

RESOLUTION 86-15

To Designate the Property located at 720 South Morton Street (Metropolitan Printing Service Inc.) as an Economic Revitalization Area pursuant to 1 C 6-1.1-12.1.

WHEREAS, Metropolitan Printing Service, Inc. has filed an application for Designation of the property located at 720 South Morton Street as as "Economic Revitalization Area"; and

WHEREAS, the application has been reviewed by the Departments of Redevelopment and Planning, and the Redevelopment Commission has passed a Resoultion recommend- ing to the Common Council the approval of the "Economic Revitalization Area" designation for said property for the period of time indicated if any; and

WHEREAS, the Common Council has investigated the area described in detail in Exhibit "A", attached hereto and made a part hereof, more commonly described as 720 South Morton Street; and

WHEREAS, the area described above has become undesirable for normal development and occupancy due to the deterioration of improvements, age, obsolescence, and substandard building conditions.

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 is an Economic Revitalization Area as set forth in Indiana Code 6-1.1-12.1-1 et. seq.

2. That the type of deduction(s) allowed within the Economic Revitalization Area described above shall be the deduction(s) allowed in IC 6-1.1-12.1-3 for rehabilitation/redevelopment of real property and the deductions allowed in I.C. 6-1.1-12.1-4.5 for new manufacturing equipment.

3. That the owner of the above described property designated as an Economic Revitalization Area is entitled to a deduction from the assessed valuation of the property for a period of 10 YEARS years as determined under I.C. 6-1.1-12.1-3 if the property has been rehabilitated or redeveloped, and the de- duction permissable from the assessed valuation of new manufacturing equipment pursuant to I.C. 6-1.1-12.1-4.5 shall be five years as required by law.

4. As agreed to by Metropolitan Printing Service, Inc. in its application, if the improvements described in the application are not commenced (defined as obtaining a building permit and actual start of construction or purchase of new manufacturing equipment) within twelve (12) months of the date of the designation of the above area as an Economic Revitalization Area, this Common Council shall have the right to void such designation.

PASSED and ADOPTED by the Common Council of the City of Bloomington upon this 16 day of April, 1986.

James C. Regester
James C. Regester, President
Bloomington Common Council

SIGNED and APPROVED by me upon this 18 day of April, 1986.

Tomilea Allison
Tomilea Allison, Mayor
City of Bloomington

ATTEST:

Patricia Williams
Patricia Williams, City Clerk

*4/22 Signed -
1. metro
2. Redev*

SYNOPSIS

Metropolitan Printing Service, Inc. has filed an application for designation of the property located at 720 South Morton Street as an "Economic Revitalization Area"; Indiana law provides that upon a finding by the Common Council that an area is an "Economic Revitalization Area", property taxes are reduced on improvements to that real estate for a period of 3, 6, or 10 years as determined by the Common Council and for 5 years for new manufacturing equipment. Property tax rates and assessments on land existing prior to the designation are not reduced.

CITY OF BLOOMINGTON - DEPARTMENT OF REDEVELOPMENT
PROPERTY TAX ABATEMENT PROGRAM

REPORT ON APPLICATION FOR DESIGNATION AS AN ECONOMIC REVITALIZATION AREA

1. Address of Property

Metropolitan Printing Service, Inc.
720 South Morton Street
Bloomington, IN 47401

2. Owner/Applicant

The property is owned by a partnership consisting of Charles Neumeyer, Stan Thomas, and Tad Wilson. Mr. Tad Wilson is representing the partnership.

3. Proposed Development

The proposed development involves adding a 9-10,000 square feet building to the existing building, including purchasing modern printing presses and cutting equipment. The applicant is applying for both the new manufacturing equipment and the property improvements tax abatement programs.

4. Are Any Public Improvements Needed or Required?

No public improvements are needed or required at this time.

5. Would The Granting of such a Designation Be In Accordance With Existing City Policies?

Yes. Metropolitan Printing Service, Inc. is located in a building built in 1940 with additions to the original building added in 1970 and 1974 to accommodate the growing company. Because of the age and obsolescence of the present buildings, in order to remain competitive in the printing manufacturing business, the company needs to expand its operation. Also, because of the improved technology in printing equipment, new equipment needs to be purchased to economically compete in the business.

