 | 2022 0 |

| | | |
|-----|------|----------|
| 370 | 2023 | 0 |
| 371 | 2024 | 0 |
| 372 | 2025 | 0 |
| 373 | 2026 | 850.00 |
| 374 | 2027 | 1,760.00 |
| 375 | 2028 | 2,560.00 |
| 376 | 2029 | 3,230.00 |
| 377 | 2030 | 3,790.00 |

378
 379 (iii) *Notice and Copy of Appeals and Related Documents:* The
 380 company represents and affirms that, at the time of its execution of this
 381 Agreement, there are no appeals currently pending or anticipated to be filed by the
 382 Company or affiliated companies for any property owned within the City of
 383 Hobart by the Company or affiliated companies now and during the next eighteen
 384 (18) months. With respect to any appeal to be filed by the Company or its
 385 affiliated companies for property located in the City within the ten-year period
 386 commencing with the taking effect of this Agreement, the Company agrees to
 387 provide to the City through its Mayor and Director of Development, fifteen (15)
 388 days in advance of filing any real or personal property tax appeal, a written
 389 explanation as to why the appeal is being filed, along with complete copies of the
 390 appeal documents, including all schedules and exhibits. Likewise, the Company
 391 shall give written notice to the City fifteen (15) days in advance of making or
 392 filing any material changes in the reporting of the acquisition cost, acquisition
 393 year, depreciation classification or other characteristic of the existing and
 394 proposed personal property investment that may affect the net assessed value of
 395 personal property, including a filing of an amended personal property tax return.
 396 If any of the changes described in the preceding sentence are made, a copy of the
 397 personal property assessment forms shall be provided to the City together with a
 398 description of the changes.
 399

400 (iv) *Compliance Review Fee for Personal Property Tax Abatement and*
 401 *Reimbursement Agreement:* The Company agrees to pay the compliance review
 402 fee required by HMC §32.002 (B) which states that: “An applicant for personal
 403 property tax abatement pursuant to I.C. 6-1.1-12.1, or a party that has been
 404 previously granted a personal property tax abatement under that chapter of the
 405 Indiana Code, prior to the action of the Common Council finalizing the abatement
 406 or approving annual compliance, for as long as the abatement remains in effect,
 407 shall annually pay to the Clerk-Treasurer of the City a fee in the amount of \$1,500
 408 for the services of the City’s financial consultant in reviewing the documents and
 409 supporting information submitted by the applicant or party holding a personal
 410 property abatement, to determine whether the minimum assessed valuation
 411 requirements and the resulting personal property tax payments of the abatement
 412 have been satisfied.” With respect to real property tax abatement, the Company
 413 agrees to execute a Reimbursement Agreement pursuant to HMC §155.01, *et seq.*,
 414 on an annual basis while the real property tax abatement period is in effect if
 415 needed by the City to defray the cost of the services required of the City’s

416 financial advisor to review compliance with the minimum tax payments
417 prescribed in sub-subsection (d) (i), above.

418
419 (v) *Representations and Agreements Incorporated by Reference.* The
420 material representations and agreements made by the Company and contained in
421 its Applications for Tax Abatement, forms SB-1, CF-1, and all exhibits and
422 schedules attached thereto or referenced therein shall be deemed to be
423 incorporated into this Agreement by reference and made an integral part hereof.
424

425 e. Other Representations of the Company.

426 The Company hereby makes the following representations and warranties, and
427 acknowledges and agrees that such representations and warranties have been material to
428 the City Parties' decisions to enter into this Agreement, and further agrees that each
429 representation and warranty shall be true, accurate and complete as of the execution of
430 this Agreement and throughout its term:
431

432 (i) ITR is a Limited Liability Company validly organized and existing under
433 the laws of the State of Mississippi and is admitted to do business as a foreign business
434 organization in the State of Indiana;
435

436 (ii) All necessary action has been taken to authorize the Company's execution
437 of this Agreement; the Company possesses the requisite power to enter into this
438 Agreement and all other agreements contemplated hereby, and to perform its obligations
439 hereunder; and this Agreement constitutes a legal, valid and binding obligation of the
440 Company enforceable against it in accordance with its terms, subject to bankruptcy,
441 insolvency, reorganization, moratorium and other similar laws affecting creditors rights
442 heretofore or hereafter enacted and subject to the exercise of judicial discretion in
443 accordance with general principles of equity;
444

