

04 - 06

ORIGINAL

2005 004251

SPONSOR: Cynthia Berdine Matasovsky
Alfonso Salinas

ORDINANCE NO. 8544

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

KRISNA, INC. D/B/A DUNKIN DONUTS & BASKIN ROBBINS
7306 CALUMET AVENUE
HAMMOND, IN 46324

(5) YEAR TAX ABATEMENT REQUEST FOR REAL ESTATE
(AS AMENDED)

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:

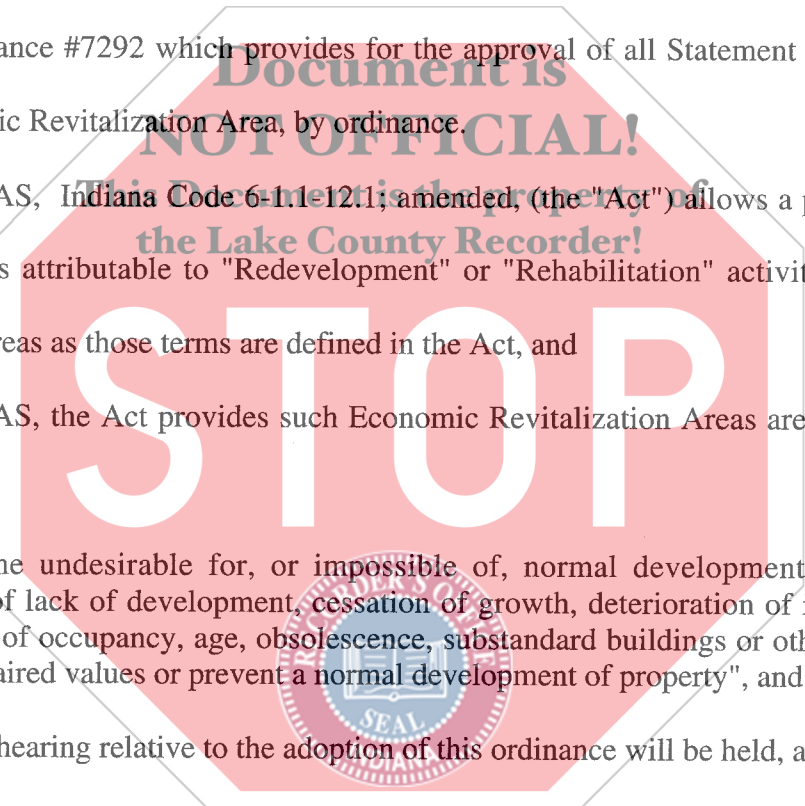
"...become undesirable for, or impossible of, normal development and occupancy because of lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings or other factors which have impaired values or prevent a normal development 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 to:
MAYOR'S OFFICE OF ECONOMIC DEVELOPMENT
649 CONKEY STREET
HAMMOND, IN 46324

CK# 211211
\$21 / Km

R28487



STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD
2005 JUN 21 PM 09:09
MICHAEL J. ...
RECORDER

ORDINANCE NO. 8544

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

KRISNA, INC. D/B/A DUNKIN DONUTS & BASKIN ROBBINS
7306 CALUMET AVENUE
HAMMOND, IN 46324


(5) YEAR TAX ABATEMENT REQUEST FOR REAL ESTATE
(AS AMENDED)

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

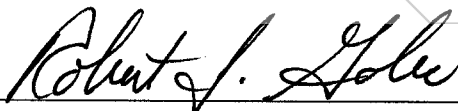
1. The Real Estate has been designated as an Economic Revitalization Area as that term is defined in the Act. Third and final passage of this ordinance will confirm the approval of the Statement of Benefits and the term defined on the Statement of Benefits will remain in effect for five (5) years beyond the date of real property reassessment.

2. Krisna, Inc. D/B/A Dunkin Donuts & Baskin Robbins is approved for (3) years of Tax Abatement for Real Estate as designated in the Project description as contained in the "Statement of Benefits" form.




