

*Real Estate
Personal
2/20/07
2/27/08*

RESOLUTION NO. 2006-17

FILED
CITY CLERK-TREASURER
JUL 11 2006
SHELDON L. MEYERHOLTZ

A RESOLUTION APPROVING A DEDUCTION FROM ASSESSED VALUATION FOR MANUFACTURING EQUIPMENT AND FROM ASSESSED VALUATION FOR REDEVELOPMENT OR REHABILITATION IN AN ECONOMIC REVITALIZATION AREA AND THE CONTINUING DESIGNATION OF AN ECONOMIC REVITALIZATION AREA

WHEREAS, the City Council of Shelbyville, Indiana (the "Council") recognizes the need to stimulate growth and to maintain a sound economy within the corporate limits; and

WHEREAS, Indiana Precision Forge, LLC ("IPF") is the owner of certain land and improvements (the "Real Estate") within Shelby County, Indiana and located in the City of Shelbyville; and

WHEREAS, said Real Estate was designated an Economic Revitalization Area in 1996 under Resolutions No. 1996-11 and No. 1996-12; and

WHEREAS, the Council has previously granted to IPF tax abatements for the Project described in said Resolutions; and

WHEREAS, IPF has complied with the Statement of Benefits filed for said abatements; and

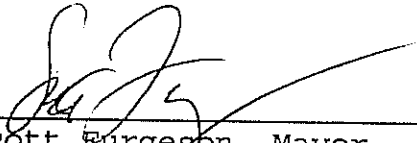
WHEREAS, IPF has filed new Statements of Benefits, State Forms 51764 and 51767, along with certain other information requested by the Council (collectively, the "Statements of Benefits") and requested tax abatement for manufacturing equipment to be installed at IPF on said Real Estate and further has requested tax abatement for certain redevelopment or rehabilitation on said Real Estate (the "Project"); and

BE IT RESOLVED that, based upon a review of the Statement of Benefits (State Form 51767), the Common Council finds: (i) the estimate of the value of the redevelopment or rehabilitation of the Project is reasonable for projects of that nature; (ii) that 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 redevelopment or rehabilitation; (iii) that 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 redevelopment or rehabilitation; (iv) that the other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed redevelopment or rehabilitation; and (v) that the totality of benefits is more than sufficient to justify the award of property tax abatement deductions for the Project.

BE IT FURTHER RESOLVED by the Council that the Real Estate which is located at 302 Northbrook Drive, Shelbyville, Shelby County, Indiana, is hereby confirmed as and found to be an Economic Revitalization Area and IPF as Owner of the Real Estate shall be entitled to a deduction from the assessed value for a period of ten (10) years as to new manufacturing equipment pursuant to IC 6-1.1-12.1-4.5 and to a deduction from the assessed value of the Real Estate for such redevelopment and rehabilitation described in the Project for a period of ten (10) years pursuant to IC 6-1.1-12.1-3.

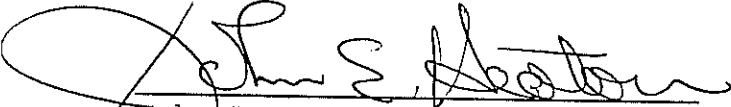
BE IT FURTHER RESOLVED that the Council, pursuant to IC 6-1.1-12.1-11.3 waives non-compliance with those provisions set forth in IC 6-1.1-12-1-11.3(a).

ADOPTED this 17th day of July, 2006.




Scott Furgeson, Mayor
City of Shelbyville

Kim Owens



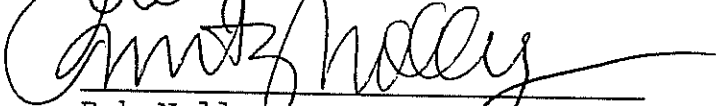
John Heaton



David Phares II




Jeff Sponsel



Rob Nolley

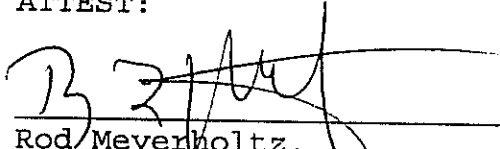


Tamara Sullivan



Dick Fero

ATTEST:



Rod Meyerkoltz,
City-Clerk Treasurer

FILED
CITY CLERK-TREASURER
JUL 11 2006
RODNEY L. MEYERHOLTZ

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JUL 11 2006
CITY CLERK-TREASURER
FILED

APPLICATION FOR TAX ABATEMENT

The undersigned hereby requests the City of Shelbyville, Indiana for Tax Abatement and, in support of such request, shows said Council as follows:

1. Owner's Name: Indiana Precision Forge, LLC
2. Owner's Address: c/o Peter G. DePrez
24 E. Polk, P.O. Box 718
Shelbyville, IN 46176
3. Name of person, firm, association, partnership or corporation intending to lease or buy owner's real estate if designated as an economic revitalization area: N/A
4. Legal description and commonly known address of property previously designated as economic revitalization area:

