

# APPLICATION FOR TAX INCENTIVES

Dated July 6, 2017

This application is to be completed and signed by the owner of the property where property redevelopment or rehabilitation and/or new construction and installation of new equipment is to occur. The designating body reviews this application for designation as an Economic Revitalization Area in accordance with its responsibility under Public Law 69, enacted by the Indiana General Assembly in 1977, and all subsequent amendments made thereafter. The designating body makes no representation as to the effect of a designation granted by it for purposes of any further applications or approvals required under I.C. 6-1.1-12.1, and makes no representation to an applicant concerning the validity of any benefit conferred, also under I.C. 6-1.1-12.1. This document is a public record and may be inspected and copied under I.C. 5-14-3-3.

APPLICATION IS FOR: (check either or all)

- Tax Abatement Real Estate Improvements (New Building, Addition, and/or Modification);
- Tax Abatement New Equipment (Manufacturing, Research and Development, Logistical Distribution, and/or Information Technology); or
- Tax Increment Financing.

There is a non-refundable filing fee of \$500 for either tax abatement categories above or \$750 for both and a \$500 initial fee for TIF. A fee may also be assessed if the applicant requests a waiver of non-compliance for failure to apply prior to obtaining building permits and/or installing equipment. The filing fee will be used to defray the costs incurred by the Town of Avon in processing the application pursuant to I.C. 6-1.1-12.1-2(h). Please make the check payable to the Clerk-Treasurer and include it with the application, complete the **on-line SB-1 Form, include a printed copy of the completed SB-1, and other Required Attachments set forth on page 7 of this Application.** Please send check, application, and applicable state forms to:

Town of Avon  
Attn: *Mr. John Taylor, Director, Economic Development*  
6570 E. U.S. Hwy. 36  
Avon, IN 46123

<b>CONTACT INFORMATION</b>
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1. Taxpayer name for REAL Improvements: RISE Avon, LLC  
Taxpayer name for PERSONAL Improvements: RISE Avon, LLC  
(Please make sure these names match the SB-1 State forms for tax purposes.)
2. Contact person/ representative: Jeremy Haynes & Jim Saap
3. Telephone number: 317-563-5220 317-577-4995 Fax number: \_\_\_\_\_
4. Mailing address of contact person: 8070 Castleton Rd. Indianapolis, IN 46250
5. E-mail address: jeremy@risecommercialdistrict.com jsapp@esapp.com
6. Contact Person for Annual Compliance Survey: Jeremy Haynes  
(Telephone & Email): 317-563-5220 jeremy@risecommercialdistrict.com

**JOB CREATION AND RETENTION**

Please be specific on job descriptions by choosing an "Occupation Code" provided in the Occupational Employment Statistics Profiles at [http://www.bls.gov/oes/current/oes\\_stru.htm](http://www.bls.gov/oes/current/oes_stru.htm)

Click on the Occupation Group name and find the specific occupation that is being created and/or retained. List your company's wage information.

**Please see attached spreadsheet "RISE Avon, IN Employees Per Building" for answers 7-11.**

7. Current full-time employment (*Top row is provided as an example only*):

<i>Occupation</i>	<i>Occupation Code</i>	<i>Number of Jobs</i>	<i>Average Salary</i>	<i>Salary Range</i>
Management	11-1021	8	\$72,000	\$57,000 - \$85,000

8. Full-Time jobs to be created as a result of this project (*Top row is provided as an example only*):

<i>Occupation</i>	<i>Occupation Code</i>	<i>Number of Jobs</i>	<i>Average Salary</i>	<i>Salary Range</i>
Quality Control	51-9061	3	\$38,356	\$30,000 - \$40,000

9. Other employment

a. Please note any **temporary** positions:

<i>Occupation; Current or Created?</i>	<i>Occupation Code</i>	<i>Number of Jobs</i>	<i>Average Salary</i>	<i>Salary Range</i>

b. Please note any **part-time** positions:

<i>Occupation; Current or Created?</i>	<i>Occupation Code</i>	<i>Number of Jobs</i>	<i>Average Salary</i>	<i>Salary Range</i>

10. Summation of Questions 7, 8, & 9:

<i>Total Current Employees</i>	<i>Total Current Payroll (\$)</i>	<i>Proposed Total Employees</i>	<i>Proposed Total Payroll (\$)</i>	<i>Total No. of Employees Living in County</i>

11. Provide schedule for when new employee positions are expected to be filled: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

12. Check all of the benefits listed below that the company provides to workers who have been employed for 6 months. The company must pay at least 70% of the benefit cost:

