FILED
JUN 6 2014
CITY CLERK

RESOLUTION NO. 16, 2014

A RESOLUTION TO RESCIND THE TEN (10)-YEAR PERSONAL PROPERTY TAX ABATEMENT FOR IVY HILL CORPORATION.

WHEREAS, by Resolution No. 45, 2005, the Common Council for the City of Terre Haute, Indiana, confirmed on January 12, 2006, a ten (10) year personal property tax abatement for Ivy Hill Corporation (hereinafter "Petitioner"). Resolution No. 45, 2005, is attached hereto as Exhibit A; and

WHEREAS, by written notice dated January 21, 2014, Petitioner was provided with a courtesy notification that the Common Council Finance Committee would be reviewing the compliance of previously granted tax abatements and advised Petitioner to review the status of its tax abatement and to ensure submission of appropriate compliance forms. A copy of said notice is attached hereto as Exhibit B; and

WHEREAS, at a special meeting of the Common Council held on May 8, 2014, to review compliance of approved tax abatements, it was determined that Petitioner was not in substantial compliance with the Statement of Benefits for failure to submit to the Common Council a Form CF-1/PP (Compliance with Statement of Benefits – Personal Property); and

WHEREAS, pursuant to I.C. § 6-1.1-12.1-5.9, by written notice dated May 9, 2014, Terre Haute City Clerk notified Petitioner that a determination had been made that Petitioner was not in substantial compliance with the Statement of Benefits. Such notice stated the reason for the determination of non-compliance and the date, time, and place for a hearing. Such notice is attached hereto as Exhibit C; and

WHEREAS, at the public hearing held on June 5, 2014, the Common Council determined that Petitioner had not made a reasonable effort to comply with the Statement of Benefits and therefore such tax deductions should be terminated.

THEREFORE, BE IT RESOLVED by the Common Council for the City of Terre Haute, Indiana, that tax deductions authorized for Petitioner provided in Resolution No. 45, 2005, are hereby terminated.

BE IT FURTHER RESOLVED, that the City Clerk is hereby directed to provide a copy of this Resolution No. 16, 2014 to the Petitioner, Vigo County Auditor, and the appropriate township assessor.

BE IT FURTHER RESOLVED, that the Common Council requests that the County Auditor follow the provisions set forth at I.C. §6-1.1-12.1-5.9(d).

Introduced by: _____ Norman Loudermilk, Councilman

Passed in open Council this _____ day of _____, 2014.

_____ Amy Auler, President

ATTEST: _____ Charles P. Hanley, City Clerk

Presented by me to the Mayor this _____ day of _____, 2014.

_____ Charles P. Hanley, City Clerk

Approved by me, the Mayor, this _____ day of _____, 2014.

_____ Duke A. Bennett, Mayor

ATTEST: _____ Charles P. Hanley, City Clerk

Exhibit A

FILED

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CITY CLERK

RESOLUTION NO. 45, 2005

A Resolution of the Common Council of the City of Terre Haute, Indiana, Designating an Area Within the City (commonly identified as 4025 3rd Parkway, Terre Haute, Indiana) as an Economic Revitalization Area for the Purpose of Ten (10) Year Personal Property Tax Abatement for Ivy Hill Corporation.

WHEREAS, a Petition for a ten (10) year personal property tax abatement has been filed with the Common Council of the City of Terre Haute, Indiana requesting that the real property described in attached Exhibit A be designated an Economic Revitalization Area for purposes of personal property tax abatement;

WHEREAS, the Petitioner has submitted a Statement of Benefits and provided all information and documentation necessary for the Common Council of the City of Terre Haute, Indiana to make an informed decision, said information including a map of the property as set forth in Exhibit B; and

WHEREAS, Petitioner has estimated that its investment in the project to be located at said real estate itself will not create any jobs but will allow Petitioner to maintain 285 existing permanent full-time jobs with an average annual wage of $45,298 (excluding overtime) and a total payroll of $12,910,138 (excluding overtime);

WHEREAS, the Common Council of the City of Terre Haute, Indiana is authorized under the provisions of IC 6-1.1-12.1-1 et seq. to designate areas of the City of Terre Haute, Indiana as Economic Revitalization Areas for the purpose of tax abatement; and

WHEREAS, the Common Council of the City of Terre Haute, Indiana has found the subject property to be an area within the boundaries of the City of Terre Haute, Indiana, which has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property and such is an area where facilities that are technologically, economically or energy obsolete, are located and where the obsolescence may lead to a decline in tax revenues;

NOW, THEREFORE, IT IS FOUND, DETERMINED, AND RESOLVED by the Common Council of the City of Terre Haute, Indiana that:

1. The Petitioner's estimate of the value of the Project to be put in place on the subject real estate is reasonable for projects of that nature in order to maintain, expand, update, and improve the ability of Petitioner to continue functioning as a competitive manufacturer of commercial, printed packaging products in the City of Terre Haute, Indiana.

