

GREENWOOD COMMON COUNCIL

RESOLUTION NO. 17-26

A RESOLUTION DECLARING A CERTAIN AREA WITHIN THE CITY OF GREENWOOD AN ECONOMIC REVITALIZATION AREA AND QUALIFYING CERTAIN REAL AND PERSONAL PROPERTY IMPROVEMENTS FOR PROPERTY TAX ABATEMENT AND SETTING THE TIME AND PLACE FOR A PUBLIC HEARING (SCANNELL PROPERTIES #309 LLC/NEWGISTICS, INC.)

WHEREAS, the City of Greenwood, Indiana, recognizes the need to stimulate growth and maintain a sound economy within its corporate limits;

WHEREAS, the Greenwood Common Council further recognizes that it is in the best interest of the City of Greenwood to provide incentives to stimulate investment within the community;

WHEREAS, Ind. Code § 6-1.1-12.1 *et. seq.* provides for a program of real property tax abatement and personal property tax abatement within “economic revitalization areas” (“ERAs”) and provides for the adoption of such a program;

WHEREAS, the Greenwood Common Council desires to establish such an ERA within the City of Greenwood;

WHEREAS, a certain area located at 1715 Collins Road, in the City has become undesirable for, or impossible of, normal development and occupancy because of a 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 prevented a normal development of property or use of property, and the property has been adjacent to a commercial area without developing for a number of years;

WHEREAS, Scannell Properties #309, LLC (“Scannell Properties”) owns the real estate described and shown in composite Exhibit A, attached hereto and incorporated herein, and intends to redevelop said real estate as the term is contemplated by Ind. Code § 6-1.1-12.1(5) and requests an economic revitalization area designation;

WHEREAS, Scannell Properties intends to develop the real estate described and shown on composite Exhibit A for lease by Newgistics, Inc. (“Newgistics”) in its distribution operations;

WHEREAS, the City of Greenwood Redevelopment Commission (“Commission”), on March 8, 2016 by Resolution No. 2016-04, designated an area within the City’s corporate boundaries as an Economic Development Area (“EDA”) as defined in Ind. Code § 36-7-14 and designated the portion of the EDA as an allocation area as defined in Ind. Code § 36-7-14-39;

WHEREAS, Greenwood Common Council tax abatement approval procedure provides that when property is located in an ERA and is also located in an allocation area, an application for property tax deduction as provided by Ind. Code § 6-1.1-12.1 may not be approved unless the Redevelopment Commission, who designated the allocation area, adopts a resolution approving the application for property tax deduction;

WHEREAS, the real estate described in composite Exhibit A, is located in the EDA area designated in Commission Resolution No. 2016-04;

WHEREAS, the Commission reviewed and approved the Application by Resolution No. 2017-14 on September 12, 2017, attached hereto as Exhibit B and incorporated herein;

WHEREAS, Scannell Properties intends to invest approximately \$19,800,000 in the economic revitalization area to construct a new facility to support Newgistics’ distribution business, and which building will create additional employment positions and additional payroll;

WHEREAS, Newgistics intends to invest approximately \$16,100,000 in logistical

distribution equipment to support the growth of the company's distribution business, which will create additional employment positions and additional payroll;

WHEREAS, Scannell Properties and Newgistics filed their Statement of Benefits Real Estate Improvements (SB-1 / Real Property) and Statement of Benefits Personal Property (SB-1 / PP) with the City of Greenwood and submitted its Application for Property Tax Abatement, which are attached hereto as part of composite Exhibit A on August 22, 2017; and

WHEREAS, the Greenwood Common Council has reviewed Scannell Properties' Statement of Benefits Real Estate Improvements (SB-1 / Real Property) form and Newgistics' Statement of Benefits Personal Property Improvements (SB-1 / PP) form and been otherwise duly advised in the premise;

NOW, THEREFORE, BE IT RESOLVED BY THE GREENWOOD COMMON COUNCIL THAT:

Section 1. The area legally described and shown on the attached composite Exhibit A is found to be an area within Greenwood Common Council jurisdiction and meets the statutory criteria of an Economic Revitalization Area.

Section 2. The area legally described and shown on the attached composite Exhibit A is hereby declared an Economic Revitalization Area.

Section 3. The Greenwood Common Council hereby determines that it is in the best interests of the City to allow deductions under Ind. Code § 6-1.1-12.1-3 on the real estate improvements described and shown in composite Exhibit A, within the said Economic Revitalization Area based on the following findings:

(1) The estimate of the value of the redevelopment is reasonable for projects of that nature.

(2) 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 described redevelopment.

(3) The estimate of the annual salaries of the individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment.

(4) The number of individual opportunities for employment, both temporary and permanent, and the compensation to be paid to employees, along with the value of the acquisition and construction of improvements, create benefits of the type and quality anticipated by the Greenwood Common Council and can reasonably be expected to result from the proposed described redevelopment.

(5) The totality of benefits is sufficient to justify the deductions.

