

RESOLUTION 19-04

TO CONFIRM RESOLUTION 19-03 EXTENDING THE PERIOD OF DESIGNATION OF AN ECONOMIC REVITALIZATION AREA, APPROVING THE STATEMENTS OF BENEFITS, AND AUTHORIZING PERIODS OF ABATEMENT FOR REAL AND PERSONAL PROPERTY IMPROVEMENTS

**- Re: Property at 1300 S Patterson Drive
(Catalent Indiana, LLC, Petitioner)**

WHEREAS, Catalent Indiana, LLC, (“Petitioner”) filed an application for an extension of the existing designation of property at 1300 South Patterson 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 applied for a tax abatement and submitted separate Statement of Benefits forms to the Common Council for personal and real property improvements to the subject site;

WHEREAS, according to this material, the Petitioner wishes to invest at least \$85 million in personal property improvements to the subject site, to install equipment to expand Petitioner’s packaging and sterile filling capacity, and support specialized device assembly at its existing facility; and

WHEREAS, according to this material, the Petitioner wishes to invest at least \$40 million in real property improvements to the subject site; and

WHEREAS, Petitioner has committed to creating a minimum of 200 new full-time, permanent jobs as part of this investment, with an average annual salary of at least \$66,500 (not including benefits); and

WHEREAS, the above real estate improvements and personal property investments constitute “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

WHEREAS, the Economic Development Commission (“EDC”) reviewed the Petitioner’s application and Statement of Benefits and passed Resolution 19-01 and Resolution 19-02 recommending that the Common Council extend the existing ERA designation through December 31, 2033, approve both Statement of Benefits forms, and authorize ten-year periods of abatement for both the real and personal property improvements; 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 value 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 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 Project as proposed;
- 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 benefits is sufficient to justify the deduction; and

WHEREAS, the Common Council has further found that the Project will not negatively impact the ability of the Thomson-Walnut-Winslow TIF district to meet its debt obligations; and

WHEREAS, the Common Council adopted Resolution 19-03 on February 13, 2019, which extended the designation period of the above property as an “Economic Revitalization Area,” approved both Statement of Benefits, and authorized ten-year periods of tax abatement for both real and personal property improvements; and

WHEREAS, the City Clerk published notice of the passage of that resolution, which requested that persons having objections or remonstrance to the designation, Statement of Benefits submissions, and findings of fact appear before the Common Council at its meeting on March 6, 2019; and

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

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

SECTION 1. Pursuant to Indiana Code § 6-1.1-12.1-1 et seq., the Common Council affirms its determination made in Resolution 19-03 that the property at 1300 South Patterson Drive, comprised of the one parcel identified above, which is within the Thomson-Walnut-Winslow TIF Area, is an “Economic Revitalization Area” as set forth in Indiana Code § 6-1.1-12.1-1 et seq., and affirms extending the expiration of this designation.

SECTION 2. This designation shall expire no later than December 31, 2033, unless extended by action of the Common Council and upon recommendation of the Bloomington Economic Development Commission.

SECTION 3. The Common Council affirms its approval of Petitioner’s Statements of Benefits for both real estate and personal property improvements.

SECTION 4. The Common Council affirms its findings that the totality of the benefits of the Project entitle the owner of the property or its successor(s) to a deduction from the assessed value of the real and personal property improvements for a period of ten (10) years each.

