(Passed 9-0)

RESOLUTION 08-09

TO TERMINATE TAX DEDUCTION FOR IMPROVEMENTS TO REAL ESTATE AND ACQUISITION OF NEW MANUFACTURING EQUIPMENT AUTHORIZED BY RESOLUTION 04-21 AND RESOLUTION 04-22
- Re: 1500 South Strong (formerly Patterson) Drive
(Schulte Corporation, Owner)

WHEREAS, in 2004 the Common Council adopted Resolution 04-22, which affirmed Resolution 04-21, by designating the property at 1500 South Strong (formerly Patterson) Drive as an Economic Revitalization Area (ERA), approving a Statement of Benefits, and granting a 10-year tax abatement for the improvement of real estate as well as a 5-year tax abatement on new manufacturing equipment for the purpose of encouraging the relocation and expansion a manufacturing facility within the City of Bloomington (Project); and

WHEREAS, the decision to grant the tax abatement in 2004 was based upon the Application for tax abatement, the Statement of Benefits form, and other material submitted to the Council by the Petitioner, Schulte Corporation; and

WHEREAS, according to Indiana Code 6-1.1-12.1-5.1, the property owner wishing to keep the abatement on real estate must file a CF-1 form annually before May 15th indicating what progress has been made in meeting the commitments set forth in the Statement of Benefits; and

WHEREAS, the Common Council then reviews the form to determine whether the owner of the property has substantially complied with the terms of the resolution and the Statement of Benefits, and if the Council determines that the property owner has failed to make reasonable efforts to comply with the terms of the abatement and has not been prevented by factors beyond his or her control, then the Council may rescind the tax abatement and terminate the tax deduction; and

WHEREAS, on June 18, 2008, the Director of Economic Development, Danise Alano, presented an Annual Tax Abatement Report to the Common Council indicating that the project had not complied with commitments to invest in new manufacturing equipment and to create new employment and recommended finding that the Project was not in substantial compliance with the terms of the tax abatement; and

WHEREAS, based upon that recommendation, the Council adopted a motion that evening pursuant to Indiana Code 6-1.1-12.1-5.9 which:

- Determined that the current owner had not substantially complied with the Statement of Benefits regarding the Project and that the failure to do so was not caused by factors beyond their control;
- Announced that the Common Council would hold a hearing at the Regular Session on August 6, 2008, to further consider this owner's compliance with the Statement of Benefits in the context of a resolution terminating the tax abatement; and
- Directed the Council Attorney to mail the statutorily-required written notice to the property owner; and

WHEREAS, pursuant to the aforementioned motion and I.C. 6-1.1-12.1-5.9, the Council Attorney mailed notice of the hearing to the property owner within 30 days of its occurrence and on August 6, 2008, the Common Council held the hearing and determined that the owner of the improvements to real estate and new manufacturing equipment was not in substantial compliance with the statement of benefits and the failure to comply was not the result of factors beyond their control; and

WHEREAS, the Common Council finds that the property continues to be eligible for designation as an Economic Revitalization Area (ERA);

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. The tax abatement for improvements to real estate and the acquisition of new manufacturing equipment authorized with the adoption of Resolution 04-21 and Resolution 04-22 shall be rescinded and the tax deductions for the Project be terminated.

SECTION 2. The Clerk of the City is directed to mail a certified copy of this resolution to the property owner and the Auditor of Monroe County.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 6th day of August, 2008.

Susan Sandberg
SUSAN SANDBERG, President
Bloomington Common Council

SIGNED and APPROVED by me upon this 7th day of August, 2008.

MARK KRUZAN, Mayor
City of Bloomington

ATTEST:

Regina Moore
REGINA MOORE, Clerk
City of Bloomington

SYNOPSIS

This resolution rescinds the tax abatement for improvements to real estate and the purchase of new manufacturing equipment authorized with the adoption of Common Council Resolution 04-21 and Resolution 04-22 and, thereby, terminates the tax deduction for property at 1500 South Strong Drive.

signed copies to:
legal (10)
controller
webmistress
ED director
ED Commission

Auditor } certified copy
petitioner } certified mail

CA/CA (3)
clerk
file