

**CITY OF BUTLER, INDIANA
ECONOMIC DEVELOPMENT COMMISSION MEETING
MAY 12, 2020
BUTLER CITY HALL COUNCIL CHAMBER
215 SOUTH BROADWAY**

1. **Call to Order** - Rick Walters, President, called the meeting to order at 8:00 AM.
2. **Roll Call** - Present were members Rick Walters, Jay Jacobs and Dawn Mason. Staff present were Cedric Hollabaugh, Attorney, Steve Bingham, City Planner. Also present was the applicant, Bernice Timmerman.
3. **Election of 2020 Officers** – Discussion regarding electing officers for 2020.

MOTION: To nominate Rick Walters as President and Jay Jacobs as Vice-President by Jay Jacobs. Second by Dawn Mason. Motion adopted unanimously

4. **Minutes of Previous Meeting** - The minutes of the October 15, 2019 meeting were provided to the members prior to this meeting.

Motion - To approve the minutes of the October 15, 2019 meeting, by Jay Jacobs. Second by Dawn Mason. Motion adopted.

5. **Review of an Application for Residential Tax Abatement submitted by Bernice Timmerman (RTA-2020-01)** - Steve Bingham then reviewed the application submitted by Bernice Timmerman for her new house, located at 402 Westward Drive, as follows:

APPLICANT / OWNER INFORMATION	
Applicant Name	Bernice H. Timmerman
Current Owner of Record	Bernice H. Timmerman 5174 County Road 68 Spencerville, IN 46788
Applicant Address	5174 County Road 68 Spencerville, IN 46788
Owner Phone	260-750-4394
Owner Email	smilingangell@frontier.com

**CITY OF BUTLER, INDIANA
ECONOMIC DEVELOPMENT COMMISSION MEETING
SEPTEMBER 1, 2020
BUTLER CITY HALL COUNCIL CHAMBER
215 SOUTH BROADWAY**

1. **Call to Order** - Rick Walters, President, called the meeting to order at 8:02 AM.
2. **Roll Call** - Present were members Rick Walters, Jay Jacobs and Dawn Mason. Staff present were Cedric Hollabaugh, Attorney, Steve Bingham, City Planner. Representing the applicant, Forest River, Inc., was Brent Stevens. Anton King, Executive Director of the DeKalb County Economic Development Partnership, was also present.
3. **Minutes of Previous Meeting** - The minutes of the May 12, 2020 meeting were provided to the members prior to this meeting.

Motion - To approve the minutes of the May 12, 2020 meeting, by Jay Jacobs. Second by Dawn Mason. Motion adopted.

4. **Review of an Application for Real Property and Personal Property Abatement TA-2020-01) Submitted by Forest River, Inc.** - Steve Bingham then reviewed the history of Forest River's property in Butler. Forest River had originally submitted an application in 2017. They were granted a Vacant Building Deduction for starting up a manufacturing operation in a building that had been vacant for at least three years. They were also granted a personal property abatement for the machinery that they installed in the existing building.

The current Forest River application requests real property abatement for a new 63,000 square foot manufacturing building, and a personal property abatement for new manufacturing, logistics, research and development and information technology equipment, a total \$650,000 in value.

Steve Bingham then reviewed the details provided by the Forest River application for the personal property portion of their proposed project as follows:

APPLICANT	
Name	Forest River Manufacturing, LLC
Address	900 County Road 1, Elkhart, IN 46514
Phone	574-596-0193
Email	Bstevens@forestriverinc.com

**PROPERTY DESCRIPTION /
PROPOSED MACHINERY ACQUISITION**

Real Property Address	685 East Main Street, Butler, IN 46721	
Brief Legal description	Pt. W ½ SE ¼, 24.85 Acres.	
Parcel #	23-07-01-400-012	
Proposed Equipment Acquisitions	<ul style="list-style-type: none"> • Three 45-foot RV scaffoldings. • One hoist for the chassis prep area. • Hoist for floor set. • Hoist for wall set. • Four 200 square foot mezzanines. • One large compressor. • One computerized scale recessed into concrete and connected to computer. • Four tow motors. • Two large air compressors. • One pickup truck. 	
Value of Proposed Machinery Acquisition	<ul style="list-style-type: none"> • Manufacturing Equipment • R&D Equipment • Logistics / Distribution Equipment • IT Equipment 	<ul style="list-style-type: none"> \$ 250,000 \$ 100,000 \$ 200,000 \$ 100,000

APPLICATION REVIEW

Items Submitted	<ul style="list-style-type: none"> • Cover Letter • Application for Tax Phase-In, TA-2020-01 and dated 8/10/2020 (signature pending), with following appendices. <ul style="list-style-type: none"> ○ Appendix D – Form 1 ○ Appendix D – Form 2 – (pending) ○ Appendix G – Projected CEDIT – CAGIT Revenues ○ Statement of Benefits SB-1 / PP Form ○ Statement of Benefits SB-1 / Real Property Form ○ Proposal Letter to Butler Common Council that includes description of machinery, community support and building project.
Stated Purpose of Project	Acquisition of machinery for new manufacturing building and expanded portion of existing manufacturing building.

