

RESOLUTION NO. 2019-018

ORIGINAL

RESOLUTION APPROVING DEDUCTION FROM ASSESSED VALUE OF PERSONAL PROPERTY (NEW MANUFACTURING EQUIPMENT) IN AN ALREADY DECLARED ECONOMIC REVITALIZATION AREA.

(MAGNA Powertrain of America, Inc.)

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, (2019), or such other date as extended by Indiana Code, in an area that is declared an economic revitalization area; and

WHEREAS, **MAGNA Powertrain of America, Inc.**, will install or has installed new manufacturing equipment at its facility located at **4701 S. Cowan Road, Muncie, IN. 47302** during the above described period; and

WHEREAS, by previously adopted resolution, the **Delaware County Council** (Council) has declared and affirmed that the area commonly described as **4701 S. Cowan Road, Muncie, IN. 47302**, which is identified on the attached map (the "Area"), is an economic revitalization area, and authorizes deductions from assessed value of new manufacturing equipment, installed in the area for purposes of taxation; and

WHEREAS, as a condition of approval of the ensuing abatement, **MAGNA Powertrain of America, Inc.**, agrees to, upon request, update the Council with regard to the status of the abatement, equipment and employment at the facility during the term of the life of the abatement.

NOW, THEREFORE, BE IT RESOLVED by the **Delaware County Council** of the State of Indiana:

1. The Council finds and determines that the new manufacturing equipment to be installed in the above referenced area shall be allowed a deduction of ten (10) years (note attached schedule) from the assessed value of such equipment, in accordance with the provisions of I.C. 6-1.1-12.1-4.5.
2. The **County Auditor** shall take such further actions as may be required to carry out the purposes of this resolution and to process and ensure the eligibility of the new manufacturing equipment for the deduction described herein.
3. This Resolution shall be in full force and effect from and after its passage by the Council and after advertised in such publications as may be required by law.

FILED
AUDITOR

MAY 06 2019

Steven G. Cuyeff
DELAWARE CO. AUDITOR

	Yeas	Nays	Abstained	Absent
<u>(Scott Alexander)</u> <i>Scott Alexander</i>	✓	—	—	—
<u>(Ryan Ballard)</u> <i>Ryan Ballard</i>	—	—	—	—
<u>(Larry Bledsoe)</u> <i>Larry Bledsoe</i>	—	—	—	—
<u>(Mary Chambers)</u> <i>Mary Chambers</i>	—	—	—	—
<u>(Jane Lasater)</u> <i>Jane Lasater</i>	—	—	—	—
<u>(Jessica Piper)</u> <i>Jessica Piper</i>	—	—	—	—
<u>(Ron Quakenbush)</u> <i>Ron Quakenbush</i>	—	—	—	—

Passed by the Council of (Delaware County), Indiana this 28 day of May (2019).

ATTEST:

Donna Patterson, Dep Auditor

(Steven Craycraft)

Auditor



**APPLICATION FOR TAX
ABATEMENT
New Manufacturing Equipment
(Personal Property)**

Date: **April 4, 2019** Name of Company: **Magna Powertrain of America, Inc.**

Address of property where equipment will be located:

4701 S. Cowan Road, Muncie, Indiana 47302

Is the property within the corporate limits of a City or Town? **Yes**

Name of City or Town: **Center Township**

Is a legal description attached? **Yes**

Property Owner(s):

Name: **Granite REIT America Inc**

Name:

Address: **39600 Lewis Drive**

Address:

Novi, MI 48377

Phone:

Phone:

Email:

Email:

Are utilities at the property adequate to accommodate the equipment? **Yes**

Briefly describe the new equipment to be purchased:

Automotive Component Manufacturing and Assembly

Briefly describe the indented use of the new equipment:

Automotive Component Manufacturing and Assembly

What is the Purchase Price of the Equipment? **\$9,300,000**

Where is the new equipment being brought from? (Please check one)

Out of the County – Canada and Austria

What is the amount of your last real estate property tax assessment? **N/A**

What is the amount of your last personal property tax assessment? **\$27,170,580**

Are the business and company owners above current on ALL tax liabilities? **Yes**

Are there any judgments, liens or pending litigation against the business and company owners?
No

How many years has the company been in business? **Magna in 1950, Muncie facility in 2006**

Is the company headquarters located in Delaware County? **No, 337 Magna Drive, Aurora,
Ontario L4G 7L6, Canada**

What is the total number of employees currently working for the company in County? **461**

Number of minorities: **23**

Number of Females: **87**

Number with disabilities: **0**

What percentage of employees are Delaware County residents?

