

RESOLUTION NO. 2014-10

**CITY OF HOBART REDEVELOPMENT COMMISSION
RESOLUTION APPROVING APPLICATION
FOR REAL PROPERTY TAX DEDUCTIONS
IN AN ECONOMIC REVITALIZATION AREA**

WHEREAS, the Common Council of the City of Hobart (the "Council") has received an application from **Hanson Cold Storage Co. of Indiana d/b/a Hanson Logistics** (the "Petitioner") requesting designation of an area described in Exhibit A as an economic revitalization area pursuant to I.C. 6-1.1-12.1 (the "Economic Revitalization Area") so that the Council may consider granting real property tax abatement in the Economic Revitalization Area for a period of six (6) years; and

WHEREAS, the Petitioner plans to build in the Economic Revitalization Area, **an approximate 85,000 square foot light industrial building addition with loading docks and parking lot estimated to cost \$5,900,000.00**; and

WHEREAS, if required Declaratory and Confirming Resolutions are approved by the Council, the Petitioner, pursuant to I.C. 6-1.1-12.1, will be allowed real property tax deductions for six (6) years for the Real Estate improvements located in the Economic Revitalization Area, as described in the Statement of Benefits attached as Exhibit B submitted by the Petitioner to the Council;

WHEREAS, the City of Hobart Redevelopment Commission (the "Commission") established an area in Hobart, Indiana, as an allocation area for purposes of I.C. 36-7-14-39 (the "Allocation Area"), and the Economic Revitalization area is located within the boundaries of the Allocation Area;

WHEREAS, I.C. 6-1.1-12.1-2(1) provides that if property located in an Economic Revitalization Area is also located in an allocation area (as defined in I.C. 36-7-14-39 or I.C. 36-7-15.1-26), an application for the property tax deduction provided by I.C. 6-1.1-12.1-1 et seq. may not be approved unless the Commission that designated the allocation area adopts a resolution approving the application;

WHEREAS, I.C. 6-1.1-12.1-3 provides that a person must file certified deduction applications to obtain property tax deductions for Real Estate Improvements built in an economic revitalization area (such certified applications being referred to hereinafter as "Deductions Applications");

WHEREAS, the Real Estate Improvements will be located in both the Economic Revitalization Area and the Allocation Area, and therefore property tax deductions with respect to the Real Estate Improvements may not be approved unless the Commission adopts a resolution approving the Deduction Applications;

WHEREAS, the Commission has been requested by the Petitioner to approve, pursuant to I.C. 6-1.1-12.1-2(1), its Deduction Applications for the Real Estate Improvements located in the Allocation Area; and

WHEREAS, the Commission has reviewed the Statement of Benefits and desires to take action to approve, pursuant to I.C. 6-1.1-12.1-2(1), property tax deductions with respect to the Real Estate Improvements located in the Allocation Area;

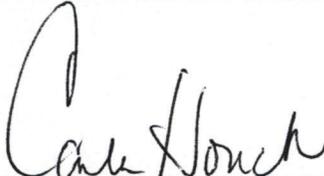
NOW THEREFORE, BE IT RESOLVED THAT based on the information in the Statement of Benefits describing the Real Estate Improvements and the Commission's consideration of other evidence, the Commission hereby finds that the allowance of property tax deductions for the Real Estate Improvements located or to be located in both the Economic Revitalization Area and the Allocation Area is of public utility and benefit and is consistent with the findings made and actions taken in the Declaratory Resolution and Confirmatory Resolution.

BE IT FURTHER RESOLVED, that, pursuant to I.C. 6-1.1-12.1-2(1), the Commission hereby approves the Statement of Benefits and approves the Deductions Applications to be filed by the Petitioner to claim property tax deductions with respect to Real Estate Improvements located or to be located in both the Economic Revitalization Area and Allocation Area.

ADOPTED and APPROVED at meeting of the City of Hobart Redevelopment Commission held on

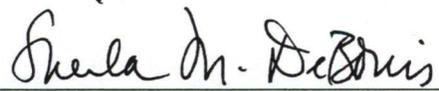
the 3rd day of October, 2014

CITY OF HOBART REDEVELOPMENT COMMISSION



Carla Houck, President

ATTEST:



Sheila DeBonis, Secretary

EXHIBIT "A"

Torrenga Engineering, Inc.

REGISTERED PROFESSIONAL ENGINEERS

907 RIDGE ROAD

MUNSTER, INDIANA 46321

www.torrenga.com

Office (219) 836-8918

Fax (219) 836-1138

LEGAL DESCRIPTION OF HANSON PARCEL

DESCRIPTION: BEING PART OF LOT "E" AND LOT "G" OF NORTH WIND CROSSINGS, A PLANNED UNIT DEVELOPMENT IN THE CITY OF HOBART, AS RECORDED IN PLAT BOOK 95, PAGE 86 IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID LOT "E"; THENCE SOUTH 00°01'11" EAST, ALONG THE EAST LINE OF SAID LOT "E", A DISTANCE OF 271.31 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 00°01'11" EAST, A DISTANCE OF 1243.64 FEET TO THE SOUTHEAST CORNER OF SAID LOT "G"; THENCE NORTH 78°25'11" WEST, ALONG THE SOUTH LINE OF SAID LOT "G", A DISTANCE OF 839.04 FEET; THENCE NORTH 00°16'04" EAST, A DISTANCE OF 1079.03 FEET; THENCE SOUTH 89°43'56" EAST, A DISTANCE OF 816.49 FEET TO THE POINT OF BEGINNING, CONTAINING 21.85 ACRES, MORE OR LESS, ALL IN THE CITY OF HOBART, LAKE COUNTY, INDIANA.

