

Incl 5-10-93

ORIGINAL

SPONSOR - BALANOFF

93042664

ORDINANCE NO. 7577 93 64

FILE

AN ORDINANCE APPROVING THE STATEMENT OF BENEFITS IN AN ECONOMIC REVITALIZATION AREA

American Maize - Products Company
1100 Indianapolis Boulevard
Hammond, Indiana 46320 - 1094
(AS AMENDED)

TEN (10) Year Tax Abatement Request for Manufacturing Equipment

This ordinance has been established in order to comply with guidelines set forth in the tax abatement ordinance #7292 which provides for the approval of all Statement of Benefits in an existing Economic Revitalization Area, by ordinance.

WHEREAS, Indiana Code 6-1.1-12.1, amended, (the "Act") allows a partial abatement of property taxes attributable to "Redevelopment" or "Rehabilitation" activities in Economic Revitalization Areas as those terms are defined in the Act, and

WHEREAS, the Act provides such Economic Revitalization Areas are areas within the City which have:

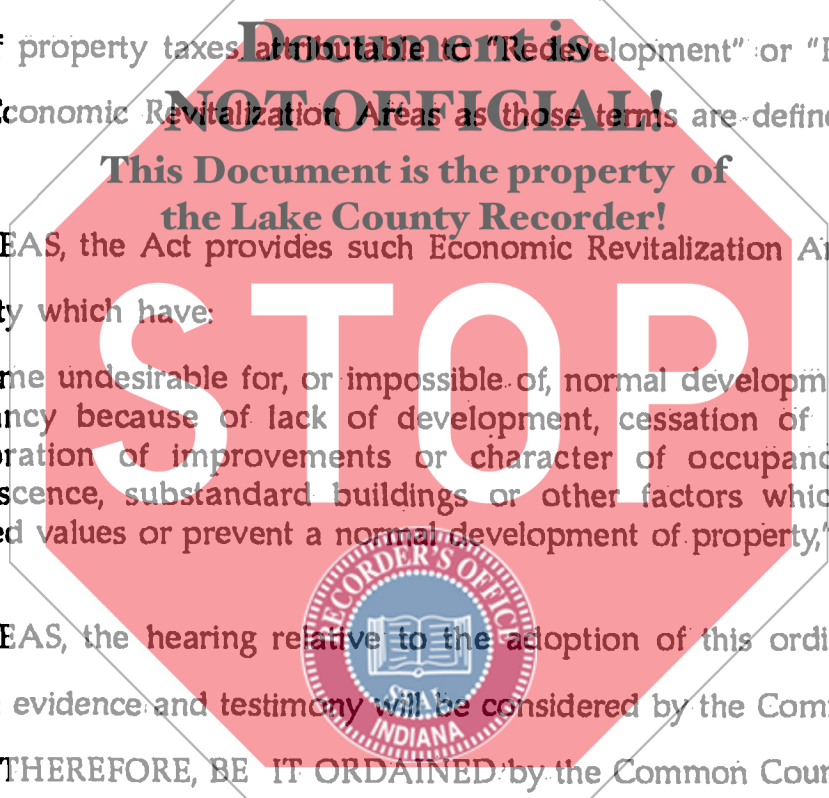
"...become undesirable for, or impossible of, normal development or occupancy because of lack of development, cessation of growth, deterioration of improvements or character of occupancy, obsolescence, substandard buildings or other factors which have impaired values or prevent a normal development of property," and

WHEREAS, the hearing relative to the adoption of this ordinance will be held, at which evidence and testimony will be considered by the Common Council:

NOW, THEREFORE, BE IT ORDAINED by the Common Council of the City of Hammond as follows:

1. The Real Estate has been designated as an Economic Revitalization Area as that term is defined in the Act. Third and final passage of this ordinance will confirm the approval of the Statement of Benefits and the term defined on the Statement of Benefits will remain in effect for two (2) years beyond the date of real property reassessment.

2. American Maize - Products Company is approved for TEN (10) years of tax abatement for manufacturing equipment as designated in the Project description as contained in the "Statement of Benefits" form.



JUN 30 2 19 PM '93
SANDY E. GOVICH
RECORDER

STATE OF INDIANA, S.S. NO. LAKE COUNTY FILED FOR RECORD



FILED

JUN 30 1993

City of Hammond
Economic Devel. Dept.
649 Conkey St.
Hammond IN 46324

Alex N. Anton
AUDITOR LAKE COUNTY

01749

H

ORDINANCE NO. 7577

ADOPTED this 14TH (as amended) day of June, 1993

Mckinley Nutall
MCKINLEY NUTALL, PRESIDENT
COMMON COUNCIL

ATTEST:

Gerald Bobos
GERALD BOBOS, CITY CLERK

Presented by me to the Mayor of Hammond, Indiana this 16th day of June, 1993.



