

FILED

MAY 26 2011

**TERRE HAUTE CITY COUNCIL
STATE OF INDIANA
RESOLUTION NO. 9, 2011**

CITY CLERK

A Resolution of the Common Council of the City of Terre Haute, Indiana, Designating an Area Within Terre Haute, Indiana commonly identified as that area consisting of 812, 818 and 822 Ohio Street in Terre Haute, Indiana as an Economic Revitalization Area for the Purpose of Ten (10) Year Real Property Tax Abatement

WHEREAS, a Petition for a ten (10) year real property tax abatement has been filed with the Common Council of the City of Terre Haute, Indiana requesting that the real property described therein be designated an Economic Revitalization Area for purposes of real property tax abatement;

WHEREAS, the petitioner has submitted a Application and Statement of Benefits and provided all information and documentation necessary for the Common Council of the City of Terre Haute, Indiana to make an informed decision, said information including a legal description of the aforesaid property as set forth in attached **Exhibit A** (which is hereby made a part this Resolution), and an aerial photo of the site;

WHEREAS, petitioner has estimated that its investment in the digital television broadcast facility (the "Project") to be located on said real estate itself will create an estimated 1 new job over the next 3 years after completion of the Project, as well as retain the existing 76 full-time and part-time jobs and the associated payroll for the employees of the proposed new facility;

WHEREAS, the Common Council of the City of Terre Haute, Indiana is authorized under the provisions of I.C. 6-1.1-12.1-1 et. seq. to designate areas of Terre Haute, Indiana as economic revitalization areas for the purpose of tax abatement;

WHEREAS, the Common Council of the City of Terre Haute, Indiana has considered the Application, Petition and Statement of Benefits and has conducted a complete and proper investigation of the subject property and neighborhood to determine that the area qualifies as an economic revitalization area under Indiana statutes; and

WHEREAS, the Common Council of the City of Terre Haute, Indiana has found the subject property to be an area within the boundaries of the City of Terre Haute, Indiana, which area has become undesirable for, or impossible of, normal development and occupancy as it has existed, as a business neighborhood because of a lack of development, cessation of growth, and deterioration of improvements which have impaired values or prevented a normal development of property or use of property -- and such is an area declining in tax revenues--

NOW, THEREFORE, IT IS FOUND, DETERMINED AND RESOLVED by the

Common Council of the City of Terre Haute, Indiana that:

1. The petitioner's estimate of the value of the Project to be built on the subject real property is reasonable for projects of that nature in order to maintain, expand, update and improve the television broadcast services to the community and to provide a state of the art facility for the current employees to provide modern digital television broadcast services for the community.

2. The petitioner's estimate of the number of individuals who will be employed and retained, and the benefits thereby, can reasonably be expected to result from the Project.

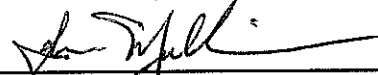
3. The petitioner's estimate of the annual salaries or wages of the individuals who will be employed, and the benefits thereby, can reasonably be expected to result from the Project.

4. The totality of the benefits of the Project are sufficient to justify a ten (10) year property tax deduction from assessed valuation to result therefrom under Indiana statutes, and each and all of such deductions should be, and they are hereby, allowed.

5. The Petition for designating the subject property as an Economic Revitalization Area for the purposes of ten (10) year real property tax abatement and the Statement of Benefits (copies of which were submitted with the Petition) are hereby approved and the real estate described hereinabove is hereby designated as an Economic Revitalization Area pursuant to I.C. 6-1.1-12.1-1 et. seq.

6. A copy of this Resolution, following its passage, shall be filed with the Vigo County Assessor as required by I.C. 6-1.1-12.1-2.5(c).

Presented by:




John Mullican, Councilman

Passed in open Council this 9th day of June, 2011.



John Mullican, President
Common Council of the City of Terre Haute, Indiana

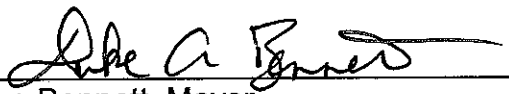
ATTEST:


Charles P. Hanley, City Clerk

Presented by me to the Mayor this 16th day of June, 2011.


Charles P. Hanley, City Clerk

Approved by me, the Mayor, this 16th day of JUNE, 2011.


Duke Bennett, Mayor
City of Terre Haute, Indiana

ATTEST:


Charles P. Hanley, City Clerk

This instrument prepared by William M. Olah, Attorney,
333 Ohio Street, Terre Haute, IN 47807.

