

**RESOLUTION NO. LRC-2020-05**

**LAFAYETTE REDEVELOPMENT COMMISSION**

**A RESOLUTION RECOMMENDING DESIGNATION  
OF AN ECONOMIC REVITALIZATION AREA  
FOR TAX ABATEMENT AND  
RECOMMENDING APPROVAL OF DEDUCTION FOR TAX ABATEMENT**

**WHITENACK & BROTHERS LLC  
REAL PROPERTY**

**WHEREAS**, I.C. 6-1.1-12.1 allows a partial abatement of property taxes attributable to the rehabilitation/redevelopment of real property and/or the installation of new tangible personal property in “Economic Revitalization Areas” (ERA); and

**WHEREAS**, I.C 6-1.1-12.1 empowers the Common Council to designate Economic Revitalization Areas (ERA); and

**WHEREAS**, the Common Council of the City of Lafayette, Indiana has designated the Lafayette Redevelopment Commission as the agency to make preliminary investigations, determinations, and recommendations to said Common Council as to what areas should be designated Economic Revitalization Areas (ERA); and

**WHEREAS**, the Lafayette Redevelopment Commission has considered applications dated February 13, 2020, for designation of real estate, which real estate is more completely described on the attached Exhibit “A”, as an ERA for the purpose of achieving real and/or personal property tax savings, and has reviewed the Statement of Benefits submitted by Whitenack & Brothers LLC (which is the real estate entity for the business operation of Antique Candle Works, Inc) and other relevant information presented at their regularly scheduled meeting on the Attached Exhibit “B”; and

**WHEREAS**, Whitenack & Brothers LLC. has requested a deduction from the assessed value for the redevelopment of real estate pursuant to the Statement of Benefits over a period of ten (10) years in accordance with the following abatement schedule percentages:

Year	Percentage
1	100
2	90
3	80
4	70
5	60
6	50

7	40
8	30
9	20
10	10

**WHEREAS**, the area meets the criteria for designation of an Economic Development Area (ERA) under IC 6-1.1-12.1; and

**WHEREAS**, the applications for deduction for the purpose of tax abatement within an ERA meets the criteria for approval of a deduction for the purpose of tax abatement under IC 6-1.1-12.1;

**NOW THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT COMMISSION OF THE CITY OF LAFAYETTE** that the following recommendations be made to the Common Council:

1. That the request of Whitenack & Brothers LLC. for the designation of an Economic Development Area (ERA) for the real estate described on Exhibit A be granted for a period of ten (10) years commencing January 1, 2020.

2. That the Application for deduction for the purposes of tax abatement meet the criteria for approval of a deduction for the purpose of tax abatement under IC 6-1.1-12.1 and as such that Whitenack & Brothers LLC. be entitled the opportunity to apply for property tax deductions for the redevelopment/rehabilitation of real estate over a period of ten (10) years in accordance with the following abatement schedule percentages:

Year	Percentage
1	100
2	90
3	80
4	70
5	60
6	50
7	40
8	30
9	20
10	10

**ADOPTED AND PASSED** by the Lafayette Redevelopment Commission this 27th day of February, 2020.

**LAFAYETTE REDEVELOPMENT COMMISSION**

\_\_\_\_\_  
Jos Holman, President

\_\_\_\_\_  
Jim Terry, Vice President

\_\_\_\_\_  
T.J. Thieme, Secretary

\_\_\_\_\_  
Shelly Henriott, Commissioner

\_\_\_\_\_  
Donald J. Teder, Commissioner

ATTEST:

\_\_\_\_\_  
Dave Moulton

\_\_\_\_\_  
Randy Bond

**Exhibit A**  
**Boundary Map (Site Survey)**  
**and**  
**Legal Description**



# **Exhibit B**

## **Statement of Benefits (SB-1) and Supplement to Statement of Benefits**





## SUPPLEMENT TO STATEMENT OF BENEFITS Real Estate & Personal Property

**INSTRUCTIONS:**

1. This completed SUPPLEMENT and the completed STATEMENT OF BENEFITS, along with all other requested materials, must be submitted to Greater Lafayette Commerce.
2. This SUPPLEMENT TO STATEMENT OF BENEFITS is part of the total application, and the CERTIFICATION in the STATEMENT OF BENEFITS applies to all statements in the APPLICATION.
3. To qualify, the project investment must be at least \$500,000.

