

**COMMON COUNCIL OF THE CITY OF HOBART, INDIANA**

**RESOLUTION NO. 2019-12**

**A Resolution Confirming Resolution No. 2019-11 Amending the Designation of a Certain Area within the City as an Economic Revitalization Area for Purposes of Real Property Tax Abatement for Lake Park Senior Apartments, LP**

WHEREAS, the Common Council (“Council”) of the City of Hobart, Lake County, Indiana, (“City”), pursuant to the application of Lake Park Senior Apartments, LP (“land owner” or “petitioner”), adopted Resolution No. 2015-12 on October 7, 2015 which declared that the area commonly known as 111 West 10<sup>th</sup> Street, which was more particularly described in Exhibit "A" attached to said Resolution, was an Economic Revitalization Area for the purpose of encouraging development and occupancy therein by providing property tax abatement in accordance with I.C. §6-1.1-12.1-1, *et seq.* (the “Act”), of a project to construct Senior (age 55+) rental apartments; and

WHEREAS, the applicant proposed the construction of 99 units, of which 56 were to be located in a three-story building, with the rest consisting of one story villas with attached garages, 88 total units to be restricted to low and moderate income persons (the “Project”), such Project described upon the site plan which was attached to said Resolution as Exhibit “B;” and

WHEREAS, the Council, after conducting public hearing upon said Resolution noticed to the public in the manner required by law, adopted Resolution No. 2015-13 on October 21, 2015; and

WHEREAS, the Applicant later sought to obtain amendments to the project from the Council by way of the adoption of an Amendatory Resolution (Resolution 2017-13), such changes including:

a. Reduction in the number of units to be constructed from 99 total units to 95 total units. These would consist of 56 units in the three-story building which consists of the units dedicated to low and moderate income persons, and 39 units in the one-story villas. Fifteen of the units in the one-story villas were to be market rate units and 24 of the units in the one-story villas were to be dedicated to low and moderate income persons.

b. The legal description for the entire project area changed by virtue of the developer’s addition of land and the establishment of a one-lot subdivision. The new legal Description was attached to Resolution No. 2017-13 (the “Amendatory Resolution”) as Exhibit “A,” page one, and the Plat of Correction showing the boundaries of the Lake Park Planned Unit Development duly recorded by the Developer was attached as Exhibit “A,” page two.

c. The Developer prepared and filed an amended Application for Tax Abatement (Hobart Form CCAP) dated July 25, 2017 which contained the above-described revisions to the project, added addresses for the common description of

the property location, indicated that bids have been solicited from Hobart subcontractors, and proposed a window of opportunity period of four (4) years. The Amended Application was attached to the Amendatory Resolution as Exhibit “B.”

d . The Developer filed an amended Statement of Benefits for Real Estate Improvements (Form SB-1) which was attached to the Amendatory Resolution as Exhibit “C.” This amended form, dated July 25, 2017, reflected the above-noted changes and continued to provide for the ten-year real property abatement schedule commencing for 2018 taxes payable in 2019 under the traditional ten year deduction schedule. The attachment to the amended Form SB-1 (Exhibit “C,” page three to the Amendatory Resolution (Resolution No. 2017-13)) also provided for limitations on the Developer’s right to seek appeal of real estate tax assessments during the abatement deduction period, and other items as stated therein.

e. The Amendatory Resolution resulted in no change in the tax abatement period of ten years, and year one of the abatement period remained the same commencing with 2018 taxes payable in 2019. It was estimated that the number of completed units as of January 1, 2018 would result in an estimated assessed valuation on that date of \$1,336,035.79; and

WHEREAS, the Statement of Benefits for the project, Form SB-1, filed with the Amendatory Resolution was amended to show the project start date on October 12, 2016, to provide for a new date of project completion, May 31, 2019, to show the then current assessed valuation and a new estimated assessed valuation upon completion, and other additional benefits described upon the appended exhibit to said Form which was attached thereto as Exhibit “C;” and

WHEREAS, the Council concluded that the subject property with the amended project still qualified for designation as an Economic Revitalization Area under I.C. §6-1.1-12.1-1, *et seq.* Further, the Council found that it had has access to maps and plats showing the boundaries and such other information regarding the subject property as required by law; and that no new public hearing or approvals of the tax abatement application by other City bodies were necessary; and

WHEREAS, the Council approved the Amendatory Resolution and took the following actions:

1. Exhibit “A,” to Resolution No. 2015-12 was stricken and Exhibit “A,” page one to the Amendatory Resolution (legal description), and Exhibit “A,” page two to the Amendatory Resolution (Plat of Correction) was inserted in lieu thereof. Exhibit “B” to Resolution 2015-12, the same being the Form SB-1 filed by the Developer and dated September 2, 2015 was stricken, and Exhibit “C” to the Amendatory Resolution consisting of four pages was inserted in lieu thereof.

2. Section 5 of Resolution No. 2015-12 was amended to provide for a window of opportunity of 48 months from the date of adoption of confirmatory Resolution 2015-13 (October 21, 2015).

3. Sections 1 through 4 and sections 6 through 8 of Council Resolution Number 2015-12, including all findings contained therein, in light of the amended project, were readopted and reaffirmed.

