



TOWN OF PITTSBORO, INDIANA APPLICATION FOR PROPERTY TAX ABATEMENT

The Town of Pittsboro welcomes your company and your interface with the Town. If during the process of filling out this document you have any questions, please contact the Town and we will be happy to assist you.

MAKING ECONOMIC DEVELOPMENT WORK FOR ALL!!

SPECULATIVE BUILDING **OWNER OCCUPIED** **LEASED**

This Application for Property Tax Abatement for real and/or personal property (“Application”), a Statement of Benefits Form (SB-1 RP/PP), and an Application for Declaration of an Economic Revitalization Area must be submitted to the Town of Pittsboro Council prior to the initiation of the project. The first meeting is required with the Economic Development Commission (“EDC”) in which the EDC will review and score the application based upon information provided. The EDC will provide a recommendation to the Town of Pittsboro Council. Final approval of this Application by the Town of Pittsboro Council is required prior to commencing construction of the real property improvement covered by this Application.

All questions must be answered as completely and accurately as possible and must be signed on the last page of this Application and the Statement of Benefits Form (SB 1) (s). An incomplete or unsigned Application will not be accepted. All Applicants are encouraged to discuss the proposed project and tax abatement request with the Town of Pittsboro Town Manager prior to filing their Application.

FEES

Applicant agrees to pay a Non-refundable Application Fee of \$1500.00 which is required to be paid at the time for the filing of the Application. Checks should be made payable to the Town of Pittsboro Treasurer and mailed to the Town of Pittsboro at 80 North Meridian Street, P.O. Box 185, Pittsboro, IN 46167. The Applicant’s request for tax abatement will NOT be heard by the Town of Pittsboro Council until the Application Fee has been received.

Applicant further agrees to the Economic Development Agreement and the provisions of that agreement. Any questions regarding the Economic Development Agreement should be sent to Jason Love, Town of Pittsboro, Town Manager.

Applicant further agrees that if the proposed development changes by twenty-five percent (25% in square footage) or more, the Applicant will re-file this application with updated new information and supply a new declaratory resolution to be considered. No filing fee required.

For Speculative Buildings the developer will agree that an annual update is required directly with the Town. This will include an update as soon as the building is leased. After one-year from the date of completion, if the building is not sold or leased, the annual update will include the reason the building has not been sold or leased.

COMPLIANCE SECTION

The owner will be required to file a standard CF1 each year and the Town will annually review compliance with the original Statement of Benefits (SB1).

Please note the actual abatement will commence the 1st year that new improvements are assessed on the property.

An applicant acknowledges that final approval of this application by the Town of Pittsboro Council is required prior to commencing construction of the real property improvement covered by this application.

Applicant further agrees to not file an assessment appeal for the duration of the abatement unless the assessed value increases by at least 5%. The 5% rule will not apply to increases due to new construction with the issuance of a new construction permit.

Appendices A and B shall be prepared by the applicant's accountant or a qualified property tax representative.

Any questions or requests for additional information should be directed to the Town of Pittsboro's Town Manager whose contact information is set forth below.

The Town Manager or Town Clerk-Treasurer or Members of Pittsboro EDC will ensure the following checklist items have been completed prior to the Town EDC meeting in which the Applicant is scheduled to appear:

- Completed Application
- Payment of Non-Refundable Fee
- SB-1 Application(s) (State Requirement for Abatement)
- Calculation of estimated property taxes with and without abatement

Applications, including all attachments forms and fees must be submitted to Town Hall. Applications shall be sent via mail or delivered in person to:

By Mail:

**Town of Pittsboro
P.O. Box 185
Pittsboro, IN 46167**

In Person:

**Pittsboro Town Hall
80 North Meridian Street
Pittsboro, IN 46167**

PROJECT QUESTIONNAIRE

Tax abatement request:

Real Property (RP) Speculative Building
Personal Property

1. Name of the company for which tax abatement is being requested:

2. Are you interested in a traditional schedule based upon your score? Yes No

*If no, please note the schedule you are requesting and reason for the differentiating schedule.

