

## RESOLUTION NUMBER 11-06

### RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF WESTFIELD, INDIANA REGARDING CERTAIN TAX ABATEMENT DEDUCTIONS FOR INDIANA MILLS & MANUFACTURING, INC.

**WHEREAS**, pursuant to Indiana Code 6-1.1-12.1-1, *et. seq.* (the “Act”), the City of Westfield, Indiana (the “City”) by and through its Common Council acting in its capacity as the fiscal body of the City and acting as the designating body identified in the Act (the “Council”) has the right and opportunity to abate the payment of real property taxes for real estate located within an area declared by the Council to be an Economic Revitalization Area and to also abate the payment of personal property taxes within the Economic Revitalization Area;

**WHEREAS**, pursuant to the Act, the Council may find that a particular area within the jurisdiction of the City is an Economic Revitalization Area and may by adoption of a resolution declare such area to be an Economic Revitalization Area which resolution must be confirmed, modified, or rescinded;

**WHEREAS**, the Council adopted its Resolution Number 97-12 (the “Declaratory Resolution”) on September 8, 1997 pursuant to the Act declaring the area whose boundaries are located within the corporate boundaries of the City commonly known as 18881 United States Highway 31 North, Westfield, Indiana more particularly described in Exhibit A (the “Area”) attached hereto and made a part hereof which is also shown on the map attached hereto as Exhibit B and made a part hereof as an Economic Revitalization Area in which property owners making application to the City pursuant to the Act subsequently approved by this Council pursuant to the Act may receive real property tax abatement and/or personal property tax abatement pursuant to the applicable procedures of the Act;

**WHEREAS**, the Council, after following all applicable procedures of the Act, took final action adopting Resolution Number 97-13 (the “Confirmatory Resolution”) on October 13, 1997 confirming the Declaratory Resolution, thereby establishing an Economic Revitalization Area.

**WHEREAS**, Indiana Mills & Manufacturing, Inc. (the “Applicant”) has filed with this Council a Statement of Benefits, Personal Property (Form SB-1/PP) (“Form SB-1”) which describes the proposed project (the “Project”) to be installed by the Applicant, in order to receive personal property tax abatement for the Project;

**WHEREAS**, the Project includes the installation of new research and development equipment consisting of a test sled, rollover machine, and associated equipment in the Applicant’s manufacturing facility located in the Area which will be utilized by the Applicant in its manufacturing operations located in the Area;

**WHEREAS**, this Council has reviewed the Form SB-1;

**WHEREAS**, the improvement of the Area will be of public utility and will be to the benefit and welfare of the citizens and taxpayers of the City.

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF  
THE CITY OF WESTFIELD, INDIANA AS FOLLOWS:**

**SECTION I.** The proposed Project will be located in the Area which has been confirmed as an economic revitalization area pursuant to the Act.

**SECTION II.** Based upon the information in the Form SB-1, this Council makes the following findings:

- (1) The estimate of Two Million, Eight Hundred Thousand Dollars (\$2,800,000) as the value of the new research and development equipment to be installed is reasonable for projects of that nature.
- (2) The estimate of twenty (20) individuals whose employment will be retained can be reasonably expected to result from the proposed Project.
- (3) The estimate of One Million Eighteen Thousand Six Hundred and Seventy One Dollars (\$1,018,671) for the aggregate annual salaries of those individuals whose employment will be retained can be reasonably expected to result from the proposed Project.
- (4) The estimate of hiring ten (10) new individuals who will be employed can be reasonably expected to result from the proposed Project.
- (5) The estimate of Five Hundred Thousand Dollars (\$500,000) for the aggregate annual salaries of those individuals who will be employed can be reasonably expected to result from the proposed Project.
- (6) The other benefits about which information has been presented to this Council are benefits that can be reasonably expected to result from the proposed Project.

- (7) The totality of benefits is sufficient to justify the granting of personal property tax abatement to the Applicant through the deduction provided by the Act.