Gerald Bobos
GERALD BOBOS, CITY CLERK

Adopted and signed by me this 17th day of June, 1993

Duane W. Dedelow
DUANE W. DEDELOW, JR., MAYOR
CITY OF HAMMOND, INDIANA

ATTEST:

Gerald Bobos
GERALD BOBOS, CITY CLERK

APPROVED

Adopted by the Common Council of the City of Hammond, Indiana on the 14TH day of June, 1993, and approved by the Mayor on the 17th day of June, 1993.

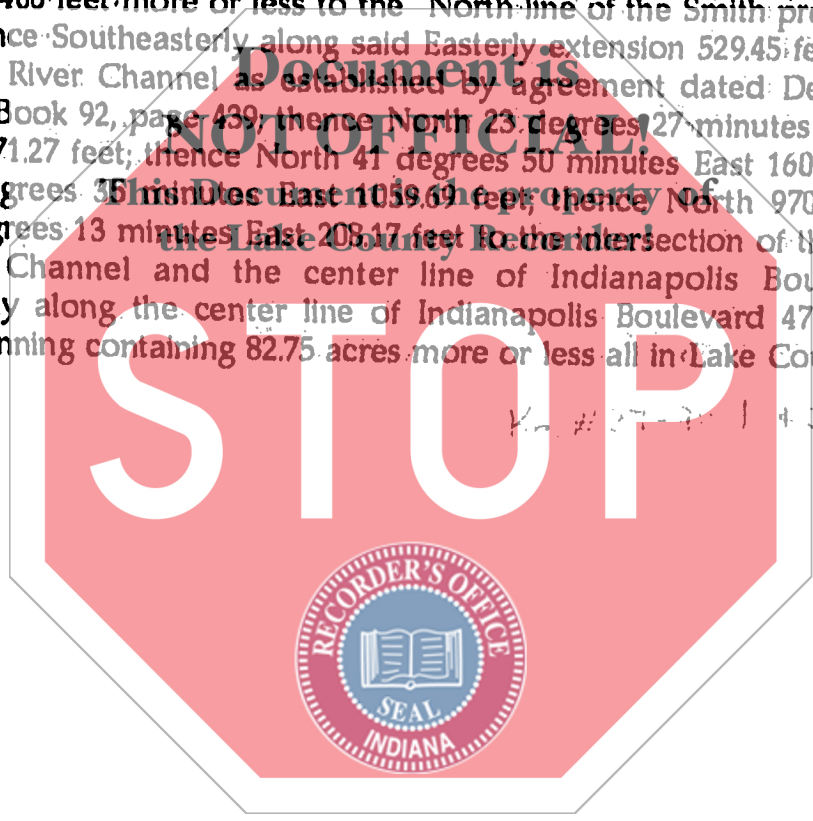
Gerald Bobos
GERALD BOBOS, CITY CLERK

Exhibit A

Legal Description

7577

A parcel of Land in Sections 1 and 12, Township 37 North, Range 10 West of the 2nd Principal Meridian, being more particularly described as follows: Beginning at the intersection of the center line of Indianapolis Boulevard and the East right of way line of the Indiana Harbor Belt Railroad; thence Southwesterly along said East right of way line 4406 feet more or less to the North line of the Smith property extended Easterly; thence Southeasterly along said Easterly extension 529.45 feet to the center line of Wolf River Channel as established by agreement dated December 3, 1901 recorded in Book 92, page 439; thence North 23 degrees 27 minutes East along said center line 471.27 feet; thence North 41 degrees 50 minutes East 1603.01 feet; thence North 26 degrees 35 minutes East 1059.69 feet; thence North 970.46 feet; thence North 17 degrees 13 minutes East 208.17 feet to the intersection of the center line of Wolf River Channel and the center line of Indianapolis Boulevard; thence Northwesterly along the center line of Indianapolis Boulevard 471.64 feet to the point of beginning containing 82.75 acres more or less all in Lake County, Indiana.



