

**COMMON COUNCIL OF THE CITY OF HOBART, INDIANA
Resolution Number 2014- 17**

**A Resolution Waiving Non-Compliance with the Filing Deadline for
Compliance with Statements of Benefits Relating to Midwest Service Center
Vacant Building Deduction**

WHEREAS, the Common Council (“Council”) of the City of Hobart, Indiana (“City”), by the adoption of its Resolution No. 2012-12 on May 2, 2012, previously granted to Midwest Service Center, Inc., an Indiana Corporation (“MSC “), a two-year vacant building deduction (“VBD”) from the assessed value of the real estate improvements of the below-described subject property as provided for and authorized in I.C. §6-1.1-12.1-4.8; and

WHEREAS, the subject property is located at 3530 North Hobart Road, Hobart, Indiana 46342, and such real estate is improved with a commercial - industrial building; and

WHEREAS, the vacant building deduction from property taxes allowed for the improvements on said property resulted in deductions determined by multiplying the assessed value of the building or part of the building that is occupied by the property owner or tenant of the property owner by 100 % in the first year (2012 pay 2013) and 50% in the second year (2013 pay 2014); and

WHEREAS, MSC, as property owner, was required to and did file a Statement of Benefits pursuant to I.C. §§6-1.1-12.1-3 and 4.8, and, pursuant to I.C. §6-1.1-12.1-5.1 (b), a property owner who files a deduction application must provide the county auditor and the designating body with information showing the extent to which there has been compliance with the statement of benefits; and

WHEREAS, this information must be updated each year in which the deduction is applicable; and

WHEREAS, the property owner is under a statutory duty to file a Compliance with Statement of Benefits form (Department of Local Government Finance Form CF-1) with the

Common Council of the City pursuant to I.C. §6-1.1-12.1-5.1(b) at the same time that the Property Owner is required to file a personal property tax return in the taxing district in which the property for which the deduction was granted is located, or, if the property owner is not required to file a personal property tax return, on or before May 15 of each year in which said deduction from property taxes is allowed, and

WHEREAS, the property owners' Compliance with Statement of Benefits was not filed by said deadline in 2013 for taxes payable for 2012, and also was not filed by the deadline in 2014 for taxes for 2013 payable in 2014. However, said Compliance with Statement of Benefits forms (Form CF-1/ VBD) were recently filed for said years with the Council as the designating body for the vacant building deduction on or about August 4, 2014; and

WHEREAS, the Council, as said designating body, pursuant to the provisions of I.C. §6-1.1-12.1-9.5 (b), may by resolution waive noncompliance with a filing deadline applicable to a Statement of benefits, or another document that is required to be filed under I.C. §6-1.1-12.1; and

WHEREAS, the Council takes notice that said Resolution No.2012-12 also required the property owner to pay a fee to the Treasurer of Lake County under the authority granted to the Council in I.C. §6-1.1-12.1-14 (d), said fee to be collected and distributed to the Redevelopment Commission of the City of Hobart, a public entity established to promote economic development in the City to support such activities, and said fee to be paid for each year in which the liability of MSC for real property taxes upon the improvements on the subject property is reduced by reason of the deduction granted in said Resolution. The fee is equal to fifteen percent (15%) of said reduction; and

WHEREAS, the Council is informed that MSC has paid said fees in full both for tax years 2012 and 2013; and

WHEREAS, the property owner has filed the required forms with the Council as stated above, and the Council desires to authorize the waiver of the filing deadline for said Statements of Compliance and to spread same upon the public record.

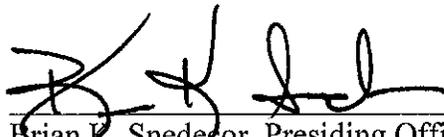
THEREFORE, BE IT RESOLVED by the Common Council of the City of Hobart as follows:

1. The Council finds that the forms for Compliance with Statement of Benefits, for 2012 pay 2013 and for 2013 pay 2014 for the improvements to the real estate identified above for have been filed by the property owner with the Council as of August 4, 2014.

2. The Council now waives the filing deadline for said forms showing compliance with Statements of Benefits. By this action, the Council intends that the property owner shall be treated as if the property owner had timely complied with the procedural requirements of I.C. §6-1.1-12.1-1, *et seq.*

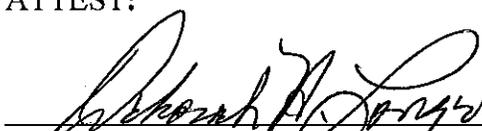
3. The Clerk-Treasurer is directed to provide a certified copy of this Resolution each to the property owner and the Department of Local Government Finance of the State of Indiana, as required by I.C. §6-1.1-12.1-9.5 (c).