Section 4. The Greenwood Common Council hereby determines that it is in the best interests of the City to allow deductions for Newgistics under Ind. Code § 6-1.1-12.1-4.5 on the new machinery and equipment described in composite Exhibit A, within the said Economic Revitalization Area based on the following findings:

(1) The estimate of the cost of the new equipment and personal property is reasonable for equipment and property of that type;

(2) 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 installation of the new equipment and personal property; and

(3) 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 installation of the new equipment and personal property;

(4) The totality of benefits is sufficient to justify the deductions.

Section 5. The application of Scannell Properties for Real Property Tax Abatement and Statement of Benefits Real Estate Improvements (Form SB-1 / Real Property) for the development of the real estate and the application of Newgistics for Personal Property Tax Abatement and Statement of Benefits Personal Property Improvements (SB-1 / PP) as submitted are hereby approved.

Section 6. Scannell Properties shall be entitled to the deductions provided by Ind. Code § 6-1.1-12.1-3 for a period of ten (10) years with respect to the real property improvements according to the following schedule:

Year 1: 100%	Year 6: 40%
Year 2: 95%	Year 7: 30%
Year 3: 80%	Year 8: 20%
Year 4: 65%	Year 9: 10%
Year 5: 50%	Year 10: 5%

Newgistics shall be entitled to the deductions provided by Code § 6-1.1-12.1-3 with respect to the personal property improvements according to the following schedule:

Year 1: 100%	Year 6: 50%
Year 2: 90%	Year 7: 40%
Year 3: 80%	Year 8: 30%
Year 4: 70%	Year 9: 20%
Year 5: 60%	Year 10: 10%

Both of which are developed in compliance with the projections and plans set forth in composite Exhibit A.

Section 7. In partial consideration of the value of the property tax deductions granted to Scannell Properties by the City, Scannell Properties hereby agrees and commits to not file any real property tax assessment appeal, review, or other challenge (“Appeal”) of the real property tax assessments made for the Real Estate during the time periods for which real property tax deductions are authorized under this Resolution, unless the assessed value of the Real Estate exceeds the total actual investment in the Real Estate (including, but not limited to, the purchase price and the costs of any improvements). In the event the Scannell Properties desires to file such an Appeal, the Scannell Properties shall provide the City with a copy of the Appeal no later than the date the Scannell Properties files the Appeal. Violation of the restrictions on and conditions applicable to an Appeal shall permit the City to terminate the property tax deductions authorized under this Resolution.

Section 8. Two (2) copies of the ERA map, are on file in the Office of the Clerk of Greenwood, Indiana and the Common Council directs the Clerk to maintain for public inspection the two (2) copies in the files of the Clerk.

Section 9. Notice of the adoption and the substance of this Resolution and all other disclosures required by Ind. Code § 6-1.1-12.1-2.5 shall be published in accordance with Ind. Code § 5-3-1, which notice shall advise that at the Greenwood Common Council’s regularly scheduled meeting on October 16, 2017 at 7:00 p.m., the Council will receive and hear all remonstrance and objections from interested persons, and, having heard and considered same, will act to rescind, modify and confirm, or confirm this Resolution.

Section 10. A copy of the above-referenced notice of adoption and a statement containing substantially the same information as the Statement of Benefits Real Estate Improvements and Statement of Benefits Personal Property included in composite Exhibit A shall be filed with the officers of each taxing unit that has authority to levy property taxes in the geographic area which is hereby allowed deductions at least ten (10) days prior to the public hearing on this Resolution.

Section 11. A copy of this Resolution shall be filed with the Johnson County Assessor’s Office and made available at that office for public inspection.

Section 12. The sections, paragraphs, sentences, clauses, and phrases of this Resolution are separable, and if any phrase, clause, sentence, paragraph or section of this Resolution shall be declared unconstitutional, invalid or unenforceable by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality, invalidity, or unenforceability shall not affect any of the remaining phrases, clauses, sentences, paragraphs and section of this Resolution.

Remainder of This Page Intentionally Left Blank

Adopted by the Common Council of Greenwood, Indiana, this 2nd day of October 2017.

Michael Campbell
Michael Campbell, President
Greenwood Common Council

FOR:

AGAINST:

Linda S. Gibson Linda S. Gibson

Ezra J. Hill Ezra J. Hill

Bruce Armstrong Bruce Armstrong

Ronald Bates Ronald Bates

J. David Hopper J. David Hopper

David Lekse David Lekse

Michael Campbell Michael Campbell

Brent Corey Brent Corey

Charles Landon Charles Landon

ATTEST:

Jeannine Myers
Jeannine Myers, Clerk

The foregoing Resolution passed by the Common Council of the City of Greenwood, Indiana, on the 2nd day of Oct., 2017, is presented by me this 3rd day of Oct, 2017, at 12:30 o'clock P.m. to the Mayor of the City of Greenwood.

Jeannine Myers
Jeannine Myers, Clerk

The foregoing Resolution passed by the Common Council of the City of Greenwood, Indiana, on the 2nd day of October, 2017, is signed and approved by me this 4th day of , 2017, at 7:00 o'clock A.m. to the Mayor of the City of Greenwood.