<b>SECTION 1</b>	<b>APPLICANT</b>
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Name of Taxpayer: Whitenack & Brothers LLC. This LLC is real estate entity owned by Brittany Whitenack, who also owns Antique Candle Works, Inc.	
Address of Taxpayer (street and number, city, state & ZIP code): 704 Avondale Street West Lafayette, IN 47906	Telephone: 765-586-6013 E-mail: <a href="mailto:brittany@antiquecandle.com">brittany@antiquecandle.com</a>

Name of Applicant if different from Taxpayer:	
Address of Applicant if different from Taxpayer (street and number, city, state & ZIP code):	Telephone: E-mail:
Description of relationship of Applicant to Taxpayer:	

Contact for this Application: Brittany Whitenack 704 Avondale Street West Lafayette, IN 47906	Phone Number: (765)586-6013
Address of Contact if different from Taxpayer (street and number, city, state & ZIP code):	Telephone: E-mail:

Name of Parent Company (if any):
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Does the company currently conduct business at this site?	Yes _____	No <u>X</u> _____
If "No", how is the site currently used?	It is being renovated for use beginning in September 2020	

<b>Annual Report &amp; History of Company</b>	
Company Certified Public Accountant:	Drew Trenz (The Trellis Club)
Company Commercial Bankers:	Angela Tamer (HORIZONS)
Company Counsel:	Dan Teder

To be completed by GLC Staff

Is this area currently designated as an Economic Revitalization Area?	Yes _____	No <u>X</u> _____
Has it ever been so designated in the past?	Yes _____	No <u>X</u> _____
Is this property in a Tax Incremental Finance (TIF) district requires RD Commission Approval?	Yes _____	No <u>X</u> _____

**SECTION 2 JURISDICTION & PURPOSE**

Jurisdiction: Lafayette _____ X West Lafayette _____ Tippecanoe _____	Purpose of Application: Real Estate Tax Abatement - _____ 10 years Personal Property Tax Abatement - _____ years ERA Designation Only - _____
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Type of Industry:

Research & Development \_\_\_\_\_

Manufacturing \_\_\_\_\_ X

Logistics \_\_\_\_\_

Information Technology \_\_\_\_\_

Other \_\_\_\_\_ Please specify: \_\_\_\_\_

Describe proposed project.

Complete renovation of building including: new offices and break room (framing, drywalling, painting), opening warehouse layout, painting, refinishing floors, updating bathrooms (tile, replacement of fixtures), all new electrical, new roof, add security system, improve parking for employees and customers, and general improvement of exterior.

**SECTION 3 PROPERTY DESCRIPTION**

Assessor's Personal Property Key Number(s): 79-07-16-821-001.000-0004

Location of Real Property (street and number, city, state & ZIP code):  
 1611 Schuyler Avenue Lafayette, IN 47904

**\*\*ATTACH LEGAL DESCRIPTION & PLAT MAP WITH LOCATION\*\***

**SECTION 4 NATURE OF REAL ESTATE IMPROVEMENTS**

Describe any Real Property Improvements:

**Size of facility to be constructed and /or renovated**  
 16,098 current square feet. 832 sq. feet (garage) will be demoed, with a total of 15,266 sq ft renovated and remaining.