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

Name: _____

Address: _____

Telephone: _____ Email: _____

4. Location of property for which real estate tax abatement is being sought

Street Address: _____

Parcel Tax Number: _____

5. Is this project an addition to an existing building or new construction? _____

If the project is an addition to an existing building, is the current structure receiving tax.

YES NO if so, how many years are left on current abatement? _____

6. What is the square footage of the facilities to be constructed? _____

7. Appearance of the project. Attach a legal description and an aerial map of the proposed project location and briefly describe the construction qualities (frame type, exterior finish, etc.) of the proposed improvement. Attachment of the rendering is required.

8. Type of Business:

Warehouse/Distribution Research /Development

Information Technology Manufacturing

If manufacturing, what type of product is produced? _____

Speculative building

If built on speculation, have you identified potential tenants? _____

9. What is the anticipated date for construction to commence? _____

What is the anticipated date for construction to be completed? _____

10. What are the estimated improvement values of the project? _____

11. In addition to real property improvements, will Applicant also invest in any new personal property? If so, what is the expected annual amount by year?

Additional Incentives

12. *Do you wish to seek additional incentives or assistance regarding this project?

Yes or No

***See Appendix A for additional criteria to support requests.**

ANSWER QUESTIONS 13 - 16 BELOW
ONLY IF THE FACILITIES COVERED BY THIS APPLICATION
WILL BE OCCUPIED BY THE APPLICANT

WAGES

13. Number of existing full-time permanent hourly employees by skill level. (Exclude benefits and overtime)

Skilled	_____	Average hourly wage rate	_____
Semi-Skilled	_____	Average hourly wage rate	_____
Clerical	_____	Average hourly wage rate	_____
Salaried	_____	Average salary (per hour) wage rate	_____

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

14. Number of new full-time permanent hourly employees by skill level. (Exclude benefits and overtime)

Skilled	_____	Average hourly wage rate	_____
Semi-Skilled	_____	Average hourly wage rate	_____
Clerical	_____	Average hourly wage rate	_____
Salaried	_____	Average salary (per hour) wage rate	_____

TOTAL number of NEW employees (permanent and full-time): _____

TOTAL annual dollar amount to be spent on NEW salaries: _____

TOTAL annual dollar amount spent on EXISTING salaries: _____

Timeline to hire NEW employees: _____

Expected percentage of employees to LIVE in Pittsboro: _____

BENEFITS

15. Approximate value of benefits for existing and new employees per hour basis. (e.g., benefits value per hour basis in addition to wage) New _____ Existing _____

Health Insurance Dental Insurance Life Insurance Vision Insurance
Retirement Program Training / Tuition Reimbursement

Note: If this project is a Speculative Building, please estimate wages. The Town will review the abatement once a tenant is determined.

OTHER

16. Please indicate any additional ways the Town can assist the Entity.

COMPLIANCE

I understand that if this request for property tax abatement is granted that I may be required to respond to a mandatory annual review to measure compliance with the project description, job creation and retention figures (and associated salaries), investment, and other information contained in the final resolution authorizing the property tax abatement. I also acknowledge that failure to achieve investment, job creation, retention and salary levels contained in the final resolution may result in a loss of tax abatement deductions and may result in the repayment of tax abatement savings received.

Applicant will certify under oath that all information and documentation provided is true and correct and Applicant acknowledges that failure or refusal to provide such information and documentation when requested may result in the loss of the tax abatement deduction.

I HEREBY AFFIRM, UNDER THE PENALTIES FOR PERJURY, THAT THE ABOVE AND FOREGOING REPRESENTATIONS ARE TRUE.

Signature of Owner or Authorized Representative: _____

Printed Name / Title: _____

Date: _____

REVIEWED AND APPROVED:

SIGNATURE

Printed Name/Pittsboro EDC President

Date

SIGNATURE

Printed Name/Pittsboro Town Council President

Date

**PRINCIPLES AND GUIDELINES
FOR CONSIDERATION OF
PROPERTY TAX ABATEMENT
IN PITTSBORO, INDIANA**

PRINCIPLES

These principles are factors and considerations for evaluating applications for Economic Revitalization Areas and Tax Abatement and will be used in determining the length of abatement within each category.

