

FILED

APR 21 2021

RESOLUTION NO. 7-2021

A Resolution of the Terre Haute Indiana, Common Council
Designating an Area Within
the City of Terre Haute, Indiana as an Economic Revitalization Area
for the Purpose of a Real Property Tax Abatement

CITY CLERK

WHEREAS, a Petition for 10 year real property tax abatement has been filed with the Terre Haute Common Council (hereinafter "Council") requesting that the property described therein be designated as Economic Revitalization Area for purposes of real property tax abatement; and

WHEREAS, Fitesa Indiana, LLC (hereinafter the "petitioner,") has submitted a Statement of Benefits and provided all information and documentation necessary for the Council to make an informed decision, said information including a description of the real property which is more particularly described in Exhibit A (the "subject property") and the estimated tax to be abated as shown in Exhibit B.

WHEREAS, petitioner has represented and presented evidence that in connection with the Project, Petitioner retain approximately 113 employees with annual salaries of \$7,755,000 and will create approximately 26 new permanent full-time jobs with a total annual payroll of approximately \$1,086,000. Petitioner has further represented and presented evidence that the cost of this project will be approximately \$17,899,000 for acquisition of personal property and \$1,372,000 for real property improvements.

WHEREAS, the Council is authorized under the provisions of I.C. 6-1.1-12.1-1 et. seq. to designate areas of the City as economic revitalization areas for the purpose of tax abatement; and

WHEREAS, the Council has considered the petition and Statement of Benefits and has conducted a complete and proper investigation of the subject property and neighborhood to determine that the area qualifies as an economic revitalization area under Indiana statutes; and

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

NOW, THEREFORE, IT IS FOUND, DETERMINED AND RESOLVED by the Council that:

1. The petitioner's estimate of the value of the redevelopment and rehabilitation and the project to be constructed on the subject real property is reasonable for projects of that nature in order to maintain, expand, update and improve opportunities and capacity for manufacturing.

2. The petitioner's estimate of the number of individuals who will be employed and retained, and the benefit thereby, can reasonably be expected to result from the project and the redevelopment and rehabilitation.

3. The petitioner's estimate of the annual salaries or wages of the individuals who will be employed and retained, and the benefit thereby, can reasonably be expected to result from the project and the redevelopment and rehabilitation.

4. That the other benefits about which information has been requested can be expected to result from the project and the redevelopment and rehabilitation.

5. The totality of the benefits of the proposed redevelopment and rehabilitation can reasonably be expected to result from the project and are sufficient to justify a 10 year real property tax deduction from assessed valuation under Indiana statutes, in accord with the attached Deduction Schedule and each such deduction should be, and they are hereby, allowed.

6. Based upon: (1) the Petitioner's total investment in real and personal property; (2) the number of new full-time equivalent jobs created or retained; (3) the average wage of the new employees compared to the State minimum wage; and (4) the infrastructure requirements for Petitioner's investment and the totality of the benefits of the proposed project and installation of the new manufacturing equipment are sufficient to justify personal property tax abatement over a 10 year deduction period, in accord with the attached Deduction Schedule and each such deduction should be, and they are hereby, allowed in accord with the attached Abatement Schedule.

7. That the Council has considered the Petitioner's total investment in real and personal property, the number of new full-time equivalent jobs created by the Project, the average wage of the new employees compared to the State minimum wage and the infrastructure requirements for Petitioner's investment and, based on such factors, has determined that the petition for designating the subject property as an economic revitalization area for the purposes of 10 year real property tax abatement and the Statement of Benefits copies of which were submitted with the petitions are hereby approved and the Real Estate described hereinabove is hereby designated as an Economic Revitalization Area pursuant to I.C. 6-1.1-12.1-1 et. seq., and petitioner is entitled to the 10 year real property tax abatement provided therein for the proposed redevelopment and rehabilitation in accord with the schedule attached as Exhibit C.

8. That notice hereof should be published according to law stating the adoption and substance hereof, that a copy of the description of the affected area is available for inspection in the County Assessor's Office and stating a date on which the Council will hear and receive remonstrances and objections and take final action, all as required by law.

9. That this Resolution is supplementary to and in addition to any prior resolutions.

PRESENTED BY COUNCILPERSON Cheryl Loudermilk
Cheryl Loudermilk, Councilperson

Passed in open Council this 6TH day of MAY, 2021.

O. Earl Elliott
O. Earl Elliott, President

ATTEST: Michelle Edwards, City Clerk
Michelle Edwards,

Presented by me to the Mayor this 7TH day of MAY, 2021

Michelle Edwards
Michelle Edwards,, City Clerk

Approved by me, the Mayor, this 7TH day of MAY, 2021.

Duke Bennett
Duke Bennett, Mayor
City of Terre Haute

ATTEST: Michelle Edwards
Michelle Edwards,, City Clerk

This instrument prepared by Louis F. Britton
Louis F. Britton, COX, ZWERNER, GAMBILL & SULLIVAN, LLP
511 Wabash Avenue, Terre Haute, IN 47807; (812) 232-6003.