**SECTION III.** The Form SB-1 submitted by the Applicant is approved.

**SECTION IV.** Personal property tax deductions for the Project are hereby approved. The period for personal property tax deductions under the Act for the Project shall be seven (7) years utilizing such schedule provided in the Act provided, however, the effectiveness of the designation may be terminated by this Council in accordance with the Act.

**SECTION V.** Pursuant to the Act, the Council shall cause to be filed a certified copy of this Resolution with the Hamilton County Auditor.

**SECTION VI.** This Resolution shall be in full force and effect immediately upon its adoption.

THE REMAINDER OF THIS PAGE IS BLANK INTENTIONALLY

ADOPTED AND PASSED THIS 14<sup>TH</sup> DAY OF MARCH 2011, BY THE  
WESTFIELD COMMON COUNCIL, HAMILTON COUNTY, INDIANA.

WESTFIELD COMMON COUNCIL

**Voting For**

**Voting Against**

**Abstain**

\_\_\_\_\_  
John Dippel

\_\_\_\_\_  
John Dippel

\_\_\_\_\_  
John Dippel

\_\_\_\_\_  
Steven Hoover

\_\_\_\_\_  
Steven Hoover

\_\_\_\_\_  
Steven Hoover

\_\_\_\_\_  
Robert L. Horkay

\_\_\_\_\_  
Robert L. Horkay

\_\_\_\_\_  
Robert L. Horkay

\_\_\_\_\_  
Kenneth Kingshill

\_\_\_\_\_  
Kenneth Kingshill

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Kenneth Kingshill

\_\_\_\_\_  
Robert J. Smith

\_\_\_\_\_  
Robert J. Smith

\_\_\_\_\_  
Robert J. Smith

\_\_\_\_\_  
Thomas Smith

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Thomas Smith

\_\_\_\_\_  
Thomas Smith

\_\_\_\_\_  
Robert W. Stokes

\_\_\_\_\_  
Robert W. Stokes

\_\_\_\_\_  
Robert W. Stokes

ATTEST:

\_\_\_\_\_  
Cindy J. Gossard, Clerk-Treasurer

I hereby certify that RESOLUTION 11-06 was delivered to the Mayor of Westfield  
on the \_\_\_\_\_ day of \_\_\_\_\_, 2011, at \_\_\_\_\_ m.

\_\_\_\_\_  
Cindy J. Gossard, Clerk-Treasurer

I hereby APPROVE Resolution 11-06  
this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
J. Andrew Cook, Mayor

I hereby VETO Resolution 11-06  
this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
J. Andrew Cook, Mayor

This resolution prepared by:  
Deanne Ludwig  
Community Development Department  
City of Westfield

EXHIBIT A

Legal Description of Area

Commonly Known as 18881 United States Highway 31, Westfield, Indiana

Tract 1:

A part of the Southwest Quarter of Section 30, Township 19 North, Range 4 East, located in Washington Township, Hamilton County, Indiana, being bounded as follows:

Beginning at the Northeast corner of the West half of the Southwest Quarter of Section 30, Township 19 North, Range 4 East, said corner being monumented by a stone; thence South 01 degrees 02 minutes 45 seconds East (assumed bearing) 1,249.08 feet along the East line of the West half of said Southwest Quarter; thence South 89 degrees 24 minutes 15 seconds West 1,147.23 feet (measured: 1,145.98 feet prior deed) to the East right-of-way line of Old State Road 31; thence North 00 degrees 45 minutes 21 seconds West 348.37 feet (measured: 350.05 feet prior deed) along the East right-of-way line of Old State Road 31 to the Easterly right-of-way line of (new) State Road 31 said point being on a non-tangent curve concave to the West and being South 85 degrees 05 minutes 44 seconds East 5,816.58 feet from the radius point of said curve; thence Northerly 412.19 feet along the Easterly right of way line of (new) State Road 31 and along said curve to a point being South 89 degrees 09 minutes 21 seconds East 5,816.58 feet from the radius point of said curve, said point also being the Southwest corner of a 4.326 acre tract of land described in instrument number 420 and recorded in deed record 297 page 764 in the records of Hamilton County, Indiana; thence North 89 degrees 14 minutes 39 seconds East 453.19 feet (measured: 452.26 feet prior deed) along the South line said 4.326 acre tract of land to it's Southeast corner; thence North 01 degree 12 minutes 44 seconds West 450.49 feet along the East line of said 4.326 acre tract of land to it's Northeast corner and the Southerly right of way line of 191<sup>st</sup> Street; thence North 82 degrees 42 minutes 30 seconds East 170.35 feet along the Southerly right of way line of 191<sup>st</sup> Street to an iron pipe found; thence North 00 degrees 18 minutes 21 seconds West 15.56 feet (measured: 14.74 feet prior deed) to the North line of the West half of said Southwest quarter; thence North 89 degrees 09 minutes 11 seconds East 495.90 feet (measured: 496.27 feet prior deed) along the North line of the West half of said Southwest quarter to the point of beginning. Containing 27.185 acres more or less.