445 (iii) Neither the execution and delivery by the Company of this Agreement, the
446 consummation of the transactions contemplated herein, nor compliance with the
447 provisions hereof violates, breaches, contravenes, conflicts with, or causes a default
448 under any provision of the Articles of Organization or Operating Agreement of the
449 Company or any provision of any existing note, bond, mortgage, debenture, indenture,
450 trust, license, lease, instrument, decree, order, judgment or agreement to which the
451 Company is a party or by which it or its assets may be bound or affected;
452

453 (iv) No litigation or proceeding in any court or before any other governmental
454 authority or other person or entity is currently pending or, to the best knowledge of the
455 Company, threatened, which seeks to enjoin the Company from entering into this
456 Agreement or any of the transactions contemplated hereby; and
457

458 (v) The Company is entering into this Agreement for the sole purpose of
459 providing for the development of the new facility on the site described above subject to
460 and in accordance with the terms and conditions of this Agreement.
461

462 (vi) The Company represents that it has engaged Becknell Industrial, Inc. as
463 general contractor for the construction of the new facility.
464

465 **4. Return of Benefits.** Upon the grant of the real and personal property tax
466 deductions by the Council described in Section 2, above, and from and after their implementation
467 by the taxing authorities of Lake County, in whole or in part, and such grant results in the
468 reduction of the amount of such real estate and personal property taxes for which the Company
469 would otherwise have been liable in any year in which such deduction or deductions were in
470 effect, then the Company, its successors by merger or acquisition, or its assigns shall repay and
471 reimburse the City for such taxes saved upon the occurrence of any one or more than one of the
472 events stated below in Sub-Section (a):
473

474 a. Events Requiring Reimbursement and Repayment.

475 Within 90 days of the occurrence of any of the following events, the Company, its
476 successors by merger or acquisition, or its assigns shall pay to the City, in full, the
477 amount determined under the provisions of Sub-Section (b), by check or wire
478 transfer made payable to the City, and delivered to the Office of Clerk-Treasurer,
479 414 Main Street, Hobart, Indiana 46342, or such other governmental entity as the
480 City may direct, in writing, provided that any of such events occur prior to the
481 expiration of the period during which any abatement granted by the City pursuant
482 to this Agreement is in effect:
483

484 (i) The closure or suspension of manufacturing operations in
485 the new facility for a period of more than 180 days;

487 (ii) The closing of sale of the building for which deduction was
488 granted by the City to a buyer who converts the building to a use other
489 than the use for which the Company employed the building and who fails
490 to maintain not less than the promised number of employees identified in
491 Section 3 (a) above in the new facility.

493 (iii) The seizure, attachment or foreclosure of the new facility
494 which results in suspension or cessation of manufacturing operations.
495

496 b. Amount of Reimbursement and Repayment. The total amount of real
497 property taxes saved by the Company or its successors or assigns by reason of the
498 grant of said deduction or deductions for all years during the ten (10) year period
499 following such grant or grants, less the amount of any fee required for the
500 deduction actually paid to the City, shall be repaid and reimbursed to the City by
501 the Company or its successors and assigns upon the occurrence of any one or
502 more than one of the events described, and at the time specified, above in Sub-
503 Section 4 (a).
504

505 c. Termination of Section 4.

506 The effectiveness of the provisions of this Section 4 shall expire two (2) years
507 after the end of the abatement periods granted under this Agreement.

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5. Reporting Obligations during Construction.

a. Upon substantial completion of the Project, the Company agrees to report or cause to be reported to the City, the total number of local contractors or sub-contractors (as defined in Section 3(b) above) involved in the Project and the aggregate amount of construction payroll for such contracts related to the Project. As used herein, the term “local” is defined to mean Lake County, Indiana.

b. Not more than twice during construction of the Project, the Company, upon a written request from the City, will deliver to the City a written report which shall include the following information: (i) a general status report of the construction completed to date and (ii) an update on the project schedule. Upon the Project’s completion, the Company will report the monetary investment by the Company in the Project.

6. Material Consideration. The Company acknowledges and agrees that its agreements to perform and abide by the covenants and obligations set forth in this Agreement are material consideration for the commitments of the City Parties to perform and abide by their covenants and obligations contained in this Agreement.