- |  |  |  |
|--|--|--|
| <input checked="" type="checkbox"/> Paid Vacation        | <input checked="" type="checkbox"/> Health Insurance       | <input checked="" type="checkbox"/> Uniforms                   |
| <input checked="" type="checkbox"/> Sick Leave           | <input checked="" type="checkbox"/> Life Insurance         | <input checked="" type="checkbox"/> Employee Safety & Training |
| <input checked="" type="checkbox"/> Paid Holidays        | <input checked="" type="checkbox"/> Dental Insurance       | <input type="checkbox"/> Tuition Reimbursement                 |
| <input checked="" type="checkbox"/> Paid Maternity Leave | <input checked="" type="checkbox"/> 401k/Pension/SEP/Keogh | <input type="checkbox"/> Educational Benefits                  |
| <input checked="" type="checkbox"/> Paid Paternity Leave | <input checked="" type="checkbox"/> Vision Insurance       | <input type="checkbox"/> ESOP/Profit Sharing                   |
| <input type="checkbox"/> Daycare                         | <input type="checkbox"/> Other (Please list):              |  |

**INVESTMENT**

<b>Sources of Funds (complete where applicable)</b>	
Owner Equity	\$ 1,639,620
Bank Financing	\$ 15,975,765
Other Financing - indicate source, i.e. bank, type of public or other funding	
TIF Financing - indicate source	
<b>Total Sources of Funds</b>	<b>\$ 17,615,385</b>
<b>Uses of Funds (complete where applicable)</b>	
Land Acquisition	\$ 1,319,800
Building Acquisition	N/A
Construction Hard Costs or Rehabilitation Costs	\$ 9,023,840
Sitework Construction Costs	\$ 4,762,634
Construction Soft Costs ( <i>break-out Architectural &amp; Engineering Fees</i> )	\$ 1,147,500
Capital/Equipment Costs, <i>if applicable</i>	\$ 175,000
Tenant Improvements/Build-Outs, <i>if applicable</i>	N/A
Developer Fees	\$ 886,611
Financing Fees	\$ 300,000
Other (describe):	N/A
<b>Total Uses of Funds and Total Project Costs</b>	<b>\$ 17,615,385</b>

13. Please provide the amount invested for each category:

- a. Total cost of real estate improvements: \$17,615,385
- b. Total cost of manufacturing equipment: NA
- c. Total cost of research and development equipment: NA
- d. Total cost of logistical distribution equipment: NA
- e. Total cost of information technology equipment: NA
- f. Total cost of improvements and equipment: \$17,615,385

- Provide 3-Year Pro-Forms - Profit/Loss and Cash Flow Statements
- Provide Statement of Need and ROI Analysis (with and without TIF)

Please see attached spreadsheet "Avon, IN Phase 1&2 Projections".

**BACKGROUND INFORMATION**

14. Is the business pre-established in the Town (and providing "Community Benefits"? Yes. We will be new to the Town of the Avon. We offer Community Benefits and non-profit discounted rates.
15. What year was the company founded? 2010
16. What is the company's NAICS code? 531190
17. Indicate the company's business, in general: RISE Avon, LLC is a lessor of co-warehousing and office space
  - a. Other: \_\_\_\_\_
18. Description of product or service to be offered at the project site: Co-warehousing space
19. For "Office" and "Service" businesses, please indicate the percentage of clients/customers that are located within the Town: NA
20. Dollar amount of annual sales for each of the last three years: 0
21. List the three largest customers, their locations, and amount of annual gross sales:

<i>Customer</i>	<i>City / State</i>	<i>Annual Gross Sales</i>
See "Tennant List" attached		

22. List the three largest material suppliers, their locations, and amount of annual purchases:  
 RISE Avon, LLC is a lessor of co-warehousing and office space. The Company does not purchase material for sale to customers.

<i>Supplier</i>	<i>City / State</i>	<i>Annual Gross Purchases</i>
All local vendors/materials used		

23. Does the company's business include a retail component, meaning that goods or items are sold to the ultimate consumer for the consumer's use or consumption and not to a person for resale?   No   (If yes, continue below. If no, skip to question 24)

- b. What percentage of floor space will be utilized for retail activities? \_\_\_\_\_
- c. What percentage of sales are made to the ultimate consumer as defined above? \_\_\_\_\_
- d. Provide the amount of sales tax collected in each of the last three years:  
 \_\_\_\_\_
- e. What percentage of business is from service calls? \_\_\_\_\_

24. Impact on existing businesses:

- f. Will this project be in competition with existing local businesses?   No
- g. Will this project complement existing local business?   Yes, we help existing businesses grow
- h. Provide the names of who you consider to be your top three competitors:  
  We are a first to market company    
 \_\_\_\_\_  
 \_\_\_\_\_

25. On a separate page, please give a detailed description of what the impact on your business will be if the proposed real property improvement **is not** constructed (e.g. loss jobs, contract cancellations, loss of production, change in location, etc.).