1. Firms receiving tax abatement are expected to give local construction firms and local suppliers of goods and services the opportunity to do business whenever possible.
2. Firms that create a technology-based product or service or use advanced technology in manufacturing will be given a higher priority.
3. The number of jobs retained and/or created per dollar of investment will be an important consideration.
4. The level of wages and benefits will be an important consideration for all applications.
5. Projects that will require variances or special exceptions will require additional review.
6. Adverse environmental impacts will negatively affect the consideration of abatement.
7. Any need for additional public infrastructure or other additional public support for the project will be considered in determining the length of the abatement. Support of additional infrastructure will be considered as a local incentive to the company applying.
8. The time period of depreciation of equipment (“pool” used for personal property tax return) will be considered in the length of abatement for equipment.
9. Economic Revitalization Areas (ERAs) designated by the Pittsboro Town Council for Personal Property will include a Memorandum of Understanding that may provide for the repayment to the Town of all or a portion of the tax savings realized through the designation in the event that the ERA is terminated because the property is removed from the Town.
10. Please refer to Indiana Personal Property Tax Return IT-103.

GUIDELINES

Projects will be considered for abatement only if the proposed new investment is at least \$1 million and development has not begun and/or equipment has not been ordered or the equipment will be new to the State of Indiana. In addition, if the applicant is not the owner, authorization of the application must be obtained from the owner.

The length of the abatement period for real property and personal property will be considered by the guidelines in the categories below:

6-10 Years

Manufacturing/Real Estate Improvement

Technology Based/Real Estate Improvement

Enterprise Information Technology Equipment (IC 6-1.1-10-44)

3-7 Years

Manufacturing Equipment (tangible personal property used in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property)

Research and Development Equipment (tangible personal property such as laboratory equipment, research and development equipment, computers and computer software, telecommunications equipment, or testing equipment)

Logistical Distribution Equipment (tangible personal property such as racking equipment, scanning or coding equipment, separators, conveyors, forklifts or lifting equipment, transitional moving equipment, packaging equipment, sorting and picking equipment, or software for technology used in logistical distribution)

Information Technology Equipment (tangible personal property that consists of equipment, including software, used in the fields of information processing, office automation, telecommunication facilities and networks, informatics, network administration, software development and fiber optics)

Office/Real Estate Improvements

TAX ABATEMENT APPLICATION SCORE SHEET
To Be Completed by Pittsboro EDC

Company Name: _____ Application Date: _____

Project Description: _____

PROJECT COMPOSITION: POINTS

3 points possible - use only the applicable scenario with the highest point value

Personal Property Improvements	1
Real Property Improvements	1
Personal Property and Real Property Improvements	2

SCORE _____

ACTIVITY DETAIL: POINTS

5 points possible - if more than one scenario applies, use only the scenario with the highest point value.

Research/Development	6
Industrial/Manufacturing	5
Warehousing/Distribution	4
Speculative Building	3
Commercial Development (non retail)	2
Tourism Retail	1

SCORE _____

TOTAL CAPITAL INVESTMENT: POINTS

5 points possible

\$6 Million or greater	5
\$3 Million to \$5.999 Million	4
\$1.5 Million to \$2.999 Million	3
\$0.5 Million to \$1.4999 Million	2
\$Under \$0.4999	1

SCORE _____

JOB RETENTION:**POINTS****5 points possible - Only full-time positions qualify (use only the highest scenario)5 points possible**

1-9 retained jobs	1
10-19 retained jobs	2
20-29 retained jobs	3
30-49 retained jobs	4
50 or more retained jobs	5

SCORE _____**NEW JOB CREATION:****POINTS****5 points possible - Only full-time positions qualify (use only the highest scenario)**

Job creation	1
5-9 new jobs	1
10-19 new jobs	2
20-29 new jobs	3
30-49 new jobs	4
50 or more new jobs	5