Tract 2:

A part of the West half of the Southwest Quarter of Section 30, Township 19 North, Range 4 East, located in Washington Township, Hamilton County, Indiana, more particularly described as follows:

Commencing at the Northeast corner of said half quarter section; thence South 89 degrees 09 minutes 55 seconds West on and along the North line of said half quarter section 496.27 feet; thence South 00 degrees 40 minutes 29 seconds East 14.74 feet to a point on the southerly right-

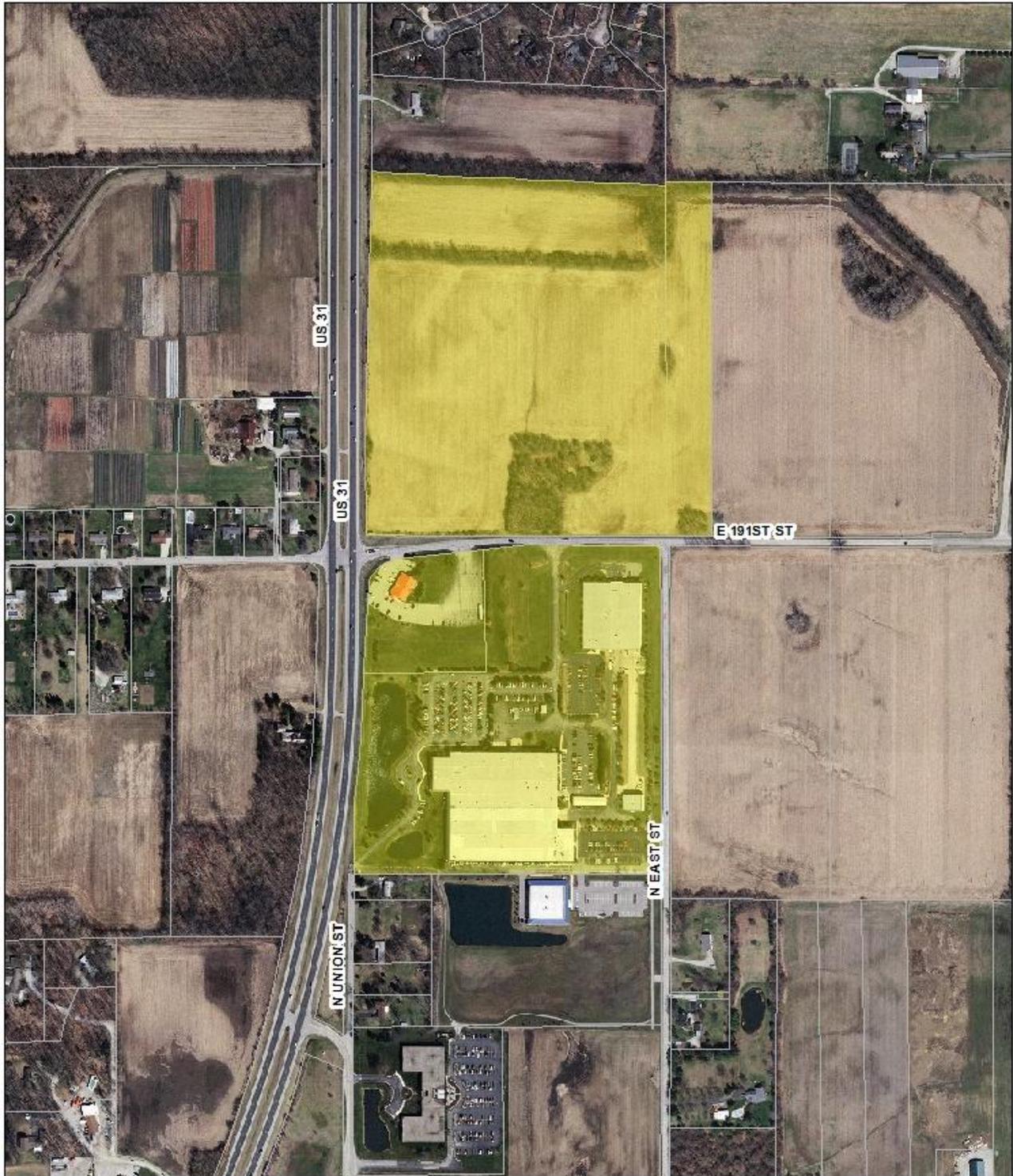
of-way line of 191<sup>st</sup> Street; thence South 82 degrees 44 minutes 34 seconds West on and along said southerly right-of-way line 170.35 feet to the POINT OF BEGINNING of this description; thence South 01 degrees 10 minutes 40 seconds East 450.49 feet; thence South 89 degrees 11 minutes 00 seconds West 452.26 feet to a point on the easterly right-of-way line of S.R. #31 as presently located and established, said point also being a point on a curve to the left, the radius point of said curve being North 89 degrees 13 minutes 06 seconds West 5816.65 feet from said point; thence northerly along said curve and said easterly right-of-way line 162.25 feet to the point of tangency of said curve, the radius point of said curve being South 89 degrees 11 minutes 00 seconds West 5816.65 feet from said point; thence North 00 degrees 49 minutes 00 seconds West on and along said easterly right-of-way line 166.7 feet; thence North 40 degrees 40 minutes 53 seconds East 105.42 feet to a point on the southerly right-of-way line of 191<sup>st</sup> Street; thence North 82 degrees 44 minutes 34 seconds East on and along said southerly right-of-way line 379.71 feet to the place of beginning, containing 4.36 acres more or less.

Tract 3:

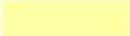
A part of the Northwest Quarter of Section 30, Township 19 North, Range 4 East located in Washington Township, Hamilton County, Indiana, being described as follows:

Beginning at a mag nail on the South line of the Northwest Quarter of Section 30, Township 19 North, Range 4 East, said point of beginning being North 89 degrees 47 minutes 37 seconds West (assumed bearing) 1126.98 feet from a P.K. nail at the Southeast corner of said Northwest Quarter; thence North 89 degrees 47 minutes 37 seconds West 1316.40 feet to a 5/8" iron rod with yellow cap stamped S0083 at the point of intersection of the South line of said Northwest Quarter and the Easterly right-of-way line of U.S. Highway #31; the following 5 courses are on and along said Easterly right-of-way line: (1.) thence North 00 degrees 09 minutes 26 seconds East 594.16 feet to a 5/8" iron rod with yellow cap stamped S0083; (2.) thence North 00 degrees 44 minutes 59 seconds East 483.33 feet to an existing right-of-way marker; (3.) thence North 00 degrees 09 minutes 26 seconds East 286.70 feet to a 5/8" iron rod with yellow cap stamped S0083; (4.) thence South 89 degrees 50 minutes 34 seconds East 15.00 feet to a 5/8" iron rod with yellow cap stamped S0083 (5.) thence North 00 degrees 09 minutes 26 seconds East 16.41 feet to a 5/8" iron rod with yellow cap stamped S0083 on the North line of a 36.28 acre tract of real estate described in instrument 9508920; thence South 87 degrees 08 minutes 56 seconds East 1091.15 feet on and along said North line to a 5/8" iron rod with yellow cap stamped S0083 on the West line of the West fractional one-half of the Northwest Quarter of Section 30, Township 19 North, Range 4 East; thence North 00 degrees 03 minutes 05 seconds East 4.90 feet to a 5/8" iron rod with yellow cap of said Northwest Quarter; thence South 89 degrees 51 minutes 07 seconds East 204.00 feet on and along the North line of the Southeast Quarter of said Northwest Quarter to a 5/8" iron rod with yellow cap stamped S0083; thence South 00 degrees 03 minutes 05 seconds West 1335.36 feet to the point of beginning. Containing 40.788 acres, more or less.