Kathleen Pucalik, President
Common Council

ATTEST:


Robert J. Golec, City Clerk

ORDINANCE NO. 8544

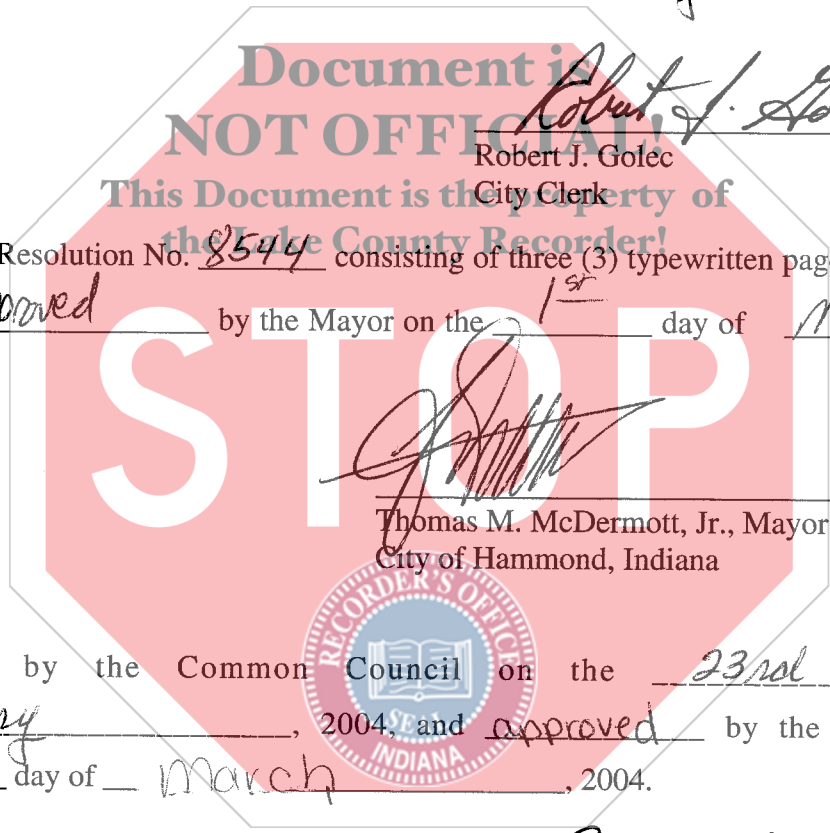
AN ORDINANCE APPROVING
THE STATEMENT OF BENEFITS IN AN
ECONOMIC REVITALIZATION AREA

KRISNA, INC. D/B/A DUNKIN DONUTS & BASKIN ROBBINS
7306 CALUMET AVENUE
HAMMOND, IN 46324

(5) YEAR TAX ABATEMENT REQUEST FOR REAL ESTATE
(AS AMENDED)

PRESENTED BY ME, the undersigned City Clerk of the City of Hammond to the Mayor of said
City for his approval on the 24th day of February, 2004.

The foregoing Resolution No. 8544 consisting of three (3) typewritten pages, including this
page was Approved by the Mayor on the 1st day of March,
2004.



Robert J. Golec
Robert J. Golec
City Clerk

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

APPROVED by the Common Council on the 23rd day of
February, 2004, and approved by the Mayor on the
1st day of March, 2004.

Robert J. Golec
Robert J. Golec, City Clerk



STATEMENT OF BENEFITS

State Form 27167 (R6 / 4-00)
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 and / or research and development 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 and / or research and development equipment, BEFORE a deduction may be approved.
3. To obtain a deduction, Form 322 ERA, Real Estate Improvements and / or Form 322 ERA / PPME and / or 322 ERA / PPR & DE, 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 / PPME and / or 322 ERA PPR & DE must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and / or research and development 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)
5. The schedules established under IC 6-1.1-12.1-4(d) and IC 6-1.1-12.1-4.5 (e) effective July 1, 2000 apply to any statement of benefits filed on or after July 1, 2000. The schedules effective prior to July 1, 2000 shall continue to apply to those statement of benefits filed before July 1, 2000.



