

RESOLUTION NO. 10-11-04-001 ERA

**CONFIRMATORY RESOLUTION OF THE
COUNTY COUNCIL OF KOSCIUSKO COUNTY, INDIANA
DESIGNATING AN ECONOMIC REVITALIZATION AREA AND RESOLUTION
ADOPTING WAIVER PURSUANT TO IND. CODE § 6-1.1-12.1-11.3**

WHEREAS, Ind. Code § 6-1.1-12.1 allows an abatement of property taxes attributable to the installation of new manufacturing equipment, new logistical distribution equipment, and new information technology equipment in economic revitalization areas;

WHEREAS, Ind. Code § 6-1.1-12.1-2 empowers the County Council of Kosciusko County, Indiana ("County Council") to designate economic revitalization areas;

WHEREAS, the County Council has reviewed and informed itself about the status of the real estate located at 1851 N. Fox Farm Road, Warsaw, IN 46580, and specifically described in Exhibit A attached hereto and made a part hereof (the "Real Estate");

WHEREAS, the Real Estate is located within the jurisdiction of the County Council for purposes set forth in Ind. Code § 6-1.1-12.1-2;

WHEREAS, the County Council has determined that the Real Estate has become undesirable for, or impossible of, normal development and occupancy, and otherwise meets the definition of an economic revitalization area as that term is defined at Ind. Code § 6-1.1-12.1-1;

WHEREAS, the development and improvement of the Real Estate would benefit and would promote the welfare of all citizens and taxpayers of Kosciusko County;

WHEREAS, the declaration and designation of the Real Estate as an economic revitalization area and the allowance of deductions from the assessed value of new manufacturing equipment, new logistical distribution equipment, new information technology equipment, and real

estate improvements installed, constructed, or improved thereon, will encourage the development and improvement of the Real Estate.

WHEREAS, Ind. Code § 6-1.1-12.1-3 and Ind. Code § 6-1.1-12.1-4.5 require that a taxpayer file statements of benefits with the County Council in order to obtain property tax abatement on the installation of new manufacturing equipment, new logistical distribution equipment, new information technology equipment and real estate improvements in an economic revitalization area;

WHEREAS, Custom Engineered Wheels, Inc. (the "Company") has filed with the County Council on October 7, 2010, statements of benefits describing a certain new project (a copy of said statements of benefits is attached hereto), such project being within the Real Estate (sometimes hereinafter referred to as the "Statements of Benefits");

WHEREAS, the County Council has reviewed and considered the Company's Statements of Benefits;

WHEREAS, the Company has initiated or may initiate the project set forth in the Statements of Benefits before the Real Estate has been designated an economic revitalization area by the County Council;

WHEREAS, the Company is requesting, pursuant to the provisions of Ind. Code § 6-1.1-12.1-11.3, that the County Council waive the requirement that an economic revitalization area be designated before the initiation of the installation of new manufacturing equipment, new logistical distribution equipment, new information technology equipment or real estate improvements (the "Waiver").

WHEREAS, on October 14, 2010, the County Council did adopt a Declaratory Resolution for the designation of the Real Estate as an “economic revitalization area” pursuant to Resolution No. 10-10-14-001 ERA of the County Council;

WHEREAS, notice of adoption and substance of said Declaratory Resolution and the scheduling of a public hearing on November 4, 2010, regarding said resolution and the Company’s request for waiver was published pursuant to Ind. Code § 6-1.1-12.1-2.5;

WHEREAS, all requirements of Ind. Code § 6-1.1-12.1-2.5 have been fulfilled; and

WHEREAS, the County Council, after conducting a public hearing on this matter on November 4, 2010, has given careful consideration to all comments and views expressed regarding the designation of the Real Estate as an “economic revitalization area,” the Statements of Benefits, and the request for Waiver.

NOW, THEREFORE, BE IT RESOLVED, the County Council hereby confirms its Declaratory Resolution No. 10-10-14-001 ERA for designation of the Real Estate as an “economic revitalization area” as modified herein, and specifically confirms and finds as follows:

1. The Real Estate set forth in Exhibit A should be and is hereby found, declared and designated to be an “economic revitalization area” as that term is defined in Ind. Code § 6-1.1-12.1-1.
2. Deductions from the assessed value of new manufacturing equipment installed in the economic revitalization area established by this Resolution within three (3) years of the date of this Resolution, shall be allowed over a Ten (10) year deduction period.
3. Deductions from the assessed value of new information technology equipment installed in the economic revitalization area established by this Resolution within three (3) years of the date of this Resolution, shall be allowed over a ten (10) year deduction period.

5. Deductions from the assessed value of new real estate improvements installed in the economic revitalization area established by this Resolution within three (3) years of the date of this Resolution, shall be allowed over a ten (10) year deduction period.

