PASSED: 8-0

RESOLUTION 99-35

TO MODIFY AND CONFIRM RESOLUTION 93-18 AND RESOLUTION 97-07 BY EXTENDING THE DESIGNATION PERIOD FOR THE ECONOMIC REVITALIZATION AREA (ERA) AND APPROVING A NEW STATEMENT OF BENEFITS

Re: 303 N. Curry Pike
(Independent Packaging Inc., Petitioner)

WHEREAS, through the initial Common Council Resolution 93-18 and the confirming Common Council Resolution 93-19, and Resolution 97-07 and the confirming Resolution 97-08, Independent Packaging, Inc. received designation of the property located at 303 N. Curry Pike as an "Economic Revitalization Area" (ERA) and obtained approval for a Statement of Benefits for the abatement of property tax on certain new manufacturing equipment and real estate improvements; and

WHEREAS, a map further describing the property is attached to and made a part of this resolution; and

WHEREAS, Independent Packaging, Inc. has provided the County Auditor and the Common Council with information showing the extent to which there has been compliance with that Statement of Benefits; and

WHEREAS, Independent Packaging, Inc. intends to purchase and install additional new manufacturing equipment to increase production and make necessary improvements to real estate and wishes to obtain tax abatement on the new equipment and improvements; and

WHEREAS, the application has been reviewed by the Economic Development Commission, which has passed Resolution 99-12 recommending that the Common Council extend the "Economic Revitalization Area" designation for said property to provide for a ten-year abatement on the new equipment and improvements and to approve the new Statement of Benefits; and

WHEREAS, the Common Council has investigated the area and reviewed the new Statement of Benefits and the Application, which are attached hereto and made a part hereof, and found the following:

A. the estimate of the cost of the real estate improvements and the new manufacturing equipment is reasonable;
B. the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed improvements and installation of the new manufacturing equipment;
C. the estimate of the annual salaries of these individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed improvements and installation of the new manufacturing equipment;
D. any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed improvements and installation of new manufacturing equipment; and
E. the totality of benefits is sufficient to justify the deduction.

WHEREAS, the Common Council published a notice of their intention to modify and confirm Resolution 93-18 and Resolution 97-07, and requested in such notice that persons having objections or remonstrances to the designation appear before the Common Council at its public meeting October 20, 1999; and

WHEREAS, the Common Council has reviewed and heard all such objections and remonstrances to such designation;

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

1. The Common Council finds and determines that the area described above has already been designated as an "Economic Revitalization Area" as set forth in Ind. Code §6-1.1-12.1-1 *et seq.* The Common Council further finds and determines that the owner of the property shall be entitled to a deduction from the assessed value of the real estate improvements and new manufacturing equipment designated in the attached Statement of Benefits for a period of ten (10) years, if these acquisitions and improvements are done in accordance with Ind. Code §6-1.1-12-1 *et seq.* And, lastly the Common Council modifies and confirms Resolution 93-18 and Resolution 97-07 by extending the "Economic Revitalization Area" designation to provide for ten years of abatement on said improvements and equipment.

2. In granting this extension and deduction, the Council also expressly exercises the power set forth in I.C. 6-1.1-12.1-2(I)(5) to impose additional, reasonable conditions on the rehabilitation or redevelopment beyond those listed in the Statement of Benefits. Failure of the property owner to make reasonable efforts to comply with these following conditions constitute reasons for the Council to rescind this designation and deduction:

a. the improvements described in the application shall be within twelve months of the date of this extension of the designation; and
b. the land and the improvements shall be developed and used in a manner that complies with local code.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 20th day of October, 1999.

S Patrin Cole

TIMOTHY MAYER, President
Bloomington Common Council

SIGNED AND APPROVED by me upon this 27th day of October, 1999.