4 Sections 1 through 3 of City Council Resolution No. 2015-13 were stricken, and the following new sections were inserted in lieu thereof:

a. The qualifications for an Economic Revitalization Area as designated in Resolution 2015-12 as amended have been met.

b. The amended Statement of Benefits Form SB-1 dated July 25, 2017 and attached to the Amendatory Resolution as Exhibit “C” was approved in all respects. Said Amended SB-1 was substituted as Exhibit “C” to Resolution 2015-13.

c. Likewise, the Council approved the substitution of the legal description and Correction Plat attached to the Amendatory Resolution as Exhibit “A,” page one and Exhibit “A,” page two for the legal description and site plan previously attached as Exhibit “A” to Resolution No. 2015-13.

d. Page three of Exhibit “B” to the Amendatory Resolution, the same being a new site plan for the project, was likewise attached to Resolution 2015-13 as new Exhibit “B” to that Resolution.

e. All other provisions of Resolution No. 2015-13 not otherwise amended by the Amendatory Resolution were reaffirmed.

f. The Council acknowledged and approved the real estate tax abatement of ten (10) years, to commence for 2018 taxes payable in 2019, and to conclude for 2027 taxes payable in 2028. The Council agreed that any real estate taxes generated by the project and due prior to the year 2019 are payable entirely by the Developer; and

WHEREAS, Lake Park Senior Apartments, LP, the applicant, by letter dated April 3, 2019 with attached new Statement of Benefits Form SB-1, (said Letter and Form being attached hereto as Exhibit “A,”) petitioned the Council for a Second Amendatory Resolution for the following changes to the prior Resolutions adopted and described above in this matter:

a. The composition of the units comprising the project would again change by adding nine (9) market rate units and reducing the low and moderate income units by nine (9). All of these changes would be made in Section II of the project which consists of the one-story villas. The three-story building which comprises Section I will continue to consist of 56

apartment units for low and moderate income persons. The total number of units will remain unchanged at 95 units.

b. The applicant seeks to amend the completion date by extending it to August 15, 2019. At this time, 80 of the units are completed and rented: 71 to low-income seniors, and nine to market rate seniors.

c. The new Form SB-1 attached reflects updated construction salary figures, increased estimated values for the project and construction costs; and

WHEREAS, the City Attorney has rendered the opinion that the changes sought by the applicant in the terms of the granted tax abatement and statement of benefits is not insubstantial, and that a public hearing should be required before acting upon the applicant's petition; and

WHEREAS, the Council adopted Resolution No. 2019-11 on April 17, 2019 Declaring the Project Area with the amended project as an Economic Revitalization Area and setting public hearing subject to notice in the manner required by law for Wednesday, May 1, 2019 at 6:00 p.m. during the Council's public meeting of that date; and

WHEREAS, the Council has caused the notice of the adoption and substance of said Resolution No. 2019-11 to be published in accordance with the notice requirements of I.C. 5-3-1, as amended, and has caused a copy of this resolution to be filed with the County Assessor, and has caused the information required by I.C. §6-1.1-12.1-2.5(c) to be filed with the officers of each taxing unit that has authority to levy property taxes in the geographic area where the Economic Revitalization Area is located; and

WHEREAS, pursuant to said Resolution, notice of public hearing was published in *The Times* and the *Post-Tribune*, newspapers of general circulation in the County, in the manner required by law, on April 18, 2019, designating May 1, 2019 at 6:00 p.m. as the date and time the Council would receive and hear all remonstrances and objections from interested persons with respect to the matters set forth in Resolution No. 2019-11; and

WHEREAS, the Council, has conducted said public hearing and has not received any remonstrances or objections; and

WHEREAS, the petitioner has submitted an amended Form SB-1 attached hereto and made a part hereof as Exhibit "C," which contains changes which reflect more timely employment and salary information for the project, and

WHEREAS, the real property which is the subject of the Project is also located in an allocation area (as defined in I.C. §36-7-14-39 or IC 36-7-15.1-26), and the Council desires to approve the said statement of benefits concerning that property as required by I.C. §6-1.1-12.1-2 (k); and

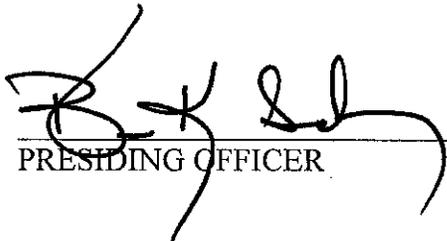
WHEREAS, the Common Council of the City of Hobart, Lake County, Indiana has considered the evidence and determined that the qualifications for designation as an Economic

Revitalization Area have been met and that such Economic Revitalization Area should be designated.

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

1. The qualifications for an Economic Revitalization Area as designated in Resolution No. 2019-11 have been met.
2. In Resolution No. 2019-11, the attached Statement of Benefits, form SB-1 is amended to substitute the SB-1 filed with the City by the petitioner attached to this Resolution. Said Resolution No. 2019-11 and substituted Statement of Benefits is hereby, in all respects, approved and confirmed: and
3. The determination of the Common Council of the City of Hobart, Lake County, Indiana made by this confirmatory resolution shall be final, except that an appeal may be taken and heard as provided in I.C. §6-1.1-12.1-2.5.