Prepared for: Becknell Development LLC

Prepared by: Torrenga Engineering, Inc.

Date: July 19, 2006

Y:\Legal Descriptions\Terry Levin\North Wind - Hanson Parcel.doc

Exhibit 'B'
pg 1 of 5



**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

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

2015 PAY 2016
FORM SB-1 / Real Property
PRIVACY NOTICE
Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

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

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

INSTRUCTIONS:

- This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise, this statement must be submitted to the designating body BEFORE the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction.
- The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
- To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between March 1 and May 10 of a subsequent year.
- A property owner who files for the deduction must provide the County Auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
- For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/Real Property that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. IC 6-1.1-12.1-17

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer Hanson Cold Storage Co. of Indiana d/b/a Hanson Logistics		
Address of taxpayer (number and street, city, state, and ZIP code) 2900 S. State St., Suite 4E, St. Joseph, MI 49085		
Name of contact person Jack White	Telephone number (269) 982-1390	E-mail address jwhite@hansonlogistics.com

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body Common Council of the City of Hobart	Resolution number
Location of property 2201 Northwind Parkway, Hobart, IN 46342	County Lake
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) See attached Supplement for description	DLGF taxing district number 43
	Estimated start date (month, day, year) 11/01/2014
	Estimated completion date (month, day, year) 06/01/2015

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
65.00	\$2,315,000.00	65.00	\$2,315,000.00	15.00	\$490,000.00

SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values	20,560,581.00	12,293,200.00
Plus estimated values of proposed project	5,900,000.00	3,525,000.00
Less values of any property being replaced	0.00	0.00
Net estimated values upon completion of project	26,460,581.00	15,818,200.00

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted (pounds) _____	Estimated hazardous waste converted (pounds) _____
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Other benefits

See attached Supplement for Other Benefits

SECTION 6 TAXPAYER CERTIFICATION

I hereby certify that the representations in this statement are true.

Signature of authorized representative 	Date signed (month, day, year) 09/30/2014
Printed name of authorized representative Andrew B. Janson	Title President

Exhibit B
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FOR USE OF THE DESIGNATING BODY

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

- A. The designated area has been limited to a period of time not to exceed _____ calendar years* (see below). The date this designation expires is _____.
- B. The type of deduction that is allowed in the designated area is limited to:
 - 1. Redevelopment or rehabilitation of real estate improvements Yes No
 - 2. Residentially distressed areas Yes No
- C. The amount of the deduction applicable is limited to \$ _____.
- D. Other limitations or conditions (specify) _____
- E. Number of years allowed:

<input type="checkbox"/> Year 1	<input type="checkbox"/> Year 2	<input type="checkbox"/> Year 3	<input type="checkbox"/> Year 4	<input type="checkbox"/> Year 5 (* see below)
<input type="checkbox"/> Year 6	<input type="checkbox"/> Year 7	<input type="checkbox"/> Year 8	<input type="checkbox"/> Year 9	<input type="checkbox"/> Year 10
- F. For a statement of benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?
 - Yes No
 - If yes, attach a copy of the abatement schedule to this form.
 - If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

We have also reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

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

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

- A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4-1 remain in effect. The deduction period may not exceed five (5) years. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. The deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)
- B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. (See IC 6-1.1-12.1-17 below.)

IC 6-1.1-12.1-17
Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
- (2) The number of new full-time equivalent jobs created.
- (3) The average wage of the new employees compared to the state minimum wage.
- (4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

Exhibit 'B'
Pg 3 of 5

HANSON COLD STORAGE CO. OF INDIANA
EIN: 38-3254580
FORM: Statement of Benefits (Form SB-1/RE)

3rd Addition Abatement

SUPPLEMENTAL INFORMATION:

Section 2 – Location and Description of Proposed Project

Description of real property improvements

Hanson Logistics is a leading third party logistics service provider with state-of-the art transportation services and the 16th largest refrigerated warehouse network in the country, with 9 facilities in Michigan and Indiana and a total capacity of 39,000,000 cu. ft. of deep frozen, refrigerated and dry warehousing space. Hanson Logistics offers its customers the security of company-owned trucks, facilities and technology with the flexibility of non-asset services when structuring supply chain solutions for a growing number of food processors, distributors and retailers.

To continue the expansion of its successful multi-vendor freight consolidation program, Hanson Logistics needs to increase warehouse capacity and will do that by expanding its Benton Harbor, Michigan; Lafayette, Indiana; or Hobart, Indiana facility. The Company is also considering building another facility in Southwest Michigan.