SECTION 1 TAXPAYER INFORMATION									
Name of taxpayer Krisna, Inc. D/B/A Dunkin Donuts & Baskin Robbins									
Address of taxpayer (street and number, city, state and ZIP code) 7340 Indianapolis Blvd., Hammond, IN 46324									
Name of contact person Mr. Kantilal Vachhani						Telephone number (219) 844-5332			
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT									
Name of designating body Hammond City Common Council						Resolution number			
Location of property 7306 Calumet Ave., Hammond, IN 46324				County Lake		Taxing district Hammond			
Description of real property improvements and / or new manufacturing equipment and / or research and development equipment (use additional sheets if necessary) Construction of new 3100 sq ft Dunkin Donuts/Baskin Robbins franchise establishment.						ESTIMATED			
						Start Date		Completion Date	
						Nov/Dec 03		March 04	
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	15	\$210,000/yr (est)				
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		Research and Development Equipment			
		Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value		
		Lease		\$141,900					
		\$350,000		\$252,600					
		\$350,000							
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER									
Estimated solid waste converted (pounds) _____				Estimated hazardous waste converted (pounds) _____					
Other benefits: 5 Year Savings				10 Year Savings					
\$72,817				\$120,148					
SECTION 6 TAXPAYER CERTIFICATION									
I hereby certify that the representations in this statement are true.									
Signature of authorized representative Kantilal Vachhani				Title Vice President		Date signed (month, day, year) Oct. 20, 03			

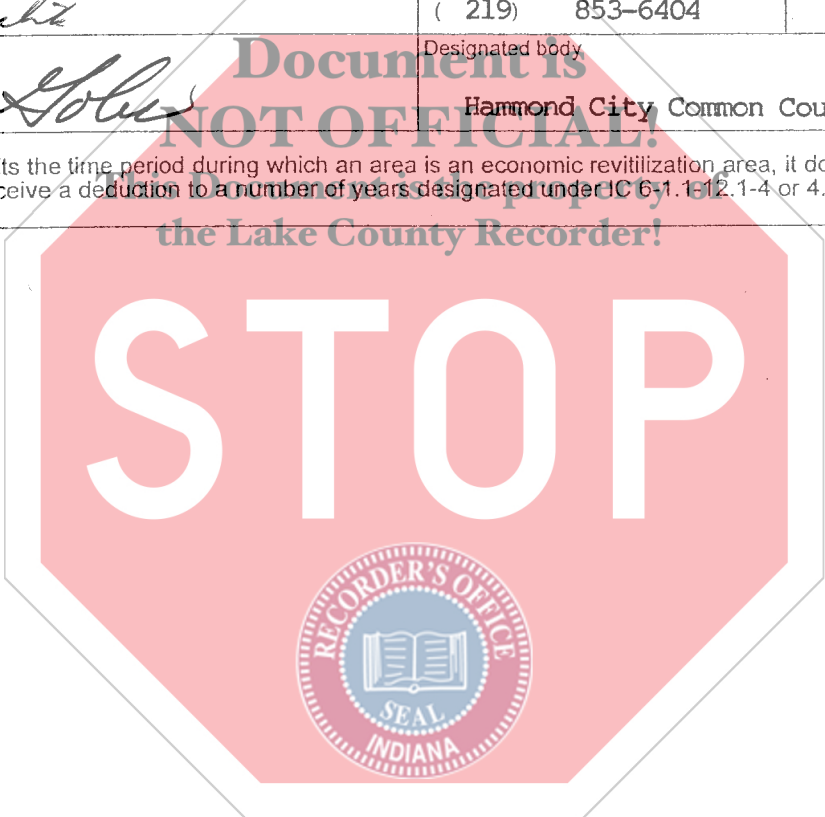
FOR USE OF THE DESIGNATING BODY

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; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Installation of new manufacturing equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Residentially distressed areas | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
- C. The amount of deduction applicable for redevelopment or rehabilitation is limited to \$ _____ cost with an assessed value of \$ _____.
- D. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____.
- E. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.
- F. Other limitations or conditions (specify) _____

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)
Attested by: 	Designated body Hammond City 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		



Krisna, Inc D/B/A Dunkin Donuts & Baskin Robbins
 7306 Calumet Ave.
 Hammond, In 46324
 Key Number: 26-36-0011-0005 / 26-36-0011-0009