EXHIBIT B



**Legend**

-  Economic Revitalization Area (Resolution 97-12)
-  Parcels





# STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R / 1-06)

Prescribed by the Department of Local Government Finance

RECEIVED

FEB 17 2011

*per*

FORM SB-1 / PP

### PRIVACY NOTICE

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

#### 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. "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)
- Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, **BEFORE** a deduction may be approved
- 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. 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.
- Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
- The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001. For equipment installed prior to March 2, 2001, the schedules and statutes in effect at the time shall continue to apply. (IC 6-1.1-12.1-4.5(f) and (g))

SECTION 1 TAXPAYER INFORMATION								
Name of taxpayer Indiana Mills & Manufacturing, Inc.								
Address of taxpayer (number and street, city, state, and ZIP code) 18881 US Hwy 31 N, Westfield, Indiana 46074								
Name of contact person Dick Quirin				Telephone number (317) 896-9531				
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT								
Name of designating body Westfield Common Council				Resolution number (s)				
Location of property CAPE Facility, 18881 US Hwy 31 N, Westfield, IN 46074			County Hamilton	DLGF taxing district number 015				
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)  Research & Development and support equipment for the expansion of the reseach and testing capabilities of IMMI's Center for Advanced Product Evaluation (CAPE), see exhibit B.					ESTIMATED			
							START DATE	COMPLETION DATE
					Manufacturing Equipment			
					R & D Equipment		02/01/2011	12/31/2012
					Logist Dist Equipment			
IT Equipment								
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT								
Current number 20	Salaries 1,018,671.00	Number retained 20	Salaries 1,018,671.00	Number additional 10	Salaries 500,000.00			
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		8,129,249.00	1,478,587.49				
	Plus estimated values of proposed project		2,800,000.00	1,120,000.00				
	Less values of any property being replaced		0.00	0.00				
Net estimated values upon completion of project			10,929,249.00	2,598,587.49				
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 <i>Dick Quirin</i>			Title Chief Financial Officer		Date signed (month/day/year) 02/16/2011			

**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 on or after July 1, 2000, is allowed for:

- |                                     |                                      |  |
|-------------------------------------|--------------------------------------|--|
| <input type="checkbox"/> 1 year     | <input type="checkbox"/> 6 years     | ** For ERA's established prior to July 1, 2000, <u>only</u> a 5 or 10 year schedule may be deducted. |
| <input type="checkbox"/> 2 years    | <input type="checkbox"/> 7 years     |  |
| <input type="checkbox"/> 3 years    | <input type="checkbox"/> 8 years     |  |
| <input type="checkbox"/> 4 years    | <input type="checkbox"/> 9 years     |  |
| <input type="checkbox"/> 5 years ** | <input type="checkbox"/> 10 years ** |  |

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	Date signed (month, day, year)
Attested by:	Designated body	