Exhibit A
Real Property Tax Abatement Resolution
Fitesa, Indiana, LLC

Real estate description

3400 E. Fort Harrison Rd., Terre Haute, IN 47804

Parcel Number 84-06-01-300-006.000-002

S-1/2 SW ALL E OF RR EX 2.50A & EX 6A (3400 E FT HARRISON RD) D-
445/8160 1 -12-9 57.140 AC

Exhibit B

Real Property Tax Abatement Resolution

Fitesa Indiana, LLC

Anticipated Abatement

Calculations are based upon projected cost of \$1,372,000 and the 2020 Tax rate for Harrison sanitary calculated using the website of Hoosier Energy tax abatement calculator:

Real Property: \$1,372,000.00

		With Abatement			Without Abatement			Estimated Tax Abatement Savings
	Abatement Percentage	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	\$30,812.00	\$0.00	\$30,812.00	\$30,812.00
Year 2	95%	\$ 1,541.00	\$0.00	\$1,541.00	\$30,812.00	\$0.00	\$30,812.00	\$29,271.00
Year 3	80%	\$ 6,162.00	\$0.00	\$6,162.00	\$30,812.00	\$0.00	\$30,812.00	\$24,650.00
Year 4	65%	\$ 10,784.00	\$0.00	\$10,784.00	\$30,812.00	\$0.00	\$30,812.00	\$20,028.00
Year 5	50%	\$ 15,406.00	\$0.00	\$15,406.00	\$30,812.00	\$0.00	\$30,812.00	\$15,406.00
Year 6	40%	\$ 18,487.00	\$0.00	\$18,487.00	\$30,812.00	\$0.00	\$30,812.00	\$12,325.00
Year 7	30%	\$ 21,569.00	\$0.00	\$21,569.00	\$30,812.00	\$0.00	\$30,812.00	\$9,243.00
Year 8	20%	\$ 24,650.00	\$0.00	\$24,650.00	\$30,812.00	\$0.00	\$30,812.00	\$6,162.00
Year 9	10%	\$ 27,731.00	\$0.00	\$27,731.00	\$30,812.00	\$0.00	\$30,812.00	\$3,081.00
Year 10	5%	\$ 29,272.00	\$0.00	\$29,272.00	\$30,812.00	\$0.00	\$30,812.00	\$1,540.00
Totals		\$155,602.00	\$0.00	\$155,602.00	\$308,120.00	\$0.00	\$308,120.00	\$152,518.00

Exhibit C
Real Property Tax Abatement Resolution
Fitesa Indiana, LLC
Abatement Schedule

YEAR OF DEDUCTION	ABATEMENT PERCENTAGE
1st	100%
2nd	95%
3 rd	80%
4th	65%
5th	50%
6th	40%
7th	30%
8th	20%
9th	10%
10th	5%

**FINAL ACTION BY TERRE HAUTE, INDIANA COMMON COUNCIL
REGARDING RESOLUTION 7 - 2021
(Real Property)**

WHEREAS, the Terre Haute Common Council (hereinafter "Council"), adopted Resolution 7 -2021 on the 6th day of May, 2021, and pursuant to Indiana Law has published notice of the adoption and substance of said Resolution including a description of the affected area and notice that a description of the affected area is available for inspection in the office of the county assessor and further stating a date on which the Council would receive and hear remonstrances and objections; and

WHEREAS, a copy of the Notice and Statement of Benefits was sent to all taxing units with authority to levy property taxes in the area where the Economic Revitalization Area is located and filed it with the County Assessor; and

WHEREAS, the Council has conducted the hearing as required by law and has received no remonstrances or objections to designation of the affected area as a revitalization area or to approval of the Statement of Benefits; and

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

WHEREAS, the Council has received and examined, prior to such hearing, a Statement of Benefits on the forms prescribed by the Department of Local Government Finance and proper application for designation and has heard all appropriate evidence concerning the proposed project and has found and does find:

1. That the estimate of the cost of the redevelopment and rehabilitation and equipment is reasonable for projects of that type.
2. That the estimate of individuals who will be employed or whose employment will be retained as a result of the redevelopment and rehabilitation and installation of the new manufacturing equipment can reasonably be expected to result from the proposed project.
3. The estimate of annual salaries of those individuals who will be employed or whose employment will be retained can reasonably be expected to result from the proposed redevelopment and rehabilitation and the project.
4. That the benefits can reasonably be expected to result from the proposed redevelopment and rehabilitation and the project.
5. That the totality of benefits is sufficient to justify the deduction.

6. That all qualifications for establishing an economic revitalization area have been met.

7. That the Council has considered the Petitioner's total investment in real and personal property, the number of new full-time equivalent jobs created by the Project, the average wage of the new employees compared to the State minimum wage and the infrastructure requirements for Petitioner's investment and, based on such factors, has determined that the petition for designating the subject property as an economic revitalization area for the purposes of 10 year real property tax abatement and the Statement of Benefits copies of which were submitted with the petitions are hereby approved and the Real Estate described hereinabove is hereby designated as an Economic Revitalization Area pursuant to I.C. 6-1.1-12.1-1 et. seq., and petitioner is entitled to the 10 year real property tax abatement provided therein for the proposed redevelopment and rehabilitation in accord with the attached schedule.

NOW, THEREFORE, for final action on Resolution 7-2021 the Council RESOLVES, FINDS AND DETERMINES:

1. That all of the requirements for designation of the real estate described in Resolution 7-2021 (the "Original Resolution") as an Economic Revitalization Area have been met, the foregoing findings and the findings in the Original Resolution are true and that all information required to be submitted has been submitted in proper form.