7. Mutual Assistance. The Parties agree, subject to further proceedings required by law, to take such actions, including the execution and delivery of such reports, documents, instruments, petitions and certifications as may be necessary or appropriate in good faith, from time to time, to carry out the terms, provisions, and intent of this Agreement and to aid and assist each other in carrying out said terms, provisions, and intent.

8. Cooperation. In the event of any administrative, legal or equitable action or other proceeding instituted by any person not a party to this Agreement challenging its validity or the validity of any provision thereof, the Parties shall cooperate in defending such action or proceeding to settlement or final judgment including all appeals. Each Party shall select its own legal counsel and retain such counsel at its own expense, and in no event shall the City Parties be required to bear the fees and costs of the Company's attorneys nor shall the Company be required to bear the fees and costs of the City Parties’ attorneys. The Parties agree that this Section 8 shall constitute a separate agreement entered into concurrently with this Agreement, and that, if any other provision of this Agreement, or this Agreement as a whole is invalidated, rendered null, or set aside by a court of competent jurisdiction, the Parties agree to be bound by the terms of this Section 8, which shall survive such invalidation, nullification, or setting aside.

9. Enforcement and Attorney Fees. The provisions of this agreement may be enforced by either of the City Parties or the Company through any and all remedies available at law or in equity. In the event of any litigation or arbitration between or among the Parties regarding an alleged breach of this Agreement, the prevailing party will be entitled to recover its reasonable attorney fees and expenses of litigation.

553 **10. No Agency, Joint Venture or Partnership.** It is specifically understood and
554 agreed to by and between the Parties that the Project is a private development. The City Parties
555 and the Company hereby renounce the existence of any form of agency relationship, joint
556 venture or partnership between them and agree that nothing contained herein or in any document
557 executed in connection herewith shall be construed as creating any such relationship between the
558 Parties.

559 **11. Conflict of Interest; Representatives of City Parties Not Individually**
560 **Liable.** No member, official, or employee of the City Parties shall have any personal interest,
561 direct or indirect, in this Agreement, nor shall any such member, official, or employee participate
562 in any decision relating to this Agreement which affects his personal interests or the interests of
563 any corporation, partnership, or association in which he or she is, directly or indirectly,
564 interested. No member, official, or employee of the City Parties shall be personally liable to the
565 Company or to any successor in interest, in the event of any default or breach by the City Parties
566 or for any amount which may become due to the Company or their successors or assigns, on any
567 obligations under the terms of the Agreement. No member, employee or agent of the Company
568 or the Company's successors shall be personally liable to the City Parties or to each other under
569 this Agreement.

570 **12. Future Acts and Good Faith.** The Parties acknowledge and understand that
571 (a) the Parties must take future actions to implement and maintain their respective obligations
572 under this Agreement, and (b) certain of the representations, performance of the covenants, and
573 agreements of the City Parties are subject to and contingent upon compliance with and
574 completion of applicable statutory and administrative procedures, including, without limitation,
575 any applicable public notice and public hearing requirements, official actions by governing
576 bodies, and any remonstrance and appeal rights. Subject to compliance with and to the fullest
577 extent permitted by applicable laws, each of the City Parties covenants that it shall diligently
578 pursue and use its best efforts to do all things lawfully within its power, to take such future
579 actions and to comply with all applicable statutory and administrative proceedings at such times
580 and in such manner as to effectuate and implement the provisions and intent of this Agreement to
581 the fullest extent possible in accordance with the time limits set forth herein, time being of the
582 essence.

583 **13. Waiver of Jury Trial.** The parties acknowledge that disputes arising under this
584 Agreement are likely to be complex and they desire to streamline and minimize the cost of
585 resolving same. Each party irrevocably waives the right to trial by jury in any action,
586 counterclaim, dispute or proceeding based upon, or related to the subject matter of this
587 Agreement. This waiver applies to all claims against all parties to such actions and proceedings.
588 This waiver is knowingly, intentionally and voluntarily made by all parties.