Proposed budget	\$650,000								
Proposed project start & finish dates	Start: 9/1/2020 Finish: 12/31/2021								
Proposed number of new jobs resulting from acquisition	4, one to be hired in the Fourth Quarter 2019; 2 to be hired in the First Quarter of 2020; 1 to be hired in the First Quarter of 2021.								
Proposed hourly wage for new jobs	\$30.00								
Fringe benefits for new hourly jobs	\$10,000 per year or 16%.								
Average annual CREDIT / CAGIT revenues generated by this project	\$135,000								
Infrastructure	No additional public infrastructure required to support this project.								
Current value of existing equipment per SB-1	<table> <tr> <td>Manufacturing equipment:</td> <td>\$ 250,000</td> </tr> <tr> <td>R&D Equipment:</td> <td>\$ 0</td> </tr> <tr> <td>Logistics / Distribution equipment:</td> <td>\$ 0</td> </tr> <tr> <td>IT Equipment</td> <td>\$ 50,000</td> </tr> </table>	Manufacturing equipment:	\$ 250,000	R&D Equipment:	\$ 0	Logistics / Distribution equipment:	\$ 0	IT Equipment	\$ 50,000
Manufacturing equipment:	\$ 250,000								
R&D Equipment:	\$ 0								
Logistics / Distribution equipment:	\$ 0								
IT Equipment	\$ 50,000								
Projected value of proposed equipment	<table> <tr> <td>Manufacturing equipment</td> <td>\$ 250,000</td> </tr> <tr> <td>R&D Equipment</td> <td>\$ 100,000</td> </tr> <tr> <td>Logistics / Distribution equipment</td> <td>\$ 200,000</td> </tr> <tr> <td>IT Equipment</td> <td>\$ 150,000</td> </tr> </table>	Manufacturing equipment	\$ 250,000	R&D Equipment	\$ 100,000	Logistics / Distribution equipment	\$ 200,000	IT Equipment	\$ 150,000
Manufacturing equipment	\$ 250,000								
R&D Equipment	\$ 100,000								
Logistics / Distribution equipment	\$ 200,000								
IT Equipment	\$ 150,000								
Zoning	No zoning issues or proposed changes required for this project.								
Environmental status	No stated current environmental findings by Company. Estimated solid waste conversion, according to SB-1: 375,000 pounds. Estimated hazardous waste conversion, according to SB-1: 500 pounds.								
Community Support	<p>Stated support for:</p> <ul style="list-style-type: none"> • Sponsor Teams for Little Leagues and Soccer. • Sponsor School Plays. • Boys and Girls Club Sponsorship and donations. • Habitat for Humanity Donations and assistance. • Elkhart Jazz Festival Sponsor. • Sponsor for Elkhart County Fair. • Building of Children’s Playgrounds in Goshen. • Elkhart Aquatic Center donation. 								

Brent Stevens then provided a summary of the project. The personal property abatement would cover new lifts, hoists, scaffolding to construct roofs, a scale system and a new computer system. He added that there is an increased demand for Forest River product. Forest River is pleased with their Butler workforce. The Butler facility is currently producing eight units per day. The increased production capacity provided by the new manufacturing space and equipment would increase daily output to twenty units per day.

Anton King stated that the DeKalb EDP has supported Forest River since they first arrived in Butler in 2017. He added that Forest River brings high-quality and high paying jobs to Butler and DeKalb County.

No further discussion regarding application.

Steve Bingham then read through the personal property findings of fact, as follows. The Commission's affirmation of the findings are listed in the right column:

Proposed Personal Property Acquisition – Findings of Fact		
NOTE - A designating body may not designate an area an economic revitalization area or approve a deduction unless the findings required by this subsection are made in the affirmative.		
1.	Whether the estimate of the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is reasonable for equipment of that type.	Yes
2.	Whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.	Yes
3.	Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.	Yes
4.	With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, whether the estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful products can be reasonably expected to result from the installation of the new manufacturing equipment.	N/A

5.	Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.	Yes
6.	Whether the totality of benefits is sufficient to justify the deduction. The designating body may not designate an area an economic revitalization area or approve the deduction unless it makes the findings required by this subsection in the affirmative.	Yes

MOTION - To submit a favorable recommendation regarding the application to the Butler Common Council with an abatement term of ten years by Jay Jacobs, second by Dawn Mason. Motion adopted.