SECTION 5. Pursuant to Indiana Code § 6-1.1-12.1-17, the Common Council hereby sets the following abatement schedules for the real estate and personal property improvements:

- a. For real estate improvements for the Project, a period of ten (10) years with the following deduction schedule:

| | |
|---------|------|
| Year 1 | 100% |
| Year 2 | 95% |
| Year 3 | 80% |
| Year 4 | 65% |
| Year 5 | 50% |
| Year 6 | 40% |
| Year 7 | 30% |
| Year 8 | 20% |
| Year 9 | 10% |
| Year 10 | 5% |

- b. For the personal property installed and placed in service for the Project, a period of ten (10) years with the following deduction schedule:

| | |
|---------|------|
| Year 1 | 100% |
| Year 2 | 95% |
| Year 3 | 80% |
| Year 4 | 65% |
| Year 5 | 50% |
| Year 6 | 40% |
| Year 7 | 30% |
| Year 8 | 20% |
| Year 9 | 10% |
| Year 10 | 5% |

SECTION 6. In granting this designation and 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 \$85 million for equipment; and
- b. the capital investment of at least \$40 million in real property improvements; and
- c. the land and improvements shall be developed and used in a manner that complies with local code; and
- d. the Project shall be completed before or within twelve months of the completion dates as listed on the application; and
- e. 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 7. The Common Council also affirms its incorporation of the provisions of Indiana Code § 6-1.1-12.1-12 into Resolution 19-03, 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.

PASSED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 22nd day of March, 2019.




DAVE ROLLO, President
Bloomington Common Council

ATTEST:



NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 7th day of March, 2019.



NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this 8th day of March, 2019.



JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

This resolution confirms Resolution 19-03 extending the Economic Revitalization Area (ERA) designation of a parcel owned by Catalent Indiana, LLC and known as 1300 S. Patterson Drive. This designation extension was recommended by the Economic Development Commission and will enable the expansion of Catalent's packaging, vial filling, and syringe filling capacity, creating additional jobs within the City. The resolution also authorizes a ten-year period of abatement for certain personal and real property improvements at 1300 S. Patterson Drive and sets the same abatement schedule for both real and personal property.



STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R4 / 11-15)
Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

INSTRUCTIONS

- 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 and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction.
- The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the installation of qualifying abatable equipment for which the person desires to claim a deduction.
- To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between January 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between January 1 and the extended due date of that year.
- Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
- For a Form SB-1/PP that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/PP that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. (IC 6-1.1-12.1-17)

| SECTION 1 | | TAXPAYER INFORMATION | | | | | | |
|---|---|--|--|---|--|----------------|-----------------|----------------|
| Name of taxpayer Catalent Indiana, LLC | | | Name of contact person Alexander Haig | | | | | |
| Address of taxpayer (number and street, city, state, and ZIP code) 1300 South Patterson Drive, Bloomington, IN 47403 | | | | | Telephone number (812) 340-5147 | | | |
| SECTION 2 | | LOCATION AND DESCRIPTION OF PROPOSED PROJECT | | | | | | |
| Name of designating body City of Bloomington Common Council | | | | | Resolution number (s) | | | |
| Location of property 1300 South Patterson Drive, Bloomington, IN 47403 | | | County Monroe | | DLGF taxing district number 009-Perry City | | | |
| Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (Use additional sheets if necessary.) The project is comprised of two phases. Phase 1 is aimed to expand packaging capacity and add new capabilities to support specialized device assembly for biological products produced within the site by 2020. Phase 2 is to expand drug product sterile filling capacity by 2022 to support clinical business and commercial launches. | | | | ESTIMATED | | | | |
| | | | | | | START DATE | COMPLETION DATE | |
| | | | | Manufacturing Equipment | 06/01/2019 | 11/30/2021 | | |
| | | | | R & D Equipment | | | | |
| | | | | Logist Dist Equipment | | | | |
| | | | | IT Equipment | | | | |
| SECTION 3 | | ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT | | | | | | |
| Current number 839 | Salaries \$43,926,000 | Number retained 839 | Salaries \$43,926,000 | Number additional 200 | Salaries \$13,312,000 | | | |
| SECTION 4 | | ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT | | | | | | |
| NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential. | MANUFACTURING EQUIPMENT | | R & D EQUIPMENT | | LOGIST DIST EQUIPMENT | | IT EQUIPMENT | |
| | COST | ASSESSED VALUE | COST | ASSESSED VALUE | COST | ASSESSED VALUE | COST | ASSESSED VALUE |
| | Current values | 55,376,790 | | | | | | |
| | Plus estimated values of proposed project | 85,000,000 | 34,000,000 | | | | | |
| | Net estimated values upon completion of project | 89,376,790 | | | | | | |
| SECTION 5 | | WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER | | | | | | |
| Estimated solid waste converted (pounds) <u>0.00</u> | | | Estimated hazardous waste converted (pounds) <u>0.00</u> | | | | | |
| Other benefits: Employees receive the following benefits: Health insurance, dental insurance, vision insurance, disability insurance, 401(k) with employer match, and an educational assistance program valued at approximately \$10.00 hour. | | | | | | | | |
| SECTION 6 | | TAXPAYER CERTIFICATION | | | | | | |
| I hereby certify that the representations in this statement are true. | | | | | | | | |
| Signature of authorized representative <i>Alex Haig</i> | | | | | Date signed (month, day, year) 01/13/2019 | | | |
| Printed name of authorized representative ALEX HAIG | | | | Title SR. Director, Engineering | | | | |