2. That the Original Resolution is in all respects confirmed and approved (as modified to incorporate therein this final action) and that the benefits of the proposed project and the redevelopment and rehabilitation are sufficient to justify a 10 year real property tax abatement under Indiana statutes for the proposed redevelopment and rehabilitation described in the petitioner's Statement of Benefits and the deduction for the proposed project and redevelopment and rehabilitation and the statements of benefits submitted are approved and the Council authorizes and directs the endorsement of said Statement of Benefits to show such approval and that the real estate described in the Original Resolution is declared an economic revitalization area for the purposes of a 10 year real property tax abatement and the said real estate is hereby designated as an Economic Revitalization Area pursuant to I.C. 6-1.1-12.0-1 et. seq. and petitioner is entitled to a 10 year real property tax abatement as provided therein in accord with the attached Deduction Schedule in connection with the proposed redevelopment/rehabilitation and the project.

3. That said Resolution supplements any other designation of the real estate as a Revitalization Area or similar designation.

4. That this Final Action, findings and confirmation of the Original Resolution shall be incorporated in and be a part of the Original Resolution.

PRESENTED BY COUNCIL PERSON Cheryl Loudermilk
Cheryl Loudermilk, Councilperson

Passed in open Council this 3RD day of JUNE, 2021.

O. Earl Elliott
O. Earl Elliott, Council President

Michelle K Edwards, City Clerk
Michelle Edwards

Presented by me to the Mayor this 4TH day of JUNE, 2021.

Michelle K Edwards
Michelle Edwards, City Clerk

Approved by me, the Mayor, this 4TH day of JUNE, 2021.

Duke A Bennett
Duke Bennett, Mayor
City of Terre Haute

ATTEST: Michelle K Edwards
Michelle Edwards, City Clerk

This instrument prepared by Louis F. Britton
Louis F. Britton, COX, ZWERNER, GAMBILL & SULLIVAN, LLP
511 Wabash Avenue, Terre Haute, IN 47807; (812) 232-6003.

Real Property Tax Abatement Resolution
Fitesa Indiana, LLC
Abatement Schedule

YEAR OF DEDUCTION	ABATEMENT PERCENTAGE
1st	100%
2nd	95%
3 rd	80%
4th	65%
5th	50%
6th	40%
7th	30%
8th	20%
9th	10%
10th	5%

PETITION FOR REAL and PERSONAL PROPERTY TAX ABATEMENT

TO THE PRESIDENT AND MEMBERS
OF THE COMMON COUNCIL OF
THE CITY OF TERRE HAUTE,
VIGO COUNTY, INDIANA

Gentlemen:

Fitesa Indiana, LLC, petitioner, is the proposing to undertake a significant expansion at its current facilities located at 3400 E. Fort Harrison Rd., Terre Haute, IN; Parcel Number 84-06-01-300-006.000-002.

In support of this petition, petitioner would show the Common Council as follows:

Project Background: **Fitesa** is a leading Brazil-based manufacturer of nonwoven products for the hygiene and healthcare industries. They established their first US operation in Simpsonville, SC in 2009. They recently acquired a Terre Haute company called Tredegar.

2 house additional equipment the real estate will require ceiling modification and reinforcement, slab concrete flooring pour, relocation of office and laboratory office spaces and establishment of a Quality Control lab.

Equipment to be used in the manufacture of nonwoven products for the hygiene and healthcare industries, including elastic, perforated and embossed films and composites. Equipment consists of extruders, screen changer, die packs, calendar and winders, vision system and packaging system, blowers, fan, chiller, heat exchangers, new silos and pneumatic transportation system, and boilers renewal. Additional calendars, embossing & engraving rolls and spooling machine.

Project: Projected cost: Real Estate Improvements: \$1,372,000
Personal Property-manufacturing equipment-\$17,899,000

Job creation: Petitioner projects that the project will permitted to retain 113 employees with annual salaries of \$7,755,000 and create 26 new permanent full-time jobs with an estimated annual salary of approximately \$1,086,000

Abatement sought: Petitioners are requesting a 10 year real and personal property tax abatement based upon the scoring sheet utilized by the Council.

Special consideration:

Employees receive Medical, Dental, Vision, STD, LTD, Life, 401K, HSA/FSA, Critical Care, Accident Insurance, Annual Vacation paid. Can be elected for employee, employee + spouse, or employee + family coverage.

Petitioner, Fitesa Indiana, LLC

By:


Louis F Britton, Attorney for petitioner

This instrument prepared by Louis F. Britton, COX, ZWERNER, GAMBILL & SULLIVAN, LLP, 511 Wabash Avenue, Terre Haute, IN 47807; (812) 232-6003 him him



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R6 / 10-14)

Prescribed by the Department of Local Government Finance

CONFIDENTIAL

20____ PAY 20____

FORM SB-1 / Real Property

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.