68%

What is the number of new employees to be added as a result of this abatement?

50

What is the number of new employees anticipated to be hired in the next twelve months?

12

How many employees are anticipated to be retained as a result of this abatement?

511

Wages and Benefits:

What is the starting hourly wage? **\$14.00**

High Wage: **\$25.02**

Average Wage: **\$17.37**

What is the expected average hourly wage for the jobs resulting from this abatement?

\$18.80

What is the required skill level of new employees? **High School Diploma**

Does the company offer health insurance? **Yes**

If "yes", what percentage is paid from the:

Employer Bronze Plan is 100% paid with annual health screening

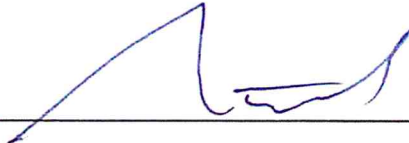
Does the company offer a Pension Plan? **No**

Does the company pay for any training or continuing education? **Yes, up to \$5,250 annually**

Please include with this application a map identifying the general location of the investment and a non-refundable check for \$150 made payable to the Delaware County Treasurer.

I hereby certify that the information and representations on this application are true and complete. By signing below I accept responsibility of the representations above and I hereby acknowledge that this form will become public record. Furthermore, I understand and am aware that by requesting this abatement, I am responsible for annually filing a CF-I (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 the tax deduction.

Signature: _____



Date: _____

4/5/19

(Authorized as owner/agent)

Signature: _____

Shameska Ward

Date: _____

04/05/2019

(Authorized as agent to complete this form)

Submit the completed form to c/o:

Brad Bookout, Director of Municipal and Economic Affairs

Delaware County, Indiana

1208 West White River Blvd.,

Muncie, Indiana 47303

Ph: 765-808-1484

Email: bbookout@ecirpd.org



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (R4 / 11-15)
Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

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.
- The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the installation of qualifying abatable equipment for which the person desires to claim a deduction.
- 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 January 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 January 1 and the extended due date of that year.
- Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
- For a Form SB-1/PP that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/PP that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. (IC 6-1.1-12.1-17)

SECTION 1 TAXPAYER INFORMATION									
Name of taxpayer Magna Powertrain of America Inc.			Name of contact person Stephen Brand						
Address of taxpayer (number and street, city, state, and ZIP code) 4701 S. Cowan Road, Muncie, Indiana 47302				Telephone number (765) 587-1302					
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT									
Name of designating body Delaware County Council			Resolution number (s)						
Location of property 4701 S. Cowan Road, Muncie, Indiana 47302		County Delaware		DLGF taxing district number 002 Center Sanitary					
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.) Automotive Component Manufacturing and Assembly				ESTIMATED					
				START DATE		COMPLETION DATE			
				Manufacturing Equipment		04/30/2019		05/31/2020	
				R & D Equipment					
				Logist Dist Equipment					
IT Equipment									
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT									
Current number 461	Salaries \$23,000,000	Number retained 461	Salaries \$23,000,000	Number additional 50	Salaries \$2,250,000				
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	9,300,000							
	Plus estimated values of proposed project								
	Less values of any property being replaced								
Net estimated values upon completion of project									
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:									
SECTION 6 TAXPAYER CERTIFICATION									
I hereby certify that the representations in this statement are true.									
Signature of authorized representative 				Date signed (month, day, year) 04/05/2019					
Printed name of authorized representative Stephen Brand			Title General Manager						

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 _____ . *NOTE: This question addresses whether the resolution contains an expiration date for the designated area.*
- B. The type of deduction that is allowed in the designated area is limited to:
- 1. Installation of new manufacturing equipment; Yes No Enhanced Abatement per IC 6-1.1-12.1-18
 - 2. Installation of new research and development equipment; Yes No *Check box if an enhanced abatement was approved for one or more of these types.*
 - 3. Installation of new logistical distribution equipment. Yes No
 - 4. Installation of new information technology equipment; Yes No
- C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)
- D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)
- E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)
- F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)
- 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 is allowed for:
- Year 1 Year 2 Year 3 Year 4 Year 5 Enhanced Abatement per IC 6-1.1-12.1-18
 - Year 6 Year 7 Year 8 Year 9 Year 10 *Number of years approved: _____*
- (Enter one to twenty (1-20) years; may not exceed twenty (20) years.)*
- I. For a Statement of Benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17? Yes No
 If yes, attach a copy of the abatement schedule to this form.
 If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

