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STATE OF INDIANA  
LAKE COUNTY  
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MORRIS W. CARTER  
SPONSORS: JAMES DOWLING & MCKINLEY NUTALL

ORDINANCE NO. 8285

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

**Document is NOT ORIGINAL!**  
CERESTAR USA  
1100 INDIANAPOLIS BLVD  
HAMMOND IN 46320

TEN (10) YEAR TAX ABATEMENT REQUEST FOR EQUIPMENT  
TEN (10) YEAR TAX ABATEMENT REQUEST FOR REAL ESTATE

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 Area are areas within the City which have:

"...become undesirable for, or impossible of, normal development and occupancy because of 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 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:

*mail*

MAYOR'S OFFICE OF ECONOMIC DEVELOPMENT  
649 CONKEY STREET  
HAMMOND, IN 46324  
ATTN: LISA M. COOK

*cut # 6332*  
*19*  
*18*



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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 five (5) years beyond the date of real property reassessment.

2. Cerestar USA is approved for Ten (10) years of Tax Abatement for Equipment and Ten (10) years of Tax Abatement for Real Estate as designated in the Project description as contained in the "Statement of Benefits" form.

  
McKinley Nutall, President  
Common Council

ATTEST:

  
Robert J. Golec, City Clerk



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PRESENTED BY ME, the under signed City Clerk of the City of Hammond to the Mayor  
of said City for his approval on the 29th day of June, 2000.

Robert J. Golec  
Robert J. Golec, City Clerk

The foregoing Ordinance No. 8285 consisting of three (3) typewritten pages,  
including this page was approved by the Mayor on the 30th day of  
June, 2000.

Duane W. Dedelow, Jr.  
Duane W. Dedelow, Jr., Mayor  
City of Hammond, Indiana

APPROVED by the Common Council on the 26th day of June  
2000, and approved by the Mayor on the 30th day of June, 2000.

Robert J. Golec  
Robert J. Golec, City Clerk



**EXHIBIT A**

**CERESTAR USA, INC.  
HAMMOND**

**LEGAL DESCRIPTION**

All that part of Section 1, Township 37 North, Range 10 West of the Second Principal Meridian in the City of Hammond, Lake County, Indiana, lying east of the Indiana Toll Road property, south and east of 112<sup>th</sup> Street, southwesterly of Indianapolis Boulevard, and west of the centerline of Wolf Lake Channel, excluding therefrom all public right-of-way of 5<sup>th</sup> Avenue and also excluding the parcels of land described in Lake County Deed Record 25, Page 259, Deed Record 57, Page 184, and Deed Record 1132, Page 515.

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**STOP**







# STATEMENT OF BENEFITS

State Form 27167 (R5 / 11-95)

Form SB - 1 is prescribed by the State Board of Tax Commissioners, 1989

**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 for which the person wishes to claim a deduction. "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 becomes assessable, 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 June 30, 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 Cerestar USA, Inc.	
Address of taxpayer (street and number, city, state and ZIP code) 1100 Indianapolis Boulevard, Hammond, Indiana 46320-1094	
Name of contact person Russell S. Rudenga	Telephone number ( 219 ) 473-2247

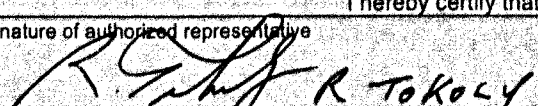
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT			
Name of designating body Hammond Common Council			Resolution number
Location of property Same as above	County Lake	Taxing district Hammond	
Description of real property improvements and / or new manufacturing equipment (use additional sheets if necessary)  See Attachment 1	ESTIMATED		
		Start Date	Completion Date
	Real Estate	2000	2004
	New Mfg Equipment	2000	2004

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 543	Salaries \$33,500,000	Number retained 488	Salaries \$30,750,000	Number additional 0	Salaries 0

See Attachment 2

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.	Real Estate Improvements		Machinery		
	Cost	Assessed Value	Cost	Assessed Value	
	Current values	93,050,510	28,190,200	243,963,635	26,437,038
	Plus estimated values of proposed project	7,874,000		72,126,000	
	Less values of any property being replaced	(2,891,195)	(825,000)	(10,073,017)	(1,007,302)
Net estimated values upon completion of project	99,548,315		304,501,618		

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER			
Estimated solid waste converted (pounds)			Estimated hazardous waste converted (pounds)
<b>TAX SAVINGS</b>			
Other benefits:	<b>Real Estate Savings</b>	<b>Equipment Savings</b>	
	3yrs: \$ 572,427	5yrs: \$ 8,387,772	
	6yrs: \$1,023,430	10yrs: \$14,409,762	
	10yrs: \$1,445,522		

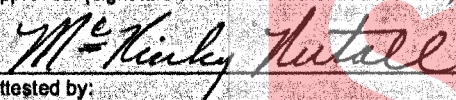

SECTION 6 TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative 	Title Vice President - Finance	Date signed (month, day, year) 04/28/00



**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 \_\_\_\_\_ 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 is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.
- D. The amount of deduction applicable to redevelopment or rehabilitation 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 The deduction period will be five (5) years unless the designating body has by resolution specified the ten (10) year period.
- 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) 	Telephone number ( 219 ) 853-6404	Date signed (month, day, year) 6-26-00
Attested by: 	Designated body <b>HAMMOND COMMON COUNCIL</b>	

\* 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			REDEVELOPMENT OR REHABILITATION OF REAL PROPERTY IMPROVEMENT			
For Deductions Allowed Over A Period Of:			For Deductions Allowed Over A Period Of:			
Year of Deduction	Five (5) Year Percentage	Ten (10) Year Percentage	Year of Deduction	Three (3) Year Deduction	Six (6) Year Deduction	Ten (10) Year Deduction
1st	100%	100%	1st	100%	100%	100%
2nd	95%	95%	2nd	66%	85%	95%
3rd	80%	90%	3rd	33%	66%	80%
4th	65%	85%	4th		50%	65%
5th	50%	80%	5th		34%	50%
6th		70%	6th		17%	40%
7th		55%	7th			30%
8th		40%	8th			20%
9th		30%	9th			10%
10th		25%	10th			5%

ROBERT J. GOLLEC  
CLERK OF COURT  
AND CITY CLERK

60 JUN 9 - JUN 00