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SPONSOR: ALFONSO SALINAS

ORDINANCE NO. 8572

ORIGINAL

04 2005 44

2005 004250

AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF HAMMOND, INDIANA DESIGNATING CERTAIN AREAS WITHIN THE CITY AS ECONOMIC DEVELOPMENT TARGET AREAS FOR PURPOSES OF REAL PROPERTY TAX ABATEMENT CITY-WIDE HOUSING INFILL PROGRAM (CHIP)

NORTHWEST INDIANA HABITAT FOR HUMANITY, INC. 215 DOTY ST. & 219 DOTY ST. HAMMOND, IN 46320

TEN (10) YEAR TAX ABATEMENT REQUEST FOR REAL PROPERTY

WHEREAS, the Economic Development Commission has recommended that the vacant parcels of land, City-Wide Housing Infill Program (C.H.I.P.), located in Hammond, Lake County, Indiana, which is more particularly described as follows on Exhibit "A" to be designated as an Economic Development Target Area under the provision of Indiana Code 6-1.1-12.1-1 et seq.; and,

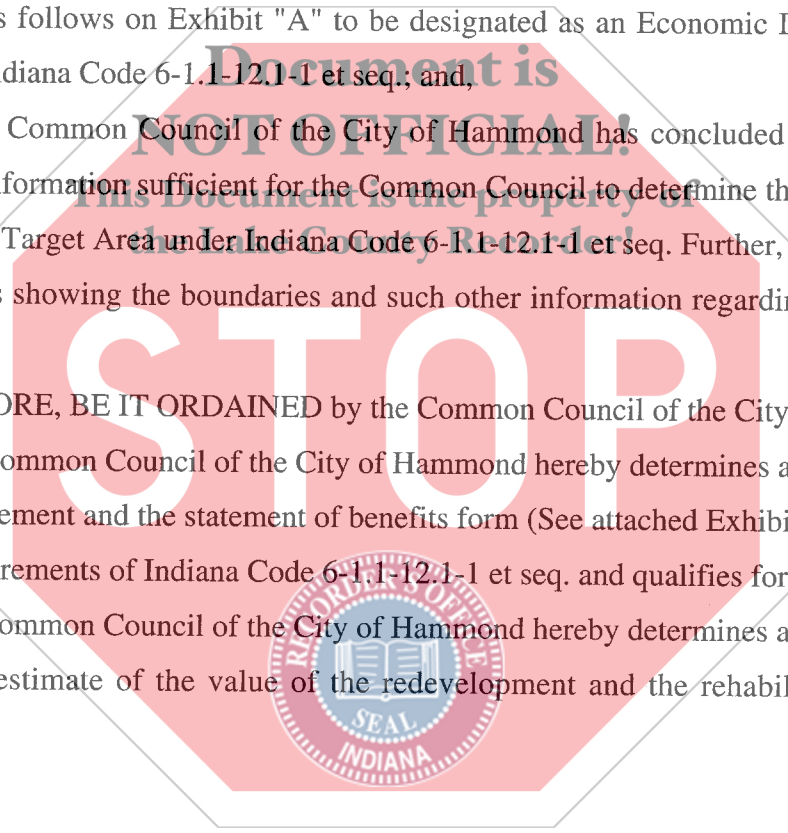
WHEREAS, the Common Council of the City of Hammond has concluded an investigation and has prepared a report with information sufficient for the Common Council to determine that the area qualified as an Economic Development Target Area under Indiana Code 6-1.1-12.1-1 et seq. Further, the Common Council has access to maps and plats showing the boundaries and such other information regarding the area in question as required by law.

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

Section 1: The Common Council of the City of Hammond hereby determines and finds that the petition for real property tax abatement and the statement of benefits form (See attached Exhibit "B") completed by the petitioner, meet the requirements of Indiana Code 6-1.1-12.1-1 et seq. and qualifies for tax abatement.

Section 2: The Common Council of the City of Hammond hereby determines and finds the following:

a. That the estimate of the value of the redevelopment and the rehabilitation is reasonable for projects of this nature.



2005 JUN 2 11 00 AM
FILED FOR RECORD
CLERK OF HAMMOND
LAKE COUNTY INDIANA

Mail to:
MAYOR'S OFFICE OF ECONOMIC DEVELOPMENT
649 CONKEY STREET
HAMMOND, IN 46324

R28829



CK# 211210
27 Km

**AN ORDINANCE OF THE COMMON COUNCIL OF THE
CITY OF HAMMOND, INDIANA
DESIGNATING CERTAIN AREAS WITHIN THE CITY
AS ECONOMIC DEVELOPMENT TARGET AREAS
FOR PURPOSES OF REAL PROPERTY TAX ABATEMENT
CITY-WIDE HOUSING INFILL PROGRAM (CHIP)**

