

RESOLUTION NO. 27-110

RESOLUTION APPROVING DEDUCTION FROM ASSESSED VALUE
OF NEW MANUFACTURING EQUIPMENT IN AN ALREADY DECLARED
ECONOMIC REVITALIZATION AREA
(Keihin Aircon North America)

WHEREAS, the Indiana General Assembly has enacted a statute, I.C. 6-1.1-12.1 (the "Act"), authorizing certain deductions from the assessed value of new manufacturing equipment (as defined in the Act) for purposes of taxation of such equipment if installed during the period beginning March 1, 1983 and ending December 31, 2017, or such other date as extended by Indiana Code, in an area that is declared an economic revitalization area; and

WHEREAS, Keihin Aircon North America, will install new manufacturing equipment at its plant located at 4400 N. Superior Dr., Muncie, Indiana, 47303 during the above-described period; and

WHEREAS, by previous resolutions this Common Council declared and affirmed that the area commonly described as 4400 N. Superior Dr., which is identified on the attached map and legal description (the "Area"), is an economic revitalization area, which authorized deductions from assessed value of new manufacturing equipment, installed in the area for purposes of taxation.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Muncie, Indiana:

1. The Common Council finds and determines that the new manufacturing equipment to be installed in the above described area by Keihin Aircon North America shall be allowed a deduction for five (5) years from the assessed value of such equipment, in accordance with the provisions of I.C. 6-1.1-12.1-4.5.

2. The Clerk shall take such further actions as may be required by Ordinance No. 31-97, and other applicable ordinances and laws, to carry out the purposes of this Resolution and to insure the eligibility of the new manufacturing equipment for the deduction hereinabove described.

3. This Resolution shall be in full force and effect from and after its passage by the Common Council and its approval by the Mayor of the City of Muncie, Indiana and such publications as may be required by law.

4. It is understood that Keihin Aircon North America is responsible for following all annual state and local filing requirements regarding this abatement to assure receipt of the abatement per the applicable five (5) year schedule.

	Yeas	Nays	Abstained	Absent
Doug Marshall	_____	_____	_____	_____
Nora Powell	_____	_____	_____	_____
Lynn Peters	_____	_____	_____	_____
Dan Ridenour	_____	_____	_____	_____
Brad Polk	_____	_____	_____	_____
Julius Anderson	_____	_____	_____	_____
Jerry Dishman	_____	_____	_____	_____
Alison Quirk	_____	_____	_____	_____
Linda Gregory	_____	_____	_____	_____

Passed by the Common Council of the City of Muncie, Indiana this _____ day of _____ 2016

 Jerry Dishman, President
 City Council, City of Muncie

The above resolution is approved (vetoed) by me this _____ day of _____, 2016 .

 Dennis Tyler, Mayor
 City of Muncie, Indiana

ATTEST:

 Melissa Peckinpugh, City Clerk

This Resolution is proposed by Norah Powell 11/17/16
Council Member

This Resolution is approved in form by [Signature]
Legal Counsel

Keihin Aircon North America
4400 N. Superior Dr.
Muncie, IN 47303

APPLICATION FOR TAX ABATEMENT
New Manufacturing Equipment

This completed application, including a map identifying the general location of the facility, should be signed by the owner (or representative) of the new manufacturing equipment and submitted to:

Muncie City Council
c/o Traci Lutton, Vision 2016
P.O. Box 842
Muncie, IN 47308-0842
PH: 765.751.9126
Please type or print.

Date: 10/20/2016 Name of Company: KEITH AIRCON NORTH AMERICA
Address of Property: 4400 N. SUPERIOR DR., MUNCIE IN 47303
Township: DELAWARE
Is legal description attached? Yes _____ No
Property Owner (s): KEITH NORTH AMERICA.
Name _____ Name _____
Address 2701 ENTERPRISE DR. Address _____
ANDERSON IN 46013

Owner's Representative:

Name PETER STAWICK Telephone 765-215-8108
Address 4400 N. SUPERIOR DR. MUNCIE IN 47303

Is property / facility served by adequate utilities?

Yes No _____

Are present utilities adequate for new equipment?

Yes No _____

If not, please explain:

Briefly describe the use of the new equipment and its purchase price: _____

MANUFACTURE AUTOMOTIVE INTAKE MANIFOLDS.

PURCHASE PRICE: \$ 9,082,579

Tax Assessment and Payment:

Amount of last business personal property assessment: \$ PP \$ 5,359,240. REAL \$ 2,698,500.

Amount of last business personal property taxes: \$ PP \$ 136,202 REAL \$ 85,244

(Please attached a copy of your latest paid tax receipts to this form)

APPLICATION FOR NEW MANUFACTURING EQUIPMENT TAX ABATEMENT - PAGE 2

Total number of employees currently working for the company: 193
 Number of Minorities: 22; Number of Females: 55; Number of Disabled: 22

What percentage of employees are Delaware County Residents? 73.7 %

Number of new employees to be added as a result of abatement : 110 Actual (+-) jobs _____

Fringe Benefits: Health Insurance (Y or N) Y; % paid by employer: 95; % paid by employee: 5

401K Pension: (Y or N) Y; % paid by employer: 50% 100% 1st 3% 3-6% % paid by employee: _____

Wage Package: Starting Wage: \$ *20.44; High Wage: \$ *46.47; Average Wage: \$ *25.65

*INCLUDES COMPANY PROVIDED BENEFITS. LIGHT MANUFACTURING.
 Job skill of new employees / entry level skill: _____

Current average expected wage for jobs resulting from abatement (range): \$ 20.44 / HR.

Number of jobs retained as a result of this project: 110

I hereby certify that the information and representations on this application are true and complete.