6. The attached statements of benefits submitted by the Company on October 7, 2010, should be and are hereby approved.

7. For the Statement of Benefits submitted by the Company for the installation of new manufacturing equipment, and new information technology equipment, the County Council makes the following findings of fact pursuant to Ind. Code § 6-1.1-12.1-4.5(c):

a. The estimate of the cost of the new manufacturing equipment and new information technology equipment is reasonable for equipment of that type,

b. 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 new manufacturing equipment and new information technology equipment,

c. 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 and new information technology equipment,

d. Other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed installation of new manufacturing equipment and new information technology equipment, and

8. For the Statement of Benefits submitted by the Company on October 7, 2010, for the construction of new real estate improvements, the County Council makes the following findings of act pursuant to Ind. Code § 6-1.1-12.1-4.5(c):

a. The estimate of the cost of the real estate improvements is reasonable for improvements of that type;

b. 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 construction of the new real estate improvements;

c. 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 construction of the new real estate improvements;

d. Other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed construction of new real estate improvements.

The totality of benefits is sufficient to justify the deduction.

9. The County Council hereby finds and declares that:

a. Deductions from the assessed value of new manufacturing equipment described in the Statements of Benefits and installed within three (3) years of the date of this Resolution, approved by this Resolution shall be allowed over a ten (10) year deduction period;

b. Deductions from the assessed value of new information technology equipment described in the Statements of Benefits and installed within three (3) years of the date of this Resolution, approved by this Resolution shall be allowed over a ten (10) year deduction period;

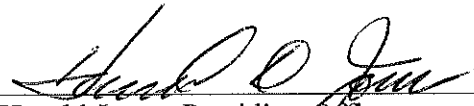
d. Deductions from the assessed value of new real estate improvements described in the Statement of Benefits and constructed within three (3) years of the date of this

Resolution, approved by this Resolution shall be allowed over a ten (10) year deduction period; and

BE IT ALSO RESOLVED by the County Council, that the Company's request for the adoption of the Waiver pursuant to Ind. Code § 6-1.1-12.1-11.3 regarding the requirement that an economic revitalization area must be designated before the initiation the installation of new manufacturing equipment, or new information technology equipment, or the rehabilitation or redevelopment of real estate for which a person desires to claim a deduction under Ind. Code § 6-1.1-12.1 should be and is hereby granted and adopted, and any and all noncompliance with such requirement by the Company is hereby waived.

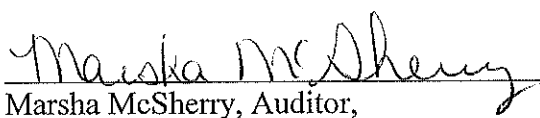
BE IT FINALLY RESOLVED by the County Council, that if any part, clause or portion of this Resolution shall be adjudged invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of this Resolution as a whole or any other part, clause or portion of this Resolution.

Adopted this 4th day of November, 2010, by the County Council of Kosciusko County, Indiana.



Harold Jones, Presiding Officer
County Council of Kosciusko County, Indiana

ATTEST:



Marsha McSherry, Auditor,
Kosciusko County, Indiana

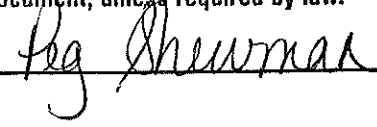
**I affirm, under the penalties for perjury,
that I have taken reasonable care to redact
each Social Security number in this
document, unless required by law.**


EXHIBIT A LEGAL DESCRIPTION

Parcel ID	003-021-069
Tax Bill ID	0370800215
State ID	43-11-06-100-082.000-031
Map Reference #	003021069
Property Address	1851 N Fox Farm Rd Warsaw
Brief Legal Description	003-021-069 PT E 1/2 SW NE 6-32-6 4.35A
Class	INDUSTRIAL LIGHT MANUFACTURING & ASSEMBLY
Tax District	Wayne
Tax Rate Code	3065 - Adv Tax Rate
Property Type	73 - Industrial



**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R2 / 1-07)
Prescribed by the Department of Local Government Finance

20 10 PAY 20 11

FORM SB-1 / Real Property

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)
- Eligible vacant building (IC 6-1.1-12.1-4.8)

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. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitation, **BEFORE** a deduction may be approved.
3. To obtain a deduction, application Form 322 ERA/RE or Form 322 ERA/VBD, Whichever is applicable, must be filed with the County Auditor by the later of: (1) May 10; or (2) thirty (30) days after the notice of addition to assessed valuation or new assessment is mailed to the property owner at the address shown on the records of the township assessor.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must attach a Form CF-1/Real Property annually to the application to show compliance with the Statement of Benefits. [IC 6-1.1-12.1-5.1(b) and IC 6-1.1-12.1-5.3(j)]
5. The schedules established under IC 6-1.1-12.1-4(d) for rehabilitated property and under IC 6-1.1-12.1-4.8(1) for vacant buildings apply to any statement of benefits approved on or after July 1, 2000. The schedules effective prior to July 1, 2000, shall continue to apply to a statement of benefits filed before July 1, 2000.