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 by: (signature and title of authorized member of designating body)	Telephone number ()	Date signed (month, day, year)
Printed name of authorized member of designating body	Name of designating body	
Attested by: (signature and title of attester)	Printed name of attester	

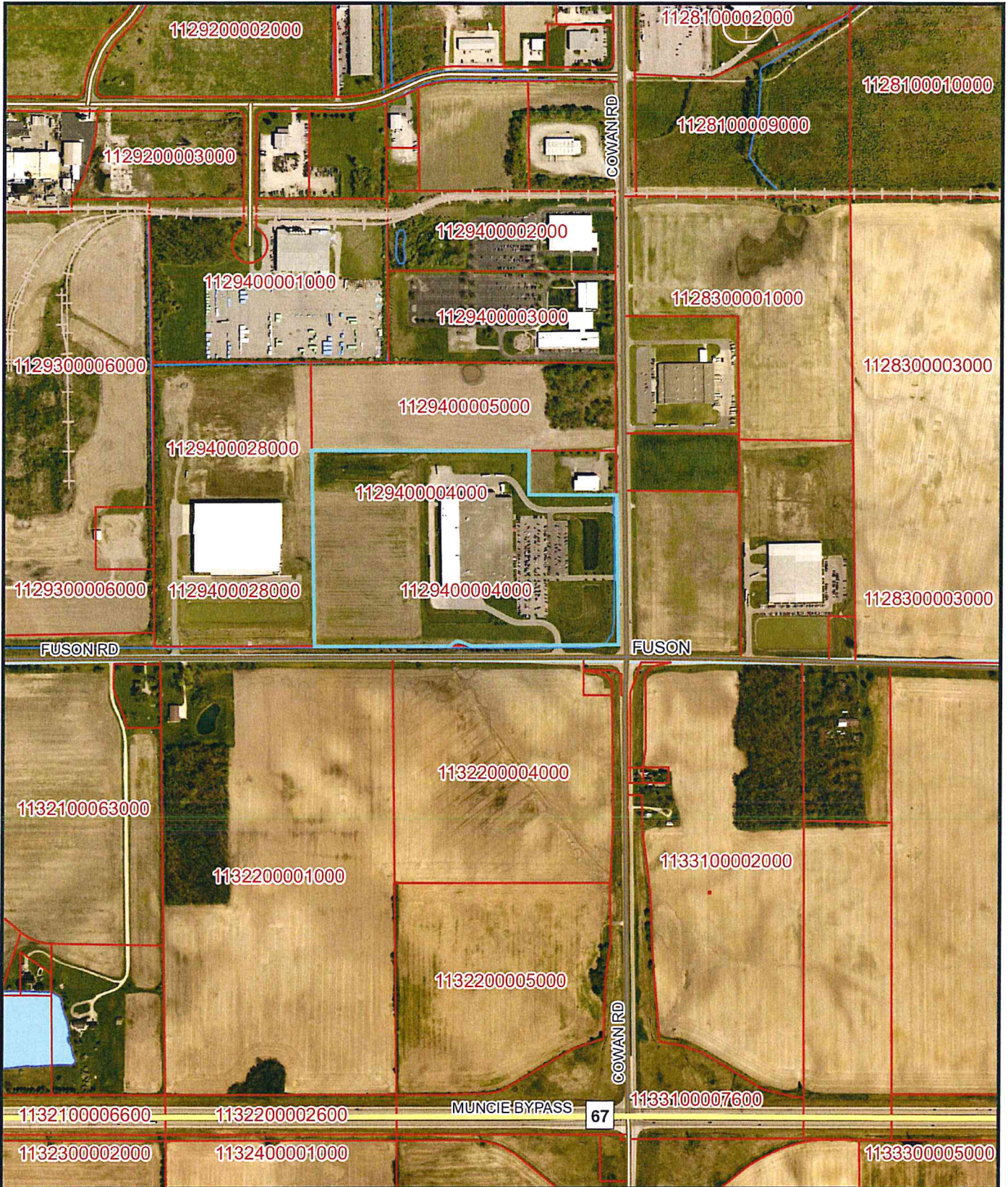
* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

IC 6-1.1-12.1-17

Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
 - (2) The number of new full-time equivalent jobs created.
 - (3) The average wage of the new employees compared to the state minimum wage.
 - (4) The infrastructure requirements for the taxpayer's investment.
- (b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.
- (c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.