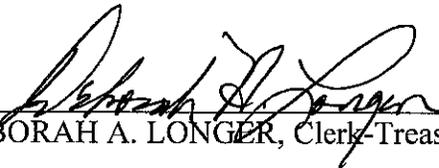
ALL OF WHICH IS PASSED and ADOPTED on this 1st day of May, 2019, by the Common Council of the City of Hobart, Indiana.




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PRESIDING OFFICER

ATTEST:




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DEBORAH A. LONGER, Clerk-Treasurer

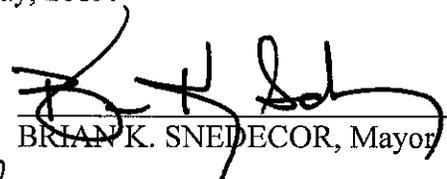
PRESENTED by me to the Mayor of the City of Hobart on the 1st day of May, 2019 at the hour of 7:00 p.m.




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DEBORAH A. LONGER, Clerk-Treasurer

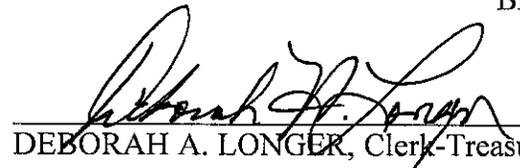
APPROVED, EXECUTED and RETURNED by me to the Common Council of the City of Hobart on this 1st day of May, 2019.




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BRIAN K. SNEDECOR, Mayor

ATTEST:




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DEBORAH A. LONGER, Clerk-Treasurer



**STATEMENT OF BENEFITS  
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R6 / 10-14)

Prescribed by the Department of Local Government Finance

RECEIVED

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.

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CITY OF HOBART  
Clerk-Treasurer Office

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:**

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise, this statement must be submitted to the designating body BEFORE the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
3. 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.
4. 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)
5. 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 6-1.1-12.1-7

SECTION 1		TAXPAYER INFORMATION			
Name of taxpayer <b>LAKE PARK II, LLC</b>					
Address of taxpayer (number and street, city, state, and ZIP code) <b>10501 HAGUE ROAD, FISHERS, INDIANA 46038</b>					
Name of contact person <b>ROY MARSCHKE</b>		Telephone number <b>( 317 ) 815-5929</b>		E-mail address <b>RMARSCHKE@REALAMERICALLC.COM</b>	
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT			
Name of designating body <b>CITY OF HOBART</b>				Resolution number <b>2018-22</b>	
Location of property <b>51 10TH STREET WEST, HOBART, INDIANA 46342</b>		County <b>LAKE</b>		DLGF taxing district number <b>18(27)</b>	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) <b>DEMOLITION OF THE EXISTING BUILDING AND NEW CONSTRUCTION OF A MULTI STORY BUILDING AND ONE STORY SENIOR VILLAS WITH RELATED AMENITIES AND INFRASTRUCTURE FOR LOW AND MODERATE INCOME SENIORS</b>				Estimated start date (month, day, year) <b>10/12/2016</b>	
				Estimated completion date (month, day, year) <b>08/15/2019</b>	
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT			
Current number <b>0.00</b>	Salaries <b>\$0.00</b>	Number retained <b>100.00</b>	Salaries <b>\$7,263,600.00</b>	Number additional <b>2.00</b>	Salaries <b>\$96,800.00</b>
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT			
		<b>REAL ESTATE IMPROVEMENTS</b>			
		<b>COST</b>		<b>ASSESSED VALUE</b>	
Current values		290,000.00		83,700.00	
Plus estimated values of proposed project		14,709,349.00		2,000,000.00	
Less values of any property being replaced		290,000.00		83,700.00	
Net estimated values upon completion of project		14,709,349.00		2,000,000.00	
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER			
Estimated solid waste converted (pounds) <b>0.00</b>		Estimated hazardous waste converted (pounds) <b>0.00</b>			
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) <b>4/3/19</b>	
Printed name of authorized representative <b>JEFF RYAN</b>			Title <b>VP OF DEVELOPMENT</b>		

**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 NA calendar years\* (see below). The date this designation expires is NA RECEIVED

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

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C. The amount of the deduction applicable is limited to \$ \_\_\_\_\_

CITY OF HOBART  
Clerk-Treasurer Office

D. Other limitations or conditions (specify) Traditional ten year deduction schedule

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

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 See Section 6 of Res. 2019-11 + pg 2 of May 10, 2019 Baker-Tilly analysis attached to Res. 2019-11  
 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) <u>Matthew Co</u>	Telephone number <u>(219) 942-1940</u>	Date signed (month, day, year) <u>4/17/19</u>
Printed name of authorized member of designating body <u>Matthew Colesco, President</u>	Name of designating body <u>Common Council</u>	
Attested by (signature and title of attester) <u>Deborah Longer</u>	Printed name of attester <u>DEBORAH LONGER, Clerk-Treasurer</u>	

\* 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.