2. The Petitioner's estimate of the number of individuals whose employment will be retained, and the benefits thereby, can be reasonably expected to result from the Project.

3. The Petitioner's estimate of the annual salaries or wages of the individuals whose employment will be maintained, and the benefits thereby, can be reasonably expected to result from the Project.

4. The totality of the benefits of the Project are sufficient to justify a ten (10) year personal property tax deduction from assessed valuation to result therefrom under Indiana statutes, and each and all of such deductions should be, and are, hereby, allowed.

5. The Petition for designating the subject property as an Economic Revitalization Area for the purposes of ten (10) year personal property tax abatement and the Statement of Benefits are hereby approved and the real estate described hereinabove is hereby designated as an Economic Revitalization Area pursuant to IC 6-1.1-12.1-1 et seq.

6. A copy of this Resolution, following its passage, shall be filed with the Vigo County Assessor as required by IC 6-1.1-12.1-2.5(c).

Presented by: _____
Norman Loudermilk, Councilman

Passed in open Council this 15th day of December, 2005.

_____
Richard Dunkin, Common Council President

ATTEST: _____, Charles P. Hanley, City Clerk, City of Terre Haute, Indiana

Presented by me to the Mayor this 15th day of December, 2005.

_____
Charles P. Hanley, City Clerk, City of Terre Haute, Indiana

Approved by me, the Mayor, this 15th day of December, 2005.

Kevin D. Burke, Mayor, City of Terre Haute, Indiana

ATTEST: Charles P. Hanley, City Clerk, City of Terre Haute, Indiana

Prepared by: Baden Tax Management, LLC
6920 Pointe Inverness Way, Suite 140
Fort Wayne, IN 46804

Exhibit A

Ivy Hill Corporation
Equipment List for Abatement
Attachment for SB-1/PP

Description		Cost	Installation Date
56" Bobst 142 CER diecutter	$	2,850,000	Mar-06
56" KBA UV press with contributory equipment	$	8,700,000	Mar-06 to Jul-06
Additional auxiliary equipment	$	395,000	Mar-06 to Mar-07
Gluer equipment	$	305,000	Mar-06
Heidelberg equipment	$	150,000	Mar-06
Jogger for Press room	$	100,000	Mar-06
TOTAL MACHINERY & EQUIPMENT	**$**	**12,500,000**	

TERRE HAUTE, VIGO COUNTY, INDIANA

Beginning at a point (an Iron Pipe in the centerlines of 3rd St. and Indiana) 1,060.97 feet East and 1,600.87 feet South of the Northwest corner of the Northeast Quarter of Section Twelve (12), Township Twelve (12) North, Range Nine (9) West of the 2nd P.M.; thence North 89 degrees 50 minutes 40 seconds East 604.00 feet to an Iron Pin (in the centerlines of 3rd St. and Savanna); thence South 00 degrees 01 minute 20 seconds East 556.44 feet to an Iron Pin (in the centerline of Savanna); thence South 89 degrees 58 minutes 40 seconds West 298.19 feet to an Iron Pin (in the centerline of Detroit); thence South 00 degrees 06 minutes 20 seconds East 788.51 feet to an Iron Pin (a railroad spike in the centerlines of 4th St. and Detroit); thence South 89 degrees 56 minutes 40 seconds West 305.79 feet to an Iron Pin (a railroad spike in the centerlines of 4th St. and Indiana); thence North 00 degrees 04 minutes 20 seconds West 1,343.90 feet to an Iron Pipe; the point of beginning. Containing 13.2363 Acres.

