

PASSED 10-9-2017 BY A VOTE OF 4-3 (PORTER, COTTON REED VOTING NO)

COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA

RESOLUTION NO. 19-2017

PRELIMINARY ECONOMIC REVITALIZATION AREA RESOLUTION

REAL PROPERTY TAX ABATEMENT

WHEREAS, St. Paul Valparaiso, LLC (“St. Paul LLC”) has requested that the Common Council of the City of Valparaiso, Indiana (the “Council”) approve a real property tax deduction period for a proposed project including real property redevelopment or rehabilitation;

WHEREAS St. Paul LLC has advised the Council that it intends to construct a condominium building project consisting of four separate condominium buildings (collectively, the “Project”) on property located in Center Township, as further described in the map attached hereto as Exhibit A and incorporated herein by reference (collectively, the “Real Property”);

WHEREAS, St. Paul LLC has further requested that the Real Property be designated an economic revitalization area (an “ERA”) for purposes of permitting such deductions;

WHEREAS, St. Paul LLC submitted to the Council a form SB-1/Real Property (Statement of Benefits, Real Estate Improvements) in connection with the Project, and provided all information and documentation necessary for the Council to make an informed decision (collectively, the “Statement”);

WHEREAS, the Council is authorized under the provisions of I.C. 6-1.1-12.1-1 *et seq.* to designate areas of the City as an ERA for the purposes described herein; and

WHEREAS, the Council has considered the Statement submitted by St. Paul LLC and has conducted a complete and proper investigation of the Real Property and determined that the area qualifies as an ERA under Indiana statutes;

NOW, THEREFORE, IT IS FOUND, DETERMINED AND RESOLVED by the Council:

1. That the estimate of the value of the redevelopment or rehabilitation of the Real Property is reasonable for projects of that nature.
2. That the estimate of the number of individuals who will be employed or whose employment will be retained, if any, as a result of the proposed redevelopment or rehabilitation of the Real Property can reasonably be expected to result from the proposed redevelopment or rehabilitation of the Real Property.

3. That the estimate of annual salaries of those individuals who will be employed or whose employment will be retained, if any, can reasonably be expected to result from the proposed redevelopment or rehabilitation of the Real Property.

4. That any individual opportunities for employment, both temporary and permanent, and any compensation to be paid to employees, along with the value of the acquisition and construction of improvements as a result of the Project, create benefits of the type and quality anticipated by the Council within the ERA and can reasonably be expected to result from the proposed redevelopment or rehabilitation of the Real Property.

5. That the benefits described in the Statement can reasonably be expected to result from the proposed redevelopment or rehabilitation of the Real Property.

6. That the totality of benefits from the proposed redevelopment or rehabilitation of the Real Property is sufficient to justify a ten-year real property tax deduction period (as described below) with respect to each of the four separate condominium buildings constituting part of the Project.

NOW, THEREFORE, based on the foregoing, the Council further RESOLVES, FINDS AND DETERMINES:

1. That all of the conditions for the designation of the ERA and all of the requirements for the tax deductions to be granted hereby have been met, and the foregoing findings are true and all information required to be submitted has been submitted in proper form.

2. That the Statement submitted by St. Paul LLC is hereby approved.

3. That the Real Property is hereby designated as an ERA pursuant to I.C. 6-1.1-12.1-1 *et seq.* and St. Paul LLC is entitled to a ten-year real property deduction period for each of the four separate condominium buildings constituting part of the proposed redevelopment or rehabilitation of the Real Property.

4. With respect to the Real Property, the percentage of deductions for each of said ten (10) years shall be as follows (subject to the 15% abatement agreement with City, to which St. Paul LLC will be required to agree as a condition of receiving the abatements hereunder):

(a) With respect to first completed condominium building:

Year 1*:100%

Year 2 :100%

Year 3 : 100%

Year 4 : 100%

Year 5 : 100%

Year 6 : 100%

Year 7 : 100%

Year 8 : 100%

Year 9 : 100%
Year 10: 100%

*Year 1 for purposes of the first completed condominium building shall be the first calendar year in which the first completed condominium building is fully assessable as of January 1 of such year, PAY the following calendar year; Year 2 shall be the calendar year immediately following Year 1, and so on.

(b) With respect to second completed condominium building:

Year 1*:100%
Year 2 :100%
Year 3 : 100%
Year 4 : 100%
Year 5 : 100%
Year 6 : 100%
Year 7 : 100%
Year 8 : 100%
Year 9 : 100%
Year 10: 100%

*Year 1 for purposes of the second completed condominium building shall be the first calendar year in which the second completed condominium building is fully assessable as of January 1 of such year, PAY the following calendar year; Year 2 shall be the calendar year immediately following Year 1, and so on.

(c) With respect to third completed condominium building:

Year 1*:100%
Year 2 :100%
Year 3 : 100%
Year 4 : 100%
Year 5 : 100%
Year 6 : 100%
Year 7 : 100%
Year 8 : 100%
Year 9 : 100%
Year 10: 100%

*Year 1 for purposes of the third completed condominium building shall be the first calendar year in which the third completed condominium building is fully assessable as of January 1 of such year, PAY the following calendar year; Year 2 shall be the calendar year immediately following Year 1, and so on.

(d) With respect to fourth completed condominium building:

Year 1*:100%

Year 2 :100%
Year 3 : 100%
Year 4 : 100%
Year 5 : 100%
Year 6 : 100%
Year 7 : 100%
Year 8 : 100%
Year 9 : 100%
Year 10: 100%

*Year 1 for purposes of the fourth completed condominium building shall be the first calendar year in which the fourth completed condominium building is fully assessable as of January 1 of such year, PAY the following calendar year; Year 2 shall be the calendar year immediately following Year 1, and so on.

5. That notice hereof should be published according to law stating the following: the adoption and substance hereof, a copy of the description of the affected area is available for inspection in the County Assessor's Office and the date on which the Council will hear and receive remonstrances and objections and take final action, all as required by law.

6. That this Resolution shall be in full force and effect from and after its passage by the Valparaiso Common Council and such publications as may be required by law.

7. That as a condition precedent to final approval of the proposed tax abatement, a separate Tax Abatement Agreement will be approved and executed between the Council and St. Paul, LLC. Such Tax Abatement Agreement will contain terms and conditions relevant to the tax abatement.

DULY PASSED on this ___ day of October, 2017, by the Common Council of the City of Valparaiso, Indiana.

Presiding Officer

ATTEST:

Sharon Swihart, Clerk-Treasurer

This resolution presented by me, the Clerk-Treasurer of the City of Valparaiso, Indiana, to the Mayor for his approval this ___ day of October, 2017.

Sharon Swihart, Clerk-Treasurer

This resolution signed and approved by me, the Mayor of the City of Valparaiso, Indiana, this ___ day of October, 2017.

Jon Costas, Mayor

EXHIBIT A
PROJECT MAP

DMS 10973885v2