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☐ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Residentially distressed area (IC 6-1.1-12.1-4.1)

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.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
3. To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between March 1 and May 10 of a subsequent year.
4. A property owner who files for the deduction must provide the County Auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
5. For a Form SB-1/Real Property 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/Real Property 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 Fitesa Indiana LLC					
Address of taxpayer (number and street, city, state, and ZIP code) 3400-A Fort Harrison Road, Terre Haute, Indiana 47804					
Name of contact person Hal Singley			Telephone number (864) 967-5635		E-mail address
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body Common Council of the City of Terre Haute Indiana					Resolution number
Location of property 3400-A Fort Harrison Road, Terre Haute, Indiana 47804			County Vigo	DLGF taxing district number 84-002	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) See attached					Estimated start date (month, day, year) June 1, 2021
					Estimated completion date (month, day, year) Nov. 30, 2021
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 113	Salaries 7756471	Number retained 113	Salaries 7756471	Number additional 26	Salaries 1086467
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
			REAL ESTATE IMPROVEMENTS		
			COST		ASSESSED VALUE
Current values					2913700.00
Plus estimated values of proposed project					1372500.00
Less values of any property being replaced					0
Net estimated values upon completion of project					4286200
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					
I hereby certify that the representations in this statement are true.					
Signature of authorized representative 				Date signed (month, day, year) 04/14/2021	
Printed name of authorized representative Hal Singley				Title CFO / Director	

FOR USE OF THE DESIGNATING BODY

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

A. The designated area has been limited to a period of time not to exceed 10 calendar years* (see below). The date this designation expires is N/A. 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. Redevelopment or rehabilitation of real estate improvements ☒ Yes ☐ No
 2. Residentially distressed areas ☐ Yes ☒ No

C. The amount of the deduction applicable is limited to \$ N/A.

D. Other limitations or conditions (specify) N/A

E. Number of years allowed: ☐ Year 1 ☐ Year 2 ☐ Year 3 ☐ Year 4 ☐ Year 5 (* see below)
☐ Year 6 ☐ Year 7 ☐ Year 8 ☐ Year 9 ☒ Year 10

F. 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.

We have also 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 of designating body) <u>D. Earl Elliott</u>	Telephone number <u>(812) 244 2103</u>	Date signed (month, day, year) <u>JUNE 3, 2021</u>
Printed name of authorized member of designating body <u>D. EARL ELLIOTT</u>	Name of designating body <u>TEARE HANTE CITY COUNCIL</u>	
Attested by (signature and title of attester) <u>Michelle L Edwards Clerk</u>	Printed name of attester <u>Michelle L Edwards</u>	

* 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.

- A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4.1 remain in effect. The deduction period may not exceed five (5) years. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. Except as provided in IC 6-1.1-12.1-18, the deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)
- B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. (See IC 6-1.1-12.1-17 below.)

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. Except as provided in IC 6-1.1-12.1-18, 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.

Exhibit A
Real Property Tax Abatement
Fitesa, Indiana, LLC

Real estate description

3400 E. Fort Harrison Rd., Terre Haute, IN 47804

Parcel Number 84-06-01-300-006.000-002

S-1/2 SW ALL E OF RR EX 2.50A & EX 6A (3400 E FT HARRISON RD) D-
445/8160 1 -12-9 57.140 AC

Project Description:

Ceiling modification and reinforcement, slab concrete flooring pour, relocation of office and laboratory office spaces. Quality Control lab established.

Exhibit B
Real Property Tax Abatement
Fitesa Indiana, LLC
Abatement Schedule

YEAR OF DEDUCTION	ABATEMENT PERCENTAGE
1st	100%
2nd	95%
3 rd	80%
4th	65%
5th	50%
6th	40%
7th	30%
8th	20%
9th	10%
10th	5%

CITY OF TERRE HAUTE

PROPERTY TAX ABATEMENT PROGRAM APPLICATION

Ownership Information

Name	Address	Phone	Percentage Interest (if applicable)
FITESA INDIANA LLC, 840 SE MAIN STREET, SIMPSONVILLE, SC 29681 (864) 967-5600			

CONTACT PERSON

HAL SINGLEY 840 SE MAIN STREET SIMPSONVILLE, SC 29681
(864) 967-5635

Note: If the owner is a corporation, list the name, address and telephone number for the contact person representing the corporation.

If the owner is a partnership, list the name, address and telephone number of each general and/or limited partner and the percentage of interest in the property held by each general and/or limited partner.

If the owner is a sole proprietor, list the name, address and telephone number of the proprietor.

Property Description

A. Street Address: *3400-A Fort Harrison Road, Terre Haute IN 47804*

B. Parcel ID Number(s): *84-06-01-300-006.000-002*

Current Status of Property

A. Current zoning designation of property: *Industrial*

B. Describe current improvements to the property, including estimated age of existing buildings:

Current property consists of a manufacturing hall, warehousing area and outside storage building. These building have been constructed over various periods of time between 1956 and 2018.

C. Describe the current use of the property, including the names of businesses currently operating (if applicable) and the current number of jobs (if applicable):

Fitesa Indiana uses the property to manufacture plastic films and laminates for adult/baby diapers and feminine hygiene market. Fitesa Indiana currently employees 113 people at the Terre Haute site.