JOHN FERNANDEZ, Mayor
City of Bloomington

ATTEST:

Patricia Williams

PATRICIA WILLIAMS, Clerk
City of Bloomington

SYNOPSIS

Independent Packaging Inc., represented by John L. Culver, has filed an application to extend the "Economic Revitalization Area" designation for the property located at 303 N. Curry Pike and to approve a ten-year tax abatement for the acquisition of new manufacturing equipment and related improvements to real estate. Indiana Law provides that the taxes on property located within an Economic Revitalization Area may be reduced for a period of five or ten years for new manufacturing equipment and for period of three, six, or ten years for improvements to real estate. This resolution provides that the owners of the property shall be entitled to a deduction for a period of ten years. In accordance with state law, the Common Council will hold a legally advertised public hearing to receive comments on this proposal before adopting this resolution.

Signed copies to:
Petitioner
Mayor's Office (R. Wright)
Clerks File

RESOLUTION 99-12
OF THE
ECONOMIC DEVELOPMENT COMMISSION
OF THE
CITY OF BLOOMINGTON, INDIANA

WHEREAS, the Economic Development Commission of the City of Bloomington, Indiana, recognizes the need to stimulate growth and to maintain a sound economy within the corporate limits of the City of Bloomington, Indiana; and

WHEREAS, the Indiana Code at 6-1.1-12.1 et. Seq. Provides for the designation of "Economic Revitalization Areas" (ERAs) within which property taxes may be abated on improvements to real estate and on eligible new manufacturing equipment; and

WHEREAS, in addition to the ERA designation, an applicant for tax abatement must receive Common Council approval of the statement of benefits resulting from the proposed project; and

WHEREAS, the Common Council of the City of Bloomington in Ordinance 97-06 gave to the Economic Development Commission the responsibility of making recommendations to the Council regarding requests for tax abatement; and

WHEREAS, in 1993 and 1997 Independent Packaging, Inc. requested and received designation of its facility located at 303 N. Curry Pike as an ERA, and received approval in Common Council resolutions 93-18 and 93-19 of its statement of benefits regarding renovation of the facility and installation of new manufacturing equipment; and

WHEREAS, Independent Packaging, Inc. has applied for tax abatement on, and has submitted a statement of benefits regarding, improvement to real estate and additional new manufacturing equipment it plans to purchase and install in its facility previously designated as an ERA as 303 N. Curry Pike.

NOW, THEREFORE, BE IT RESOLVED that the Economic Development Commission of the City of Bloomington does hereby recommend to the Common Council that it approve said statement of benefits regarding the additional new manufacturing equipment proposed by Independent Packaging, Inc. to be installed and improvements to real estate in the ERA located at 303 N. Curry Pike, Bloomington, Indiana for a period of 10 years.

BE IT FURTHER RESOLVED that the EDC hereby recommends to the Common Council the ERA designation for 303 N. Curry Pike, Bloomington, Indiana be extended to accommodate a 10 year abatement for the new manufacturing equipment to be installed and real estate improvements.

Dr. Anthony Pizzo
President

Joyce Poling
Secretary

Approved this 27 day of September, 1999

Tax Abatement Applicant Summary

Date: September 16, 1999

Resolution: 99-12

Applicant: Independent Packaging, Inc.

Address: 303 N. Curry Pike
Bloomington, IN 47404

Phone: (812) 339-9294
(812) 339-9297 (fax)

Company Contact: Jack Culver, Vice President of Manufacturing

Corporate Office: 14651 Dallas Parkway
Suite 320
Dallas, TX 75240
(972) 392-3101

Equity Ownership:

Kaminski Interests, Inc. Robert L. Kaminski 3811 Turtle Creek Blvd., Suite 1300 Dallas, TX 75219	80%
Charles J. Romanski 3568 Teakwood Lane Plano, TX 75075	12%
John L. Culver 2210 Ashwood Circle Bloomington, IN 47401	8%

Tax Abatement Information:

Purpose: Independent Packaging, Inc. seeks tax abatement on the purchase of new manufacturing equipment. *(See attached "Proposed Improvments")*

New Investment: ***Equipment - $1.3 million***
Building Expansion - $750,000

Job Creation: ***22 new jobs projected, 119 current jobs retained***

Projected New Annual Wages:	***$485,000 ($3,375,000 current annual wages)***
Benefits:	***Health and dental plan, life insurance, disability Plan, and 401-k plan provided to employees.***
Length of Tax Abatement:	***10 years***