**Rehabilitation of existing structure(s), especially architecturally significant or historic structures**  
 Renovating office areas & break area. Keeping the historic brick inside and exterior intact. Also, keeping a few historic pieces intact:

1. Preserving unique ceiling windows
2. Preserving unique fire door (approximately 40 feet x 40 feet large)

**Demolition of architecturally significant or historic structure(s)**  
 Demoiing car garage that is not original to the building and a 2 interior walls to open up warehouse space  
 None of these are historic structures

Estimated Investment \_\_\_\_\_ \$1,150,000

**SECTION 5 PERSONAL PROPERTY**

Type of Project:  
 Research & Development \_\_\_\_\_  
 Machinery & Equipment \_\_\_\_\_  
 Logistics \_\_\_\_\_  
 Information Technology \_\_\_\_\_  
 Other \_\_\_\_\_ Please specify: \_\_\_\_\_

Estimated Investment \_\_\_\_\_

**\*\*ATTACH DEPRECIATION SCHEDULE\*\***

**\*APPLIES ONLY FOR THE CITY OF LAFAYETTE\***  
 Please note that all Personal Property tax abatements are subject to a Memorandum of Agreement that may require repayment of all or a portion of the tax savings realized in a designated ERA if it is terminated because the property is removed from the City of Lafayette by the applicant. Please contact the City of Lafayette Economic Department for details.

**SECTION 6 EMPLOYMENT**

How many do you employ today? \_\_\_\_\_ **31**  
 How many will you employ after the project is complete? \_\_\_\_\_ **35**  
 How many jobs will be created? \_\_\_\_\_ **4** Full-time \_\_\_\_\_ **0** Part-time  
 How many jobs are retained? \_\_\_\_\_ **18** Full-time \_\_\_\_\_ **13** Part-time  
 How many jobs will be eliminated? \_\_\_\_\_ **0** Full-time \_\_\_\_\_ **0** Part-time

Will any of the new positions be temporary or filled by contract employees Yes \_\_\_\_\_ No  X   
 If "Yes", describe the contract: \_\_\_\_\_

Will new employees be hired from the Tippecanoe region? Yes  X  No \_\_\_\_\_

If any positions are to be eliminated, please explain the circumstances and if any of the employees from these positions will be eligible for the new positions.

How many additional employees are:

	Number	Hourly Average
Production	2	\$36,000/year
Administrative	1	\$70,000/year
Management	1	\$40,000/yr
Professional/ Technical		
Other		
Total/ Average Wage	4	pprox. \$45,500/year

How many retained employees are:

	Number	Hourly Average
Production	3	\$36,000/year
Administrative	3	\$90,000/year
Management	6	\$50,000/year
Professional/ Technical	2	\$30,000/year
Other	4	\$36,000/year
Total/ Average Wage	18	\$50,500/year

What is the anticipated time frame for reaching full employment and the salary goals, per SB-1, from completion of improvement?

Year	1 yr	2 yrs	3 yrs	4 yrs	5 yrs	> 5
Employment	4					

Salary Total: \$182,000/year (4 employees)

**\*\*IF GREATER THAN FIVE YEARS PROVIDE DETIALED TIMETABLE\*\***

Does the company provide benefits to full time employees? Yes X No \_\_\_\_\_

If "Yes", explain and list:

Health Insurance	_____	0 % paid
Life insurance	_____	0 % paid
Disability	_____	0 % paid
Childcare	_____	0 % paid
Vacation	_____	17 min. # of days
Retirement	_____	0 % paid
Other	_____	0 % paid

To be completed by GLC Staff.

Is the average wage at or above the Tippecanoe County average? Yes X No \_\_\_\_\_

**SECTION 7 IMPACTS & STATUS**

Please estimate the % of your products or services sold outside this 8-county economic region? \_\_\_\_\_ 98 %

Does the applicant supply any local firms? Yes \_\_\_\_\_ No X

If yes, please list:

Will any additional public utilities, city services or other infrastructure be required by this project? Yes \_\_\_\_\_ No X

If "Yes", explain:

Will any environmental permits be needed? Yes \_\_\_\_\_ No X

If "Yes", explain:

Current Zoning GB

Will any changes, special exceptions be required? Yes \_\_\_\_\_ No X

Have they been approved? Yes \_\_\_\_\_ No \_\_\_\_\_ N/A X

Has the applicant or any predecessor of the applicant defaulted in any material respect the performance of financial obligations by the applicant? Yes \_\_\_\_\_ No X

Is there any pending litigation materially affecting the applicant? Yes \_\_\_\_\_ No X

If "Yes", please describe giving procedural posture of the case(s):

Are there any restrictions contained in the applicant's Articles or Certificate of Incorporation, Charter, Bylaws, Code of Regulations or any agreements to which the applicant is a party that could affect the applicant's ability to engage in this project?	Yes _____	No <u>X</u>
If "Yes", explain:		

**SECTION 8 AFFIRMATION OF TAX PAYMENTS**

I affirm that the applicant is current with all local, state, and federal tax obligations and understand that failure to have paid said taxes in a timely manner may render the applicant, during the course of this tax abatement, noncompliant and, therefore, ineligible for tax abatement.