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 10 calendar years * (see below). The date this designation expires is December 31, 2033. NOTE: This question addresses whether the resolution contains an expiration date for the designated area.

B. The type of deduction that is allowed in the designated area is limited to:

| | | | |
|--|------------------------------|-----------------------------|---|
| 1. Installation of new manufacturing equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Enhanced Abatement per IC 6-1.1-12.1-18 Check box if an enhanced abatement was approved for one or more of these types. |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No | |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)

D. The amount of deduction applicable to new research and development equipment is limited to \$ 0 cost with an assessed value of \$ 0. (One or both lines may be filled out to establish a limit, if desired.)

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ 0 cost with an assessed value of \$ 0. (One or both lines may be filled out to establish a limit, if desired.)

F. The amount of deduction applicable to new information technology equipment is limited to \$ 0 cost with an assessed value of \$ 0. (One or both lines may be filled out to establish a limit, if desired.)

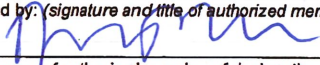
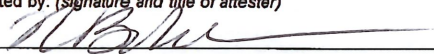
G. Other limitations or conditions (specify) other reasonable conditions are provided in Resolution 19-03

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction is allowed for:

| | | | | | |
|--|--|--|--|---|--|
| <input checked="" type="checkbox"/> Year 1 | <input checked="" type="checkbox"/> Year 2 | <input checked="" type="checkbox"/> Year 3 | <input checked="" type="checkbox"/> Year 4 | <input checked="" type="checkbox"/> Year 5 | <input type="checkbox"/> Enhanced Abatement per IC 6-1.1-12.1-18 Number of years approved: _____ (Enter one to twenty (1-20) years; may not exceed twenty (20) years.) |
| <input checked="" type="checkbox"/> Year 6 | <input checked="" type="checkbox"/> Year 7 | <input checked="" type="checkbox"/> Year 8 | <input checked="" type="checkbox"/> Year 9 | <input checked="" type="checkbox"/> Year 10 | |

I. For a Statement of Benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17? Yes No
If yes, attach a copy of the abatement schedule to this form.
If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

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 by: (signature and title of authorized member of designating body)  | Telephone number (812) 349-3409 | Date signed (month, day, year) February 13, 2019 |
| Printed name of authorized member of designating body Dave Rollo, President of Bloomington Common Council | Name of designating body Bloomington Common Council | |
| Attested by: (signature and title of attester)  | Printed name of attester Nicole Bolden, City Clerk | |
| * If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17. | | |

IC 6-1.1-12.1-17

Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
- (2) The number of new full-time equivalent jobs created.
- (3) The average wage of the new employees compared to the state minimum wage.
- (4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.