ALL OF WHICH is adopted as the Resolution of the Common Council of the City of Hobart on this ^{3rd}~~15th~~ day of ^{September}~~August~~, 2014.



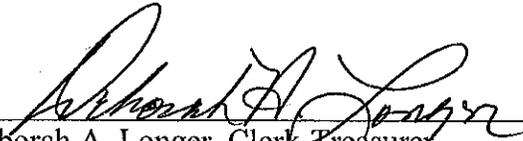
Brian K. Snedecor, Presiding Officer

ATTEST:

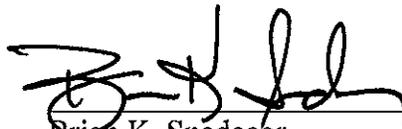


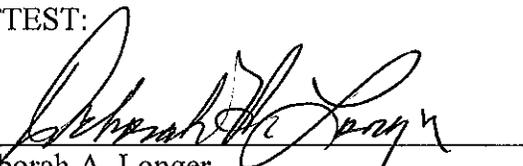
Deborah A. Longer, Clerk-Treasurer

PRESENTED by me to the Mayor of the City of Hobart, Indiana this 3rd day of ~~August~~^{Sept}, 2014, at 6:45 pm o'clock.


Deborah A. Longer, Clerk-Treasurer

APPROVED, SIGNED, and RETURNED by me as Mayor of the City of Hobart, Lake County, Indiana, to the Common Council of the City of Hobart, Lake County, Indiana, this 3rd day of ~~August~~^{Sept.}, 2014.


Brian K. Snedecor
Mayor

ATTEST:

Deborah A. Longer
Clerk-Treasurer



**COMPLIANCE WITH STATEMENT OF BENEFITS
VACANT BUILDING DEDUCTION**

State Form 55183 (2-13)
Prescribed by the Department of Local Government Finance

20 12 PAY 20 13

FORM CF-1 / VBD

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

- Eligible vacant building (IC 6-1.1-12.1-4.8)
- Enhanced eligible vacant building (IC 6-1.1-12.1-16)

PRIVACY NOTICE

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

INSTRUCTIONS:

1. Property owners must file this form with the county auditor and the designating body for their review regarding the compliance of the qualifying property with the Statement of Benefits (Form SB-1/VBD).
2. This form must accompany the initial deduction application (Form 322/VBD) that is filed with the county auditor.
3. This form must also be updated each year in which the deduction is applicable. It is filed with the county auditor and the designating body before May 15, or by the due date of the real property owner's personal property return that is filed in the township where the property is located. (IC 6-1.1-12.1-5.1(b))

SECTION 1 TAXPAYER INFORMATION	
Name of taxpayer Midwest Service Center LLC	County Lake
Address of taxpayer (number and street, city, state, and ZIP code) 408 South Shelby Street Hobart IN 46342	DLGF taxing district number 42 (45)
Name of contact person Mahmoud Mazaheri	Telephone number (219) 942-8585

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY		
Name of designating body Hobart City Council	Resolution number 2012-10, 2012-11, 2012-13	Estimated occupancy date (month, day, year) 7/31/12
Location of property 3530 North Hobart Road		Actual occupancy date (month, day, year) 7/31/12
Description of eligible vacant building that the property owner or tenant will occupy Occupy 15,000 sf building with the intention of operating a manufacturing facility		Estimated date placed-in-use (month, day, year) 3/31/13
		Actual date placed-in-use (month, day, year) 3/31/13

SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees			
Salaries			
Number of employees retained			
Salaries			
Number of additional employees		20	0
Salaries		500,000.00	0.00

SECTION 4 COST AND VALUES			
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE
Values before project		835,000.00	861,100.00
Plus: Values of proposed project			
Less: Values of any property being replaced			
Net values upon completion of project		835,000.00	861,100.00
ACTUAL		COST	ASSESSED VALUE
Values before project		835,000.00	861,100.00
Plus: Values of proposed project			
Less: Values of any property being replaced			
Net values upon completion of project		835,000.00	861,100.00

SECTION 5 UPDATES TO THE ANSWERS PROVIDED IN SECTION 5 OF THE FORM SB-1/VBD, IF ANY
(Attach additional sheet(s) if necessary.)