K-# 27-7-1-4-2-1-101-1



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

AS AMENDED ✓

FORM SB-1

ORIGINAL

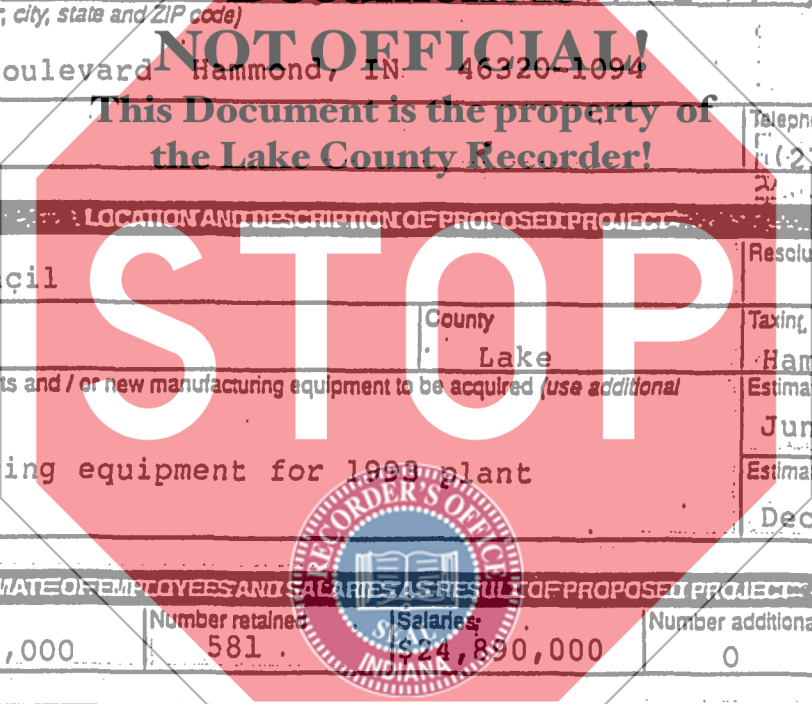
7577

93 64

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 for 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 American Maize - Products Company	COUNCIL APPROVED TEN (10) YEAR DOCUMENT IS ON 6-14-93.
Address of taxpayer (street and number, city, state and ZIP code) 1100 Indianapolis Boulevard Hammond, IN 46320-1094	
Name of contact person Russell S. Rudenga	Telephone number (219) 659-2000



SECTION 2: LOCATION AND DESCRIPTION OF PROPOSED PROJECT		
Name of designating body Hammond Common Council	County Lake	Resolution number
Location of property Same as above	Taxing district Hammond	Estimated starting date June, 1993
Description of real property improvements and / or new manufacturing equipment to be acquired (use additional sheets if necessary) Purchase manufacturing equipment for 1993 plant modernization		Estimated completion date December, 1994

SECTION 3: ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number	Salaries	Number retained	Salaries	Number additional	Salaries
581	\$24,890,000	581	\$24,890,000	0	0

SECTION 4: ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT				
	Real Estate Improvements		Machinery	
	Cost	Assessed Value	Cost	Assessed Value
Current values				
Plus estimated values of proposed project			4,000,000	533,333
Less values of any property being replaced				
Net estimated values upon completion of project				

SECTION 5: OTHER BENEFITS PROMISED BY THE TAXPAYER	
Total amount of Personal Property Tax Savings:	5 year: \$465,173 10 year: \$799,144
Total amount of Real Estate Tax Savings over 3 year Tax Abatement	_____
Total amount of Real Estate Tax savings over 6 year Tax Abatement	_____
Total amount of Real Estate Tax Savings over 10 year Tax Abatement	_____

SECTION 6: TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative Russell S. Rudenga	Title Property/Tax Acct.	Date signed (month, day, year) April 23, 1993

JAN 19 1990

7577

We have reviewed our prior action and 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.

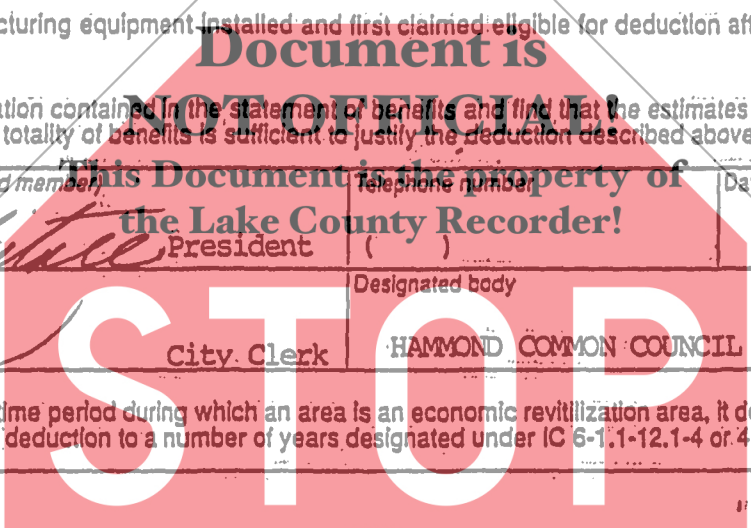
- A. The designated area has been limited to a period of time not to exceed _____ calendar years* (see below). The date this designation expires is: _____.
- B. The type of deduction that is allowed in the designated area is limited to:
 - 1. Redevelopment or rehabilitation of real estate improvements; 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): _____
- 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) *M. S. Kelly* Telephone number _____ Date signed (month, day, year) **6-14-93**
 President ()

Attested by: *L. B. Baker* Designated body _____
 City Clerk **HAMMOND COMMON 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%	

AND CITY CLERK
 APR 3 1993
 39