**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R6 / 10-14)
Prescribed by the Department of Local Government Finance

| |
|--|
| 20 <u>19</u> PAY 20 <u>20</u> |
| FORM SB-1 / Real Property |
| PRIVACY NOTICE Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1. |

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
 Residentially distressed area (IC 6-1.1-12.1-4.1)

INSTRUCTIONS:

- 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** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction.
- The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
- To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between March 1 and May 10 of a subsequent year.
- A property owner who files for the deduction must provide the County Auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
- For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/Real Property that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. IC 6-1.1-12.1-17

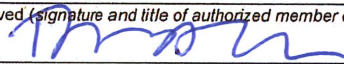
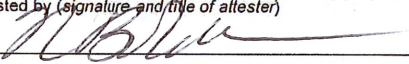
| SECTION 1 TAXPAYER INFORMATION | | | | | |
|--|------------------------------------|---|--|---|------------------------------------|
| Name of taxpayer Catalent Indiana, LLC | | | | | |
| Address of taxpayer (number and street, city, state, and ZIP code) 1300 South Patterson Drive, Bloomington, IN 47403 | | | | | |
| Name of contact person Alexander Haig | | Telephone number (812) 340-5147 | | E-mail address alexander.haig@catalent.com | |
| SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT | | | | | |
| Name of designating body City of Bloomington Common Council | | | | Resolution number | |
| Location of property 1300 South Patterson Drive, Bloomington, IN 47403 | | County Monroe | | DLGF taxing district number 009-Perry | |
| Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) The project in comprised of two phases. Phase 1 is aimed to expand packaging capacity and add new capabilities to support specialized device assembly for biological products produced within the site by 2020. Phase 2 is to expand drug product sterile filling capacity by 2022 to support clinical business and commercial launches. | | | | Estimated start date (month, day, year) June, 1, 2019 | |
| | | | | Estimated completion date (month, day, year) November, 31, 2021 | |
| SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT | | | | | |
| Current number 839.00 | Salaries \$43,926,000.00 | Number retained 839.00 | Salaries \$43,926,000.00 | Number additional 200.00 | Salaries \$13,312,000.00 |
| SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT | | | | | |
| | | | REAL ESTATE IMPROVEMENTS | | |
| | | | COST | | ASSESSED VALUE |
| Current values | | | | | 43,828,800.00 |
| Plus estimated values of proposed project | | | 40,000,000.00 | | 10,000,000.00 |
| Less values of any property being replaced | | | | | |
| Net estimated values upon completion of project | | | | | 53,828,800.00 |
| SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER | | | | | |
| Estimated solid waste converted (pounds) 0.00 | | | Estimated hazardous waste converted (pounds) 0.00 | | |
| Other benefits The projects will employ green building standards according to Leadership in Energy and Environmental Design (LEED). The goal is to decrease overall energy consumption by 15%. Employees receive the following benefits: Health insurance, dental insurance, vision insurance, life insurance, disability insurance, 401(k) with employer match, and an educational assistance program. The comprehensive benefits package provided to employees is valued at approximately \$10.00 per hour. | | | | | |
| SECTION 6 TAXPAYER CERTIFICATION | | | | | |
| I hereby certify that the representations in this statement are true. | | | | | |
| Signature of authorized representative | | | | Date signed (month, day, year) 01/13/2019 | |
| Printed name of authorized representative ALEX HAIG | | | Title Sr. Director, Engineering | | |

FOR USE OF THE DESIGNATING BODY

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

- A. The designated area has been limited to a period of time not to exceed 10 calendar years* (see below). The date this designation expires is December 31, 2033.
- 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. Residentially distressed areas Yes No
- C. The amount of the deduction applicable is limited to \$ _____.
- D. Other limitations or conditions (specify) other reasonable conditions are provided in Resolution 19-03
- E. Number of years allowed: Year 1 Year 2 Year 3 Year 4 Year 5 (* see below)
 Year 6 Year 7 Year 8 Year 9 Year 10
- F. For a statement of benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?
 Yes No
 If yes, attach a copy of the abatement schedule to this form.
 If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

We have also 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 of designating body)  | Telephone number (812) 349 - 3409 | Date signed (month, day, year) February 13, 2019 |
| Printed name of authorized member of designating body Dave Rollo, President of Bloomington Common Council | Name of designating body Bloomington Common Council | |
| Attested by (signature and title of attester)  | Printed name of attester Nicole Bolden, City Clerk | |

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

- A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4.1 remain in effect. The deduction period may not exceed five (5) years. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. The deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)
- B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. (See IC 6-1.1-12.1-17 below.)