D. Current total assessed valuation of land and all improvements: *\$2,913,700 (Source Beacon)*

E. Describe any unique historical structure or aesthetic improvements: *None noted.*

Proposed Improvements

A. Describe proposed real property improvements and projected costs:

Fitesa Indiana will be undertaking ceiling modification and reinforcement, slab concrete flooring pour, relocation of office and laboratory office spaces. Quality Control lab established. Estimated cost: \$1,372,500

B. Describe proposed depreciable personal property improvements and projected costs: Equipment to be used in the manufacture of nonwoven products for the hygiene and healthcare industries, including elastic, perforated and embossed films and composites. Equipment consists of extruders, screen changer, die packs, calendar and winders, vision system and packaging system, blowers, fan, chiller, heat exchangers, new silos and pneumatic transportation system, and boilers renewal. Additional calendars, embossing & engraving rolls and spooling machine. Estimated cost: \$17,899,700.

C. List any public infrastructure improvements, with estimated costs, that will be necessary for the project: *None noted.*

D. Project Start Date: *June 2021*

E. Project Completion Date: *November 2021*

Eligibility

A. State reasons why the project site qualifies as an Economic Revitalization Area as defined under State Law, i.e., lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings or other factors that have impaired values or prevent a normal development of property or use of property. In the case of manufacturing equipment, also indicate whether or not the area contains a facility or group of facilities that are technologically, economically, or energy obsolete and if the obsolescence may lead to a decline in employment and tax revenues:

The Terre Haute area generally suffers from lack of development and deterioration of improvements due to their age occupancy and substandard buildings. This has inhibited growth in the area. The existing Tredegar facilities and equipment are not sufficient to meet its needs for expansion in the area to improve opportunities for employment and economic development. Without the proposed expansion of its existing facilities there is a significant chance for a decline in employment and tax revenues in the area.

B. State the estimated number of new full-time employees (if applicable) and new employees retained (if applicable). Also include salaries and a description of employee benefits:

Number of new employees: *26-estimated annual salaries \$1,086,467*

Number of retained employees: *113-estimated annual salaries \$7,756,471*

Description of employee benefits for new and/or retained employees: All employees (Salaried and Hourly) are offered the following benefits: Medical, Dental, Vision, STD, LTD, Life, 401K, HSA/FSA, Critical Care, Accident Insurance, Annual Vacation paid. Can be elected for employee, employee + spouse, or employee + family coverage.

C. Please attach completed State of Indiana Statement of Benefits form for real property improvements (Form SB – 1/ RE) and/or State of Indiana Statement of Benefits form for personal property improvements (Form SB – 1/ PP) to this application material.

Ineligible Projects

Projects will not be considered if a building permit has already been obtained or construction has been initiated. This is because the decision of the Council to designate the Economic Revitalization Area must be passed on the finding that the area is “undesirable for normal

development”.

The City Council has the right to void the tax abatement designation awarded to a project if the project has not been initiated within twelve (12) months of the reconfirmation date of the tax abatement resolution, or if the actual use is different than that approved.

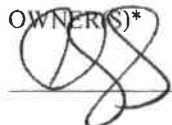
Tax abatement for the rehabilitation or development of real property is not eligible for the following types of facilities:

1. Private or commercial golf courses.
2. Country club.
3. Massage parlor.
4. Tennis club.
5. Skating facility (including roller skating, skateboarding or ice skating).
6. Racquet sport facility (including any handball or racquetball court).
7. Hot tub facility.
8. Suntan facility.
9. Racetrack.
10. Any facility the primary purpose of which is:
 - a. retail food and beverage service;
 - b. automobile sales or service; or
 - c. other retail
11. Residential.
12. A package liquor store that holds a liquor dealer's permit under IC 7.1-3-10 or any other entity that is required to operate under a license issued under IC 7.1. This subdivision does not apply to an applicant that:
 - (A) was eligible for tax abatement under this chapter before July 1, 1995;
 - (B) is described in IC 7.1-5-7-11; or
 - (C) operates a facility under:
 - (i) a beer wholesaler's permit under IC 7.1-3-3;
 - (ii) a liquor wholesaler's permit under IC 7.1-3-8; or
 - (iii) a wine wholesaler's permit under IC 7.1-3-13;

Certification

I hereby certify that the representations made in this application are true and I understand that if above improvements are not commenced (defined as obtaining a building permit and actual start of construction) within 12 months of the date of the designation of the above area as an Economic Revitalization Area, the Terre Haute Common Council shall have the right to void such designation.

OWNER(S)*

 HAL SINGUEY

DATE

04/14/2021

* If the entity seeking tax abatement is a corporation, an authorized representative must sign. If the entity is a partnership, all partners must sign. If the entity is a sole proprietorship, the proprietor must sign.

CITY OF TERRE HAUTE

PROPERTY TAX ABATMENT PROGRAM OVERVIEW AND GUIDELINE SCORING SYSTEM

Program Description

Property tax abatement in Indiana is authorized under Indiana Code 6-1.1-12.1 in the form of deductions from assessed valuation. Any property owner in a locally-designated Economic Revitalization Area (ERA) who makes improvements to the real property or installs eligible new or used personal property (such as manufacturing equipment and certain research and development equipment) is eligible for property tax abatement. Land does not qualify for abatement.

Scoring System

The City of Terre Haute utilizes a scoring system as a guide for determining the appropriate length of time (one of ten time periods can be used) of the property tax abatement(s) being sought for a proposed project. Additional information on the scoring system can be found elsewhere in this document.