<u>Beth Whitenack</u> Signature	02 / 13 / 2020 Date
<u>Brittany Whitenack</u> Name Printed	<u>Owner &amp; CEO</u> Title
<u>Brittany@antiquecandleco.com</u> E-mail	<u>765-586-6013</u> Phone

## PRINCIPLES

### FOR CONSIDERATION OF PROPERTY TAX ABATEMENT IN LAFAYETTE, INDIANA

These principles are used in determining the guidelines and considerations for each category of project, and will also be used in determining the length of an abatement within each category.

1. Firms receiving tax abatement are expected to give local construction firms and local suppliers of goods and services the opportunity to do business.
2. Existing industry will be considered for tax abatement on the same basis as firms being recruited to the community.
3. Preference will be given to firms that diversify and fill gaps in our local economy rather than those that compete for business in the local economy with existing firms.
4. Products that are sold outside our local community and bring value to the local economy will be given a high priority.
5. Abatement will be used to recruit and assist firms that create a technology based product or service or use advanced technology in manufacturing.
6. Location in the downtown, the urban enterprise zone, or declining area designated as an economic development area will be given a higher priority.
7. Projects that involve retail or are primarily office operations will be considered only in the locations described in #6 above unless the office operations are technology related.
8. The number of jobs created per dollar of investment will be an important consideration for the warehouse distribution and manufacturing areas.
9. The level of wages and benefits will be an important consideration for all applications.
10. Housing will be evaluated in terms of percentage of units available to lower income families, mix of income levels, distance from other projects serving a similar clientele, availability of services, potential displacement of existing housing, and compatibility of design.
11. Projects will not be considered that will require variances or special exceptions unless primary review indicates that no problems will be encountered.
12. Adverse environmental impacts will negatively affect the consideration of abatement.
13. Any need for additional public infrastructure or other additional public support in the project will be considered in determining the length of the abatement.
14. Major development projects will be individually evaluated.
15. The time period of depreciation of equipment will be considered in the length of abatement for equipment.
16. Economic Revitalization Areas (ERAs) designated by the Common Council for new manufacturing equipment will include a Memorandum of Understanding that will provide for the repayment to the City of all or a portion of the tax savings realized through the designation in event that the ERA is terminated because the new manufacturing equipment is removed from the City.

## **GUIDELINES**

### **FOR CONSIDERATION OF PROPERTY TAX ABATEMENT IN LAFAYETTE, INDIANA**

Projects will be considered for abatement only if the proposed investment is at least \$250,000 and development has not begun and/or equipment has not been ordered. In addition, if the applicant is not the owner, authorization of the application must be obtained from the owner.

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

#### **6-10 Years**

Real Estate Improvements

Manufacturing

Technology Based

#### **3-6 Years**

Equipment and Machinery

Warehouse/Distribution

Office

Retail

#### **1-3 Years**

Housing

**Redevelopment Commission Guidelines  
For  
Economic Revitalization Area Designation  
City of Lafayette, Indiana**

The Lafayette Redevelopment Commission has formulated guidelines for granting requests for designation of an Economic Revitalization Area. Each category has a threshold of acceptance and a benchmark for the number of years of tax abatements. The number of years of tax abatement may be increased or decreased by the Redevelopment Commission and/or the Common Council with the addition of positive or negative factors cited. Final authority rests with the Common Council.