SECTION 6 TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative 	Title Controller	Date signed (month, day, year) 7/31/14

OPTIONAL: FOR USE BY A DESIGNATING BODY WHO ELECTS TO REVIEW THE COMPLIANCE WITH THE FORM SB-1/VBD

INSTRUCTIONS: (IC 6-1.1-12.1-5.1 and IC 6-1.1-12.1-5.9)

1. Not later than forty-five (45) days after receipt of this form, the designating body may determine whether or not the property owner has substantially complied with the Statement of Benefits (Form SB-1/VBD).
2. If the property owner is found **NOT** to be in substantial compliance, the designating body shall send the property owner written notice. The notice must include the reasons for the determination and the date, time, and place of a hearing to be conducted by the designating body. The date of this hearing may not be more than thirty (30) days after the date this notice is mailed. A copy of the notice may be sent to the county auditor and the county assessor.
3. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable efforts to substantially comply with the Statement of Benefits (Form SB-1/VBD) and whether any failure to substantially comply was caused by factors beyond the control of the property owner.
4. If the designating body determines that the property owner has **NOT** made reasonable efforts to comply, then the designating body shall adopt a resolution terminating the property owner's deduction. If the designating body adopts such a resolution, the deduction does not apply to the next installment of property taxes owed by the property owner or to any subsequent installment of property taxes. The designating body shall immediately mail a certified copy of the resolution to: (1) the property owner; (2) the county auditor; and (3) the county assessor.

We have reviewed the CF-1 and find that:

- the property owner **IS** in substantial compliance
- the property owner **IS NOT** in substantial compliance
- other (specify): _____

Reasons for the determination (attach additional sheets if necessary):

Signature of authorized member

Date signed (month, day, year)

Attested by:

Designating body

If the property owner is found not to be in substantial compliance, the property owner shall receive the opportunity for a hearing. The following date and time has been set aside for the purpose of considering compliance. (Hearing must be held within thirty (30) days of the date of mailing of this notice.)

Time of hearing

AM
 PM

Date of hearing (month, day, year)

Location of hearing

HEARING RESULTS (to be completed after the hearing)

- Approved Denied (see instruction 4 above)

Reasons for the determination (attach additional sheets if necessary):

Signature of authorized member

Date signed (month, day, year)

Attested by:

Designating body

APPEAL RIGHTS [IC 6-1.1-12.1-5.9(e)]

A property owner whose deduction is denied by the designating body may appeal the designating body's decision by filing a complaint in the office of the Circuit or Superior Court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner.



**COMPLIANCE WITH STATEMENT OF BENEFITS
VACANT BUILDING DEDUCTION**

State Form 55183 (2-13)
Prescribed by the Department of Local Government Finance

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FORM CF-1 / VBD

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Current number of employees			
Salaries			
Number of employees retained			
Salaries			
Number of additional employees		20	7
Salaries		500,000.00	418,000.00
SECTION 4 COST AND VALUES			
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE
Values before project		835,000.00	901,660.00
Plus: Values of proposed project			
Less: Values of any property being replaced			
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Signature of authorized representative 		Title Controller	Date signed (month, day, year) 7/31/14

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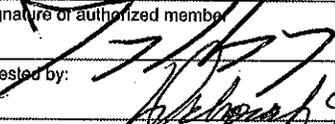
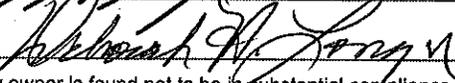
We have reviewed the CF-1 and find that:

the property owner **IS** in substantial compliance

the property owner **IS NOT** in substantial compliance

other (specify): _____

Reasons for the determination (attach additional sheets if necessary):

Signature of authorized member 	Date signed (month, day, year) 9/3/12
Attested by: 	Designating body Common Council

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Time of hearing	<input type="checkbox"/> AM <input type="checkbox"/> PM	Date of hearing (month, day, year)	Location of hearing
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HEARING RESULTS (to be completed after the hearing)

Approved Denied (see instruction 4 above)

Reasons for the determination (attach additional sheets if necessary):

Signature of authorized member	Date signed (month, day, year)
Attested by:	Designating body

APPEAL RIGHTS [IC 6-1.1-12.1-5.9(e)]

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CITY OF HOBART

AGENDA ITEM REQUEST FORM

(Please Print)

Meeting Date: 8/20/14

Board of Public Works (4:00 p.m.)

Common Council (6:00 p.m.)

Compliance with

Item to be Added to Agenda: Statement of Benefits Vacant Building

Deduction 3530 North Hobart Rd & waiver of

Brief Description of Request for Consideration: Non-Compliance Resolution #2014-17

City Attorney is preparing the required Council Resolution to address the non-compliance waiver needed. Originally this was needed for 2012/ pay 2013 but now such is needed for both since 2013/ pay 2014 is late. 7 of the 20 promised jobs have been added but \$418,000 of the \$500,000 in promised wages paid. Please advise if you wish the petitioner to be present at your 8/20 Council meeting

Supporting Documentation Attached: 2012/ pay 13 Form CF-1 (UBD)
2013/ pay 14 Form CF-1 (UBD)

Request Submitted by: Denise Kane

Address (Department): _____

Phone Number (Ext.): _____

Date Submitted: 8/4/14

Turn in Completed Request Form to the Clerk-Treasurer's Office, Hobart City Hall