

RESOLUTION 99-28

TO DESIGNATE AN ECONOMIC REVITALIZATION AREA

**Re: 901 and 903 South Rogers Street
(RONO Corporation, Petitioner)**

WHEREAS, RONO Corporation ("Petitioner") has filed an application for designation of the property located at 901 and 903 South Rogers as an "Economic Revitalization Area" ("ERA") pursuant to IC 6.1.1-12.1 et. seq.; and

WHEREAS, petitioners seeking designation of their property as an ERA must submit to the Common Council a Statement of Benefits and must, prior to March 1st of each year, provide the Monroe County Auditor and the Common Council with information showing the extent to which there has been compliance with the Statement of Benefits; and

WHEREAS, the petitioner intends to construct a new building to support its business expansion and wishes to obtain tax abatement on the new facility; and

WHEREAS, the application has been reviewed by the Economic Development Commission, which passed Resolution 99-09 recommending that the Common Council approve the "Economic Revitalization Area" designation for said property to provide a ten-year tax abatement on the proposed new building and to approve the Statement of Benefits; and

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

- A. the estimate of the cost 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 Project;
- 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 Project;
- D. any other benefits about which information was requested are benefits that can be reasonably expected to result from the Project; and
- E. the totality of the benefits is sufficient to justify the deduction; and

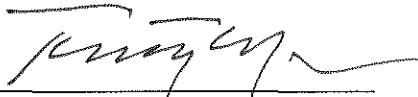
WHEREAS, the property described above is within the corporate limits of the City and has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent normal development of property or use of property;

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

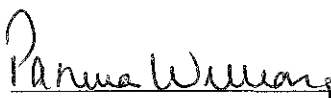
1. The Common Council finds and determines that the area described as 901 and 903 South Rogers Street should be designated as an "Economic Revitalization Area" as set forth in IC 6-1.1-12.1-1 et. seq.; and the Common Council further finds and determines that the petitioner shall be entitled to a deduction from the assessed value of the project for a period of ten (10) years.
2. In granting this deduction, the Council also expressly exercises the power set forth in IC 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 conditions are reasons for the Council to rescind this designation and deduction:

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

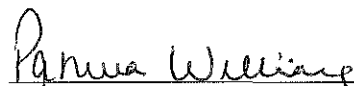
PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 15th day of September, 1999.


 TIMOTHY MAYER, President
 Bloomington Common Council

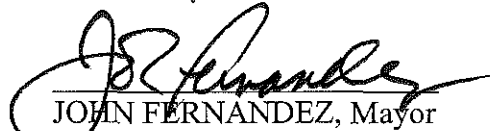
ATTEST:


 PATRICIA WILLIAMS, Clerk
 City of Bloomington

PRESENTED by me to the Mayor on this 16th day of September, 1999.


 PATRICIA WILLIAMS, Clerk
 City of Bloomington

SIGNED AND APPROVED by me upon this 16th day of September, 1999.


 JOHN FERNANDEZ, Mayor
 City of Bloomington

SYNOPSIS

RONO Corporation has filed an application for designation of the property located at 901 and 903 South Rogers Street as an "Economic Revitalization Area" to allow approval of a ten-year tax abatement for real estate improvements. Indiana law provides that in an area designated by the Common Council as an "Economic Revitalization Area," property taxes may be abated on the improvements to real property for a period of three, six or ten years. This resolution provides that the owners of the property shall be entitled to a deduction for a period of ten (10) years. It is the first of two resolutions that must be adopted by the Council before this tax abatement may take effect.

Signed copies to:
 Assessor
 Auditor
 Mays byline - R. Lloyd

Petition

**STATEMENT OF BENEFITS**

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****INSTRUCTIONS:**

1. This statement must be submitted to the body designating the economic revitalization area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body BEFORE a person installs the new manufacturing equipment, or BEFORE the redevelopment or rehabilitation of real property in 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 the "project" was planned and committed to by the applicant, and approved by the designating body, prior to that date. "Projects" planned or committed to after 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 rehabilitation 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. With 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 assessment 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 manufacturing equipment is installed, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and 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 of Benefits. (IC 6-1.1-12.1-5.6)

SECTION 1 TAXPAYER INFORMATION	
Name of taxpayer RONO Corp. / R C ONE LP.	
Address of taxpayer (street and number, city, state and ZIP code) P. O. Box 3111 Bloomington, IN 47402	
Name of contact person Roland Nobis	Telephone number (812) 339-6339

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT		
Name of designating body City of Bloomington Common Council		Resolution number
Location of property 901 - 903 S. Rogers	County Monroe	Taxing district Perry City
Description of real property improvements and / or new manufacturing equipment to be acquired (use additional sheets if necessary) Total renovation of a two-story mixed use building with basement: Second story - 3 single family rental units; First Story-retail and office; Basement-- office		Estimated starting date July 1, 1999
		Estimated completion date November 1, 1999

Building currently vacant with extensive fire and water damage.