Indiana Real Property Assessment Standard

A property's assessed value is the basis for property taxes. Annually, local assessing officials assess the value of real property on March 1 based on market value in use of the property. Property owners can estimate the property taxes for new construction by adding the cost of the land and improvements together and multiplying by the tax rate. For real property tax abatement calculation purposes, the cost of the improvements (the land itself cannot be abated) would be utilized as the real property assessed value. This real property assessment value would then be phased-in over one of ten time periods.

Indiana Personal Property Assessment Standard

Personal property values are assessed March 1 of every year and are self reported by property owners to township assessors using prescribed state forms. Generally speaking, personal property taxes are levied against all tangible property other than real property. Numerous deductions can be applied to personal property. Of course, the value of personal property over time will be subject to depreciation, therefore, applicants are advised to seek the counsel of a financial advisor to determine which asset pool(s) (see following table) would be applicable to their particular project.

Additional information on the State of Indiana's property tax assessment system can be found at the Indiana Department of Local Government Finance website at www.in.gov/dlgf.

Indiana Pools of Assets by Lives Utilized on Federal Tax Return

Year of Acquisition	Pool #1 (1-4 Yrs)	Pool #2 (5-8 Yrs)	Pool #3 (9-12 yrs)	Pool #4 (13+ Yrs)
1	65%	40%	40%	40%
2	50%	56%	60%	60%
3	35%	42%	55%	63%
4	20%	32%	45%	54%
5		24%	37%	46%
6		18%	30%	40%
7		15%	25%	34%
8			20%	29%
9			16%	25%
10			12%	21%
11				15%
12				10%
13				5%

Note: The total valuation of a taxpayer's assessable depreciable personal property in a single taxing

district cannot be less than 30% of the adjusted cost of all such property of the taxpayer.

Real Property Abatement Calculation

Real property abatement is a declining percentage of the increase in assessed value of the improvement based on one of the ten following time periods and percentages as determined by the City Council:

	10 Year	9 Year	8 Year	7 Year	6 Year	5 Year	4 Year	3 Year	2 Year	1 Year
Year										
1	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2	95%	88%	88%	85%	85%	80%	75%	66%	50%	
3	80%	77%	75%	71%	66%	60%	50%	33%		
4	65%	66%	63%	57%	50%	40%	25%			
5	50%	55%	50%	43%	34%	20%				
6	40%	44%	38%	29%	17%					
7	30%	33%	25%	14%						
8	20%	22%	13%							
9	10%	11%								
10	5%									

Depreciable Personal Property Abatement Calculation

Depreciable personal property tax abatement is a declining percentage of the assessed value of the newly installed manufacturing (and certain research/development and warehousing/distribution equipment), based upon one of the ten time periods and percentages as determined by the City Council:

	10 Year	9 Year	8 Year	7 Year	6 Year	5 Year	4 Year	3 Year	2 Year	1 Year
Year										
1	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2	90%	88%	88%	85%	85%	80%	75%	66%	50%	
3	80%	77%	75%	71%	66%	60%	50%	33%		
4	70%	66%	63%	57%	50%	40%	25%			
5	60%	55%	50%	43%	34%	20%				
6	50%	44%	38%	29%	17%					
7	40%	33%	25%	14%						
8	30%	22%	13%							
9	20%	11%								
10	10%									

Project Eligibility Criteria

Decisions to designate areas as Economic Revitalization Areas are determined by the City Council. The City Council utilizes a numerical scoring system as a guide for designating areas as Economic Revitalization Areas within the corporate limits of the City of Terre Haute. Each project is scored on its individual merits. The points system that is utilized to evaluate projects considers the degree of revitalization that the project will have on the surrounding area as well as other facts such as employment (created and/or retained), investment, utilization of local construction firms and labor and so forth.

The following projects will be considered by the Terre Haute City Council for property tax abatement. The real property guideline project scoring criteria can be found in the section entitled "City of Terre Haute Real Property Tax Abatement Guideline Scoring Criteria" on page 8. For projects seeking personal property tax abatement, the "City of Terre Haute Personal Property Tax Abatement Guideline Scoring Criteria" can be found on page 10.

(A.) Manufacturing Project – Local manufacturing projects, local manufacturing-related office structures and local manufacturing-related warehouses that create or preserve employment within the city limits are eligible for property tax abatement. In the case of manufacturing

facilities that directly produce product (as well as manufacturing related-warehouses), both real and depreciable personal property are eligible. In the case of manufacturing-related office structures, only real property is eligible for abatement. Also, certain research and development equipment may qualify for depreciable personal property tax abatement.

(B.) Non-Manufacturing Warehouse and Distribution Center Projects – Warehouses and distribution centers not related to a local manufacturing facility may be eligible for both real and depreciable personal property tax abatement. To be eligible for property tax abatement, the facility must substantially serve markets beyond the Terre Haute metropolitan area.

(C.) Office Space Development – Office space developments within the city limits are eligible for real property abatement provided the project substantially serves markets beyond the Terre Haute metropolitan area.

(D.) Historic Preservation – Projects within the city limits that assist in the preservation of buildings of significant historical nature will be considered for real property abatement.