Exhibit *A*

Lot Number Forty-five (45), Lot Number Forty-six (46), and 63 feet off the East side of Lot Number Forty-seven (47) in Chauncey Rose's Addition to the Town, now City, of Terre Haute, being a part of the West Half of Section 22, Township 12 North, Range 9 West, as per recorded plat of the same recorded August 7, 1852 in Plat Record 1, Page 6, records of the Recorder's Office of Vigo County, Indiana.

**FINAL ACTION BY COMMON COUNCIL OF
THE CITY OF TERRE HAUTE, INDIANA
REGARDING RESOLUTION 9, 2011**

WHEREAS, the Common Council of the City of Terre Haute, Indiana adopted Resolution 9, 2011, on the 9th day of June, 2011, and pursuant to Indiana Law has published notice of the adoption and substance of said Resolution including a description of the affected area, commonly known as that area consisting of 812, 818 and 822 Ohio Street, Terre Haute, Indiana, and notice that a description of the affected area is available for inspection in the office of the Vigo County Assessor and further stating a date on which the Common Council of the City of Terre Haute, Indiana would receive and hear remonstrances and objections; and

WHEREAS, the Common Council of the City of Terre Haute, Indiana has conducted the hearing as required by law and has received no remonstrances or objections to designation of the affected area as an economic revitalization area or to approval of the Application and Statement of Benefits heretofore filed; and

WHEREAS, said matter is before the Common Council of the City of Terre Haute, Indiana for final action pursuant to Indiana law; and

WHEREAS, the Common Council of the City of Terre Haute, Indiana has received and examined, prior to such hearing, an Application and Statement of Benefits on the form prescribed by the City of Terre Haute and the State Board of Tax Commissioners and proper application for designation and has heard all appropriate evidence concerning the proposed project and has found and does find:

1. The petitioner's estimate of the value of the Project to be built on the subject real property is reasonable for projects of that nature in order to maintain, expand, update and improve television broadcast services to the community.
2. The petitioner's estimate of the number of individuals who will be employed and retained, and the benefits thereby, can reasonably be expected to result from the Project.
3. The petitioner's estimate of the annual salaries or wages of the individuals who will be employed, and the benefits thereby, can reasonably be expected to result from the Project.
4. The totality of the benefits of the Project are sufficient to justify a ten (10) year property tax deduction from assessed valuation to result therefrom under Indiana statutes, and each and all of such deductions should be, and they are hereby, allowed.
5. That all qualifications for establishing an Economic Revitalization Area have been met.

6. The Petition for designating the subject property as an Economic Revitalization Area for the purposes of ten (10) year real property tax abatement and the Statement of Benefits (copies of which were submitted with the Petition) are hereby approved and the real estate described hereinabove is hereby designated as an Economic Revitalization Area pursuant to I.C. 6-1.1-12.1-1 et. seq.

NOW, THEREFORE, for final action on Resolution 9, 2011, the Common Council of the City of Terre Haute, Indiana, RESOLVES, FINDS AND DETERMINES:

1. That all of the requirements for designation of the real estate described in Resolution 9, 2011, as an Economic Revitalization Area have been met, the foregoing findings are true and that all information required to be submitted has been submitted in proper form.

2. That Resolution 9, 2011, is in all respects confirmed and approved (as modified to incorporate therein this final action); that the benefits of the proposed development are sufficient to justify a ten (10) year real property tax abatement under Indiana statutes for the proposed redevelopment described in the aforesaid Statement of Benefits; the deduction for the proposed project and development, as well as the Statement of Benefits submitted are each and all approved; the Common Council of the City of Terre Haute, Indiana authorizes and directs the endorsement of said Statement to show such approval; that the real estate described in Resolution 9, 2011, is declared an Economic Revitalization Area for the purposes of a ten (10) year real property tax abatement; and the said real estate is hereby designated as an Economic Revitalization Area pursuant to I.C. 6-1.1-12.1-1 et seq.

3. That said Resolution supplements any other designation (if any) of the aforesaid real estate as an Economic Revitalization Area.


4. That this Final Action, findings and confirmation of Resolution 9, 2011, shall be incorporated in and be a part of Resolution 9, 2011.

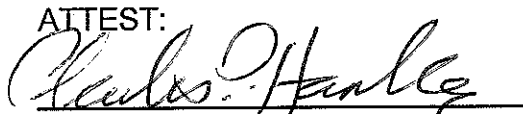
Presented by:




John Mullican, Councilman

Passed in open Council this 14th day of July, 2011.