IC 6-1.1-12.1-17

Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
 - (2) The number of new full-time equivalent jobs created.
 - (3) The average wage of the new employees compared to the state minimum wage.
 - (4) The infrastructure requirements for the taxpayer's investment.
- (b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.
- (c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.



Application for Designation as an Economic Revitalization Area (ERA): Real Property Tax Abatement

City of Bloomington, Indiana
Department of Economic and Sustainable Development
401 N. Morton St., PO Box 100, Bloomington, Indiana 47402-0100
812.349.3418

INSTRUCTIONS

1. State law and City of Bloomington policy require that the designation application and statement of benefits form (SB-1) be submitted **prior to the initiation of the project** (i.e., prior to filing for building permits required to initiate construction). If the project requires a rezoning, variance, or approval petition of any kind the petitioner must file prior to submission of the tax abatement application, and must be approved prior to a final hearing on the tax abatement request.
2. All questions must be answered as completely as possible and must be verified with a signature on the completed Statement of Benefits Form (SB-1) and last page of this application. Incomplete or unsigned applications will not be accepted as official filings. If attaching additional pages, please label responses with corresponding Section numbers.
3. Return completed Application and **\$100.00 non-refundable Application Fee** (payable to the **City of Bloomington**) to City of Bloomington Department of Economic & Sustainable Development, PO Box 100, 401 N Morton Street, Suite 130, Bloomington, IN 47402-0100 (economicvitality@bloomington.in.gov).

| Section 1 – Applicant Information | |
|--|---|
| Name of Company for which ERA Designation is being requested Catalent Indiana, LLC | |
| Primary Contact Information (for questions concerning this application and the Project) | |
| Name Alexander Haig | Job Title Senior Director, Engineering |
| Phone (812) 340-5147 ext. | Email alexander.haig@catalent.com |
| Address (street and/or PO, city, ZIP) | 1300 South Patterson Drive Bloomington 47403 |
| Compliance Contact Information (person responsible for completion and timely submittal of mandatory annual compliance forms if designation is granted) | |
| Name Alexander Haig | Job Title Senior Director, Engineering |
| Phone (812) 340-5147 ext. | Email alexander.haig@catalent.com |
| Address (street and/or PO, city, ZIP) | 1300 South Patterson Drive Bloomington 47403 |
| Section 2 – Real Property Location and Description | |
| Monroe County Tax Parcel ID Number(s) 53-08-05-400-032.000-009 | Township PERRY |
| Street Address 1300 South Patterson Drive | ZIP 47403- |
| Current Zoning Research & Development Facility | Current Use(s) of Property Pharmaceutical Development, Manufacturing, and Fill/Finish |
| Estimated Market Value of Property \$43,828,800 | |
| Property or Building(s) Listed as Historic on the City of Bloomington Historical Survey ? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, check one: | <input type="checkbox"/> Outstanding <input type="checkbox"/> Notable <input type="checkbox"/> Contributing |
| | Age of Building(s), if applicable 56 years |
| Describe any other national or local historical significance or designation, if applicable N/A | |
| Please list all owners of the property. Catalent Indiana, LLC | |
| Attach additional sheets as necessary to include all relevant property records. The City of Bloomington may require a copy of the property deed. | |

Section 3 – Criteria for Economic Revitalization Area ("ERA") or Economic Development Target Area ("EDTA") Designation

Describe how the project property and surrounding area have become undesirable for normal development and occupancy.