RECOMMENDATION:

I recommend Resolution 99-12 be forwarded to the City Council for its approval based on the following rationale:

Independent Packaging, Inc. is a relatively new company in Bloomington—with its genesis as a result of the closing of Princeton Packaging. It began operations in the fall of 1994. Independent Packaging is currently receiving tax abatement for its initial investment of 10,000,000 in manufacturing equipment and improvements. As a result of previous and ongoing investments, 119 jobs have been created. Independent Packaging continues to exceed expectations with a solid growth record. In the fall of 1993, the City Council approved a 10 year abatement for Independent Packaging, Inc. which designated the property located at 303 N. Curry Pike as an *Economic Revitalization Area.* In 1997 the Economic Development Commission and the City Council extended the *ERA designation (approximately 3 years)* to cover the tax abatement for this additional investment in $3,707,000 for equipment for a total period of 10 years. Independent Packaging,, under its current tax abatement, continues to exceed or meet its *Statement of Benefits* for job creation, wage creation and overall investment. The new proposed investment for tax abatement as well projects similar benefits. It is my opinion that the totality of the benefits is sufficient to justify the deduction. I recommend Resolution 99-12 to be forwarded to the City Council for its approval.

STATEMENT OF BENEF

State Form 27167 (R3 / 11-91)
Form SB - 1 is prescribed by the State Board of Tax Commissioners, 1989
The records in this series are CONFIDENTIAL according to IC 6-1.1-35-9

FORM SB - 1

INS TIONS:

1. *T atement must be submitted to the body designating the economic revitilization area prior to the public hearing if the designating body requires info m n from the applicant in making its decision about whether to designate an Economic Revitilization Area. Otherwise this statement must be submitte to the designating body BEFORE a person installs the new manufacturing equipment, or BEFORE the redevelopment or rehabilitation of real property f which the person wishes to claim a deduction. A statement of benefits is not required if the area was designated an ERA prior to July 1, 1987 and th "project" was planned and committed to by the applicant, and approved by the designating body, prior to that date. "Projects" planned or committed to aft July 1, 1987 and areas designated after July 1, 1987 require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)*
2. *Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitatio or prior to installation of the new manufacturing equipment, BEFORE a deduction may be approved.*
3. *To obtain a deduction, Form 322 ERA, Real Estate Improvements and / or Form 322 ERA / PP, New Machinery, must be filed with the county auditor. Wit respect to real property, Form 322 ERA must be filed by the later of: (1) May 10; or (2) thirty (30) days after a notice of increase in real property assessmer is received from the township assessor. Form 322 ERA / PP must be filed between March 1 and May 15 of the assessment year in which new manufac turing equipment is installed, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 an June 14 of that year.*
4. *Property owners whose Statement of Benefits was approved after July 1, 1991 must submit Form CF - 1 annually to show compliance with the Statement c Benefits. (IC 6-1.1-12.1-5.6)*

SECTION 1 — TAXPAYER INFORMATION

Name of taxpayer: Independent Packaging

Address of taxpayer *(street and number, city, state and ZIP code)*: 303 N. Curry Pike, Bloomington, IN 47404

Name of contact person: Jack Culver, V.P. Manufacturing

Telephone number: (812) 339-9294

SECTION 2 — LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body: City of Bloomington, IN Common Council

Resolution number:

Location of property: 303 N. Curry Pike, Bloomington

County: Monroe

Taxing district: Richland City

Description of real property improvements and / or new manufacturing equipment to be acquired *(use additional sheets if necessary)*: See attached sheets

Estimated starting date: September, 1999

Estimated completion date: January, 2000

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
119	3,375,000	All	3,375,000	22	485,000

SECTION 4 — ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

	Real Estate Improvements		Machinery	
	Cost	Assessed Value	Cost	Assessed Value
Current values	1,300,000		11,154,000	
Plus estimated values of proposed project	750,000		3,820,000	
l values of any property being replaced	0		0	
timated values upon completion of project	2,050,000		14,974,000	

SECTION 5 — OTHER BENEFITS PROMISED BY THE TAXPAYER

All additional employees are eligible for medical and dental coverage, life insurance, 401-K plan, and profit sharing.