Muncie-Delaware County, Indiana
Economic Development Alliance

MPT MUNCIE 4701 S COWAN RD

EXHIBIT A

The Area is located at the northwest corner of South Cowan Road and West Fuson Road, Center Township, Delaware County, Indiana, and includes 77.09 acres, more or less. It is a part of a platted subdivision known as the Industria Centre and is more accurately described in the following legal description:

A part of Lot #20 in Replat of Industria Centre, as recorded in Plat Book 13, pages 88-89 in the Office of the Recorder of Delaware County, Indiana, more particularly described as follows, to-wit:

Beginning at the Southeast Corner of Lot #20 in Replat of Industria Centre, as recorded in Plat Book 13, pages 88-89 in the Office of the Recorder of Delaware County, Indiana; thence North 88°-51'-08" West on and along the South line of said Lot #20, 849.56 feet to the Easterly Corner of Deed Record 2001, pages 6848-6851; thence North 69°-05'-03" West on and along said Deed Record 2001, pages 6848-6851, 70.18 feet; thence North 89°-55'-00" West on and along said Deed Record 2001, pages 6848-6851, 19.69 feet; thence South 57°-22'-28" West on and along said Deed Record 2001, pages 6848-6851, 37.32 feet to the South line of said Lot #20; thence North 88°-51'-08" West on and along said South line 147.35 feet; thence North 89°-06'-11" West on and along said South line 1,070.73 feet; thence North 89°-11'-50" West on and along said South line 465.46 feet to the Southwest Corner of said Lot #20; thence North 00°-14'-15" East on and along the West line of said Lot #20, 1,651.88 feet to the Northwest corner of said Lot #20; thence South 88°-48'-16" East on and along the North line of said Lot #20, 905.33 feet to the Northwest Corner of Deed Record 1998, pages 8998-8999; thence South 00°-14'-15" West on and along the West line of Deed Record 1998, pages 8998-8999, 500.00 feet to the Southwest Corner of said Deed Record 1998; thence South 88°-48'-02" East on and along the South line of said Deed Record 1998, pages 8998-8999, 1,242.49 feet to the Northwest Corner of Deed Record 2000, pages 7017-7018; thence South 00°-14'-15" West on and along the West line of said Deed Record 2000, pages 7017-7018, 250.00 feet to the Southwest Corner of said Deed Record; thence South 88°-48'-02" East on and along the South line of said Deed Record 2000, pages 7017-7018, 500.00 feet to the East line of said Lot #20; thence South 00°-14'-15" West on and along the East line of said Lot #20, 891.95 feet to the point of beginning. Estimated to contain 77.09 acres, more or less.



**Muncie-Delaware County, Indiana
Economic Development Alliance**

Ten Year Tax Abatement Estimate

- Delaware County, Center Township - Muncie Sanitary
- Tax Rate (2018): 3.3847
- Project Name: MPT Muncie 2019