*Our locations are in high demand. Our Castleton location has 35 companies waiting to get in. Our Greenwood location is completely full. Our Noblesville location has only been open for 7 months and filled completely within 4 months. Businesses appreciate the partnership RISE provides to help their businesses grow and thrive.*

**GENERAL INFORMATION**

26. Property owner(s): Rise Avon, LLC
27. Address of property: Ronald Reagan and County Road 1050
28. Township: 15 North Parcel number: See attached "Legal Descriptions"  
Legal description of property is attached:    X Yes     No

29. Current zoning designation: I2

30. In order to be considered an Economic Revitalization Area (ERA), State Law (I.C. 6-1.1- 12.1-1) requires that the subject property be located in an area "which has become undesirable for, or impossible of, normal development and occupancy because of age, lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property." It also includes any area "where a facility or a group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues."

How does the property for which you are requesting designation meet the above definition of an ERA (*describe below*)?

The property is undesirable for normal development and occupancy because of the lack of development.

**REAL ESTATE TAX PHASE-IN**

Complete this section **only** if you are requesting a deduction from assessed value for real estate improvements.

31. Will the current property be reutilized, deconstructed, or demolished? \_\_\_\_\_  
Agriculture

32. Current use of the property:

a. How is the real estate presently used? Agriculture

b. What structures are on the property? A small church

c. What is (are) the general condition of structure(s)? The church is standing  
but the members are relocating

33. Current assessed value of the real estate:

i. Land: \$1,319,800      b. Improvements: NA

34. Total real property taxes owed during the immediate past year: \$2,277.30

35. Describe the proposed improvements to the subject property: \_\_\_\_\_

Sixteen buildings constructed for Co-Warehousing and Business advancement

36. Have building permits been filed for this project?  Yes  No
37. Will additional public infrastructure/facilities be required?  Yes  No If Yes, please explain in detail costs/funding source and schedule for construction: \_\_\_\_\_
38. Projected Construction timeframe:
- j. Construction start date: 6/22
- k. Construction completion date: Summer 2023
39. Will this project require approval of a rezoning, plat, development plan, annexation, variance, special exception, building permit, or contingent use prior to the issuance of an Improvement Location Permit?  Yes  No If yes, list: \_\_\_\_\_
40. Is the Company current on all property, income, and withholding taxes?  Yes  No  
If No, list: \_\_\_\_\_
41. Will local suppliers and contractors be used in the construction/operation of the proposed project?  Yes  No If Yes, list: \_\_\_\_\_
42. Does the proposed project take advantage of any "green" technology to reduce adverse environmental impact?  Yes  No If Yes, please explain: Our office building 15 uses 90% efficient gas furnaces. We use downward-facing energy-efficient LED lights that are motion/time controlled. We meet or exceed all of the State of Indiana insulation codes in the doors, walls and ceilings. Our plumbing fixtures have low volume use.

Complete this section only if you are requesting a deduction from the assessed value of new manufacturing, research and development, logistical distribution, or information technology equipment.

**PERSONAL PROPERTY TAX PHASE-IN**

43. Current Assessed Value of existing equipment at the project site: NA
44. Total Personal Property taxes owed during the immediate past year: NA
45. Description of proposed equipment at the project site: NA

46. Please provide a list of the equipment for which you are applying for a personal property abatement along with the expected life of the asset for purposes of depreciation (**attach a separate sheet if necessary**):

<u>Proposed Equipment (list individually)</u>	<u>Expected Life of Asset for Purpose of Depreciation</u>
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NA

47. Will any of the equipment listed above be classified as special tooling (as defined by regulation No. 16 and reported on Form 103-T) for property tax purposes?  Yes  No

a. If yes, please indicate the total cost of special tooling: \_\_\_\_\_

48. Has any of the equipment for which you are seeking a designation been installed? NA

49. Has any of the proposed equipment ever been used for any purpose in Indiana? NA

50. Development time frame

a. Equipment purchase date: NA

b. Equipment installation date: NA

**COMMUNITY BENEFITS**

51. How will the proposed designation further the economic development “goals” of the Town, as outlined in the ED Plan? (Please answer Yes or No, and provide an explanation if the answer is Yes).

a. Will the designation improve the utilization of vacant or under-utilized land?

*The property is vacant. It will be highly utilized for the employment of 667 tenants' staff members in logistics, residential services, and business to business distribution.*

b. Will the designation encourage the improvement of a deteriorated structure or the replacement of an obsolete structure?