City of Terre Haute Real Property Tax Abatement Guideline Scoring Criteria

Company Name: Fitesa Indiana, LLC

Application Date: 4/14/21

1. New Real Property Investment	5 points maximum	<u>3</u>
< \$500,000	1	
\$501,000 to \$1,000,000	2	
\$1,000,001 to \$2,000,000	3	
\$2,000,001 to \$3,000,000	4	
\$3,000,001 and up	5	
2. Anticipated New Full-Time Jobs Created Within 5 Years	5 points maximum	<u>3</u>
1 to 10 employees	1	
11 to 20 employees	2	
21 to 30 employees	3	
31 to 40 employees	4	
41 employees and up	5	
3. Anticipated Jobs To Be Retained	5 points maximum	<u>5</u>
1 to 10 employees	1	
11 to 20 employees	2	
21 to 30 employees	3	
31 to 40 employees	4	
41 employees and up	5	
4. Wage Rates	3 points maximum	<u>3</u>
\$7.50 to \$10.00 per hour	0	
\$10.01 to \$12.00 per hour	1	
\$12.01 to \$14.00 per hour	2	
\$14.01 per hour and up	3	
5. Benefits Package	1 point if offered	<u>1</u>
6. Targeted Business	1 point if project	

	is good fit for community	_____1_____
8. Community Involvement	1 point if company plans or is already involved in community activities	_____1_____
9. Is this project a headquarters or a new project to the community?	1 point if "Yes"	_____1_____
10. Diverse Workforce	1 point if applicant maintains an affirmative action plan or other statement of specific goals with respect to employee diversity	_____1_____
Total Points		_____19_____

Scoring

Length of Real Property Abatement

20 points and up	10 years
18 to 19 points	9 years
16 to 17 points	8 years
14 to 15 points	7 years
12 to 13 points	6 years
10 to 11 points	5 years
8 to 9 points	4 years
6 to 7 points	3 years
4 to 5 points	2 years
2 to 3 points	1 year

Bonus Points

1. Common Construction Wage	Council may award one bonus point if company includes common construction wage requirement in its bid specs	_____
2. Contractors Licensed To Do Business in Vigo County	Council may award one bonus point if a substantial percentage of the total fees for construction work associated with the project are paid to companies licensed to do business in Vigo County	_____
3. Materials and Supplies From Vigo County Vendors	Council may award one bonus point if the applicant commits to purchase a substantial amount of materials and supplies for the construction work associated with the project from Vigo County-based vendors	_____
4. Existing Facility	Council may award one bonus point for use, reuse, rehabilitation and/or expansion of an existing facility	_____1_____
5. Mentoring/Intern Program	Council may award one bonus point if applicant pledges to participate	_____

in a mentoring or intern program
associated with a Vigo County
educational institution

Total Bonus Points

_____1_____

Grand Total Points

_____20_____

Recommended Length of Real Property Abatement
Per Guideline Scoring Criteria

_____10_____ Years

**City of Terre Haute
Personal Property Tax Abatement Guideline Scoring Criteria**

Company Name: Fitesa Indiana, LLC

Application Date: 4/14/21

1. New Personal Property Investment	5 points maximum	_____5_____
< \$500,000	1	
\$501,000 to \$1,000,000	2	
\$1,000,001 to \$2,000,000	3	
\$2,000,001 to \$3,000,000	4	
\$3,000,001 and up	5	
2. Anticipated New Full-Time Jobs Created Within 5 Years	5 points maximum	_____3_____
1 to 10 employees	1	
11 to 20 employees	2	
21 to 30 employees	3	
31 to 40 employees	4	
41 employees and up	5	
3. Anticipated Jobs To Be Retained	5 points maximum	_____5_____
1 to 10 employees	1	
11 to 20 employees	2	
21 to 30 employees	3	
31 to 40 employees	4	
41 employees and up	5	
4. Wage Rates	3 points maximum	_____3_____
\$7.50 to \$10.00 per hour	0	
\$10.01 to \$12.00 per hour	1	
\$12.01 to \$14.00 per hour	2	
\$14.01 per hour and up	3	
5. Benefits Package	1 point if offered	_____1_____
6. Targeted Business	1 point if project	

	is good fit for community	_____1_____
8. Community Involvement	1 point if company plans or is already involved in community activities	_____1_____
9. Diverse Workforce	1 point if applicant maintains an affirmative action plan or other statement of specific goals with respect to employee diversity	_____1_____
Total Points		_____20_____

Scoring

Length of Personal Property Abatement

20 points and up	10 years
18 to 19 points	9 years
16 to 17 points	8 years
14 to 15 points	7 years
12 to 13 points	6 years
10 to 11 points	5 years
8 to 9 points	4 years
6 to 7 points	3 years
4 to 5 points	2 years
2 to 3 points	1 year

Bonus Points

1. American Made	Council may award one bonus point if equipment to be installed is manufactured or engineered in the United States	_____
2. Installation By Local Contractor(s)	Council may award one bonus point if a substantial portion of the equipment to be installed is by a company or individuals maintaining a place of business in Vigo County	_____
3. Rehabilitation Of Existing Facilities	Council may award one bonus point if the project involves the rehabilitation of existing facilities	_____1_____
4. Mentoring/Intern Program	Council may award one bonus point if applicant pledges to participate in a mentoring or intern program associated with a Vigo County educational institution	_____
Total Bonus Points		_____1_____

Grand Total Points

____21____

Recommended Length of Personal Property Abatement
Per Guideline Scoring Criteria

____10____ Years

AGREEMENT
Real Property

This Agreement (the "Agreement") dated as of, _____, 2021 serves as confirmation of the commitment of Fitesa Indiana, LLC ("Applicant") to comply with the project description, job creation and retention (and associated wage rates and salaries) figures contained in its designation application, Statement of Benefits, the Preliminary Economic Revitalization Area Resolution 7-2021 and attachments thereto adopted by the Common Council of the City of Terre Haute, Indiana (the "Council") on the 6TH day of MAY, 2021 all of which are attached hereto and incorporated herein, and this Agreement (the "Commitments").