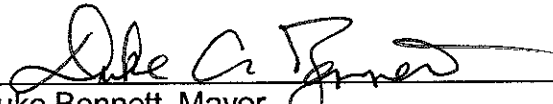

John Mullican, President
Common Council of
City of Terre Haute, Indiana

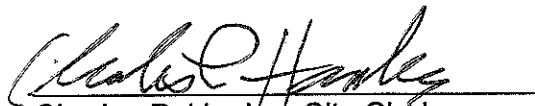
ATTEST:

Charles P. Hanley, City Clerk

Presented by me to the Mayor this 15th day of July, 2011.


John Mullican, President
Common Council of
City of Terre Haute, Indiana

Approved by me, the Mayor, this 15th day of July, 2011.


Duke Bennett, Mayor,
City of Terre Haute, Indiana

ATTEST:

Charles P. Hanley, City Clerk

This instrument prepared by William M. Olah, Attorney,
333 Ohio Street, Terre Haute, IN 47807.

EXHIBIT A

Lot Number Forty-five (45), Lot Number Forty-six (46), Lot Number Forty-seven (47) and Lot Number Forty-eight (48) in Chauncey Rose's Addition to the Town, now City, of Terre Haute, being a part of the West Half of Section 22, Township 12 North, Range 9 West, as per recorded plat of the same recorded August 7, 1852 in Plat Record 1, Page 6, records of the Recorder's Office of Vigo County, Indiana.

**CITY OF TERRE HAUTE
PETITION FOR REAL PROPERTY
TAX ABATEMENT CONSIDERATION**

The undersigned owner(s) of real property located within the City of Terre Haute hereby petition the Common Council of the City of Terre Haute for real property tax abatement consideration pursuant to I.C. 6-1.1-12.1-1, et seq., and for this petition state(s) the following:

1. The Project. Petitioner, LIN Television Corporation ("WTHI-TV") proposes to have C.H. Garmong & Son Inc. construct a new TV digital broadcasting station on land (the "Property") that is currently on the North side of Ohio Street, between 8th and 9th Streets. That land and building would then be purchased from its current owner, Garmong Development Company, LLC.
2. The estimated cost of the broadcast facility (land, building and equipment) is projected to be \$6,000,000.00. The proposed facility will be a 2-story building, of approximately 16,000 square feet, including a basement. The Petitioner anticipates contracting with C.H. Garmong & Son Inc. and will involve approximately 75 laborers at union/common construction wages and utilize local suppliers whenever feasible through the building process.
3. The project is important to the Petitioner as a means to adopt new telecommunications technology to better serve the needs of the immediate community and those in neighboring communities who will be served by this CBS television network affiliate. The construction of this facility will be a significant economic catalyst for continued revitalization of Terre Haute's downtown, and will ensure that at least one network television broadcaster will have a Terre Haute address. In addition to allowing WTHI-TV to modernize its broadcasts, this community investment will ensure WTHI-TV continues to attract the on-air and in-the-field talent that will augment upgraded broadcasts made possible by the modernization which Petitioner's new facility will provide.
4. The facility will initially house and retain positions for 76 employees, and allow for creation of at least 1 new full-time position in the near-term. Without this new broadcast facility that will permit WTHI-TV to keep pace with ever-changing telecommunications technology, it can be anticipated that there would be loss of key staff. Petitioner's current annual payroll is \$3,116,208.

Currently, WTHI-TV has 65 full-time employees earning \$46,440 average annual compensation. 11 part-time employees earn, on average, \$8,872 annually. All employees are provided retirement benefits, and all full-time employees receive comprehensive health insurance and disability benefits.

5. Estimate the dollar value of the redevelopment or rehabilitation project:

The estimated cost of completion of the improvements to the real property is approximately \$2,500,000.00 (exclusive of land).

6. (a) The real property for which tax abatement consideration is petitioned (Property) is owned by the following:

Name, Address, and Interest:

Garmon Development Company, LLC	100% interest
3050 Poplar Street	
Terre Haute, IN 47803	

(b) The following other persons lease, intend to purchase, lease or have an option to buy the Property (including corporate information as required in 6(a) above, if applicable:

Name, Address, and Interest:

LIN Television Corporation	100% interest
One West Exchange St., Suite 5A	
Providence, RI 02903	

(c) A brief description of the overall nature of the business and of the operations occurring at the Property:

Petitioner, LIN Television Corporation, proposes to purchase the Property after the new building is constructed—then equip—a new digital television broadcast facility at an estimated cost of Six Million Dollars (\$6,000,000.00). The proposed facility will be a 2-story building (with a basement) of approximately 16,000 square feet in size located one block west of the premises on Ohio Street now leased by WTHI-TV.