*RISE Avon will demolish a small older church with the replacement of 149,140 sq/ft new facility.*

c. Will the designation encourage the improvement or replacement of obsolete manufacturing, research and development, logistical distribution, or information technology equipment?

*RISE Avon will not replace or demolish any manufacturing, research and development, logistical distribution, or information technology equipment.*



- d. Will the designation assist in the inducement of a project providing substantial employment opportunities relative to the value of the improvements to be made and/or the equipment to be installed?

*RISE Avon will improve employment assisting 148 businesses employing over 667 members to grow and relocate in the Avon community. History has demonstrated that although business leave us in 4.25 years, they stay within 3.5 miles.*

- e. Will the designation assist in the inducement of a project which would provide longterm benefits to the tax base of the Town warranting the granting of the annually decreasing percentage of property tax abatement as provided in I.C. 6-1.1-12.1?

*Yes. By decreasing our property tax will allow RISE Avon to grow quickly to hire additional tenant staff members. RISE Commercial District accelerates small and large businesses to the next level through economical warehousing and office facilities.*

- f. Will your organization donate, dedicate or allow land for community use? **YES** NO

*Allowing additional easements for sidewalks and setbacks.*

<b>TAX ABATEMENT REQUEST &amp; HISTORY</b>
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- 52. For the proposed project, is the applicant requesting other incentives from the Town (e.g., tax increment financing, economic development revenue bond financing)? If so, please explain:  
No \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

- 53. Has applicant previously been approved for economic development incentives from the Town (e.g., tax abatement, tax increment financing, economic development revenue bond financing)? If so, please explain and include information with respect to applicant's compliance with project representations made to the Town at the time the incentives were approved: No. We have been awarded various tax abatements in other cities in the Mid-west

\_\_\_\_\_  
\_\_\_\_\_

- 54. What is the term of the tax abatement requested (maximum 10 years)? 10 Years

- 55. Attach a schedule of the proposed tax abatement percentages in each year (note: if the proposed tax abatement schedule is other than a traditional tax abatement schedule, the Town might impose additional fees for consideration).

Located on next page (page 10)

10 year tax abatement schedule:

Year	% of Assessed Value Exempt From Real Property Taxes
1	100%
2	95%
3	85%
4	75%
5	65%
6	50%
7	40%
8	30%
9	20%
10	10%

56. Complete the following schedule concerning the proposed property taxes to be abated and include on a separate page the worksheets for calculating the figures provided below:

- a. Projected Current Conditions Without Abatement:
  - i. Current Annual Property Taxes:           \$2,277.30
  - ii. Projected 10-Year Total:           \$22,773
- b. Projected Conditions With Abatement:
  - i. Projected 10-Year Real Property Taxes:           \$1,850,000
  - ii. Projected 10-Year Abatement:           \$992,500
- c. Projected Total (Assumes Abatement Granted):
  - i. Total Amount Abated:           \$992,500
  - ii. Total Taxes to be Paid:           \$857,500

<b>REQUIRED ATTACHMENTS</b>
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This application will not be considered complete unless the items listed below are attached. Once the application is determined to be complete, then this project will be placed on the agenda of the appropriate designating body.

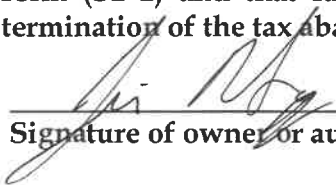
- 1) Application Fee (Make check payable to "Avon Clerk-Treasurer")
- 2) Statement of Benefits (SB-1) Form (complete online at <http://www.in.gov/dlgf/8516.htm>)
- 3) Legal description of property (if applicable)
- 4) Owner's Certificate (if applicant is not the owner of the property)  
*Current owners have rezoning, platting, and all applications*

<b>CERTIFICATION</b>
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Filing this application constitutes a request for Economic Revitalization Area designation only and does not constitute an automatic deduction of property taxes. I understand it is the responsibility of the property owner to file the appropriate abatement forms with the Clerk-Treasurer if the designation is approved.

I hereby certify the information and representations of this application are true and complete and that neither an Improvement Location Permit nor a Structural Permit have been filed for construction of improvements, nor has any manufacturing, research and development, logistical distribution, or information technology equipment which is a part of this application been purchased and installed as of the date of the filing of this application.

I understand that I must file a correctly completed Compliance with Statement of Benefits form (CF-1) demonstrating compliance with the community benefits described on the Statement of Benefits form (SB-1) and that failure to demonstrate compliance on an annual basis may result in the termination of the tax abatement benefits allowed by the Economic Revitalization Area designation.

  
\_\_\_\_\_  
Signature of owner or authorized representative

Date 2-8-22

Jim Sapp, President  
Printed name and title