Mark W. Myers
MARK W. MYERS, Mayor of the City of
Greenwood, Indiana

Property Description

- (a) Give general description, location, address, etc.
 - a. The development of the Newgistics building will be completed on one parcel located immediately East of Collins Road (aka North 250 East) and South of Allen Road.
 - b. Parcel number is 41-05-02-044-031.000-030
 - c. Please see attached exhibit A
- (b) Attach copy of legal description(s)
 - a. Legal Descriptions of the parcel 41-05-02-044-031.000-030 is SE S2 T13 R4
 - b. Please see attached exhibit A
- (c) Attach area map – identify nearby landmarks/street
 - a. Please see attached exhibit A

Submission Checklist

- 1. Application Form Completed and Signed _____
- 2. Legal Description of Property _____
- 3. Area Map of Property _____
- 4. Recent Annual Report (or equivalent) _____
- 5. Statement of Benefits Form _____
- 6. Financial Worksheets No. 1 and No. 2 _____
- 7. Summary of Tax and Abatement Projections _____

EXHIBIT A

Location of Parcel

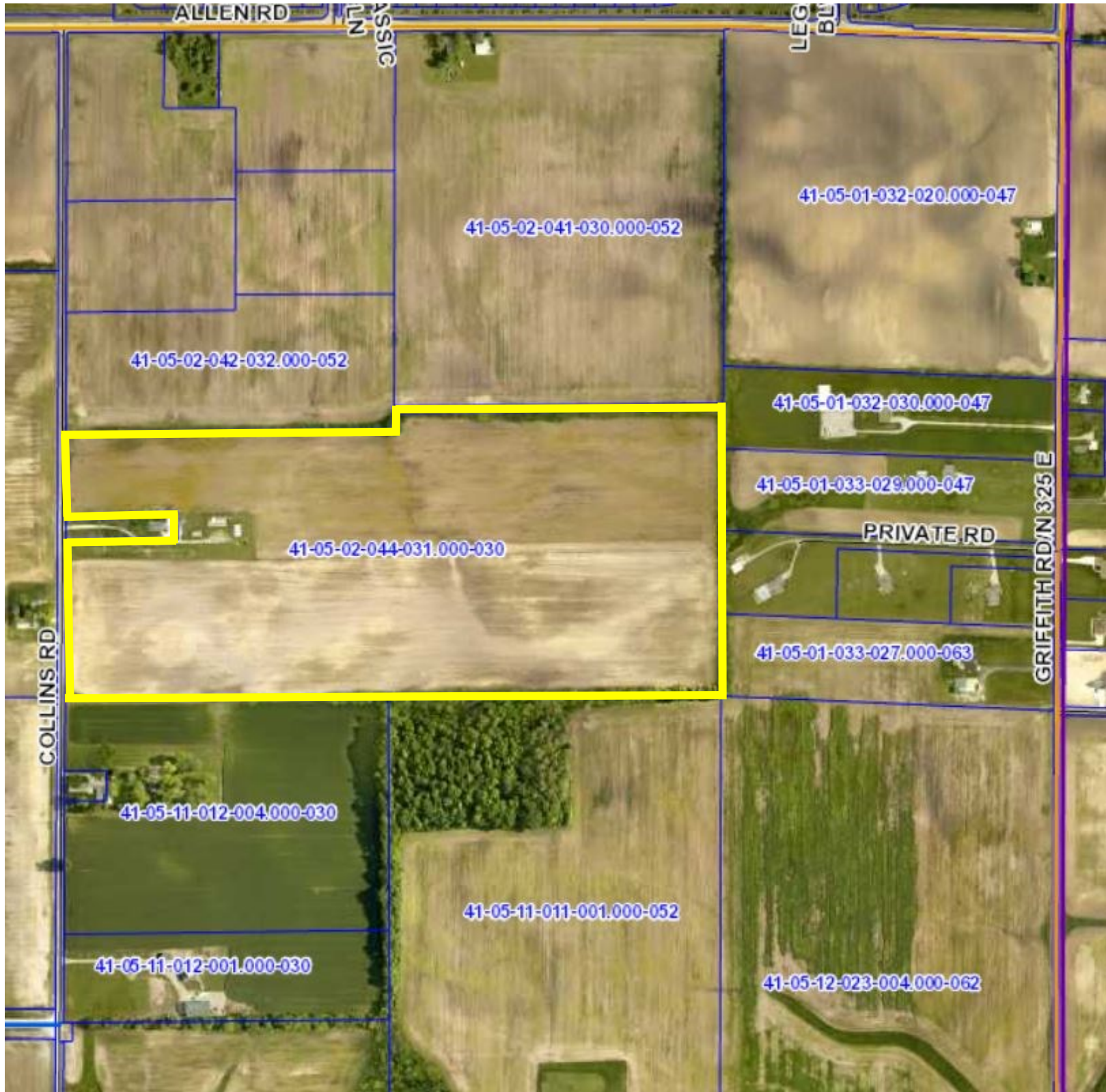


EXHIBIT A

Proposed Site Plan