7. The commonly known address of the Property is:

The Property is currently undeveloped and no common address for the entire site has been assigned. The Property consists of these former Ohio Street addresses: 812, 818 and 822. The Property is legally described as follows, to-wit:

	Lot Number Forty-five (45), Lot
Number Forty-six (46), and 63 feet off the East side of Lot Number Forty-seven (47) in	
Chauncey Rose's Addition to the Town, now City, of Terre Haute, being a part	

of the West Half of Section 22, Township 12 North, Range 9 West, as per recorded plat of the same recorded August 7, 1852 in Plat Record 1, Page 6, records of the Recorder's Office of Vigo County, Indiana.

8. An aerial photo of the Property is attached hereto as **Exhibit A**. No building footprint has yet been developed because the Property's sale/purchase has not been closed—since same is conditioned on approval of 10-year real and personal property tax abatements being granted.
9. There are currently no improvements upon the site of the proposed project, other than a paved parking lot on its East end.
10. Petitioner is seeking a ten (10) year tax abatement which would provide that during each of the first ten (10) years after rehabilitation, real property taxes on the to-be-constructed building and site improvements would abate as follows: The best estimate of the amount of taxes to be abated during each of the ten (10) years after rehabilitation is:

Tax Rate for Harrison Township is expected to be 3.0%, with a replacement credit of 0.

Assumed Assessed Value of New Improvements: \$831,250.00

Tax without Abatement: \$24,937

<u>ABATEMENT YEAR</u>	<u>ABATEMENT %</u>	<u>TAX ABATED</u>	<u>TAX PAID</u>
1	100%	\$24,938	\$0
2	95%	\$23,691	\$1,247
3	80%	\$19,950	\$4,988
4	65%	\$16,210	\$8,728
5	50%	\$12,469	\$12,469
6	40%	\$ 9,975	\$14,963
7	30%	\$ 7,481	\$17,457
8	20%	\$ 4,988	\$19,950
9	10%	\$ 2,494	\$22,444
10	5%	<u>\$ 1,247</u>	<u>\$23,691</u>
Total		\$123,443	\$125,937

11. No building permit has been issued for construction on the property in connection with the improvement in question as of the date of filing of this petition. The signature below is verification of this statement.
12. Other anticipated public financing for the project (including, if any, industrial Revenue bonding to be sought or already authorized, assistance

through the United States Department of Housing and Urban Development funds from the City of Terre Haute, or other public financial assistance):

It is anticipated that this project will be financed privately. Petitioner has not sought any public financing.

13. The property is located in an area that is within the boundaries of the City of Terre Haute, Indiana, which area has become undesirable for, or impossible of, normal development and occupancy as it has existed, as a former downtown retail and business neighborhood, because of a lack of private development and declining conditions of the neighboring properties, cessation of growth, and deterioration of improvements which have impaired values or prevented a normal development of property or use of property -- and such is an area declining in tax revenues. Currently, the land is mostly unimproved and there are no assessed improvements.

14. (a) The current use of the Property is undeveloped land (except for paving on a modest-sized parking lot) and the current zoning is: C-8
Central Business District

It is anticipated that the Property will apply for a Special Exception Use (TV tower) from the Board of Zoning Appeals.

- (b) The Property is located in the following Allocation Area (if any) declared and confirmed by the Terre Haute Redevelopment Commission:

Central Business District TIF

15. In view of the foregoing, Garmong Development Company, LLC and LIN Television Corporation apply, in good faith, for ten (10) year real property tax abatement for the Property.

16. LIN Television Corporation agrees to enter into an Agreement with the Board of Public Works for the City of Terre Haute, Indiana, in substantially the same form as is attached hereto and made a part hereof as **Exhibit B** and further, LIN Television Corporation agrees to comply with Special Ordinance 11, 1998.

17. The following persons should be contacted as the petitioner's agent regarding additional information and public hearing notifications:

Name: William M. Olah, Attorney at Law
Address: 333 Ohio Street

City, State, Zip: Terre Haute, IN. 47807
Telephone: (812) 232-4311

18. The type of Economic Development Revitalization project involved in this request:

- ☐ a. Housing
- ☒ b. Office
- ☒ c. Retail/Commercial
- ☐ d. Mixed Use – Retail, Housing and Office*
- ☐ e. Industrial
- ☐ f. Warehousing

WHEREFORE, petitioner request that the Common Council of the City of Terre Haute, Indiana, adopt a declaratory resolution designating the area described herein to be an economic revitalization area for purposes of real property tax abatement consideration and, after publication of notice and public hearing, determine qualifications for an economic revitalization area have been met and confirm such resolution.