Assessed Value	Taxable Year	Payable	Tax Savings %
\$ 252,600	2004	2005	100%
Taxes Per Year	2005	2006	95%
\$24,272.33	2006	2007	80%
Net Tax Rate	2007	2008	65%
9.61%	2008	2009	50%
	2009	2010	40%
	2010	2011	30%
	2011	2012	20%
	2012	2013	10%
	2013	2014	5%

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

Assessed Value	Taxable Year	Payable	Tax Savings %
\$ 252,600	2004	2005	100%
Taxes Per Year	2005	2006	80%
\$24,272.33	2006	2007	60%
Net Tax Rate	2007	2008	40%
9.61%	2008	2009	20%

* Table is based on a standard 5 yr tax abatement.

Amount of deduction	Tax Owed
\$ 24,272.33	\$ -
\$ 23,058.72	\$ 1,213.62
\$ 19,417.87	\$ 4,854.47
\$ 15,777.02	\$ 8,495.32
\$ 12,136.17	\$ 12,136.17
\$ 9,708.93	\$ 14,563.40
\$ 7,281.70	\$ 16,990.63
\$ 4,854.47	\$ 19,417.87
\$ 2,427.23	\$ 21,845.10
\$ 1,213.62	\$ 23,058.72
\$ 120,148.05	\$ 122,575.29
Total Savings	Total Tax Liability
\$ 72,817.00	\$ 48,544.67
Total Savings	Total Tax Liability

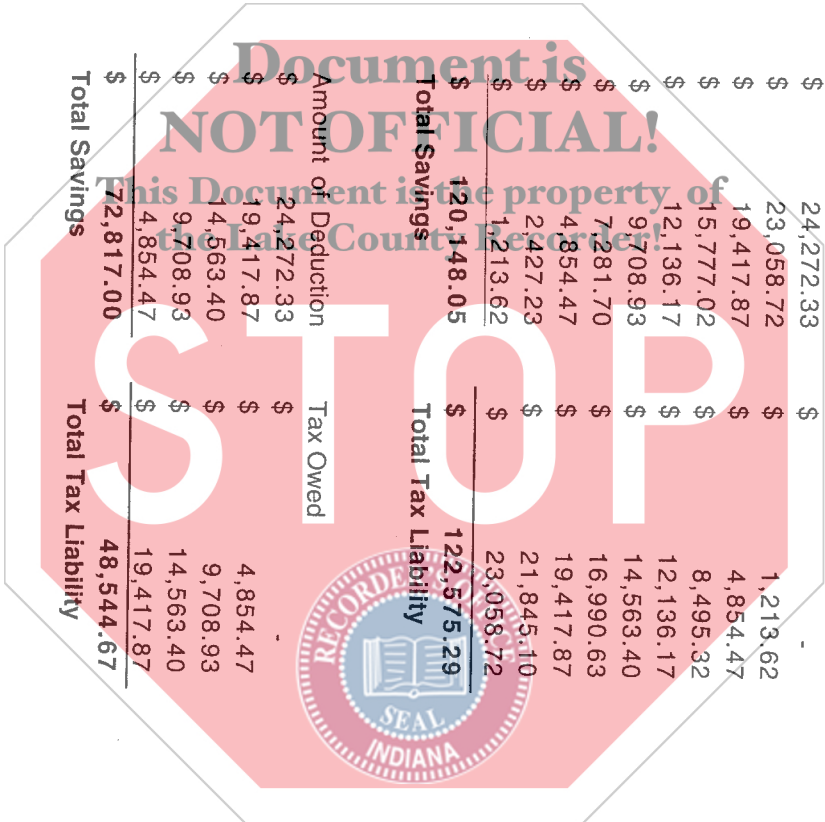


EXHIBIT A

LEGAL DESCRIPTION

Lots Numbered 5 to 10, Both Inclusive, Block 3, in Schreiber Addition to Hammond, As per Plat Thereof, Recorded in Plat Book 20, Page 27, 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 improvements, this final figure being the amount against which the abatement is applied.