

RESOLUTION NO. 2014-___

**A RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF WHITESTOWN, INDIANA
APPROVING PERSONAL PROPERTY TAX DEDUCTIONS
IN WHITESTOWN ERA #1 UNDER INDIANA CODE 6-1.1-12.1**

[TRU-FLEX, LLC]

WHEREAS, the Town Council of the Town of Whitestown, Indiana (respectively, the “Town Council” and the “Town”), pursuant to Indiana Code 6-1.1-12.1 (the “Act”) and Resolution No. 2005-1, declared an area which is situated within the Town consisting of approximately 188 acres, located generally north of County Road 550 South and between State Road 267 and Indianapolis Road; and east of Indianapolis Road north and south of the interchange of Indianapolis Road, State Road 267 and 1-65, partly in Perry Township and partly in Worth Township, as an economic revitalization area and designated as the Whitestown ERA #1 (the “ERA #1”); and

WHEREAS, the Town Council has been advised by Tru-Flex, LLC (“Tru-Flex”) of a proposed personal property revitalization expansion program consisting of the installation of new manufacturing equipment for the manufacturing of exhaust bellows for use on on-highway tractors (the “Project”), which new manufacturing equipment will be located by Tru-Flex in the Perry Industrial Park II, Section 2, Lot 16 in ERA #1 (the “Site”), all as more particularly described in the Abatement Application of Tru-Flex which is attached hereto as Exhibit A and incorporated herein by reference (the “Application”); and

WHEREAS, Tru-Flex anticipates increases in the assessed value of its personal property by reason of its Project and has requested a traditional personal property tax abatement for a period of ten (10) years with respect to such anticipated increases; and

WHEREAS, the Town Council has received from Tru-Flex its Application which includes its Statements of Benefits; and

WHEREAS, the Site is located in an allocation area, as such term is defined in Indiana Code 36-7-14-39, established by the Town; and

WHEREAS, the Town Council has been advised that the Whitestown Redevelopment Commission (the “RDC”) adopted a resolution on December 8, 2014 recommending approval of the Application by the Council; and

WHEREAS, the Town Council has reviewed the information brought to its attention and hereby determines that it is in the best interest of the Town to approve a traditional personal property tax deduction for the Project for a period of ten (10) years pursuant to Indiana Code 6-1.1-12.1.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WHITESTOWN, INDIANA, as follows:

1. The Clerk-Treasurer is hereby authorized to make all filings necessary or desirable, to publish all notices required by the Act, and to take all other necessary actions to carry out the purposes and intent of this Resolution and the deductions approved hereunder.

2. The Town Council hereby makes the following affirmative findings in regards to the Application:

- a. the estimate of the cost of the new manufacturing equipment is reasonable for equipment of that type;
- 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 proposed installation of new manufacturing equipment;
- c. 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 installation of new manufacturing equipment;
- d. the other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed installation of new manufacturing equipment; and
- e. the totality of benefits is sufficient to justify the deductions.

3. As an inducement for Tru-Flex to invest in the Site, the Application is hereby approved effective upon adoption of this Resolution and subject to Tru-Flex meeting the following conditions:

- a. As more particularly described in its Memorandum of Understanding for Tax Abatement with the Town and included with its Application (the "MOU"), Tru-Flex shall pay to the Town any amounts required pursuant to its MOU and within the timeframes required under its MOU;
- b. Tru-Flex shall annually file with the Town Council the required Form CF-1/PP, demonstrating its substantial compliance with the investment, wage, and employment estimates set forth in its Statements of Benefits (Form SB-1/PP) as presented to and approved by the Town Council, and annually attend a meeting of the RDC to discuss such Form CF-1/PP; and
- c. Tru-Flex shall provide the Town Council an annual update regarding the timing of the construction and installation of the improvements on the Project.

4. The provisions of Indiana Code 6-1.1-12.1-12 are expressly incorporated into this Resolution.

5. The provisions of this Resolution shall be subject in all respects to the Act and any amendments thereto.

6. Subject to Section 7 hereof, this Resolution shall take effect upon its adoption, and shall entitle Tru-Flex to deductions for personal property taxes for the Project as provided in Indiana Code 6-1.1-12.1-17 for a period of ten (10) years and in accordance with the following abatement schedule:

<u>Year</u>	<u>% of Assessed Value Exempt From Personal Property Taxes</u>
1	100%
2	95%
3	80%
4	65%
5	50%
6	40%
7	30%
8	20%
9	10%
10	5%

Consistent with Indiana law, the first year of abatement for personal property taxes shall commence on the assessment date immediately following the installation of the new manufacturing equipment described in the Form SB-1/PP

ADOPTED this _____ day of December, 2014.