Steve Bingham then reviewed the details provided by the Forest River application for the real property portion of their proposed project as follows:

APPLICANT	
Name	Forest River Manufacturing, LLC
Address	900 County Road 1, Elkhart, IN 46514
Phone	574-596-0193
Email	Bstevens@forestriverinc.com

PROPERTY DESCRIPTION / PROPOSED REAL PROPERTY IMPROVEMENTS	
Real Property Address	685 East Main Street, Butler, IN 46721
Legal description	Pt. W ½ SE ¼, 24.85 Acres.
Parcel #	23-07-01-400-012
Proposed Real Estate Improvements	Construction of a new 63,000 square foot manufacturing building and a 12,000 square expansion of the existing manufacturing building on this site per submitted application, which is hereby referenced and made a part of the application and review package.
Value of Proposed Real Estate Improvements	\$3,350,000.00

APPLICATION REVIEW	
Items Submitted	<ul style="list-style-type: none"> • Cover Letter • Application for Tax Phase-In, TA-2020-01 and dated 8/10/2020 (signature pending), with following appendices. <ul style="list-style-type: none"> ○ Appendix D – Form 1

	<ul style="list-style-type: none"> ○ Appendix D – Form 2 – (pending) ○ Appendix G – Projected CEDIT – CAGIT Revenues ○ Statement of Benefits SB-1 / PP Form ○ Statement of Benefits SB-1 / Real Property Form ○ Proposal Letter to Butler Common Council that includes description of machinery, community support and building project.
Stated Purpose of Project	New 63,000 square foot manufacturing building and a 12,000 square foot expansion for the existing manufacturing building.
Proposed budget	\$650,000
Proposed project start & finish dates	Start: 9/1/2020 Finish: 12/31/2021
Proposed number of new jobs resulting from acquisition	4, one to be hired in the Fourth Quarter 2019; 2 to be hired in the First Quarter of 2020; 1 to be hired in the First Quarter of 2021.
Proposed hourly wage for new jobs	\$30.00
Fringe benefits for new hourly jobs	\$10,000 per year or 16%.
Average annual CEDIT / CAGIT revenues generated by this project	\$135,000
Infrastructure	No additional public infrastructure required to support this project.
Zoning	No zoning issues or proposed changes required for this project.
Environmental status	No stated current environmental findings by Company. Estimated solid waste conversion, according to SB-1: 375,000 pounds. Estimated hazardous waste conversion, according to SB-1: 500 pounds.
Community Support	Stated support for: <ul style="list-style-type: none"> ● Sponsor Teams for Little Leagues and Soccer. ● Sponsor School Plays. ● Boys and Girls Club Sponsorship and donations. ● Habitat for Humanity Donations and assistance. ● Elkhart Jazz Festival Sponsor. ● Sponsor for Elkhart County Fair. ● Building of Children’s Playgrounds in Goshen. ● Elkhart Aquatic Center donation.

Steve Bingham then read through the real property findings of fact, as follows. The Commission’s affirmation of the findings are listed in the right column:

Proposed Real Estate Improvements – Findings of Fact		
NOTE - A designating body may not designate an area an economic revitalization area or approve a deduction unless the findings required by this subsection are made in the affirmative.		
1.	The estimate of the value of the redevelopment or rehabilitation is reasonable for projects of that nature.	Yes No
2.	Whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation.	Yes No
3.	Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation.	Yes No
4.	Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described redevelopment or rehabilitation.	Yes No
5.	Whether the totality of benefits is sufficient to justify the deduction.	Yes No

MOTION - To submit a favorable recommendation regarding the application to the Butler Common Council with an abatement term of ten years by Jay Jacobs, second by Dawn Mason. Motion adopted.

5. Other Business – Nothing further brought to floor.

6. Adjourn - the Meeting adjourned at 8:35 AM.

Minutes prepared and submitted by Steve Bingham, Butler City Planner

PROPERTY DESCRIPTION	
Address	402 Westward Drive, Butler, IN
Legal description	Lot 12, Mayerknoll Addition, Plat 3 to the City of Butler
Parcel #	23-07-02-476-022
Intended use	Residential

APPLICATION REVIEW	
Items Submitted	<ul style="list-style-type: none"> Application for Tax Phase-In, RTA-2020-01, signed by Bernice Timmerman, March 3, 2020.
Stated Purpose of Project	Construct 1 ½ - story, single-family house on slab; 1,262 sf living space; 459 sf garage; 45 sf porch per ILP-2020-12, issued 3/23/2020.
Proposed Cost of Construction	\$150,000.00
Proposed project start & finish dates, per ILP-2020-12	<ul style="list-style-type: none"> Start: 4/1/2020. Finish: 10/31/2020.
Infrastructure	No additional public infrastructure required to support this project.
Current assessed value of land	Current 2020 AV of land & improvements, as of 4/14/2020, per the Beacon-DeKalb GIS website = \$24,800.
Projected value	Lot = \$24,700.00 Construction Cost = \$150,000.00
Zoning	Current zoning is "SFR-Single Family Residential." No proposed changes required for this project.
Environmental status	No current environmental findings.

No further discussion regarding application.

MOTION - To submit a favorable recommendation regarding the application to the Butler Common Council, by Jay Jacobs, second by Dawn Mason. Motion adopted.

6. Other Business – Nothing further brought to floor.

7. Adjourn - the Meeting adjourned at 8:23 AM.

Minutes prepared and submitted by Steve Bingham, Butler City Planner