**NORTHWEST INDIANA HABITAT FOR HUMANITY, INC.
215 DOTY ST. & 219 DOTY ST.
HAMMOND, IN 46320**

TEN (10) YEAR TAX ABATEMENT REQUEST FOR REAL PROPERTY

b. That the estimate of up to eight to ten (8-10) individuals per new home who will be employed or whose employment will be retained can reasonably be expected to result from the proposed described redevelopment or rehabilitation.

c. That the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed redevelopment or rehabilitation.

d. That the other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described redevelopment or rehabilitation.

e. That the totality of benefits is sufficient to justify the deduction, all of which satisfy the requirements of Indiana Code 6-1.1-12-1-3 and which can reasonably expected to result from the rehabilitation or redevelopment.

Section 3: The Common Council of the City hereby determines and finds that the proposed redevelopment or rehabilitation can be reasonably expected to yield the benefits identified in the Statement of Benefits, such form prescribed by the State Board of Tax Commissioners and is sufficient to justify the deduction granted under Section 6-1.1-12.1-4 of the Indiana Code.

Section 4: The Common Council of the City of Hammond hereby designates the area herein described as an Economic Development Target Area for the purpose of real property tax abatement and hereby makes such a designation.

ORDINANCE NO. 8572

**AN ORDINANCE OF THE COMMON COUNCIL OF THE
CITY OF HAMMOND, INDIANA
DESIGNATING CERTAIN AREAS WITHIN THE CITY
AS ECONOMIC DEVELOPMENT TARGET AREAS
FOR PURPOSES OF REAL PROPERTY TAX ABATEMENT
CITY-WIDE HOUSING INFILL PROGRAM (CHIP)**

**NORTHWEST INDIANA HABITAT FOR HUMANITY, INC.
215 DOTY ST. & 219 DOTY ST.
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TEN (10) YEAR TAX ABATEMENT REQUEST FOR REAL PROPERTY

Section 5: The Common Council of the City of Hammond determines that such designation is for real property tax abatement and the designation period shall not be limited from the date of the adoption of the ordinance by the Common Council.


Section 6: The Common Council hereby determines that the property owner is qualified for and is granted property tax deduction for a period of ten (10) years for the real property.

Further, it is understood that "The sum of the land value and all applicable exemptions shall be subtracted from the total assessed value of the new home, that the final figure being the amount against which the abatement shall be applied."

Section 7: The Common Council of the City of Hammond directs the Clerk to cause notice of the adoption of this ordinance for real property tax abatement to be published, said publication providing notice of the public hearing before the Common Council on the proposed ordinance.

BE IT FURTHER ORDAINED that herein Ordinance shall have full force and effect from and after the public hearing hereon, passage and approval hereof by the Common Council, signing by the President thereof, and approval and signing by the Mayor.




Kathleen Pucalik, President
Common Council

ATTEST:


Robert J. Golec, City Clerk

ORDINANCE NO. 8572

AN ORDINANCE OF THE COMMON COUNCIL OF THE
CITY OF HAMMOND, INDIANA
DESIGNATING CERTAIN AREAS WITHIN THE CITY
AS ECONOMIC DEVELOPMENT TARGET AREAS
FOR PURPOSES OF REAL PROPERTY TAX ABATEMENT
CITY-WIDE HOUSING INFILL PROGRAM (CHIP)

NORTHWEST INDIANA HABITAT FOR HUMANITY, INC.
215 DOTY ST. & 219 DOTY ST.
HAMMOND, IN 46320

TEN (10) YEAR TAX ABATEMENT REQUEST FOR REAL PROPERTY

PRESENTED BY ME, the undersigned City Clerk of the City of Hammond to the Mayor of said City for his approval on the 25th day of May, 2004 at _____.

Robert J. Golec

Robert J. Golec, City Clerk

The foregoing Ordinance No. 8572 consisting of four (4) typewritten pages, including this page was Approved by the Mayor on the 26th day of May, 2004.

Thomas M. McDermott, Jr.

Thomas M. McDermott, Jr., Mayor
City of Hammond, Indiana

ADOPTED by the Common Council on the 24th day of May, 2004 and Approved by the Mayor on the 26th day of May, 2004.



Robert J. Golec

Robert J. Golec, City Clerk

EXHIBIT "A"

LEGAL DESCRIPTION

215 Doty Street	Lot 52 and the West 18.75 feet of Lot 51 in Block 5, MARBLE'S SUBDIVISION OF BLOCK 5, TOWLE & YOUNG'S ADDITION to Hammond, Indiana, as per Record Plat thereof appearing in Plat Book 2, Page 4, in the Office of the Recorder of Lake County, Indiana.
219 Doty Street	Lot 50 and the West 12.50 feet of Lot 49 and the East 6.25 feet of Lot 51 in Block 5, MARBLE'S SUBDIVISION OF BLOCK 5, TOWLE & YOUNG'S ADDITION to Hammond, Indiana, as per Record Plat thereof appearing in Plat Book 2, Page 4, in the Office of the Recorder of Lake County, Indiana.