Name of Property Owner(s):

Garmon Development Company, LLC


By

 5/25/11
David L. Hannum, Managing Member

Name of Intended Purchaser:

LIN Television Corporation

By


Todd Weber, Vice-President &
General Manager WTHI-TV

By


William M. Olah, Atty No. 9738-84

DO NOT USE THIS SPACE

Resolution # _____	Target Area Required
	Yes ____ No ____

Confirming Ordinance # _____
Date of Notice _____

Final Action _____
Target Area Ord. Effective _____

This instrument prepared by William M. Olah, Attorney,
333 Ohio Street, Terre Haute, IN 47807.

EXHIBIT A

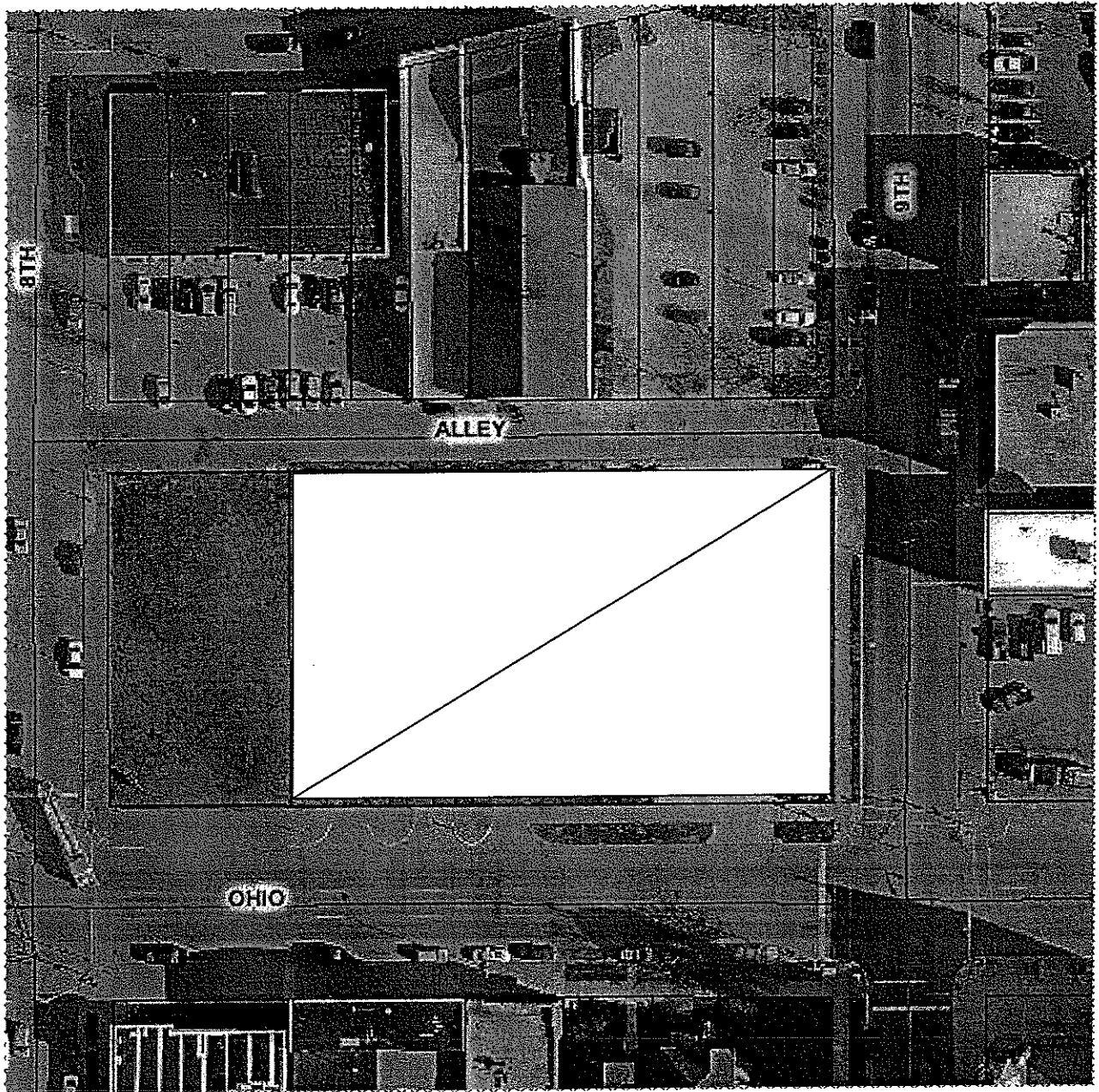


Exhibit B

AGREEMENT

This Agreement (the "Agreement") dated as of the ____ day of _____, 2011, serves as a confirmation of the commitment of **LIN Television Corporation** (the "Applicant"), pending a July 14, 2011, public hearing, to comply with the project description, and job employment and retention (and associated wage rates and salaries) figures (the "Project") contained in its designation application, Statement of Benefits, the Preliminary Economic Revitalization Area Resolution No. ____, 2011, and attachments adopted by the Common Council of the City of Terre Haute, Indiana (the "Council") on Thursday, June 9, 2011, and this Agreement (the "Commitment").