Common Address: 302 Northbrook Drive, Shelbyville, IN 46176
Description attached hereto as "Exhibit A".
5. A map and plat are attached hereto as "Exhibit B".
6. Current zoning of area: GI.
7. Will rezoning or variance be required? No.
8. 2005 assessed valuation of land: \$267,800
Improvements: \$2,546,500
2005 assessed value of personal property and of manufacturing equipment: \$4,790,350
9. Amount of property taxes payable during 2006:
Real Estate \$29,671.59 per half
Personal Property \$16,387.97 per half
10. Describe in detail the anticipated redevelopment or rehabilitation: See attached "Exhibit C".
11. Date project will begin: Summer of 2006.
Completion date: Fall of 2007.
12. Estimated cost of redevelopment or rehabilitation: \$206,861.00

13. Additional municipal services necessitated by the project: None

14. Description of new manufacturing equipment: See "Exhibit D".

15. Estimated cost of new manufacturing equipment: \$3,433,124.00.

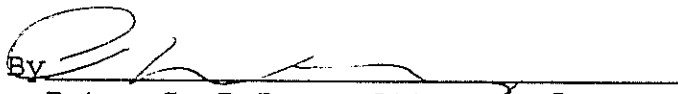
16. Estimated installation of new manufacturing equipment date: Fall of 2006 and Fall of 2007.

17. Statement describing in what manner the property is an economic revitalization area as defined in I.C. 6-1.1-12.1-1(1): The reason the real estate continues to be qualified for designation as an Economic Revitalization Area is that the real estate is within the jurisdictional limits of the City of Shelbyville and had become undesirable for or impossible of, normal development and occupancy because of lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence or was technologically, economically or energy obsolete or other factors which had impaired values and prevented a normal development of property or use of property prior to the original designation, and the Company needs to update some equipment and improvements from a technological and economical aspect.

18. Some new jobs will be created and the installation of the new manufacturing equipment will help to maintain current employment levels. Estimated new jobs are one (1) to six (6) depending upon phase completed and training results as to existing employees.

The undersigned owner hereby certifies that the foregoing information and representations are true and accurate this 11 day of July, 2006.

INDIANA PRECISION FORGE, LLC

By 
Peter G. DePrez, Attorney for
Applicant

BROWN, DePREZ & JOHNSON
24 E. Polk, P.O. Box 718
Shelbyville, IN 46176
317/398-2414 or 835-4456

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INDIANA PRECISION FORGE, LLC
APPLICATION FOR TAX ABATEMENT
LEGAL DESCRIPTION

