

September 25, 2018

COMMON COUNCIL OF THE CITY OF HOBART, INDIANA

Resolution Number 2018- 23

A Resolution Amending Prior Common Council Resolution Nos. 2007-29 and 2007-30, as further Amended by Resolution No. 2008-09 Designating and Confirming an Economic Development Revitalization Area for the Grant of Real Property Tax Deduction for a Medical Building at 1310-1340 South Wisconsin Street, to Authorize Transfer of the Remaining Abatement to SR45 Properties LLC from Bailiwyck Properties LLC, and to Waive Compliance with the Filing Deadline for Compliance with Statements of Benefits Relating to said Real Property Deduction

WHEREAS, the Common Council (“Council”) of the City of Hobart, Indiana (“City”), has been advised that the Medical Building located at 1310-1340 South Wisconsin Street in the City, previously owned by Bailiwyck Properties LLC, was recently conveyed to a new owner, SR45 Properties LLC, an Indiana limited liability company (“owner” or “applicant”); and

WHEREAS, the Council previously adopted Resolution Nos. 2007-29 and 2007-30 on August 15, 2007 and September 5, 2007, respectively, designating and confirming an Economic Development Revitalization Area for the Grant of Real Property Tax Deduction (Abatement) for said real property pursuant to I.C. §6-1.1-12.1-1, *et seq.*, and said resolutions were further amended on May 7, 2008 by the adoption of Council Resolution No. 2008-09, said amendment approving a new Form SB-1 by the prior owner for the property; and

WHEREAS, under the terms of the Form SB-1 previously approved, a ten-year abatement against real property taxes was granted. One year of real property abatement remains on the grant. Through the filing of a Letter of request for abatement with the City, which is attached as Exhibit 1, the owner has requested that the remainder of the abatement be transferred of record to it under the terms of a new Form SB-1 submitted by the Owner and attached hereto as Exhibit 2; and

WHEREAS, the Owner has also filed a Form CF-1 for 2018 pay 2019 dated June 8, 2018, attached hereto as Exhibit 3 which shows substantial compliance with the Statement of Benefits, Form SB-1 previously filed and approved, and the Council desires to approve the transfer of the remaining abatement benefit to the owner through the adoption of this Resolution; and

WHEREAS, the owner of said real property 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

September 25, 2018

WHEREAS, SR45 Properties LLC, as property owner, was required to file a Compliance with Statement of Benefits pursuant to I.C. §§6-1.1-12.1-5.1(b), and, pursuant thereto, 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 has not timely filed the Compliance with Statement of Benefit forms for 2018 taxes payable in 2019, but did file such form with the Clerk-Treasurer of the City of Hobart on or about June 8, 2018, and requests that this form be accepted by the Council as if timely filed; 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 Compliance with Statement of Benefits, or another document that is required to be filed under I.C. §6-1.1-12.1; 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 hereby authorizes, consents to and approves the transfer of all remaining real property tax deductions or abatements to the current owner of the above-referenced real estate, SR45 Properties LLC.
2. The Council further accepts the filing of the Letter of Request for Abatement which is attached as Exhibit 1 and approves the Letter of Request in all respects, and said Letter of Request is now substituted for the application previously filed by the prior owner.
3. The Council further authorizes the filing of the attached new Statement of Benefits. Form SB-1 for 2018 pay 2019 attached hereto as Exhibit 2 and approves the form in all respects. Likewise, the Council authorizes and approves the filing of Compliance with Statement of Benefits, Form CF-1 attached as Exhibit 3 and approves that form in all respects.
4. The Council now reaffirms and remakes those findings stated in Resolution No. 2007-29 and Resolution No. 2007-30 in support of the grant and transfer of all real estate tax deductions (abatement) remaining on the above described property to the Owner, SR45 Properties, Inc.

September 25, 2018

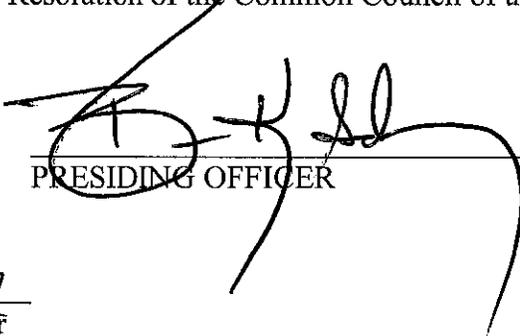
5. The Council finds that the form for Compliance with Statement of Benefits for 2018 pay 2019, attached as Exhibit 3 for the improvements to the real estate identified above have been filed by the property owner with the Council as of June 8, 2018.

6. The Council now waives the filing deadline for said form 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.*

7. 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).