Based on these factors and using the tax abatement guidelines that were established, the staff recommends that the property located at 720 South Morton Street be approved as an Economic Revitalization Area and that tax abatement be granted for a period of ten years on property improvements and five years on the purchase of new manufacturing equipment.

6. Estimated Yearly Amount of Tax Revenues to be Abated

a. New Facility

Estimated Cost of Improvements: \$225,000.00
 Based Assessed Value at 33 1/3% of cost: \$74,993.00
 Rate Payable in 1986: \$8.14

YEAR	% A.V. REDUCTION	ASSESSED VALUE TO BE PAID ON	RATE	PAID	ABATED	LOCAL GOVT. EFFECT (TAXES TO BE PAID W/O ABATEMENT)
1	100%	0	\$ 8.14	0	6,104.43	6,104.43
2	95%	3,750.00	\$ 8.47	317.63	6,034.28	6,351.91
3	80%	14,999.00	\$ 8.82	1,322.91	5,291.47	6,614.38
4	65%	26,248.00	\$ 9.15	2,401.69	4,460.17	6,861.86
5	50%	37,497.00	\$ 9.52	3,569.71	3,569.62	7,139.33
6	40%	44,996.00	\$ 9.90	4,454.60	2,969.71	7,424.31
7	30%	52,495.00	\$10.20	5,354.49	2,294.80	7,649.29
8	20%	59,994.00	\$10.32	6,191.38	1,547.90	7,739.28
9	10%	67,493.00	\$10.66	7,194.75	799.50	7,994.25
10	5%	71,243.00	\$11.01	7,843.85	412.88	8,256.73
TOTAL				\$38,651.01	\$33,484.76	\$72,135.77

b. New Manufacturing Equipment

Estimated Cost of Improvements: \$269,520.00
 Based Assessed Value at 33 1/3% of cost: \$89,831.00
 Rate Payable in 1986: \$8.14

YEAR	% A.V. REDUCTION	ASSESSED VALUE TO BE PAID ON	RATE	PAID	ABATED	LOCAL GOVT. EFFECT (TAXES TO BE PAID W/O ABATEMENT)
1	100%	0	\$8.14	0	7,312.24	7,312.24
2	95%	4,491.55	\$8.47	380.47	7,228.22	7,608.69
3	80%	17,966.20	\$8.82	1,584.60	6,338.49	7,923.09
4	65%	31,440.85	\$9.15	2,876.85	5,342.69	8,219.54
5	50%	44,915.50	\$9.52	4,276.00	4,275.91	8,551.91
TOTAL				\$9,117.92	\$30,497.55	\$39,615.47

Metropolitan Printing Service, Inc.

720 SOUTH MORTON STREET, BLOOMINGTON, INDIANA 47401, PHONE: 812, 332-7279

1. OWNERSHIP: PARTNERSHIP

Charles Neumeyer 33 1/3% ownership
R.R. 4 Box 690
Spencer, IN 47460
(812) 829-3079 Home
(812) 332-7279 Business

Stan Thomas 33 1/3% ownership
1166 Commons Dr. East
Bloomington, IN 47401
(812) 334-2569 Home
(812) 332-7279 Business

Tad Wilson 33 1/3% ownership
877 Maple Drive
Spencer, IN 47460
(812) 829-3954 Home
(812) 332-7279 Business

2. PROPERTY DESCRIPTION:

- A. 720 South Morton Street, Bloomington IN
Lots #7 & 8 208½ ft. x 208½ ft.
East End of Lot #7 & 8 208½ x 154½ Zoned ML
West End of Lot #7 & 8 208½ x 54 Zoned SM (315 West First)

Part of Seminary Lot 38 located at 724½ South Morton Zoned ML

See diagram

- B. 720 South Morton Street, Bloomington IN
Seminary out lots number seven (7) and eight (8) in the City of Bloomington, Indiana, excepting therefrom a strip of ground fifty-four (54) feet in width off of the entire west side of both lots thereof.

724½ South Morton Street, Bloomington IN
Part of Seminary lot thirty-eight (38) in the City of Bloomington, Indiana, bounded as follows, to-wit: Commencing at a point Sixteen and one-half (16½) feet West of the Southwest corner of Seminary Lot Seven (7); thence West One Hundred Ninety-one (191) feet; thence South One Hundred Nineteen and one-half (119½) feet; thence East One Hundred Fifty-nine (159) feet; thence North Eighty (80) feet; thence East Thirty-two (32) feet; thence North Thirty-nine and one-half (39½) feet to the place of beginning.