Prior to Cook Pharmica purchasing the RCA/Thomson Consumer Electronics site it sat vacant for quite some time without care or maintenance. A portion of the site lies within a designated flood plain as well. There is also the possibility of hazardous materials left behind from the previous manufacturing activities.

Section 4 – Company Profile

Does your company currently operate at this location? Yes No

If yes, how long has your company been at this location? **14 years**

Will this property be your company's headquarters location? Yes No

If no, where is/will be your company's HQ? **Somerset, New Jersey**

Company is a: LLC LLP LP Corporation S. Corporation Nonprofit Corporation
 Mutual Benefit Corporation Other-Please describe:

Provide a brief description of your company history, products and services.

Cook Pharmica (now Catalent Indiana, LLC) was founded in 2004, purchased the campus (formerly owned by RCA/Thomson Consumer Electronics), and began renovation of the facility into a world-class biopharmaceutical manufacturing operation. The 50-acre campus with two buildings was once the largest TV assembly plant in the world

Please list all persons and/or entities with ownership interests in the company. **Catalent Pharma Solutions**

Current/Retained Jobs and Wages (Include only current permanent jobs, and exclude benefits and overtime from wage values)

| | | | |
|---|----------------|---|---------------------|
| Number of part-time employees | 0 | Median part-time hourly wage | N/A |
| Number of full-time employees | 839 | Average part-time hourly wage | N/A |
| TOTAL current employees (permanent jobs) | 839 | Median full-time hourly wage | \$24.52 |
| | | Average full-time hourly wage | \$28.33 |
| What is the lowest hourly wage in the company? (inc. PT, FT, other) | \$14.42 | | |
| What is the median hourly wage in the company (inc. PT, FT, other) | \$24.52 | TOTAL Annual Payroll (current/retained) | \$43,926,000 |

New Jobs and Wages As Result of the Proposed Project (include only new permanent jobs, and exclude benefits and overtime from wage values)

| | | | |
|--|------------|--|---------------------|
| Number of part-time employees | 0 | Lowest starting part-time wage | N/A |
| Number of full-time employees | 200 | Lowest starting full-time wage | \$18.42 |
| TOTAL NEW employees (new permanent jobs) | 200 | TOTAL NEW Annual Payroll (new jobs only) | \$13,312,000 |

Describe your company's benefit programs and include the approximate value of benefits for existing and new employees on a per hour basis (e.g., benefits are valued at an additional \$3.00 per hour, etc.)

Employees receive the following benefits: Health insurance, dental insurance, vision insurance, life insurance, disability insurance, 401(k) with employer match, and an educational assistance program. The comprehensive benefits package provided to employees is valued at approximately \$10.00 per hour.

Market for Goods and Services; Local Sourcing

| | | |
|--|-------------|---|
| To the extent possible, please estimate the relative percentages of your company's reach (via your products or services) into following markets: | 20% | Inside Monroe County, Indiana |
| | 20% | Outside Monroe County, but inside Indiana |
| | 55% | Outside of Indiana |
| | 5% | Outside of the United States |
| | 100% | |

If applicable, list the name and location (City, State) of your five largest vendors or suppliers.

1. Cassady Electric Company (Ellettsville, IN)
2. Harrell Fish and Associates (Bloomington, IN)
3. Columbus Contalner (Columbus, IN)
4. Ompi (France)
5. Becton, Dickinson and Company (Franklin Lakes, NJ)

Section 5 – Proposed Improvements (the “Project”)

Describe all real estate improvements for which tax abatement on the property is being sought.