8. An emergency exists for the immediate taking effect of this Resolution, and it shall be in full force and effect from and after its passage and adoption in the manner required by law.

ALL OF WHICH is adopted as the Resolution of the Common Council of the City of Hobart on this 3rd day of October, 2018.



PRESIDING OFFICER

ATTEST:

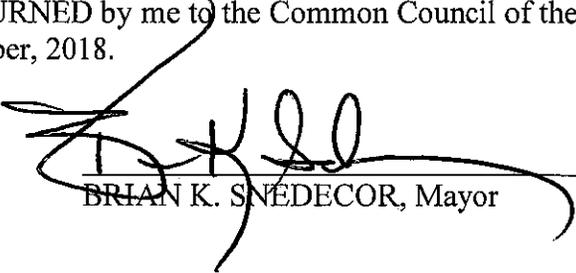

DEBORAH A. LONGER, Clerk-Treasurer

PRESENTED by me to the Mayor of the City of Hobart on the 3rd day of October, 2018 at the hour of 7:00 pm.



DEBORAH A. LONGER, Clerk-Treasurer

APPROVED, EXECUTED and RETURNED by me to the Common Council of the City of Hobart on this 3rd day of October, 2018.



BRIAN K. SNEDECOR, Mayor

September 25, 2018

ATTEST:


DEBORAH A. LONGER, Clerk-Treasurer

SR 45 PROPERTIES, LLC

9515 INDIANPOLIS BLVD., Unit 6A
219-924-0301

Exhibit 1

RECEIVED

June 08, 2018

JUN 12 2018

CITY OF HOBART
Clerk-Treasurer Office

City of Hobart
414 Main Street
Hobart, Indiana 46342

Re: 1310-1340 S. Wisconsin Street

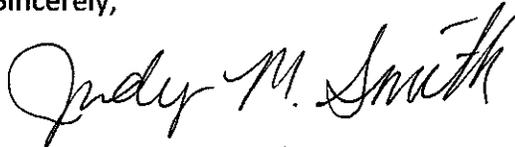
To whom it may concern,

I am writing this letter to request an amendment to the above referenced property to list SR 45 Properties as the new owners. The change in ownership was not approved previously and we are requesting this to be corrected. I have also included a new CF-1 and SB-1 reflecting the most current information provided to us by our current tenants and the Lake County Assessor's office.

Please let us know if you need any other information.

Thank you.

Sincerely,



Judy M. Smith, managing member
SR45 Properties, LLC.



**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R6 / 10-14)
Prescribed by the Department of Local Government Finance

RECEIVED

JUN 28 2018

20 18 PAY 20 19

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)

Clerk-Treasurer Office

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

Exhibit 2

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer SR45 PROPERTIES, LLC		
Address of taxpayer (number and street, city, state, and ZIP code) 12 CEDAR MARSH RETREAT		
Name of contact person TERRY A SMITH	Telephone number (708) 417-8721	E-mail address SIRJAMESPROPERTIES@YAHOO.COM

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body HOBART COMMON COUNCIL	Resolution number
Location of property 1310-1340 S WISCONSIN STREET, HOBART, IN	County LAKE
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) 16,500 SQ. FT. MEDICAL BUILDING	DLGF taxing district number 18
	Estimated start date (month, day, year) 5/15/2008
	Estimated completion date (month, day, year) 12/31/2008

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
30.00	\$1,665,982.40	30.00	\$1,665,982.40	0.00	\$0.00

SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values	0.00	0.00
Plus estimated values of proposed project	2,434,461.00	3,306,500.00
Less values of any property being replaced	0.00	0.00
Net estimated values upon completion of project	2,434,461.00	3,306,500.00

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted (pounds) 0.00	Estimated hazardous waste converted (pounds) 0.00
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Other benefits

SECTION 6 TAXPAYER CERTIFICATION

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

Signature of authorized representative <i>Judy M. Smith</i>	Date signed (month, day, year) 6/8/18
Printed name of authorized representative JUDY M SMITH	Title MANAGING MEMBER

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) The company is entitled to the remaining year of abatement.
- E. Number of years allowed: Year 1 Year 2 Year 3 Year 4 Year 5 (* see below)
 Year 6 Year 7 Year 8 Year 9 Year 10 # see above
- 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.

last year @ 5%.

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) <i>P. Lino Maggio</i>	Telephone number <i>(219) 942-1940</i>	Date signed (month, day, year) <i>10-3-2018</i>
Printed name of authorized member of designating body <i>P. Lino Maggio</i>	Name of designating body <i>Common Council</i>	
Attested by (signature and title of attester) <i>Deborah A. Longor Clerk-Treas</i>	Printed name of attester <i>DEBORAH A. LONGOR</i>	

* 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.