\* 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 6-1.1-12.1-4.5

## Section 2: Description of Proposed Project and

### CAPE Expansion Plans – Establish IMMI Technology Center

1. **The expansion will increase testing and development activity by more than doubling our current levels.** It will enable CAPE to expand and grow testing markets, which will include:
  - **Motorsports Industry .** This project is coming at the same time IEDC and the Governor has initiated a plan to make the Indiana the motorsports capital.
  - **Automotive Industry (Mostly Niche Players)** This project will allow us to provide large OEM quality testing to smaller niche players who are developing new and alternative auto technology and designs. This is also part of the IEDC initiative.
  - **Aerospace Industry.** Our testing center will be capable of doing work for this industry.
  - **Defense Industry.** Expand our testing to do unique military requirements.
  - **Legal Defense Industry.** Expand our services to our current and new customers.
2. **Our Goal is that the new testing capabilities will lead to new high tech products which can be manufactured in Westfield.**
3. **Create a Technology Center that will be World Class where R&D work is done.** It will be a place where businesses, universities and others come to have testing and research done that will help in product development.
4. **IMMI will be the only independent lab with these capabilities**
5. **Help transform IMMI and our employee base** from being manufacturing driven to a technology center with the manufacture of high tech products.

## Section 4: Estimate Cost

### Research and Development Equipment

The expansion is based upon adding a “**reverse firing/catapult type sled**” and the related R&D equipment. This will enable us to improve the pulse accuracy of our testing, which is required by many customers including the Heavy Truck Industry and NASCAR. This is also required to expand our testing to the Motor Sports Industry, which at this time we will be the only testing facility to offer this service.

The total project cost will be approximately \$3,500,000 of which \$2,800,000 will be for equipment. The remaining cost is for building modifications, relocating certain test equipment including the rollover machine, infrastructure and maintenance/service contracts.

Following is a summary of the project cost of \$2,800,00 for R&D and related equipment for this project for which a tax abatement for 7 years is requested.

Test Sled – Seattle Safety Servo Sled  
SESA Servo Sled Reaction Block (Delta)  
Overhead lighting  
Webber Thermal Chambers  
MTS Sintech Tensile Machine  
Linear Impactor with Gantry Crane  
Quasi-static Load test Center  
Rollover Machine  
Testing Equipment upgrades  
Security System  
Electrical, HVAC and equipment related building modifications

### **Section 3: Estimate of Employees and Salaries**

The CAPE center, a division of IMMI, will be adding about 10 new employees for the CAPE expansion for the next 3 years. Some of them have already been hired to lead this project. The hiring will be for high tech jobs, which leads to a higher wage base.

The indirect benefits from the expansion include

- **New product developments that can lead to new high tech products** which can be manufactured in Westfield and enables IMMI to fully utilize its' facilities.

IMMI manufacturing operations continue to be challenged to meet the demands of our customers and to be price competitive. At times this has required us to move manufacturing operations closer to our customers and set up operations in China and Mexico. Thus, this project is all the more important to IMMI to fully utilize its facilities and to create a World Class Technology Center for testing services and product development.

- **Create our Technology Center to also be an R&D Center for Universities.**  
We currently do a few test for universities, but we believe our expanded test sled will attract and bring more request to IMMI. Again helping make this a technology center where research is taking place and professionals including those from the educational arena are coming to do their work.

- **Additional purchases of test equipment** will be required once our expanded test center is completed and to manufacture new products should they be developed by CAPE and the R&D staff.
- This will **promote Westfield and IMMI as the place to go for advanced technology and R&D for the vehicle industry**, whether it be the industries we serve, or for cars, racing , etc.

## **The Expansion will Help Promote Westfield**

### **Cape brings in visitors from around the U.S. and the world to our community.**

Currently we have visitors from conferences at the convention center in Indy coming to us. An example of this was on Dec 1<sup>st</sup> when the IMIS convention was held. At this event we gave each visitor a copy of the Westfield brochure which promotes our city and community.

**We want IMMI and specifically CAPE to be a show case for Westfield**

## **Tax Abatement Request**

CAPE, a division of IMMI, hereby request an abatement from property taxes for 7 years for equipment purchased for the CAPE expansion project of \$2,800.000 during the period February 1, 2011 to December 31, 2012, as outlined in this Statement of Benefits.