This abatement request for Hobart would include a proposed approximate 85,000 square foot refrigerated warehouse and dock addition to be completed in late spring or early summer of 2015. Included with this addition would also be approximately 50,000 square foot of asphalt/concrete to accommodate truck parking, and additions to current dry detention ponds. The estimated start date of this addition would be November 2014 with completion approximately 210-240 days later.

Section 3 – Estimate of Employees and Salaries as Result of Proposed Project

It is estimated that this third addition will employ approximately 15 additional teammates with an estimated annual payroll of \$490,000 when the addition is running at full capacity (approximately two years). Although not listed under Section 3, there will also be construction jobs retained during the construction of both additions during the time period each addition is being built. The third addition will probably retain an estimated 75 construction jobs at an estimated annual payroll of \$2,500,000. Also not included in Section 3 will be the possible employment of truck drivers for the Hanson fleet of trucks and possibly other local carriers in the area to service Hanson Logistics growth of its multi-vendor freight consolidation program run out of the Hobart facility.

Section 5 – Other Benefits

With the potential utilization of local subs and suppliers, Indiana sales tax revenue will increase through the purchase of goods and services (food, gas, etc.). All of the new hires for this addition would be hired locally (Northwest Indiana), not relocating from other Hanson facilities. This too, on an ongoing basis, will increase Indiana sales tax through the purchase of goods and services, as well as potential increases in property taxes. Our expansion could also potentially lead to a food manufacturer or processor locating in the area to be close to our refrigerated distribution center and transportation network. This addition could possibly lead to the hiring of truck drivers for the Hanson fleet of trucks and possibly local carriers hiring truck drivers to support the growth of our multi-vendor freight consolidation program out of Hobart. Hanson Cold Storage Co. of Indiana will provide reasonable advanced notice to the City of Hobart relating to any tax appeal on this property. If an appeal is filed, a copy of such will be provided to the City of Hobart.

Exhibit 'B'
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APPLICATION FOR TAX ABATEMENT - COMMON COUNCIL

Form CCAP revised 2/23/06

PETITIONER'S NAME: Hanson Cold Storage Co. of Indiana d/b/a Hanson Logistics PHONE: (269) 982-1390

ADDRESS: 2900 S. State St., Suite 4E FAX: (269) 982-1506

CITY, STATE, ZIP CODE: St. Joseph, MI 49085

COMMON LOCATION OF PROPERTY: 2201 Northwind Parkway, Hobart, IN 46324
(Also attach legal description to this application form)

DESCRIPTION OF PROJECT: See attached

ARE ANY PROPOSED BUILDINGS MANUFACTURED OFF SITE? No WHERE? _____

NUMBER OF UNITS: 1 addition

PROPOSED STARTING DATE FOR BUILDING CONSTRUCTION: November 2014
(Must be within 12 months of approval date of confirmatory resolution)

PROPOSED COMPLETION DATE OF FIRST BUILDING UNIT: June 2015

WHAT HOBART BUSINESSES WILL BE INVOLVED IN THE PROJECT: Potentially local subcontractors such as electrical, excavation, metal, cement, HVAC, plumbers, carpenters, etc. would benefit. Ongoing businesses such as retail, service, financial, and education industries would benefit with local employees hired from the area.

HOW MANY JOBS WILL THE PROJECT RETAIN AND/OR CREATE? _____
65 Retained 15 Created

PROJECTED PAYROLL FOR ABOVE JOBS CREATED AND/OR RETAINED: _____
\$2,315,000 Retained \$490,000 Created

WILL THE COMMON CONSTRUCTION WAGE FOR HOBART, INDIANA BE PAID FOR CONSTRUCTION SERVICES? Yes WILL CONSTRUCTION OF THIS PROJECT BE COMPLETED BY CONTRACTORS WHO PAY THE COMMON CONSTRUCTION WAGE FOR HOBART, INDIANA? Yes

WINDOW OF OPPORTUNITY PERIOD REQUESTED: 1 Year

TAX ABATEMENT PERIOD OF DEDUCTION REQUESTED: 6 Years

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 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.

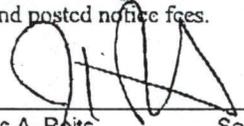
SIGNATURE OF PETITIONER:  DATE: 9/30/14
James A. Reits Secretary/Treasurer

Exhibit 'B'
Pg 5 of 5

HANSON COLD STORAGE CO. OF INDIANA

EIN: 38-3254580

FORM: Application for Tax Abatement (Form CCAP)

3rd Addition Abatement**SUPPLEMENTAL INFORMATION:**Description of Project

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Estimated total cost of construction is \$5,900,000.

Hanson Logistics will attempt to make sure that the chosen construction company for the addition, Tippmann Construction, will make an effort to hire local subs. Tippmann was the contractor that did the 2013 Hobart expansion.

Legal Description

North Wind Crossings (Resub) of Pt of Lot "E" & Pt of Lot "G") Lot 1