Passed 9-0

RESOLUTION 15-06

TO DESIGNATE AN ECONOMIC REVITALIZATION AREA, APPROVE THE STATEMENTS OF BENEFITS, AND AUTHORIZE PERIOD OF ABATEMENT FOR PERSONAL PROPERTY IMPROVEMENTS
- Re: Properties at 1501 South Strong Drive
(Cook Pharmica, LLC, Petitioner)

WHEREAS, Cook Pharmica, LLC, ("Petitioner") has filed an application for designation of property at 1501 South Strong Drive, Bloomington, Indiana, comprised of a parcel identified by the Parcel Number listed herein, as an "Economic Revitalization Area" ("ERA") pursuant to Indiana Code 6-1.1-12.1 *et seq.*; and

WHEREAS, the subject site is identified by the following Monroe County Parcel Number:

53-08-05-400-032.000-009; Alt Parcel Num: 015-43770-00; and

WHEREAS, the Petitioner has also submitted a Statement of Benefits form to the Common Council for its personal property improvements to the subject site;

WHEREAS, according to this material, the Petitioner wishes to invest $25 million to install equipment to expand Petitioner's vial and syringe filling capacity at its existing plant on the subject site, which will enable the creation of 70 full-time permanent positions with an annual payroll of $3,200,000, excluding benefits and overtime, (the "Project"); and

WHEREAS, as required by Indiana Code, Bloomington Municipal Code, and a Memorandum of Understanding to be executed pursuant to the City of Bloomington Tax Abatement General Standards, the Petitioner shall agree to provide information in a timely fashion each year to the County Auditor and the Common Council showing the extent to which the Petitioner has complied with the Statement of Benefits, complied with the City of Bloomington's Living Wage Ordinance (B.M.C. 2.28), and complied with commitments specified in the Memorandum of Understanding; and

WHEREAS, the Project is located in the Thomson-Walnut-Winslow Tax Increment Finance (TIF) district and Indiana Code 6-1.1-12.1-2(k) provides that when a property is located in an ERA for tax abatement purposes is also located in a TIF allocation area, the Common Council must approve the statement of benefits by resolution; and

WHEREAS, the Economic Development Commission has reviewed the Petitioner's application and Statement of Benefits and passed Resolution 15-03 recommending that the Common Council designate the area as an ERA, approve the Statement of Benefits, and authorize a ten-year period of abatement for the personal property improvements; and

WHEREAS, Indiana Code 6-1.1-12.1-17 authorizes the Common Council to set an abatement schedule for property tax abatements; and

WHEREAS, the EDC has recommended that the personal property abatement be 70% for the duration of the ten-year period of abatement; and

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

A. the estimate of the cost of the new manufacturing equipment that will be installed as part of the Project 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 new manufacturing equipment that will be installed as part of the Project as proposed;

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 new manufacturing equipment that will be installed as part of the Project as proposed;

D. the totality of benefits is sufficient to justify the deduction; and

WHEREAS, the subject site is affected by factors that prevent a normal development or use of the property;

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

SECTION 1. The Common Council finds and determines that the property at 1501 South Strong Drive, comprised of the one parcel identified above, which is within the Thomson-Walnut-Winslow Tax Increment Financing Area, should be designated as an "Economic Revitalization Area" as set forth in Indiana Code 6-1.1-12.1-1 *et seq.*, and Petitioner's Statements of Benefits is hereby approved.

SECTION 2. The Common Council further finds and determines that the Petitioner, or its successors as allowed by the Memorandum of Understanding, shall be entitled to an abatement of personal property taxes for the Project as provided in Indiana Code 6-1.1-12.1-1 *et seq.*, as follows:

a. For the equipment installed and placed in service to expand Petitioner's vial and syringe filling capacity, a period of ten (10) years with the following deduction schedule, pursuant to Indiana Code 6-1.1-12.1-17:

Year 1	70%
Year 2	70%
Year 3	70%
Year 4	70%
Year 5	70%
Year 6	70%
Year 7	70%
Year 8	70%
Year 9	70%
Year 10	70%

SECTION 3. In granting this designation and these deductions the Common Council expressly exercises the power set forth in Indiana Code 6-1.1-12.1-2(i)(6) to impose additional, reasonable conditions on the rehabilitation or redevelopment beyond those listed in the Statement of Benefits, and authorizes the City of Bloomington to negotiate a Memorandum of Understanding with the Petitioner specifying substantial compliance terms and consequences and remedies for noncompliance. In particular, failure of the property owner to make reasonable efforts to comply with the following conditions is an additional reason for the Council to rescind this designation and deduction:

a. the capital investment of at least $25 million for equipment; and
b. the land and improvements shall be developed and used in a manner that complies with local code; and
c. the Project shall be completed before or within twelve months of the completion date as listed on the application; and
d. Petitioner will comply with all compliance reporting requirements in the manner described by Indiana Code, Bloomington Municipal Code, and by the Memorandum of Understanding.

SECTION 4. The Common Council also expressly incorporates the provisions of Indiana Code 6-1.1-12.1-12 into this resolution, so that if the Petitioner ceases operations at the facility for which the deduction was granted and the Common Council finds that the Petitioner obtained the deduction by intentionally providing false information concerning its plans to continue operations at the facility, the Petitioner shall pay the amount determined under Indiana Code 6-1.1-12.1-12(e) to the county treasurer.

SECTION 5. This designation shall expire no later than December 31, 2028, unless extended by action of the Common Council and upon recommendation of the Bloomington Economic Development Commission.

SECTION 6. The Common Council directs the Clerk of the City to publish a notice announcing the passage of this resolution and requesting that persons having objections or remonstrances to the ERA designation appear before the Common Council at a public hearing on April 8, 2015.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 25th day of MARCH, 2015.

DAVE ROLLO, President
Bloomington Common Council

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 26th day of MARCH, 2015.

REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this 27th day of MARCH, 2015.

MARK KRUZAN, Mayor
City of Bloomington

SYNOPSIS

This resolution designates a parcel owned by Cook Pharmica, LLC and known as 1501 South Strong Drive as an Economic Revitalization Area (ERA). This designation was recommended by the Economic Development Commission and will enable the expansion of Cook Pharmica's vial and syringe filling capacity, creating additional jobs within the City. The resolution also authorizes a ten-year period of abatement for certain personal property improvements at 1501 South Strong Drive and sets its abatement schedule. The resolution also declares the intent of the Council to hold a public hearing on April 8, 2015 to hear public comment on the ERA designation.

Signed copies to:
controller (1)
legal (5)
ESD
Petitioner

MC Auditor (1)
MC Recorder (1)
MC Assessor (1)
MC Treasurer (1)
taxing bodies (Petty) (1 each)