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer Custom Engineered Wheels, Inc.		
Address of taxpayer (number and street, city, state, and ZIP code) P.O. Box 1200, Warsaw, IN 46581-1200		
Name of contact person Bruce E. Harrison, President & CEO	Telephone number (574) 371-4408	E-mail address bruce.harrison@cewmail.c

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body County Council, Kosciusko County, Indiana	Resolution number
Location of property 1851 Fox Farm Road, Warsaw, IN 46580	County Kosciusko
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) See attached sheet	DLGF taxing district number
	Estimated start date (month, day, year) 01/01/2010
	Estimated completion date (month, day, year) 12/31/2013

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
76.00	\$3,275,783.00	76.00	\$3,275,783.00	13.00	\$427,000.00

SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values	845,100.00	845,100.00
Plus estimated values of proposed project	194,431.00	194,431.00
Less values of any property being replaced		
Net estimated values upon completion of project	1,039,531.00	1,039,531.00

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted (pounds) _____	Estimated hazardous waste converted (pounds) _____
--	--

Other benefits
See attached narrative

SECTION 6 TAXPAYER CERTIFICATION

I hereby certify that the representations in this statement are true.

Signature of authorized representative <i>B. Harrison</i>	Title President & CEO	Date signed (month/day/year) 10/8/2010
--	--------------------------	---

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this Economic Revitalization Area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1, provides for the following limitations:

- A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____.
- 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
 - 3. Occupancy of a vacant building Yes No
- C. The amount of the deduction applicable is limited to \$ _____.
- D. Other limitations or conditions (specify) _____
- E. The deduction is allowed for ten _____ years* (see below).

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) <i>David O. Jones</i>	Telephone number	Date signed (month, day, year) <i>11/4/2010</i>
Attested by (signature and title of attester) <i>Maisha McSherry</i>	Designated body	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.12-12.1-4.

- A. For residentially distressed areas, the deduction period may not exceed five (5) years.
- B. For redevelopment and rehabilitation or real estate improvements:
 - 1. If the Economic Revitalization Area was designated prior to July 1, 2000, the deduction period is limited to three (3), six (6), or ten (10) years.
 - 2. If the Economic Revitalization Area was designated after June 20, 2000, the deduction period may not exceed ten (10) years.
- C. For vacant buildings, the deduction period may not exceed two (2) years.

Custom Engineered Wheels, Inc.

Tax Abatement Capital Items - Warsaw, Indiana

10/7/2010

ITEM	DESCRIPTION	Property	Number of DL employees	Number of IL employees	Number of Salary emp's	Cost	Production Date
1	New Offices	RE	0	0	0	\$10,000	01/01/10
2	CEW Website	PP	0	0	0	\$20,000	01/01/10
3	Variable Frequency Water Pumps	PP	0	0	0	\$7,949	05/01/10
4	Water Softner	PP	0	0	0	\$6,920	05/01/10
5	Computer ERP Server	PP	0	0	0	\$63,198	05/01/10
6	Extrusion Insulation	RE	0	0	0	\$9,951	05/25/10
7	Toolroom Lighting Upgrade	RE	0	0	0	\$3,053	06/05/10
8	Exhaust Fans	RE	0	0	0	\$6,727	06/23/10
9	CPAR Program System	PP	0	0	0	\$6,000	06/23/10
10	New Computer System Hardware	PP	0	0	0	\$28,400	09/30/10
11	EPICOR	PP	0	0	0	\$375,000	10/03/10
12	New phone system	PP	0	0	0	\$16,500	10/30/10
13	New drainage system	RE	0	0	0	\$14,700	10/30/10
14	New Nissei 720 ton Injection Press	PP	3	0	0	\$375,000	11/01/10
15	New Buss Bar (2,000 amps)	RE	0	0	0	\$120,000	11/01/10
16	Energy Management System	RE	0	0	0	\$20,000	11/01/10
17	Blow Mold Press	PP	3	1	1	\$600,000	12/01/10
18	Office Parking Lot Paving	RE	0	0	0	\$10,000	12/01/10
19	Lost Core Cell	PP	3	1	1	\$35,000	01/01/11
20	Silo	PP	0	0	0	\$10,000	01/01/11
21	New Wheel Barrow Wheel	PP	0	0	0	\$150,000	01/01/11
22	Robot for Lost Core Cell	PP	0	0	0	\$85,000	01/15/11
23	Hot Runner Controllers (3)	PP	0	0	0	\$12,000	04/01/11
24	Manual Mounter 10"-20"	PP	0	0	0	\$25,000	04/01/11
25	7" Automounter	PP	0	0	0	\$35,000	04/02/11
26	New 10" Blow Molded Waste Cart Wheel & Lock Molds	PP	0	0	0	\$75,000	06/01/11
27	New 8" Solid Waste Cart Wheel & Lock Molds	PP	0	0	0	\$95,000	06/01/11
Total Employees			13	9	2		2

TOTAL Personal Property \$ 2,020,967
Real Estate RE \$ 194,431

Warsaw Grand Total \$ 2,215,398