The project is comprised of two phases; Phase 1 consists of building out a 15,000 sq.ft. of ISO 9 manufacturing space and is aimed to expand Catalent, Bloomington packaging capacity and add new capabilities to support specialized device assembly for biological products produced within the site by 2020. Phase 2 is to expand Catalent, Bloomington drug product sterile filling capacity by 2022 to support. The fill/finish capacity at the Bloomington site will be expanded by 79,000 sq. ft., with both GMP and non-GMP capabilities.

| | | | |
|---|-------------------------|---|--|
| Estimated Total Project Cost (Capital Improvements only) | \$126,000,000.00 | Has Bloomington Planning approval been obtained for the Project? If yes, Case Number: | <input type="checkbox"/> Yes |
| Estimated Construction Start Date (month-year) | June 2019 | | <input checked="" type="checkbox"/> No |
| Estimated Completion Date (month-year) | November 2021 | | |

Will the Project require any City expenditures (for public infrastructure, etc.)?
If yes, please describe

Yes
 No

Proposed Use(s) of the property after Project completion. Describe uses for entire Project space, including any uses not of the applicant company (e.g., if portions of space are intended to be leased to other entities, provide details).

Phase 1 is aimed to expand Catalent, Bloomington packaging capacity and add new capabilities to support specialized device assembly for biological products produced within the site by 2020. This will be accomplished by the purchase and installation of a Flexible top load cartoning machine, an automated Auto-injector assembly machine, and Syringe assembly equipment. A new Quality Control laboratory will also be constructed to support the expanded production.

Phase 2 is to expand Catalent, Bloomington drug product sterile filling capacity by 2022 to support commercial launches and clinical development. A high-speed flexible vial line, utilizing both ready-to-use (RTU) components and bulk filling, will be installed along with a high-speed flexible syringe/cartridge line, and a fully automated vial inspection machine. This investment will nearly double the site capacity with over 460 additional filling days.

Describe the impact on your business if the proposed Project is **not** undertaken (e.g. loss of jobs, contract cancellations, loss of production, change in location, etc.).

If the project is not undertaken it will mean the loss of growth for the site and inability to provide additional job opportunities.

Attach renderings, site plans, drawings, etc., of the Project. **See Appendix**

| Section 6 – City of Bloomington Evaluative Criteria | |
|--|---|
| Describe how the Project will make a significant positive contribution to the community's overall economic vitality in at least one of the following areas which apply. Feel free to add details to any and all other categories which apply. See "General Standards" for explanations and examples. | |
| <input checked="" type="checkbox"/> Quality of Life, Environmental Stewardship, and/or Sustainability | The projects will employ green building standards according to Leadership In Energy and Environmental Design (LEED). Through this effort we are also aiming to reduce overall energy usage by 15%. |
| <input type="checkbox"/> Affordable Housing | |
| <input type="checkbox"/> Community Service | |
| <input type="checkbox"/> Community Character | |
| If applicable, describe any further (not yet described above) beneficial <i>and detrimental</i> impact to the community's economic, social or environmental wellbeing, resulting from the Project. | |
| Attach any additional information or documentation you feel to be pertinent to the City's decision to authorize this tax abatement. | |

Section 7 – Certification:

The undersigned hereby certify the following:

[Initials]

AH

■ The statements in the foregoing application for tax abatement are true and complete.

AH

■ The person(s) executing this application for tax abatement have been duly authorized by the business entity for which this application is being filed to execute and file this application, and all required approvals by the appropriate board or governing body of the business entity have been received.

AH

■ The individual(s) or business entity that is applying for Economic Revitalization Area (ERA) or Economic Development Target Area (EDTA) designation or approval of a Statement of Benefits is not in arrears on any payments, fees, charges, fines or penalties owed to the City of Bloomington, Indiana, including but not limited to, City of Bloomington Utilities, Bloomington Transit, and any other City departments, boards, commissions or agencies.

AH

■ I/we 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 ERA, EDTA or of approval of a Statement of Benefits for the above area, whichever occurs later, the Bloomington Common Council shall have the right to void such designation.