Please note that the land value, including all applicable exemptions, will be subtracted from the assessed value of the new project, this final figure being the amount against which the abatement is applied.



STATEMENT OF BENEFITS

State Form 27167 (R5 / 11-95)

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

ORIGINAL

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 Northwest Indiana Habitat for Humanity	
Address of taxpayer (street and number, city, state and ZIP code) 6219 Calumet Ave. Hammond, IN 46324	
Name of contact person Ms. Pam Pazera	Telephone number (219) 937-2292

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT			
Name of designating body Hammond Common Council		Resolution number	
Location of property 215 Doty St.	County Lake	Taxing district Hammond	
Description of real property improvements and / or new manufacturing equipment (use additional sheets if necessary) New construction of single-family home	ESTIMATED		
	Real Estate	Start Date June, 2004	Completion Date Oct, 2004
	New Mfg Equipment		

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number N/A	Salaries N/A	Number retained N/A	Salaries N/A	Number additional 100+Volunteers	Salaries N/A

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				
Plus estimated values of proposed project				
Less values of any property being replaced				
Net estimated values upon completion of project	\$92,000 est **			

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	
Estimated solid waste converted (pounds)	Estimated hazardous waste converted (pounds)
Other benefits: ** Represents sale price & fair market value of home. Figure was derived from the North Township Assessor.	


SECTION 6 TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative <i>Pamela S. Pazera</i>	Title Executive Director	Date signed (month, day, year) 4/28/04

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)  Designated body Hammond Common Council	Telephone number (219) 853-6404	Date signed (month, day, year) 5/24/04
* 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 IMPROVEMENTS			
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%

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STATEMENT OF BENEFITS

State Form 27167 (R5 / 11-95)

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

EXHIBIT "B"

ORIGINAL

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)
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Address of taxpayer (street and number, city, state and ZIP code)	6219 Calumet Ave. Hammond, IN 46324
Name of contact person	Ms. Pam Pazera
Telephone number	(219) 937-2292

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT	
Name of designating body	Hammond Common Council
Resolution number	
Location of property	219 Doty
County	Lake
Taxing district	Hammond
Description of real property improvements and / or new manufacturing equipment (use additional sheets if necessary)	New construction of single-family home
	ESTIMATED
	Start Date
	Completion Date
	June, 2004
	Oct, 2004
	Real Estate
	New Mfg Equipment

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number	Salaries	Number retained	Salaries	Number additional	Salaries
N/A	N/A	N/A	N/A	100+Volunteers	N/A

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			
Plus estimated values of proposed project			
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Net estimated values upon completion of project	\$92,000 est **		

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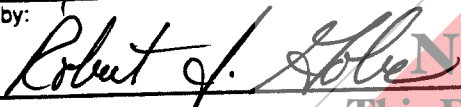
SECTION 6 TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative	Title	Date signed (month, day, year)
<i>Pamela S. Pazera</i>	<i>Executive Director</i>	<i>4/28/04</i>

FOR USE OF THE DESIGNATING BODY

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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) 5/24/04
Attested by: 	Designated body Hammond Common Council	

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10th			5%

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Habitat For Humanity

6219 Calumet Ave.

Hammond, In 46324

Key Number: 26-35-0047-0055 (215 Doty) / 26-35-0047-0058 (219 Doty)

Assessed Value	Taxable Year	Payable	Tax Savings %	Amount of deduction	Tax Owed
\$ 92,000	2004	2005	100%	\$ 3,801.44	\$ -
Taxes Per Year	2005	2006	95%	\$ 3,611.37	\$ 190.07
\$3,801.44	2006	2007	80%	\$ 3,041.15	\$ 760.29
Net Tax Rate	2007	2008	65%	\$ 2,470.94	\$ 1,330.50
4.13%	2008	2009	50%	\$ 1,900.72	\$ 1,900.72
	2009	2010	40%	\$ 1,520.58	\$ 2,280.86
	2010	2011	30%	\$ 1,140.43	\$ 2,661.01
	2011	2012	20%	\$ 760.29	\$ 3,041.15
	2012	2013	10%	\$ 380.14	\$ 3,421.30
	2013	2014	5%	\$ 190.07	\$ 3,611.37
				Total Savings	Total Tax Liability
				\$ 18,817.13	\$ 19,197.27

* Table is based on a standard 10 yr tax abatement.

* Assessed Valuation is identical for both homes

* Calculations are derived without accounting for Homestead and Mortgage Credits