589 **14. Severability.** If any one or more than one of the covenants, terms or conditions
590 of this Agreement should be determined by a court of competent jurisdiction to be unenforceable
591 or contrary to law, such covenant, term or condition shall be null and void and shall be deemed
592 separate from the remaining covenants and agreements herein contained and the remaining
593 provisions of this Agreement shall be given effect to the extent practicable. Notwithstanding the
594 foregoing, in the event any provision of this Agreement is determined to be invalid under any
595 applicable law and therefore deemed void hereunder, and such voided provision prevents the

596 Company or the City Parties from realizing the intended benefits of this Agreement, then the
597 Company and the City Parties agree to modify this Agreement in a manner that allows each of
598 the Parties to realize the originally intended benefits of this Agreement to the greatest extent
599 possible. If the Agreement cannot be so modified or amended to allow the Parties to realize the
600 originally intended benefits of this Agreement, then the Company and the City Parties shall have
601 the right to terminate this Agreement and upon such termination all rights and obligations under
602 this Agreement shall be extinguished, and the Parties agree to execute such releases or other
603 evidence of the extinguishment of such obligations as may be necessary.

604 **15. No Other Agreement.** With the exception of any written side agreements
605 between the Company and the City concerning the reimbursement of expenses incurred by the
606 City Parties prior to the execution of this Agreement, and as otherwise expressly provided herein,
607 this agreement supersedes all prior agreements, negotiations and discussions relative to the
608 subject matter hereof and is a full integration of the agreement of the parties.

609 **16. Counterparts.** This Agreement may be executed in any number of
610 counterparts, each of which shall be deemed an original and all of which together shall constitute
611 one and the same instrument. Any telecopied or digitally transmitted version of a manually
612 executed original shall be deemed a manually executed original.

613 **17. Notices and Demands.** A notice, demand, or other communication under this
614 Agreement by any party to any other shall be sufficiently given or delivered if it is dispatched by
615 registered or certified mail, postage prepaid, return receipt requested, or delivered personally,
616 and in the case of the Company, is addressed to or delivered personally to:

617
618 Company: _____
619 _____
620 _____
621 _____
622 _____
623 With a copy to: _____
624 _____
625 _____
626 _____
627 _____
628 _____

629 In the case of the City Parties or either of them addressed to or delivered personally to:

630 City: Mayor Brian K. Snedecor
631 City of Hobart
632 414 Main Street
633 Hobart, IN 46342
634
635 With copies to: Denarie Kane
636 Director of Development,
637 City of Hobart
638 414 Main Street

Hobart, IN 46342

Anthony DeBonis, Jr.
City Attorney
Anthony DeBonis, Jr. & Associates
214 Main Street
Hobart, IN 46342
Attn: Anthony DeBonis, Jr.

or at such other address with respect to such Party as that Party may, from time to time, designate in writing and forward to the other parties as provided in this section.

18. Governing Law. This Agreement shall be construed and enforced under the laws of the State of Indiana. The Parties agree to submit to the exclusive jurisdiction and venue of the courts of the State of Indiana sitting in Lake County, Indiana and the U.S. District Court for the Northern District of Indiana, Hammond Division.

19. Authority. The undersigned persons executing and delivering this Agreement on behalf of each of the Parties represent and certify that they are the duly authorized officers of such Party and have been fully empowered to execute and deliver this Agreement on behalf of such Party and that all necessary actions to execute and deliver this Agreement have been taken by such Party.

20. No Third-Party Beneficiaries. Nothing in this Agreement, express or implied, is intended or shall be construed to confer upon any person, firm, or corporation other than the parties hereto and their respective successors or assigns, any remedy or claim under or by reason of this Agreement or any term, covenant, or condition hereof, as third-party beneficiaries or otherwise, and all of the terms, covenants, and conditions hereof shall be for the sole and exclusive benefit of the Parties.

21. Assignment. Upon written consent of the City Parties, the Company may assign its rights and obligations under this Agreement to another party capable of performing all covenants and terms of this Agreement binding upon the Company. Such consent shall not, in such case, be unreasonably withheld.

22. Amendments. This Agreement may be amended from time to time, in whole or in part, only by a written agreement executed by the parties and adopted in like manner as this Agreement.