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 0	Salaries \$0.00	Number retained 0	Salaries \$0.00	Number additional 11 -14 jobs	Salaries variable

SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT				
	Real Estate Improvements		Machinery	
	Cost	Assessed Value	Cost	Assessed Value
Current values		\$11,230 (bldg)		
Plus estimated values of proposed project	\$600,000			
Less values of any property being replaced				
Net estimated values upon completion of project	\$600,000 +			

SECTION 5 OTHER BENEFITS PROMISED BY THE TAXPAYER
* elimination of blight from an urban core neighborhood through the renovation of a vacant, fire damaged building (Vacant and boarded since 1995).
* three units of affordable rental housing
* improvement of neighborhood character and property value

SECTION 6 TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative <i>Roland F. Nobis</i>	Title Pres.	Date signed (month, day, year) 5/10/99

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, 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 SEE RESOLUTIONS 99-28 & 99-29
- F. The deduction for new manufacturing equipment installed and first claimed eligible for deduction after July 1, 1991 is 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) _____, Council Pres	Telephone number 812 349.3408	Date signed (month, day, year) 9.15.99
Attested by: Patricia Williams, City Clerk	Designated body Bloomington Commar Council	

* If the designating body limits the time period during which an area is an economic revitalization 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%

**RESOLUTION 99-09
OF THE
ECONOMIC DEVELOPMENT COMMISSION
OF THE
CITY OF BLOOMINGTON**

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) and Economic Development target Areas (EDTA) within which property taxes may be abated on improvements to real estate and on eligible new manufacturing equipment; and

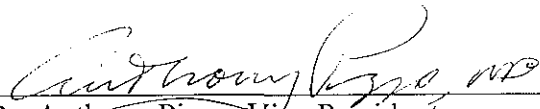
WHEREAS, in addition to the ERA and EDTA designation, an applicant for tax abatement must receive Common Council approval of the Statement of Benefits resulting from the proposed project; and

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

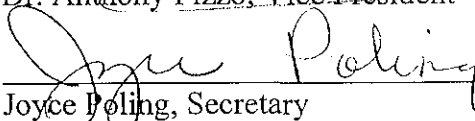
WHEREAS, RONO Corp. has applied for tax abatement on, and has submitted a Statement of Benefits regarding real estate improvements it proposes at 901 & 903 S. Rogers Street; and

WHEREAS, the Economic Development Commission has met and considered RONO Corp.'s application and Statement of Benefits;

NOW, THEREFORE, BE IT RESOLVED that the Economic Development Commission of the City of Bloomington does hereby recommend to the Common Council that it designate RONO Corp.'s property at 901 and 903 S. Rogers Street as an ERA and EDTA for a period of ten years and approve said Statement of Benefits regarding the real estate improvements proposed by RONO at the property located at 901 and 903 S. Rogers Street in Bloomington, Indiana.

