

FILED
12-14-2020
CITY CLERK

RESOLUTION NO. 22, 2020

A RESOLUTION RESCINDING RESOLUTION 14, 2017 AND RESOLUTION 15 2017, REAL AND PERSONAL PROPERTY TAX ABATEMENTS FOR THE GATX CORPORATION.

WHEREAS, the Common Council previously approved a ten (10) year real property tax abatement for the GATX Corporation through the passage of Resolution 14, 2017; and

WHEREAS, the Common Council previously approved a ten (10) year personal property tax abatement for the GATX Corporation through the passage of Resolution 15, 2017; and

WHEREAS, the Common Council has received a request from the GATX Corporation to rescind said abatements due to its inability to meet either its capital expenditure or headcount targets as a result of the COVID-19 pandemic and changing maintenance demands for its fleet (see attached Exhibit "A").

NOW, THEREFORE, BE IT RESOLVED by the Common Council for the City of Terre Haute, Indiana that resolutions 14 and 15, 2017 are hereby rescinded at the request of the original petitioner.

Introduced by: Cheryl Loudermilk Cheryl Loudermilk, Councilwoman

Passed in open Council this 14TH day of JANUARY, 2021.

O. Ed Elliott, President

ATTEST: Michelle L. Edwards Michelle L. Edwards, City Clerk

Presented by me to the Mayor this 15TH day of JANUARY, 2021.

Michelle L. Edwards Michelle L. Edwards, City Clerk

Approved by me, the Mayor, this 15TH day of JANUARY, 2021.

Dale A. Bennett Duke A. Bennett, Mayor

ATTEST: Michelle L. Edwards Michelle L. Edwards, City Clerk



GATX Corporation

November 9, 2020

Councilman George Azar
Council President
City of Terre Haute, IN
17 Harding Avenue
Terre Haute, IN 47807

**RE: Resolution No. 14, 2017 (Personal Property) and Resolution No. 15, 2017 (Real Property)
GATX Corporation – 4410 Maple Avenue, Terre Haute**

Councilman Azar,

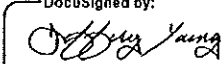
In 2017, GATX Corporation (GATX) was awarded two 10-year property tax abatements contained in the 2017 Resolutions No. 14 and 15 from the Terre Haute City Council. At the time, GATX proposed to invest approximately \$38.5 million (\$17,617,379 personal property, \$20,863,386 real property) in improvements to our facility and to increase our headcount by 55 full time employees. Unfortunately, GATX will not be able to meet either the capital expenditure or the headcount targets as the investments have become uneconomic for GATX due to:

- The impact of the COVID-19 pandemic, and
- The changing maintenance demands for our fleet.

In light of the above, we request to terminate both Resolution 14 and Resolution 15 effective as of the date of this letter. Additionally, GATX will not file for property tax abatement relief on its 2021 property tax return. While we are requesting a termination of the agreement, we will continue to monitor the situation for future investment opportunities in our Terre Haute facility.

We appreciate the partnership that we have developed with the Terre Haute City Council and look forward discussing any future expansion plans.

Thank you,

DocuSigned by:

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Jeffery Young
SVP and Chief Tax Officer

CC: Eddie Felling – City Attorney
Michelle Edwards – City Clerk