PETER STAWICK [Signature] KAC ACCTG MGR. 10/20/2016.
 Name Title Date

NOTICE: Your signature above indicates that you are aware that you must annually file both form CF-1 (Compliance with Statement of Benefits), and Form 322 ERA/PP (Application for Deduction from Assessed Valuation) by the dates indicated on the forms in order to actually receive your tax deduction.

The amount of the deduction equals the product of the taxes on the newly installed manufacturing equipment multiplied by the following percentages:

1 st year	100%
2 nd year	95%
3 rd year	80%
4 th year	65%
5 th year	50%
6 th year and thereafter	0%

To be eligible for the abatement, the equipment must be installed during the period beginning March 1, 1983 and ending December 31, 2016 or such other date as extended by Indiana code. The equipment must be used in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining or finishing of other tangible personal property.

A non-refundable fee of one hundred fifty dollars (\$150.00) payable to the **Muncie City Clerk** is required of applicants for filing of applications for designation of economic revitalization areas and for tax abatement in already approved areas.



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (R2 / 12-11)
Prescribed by the Department of Local Government Finance

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:

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. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to 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
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 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)
5. The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001, unless an alternative deduction schedule is adopted by the designating body (IC 6-1.1-12.1-17).

SECTION 1 TAXPAYER INFORMATION	
Name of taxpayer KEITH AIRCON NORTH AMERICA	
Address of taxpayer (number and street, city, state, and ZIP code) 4400 N. SUPERIOR DR. MUNCIE IN 47303	
Name of contact person PETER STAWICK	Telephone number 765-215-8108

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT			
Name of designating body KEITH AIRCON NORTH AMERICA	Resolution number (s)		
Location of property 4400 N. SUPERIOR DR. MUNCIE IN 47303	County DELAWARE	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) MANUFACTURE AUTOMOTIVE INTAKE MANIFOLDS.	ESTIMATED		
		START DATE	
		COMPLETION DATE	
	Manufacturing Equipment	SEP 2015	JAN 2017
	R & D Equipment		
Logist Dist Equipment			
IT Equipment			

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 110	Salaries 5,778,378	Number retained	Salaries	Number additional	Salaries

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								
Plus estimated values of proposed project								
Less values of any property being replaced								
Net estimated values upon completion of project	9082579							

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		
PETER STAWICK. I hereby certify that the representations in this statement are true.		
Signature of authorized representative <i>(Signature)</i>	Title KAC ACCTG MGR.	Date signed (month, day, year) 10/20/2016.

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 ** | |

I. Did the designating body adopt an alternative deduction schedule per IC 6-1.1-12.1-17? Yes No
If yes, attach a copy of the alternative deduction schedule to this form.

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

EQUAL EMPLOYMENT OPPORTUNITY

STATEMENT

The undersigned company agrees to comply with Executive Orders 11246 and 11478, and the rules, regulations and relevant orders of the Secretary of Labor. No segregated facilities will be maintained on said company's premises as required by Title VI of Civil Rights Act of 1964. Furthermore, the undersigned company attests to and agrees to the following policies regarding equal employment opportunity and affirmative action:

There will be no discrimination against any employee or applicant for employment because of race, religion, color, age sex, handicap, or national origin.

Affirmative action will be taken to ensure that applicants are employed and that employees are treated during employment with out regard to their race, religion, color, age sex, handicap, or national origin.

All qualified applicants will receive consideration for employment without regard to race, religion, color, age sex, handicap, or national origin.

There will be no discrimination against any employee or applicant for employment because he or she is a disabled veteran or a veteran of the Vietnam Era in regard to any position for which the employee or applicant for employment is qualified.

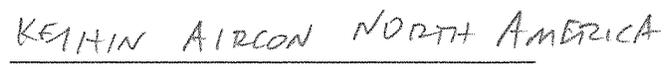
Affirmative action will be taken to treat qualified disabled veterans and veterans of the Vietnam Era without discrimination based upon their disability or veteran status.

The company further agrees to post in conspicuous places, available to both employees and applicants for employment, notices to be provided setting forth the provisions of these non-discriminating clauses and policies.

The previous policies will be adhered to in such employment practices as hiring, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

PETER STAWICK
 KAC ACCTS MGR.

Name/Title

KEITH AIRCON NORTH AMERICA


Company Name

8/1/2016.

Date



Cash History

Prepared: 8/1/2016 02:01 PM

DELAWARE COUNTY | Report ID: 3041 | Tax Year: 2015 Payable 2016

Current Owner: KEIHIN AIRCON NORTH AMERICA INC

Owner of Record for 2015 Payable 2016: KEIHIN AIRCON NORTH AMERICA INC

Parcel: 07-33-251-005.000-003

REAL

***** SPRING *****				***** FALL *****					
Charge	Unpaid	Paid/AC	Batch/AC/Payee/Check#	Line	Date	Paid/AC	Batch/AC/Payee/Check#	Line	Date
15/16 Spring Tax	\$39,911.99	\$0.00	C:10102SD/KEIHIN AIRCON NORTH AMERICA, INC./Ch#115602	155	04/15/2016				
15/16 Spring Dich: 084 - WHITE RIVER NORTHWEST	\$20.00	\$0.00	C:10102SD/KEIHIN AIRCON NORTH AMERICA, INC./Ch#115602	155	04/15/2016				
Spring SA Base: SW16008410	\$2,700.00	\$0.00	C:10102SD/KEIHIN AIRCON NORTH AMERICA, INC./Ch#115602	155	04/15/2016				
Fall SA Base: SW16045623	\$2,700.00	\$2,700.00							
15/16 Fall Tax	\$39,911.99	\$39,911.99							
Totals	\$85,243.98	\$42,611.99				\$42,631.99			

Excess/Future Pay/MISC Payments	Transaction Description	Seq Num	Date	Transaction Amount
				\$0.00

Totals