**COMPLIANCE WITH STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51766 (R3 / 2-13)
Prescribed by the Department of Local Government Finance

CITY OF HOBART
CLERK-TREASURER OFFICE

JUN 28 2018

20_18 PAY 20_19
FORM CF-1 / Real Property

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).

Exhibit 3

INSTRUCTIONS:

1. This form does not apply to property located in a residentially distressed area or any deduction for which the Statement of Benefits was approved before July 1, 1991.
2. Property owners must file this form with the county auditor and the designating body for their review regarding the compliance of the project with the Statement of Benefits (Form SB-1/Real Property).
3. This form must accompany the initial deduction application (Form 322/RE) that is filed with the county auditor.
4. 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))
5. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance form (Form CF-1/Real Property).

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer SR45 PROPERTIES LLC	County LAKE
Address of taxpayer (number and street, city, state, and ZIP code) 12	DLGF taxing district number 18
Name of contact person TERRY A SMITH	Telephone number (708) 417-8721

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body HOBART COMMON COUNCIL	Resolution number 2007-29	Estimated start date (month, day, year) 5/15/08
Location of property 1310-1340 S WISCONSIN STREET HOBART		Actual start date (month, day, year) 5/15/08
Description of real property improvements 16,500 SQ. FT. MEDICAL BUILDING		Estimated completion date (month, day, year) 12/31/08
		Actual completion date (month, day, year) 12/31/08

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	30	30
Salaries	1,665,982.40	1,665,982.40
Number of employees retained	30	30
Salaries	1,665,982.40	1,665,982.40
Number of additional employees	0	0
Salaries	0.00	0.00

SECTION 4 COST AND VALUES

COST AND VALUES	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
AS ESTIMATED ON SB-1		
Values before project	0.00	0.00
Plus: Values of proposed project	2,434,461.00	3,306,500.00
Less: Values of any property being replaced		
Net values upon completion of project	2,434,461.00	3,306,500.00
ACTUAL		
Values before project	0.00	0.00
Plus: Values of proposed project	2,434,461.00	3,306,500.00
Less: Values of any property being replaced		
Net values upon completion of project	2,434,461.00	3,306,500.00

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

WASTE CONVERTED AND OTHER BENEFITS	AS ESTIMATED ON SB-1	ACTUAL
Amount of solid waste converted		
Amount of hazardous waste converted		
Other benefits:		

SECTION 6 TAXPAYER CERTIFICATION

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

Signature of authorized representative <i>Judy M. Smith</i>	Title MANAGING MEMBER	Date signed (month, day, year) 6/8/18
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OPTIONAL: FOR USE BY A DESIGNATING BODY WHO ELECTS TO REVIEW THE COMPLIANCE WITH STATEMENT OF BENEFITS (FORM CF-1) THAT WAS APPROVED AFTER JUNE 30, 1991

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/Real Property).
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/Real Property) 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: *P. King Magee* Date signed (month, day, year): *10/3/2018*

Attested by: *Deborah A. Leyer* Designating body: *Common Council*

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.

Regular meetings are held on the 1st and 3rd Wednesdays of each month in the Council Chambers, 2nd floor, Hobart City Hall

CITY OF HOBART

AGENDA ITEM REQUEST FORM

(Please Print)

Meeting Date: October 3, 2018

Board of Public Works (3:30 p.m.)

Common Council (6:00 p.m.)

Item to be Added to Agenda: Resolution authorizing the transfer of remaining abatement for 1310-1340 S. Wisconsin Street from Bailiwyck Properties, LLC to SR45 Properties, LLC and to waive non-compliance with the filing deadline for the Form CF-1.

Brief Description of Request for Consideration:

SR45 Properties is requesting the transfer of the remaining abatement for 1310-1340 Wisconsin Street from

Bailiwyck Properties, LLC to SR45 Properties, LLC. They are also requesting a waiver of non-compliance for the filing of the

CF-1 Form. The deadline to file the form was May 15, 2018, SR45 Properties submitted the form on June 6, 2018. The number of

current and retained employees estimated on the SB-1 form was 30. The actual number of current and retained employees on the CF-1

form was also 30. The salaries for those employees were estimated on the SB-1 at \$1,665,982.40. Actual salaries reported on the CF-1

were the same. The value of the proposed project estimated on the SB-1 and reflected on the CF-1 is \$2,434,461. The assessed value

estimated on the SB-1 and also reflected on the CF-1 is \$3,306,500.

Supporting Documentation Attached: SB-1 dated 6/8/2018, CF-1 dated 6/8/2018, letter from SR45 Properties, LLC dated 6/8/2018.

Request Submitted by: Beth Jacobson

Address (Department): Economic Development

Phone Number (Ext.): 219.942.5517

Date Submitted: September 26, 2018

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