23. Default. Any material failure by any Party to perform any term or provision of this Agreement, which failure continues uncured for a period of thirty (30) days following written notice of such failure provided to the defaulting party from another Party, unless such period is extended by written mutual consent (but any extension is at the non-defaulting Party's sole discretion), shall constitute a default under this Agreement ("Default"). Any notice given pursuant to the preceding sentence shall specify the nature of the alleged failure and, where appropriate, the manner in which said failure satisfactorily may be cured. If the nature of the alleged failure is such that it cannot reasonably be cured within such thirty-day period (provided

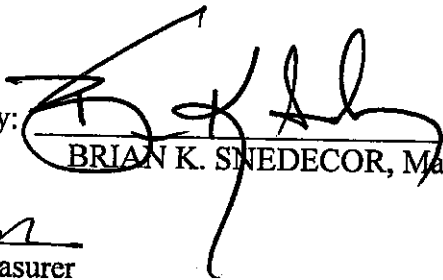
680 economic considerations may not be a factor in such delay), then the commencement of the cure
681 within such time period, and the diligent prosecution to completion of the cure thereafter, shall
682 be deemed to be a cure within such applicable period. Upon the occurrence of a Default, a non-
683 defaulting Party may institute legal proceedings at law or in equity (including any action to
684 compel specific performance) to enforce the observance and performance of any covenant,
685 condition, obligation, or agreement of the defaulting party under this Agreement; provided, that,
686 in no event shall any Party have the right to terminate this Agreement. If the Default is cured,
687 then no Default shall exist and the noticing Party shall take no further action.

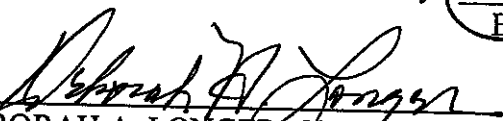
688 IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first
689 above written.

690
691 ITR AMERICA, LLC, a Mississippi
692 Limited Liability Company ("Company")
693

694
695
696 By: _____
697 CHRISTOPHER GILLO,
698 Chief Financial Officer
699


700 CITY OF HOBART, INDIANA ("CITY")
701


702
703 By: 
704 BRIAN K. SNEDECOR, Mayor
705


706
707 ATTEST: 
708 DEBORAH A. LONGER, Clerk/Treasurer
709

710
711 CITY OF HOBART BOARD OF PUBLIC
712 WORKS AND SAFETY ("Board"):
713

714
715 
716 BRIAN K. SNEDECOR, Presiding Officer
717

718 
719 THOMAS EHRHARDT, Member
720

721 
722 RICH LAIN, Member
723

724 ATTEST: 
725 DEBORAH A. LONGER, Clerk-Treasurer

726 STATE OF INDIANA)
727) ss:
728 LAKE COUNTY)
729

730 BEFORE ME, a duly appointed Notary Public in and for said county and state, appeared
731 CHRISTOPHER GILLES, Chief Financial Officer of ITR America, LLC, a party to the above
732 instrument and a person known to me, who acknowledged execution of same in such capacity, as
733 his free and voluntary act, for the uses and purposes stated therein.
734

735 IN WITNESS WHEREOF, I have affixed my signature and official seal on this _____
736 day of June, 2018.
737

738
739 _____
740 Notary Public

741
742 Name Printed: _____

S E A L

743
744 County of Residence: _____

745 My Commission Expires: _____
746

747
748 STATE OF INDIANA)
749) ss:
750 LAKE COUNTY)
751

752 BEFORE ME, a duly appointed Notary Public in and for said county and state, appeared
753 BRIAN K. SNEDECOR and DEBORAH A. LONGER, Mayor-Presiding Officer of the City of
754 Hobart Board of Public Works and Safety and Clerk-Treasurer of the City of Hobart, Indiana,
755 respectively, signatories to the above instrument and persons known to me, who acknowledged
756 execution of same in such capacities on behalf of said City, as their free and voluntary acts, for
757 the uses and purposes stated therein.
758

759 IN WITNESS WHEREOF, I have affixed my signature and official seal on this 6th
760 day of June, 2018.
761

762 Cheryl A. Govert
763 _____
764 Notary Public

765
766 Name Printed: Cheryl A. Govert
767

768 County of Residence: Lake

769 My Commission Expires: 2/25/2023
770

771



Cheryl Ann Govert
NOTARY PUBLIC
Lake County, State of Indiana
Commission Number: 664599
My Commission Expires February 25, 2023