Eric Miller, President

Julie Whitman, Vice President

Dawn Semmler, Council Member

Susan Austin, Council Member

Kevin Russell, Council Member

ATTEST:

Amanda Andrews, Clerk-Treasurer

EXHIBIT A

Tax Abatement Application (including Site description, MOU and Form SB-1/PP)

TOWN OF WHITESTOWN
MEMORANDUM OF UNDERSTANDING FOR TAX ABATEMENT

This Memorandum of Understanding for Tax Abatement ("Memorandum") is dated as of the 18 day of NOVEMBER, 2014, and serves as the confirmation of the commitment by the TOWN OF WHITESTOWN, INDIANA ("Whitestown"), in exchange for the fees paid hereunder by TRU-FLEX, LLC ("Applicant") to perform the steps necessary for the appropriate consideration of Applicant's request for tax abatement.

RECITALS

A. The Applicant owns, controls, and/or has an interest in certain property as more particularly described in the property tax abatement application of the Applicant attached hereto as Exhibit A (the "Application"), for which the Applicant desires tax abatement (the "Property").

B. The Applicant hereby makes submits its Application requesting that the Town consider, and the Town is willing to consider, the Property for real and/or personal property tax abatement.

NOW, THEREFORE, in consideration of the mutual agreements and covenants set forth below, and other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the parties agree as follows:

AGREEMENT

Section 1. Tax Abatement. The Applicant hereby submits the Property for tax abatement. The Applicant's completed Application, including the Statement of Benefits (i.e. Form(s) SB-1), are submitted contemporaneously herewith and attached hereto as Exhibit A. This Memorandum constitutes a part of the Application.

Section 2. Application Fee. The parties recognize that Whitestown (including its Redevelopment Commission) will incur expenses, including financial advisory, legal and other fees, as a result of the Applicant's submission of its Application for tax abatement. In light of the expenses Whitestown will incur through the tax abatement process, the Applicant agrees to a non-refundable application fee in the amount of Two Thousand Dollars (\$2,000.00) (the "Application Fee"). The Applicant will pay the Two Thousand Dollars (\$2,000.00) Application Fee within 30 days of approval of its Application, including this Memorandum.

Section 3. Modified Abatement Application Fee. If and to the extent the Applicant is submitting a request for a property tax abatement that is based upon a schedule other than the traditional tax abatement schedule, then the Applicant

acknowledges and agrees that Whitestown may require a fee in addition to the Application Fee (such additional fee the "Modified Abatement Application Fee"). The amount of the Modified Abatement Application Fee shall be determined by Whitestown in its sole discretion based upon all of the facts and circumstances regarding the requested property tax abatement (e.g., is Applicant seeking 100% abatement for 10 years or just a slight increase from the traditional abatement schedule). Payment of the Modified Abatement Application Fee shall be made within 14 days of notification in writing by Whitestown to the Applicant of the amount of such Modified Abatement Application Fee.

Section 4. Failure to Fee. Whitestown will not review or consider Applicant's Application until the Application Fee and, if applicable, the Modified Application Fee has been paid. In the event the Application is approved by Whitestown and Applicant fails to make timely payment of the Application Fee and, if applicable, Modified Application Fee to Whitestown in accordance with Sections 2 and 3 hereof, Applicant shall be deemed to be in noncompliance with its Application and Whitestown may take immediate action by resolution to rescind its approval of the Application. If Whitestown adopts such a resolution, any deductions approved by Whitestown for the Applicant shall not apply to the next installment of property taxes owed by Applicant or to any subsequent installment of property taxes.

Section 5. Payment of Fee. The Application Fee and, if applicable, the Modified Application Fee shall be payable by cash or check (payable to the Town of Whitestown, Indiana) delivered to the Clerk-Treasurer of Whitestown.

Section 6. Disclaimer of Liability. The parties recognize that Whitestown's authority is limited by and subject to certain statutory criteria, including but not limited to certain compliance and conditions precedent by Applicant, and that Whitestown provides no promises, covenants, guarantees, or warranties that the Applicant will receive the tax abatement designation or other property interests it seeks.

APPLICANT

Signed: 

Printed: ETIENNE VAN NIERKER

Its: GENERAL MANAGER

Address: 3811 PERRY BLVD

TOWN OF WHITESTOWN

Eric Miller, Town Council President

Exhibit A

Tax Abatement Application

Exhibit A

Tax Abatement Application

TOWN OF WHITESTOWN, INDIANA

APPLICATION FOR PERSONAL PROPERTY TAX ABATEMENT

Instructions and Procedures

Indiana state law requires that this application for personal property tax abatement and statement of benefits form (SB-1/PP) be submitted to the Town of Whitestown, Indiana (the "Town") prior to the initiation of the project. Additionally, final approval of the application must be obtained from the Town before starting the installation of the new manufacturing equipment, research and development equipment, logistical distribution equipment and/or information technology equipment, for which tax abatement is being requested.