Subject to the adoption of a Final Economic Revitalization Area Resolution by the Council, the City of Terre Haute, Indiana (the "City") commits to providing ten (10) year real property tax abatement for the Applicant's capital expenditure of up to \$2,600,000.00 associated with construction of a building as part of Applicant's Commitment. The capital expenditure of the Project and the filling of such positions shall occur within three (3) years of the estimated completion date of December 31, 2011, contained in the approved Statement of Benefits Form SB-1 (the "Commitment Date").

During the term of the abatement, the City of Terre Haute, Indiana (the "City") may annually request information from the Applicant concerning the status of the Project, the approved capital expenditure for the Project, the number of full-time permanent positions created by the Project, and the average wage rates and salaries (excluding benefits & overtime) associated with those positions, and the Applicant shall provide the City with adequate written evidence thereof within 15 days of such request (the "Annual Survey"). The applicant shall provide a copy of the annual CF1 to the Board of Public Works and Safety at the same time the CF-1/RE is filed with the County. The City shall utilize this information to verify that the Applicant has complied with the commitments contained in "the Commitment" at all times after the Commitment Date and during the duration of the abatement. The Applicant further agrees to provide the City with such additional information reasonably requested by the City related to the information provided in the Annual Survey and the CF-1 form within a reasonable time following any such additional request.

The City, by and through the Council, reserves the right to terminate the Economic Revitalization Area designation and associated property tax abatement deductions if it determines that the Applicant has not made reasonable efforts to substantially comply with all the aforesaid commitments, and the Applicant's failure to substantially comply with the

Commitment was not due to factors beyond its control. As used in this Agreement, "substantial compliance" shall mean the Applicant's compliance with the following: Making capital expenditures of up to \$2,600,000.00 for the Project.

As used in this Agreement, "factors beyond the control of the Applicant" shall only include factors not reasonably foreseeable at the time of the designation application and submission of Statement of Benefits which are not caused by any act or omission of the Applicant and which materially and adversely affect the ability of the Applicant to substantially comply with this Agreement.

If the City terminates the Economic Revitalization Area designation and associated tax abatement deductions, it may require the Applicant to repay the City all or a portion of the tax abatement savings received through the date of such termination. The amount of tax abatement required to be repaid for each year of noncompliance shall not exceed an amount equal to the percentage by which the Applicant has failed to attain substantial compliance in position retention and/or creation and average hourly wage rate and salary categories multiplied by the dollar amount of taxes actually abated. If the Applicant fails to substantially comply with more than one of the aforementioned categories, repayment shall be based on the highest level of noncompliance.

If any at time during the term of this Agreement, whether before or after the Commitment Date, the Applicant shall: (i) cease operations at the facility for which the tax abatement was granted; or (ii) announce the cessation of operations at such facility, then the City may immediately terminate the Economic Revitalization Area designation and associated future tax abatement deductions.

In the event the City requires repayment of the tax abatement savings as provided hereunder, it shall provide Applicant with a written statement calculating the amount due (the "Statement"), and Applicant shall make such repayment to the City within 30 days of the date of the Statement. If the Applicant does not make timely repayment, the City shall be entitled to all reasonable costs and attorney fees incurred in the enforcement and collection of the tax abatement savings required to be repaid hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the

date and year first above written.

“Applicant”

Board of Public Works & Safety
City of Terre Haute

LIN Television Corporation

By: _____

Todd Weber, Vice- President &
General Manager WTHI-TV

Approved as to legal adequacy and form on this ____ day of _____, 2011.

By: _____

Title: _____

Exhibit

Lot Number Forty-five (45), Lot Number Forty-six (46), and 63 feet off the East side of Lot Number Forty-seven (47) in Chauncey Rose's Addition to the Town, now City, of Terre Haute, being a part of the West Half of Section 22, Township 12 North, Range 9 West, as per recorded plat of the same recorded August 7, 1852 in Plat Record 1, Page 6, records of the Recorder's Office of Vigo County, Indiana.