772 STATE OF INDIANA)
773) ss:
774 LAKE COUNTY)
775

776 BEFORE ME, a duly appointed Notary Public in and for said county and state, appeared
777 THOMAS EHRHARDT and RICH LAIN, Members of the Board of Public Works and Safety of
778 the City of Hobart, Indiana, signatories to the above instrument and persons known to me, who
779 acknowledged execution of same in such capacities on behalf of said Board, as their free and
780 voluntary acts, for the uses and purposes stated therein.
781

782 IN WITNESS WHEREOF, I have affixed my signature and official seal on this 6th
783 day of June, 2018.
784

785
786 Cheryl A. Govert
787 Notary Public
788

789 Name Printed: Cheryl A. Govert
790

791 County of Residence: Lake
792

793 My Commission Expires: 2/25/2023
794



Cheryl A. Govert
NOTARY PUBLIC
Lake County, State of Indiana
Commission Number: 664599
My Commission Expires February 25, 2023

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I affirm under the penalty for perjury that I have taken reasonable care to redact each Social Security number in this document unless required by law. Anthony DeBonis, Jr.

*This Instrument prepared by Anthony DeBonis, Jr., Hobart City Attorney,
ANTHONY DeBONIS, JR. & ASSOCIATES ATTORNEYS AT LAW, LLC,
214 Main Street, Hobart, Indiana 46342
(219) 940-9963; Facsimile (219) 940-9965*

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EXHIBIT "A"

UMBAUGH

H. J. Umbaugh & Associates
Certified Public Accountants, LLP
8365 Keystone Crossing
Suite 300
Indianapolis, IN 46240-2687
Phone: 317-465-1900
Fax: 317-465-1850
www.umbaugh.com

March 27, 2018

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

Re: Proposed Property Tax Abatement Estimated Savings Calculation – ITR America, LLC

Dear Ms. Kane:

The attached schedules (listed below) present unaudited and limited information for the purpose of discussion and consideration in the preliminary planning stage of the proposed property tax abatement by the appropriate officers, officials and advisors of the City of Hobart. 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.

| <u>Page</u> | |
|-------------|-----------------------------------------------------------------------------------|
| 2 | Assumptions |
| 3 | Estimated Annual Combined Property Tax Abatement Savings |
| 4 | Estimated Property Tax Liability for the Proposed Investment in Real Property |
| 5 | Estimated Property Tax Liability for the Proposed Investment in Personal Property |

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

Very truly yours,

UMBAUGH



Matthew R. Eckerle

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CITY OF HOBART, INDIANA

ITR America

ASSUMPTIONS

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

| | <u>Estimated Cost</u> |
|------------------------------------------------------------|---------------------------|
| Real Property: | |
| New Building Construction (2) | |
| - First assessed January 1, 2020 for taxes payable in 2021 | \$5,500,000 |
| Depreciable Personal Property: | |
| Existing Facility (3) | |
| - January 1, 2017 assessment taxes payable 2018 | 1,545,032 |
| Proposed Investment (1) | |
| Pool #2 (4) | |
| - First assessed January 1, 2020 for taxes payable in 2021 | 116,000 |
| Pool #3 (4) | |
| - First assessed January 1, 2020 for taxes payable in 2021 | 423,820 |
| Subtotal | <u>539,820</u> |
| Total Investment | <u><u>\$7,584,852</u></u> |

- (1) Per the Lake County Auditor's office.
- (2) Per investment information provided by ITR America LLC.
- (3) Per the Indiana Business Tangible Personal Property Assessment Return completed by ITR America, LLC for January 1, 2017 taxes payable 2018.
- (4) Based on information provided by the Company, it has been assumed that the equipment will be purchased as new and be depreciated in Pool # 2 (5-8 year useful life) or Pool # 3 (9-12 year useful life) respectively, 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 2018 Tax Rate | |
| - Hobart Corp.-Ross Twp. Taxing district | \$2,9791 |

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 March 27, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