SECTION 6 — TAXPAYER CERTIFICATION

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

Signature of authorized representative	Title	Date signed *(month, day, year)*
Jack Culver	V.P. Manufacturing	8/10/99

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

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. Installation of new manufacturing equipment; ☐ Yes ☐ No
3. Residentially distressed areas ☐ Yes ☐ No

C. The amount of deduction applicable for new manufacturing equipment installed and first claimed eligible for deduction after July 1, 1987, is limited to $ _____ cost with an assessed value of $ _____.

D. The amount of deduction applicable to redevelopment or rehabilitation in an area designated after September 1, 1988 is limited to $ _____ cost with an assessed value of $ _____.

E. Other limitations or conditions *(specify)* PLEASE REFER TO RES 99-35, RES 99-07 & RES 93-18

F. The deduction for new manufacturing equipment installed and first claimed eligible for deduction after July 1, 1991is allowed for:
☐ 5 years ☐ 10 years

Also we have 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)*	Telephone number	Date signed *(month, day, year)*
Patricia Cole, Council Vice Pres	(812) 349-3409	10-20-99
Attested by:	**Designated body**	
[signature]	Deputy City Clerk, Bloomington, IN	

* If the designating body limits the time period during which an area is an economic revitilization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4 or 4.5 Namely: *(see tables below)*

NEW MANUFACTURING EQUIPMENT
For Deductions Allowed Over A Period Of:

Year of Deduction	Five (5) Year Percentage	Ten (10) Year Percentage
1st	100%	100%
2nd	95%	95%
3rd	80%	90%
4th	65%	85%
5th	50%	80%
6th		70%
7th		55%
8th		40%
9th		30%
10th		25%

REDEVELOPMENT OR REHABILITATION OF REAL PROPERTY IMPROVEMENT
For Deductions Allowed Over A Period Of:

Year of Deduction	Three (3) Year Deduction	Six (6) Year Deduction	Ten (10) Year Deduction
1st	100%	100%	100%
2nd	66%	85%	95%
3rd	33%	66%	80%
4th		50%	65%
5th		34%	50%
6th		17%	40%
7th			30%
8th			20%
9th			10%
10th			5%

INDEPENDENT PACKAGING

PROPERTY TAX ABATEMENT APPLICATION

OWNERSHIP:

Name and Address	% of Ownership
Charles J. Romanski 7421 Frankford Road, #2214 Dallas, TX 75252 972/867-5447	10.4%
John L. Culver 2210 Ashwood Circle Bloomington, IN 47401	6.21%
Kaminski Interests, Inc. Robert L. Kaminski 3811 Turtle Creek Blvd, Suite 1300 Dallas, TX 75219 214/526-7222	83.39%

CORPORATE OFFICE:

14651 Dallas Parkway, Suite 320
Dallas, TX 75240
972/392-3101

INDEPENDENT PACKAGING INCORPORATED

Property Description

A. 303 N. Curry Pike, Bloomington, Indiana 47404

B. Legal Description:

Part SW/SE/NW Section 36, R9, T2W, Monroe County, IN
Parcel Number: 008-0040-00, Richland City

INDEPENDENT PACKAGING

Current Status of Property

A. Current zoning-MG/ML-Manufacturing
No anticipated changes in zoning.

B. This 20-year-old building was gutted and renovated in 1994 by Independent Packaging, bringing it into compliance with current codes and making it suitable for manufacturing operations.

C. The property is currently being used exclusively as the manufacturing facility for Independent Packaging, a producer of polyethylene bags for the bakery industry. Presently there are 119 employees at this location.

D. The market value of the land and property as outlined in the property lease is $1,300,000.

E. There is nothing unique or historically significant about this property

INDEPENDENT PACKAGING

Proposed Improvements

A. This project includes a 10,000 square foot building expansion to the front of the existing Independent Packaging plant. Plant utilities (electrical, chill water, compressed air) will be expanded to support the additional area.