Personal Property: \$9,300,000.00

	Abatement Percentage	With Abatement			Without Abatement			Estimated Tax Abatement Savings
		Property Taxes	Circuit Breaker Tax Credit	Net Property Taxes	Property Taxes	Circuit Breaker Tax Credit	Net Property Taxes	
Year 1	100%	\$0.00	\$0.00	\$0.00	\$125,911.00	(\$14,311.00)	\$111,600.00	\$111,600.00
Year 2	90%	\$17,628.00	\$0.00	\$17,628.00	\$176,275.00	(\$20,035.00)	\$156,240.00	\$138,612.00
Year 3	80%	\$26,441.00	\$0.00	\$26,441.00	\$132,206.00	(\$15,026.00)	\$117,180.00	\$90,739.00
Year 4	70%	\$30,219.00	\$0.00	\$30,219.00	\$100,729.00	(\$11,449.00)	\$89,280.00	\$59,061.00
Year 5	60%	\$37,773.00	\$0.00	\$37,773.00	\$94,433.00	(\$10,733.00)	\$83,700.00	\$45,927.00
Year 6	50%	\$47,217.00	\$0.00	\$47,217.00	\$94,433.00	(\$10,733.00)	\$83,700.00	\$36,483.00
Year 7	40%	\$56,660.00	\$0.00	\$56,660.00	\$94,433.00	(\$10,733.00)	\$83,700.00	\$27,040.00
Year 8	30%	\$66,103.00	\$0.00	\$66,103.00	\$94,433.00	(\$10,733.00)	\$83,700.00	\$17,597.00
Year 9	20%	\$75,547.00	\$0.00	\$75,547.00	\$94,433.00	(\$10,733.00)	\$83,700.00	\$8,153.00
Year 10	10%	\$84,990.00	(\$1,290.00)	\$83,700.00	\$94,433.00	(\$10,733.00)	\$83,700.00	\$0.00
Totals		\$442,578.00	(\$1,290.00)	\$441,288.00	\$1,101,719.00	(\$125,219.00)	\$976,500.00	\$535,212.00

Disclosures

- This calculation is intended to provide an ILLUSTRATIVE and PRELIMINARY indication of the level of property taxes and potential property tax savings for a proposed investment based on certain assumptions.
- Companies must consult their own tax advisors to determine their actual tax liability and to prepare their annual Indiana filings.
- Assumes taxes payable 2018 property tax rates, as provided by the Indiana Department of Local Government Finance.
- All personal property (equipment) is assumed to be new, and is assumed to be depreciated in Pool #2 (5-8 year depreciable life) for property tax purposes. A mixture of new and existing equipment (as well as a mixture of depreciation pools) will produce different tax savings results.
- Assumes a one-time investment in real and personal property. Staggering the investments may have a material effect on the actual value of property tax abatements.

NAME: Delaware County Treasurer ACCOUNT NO: 203285 CHECK NO: 052670 DATE: 04/05/2019

Invoice Number	Invoice Date	Description	Amount	Discount	Net Amount
1900023996	04/05/2019	ABATEMENT 2019	150.00	0.00	150.00

DETACH STUB BEFORE DEPOSITING - RETAIN VOUCHER FOR YOUR RECORDS

THIS CHECK IS VOID WITHOUT A BURGUNDY & GRAY BORDER AND BACKGROUND PLUS A KNIGHT & FINGERPRINT WATERMARK ON THE BACK - HOLD AT ANGLE TO VIEW

MAGNA POWERTRAIN
4701 S. Cowan Road
Muncie, IN 47302

JPMorganChase Bank
Columbus, OH

56-1544/441

CHECK NO. **052670**
CHECK DATE 04/05/2019

PAY THIS AMOUNT

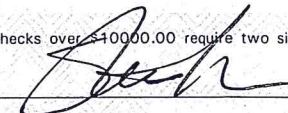
\$ * * * 150.00 * * *

*** ONE HUNDRED FIFTY ***

Dollars

PAY
TO THE
ORDER
OF
Delaware County Treasurer
Personal - Business
100 West Main Street
Muncie IN 47305

Checks over \$10000.00 require two signatures



AUTHORIZED SIGNATURE

Memo:

⑈052670⑈ ⑆044115443⑆ 701333379⑈

Delaware County Receipt

Page: 1
Account: 00007-001 (Keeta)
Received From: MAGNA POWERTRAIN CHERYL
Received For: TAX ABATEMENT
Reference:

Receipt No: 00010140
Batch No: 814
Date: 05/06/2019
Amount: \$150.00

Line	Project	GL Account	Line Description	Amount
1		1000-000-4-06500-000 MISCELLANEOUS RECEIPTS	TAX ABATEMENT	\$150.00

Total Amount: \$150.00

Tender References

Tender Type

Check	\$150.00
Cash	\$0.00
EFT	\$0.00
Money Order	\$0.00
Tendered Amount:	\$150.00

Credit Memo: \$0.00

Change Amount: \$0.00

PAID

MAY 06 2019

DELAWARE CO. TREASURER