West End of Lot #7 & 8, 315 West First, Bloomington IN
Lot 54 feet wide off of the west end of Seminary Lot #7 & 8 in the City of Bloomington, Indiana.

3. CURRENT STATUS OF PROPERTY:

- A. Current Building Lots #7 & 8 zoned ML
West end of Lots #7 & 8 zoned SM - variation applied for
724½ South Morton zoned ML

- B. Original building of cement block 40 x 60 (2400 sq. feet) Estimated
Built 1940
Enlarged building to 68 x 105 (7140 sq. feet) 1970
Expanded to 98 x 135 (13230 sq. feet) 1974

- C. Metropolitan Printing currently employs 60 people at this facility to
produce quality printed material for Bloomington, Indianapolis and Out
of State customers.

	Est. Value	Tax Value	Total Tax Paid
D. Building at 720 South Morton	\$175,000	\$37,340	\$2,620.28
House & Lot at 315 West First	25,000	5,510	386.68
Vacant Lot at 724½ South Morton	<u>14,000</u>	<u>1,400</u>	<u>98.24</u>
	\$214,000	\$44,250	\$3,105.20

- E. Historical value - none

4. PROPOSED IMPROVEMENTS:

- A. Ad 9,000/10,000 sq. feet of Building to existing Building and remove 3 structures and pave parking lots, estimate cost \$225,000.
- B. None
- C. Public improvements as per Planning Commissioner.
- D. Start May 1, 1986 Complete March 1987
- E. If growth continues as expected we should reach 66 employees by early 1987, 6 additional people will be employed (3 semi skilled & 3 unskilled).
- F. The benefits that will be most apparent are cosmetic, the added building combined with the upgrading of the exterior of the present structure, including landscaping of the site, and the removal of the house and two garages will be a welcome improvement to the area. There will be no detrimental effects at this site.

5. ELIGIBILITY:

In order to be competitive with the firms out side of the Bloomington Area it is important that Metropolitan Printing Service export all avenues of saving.

First Street



CFC Apts.
located this lot

Proposed Additional Parking
for MPS

Part of Seminary Lot 38

724 1/2 S. Merton

Garage?

Alley

54'

Garage
to be
demolished

215 W. 1st
House to
be
demolished

Proposed MPS Parking



First Street

Lot #7

Proposed Addition

720
S. Merton

lot
#8

Alley

Morton Street

Morton Street

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 Murrain

Feb 20, 1986

Stan Thomas

Feb 20, 1986

[Signature]

[Signature]

*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 \$25.00 (for improvements up to \$100,000) or \$50.00 (for improvements over \$100,000) Checks should be made out to the Department of Redevelopment to:

Redevelopment Department
City Municipal Building
220 East Third Street
Bloomington, Indiana 47401
(812) 339-2261, Ext. 79

Metropolitan Printing Service, Inc.

720 SOUTH MORTON STREET, BLOOMINGTON, INDIANA 47401, PHONE: 812, 332-7279

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It has become increasingly difficult to compete because of the obsolescence of the equipment we are running, we must either get new modern equipment or continue to lose our share of the market, which would mean cutting back on personnel.

The new equipment will enable us to service our present customers quicker, increase quality and open new markets.

We presently employ 60 people, it is projected that with this addition and updating of machinery it will create six (6) additional employees by early 1987.

The benefits to community would be additional revenue from outside of the Bloomington area.

REPLACE OBSOLETE PRINTING PRESSES & CUTTING EQUIPMENT

A.	1 new Miehle 1 color printing press 25 x 36 inch	\$ 95,300.00
B.	1 new Oliver 72 1 color printing press 20½ x 28 5/16 inch	71,600.00
C.	1 High-Speed programmable cutter	39,000.00
	1 Automatic jogging machine with air expulsion device	13,660.00
	1 Hydraulic pile hoists	5,900.00
	1 Multistacker with side table	26,060.00
D.	Electronic Comp/Edit 5414 Conversion system (converts word processor disks to typesetting disks)	<u>18,000.00</u>
	TOTAL	\$269,520.00

Tax for 1985

Taxable value

Paid 1985 Tax

\$105,530.00

\$7,404.00

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

Tad Wilson, President

Metropolitan Printing Service, Inc.

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