EXHIBIT B

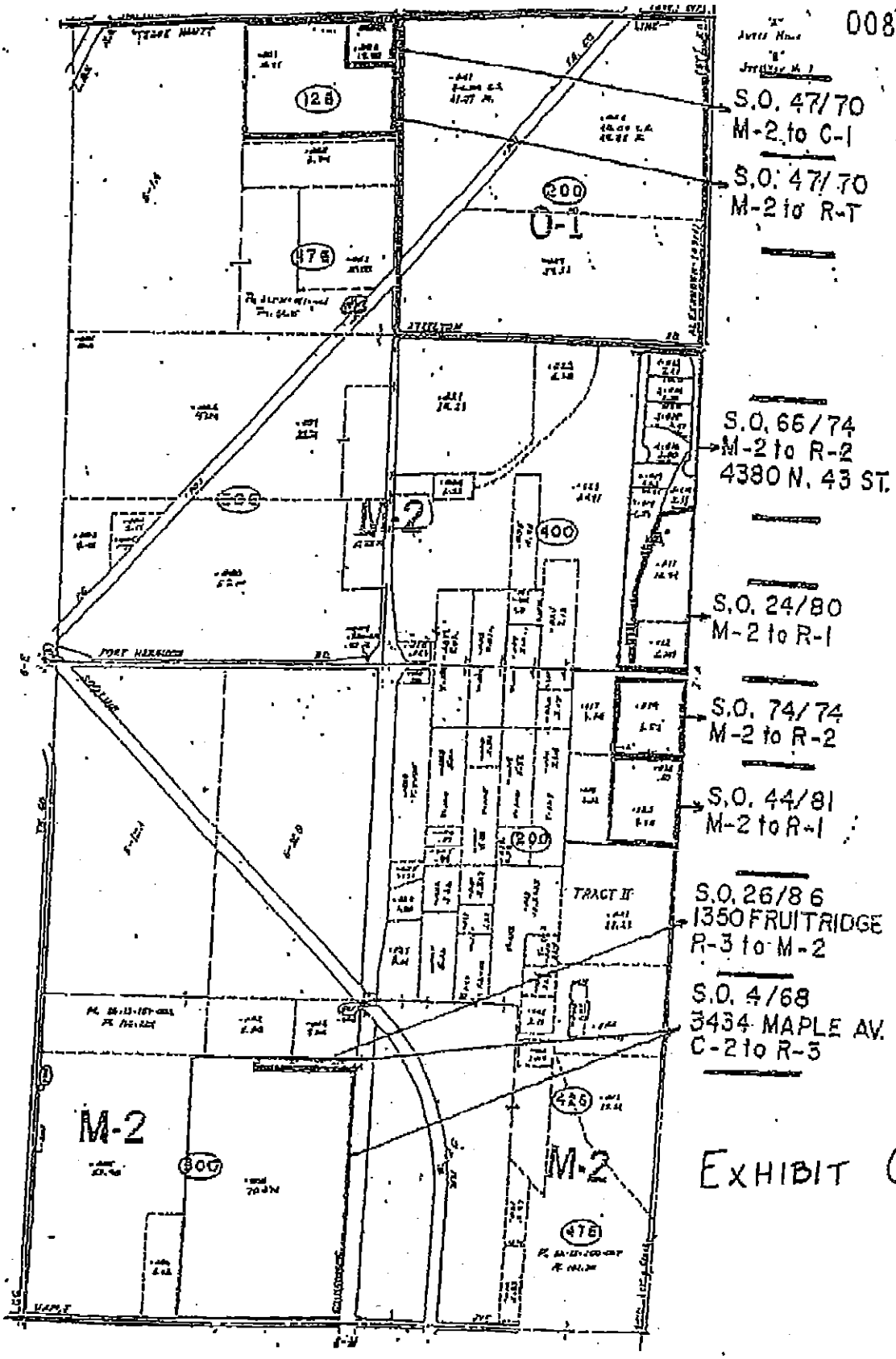

EXHIBIT C

HARRISON TWP.