Production will be increased by the addition of an 8-color, Windmoeller & Hoelscher flexographic printing press, nine (9) Hudson Sharp robotic bag handling units, and ancillary equipment to support increased printing plate use. The robotic bag units are state of the art and allow bag making to go to a seven day, continuous operation.

The printing press will be connected to a new catalytic oxidizer for emission control.

The cost of the building expansion is $750,000, the cost of the press is $2,000,000, the bag robotics is $720,000, and the ancillary equipment is $1,100,000.

B. Sketch of the addition is attached.

C. No public improvements will be necessary.

D. The building project is planned to start in September, 1999 with all equipment delivered in November. It's expected the printing press will be operational in January, 2000.

E. All existing employees, salaried and hourly will be retained. This number is approximately 116. The additional equipment purchased will create new jobs in the following job classifications:

Manufacturing Supervisors	3
Press Operators	4
Press Helpers	4
Bag Operators	5
Bag Utility	2
Plate Mounters	4
Shippers	1

F. Local contractors will be used for construction and installation of equipment with the only exception being specialists provided by equipment manufacturers. There is no detrimental economic effect connected with this project.

INDEPENDENT PACKAGING

Eligibility

A. Independent Packaging began operations in Bloomington as a new company in the fall of 1994. At that time, the Bloomington Common Council passed resolutions 93-18 and 93-19 designating the location an "economic revitalization area". In July of 1997, the Common Council passed and adopted resolution 97-07 approving a new statement of benefits adding 21 employees.

B. This project will add 22 hourly and salaried employees and retain the 116 current employees. Hourly wage rates will range from $9.87 to $12.05. These are not top rates but the rates that new employees will be expected to attain during the first year. Top rates for production workers are $13.91.

Benefits include health and dental plans, company paid life insurance, a disability plan, 401K plan, and a profit sharing plan.

C. Form SB-1 is attached.

I hereby certify that the representations made in this application are true and I understand that if the above improvements are not commenced (defined as obtaining a building permit and actual start of construction) within 12 months of the date of the designation of the above area as an Economic Revitalization Area, the Bloomington Common Council shall have the right to void such designation.

OWNER	DATE
Charles G Kornel	8/10/99
John L (Jack) Culver	8/10/99

*All owners must sign; all general partners must sign; the president of the corporation must sign.

Please submit this Application along with a non-refundable fee of $100.00. Checks should be made out to the City of Bloomington.