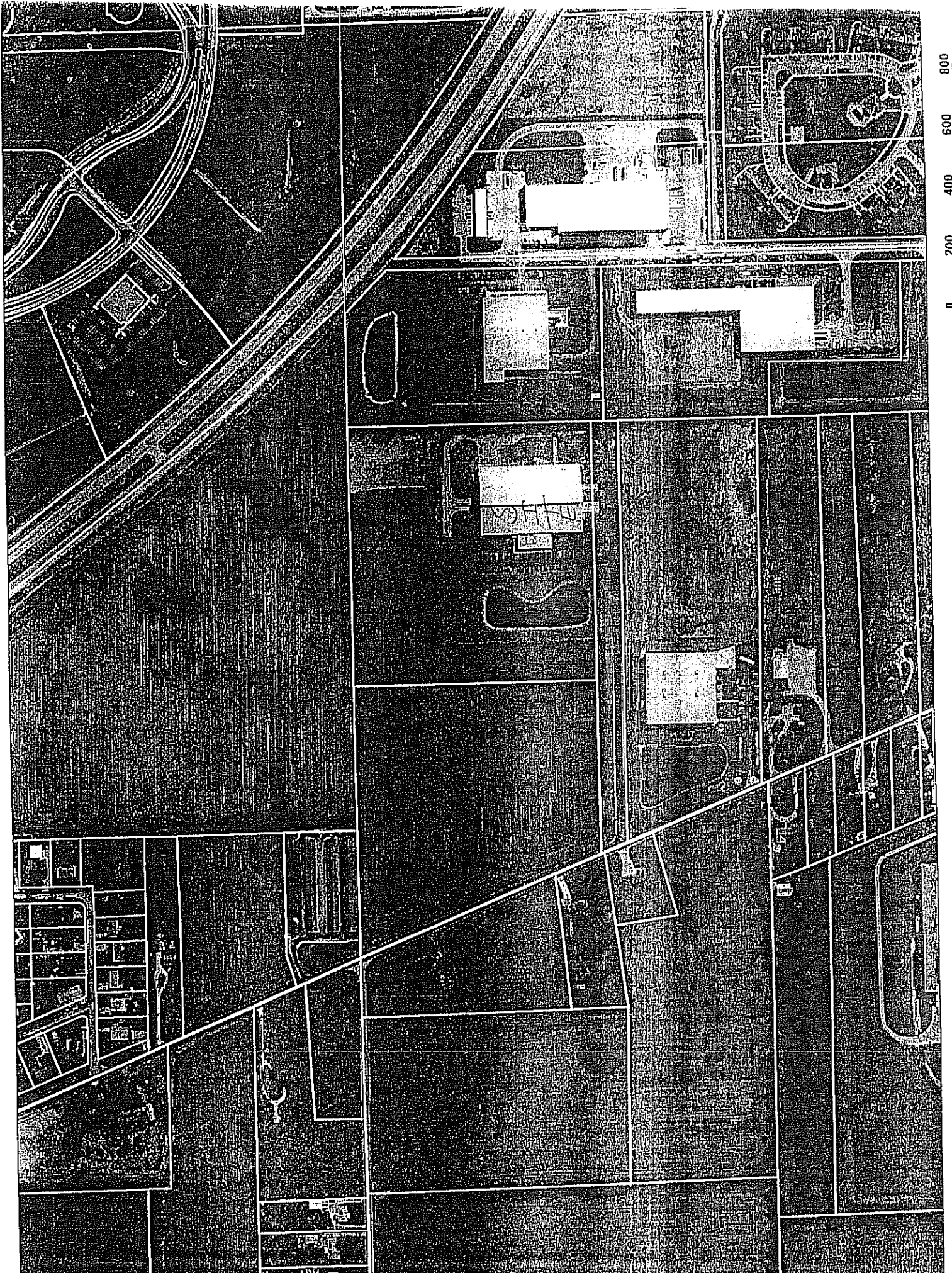
EXHIBIT A

Part of the northwest quarter of the northeast quarter and part of the northeast quarter of the northwest quarter of Section 30, Township 13 North, Range 7 East, Shelby County, Indiana, described as follows:

Beginning at a point on the east line of the northwest quarter of the northeast quarter of said Section 30, said point bearing North 00 degrees 22 minutes 58 seconds West a distance of 450.00 feet from the southeast corner of said quarter quarter: Running thence from said point of beginning North 89 degrees 50 minutes 22 seconds West parallel with the south line of said quarter quarter 1416.83 feet to the centerline of the Michigan Road; thence North 22 degrees 25 minutes 10 seconds West along said centerline 64.98 feet; thence South 89 degrees 50 minutes 22 seconds East 709.88 feet; thence North 00 degrees 22 minutes 58 seconds West parallel with the east line of said quarter quarter 833.17 feet to the north line of said quarter quarter; thence south 89 degrees 53 minutes 11 seconds East along said north line 731.33 feet to the northeast corner of said quarter quarter; thence South 00 degrees 22 minutes 58 seconds East along the east line of said quarter quarter 893.77 feet to the point of beginning, containing 15.961 acres, more or less. Said tract subject to the right-of-way for the Michigan Road at the most southwesterly corner of the tract.

Above described 15.961 acre tract also subject to all other existing legal easements and rights-of-way.

EXHIBIT A



INDIANA PRECISION FORGE
DESCRIPTION OF PROJECT

Indiana Precision Forge, LLC has been awarded a contract for the manufacturing of a shaft coupling for 4-wheel-drive vehicles.

The improvements to be made to the existing building consist of the following:

- a) Utility construction in order to add additional electrical service.
- b) Pit construction for equipment.
- c) Building improvements, including enclosing of an area.

The total cost of such redevelopment or rehabilitation will be approximately \$206,861.00.

In order to meeting the manufacturing needs, additional manufacturing equipment consisting of the following will be needed in 2006:

- a) Two lathes.
- b) Deburr machine.
- c) Press machine.
- d) Grinding machine.
- e) Washing machine.
- f) TIR inspection machining.
- g) Hand lifter.
- h) Washing basket.
- i) Miscellaneous

The total cost will be approximately \$1,785,038.00.

In 2007, the following additional manufacturing equipment will be necessary:

- a) Two CNC lathes.
- b) Deburr machine.
- c) Grinding machine.
- d) Miscellaneous equipment.

The total cost will be approximately \$1,648,086.00.

Approximate dollar values have been used due to the fact that the actual invoice price may vary depending upon the Japanese exchange rate at the time of actual billing to Indiana Precision Forge, LLC. Approximate costs have been calculated using an exchange rate of JPY115.00=\$1.00.

Presently, IPF employs approximately 58 individuals at a

payroll expense in excess of \$2,500,000.00 and it is anticipated that not only will the Project allow employment to remain at the current level, but that additional employees up to 6 may be required, depending upon training, at a cost in excess of \$225,000.00 annual payroll.