FINAL ACTION BY COMMON COUNCIL OF THE CITY OF TERRE HAUTE, INDIANA REGARDING RESOLUTION NO. 45, 2005

WHEREAS, the Common Council of the City of Terre Haute, unanimously adopted Resolution No. 45, 2005 on the 15th day of December, 2005, and pursuant to Indiana law has published notice of the adoption and substance of said Resolution, including a description of the designated area and notice that a description of the effected area is available for inspection in the office of the Vigo County Assessor and further stating a date which the Common Council would receive and hear remonstrances and objections; and

WHEREAS, the Common Council has conducted the hearing as required by law and has received no remonstrances or objections to designation of the effected area as an Economic Revitalization Area or to approval of the Statement of Benefits; and

WHEREAS, said matter is before the Common Council for final action pursuant to Indiana law; and

WHEREAS, the Common Council has received and examined, prior to said hearing, (i) a Statement of Benefits on the form prescribed by the Department of Local Government Finance and proper application for designation; (ii) an Agreement with the Board of Public Works for the City of Terre Haute; and (iii) has heard all appropriate evidence concerning the proposed project and is found and does find:

1. The age, deterioration and size of the existing manufacturing improvement and facilities on the subject real property render such to be technologically and economically obsolete and without redevelopment and rehabilitation may lead to decline in employment and tax revenues.

2. That the personal property tax abatement satisfies the requirements of Special Ordinance No. 11, 1997, as amended by the Common Council.

3. That the estimate of cost of the new manufacturing equipment is reasonable for equipment of that type.

4. That the estimate of individuals whose employment will be retained as a result of the installation of the new manufacturing equipment can reasonably be expected to result from the proposed project.

5. The estimate of annual salaries of those individuals whose employment will be retained can reasonably be expected to result from the proposed installation of the new manufacturing equipment.

6. That the benefits can reasonably be expected to result from the proposed installation of new manufacturing equipment.

7. That Petitioner has met, or exceeded, the benefits stated in Petitioner's prior Statement of Benefit forms as seen in the Compliance with Statement of Benefits form filed with the County Auditor.

8. That the totality of benefits is sufficient to justify the deduction.

9. All qualifications for establishing an Economic Revitalization Area have been met.

NOW, THEREFORE, for final action on Resolution No. 45, 2005, the Common Council of the City of Terre Haute, Indiana, RESOLVES, and FINDS, and DETERMINES:

1. That all the requirements for designation of the real estate described in Resolution No. 45, 2005, as an Economic Revitalization Area, have been met, the foregoing findings are true, and that all information required to be submitted has been submitted in proper form.

2. That Resolution No. 45, 2005, is in all respects confirmed and approved (as modified to incorporate therein this final action) and the benefits of the proposed redevelopment are sufficient to justify a ten (10) year personal property tax abatement under Indiana statutes for the proposed acquisition of the equipment described in the Statement of Benefits of Ivy Hill Corporation and the deduction for the proposed project and acquisition of the equipment and the Statement of Benefits submitted by Ivy Hill Corporation is approved and that the real estate described in Resolution No. 45, 2005, is declared an Economic Revitalization Area for the purposes of a ten (10) year personal property tax abatement, and the said real estate is hereby designated an Economic Revitalization Area pursuant to IC 6-1.1-12.1-1 et seq.

3. That said Resolution supplements any other designation of the real estate as an Economic Revitalization Area.

4. That this final action, findings, and confirmation of Resolution No. 45, 2005, shall be incorporated in and be a part of Resolution No. 45, 2005.

Presented by: _____
Norman Loudermilk, Councilman

Passed in open Council this 12th day of January, 2006.

_____
George Azar, , Common Council President

ATTEST: _____, Charles P. Hanley, City Clerk, City of Terre Haute, Indiana

Presented by me to the Mayor this 17th day of January, 2006.

_____
Charles P. Hanley, City Clerk, City of Terre Haute, Indiana

Approved by me, the Mayor, this 17th day of January, 2006.

_____
Kevin D. Burke, Mayor, City of Terre Haute, Indiana

ATTEST: _____, Charles P. Hanley, City Clerk, City of Terre Haute, Indiana

Prepared by: Baden Tax Management, LLC
6920 Pointe Inverness Way, Suite 140
Fort Wayne, IN 46804

OFFICE OF THE CLERK
City Hall, Room 102
17 Harding Avenue
Terre Haute, Indiana 47807
812-232-3375

Charles P. Hanley, City Clerk

Exhibit "B"

city of terre haute

January 21, 2014

MPS IH, LLC / Ivy Hill
Gary Pike
5800 W Grand River
Lansing, MI 48906

Re: City of Terre Haute, Indiana
Personal Property Tax Abatement Recipient
RS 45, 2005

Dear Gary Pike:

On June 17, 2009, the Terre Haute City Council Finance Committee conducted a meeting to discuss real and personal property tax abatement compliance. The Finance Committee determined it would not conduct hearings with any tax abatement recipients that year. However, beginning in 2010 and each subsequent year thereafter, all tax abatement paperwork will be reviewed annually for compliance by the Finance Committee.