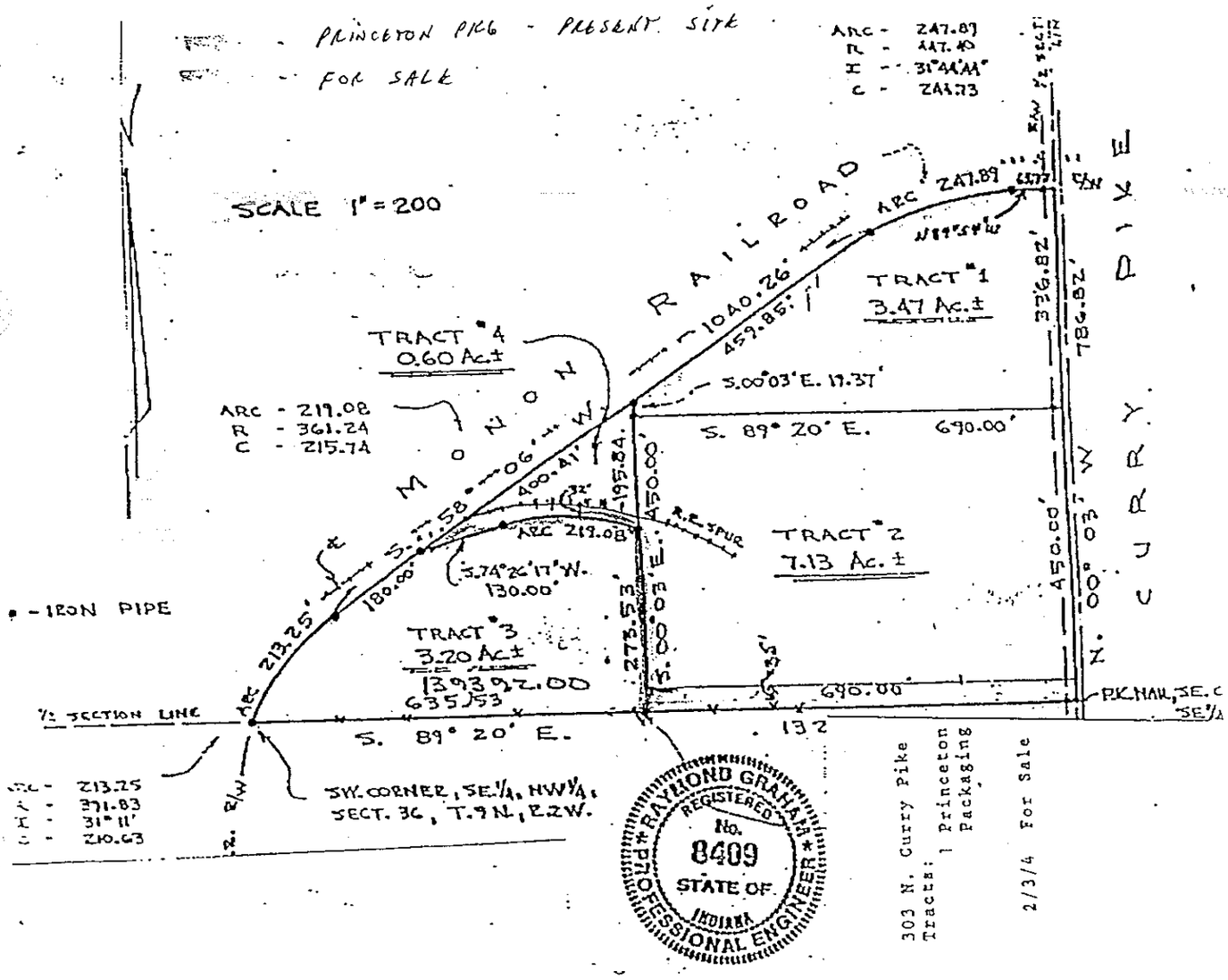
City of Bloomington Indiana

Office of the Mayor

Post Office Box 100
Showers Center City Hall
401 N. Morton Street
Bloomington, Indiana 47402

Telephone 812 349 3406
Fax 812 349 3455
E-Mail
lloydr@city.bloomington.in.us

Randy Lloyd
Executive Assistant for
Economic Development


PRINCETON PKG - PRESENT SITE
FOR SALE
SCALE 1" = 200
ARC - 247.89
R - 447.40
I - 31°44'44"
C - 244.73
RAILROAD
MONON
CURRY PIKE
TRACT #1
3.47 Ac.±
TRACT #2
7.13 Ac.±
TRACT #3
3.20 Ac.±
TRACT #4
0.60 Ac.±
ARC - 219.08
R - 361.24
C - 215.74
S. 89° 20' E.
690.00'
S.00°03'E. 17.37'
S.74°26'17"W.
130.00'
ARC 219.08
ARC 213.25'
180.00'
400.41'
1040.26'
459.85'
195.84'
450.00'
273.53'
336.82'
786.82'
N. 00° 03' W
R.R. SPUR
PK.NAIL, SE.C
SE¼
1/2 SECTION LINE
S. 89° 20' E.
132
SW. CORNER, SE¼, NW¼, SECT. 36, T.9N., R.2W.
ARC - 213.25
R - 371.83
I - 31° 11'
C - 210.63
• - IRON PIPE
RAYMOND GRAHAM
REGISTERED
No. 8409
STATE OF INDIANA
PROFESSIONAL ENGINEER
303 N. Curry Pike
Tracts: 1 Princeton Packaging
2/3/4 For Sale