CITY OF TERRE HAUTE
PROPERTY TAX ABATEMENT PROGRAM APPLICATION

Ownership Information

Name	Address	Phone	Percentage Interest (if applicable)
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(a) The real property for which tax abatement consideration is petitioned (Property) is owned by the following:

Name, Address, and Interest:	Contact:
<i>Garmong Development Company, LLC 3050 Poplar Street Terre Haute, IN 47803 100% interest in real estate</i>	<i>William M. Olah, Attorney 333 Ohio St. Terre Haute, IN 47807 (812)232-4311</i>

(b) The following other persons lease, intend to lease or have an option to, or intend to, buy a complete interest in the Property:

Name, Address, and Interest:	Contact:
<i>LIN Television Corporation One West Exchange St., Suite 5A Providence, RI 02903</i>	<i>William M. Olah, Attorney 333 Ohio St. Terre Haute, IN 47807 (812)232-4311</i>

Note: If the owner is a corporation, list the name, address and telephone number for the contact person representing the corporation.

If the owner is a partnership, list the name, address and telephone number of each general and/or limited partner and the percentage of interest in the property held by each general and/or limited partner.

If the owner is a sole proprietor, list the name, address and telephone number of the proprietor.

Property Description

A. Street Address: *See attached Exhibit A for legal description (incorporated herein)*

No common address has been assigned to the Property as a whole. The Property is on the North side of Ohio Street, between 8th & 9th Streets (formerly bearing addresses of 812, 818 and 822 Ohio Street).

B. Parcel Nos.: *84-06-22-352-013.000-002; 84-06-22-352-014.000-002; and 84-06-22-352-015.000-002*

Current Status of Property

A. Current zoning designation of Property:

C-8 Central Business District

It is anticipated that the Property will be granted a Special Exception Use (to accommodate a television transmission tower 199 feet tall) by the Board of Zoning Appeals.

B. Describe current improvements to the property, including estimated age of existing buildings:

The Property is currently undeveloped bare land with no existing buildings or improvements (other than a modest paved parking lot on its East end).

C. Describe the current use of the property, including the names of businesses currently operating (if applicable) and the current number of jobs (if applicable):

The Property is currently undeveloped bare land with no existing buildings or improvements (other than a modest paved parking lot on its East end).

D. Current total assessed valuation of land and all improvements:

The land is currently assessed at \$64,360. There are no improvements to assess (other than parking—assessed value of \$3,600).

E. Describe any unique historical structure or aesthetic improvements: *None.*

Proposed Improvements

A. Describe proposed real property improvements and projected costs:

Petitioner, LIN Television Corporation, owns and operates WTHI-TV from leased premises a block to the East of the Property. If the requested abatements are granted, Petitioner will contract to purchase the Property from Garmong Development Company, LLC. Title to the Property will pass after C.H. Garmong & Son Inc. builds a new digital broadcast television facility on the Property. Petitioner's cost to acquire that building on a turn-key basis and equip it is estimated at Six Million Dollars (\$6,000,000.00). The proposed facility will be a 2-story building, approximately 16,000 square feet in size, with a basement.

B. Describe proposed depreciable personal property improvements and projected costs:

The projected cost of the depreciable personal property improvements/equipment will likely aggregate \$3,400,000.00.

C. List any public infrastructure improvements, with estimated costs, that will be necessary for the project:

It is not anticipated any new public infrastructure improvements will be required for the project.

D. Project Start Date:

It is anticipated that the project start date will be within the month of July 2011, subject to favorable action on the tax abatements requested by Petitioner.

E. Project Completion Date:

It is anticipated that the project will be completed by December 31, 2011.

Eligibility

A. State reasons why the project site qualifies as an Economic Revitalization Area as defined under State Law, i.e., lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings or other factors that have impaired values or prevent a normal development of property or use of property. In the case of manufacturing equipment, also indicate whether or not the area contains a facility or group of facilities that are technologically, economically, or energy obsolete and if the obsolescence may lead to a decline in employment and tax revenues:

The Property is located in the heart of the downtown business district of the City of Terre Haute, Indiana. The former buildings on the site of the Property were demolished years ago since there was no market demand for their use or redevelopment—chiefly because the area had become undesirable for, or impossible of, normal development and occupancy as a retail or commercial hub. Conditions there had declined, growth had ceased, and neighboring property improvements were deteriorating—thereby impairing values and preventing normal development/use of real property in that area. All of the above resulted in declining property tax revenues from that area. Currently, the land is unimproved and there are only \$3,600 in assessed improvements (paving). The Property generates only \$2,040 in annual property taxes. Construction of a building of the planned scope, and equipping it, will ADD substantially to the tax base of this area (and that of the City of Terre Haute).