SCORE _____**AVERAGE WAGE:****POINTS****5 points possible - utilizing current living wage as benchmark**

Current living wage	1
1.25 times current living wage	2
1.50 times current living wage	3
1.75 times current living wage	4
2 times current living wage	5

SCORE _____

Living wage for 2 adult 1 child family at https://livingwage.mit.edu/counties/18063ng_wage_calculator-living_wage_calculation_for_Hendricks_County,_Indiana

COMMUNITY INVOLVEMENT POINTS:

POINTS

The Redevelopment Commission and the Pittsboro Council will look favorably on companies that are involved in the Pittsboro Community. For projects that do not quite make the 10 or 15 point limit, the Redevelopment Commission and the Town Council may consider the past community involvement of an existing company or proposed community involvement of a new company. A borderline project can be awarded one point for voluntary labor involvement in a community project and/or one point for financial support of a community project. Community projects include projects associated with the Town, schools, United Way, seniors, youth center, day care, etc. Involvement in these projects must be documented.

Voluntary Labor	1
Financial Support	1

SCORE _____

TOTAL PROJECT SCORE _____

Projects score 15 or more points are those most beneficial to the Town. These projects will be considered for abatements up to 7 years on personal property and up to 10 years on real estate improvements.

Projects scoring 10 points or more provide some benefit to the Town. These projects shall be considered for abatement up to 3 years on personal property and up to 6 years on real estate improvements.

Projects scoring less than 10 points are not eligible for abatement utilizing these criteria and scoring system.

* Before an abatement time period is approved, the applicant must demonstrate that the depreciated life of the improvement is greater than the abatement period. The applicant must also show the eventual realized tax benefit to the community using the current tax rate.

Abatement schedule should be as follows:

10 years: Real Property 100, 90, 80, 70, 60, 50, 40, 30, 20, 10

10 years: Personal Property 100, 90, 80, 70, 60, 50, 40, 30, 20, 10

APPENDIX A

Optional Supportive Documents to Aid Abatement Request

If an applicant is not interested in a traditional abatement schedule or seeking additional incentives or assistance, the following items may be requested to support their request.

1. A Cost-Benefit Analysis for each proposed redevelopment project for which Abatement is required.

The following factors will be considered and analyzed for each project. Applicants for the Abatement **must include** information about their projects, addressing each of these considerations, and may be asked to provide additional information as a part of the analysis.

1. Tax shifts resulting from the approval of the use of funds pursuant to Indiana Code.
2. Public infrastructure and community public service needs impacts and local tax impacts arising from projects receiving incentives.
3. Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project.
4. Impacts on employers and employees within the Town and the immediate area that are located outside of the boundaries of the area of the redevelopment project; and
5. Any other impacts determined by the authority to be relevant to the consideration of costs and benefits arising from the redevelopment project.

2. Development Financing Plan: Total Project Sources and Uses of Funds and Discussion on Final Valuation
3. 3 Year Pro Forma – Profit/Loss and Cash Flow Statements (CONFIDENTIAL)
4. Preliminary Commitment Letter(s) for Financing and/or Equity, with Loan Terms

NOTE: The developer must agree to a minimum assessed value or minimum tax payments.

APPENDIX B

ABATEMENT ATTACHMENT CHECKLIST

- a. Project Narrative
 - i. Detailed Project Description
 - ii. Site & Land Use Plan(s)
 - iii. Zoning Changed, if Applicable
 - iv. Public Improvements
 - v. Historical Status, if Applicable
- b. Construction Budget, with Itemized (Estimated) Public Improvements
- c. Development Schedule or Timeline (this information will be implemented into the “Abatement Agreement”)
- d. Statement of Need – ROI Analysis with and without Abatement
- e. Employment and Residential Unit Mix Information, if Applicable
- f. Alta Survey and Legal Description, if Applicable
- g. Documentation of Ownership or Site Control (Ex: Copy of Purchase Contract, Warranty Deed, or Town Records)
- h. Organization Documentation (ex: Corporation, LLC, Partnership)