Subject to the adoption of a Final Economic Revitalization Area Resolution by the Council, the City of Terre Haute, Indiana (the "City") commits to providing a ten (10) year real property tax abatement for the Applicant's anticipated capital expenditure estimated to be \$1,372,500 for real property improvements (the "Project") described and approved as a part of the Commitments. It is estimated in the Statement of Benefits the Project will maintain the following positions at approximately the annual rate of compensation shown: 113 employees with annual salaries of approximately \$7,755,000.

The Project is also expected to add 26 employees at approximately the annual rate of compensation shown: \$1,086,000.

The capital expenditure for the Project and the retention and/or addition of positions as stated in the Statement of Benefits shall occur within two (2) years of the estimated completion date of November 30, 2021, all as contained in the approved Statement of Benefits Form SB-1 (the "Commitment Date").

During the term of the abatement, the City may annually request information from the Applicant concerning the status of the Project, including but not limited to, the capital expenditure for the Project, the number of full-time permanent positions retained and/or newly created by the Project, and the average wage rates and salaries (excluding benefits and overtime) associated with the position. The Applicant shall provide the City with adequate written evidence thereof within 15 days of such request (the "Annual Survey"). The Applicant shall provide a copy of the annual CF1 to the Board of Public Works and Safety at the same time the CF1 is filed with the County. The City shall utilize this information to verify that the Applicant has complied with the

Commitments at all times after the Commitment Date and during the duration of the abatement. The Applicant further agrees to provide, upon request by the City, any additional information provided in the Annual Survey and the CF1 form, and shall provide the information within a reasonable time following any such additional request.

The benefit of the tax abatement is conditioned on the Applicant achieving substantial compliance with the Commitment in the Statement of Benefits. The City, by and through the Council, reserves the right to terminate the Economic Revitalization Area designation and associated property tax abatement deductions if it determines that the Applicant has not made reasonable efforts to substantially comply with all the Commitments, and the Applicant's failure to substantially comply with the Commitments was not due to factors beyond its control. As used in the Agreement, "substantial compliance" shall mean the Applicant has effectuated at least eighty percent (80%) of each of the Commitments set forth in the Statement of Benefits.

As used in this Agreement, factors beyond the control of the Applicant shall only include factors not reasonably foreseeable at the time of the designation application and submission of Statement of Benefits which are not caused by any act or omission of the Applicant and which materially and adversely affect the ability of the Applicant to substantially comply with the Commitments. Factors beyond the control of the Applicant could include but would not be limited to: a substantial change in economic conditions for the Applicant which would prevent the expenditure of monies or eliminate the need for the Project at this time; or a delay in construction occasioned by third parties or circumstances beyond the control of the Applicant which prevents compliance with the time periods set out in the Statement of Benefits; or a change in ownership or plans of a parent company not controlled by the Applicant which adversely affects the needs or resources of the Applicant.

If the City terminates the Economic Revitalization Area designation and associated tax abatement deductions, it may require the Applicant to repay the City all or a portion of the tax abatement savings received through the date of such termination. The amount of tax abatement required to be repaid for each year of noncompliance shall not exceed an amount equal to the percentage by which the Applicant has failed to attain substantial compliance with the Commitments. If the Applicant fails to substantially comply with more than one of the Commitments, repayment shall be based on the highest level of noncompliance.

If at any time during the term of this Agreement, whether before or after the Commitment Date, the Applicant shall: (i) cease operations at the facility for which the tax abatement was granted; or (ii) announce the cessation of operations at such facility, then the City may immediately

terminate the Economic Revitalization Area designation and associated future tax abatement deductions.

In the event the City requires repayment of the tax abatement savings as provided hereunder, it shall provide Applicant with a written statement calculating the amount due (the "Statement"), and Applicant shall make such repayment to the City within 30 days of the date of the Statement. If the Applicant does not make timely repayment, the City shall be entitled to all reasonable costs and attorneys fees incurred in the enforcement and collection of the tax abatement savings required to be repaid hereunder.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

APPLICANT

By 

Hal Singley, CFO/Director
Printed name and title

City of Terre Haute by its
Board of Public Works

By _____

Printed Name and title

Approved as to legal adequacy and form this _____ day of _____, 2018

By _____

Printed name and title

Receipt

The following was paid to the City of Terre Haute, Controller's Office.

Date:

April 21 2021

Name:

Litosa

TERRE HAUTE, INC

Reason:

Statement Filing Fee

PAID

APR 21 2021

Real property tax

CONTROLLER

Cash:

Check:

500.⁰⁰ CH# 101345

Credit:

Total:

500.⁰⁰

Received By:



RS 7