The completed application, including all attachments and forms, and fees should be submitted to:

Town of Whitestown

Attn: Mr. Dax Norton, Town Manager

~~6320 South Cozy Lane~~, P.O. Box 325

Whitestown, Indiana 46075

Office: (317)732-4530

Mobile: (317)495-5864

Fax: (317)769-6871

E-Mail: dnorton@whitestown.in.gov

6210 S 700E

Prior to submitting the attached application to the Town, all questions must be answered as completely as possible and must be signed on the Statement of Benefits Form (SB-1/PP) and the last page of the application. Incomplete or unsigned applications will not be accepted as official filings. All applicants are encouraged to discuss the proposed project and tax abatement request with the Town Manager and/or the Presidents of the Whitestown Redevelopment Commission and Whitestown Town Council prior to filing their application.

Fees

A \$2,000 non-refundable application fee is required when making an application for real property tax abatement and is payable to the "Town of Whitestown" at the time of submission of the application (the "Application Fee"). In addition, if the applicant is submitting an application for a personal property tax abatement that does not conform with the traditional tax abatement schedule (a "Modified Abatement Schedule"), the applicant may be required to pay an additional fee (the "Modified Abatement Application Fee"). The amount of the Modified Abatement Application Fee will be determined by the Town in its sole discretion based upon all of the facts and circumstances (including the proposed Modified Abatement Schedule). Payment of the Modified Abatement

Application Fee shall be made within 14 days of notification in writing by Whitestown to the Applicant of the amount of such Modified Abatement Application Fee.

All companies requesting personal property tax abatement will be required to execute a Memorandum of Understanding with the Town prior to consideration of the tax abatement request, the form of which memorandum is included with this application.

Any requests for additional information or questions should be directed to the following:

Town of Whitestown
Attn: Mr. Dax Norton, Town Manager
6320 South Cozy Lane, P.O. Box 325
Whitestown, Indiana 46075
Office: (317)732-4530
Mobile: (317)495-5864
Fax: (317)769-6871
E-Mail: dnorton@whitestown.in.gov

Town of Whitestown, Indiana
Personal Property Tax Abatement Application
Project Questionnaire

1. Name of the company for which personal property tax abatement is being requested: TRU-FLEX, LLC.

2. State the name, title, address, telephone number and e-mail address of a company representative who may be contacted concerning this application:

Name and Title: ETIENNE VAN NIEKERK

Address: 3811 PERRY BLVD

Telephone: 317 503 9435

E-Mail Address: EVANNIEKERK@TRU-FLEX.COM

3. State the name, title, address, telephone number and e-mail address of a company representative responsible for filing the required annual compliance forms (Form CF-1) which will be used by the Town to determine if your company is compliant with the terms of the abatement application, including Form SB-1, and whether the abatement will continue or be terminated (the contact should be made aware of the compliance form's importance).

Name and Title: ETIENNE VAN NIEKERK

Address: 3811 PERRY BLVD.

Telephone: 317 503 9435

E-Mail Address: EVANNIEKERK@TRU-FLEX.COM

4. Location of property for which personal property tax abatement is being sought:

a) Street Address: 3811 PERRY BLVD.

b) Tax Parcel Number(s): 06-07-027-000-009.014-020

Attach a legal description and area map of the proposed project location.

* 5. What is the amount of the most recent assessment attributable to (this information is available on the most recent property tax form) the equipment at the project location:

0 no equipment currently

6. Has this project or tax abatement request been discussed with the President of the Whitestown Redevelopment Commission and/or President of the Whitestown Town Council? Yes No

7. Does your company currently conduct manufacturing operations, research and development, distribution and/or information technology research at this location? If so, how long has your company been at this location?
NO

8. Does your business have other operations in Indiana? If so, please list the location of the other operations. 2391 SOUTH STATE ROAD 263, WEST LEBANON, IN 47991

* 9. What is the size of the facility in which the equipment will be installed?

114,250 SQFT

* (10.) On a separate page, briefly describe the (i) product(s) manufactured, (ii) research and development conducted, (iii) the product distribution and/or (iv) the information technology conducted, by your company.

* (11.) On a separate page, briefly describe the equipment to be installed by your company at the project location.

12. Has the new equipment been installed (Please note that State statute requires applicants to delay installation until after abatement has been granted)?