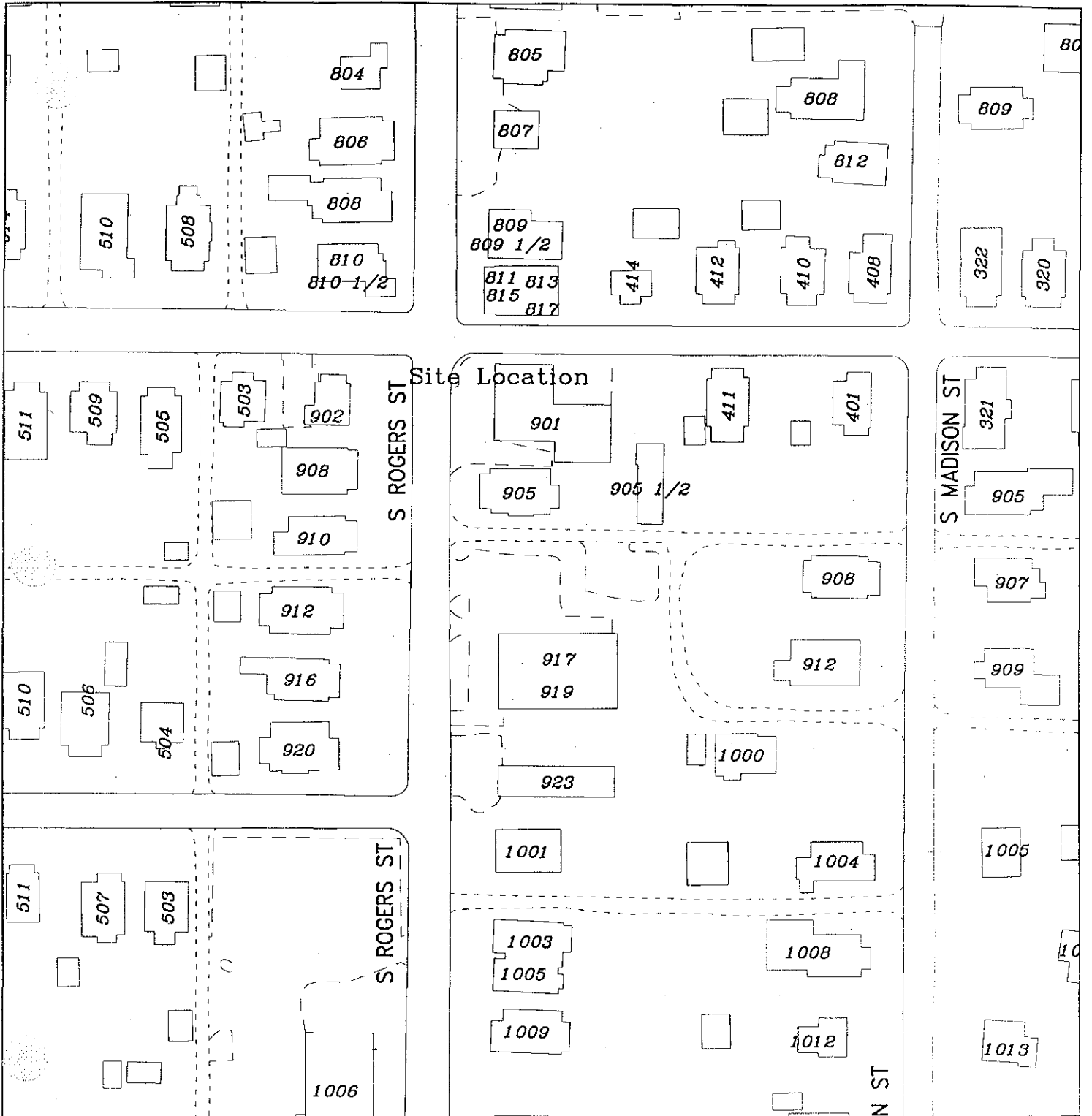


Dr. Anthony Pizzo, Vice President



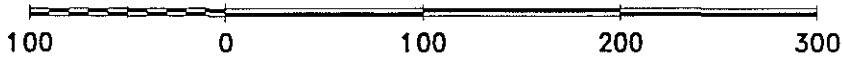
Joyce Poling, Secretary

Approved this 26 day of July, 1999



RONO Corp./ 901-903 S. Rogers

By: lloyd
26 Jul 99



For reference only; map information NOT warranted.

City of Bloomington



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Scale: 1" = 100'

Tax Abatement Applicant Summary

Date: July 26, 1999
EDC Resolution: 99-09
Applicant: RONO Corp.
Project Address: 901 & 903 S. Rogers Street
Phone: 339-6339
Applicant Contact: Roland Nobis
Contact Office: RONO Corp.
P.O. Box 3111
Bloomington, IN

Tax Abatement Information:

Purpose: The applicants seek tax abatement for real estate improvements to renovate the former Thickstun Glass building into commercial/retail on the ground floor and affordable housing units on the second floor. (*see attached application*).

Real Estate Improvement Value: \$600,000 (*see attached application*)

Current Zoning: *Limited Commercial*

Existing Site: *Vacant fire damaged structure.*

Job Retention/Creation: *14-15 (see attached application)*

Proposed Improvements: *Renovation of existing structure*

Length of Tax Abatement Requested: *10 years*

RECOMMENDATION:

Resolution 99-09 recommending the property in question be designated as an ERA and an EDTA should be forwarded to the City Council for its approval based on the following rationale:

The proposed renovation of the former Thickstun Glass building is an ambitious redevelopment project. The building is located in the Bloomington Urban Enterprise Zone. The building has been vacant and an eyesore to the community and McDoel neighborhood since 1995. The building was severely damaged by a fire in 1995. Since that time, the building has continued to deteriorate. In 1999 the Bloomington Urban Enterprise Association facilitated the creation of a redevelopment plan for the site. The BUEA brought the essential partners to the table that subsequently yielded the proposal before you. The ground and basement floor will be converted into retail/commercial while the 2nd floor will accommodate up to three one bedroom affordable apartments. This project has the support of the BUEA and the McDoel Neighborhood Association. This project serves significant public and private goals warranting a 10-year abatement.