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**STATEMENT OF BENEFITS
PERSONAL PROPERTY**
State Form 51764 (5-04)
Prescribed by the Department of Local Government Finance

OWNER
2006
SHELDON HOLTZ

**FORM
SB-1/PP**

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, Form 322 ERA/PPME and/or Form 322 ERA/PP Other, must be filed with the county auditor. Form 322 ERA/PPME and/or Form 322 ERA/PP Other 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 becomes assessable, 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 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(d) and IC 6-1.1-12.1-4.5(e) effective July 1, 2000 apply to any statement of benefits filed on or after July 1, 2000. The schedules effective prior to July 1, 2000 shall continue to apply to those statement of benefits filed before July 1, 2000.

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer
Indiana Precision Forge, LLC

Address of taxpayer (street and number, city, state and ZIP code)
302 Northbrook Drive Shelbyville, IN 46176

Name of contact person
Peter G. DePrez, Attorney

Telephone number
(317) 398-2414

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body
Common Council for the City of Shelbyville

Resolution number
2006-17

Location of property
302 Northbrook Drive, Shelbyville, IN

County
Shelby

Taxing district
City of Shelbyville

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)
See attached Exhibit A

	ESTIMATED	
	Start Date	Completion Date
Manufacturing Equipment	Summer '06	Fall '07
R & D Equipment	None	None
Logist Dist Equipment *	None	None
IT Equipment *	None	None

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current number	Salaries Excess of	Number retained	Salaries	Number additional	Salaries Excess of
58	2.5 million	58	Same	1 to 6	225,000 if 6

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	13,416,638.	2,546,500.						
Plus estimated values of proposed project	3,433,124.	1,144,374.67	N/A	N/A	N/A	N/A	N/A	N/A
Less values of any property being replaced	-0-		-0-					
Net estimated values upon completion of project	16,849,762.	3,690,874.67						

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted (pounds) n/a Estimated hazardous waste converted (pounds) n/a

Other benefits:
None

SECTION 6 TAXPAYER CERTIFICATION

I hereby certify that the representations in this statement are true.

Signature of authorized representative

Title **Attorney**

Date signed (month, day, year)
July 3, 2006

INDIANA PRECISION FORGE
DESCRIPTION OF PROJECT

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The improvements to be made to the existing building consist of the following:

- a) Utility construction in order to add additional electrical service.
- b) Pit construction for equipment.
- c) Building improvements, including enclosing of an area.

The total cost of such redevelopment or rehabilitation will be approximately \$206,861.00.

In order to meeting the manufacturing needs, additional manufacturing equipment consisting of the following will be needed in 2006:

- a) Two lathes.
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payroll expense in excess of \$2,500,000.00 and it is anticipated that not only will the Project allow employment to remain at the current level, but that additional employees up to 6 may be required, depending upon training, at a cost in excess of \$225,000.00 annual payroll.

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**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51767 (5-04)
Prescribed by the Department of Local Government Finance

**FORM
SB-1/RE**

CLERK, TREASURER
JUL 7 2006

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 the redevelopment or rehabilitation of real property 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 initiation of the redevelopment or rehabilitation, BEFORE a deduction may be approved.
3. To obtain a deduction, Form 322 ERA, Application for Deduction from Assessed Valuation of Structures in Economic Revitalization Areas, must be filed with the county auditor by the later of: (1) May 10; or (2) thirty (30) days after the notice of addition to assessed valuation or new assessment is mailed to the property owner at the address shown on the records of the township assessor.
4. Property owners whose Statement of Benefits was approved after June 30, 1991 must submit Form SB-1 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(d) and IC 6-1.1-12.1-4.5(e) effective July 1, 2000 apply to any statement of benefits filed on or after July 1, 2000. The schedules effective prior to July 1, 2000 shall continue to apply to those statement of benefits filed before July 1, 2000.

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Resolution number
2006-17

Location of property
302 Northbrook Drive, Shelbyville, IN

County
Shelby

Taxing district
City of Shelbyville

Description of real property improvements (use additional sheets if necessary)
See Attached Exhibit A

ESTIMATED	
Start Date	Completion Date
Real Estate	Summer '06 Fall '07

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Current number	Salaries Excess of	Number retained	Salaries	Number additional	Salaries Excess of
58	2.5 million	58	Same	1 to 6	225,000 if 6

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.

	Real Estate Improvements	
	Cost	Assessed Value
Current values	4,649,888.	2,546,500.
Plus estimated values of proposed project	206,861.	68,953.67
Less values of any property being replaced	-0-	-0-
Net estimated values upon completion of project	4,856,749.00	2,615,453.67

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted (pounds) n/a Estimated hazardous waste converted (pounds) n/a

Other benefits:
None

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Signature of authorized representative

Title
Attorney

Date signed (month, day, year)
July 7, 2006

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