Yes No

13. What is the anticipated date for installation to begin? JANUARY 2015

14. What is the anticipated date for project completion? APRIL 2015

15. Does the equipment being installed serve the same function as the equipment currently in place at the facility?

Yes No

a) If no, please describe the new functions to be performed by the new equipment:

CURRENTLY IT IS AN EMPTY WAREHOUSE. WE INTEND TO INSTALL MANUFACTURING EQUIPMENT AND DISTRIBUTION EQUIPMENT OVER THE NEXT FEW MONTHS.

b) What is the estimated value of the equipment to be purchased for which personal property tax abatement is being requested? \$ 400,000

16. Complete the following profile of the Company that will occupy the property for which tax abatement is being requested:

a) Number of current full time permanent hourly employees by skill level (include average hourly wage rate excluding benefits and overtime)

Skilled _____ Average hourly wage rate for skilled positions _____

Semi-skilled _____ Average hourly wage rate for semi-skilled positions _____

Clerical _____ Average hourly wage rate for clerical positions _____

Salaried 3 Average salary (per hour) for salaried positions \$50

TOTAL NUMBER OF EXISTING EMPLOYEES (permanent and full-time)

3

b) Number of current part-time hourly employees by skill level (include average hourly wage rate excluding benefits and overtime)

Skilled _____ Average hourly wage rate for skilled positions _____

Semi-skilled _____ Average hourly wage rate for semi-skilled positions _____

Clerical _____ Average hourly wage rate for clerical positions _____

TOTAL NUMBER OF EXISTING EMPLOYEES (part-time)

0

c) 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.) \$15

d) Summary of benefits for existing and new employees.

HEALTH INSURANCE, DENTAL, VISION, 401K
LIFE INSURANCE, SHORT/LONG TERM DISABILITY
EAP.

e) Number of created full-time permanent hourly employees by skill level (include average hourly wage rate excluding benefits and overtime)

Skilled 4 Average hourly wage rate for skilled positions \$15

Semi-skilled _____ Average hourly wage rate for semi-skilled positions _____



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (R3 / 12-13)

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

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, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction.
2. 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.
3. 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 March 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 March 1 and the extended due date of that year.
4. 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)
5. 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 Tru-Flex, LLC		Name of contact person Etienne van Niekerk						
Address of taxpayer (number and street, city, state, and ZIP code) 2391 South State Rd 263, West Lebanon, IN 47991		Telephone number (317) 503-9435						
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT						
Name of designating body Tru-Flex, LLC		Resolution number (s)						
Location of property 3811 Perry Blvd, Whitestown, IN 46075		County Boone						
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.) Trimmer, Body press, Sleeve Braid, Ring Spot Welder, Abrasive cut off, Swaging machine, Spot Welder, MIG welder, Grinder, Leak Tester, Engraving machine, QC gauges and fixtures, Packagin machine, Wet dust collector, Utility equipment, CAD and Quality labl equipment, Ware house racks and handling equipment.		ESTIMATED						
		START DATE	COMPLETION DATE					
		Manufacturing Equipment	01/01/2015	04/30/2015				
		R & D Equipment	01/01/2015	04/30/2015				
		Logist Dist Equipment	01/01/2015	04/30/2015				
IT Equipment	01/01/2015	04/30/2015						
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT						
Current number 3	Salaries \$50/hour	Number retained 3	Salaries \$50/hour					
		Number additional 4	Salaries \$22/hour					
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	0	0					
	Plus estimated values of proposed project	400,000	400,000					
	Less values of any property being replaced	0	0					
Net estimated values upon completion of project	400,000	400,000						
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER						
Estimated solid waste converted (pounds) _____		Estimated hazardous waste converted (pounds) _____						
Other benefits:								
SECTION 6		TAXPAYER CERTIFICATION						
I hereby certify that the representations in this statement are true.								
Signature of authorized representative 		Date signed (month, day, year) 12/4/2014						
Printed name of authorized representative Etienne van Niekerk		Title General Manager						

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. Installation of new manufacturing equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 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 \$ _____.

D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____.

F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____.

G. Other limitations or conditions (specify) _____

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 type="checkbox"/> Year 1 | <input type="checkbox"/> Year 2 | <input type="checkbox"/> Year 3 | <input type="checkbox"/> Year 4 | <input type="checkbox"/> Year 5 | (see below *) |
| <input type="checkbox"/> Year 6 | <input type="checkbox"/> Year 7 | <input type="checkbox"/> Year 8 | <input type="checkbox"/> Year 9 | <input 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 ()	Date signed (month, day, year)
Printed name of authorized member of designating body	Name of designating body	
Attested by: (signature and title of attester)	Printed name of attester	

* 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.