

**Passed 7-28-08 by a vote of 6-0**

**RESOLUTION NO. 16 , 2008**

**A RESOLUTION GRANTING TAX ABATEMENT FOR PERSONAL PROPERTY**

**WHEREAS**, the Common Council of the City of Valparaiso, Indiana has designated certain real estate within the City of Valparaiso, Indiana as an Economic Revitalization Area by the adoption of the Resolution No. 9, 1992 on June 22, 1992; and

**WHEREAS**, said Resolution No. 9, 1992, was confirmed by Resolution No. 10, 1992 on July 13, 1992 pursuant to Indiana code 6-1.1-12.1 et. seq.; and

**WHEREAS**, Resolution No. 10, 1992 remains in full force and effect; and

**WHEREAS**, Resolution No. 12, 1995 extended the time period for use of tax abatement from December 31, 1995 to December 31, 2006;

**WHEREAS**, Resolution No. 3, 2007 extended the time period for use of tax abatement from January 1, 2007 to January 1, 2017;

**NOW, THEREFORE BE IT RESOLVED**, The Common Council of the City of Valparaiso hereby grants a personal property tax deduction for the purchase of new manufacturing equipment for a period of ten (10) years to U.G.N. Inc. having an estimated cost of Five Million Four Hundred Eighty Four Thousand Dollars (\$5,484,000). This action by the Common Council is based upon the following findings, which were made by this Council after reviewing a statement of benefits as presented by the applicants. Council finds that:

- (1) That the application of U.G.N., Inc. meets the requirements for filing of tax abatement.
- (2) That the U.G.N., Inc. project represents a significant capital investment in personal property and compliments the initiatives of the City of Valparaiso for economic development.
- (3) That U.G.N., Inc. is hereby granted a deduction for personal property improvements for an estimated cost of Five Million Four Hundred Eighty Four Thousand Dollars (\$5,484,000) for the period of ten (10) years and is subjected to the tax abatement schedules as defined per Indiana Code 6-1.1-12.1.
- (4) That the final determination of the amount of deduction shall be made by the appropriate County and State agencies.

**BE IT ALSO RESOLVED**, that pursuant to Indiana Code 6-1.1-12.1-14, each year the Company's personal property tax liability is reduced by a deduction under Indiana Code 6.1.1-12.1 that is approved by the City Council in the resolution, the Company shall pay to the Porter County Treasurer a fee in the amount computed and determined by the Porter County Auditor pursuant to provisions of subsection (c) of Indiana Code 6.1.1-12.1-14 (the "fee). Fifteen percent (15%) shall be the percentage to be applied by the Porter County Auditor for purposes of STEP TWO of subsection (c) of Indiana Code 6-1.1-12.1-14. Accordingly, for each year the Fee is payable by the Company, the Fee shall be the lesser of One Hundred Thousand Dollars (\$100,000.00) or Fifteen Percent (15%) of the additional amount of personal property taxes that would have been paid by the Company during the year if the deductions approved in the Resolution had not been in effect (i.e. 15% of the Company's personal property tax savings attributable to a deduction from the assessed value of any of the new equipment for that year). The Fee will be distributed to the City of Valparaiso Redevelopment Commission (the "Redevelopment Commission") pursuant to the Resolution. The Company hereby expressly consents to the Fee, the incorporation of Indiana Code 6-1.1-12.1-14 into the Resolution, and the percentage (i.e. 15%) to be applied by the Porter County Auditor for Purposes of STEP TWO of subsection (c) of Indiana Code 6-1.1.12.1-14.

ADOPTED this 28th day of July 2008 by a vote of all members present and voting.

\_\_\_\_\_  
John Bowker

\_\_\_\_\_  
Jan Dick

\_\_\_\_\_  
Joey Larr

\_\_\_\_\_  
Robert Taylor

\_\_\_\_\_  
Kelly Ward

\_\_\_\_\_  
Al Eisenmenger

\_\_\_\_\_  
Art Elwood

\_\_\_\_\_  
Jon Costas, Mayor

ATTEST:

\_\_\_\_\_  
Sharon Swihart, Clerk-Treasurer