**Manufacturing/Commercial**

Threshold:

1. Development/redevelopment not begun/Equipment not ordered
2. Commercial only eligible in Central TIF
3. More than \$250,000 investment
4. Variances/special exceptions have

Positive Factors (increase years of abatement):

1. Located in Central TIF or Urban Enterprise Zone
2. More than one (1) job created/retained per \$100,000 investment
3. Jobs are supported by product/service sales outside the Greater Lafayette area
4. Commitment to hire/train residents of the Greater Lafayette area, including for construction
5. Jobs include benefits
6. Jobs pay more than county average

Benchmark:

Six (6) years – real estate  
Five (5) years – equipment

Negative Factors (decrease years of abatement):

1. Location in TIF other than Central TIF
2. Jobs retained but no new jobs created
3. Prior tax abatement received

**Retail**

Threshold:

1. Project includes more than one (1) tenant
2. Variances/special exceptions have passed initial review
3. Development/redevelopment not begun
4. Investment more than \$250,000

Factors:

1. Redevelopment (rehab) rather than new development
2. Vacancies (measured in square footage, number of spaces and length of time)
3. Property taxes paid by tenant
4. Decline in assessed value
5. Impact on surrounding area

Benchmark:

Three (3) years

**Multi-family Rental Housing**

Threshold:

1. 20% of units dedicated to low and moderate income households
2. Investment of more than \$250,000 or increased assessment of at least \$50,000
3. Development or redevelopment not yet begun
4. Variances/special exceptions have passed initial review

Positive Factors (increase years of abatement):

1. Located in Central TIF or Urban Enterprise Zone
2. More than 40% of the units dedicated to low or moderate income households or more than 20% of units dedicated to low income households

Negative Factors (decrease years of abatement):

1. Located in TIF other than Central TIF
2. Low or moderate income households displaced
3. No units dedicated for low income households
1. Demolition or incompatible alteration of historic structures

Benchmark:

Six (6) years

## SUMMARY OF IMPACT EVALUATIONS

### COMMUNITY IMPACTS

Yes/No/N/A

- Yes 1. Is the project compatible with Tippecanoe County's current comprehensive plan?
- Yes 2. Does the applicant own the property of the project?
- No 3. Will any historic structures be demolished?
- Yes 4. Will any historic structures be redeveloped?
- No 5. Is a change in zoning necessary? From \_\_\_\_\_ to \_\_\_\_\_
- No 6. Are Variances or Special Exceptions needed?
- No 7. Will any negative environmental impacts or pollution result from the project?
- No 8. Are any environmental permits needed?
- No 9. Will any households be displaced?
- No 10. Will the project have a negative effect on the local housing market?
- No 11. Will the project include rehabilitation or redevelopment of existing structures?
- Yes 12. Will the project have other benefits on the community?
- No 13. Will the project have other negative effects on the community?
- No 14. Has any work begun or any equipment been ordered?
- No 15. Is the project located in Downtown or the LUEZ?
- Yes 16. Are products primarily sold outside community?

### EMPLOYMENT IMPACTS

- Yes 17. Will jobs be created or retained? 4 created 18 retained
  - Yes 18. Will wages be equal or be above the county's average? \$21.63/hr avg
  - Yes 19. Will employees receive health insurance? 0% paid by company
  - Yes 20. Will employees receive retirement benefits? 0% paid
  - Yes 21. Will employees receive life insurance? 0% paid by company
  - Yes 22. Will employees receive other benefits? List: Vacation -17 days/yr
  - N/A 23. What is the ratio of investment to jobs creation: \$287.K:1
  - Yes 24. Will construction labor from the local region (Tippecanoe and contiguous counties) be used?
  - Yes 25. Will new employees resulting from the project be hired from the local region (Tippecanoe and contiguous counties)?
- Yes 26. Does the project include advanced technology or manufacturing processes?

### FISCAL IMPACTS

- N/A 27. Will the project be in competition with existing local business?
- Yes 28. Will the project complement existing local businesses?
- No 29. Will new infrastructures, not yet in place, be required for this project?
- No 30. Will the project have other special tax treatments or financing such as grants, low interest loans, etc.
- No 31. Has the applicant ever applied for or benefited from tax abatement in any other project in Lafayette or elsewhere?
- Yes 32. Has financing for this project been approved?