CITY OF HOBART, INDIANA

ITR America

ESTIMATED ANNUAL COMBINED PROPERTY TAX ABATEMENT SAVINGS

Assumes 10-year property tax abatements

| Taxes Payable Year | Estimated Net Assessed Value of the Proposed Investment (1) | | Net Tax Rate (2) | Estimated Property Tax Liability | | | Estimated Abatement Savings | | |
|--------------------|-------------------------------------------------------------|----------------------------|------------------|----------------------------------|-----------------------------------------------------------|----------------------------|-----------------------------|-----------------------------------------------------------|-------------|
| | With Proposed Abatement | Without Proposed Abatement | | With Proposed Abatement | Without Proposed Abatement | Without Proposed Abatement | | | |
| | | | | Gross Taxes | Without Proposed Abatement Circuit Breaker Tax Credit (3) | Net Taxes | Gross Taxes | Without Proposed Abatement Circuit Breaker Tax Credit (3) | Net Taxes |
| 2021 | \$0 | \$4,836,946 | 2.5918 | \$0 | \$0 | \$0 | \$125,370 | \$0 | \$125,370 |
| 2022 | 233,750 | 4,836,946 | 2.5918 | 6,060 | 0 | 6,060 | 125,370 | 0 | 125,370 |
| 2023 | 935,000 | 4,836,946 | 2.5918 | 24,230 | 0 | 24,230 | 125,370 | 0 | 125,370 |
| 2024 | 1,636,250 | 4,836,946 | 2.5918 | 42,410 | 0 | 42,410 | 125,370 | 0 | 125,370 |
| 2025 | 2,337,500 | 4,836,946 | 2.5918 | 60,580 | 0 | 60,580 | 125,370 | 0 | 125,370 |
| 2026 | 2,837,974 | 4,836,946 | 2.5918 | 73,550 | 0 | 73,550 | 125,370 | 0 | 125,370 |
| 2027 | 3,340,394 | 4,836,946 | 2.5918 | 86,580 | 0 | 86,580 | 125,370 | 0 | 125,370 |
| 2028 | 3,838,859 | 4,836,946 | 2.5918 | 99,490 | 0 | 99,490 | 125,370 | 0 | 125,370 |
| 2029 | 4,332,295 | 4,836,946 | 2.5918 | 112,280 | 0 | 112,280 | 125,370 | 0 | 125,370 |
| 2030 | 4,587,382 | 4,836,946 | 2.5918 | 118,900 | 0 | 118,900 | 125,370 | 0 | 125,370 |
| Totals | | | | \$624,080 | \$0 | \$624,080 | \$1,253,700 | \$0 | \$1,253,700 |

(1) See pages 4 and 5.

(2) Represents the certified pay 2018 tax rate for the Hobart Corp.-Ross Twp. taxing district. Accounts for the application of the pay 2018 LIT PTRC of 13.001%.

(3) Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 3% of gross assessed value for an industrial parcel, is applied.

(Subject to the attached letter dated March 27, 2018)
(Preliminary - Subject to Change)
(For Internal Use Only)

CITY OF HOBART, INDIANA

ITR America

ESTIMATED PROPERTY TAX LIABILITY FOR THE PROPOSED INVESTMENT IN REAL PROPERTY
Assumes a 10-year real property tax abatement

| Taxes Payable Year | Estimated Net Assessed Value of the Proposed Investment (1) | | Estimated Property Tax Liability | | | Estimated Abatement Savings |
|--------------------|-------------------------------------------------------------|----------------------------|----------------------------------|-----------------------------------------------------------------|--------------------|-----------------------------|
| | With Abatement (2) | Without Proposed Abatement | Gross Taxes | Without Proposed Abatement Circuit Breaker Tax Credit (4) | Net Taxes | |
| 2021 | \$0 | \$4,675,000 | \$0 | \$0 | \$121,170 | \$121,170 |
| 2022 | 233,750 | 4,675,000 | 6,060 | 6,060 | 121,170 | 115,110 |
| 2023 | 935,000 | 4,675,000 | 24,230 | 24,230 | 121,170 | 96,940 |
| 2024 | 1,636,250 | 4,675,000 | 42,410 | 42,410 | 121,170 | 78,760 |
| 2025 | 2,337,500 | 4,675,000 | 60,580 | 60,580 | 121,170 | 60,590 |
| 2026 | 2,805,000 | 4,675,000 | 72,700 | 72,700 | 121,170 | 48,470 |
| 2027 | 3,272,500 | 4,675,000 | 84,820 | 84,820 | 121,170 | 36,350 |
| 2028 | 3,740,000 | 4,675,000 | 96,930 | 96,930 | 121,170 | 24,240 |
| 2029 | 4,207,500 | 4,675,000 | 109,050 | 109,050 | 121,170 | 12,120 |
| 2030 | 4,441,250 | 4,675,000 | 115,110 | 115,110 | 121,170 | 6,060 |
| Totals | | | \$611,890 | \$0 | \$1,211,700 | \$599,810 |

(1) Per the assessment estimate provided by the Company in its Statement of Benefits Real Estate Improvements. The actual assessed value will be determined by the Lake County Assessor upon completion, and the actual value may vary materially from the value assumed in this illustration.