AH

■ I/we understand that all companies requesting ERA and/or EDTA designation will be required to execute a Memorandum of Agreement (MOA) with the City. The MOA shall contain the capital investment levels, job creation and/or retention levels and hourly wage rates and other benefits that the applicant has committed to the City in order to receive consideration for the designation. The MOA shall also contain information relative to what the City and applicant have agreed upon as "substantial compliance" levels for capital investment, job creation and/or retention and wage rates and/or salaries associated with the project.

Additionally, the MOA shall indicate that the City, by and through the Economic Development Commission and the City of Bloomington Common Council, reserves the right to terminate a designation and the associated tax abatement deductions if it determines that the applicant has not made reasonable efforts to substantially comply with all of the commitments, and the applicant's failure to substantially comply with the commitments was not due to factors beyond its control.

If the City terminates the designation and associated tax abatement deductions, it may require the applicant to repay the City all or a portion of the tax abatement savings received through the date of such termination. Additional details relative to the repayment of tax abatement savings shall be contained in the Memorandum of Agreement.

AH

■ I/we understand that if this request for property tax abatement is granted that I/we will be required to submit mandatory annual compliance forms as prescribed by State law and local policy. I/we also acknowledge that failure to do so or failure to achieve investment, job creation, retention and salary levels contained in the final resolution and MOA may result in a loss of tax abatement deductions and the repayment of tax abatement savings received.

AH

■ I/we understand that beneficiaries of a city tax abatement are subject to the City of Bloomington's Living Wage Ordinance ([BMC 2.28](#)), and therefore I/we must certify the entity's Living Wage compliance annually during the tax abatement term, if this abatement request is approved.

OWNER(S) OR AUTHORIZED REPRESENTATIVE(S)

SIGNATURE (Print Name Below)

TITLE

DATE

X ALEX HAIG
Printed Name

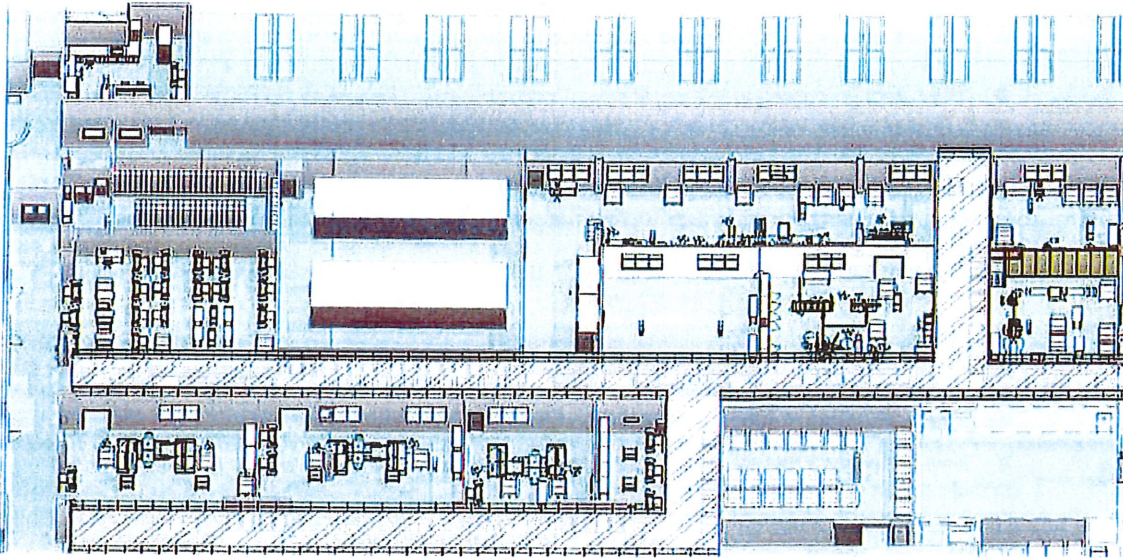
Sp. Director, Engineering

01/13/19

X _____
Printed Name

Appendix

Phase 1 – Packaging Expansion



Phase 2 – Fill and Finish Expansion

CONCEPTUAL DESIGN RENDERINGS:

