

RESOLUTION NO. 2016-43



**A RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF WHITESTOWN, INDIANA
APPROVING PERSONAL PROPERTY TAX DEDUCTIONS
IN WHITESTOWN ERA #2 UNDER INDIANA CODE 6-1.1-12.1**

DAIMLER TRUCKS NORTH AMERICA, 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 Nos. 2006-01 and 2006-03, declared an area which is a part of the Northeast Quarter of Section 26, Township 18 North, Range 1 East, commonly known as the AllPoints at Anson development, as an economic revitalization area and designated as the Whitestown ERA #2 (the "ERA #2"); and

WHEREAS, pursuant to Resolution No. 2009-26 of the Town, the term of ERA #2 was extended an additional ten (10) years with a termination date of January 1, 2020; and

WHEREAS, the Town Council has been advised by Daimler Trucks North America, LLC (the "Applicant") of the proposed installation of logistical distribution equipment including, but not limited to, warehouse racking, mezzanine for small parts storage, forklifts and IT/software/computer equipment (the "Project") at 4140 Anson Boulevard in the Town (the "Site"), all as more particularly described in the Abatement Application of the Applicant which is attached hereto as Exhibit A and incorporated herein by reference (the "Application"); and

WHEREAS, the Applicant anticipates increases in the assessed value of its personal property by reason of its Project and has requested a seventy percent (70%) personal property tax abatement for a period of seven (7) years with respect to such anticipated increases; and

WHEREAS, the Town Council has received from the Applicant 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 Boone County Commissioners (the "Commissioners") and the Commissioners have adopted or will adopt a resolution approving the Application (the "Commissioners' Resolution"); 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 seventy percent (70%) personal property tax deduction for the Project for a period of seven (7) 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 logistical distribution 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 logistical distribution equipment and other related 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 logistical distribution 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 logistical distribution equipment; and
- e. the totality of benefits is sufficient to justify the deductions.

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

- a. The Applicant 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
- b. The Applicant 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. This Resolution shall take effect upon its adoption, and shall entitle the Applicant to seventy percent (70%) deductions for personal property taxes for the Project as provided in Indiana Code 6-1.1-12.1-4.5 for a period of seven (7) years and in accordance with the following abatement schedule:

<u>Year</u>	<u>% of Assessed Value Exempt From Personal Property Taxes</u>
1	70%
2	70%
3	70%
4	70%
5	70%
6	70%
7	70%

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 logistical distribution equipment described in the Applicant's Form SB-1/PP.

ADOPTED this 24 day of August, 2016.



Handwritten signature of Eric Miller in black ink.

Eric Miller, President

Handwritten signature of Susan Austin in blue ink.

Susan Austin, Council Member

Handwritten signature of Clinton Bohm in blue ink.

Clinton Bohm, Council Member

Handwritten signature of Jeff Wishek in blue ink.

Jeff Wishek, Council Member

Handwritten signature of Kevin Russell in black ink.

Kevin Russell, Council Member

ATTEST:

Handwritten signature of Matt Sumner in black ink.

Matt Sumner, Clerk-Treasurer



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
6210 S 700 E
Room 500
Whitestown, Indiana 46075
Office: (317)732-4530
Mobile: (317)495-5864
E-Mail: dnorton@whitestown.in.gov

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" 30 days following the approval of the abatement (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 30 days of notification in

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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
6210 S 700 E
Room 500
Whitestown, Indiana 46075
Office: (317)732-4530
Mobile: (317)495-5864
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: Daimler Trucks North America, 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: Lincoln Herman, Real Estate Development

Address: 4555 N Channel Ave. Portland, OR 97217

Telephone: 503-745-8778

E-Mail Address: lincoln.herman@daimler.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: TBD

Address: _____

Telephone: _____

E-Mail Address: _____

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

a) Street Address: 4140 Anson Blvd. Whitestown, IN 46075

b) Tax Parcel Number(s): 06-07-26-000-001.023-019

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:

NA



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. No

9. What is the size of the facility in which the equipment will be installed?
283,500 square feet

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? 11/15/2016

14. What is the anticipated date for project completion? 1/31/2017

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:
N.A. This facility is to be constructed.



b) What is the estimated value of the equipment to be purchased for which personal property tax abatement is being requested? \$6,600,000.00

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 NA Average hourly wage rate for skilled positions _____

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

Clerical NA Average hourly wage rate for clerical positions _____

Salaried NA Average salary (per hour) for salaried positions _____

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

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

Skilled NA Average hourly wage rate for skilled positions _____

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

Clerical NA Average hourly wage rate for clerical positions _____

TOTAL NUMBER OF EXISTING EMPLOYEES (part-time)
NA

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.) _____

d) Summary of benefits for existing and new employees.
Company offers benefits. Can provide additional detail upon request.

e) Number of created 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 37 Average hourly wage rate for semi-skilled positions \$16.50



Clerical 3 Average hourly wage rate for clerical positions \$16,50

Salaried 5 Average salary (per hour) for salaried positions \$76,000

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

45

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

Skilled NA Average hourly wage rate for skilled positions _____

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

Clerical NA Average hourly wage rate for clerical positions _____

Salaried NA Average salary (per hour) for salaried positions _____

TOTAL NUMBER OF NEW EMPLOYEES (part-time)

NA

g) What is the total dollar amount to be spent on new salaries? \$1,700,000.00

h) Provide schedule for when new employee positions are expected to be filled.

New employee positions are expected to be filled in 2017.

17. On a separate page, please give a detailed description of what the impact on your business will be if the new equipment is not installed (e.g. loss of jobs, contract cancellations, loss of production, change in location, etc.).

18. What is the term of the tax abatement requested (maximum 10 years). 10

19. Attach a schedule of the proposed tax abatement percentages in each year (note, if the proposed tax abatement schedule is other than a traditional tax abatement schedule the Town may impose additional fees for consideration).

Example (note this is a traditional 10 year abatement schedule)

Year	% of Assessed Value Exempt From Personal Property Taxes
1	100%
2	95%
3	80%
4	65%
5	50%
6	40%

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7	30%
8	20%
9	10%
10	5%

20. Complete the following schedule concerning the proposed personal property taxes to be abated and include on a separate page the worksheets for calculating the figures provided below:

I. Projected Current Conditions Without Abatement

A. Current Annual Personal Property Taxes:	NA
B. Projected 10-Year Total:	<u>\$528,300.00</u>

II. Projected Conditions With Abatement

A. Projected 10-Year Personal Property Taxes:	<u>\$212,224.00</u>
B. Projected 10-Year Abatement:	<u>\$316,076.00</u>

III. Projected Total (Assumes Abatement Granted)

A. Total Amount Abated:	<u>\$316,076.00</u>
B. Total Taxes to be Paid:	<u>\$212,224.00</u>

Note: Attach Worksheets

21. Which approvals or permits will be required for the project?

- | | |
|-------------------------|------------------------|
| (a) zoning change | (e) variance |
| (b) annexation | (f) special exception |
| (c) plat approval -X | (g) building permit -X |
| (d) development plan -X | (h) other: _____ |

22. Will additional public infrastructure/facilities be required? If so, please explain in detail costs/funding source and schedule for construction.

None

23. For the proposed project, is the applicant requesting other incentives from the Town (e.g., tax increment financing, economic development revenue bond financing)? If so, please explain. No

24. Please describe any community involvement/contributions the applicant has provided in the past and/or expects to provide in the future.



_____ Daimler Trucks North America supports charitable programs and _____
_____ a broad array of community initiatives and dealer/customer causes. _____

25. Will local suppliers and contractors be used in the construction/operation of the proposed project? If so, please explain. Please see Supplemental Sheet. _____

26. Has the applicant previously been approved for economic development incentives from the Town (e.g., tax abatement, tax increment financing, economic development revenue bond financing)? If so, please explain and include information with respect to applicant's compliance with project representations made to the Town at the time the incentives were approved.
_____ No _____

27. Is the applicant current on all of its payment obligations to the Town and the County (e.g., property taxes, utility (gas, water, sewer, electric) fees (such as capacity fees, monthly services charges), guaranties on any debt obligations, etc.)?
_____ N.A. _____

28. Does the proposed project take advantage of any "green" technology to reduce adverse environmental impact? If so, please explain.
_____ Yes, White TPO Roof _____

CHECKLIST OF ATTACHMENTS:

- _____ Application Fee (\$1,000)
- _____ Completed Memorandum of Understanding
- _____ Completed Form SB-1/PP
- _____ Legal Description of Project Site
- _____ Area Map of Project Site
- _____ Description of (i) Product(s) Manufactured, (ii) Research and Development, (iii) Product Distribution and/or (iv) Information Technology Conducted, at Site
- _____ Description of Equipment to be Installed at Site
- _____ Description of Impact on Business if Equipment not Installed
- _____ Worksheets for Abatement Calculation



Daimler Trucks North America LLC

City of Whitestown - Personal Property Tax Abatement Application

Project Questionnaire - Supplemental Sheet:

10. This location is planned to be a parts distribution center.

11. Daimler Trucks North America will purchase and install warehouse racking, a mezzanine for small parts storage, computer/IT equipment, etc.

17. The equipment is an integral part of the operational success of this project: the facility will not be usable without it, so the project will not be pursued. Without this facility (or the required equipment), the planned employment of approximately 45 new people will not occur.

19. Daimler Trucks North America would use the traditional 10 year abatement schedule.

25. To the extent available, contractors that are headquartered in Boone County will be included as competitive bidders in the project.



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (R4 / 11-15)
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

- 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.
- 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.
- 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 January 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 January 1 and the extended due date of that year.
- 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)
- 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 Daimler Trucks North America LLC					Name of contact person Lincoln Herman						
Address of taxpayer (number and street, city, state, and ZIP code) 4555 N Channel Ave. Portland, OR 97217							Telephone number (503) 745-8000				
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT											
Name of designating body Whitestown							Resolution number (s)				
Location of property 4140 Anson Blvd, Whitestown, IN 46075				County Boone		DLGF taxing district number					
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.) Parts distribution center operating equipment including warehouse racking, mezzanine for small parts storage, forklifts, IT/software/computer equipment, etc.						ESTIMATED					
								START DATE		COMPLETION DATE	
						Manufacturing Equipment					
						R & D Equipment					
						Logist Dist Equipment		11/30/2016		01/31/2017	
IT Equipment		11/30/2016		01/31/2017							
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT											
Current number NA		Salaries NA		Number retained NA		Salaries NA		Number additional 45		Salaries \$1.7M/yr	
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							6,600,000				
Plus estimated values of proposed project											
Less values of any property being replaced											
Net estimated values upon completion of project											
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) 8/16/2016				
Printed name of authorized representative Lincoln Herman					Title Real Estate Development						

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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 _____ . NOTE: This question addresses whether the resolution contains an expiration date for the designated area.

B. The type of deduction that is allowed in the designated area is limited to:

- 1. Installation of new manufacturing equipment;
- 2. Installation of new research and development equipment;
- 3. Installation of new logistical distribution equipment.
- 4. Installation of new information technology equipment;

- Yes No
- Yes No
- Yes No
- Yes No

Enhanced Abatement per IC 6-1.1-12.1-18
Check box if an enhanced abatement was approved for one or more of these types.

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)

D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)

F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)

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:

- Year 1 Year 2 Year 3 Year 4 Year 5
- Year 6 Year 7 Year 8 Year 9 Year 10

Enhanced Abatement per IC 6-1.1-12.1-18
Number of years approved: _____
(Enter one to twenty (1-20) years; may not exceed twenty (20) years.)

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 Eric Miller	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.