(2) Assumes a 10-year real property tax abatement with the following deduction percentages: 100%, 95%, 80%, 65%, 50%, 40%, 30%, 20%, 10%, and 5%.

(3) Represents the certified pay 2018 tax rate for the Hobart Corp.-Ross Twp. taxing district. Accounts for the application of the pay 2018 LIT PIRC of 13.001%.

(4) Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 3% of gross assessed value for an industrial parcel, is applied.

(Subject to the attached letter dated March 27, 2018)
 (Preliminary - Subject to Change)
 (For Internal Use Only)

CITY OF HOBART, INDIANA

ITR America

ESTIMATED PROPERTY TAX LIABILITY FOR THE PROPOSED INVESTMENT IN PERSONAL PROPERTY

Assumes a 10-year personal property tax abatement

| Taxes Payable Year | Estimated Net Assessed Value of the Proposed Investment (1) | | Net Tax Rate (3) | Estimated Property Tax Liability | | | Without Proposed Abatement | | | Estimated Abatement Savings |
|--------------------|-------------------------------------------------------------|----------------------------|------------------|----------------------------------|--------------------------------|-----------|----------------------------|--------------------------------|-----------|-----------------------------|
| | With Proposed Abatement (2) | Without Proposed Abatement | | Gross Taxes | Circuit Breaker Tax Credit (4) | Net Taxes | Gross Taxes | Circuit Breaker Tax Credit (4) | Net Taxes | |
| 2021 | \$0 | \$161,946 | 2.5918 | \$0 | \$0 | \$4,200 | \$0 | \$4,200 | \$4,200 | |
| 2022 | 0 | 161,946 | 2.5918 | 0 | 0 | 4,200 | 0 | 4,200 | 4,200 | |
| 2023 | 0 | 161,946 | 2.5918 | 0 | 0 | 4,200 | 0 | 4,200 | 4,200 | |
| 2024 | 0 | 161,946 | 2.5918 | 0 | 0 | 4,200 | 0 | 4,200 | 4,200 | |
| 2025 | 0 | 161,946 | 2.5918 | 0 | 0 | 4,200 | 0 | 4,200 | 4,200 | |
| 2026 | 32,974 | 161,946 | 2.5918 | 850 | 850 | 4,200 | 0 | 4,200 | 3,350 | |
| 2027 | 67,894 | 161,946 | 2.5918 | 1,760 | 1,760 | 4,200 | 0 | 4,200 | 2,440 | |
| 2028 | 98,859 | 161,946 | 2.5918 | 2,560 | 2,560 | 4,200 | 0 | 4,200 | 1,640 | |
| 2029 | 124,795 | 161,946 | 2.5918 | 3,230 | 3,230 | 4,200 | 0 | 4,200 | 970 | |
| 2030 | 146,132 | 161,946 | 2.5918 | 3,790 | 3,790 | 4,200 | 0 | 4,200 | 410 | |
| Totals | | | | \$12,190 | \$0 | \$42,000 | \$0 | \$42,000 | \$29,810 | |

- (1) Represents the estimated net assessed value of the proposed personal property investment only. Accounts for the impact of the acquisition cost and depreciation status of the existing personal property on the estimated true tax value of the proposed investment.
- (2) Assumes a 10-year personal property tax abatement with the following deduction percentages: 100%, 90%, 80%, 70%, 60%, 50%, 40%, 30%, 20%, and 10%.
- (3) Represents the certified pay 2018 tax rate for the Hobart Corp.-Ross Twp. taxing district. Accounts for the application of the psy 2018 LIT PTRC of 13.001%.
- (4) Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 3% of gross assessed value for an industrial parcel, is applied.

(Subject to the attached letter dated March 27, 2018)
 (Preliminary - Subject to Change)
 (For Internal Use Only)