Those recipients who fail to meet the compliance filing requirements or who filed information that appears to be out of compliance with the obligations set forth in the tax abatement petition and resolution will be asked to appear before the Finance Committee to provide more information.

The Finance Committee provides the following recommendations to assist in the proper submission and review of real and/or personal property tax abatement compliance forms:

- Complete the CF-1/PP or CF-1/RP in its entirety. Incomplete forms will be returned for completion.
- Handwritten forms must be legible.
- The Terre Haute City Council has not approved consolidation of multiple projects on one (1) compliance form. Please use a separate compliance form for each tax abatement granted.

OFFICE OF THE CLERK
City Hall, Room 102
17 Harding Avenue
Terre Haute, Indiana 47807
812-232-3375

Charles P. Hanley, City Clerk

city of terre haute

- Using the correct compliance form, reference the correct City Council resolution number and year for each tax abatement granted.
- Double-check all calculations.
- Attach a copy of the original SB-1 Form (Statement of Benefits).
- Be prepared to explain discrepancies between pledged numbers of employees and salaries and actual numbers of employees and salaries.
- File your completed form annually by May 15 with both the Vigo County Auditor and Terre Haute City Clerk's office.

For your assistance, I have enclosed copies of Indiana Department of Local Government Finance Form CF-1/PP (Compliance with Statement of Benefits Personal Property) and Form CF-1/RP (Compliance with Statement of Benefits Real Property). Please use only the form that applies to the type of tax abatement your company was granted.

This letter is a reminder to your company of the requirements for yearly compliance. If your company has not completed the project for which the abatement was granted, please remit a letter stating this. Thank you in advance for your cooperation in this matter.

Sincerely,

Michelle Edwards

Michelle Edwards
Deputy City Clerk

Enclosures

cc: City Council Members

OFFICE OF THE CLERK
City Hall, Room 102
17 Harding Avenue
Terre Haute, Indiana 47807
812-232-3375

Charles P. Hanley, City Clerk

Exhibit "C"

city of terre haute

May 9, 2014

MPS/Ivy Hill
5800 W. Grand River Ave.
Lansing, MI 48906
Attention: Gary W. Pike, Assistant Treasurer

RE: RS 45, 2005 Personal Tax Abatement

To Whom It May Concern:

This letter is in reference to the status of your company's tax abatement compliance with the Terre Haute City Common Council. At the May 2014 Regular Terre Haute Common Council Meeting, held on May 8, 2014, your company's submitted Compliance of Benefits Form (CF-1) or letter was reviewed. During this meeting it was determined your company was not in substantial compliance. This determination was based on submission of a letter declaring company has ceased operations.

A hearing has been scheduled for June 5, 2014 at 5:00pm (EST) in the City Hall Courtroom. The Courtroom is located at 17 Harding Avenue, City Hall, Terre Haute, Indiana 47807. A representative of your company must appear to answer questions concerning the data provided on the CF-1 form or in your submitted letter.

If a representative fails to attend the hearing scheduled for June 5, 2014, the Council may consider such as the property owner's failure to make reasonable efforts to comply with the statement of benefits and may vote to terminate the abatement thereby eliminating the deduction, pursuant to I.C. 6-1.1-12.1-5.9(c). Please make sure a representative is available for questions at the hearing.

If you have any questions, please feel free to contact me at 812-244-2131 or Michelle.Edwards@Terrehaute.IN.Gov

Sincerely,

Michelle Edwards

Michelle Edwards
Chief Deputy City Clerk

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

MPS/ IVY HILL
5800 W. GRAND RIVER AVE
LANSING, MI 48906
ATTN: GARY W. PIKE
ASST. TREASURER

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X [signature] ☐ Agent ☐ Addressee

B. Received by (Printed Name) R Wilson
C. Date of Delivery 5-12-10

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number
(Transfer from service label)

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

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CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

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OFFICIAL USE

Postage	$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$

Postmark Here

Sent To MPS/ IVY HILL
Street, Apt. No.; or PO Box No. 5800 W. GRAND RIVER AVE
City, State, ZIP+4 LANSING MI 48906

7012 3460 0002 3590 4466

PS Form 3800, August 2006 See Reverse for Instructions