B. State the estimated number of new full-time employees (if applicable) and new employees retained (if applicable). Also include salaries and a description of employee benefits:

The facility will initially house and retain positions for 76 employees. WTHI-TV currently operates in a very old facility, with equipment that is technologically inferior to that which is planned to replace it. Without the planned new facility in the downtown area which allows Petitioner to keep pace with the fast-changing digital broadcast television industry, it can be anticipated that there would be job losses of key staff members who reside in and around Terre Haute.

WTHI-TV's current annual payroll is \$3,116,208. 65 employees are full-time, while 11 are part-time. Full-time employees earn \$46,440 annually, on average. A part-time employee earns, on average, \$8,872 annually. Full-time employees are provided retirement and comprehensive health insurance benefits. Part-time employees benefit from a retirement plan contribution by the employer. All employees will be retained if this Application is successful.

Description of employee benefits for new and/or retained employees:

All WTHI-TV employees receive retirement benefits. All full-time employees have comprehensive health insurance benefits—e.g. health, dental, vision, short-term disability, and long-term disability.

C. *Please attach completed State of Indiana Statement of Benefits form for real property improvements (Form SB — I/RE) and/or State of Indiana Statement of Benefits form for personal property improvements (Form SB — J/PP) to this application material.*

Ineligible Projects

Projects will not be considered if a building permit has already been obtained or construction has been initiated. This is because the decision of the Council to designate the Economic Revitalization Area must be passed on the finding that the area is “undesirable for normal development”.

The City Council has the right to void the tax abatement designation awarded to a project if the project has not been initiated within twelve (12) months of the reconfirmation date of the tax abatement resolution, or if the actual use is different than that approved.

Tax abatement for the rehabilitation or development of real property is not eligible for the following types of facilities:

1. Private or commercial golf courses.
2. Country club.
3. Massage parlor.
4. Tennis club.
5. Skating facility (including roller skating, skateboarding or ice skating).
6. Racquet sport facility (including any handball or racquetball court).
7. Hot tub facility.
8. Suntan facility.
9. Racetrack.
10. Any facility the primary purpose of which is:
 - a. retail food and beverage service;
 - b. automobile sales or service; or
 - c. other retail
11. Residential.
12. A package liquor store that holds a liquor dealers permit under IC 7.1-3-10 or any other entity that is required to operate under a license issued under IC 7.1. This subdivision does not apply to an applicant that:
 - (A) was eligible for tax abatement under this chapter before July 1, 1995;
 - (B) is described in IC 7.1-5-7-11; or
 - (C) operates a facility under:
 - (i) a beer wholesaler's permit under IC 7.1-3-3;
 - (ii) a liquor wholesaler's permit under IC 7.1-3-8; or
 - (iii) a wine wholesaler's permit under IC 7.1-3-13.

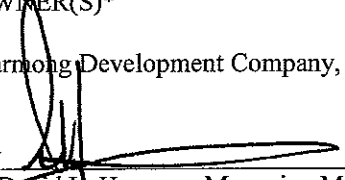
Certification

I hereby certify that the representations made in this application are true and I understand that if above improvements are not commenced (defined as obtaining a building permit and actual start of construction) within 12 months of the date of the designation of the above area as an Economic Revitalization Area, the Terre Haute Common Council shall have the right to void such designation.

OWNER(S)*

DATE

Garmong Development Company, LLC

By 
David L. Hannum, Managing Member

5/25/11

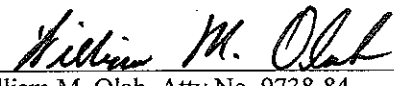
INTENDED PURCHASER:

LIN Television Corporation

DATE

By Todd Weber
Todd Weber, Vice-President & General Manager,
WTHI-TV

5/25/11

By 
William M. Olah, Atty No. 9738-84

* If the entity seeking tax abatement is a corporation, an authorized representative must sign. If the entity is a partnership, all partners must sign. If the entity is a sole proprietorship, the proprietor must sign.

CITY OF TERRE HAUTE

PROPERTY TAX ABATMENT PROGRAM OVERVIEW AND GUIDELINE SCORING SYSTEM

Program Description

Property tax abatement in Indiana is authorized under Indiana Code 6-1.1-12.1 in the form of deductions from assessed valuation. Any property owner in a locally-designated Economic Revitalization Area (ERA) who makes improvements to the real property or installs eligible new or used personal property (such as manufacturing equipment and certain research and development equipment) is eligible for property tax abatement. Land does not qualify for abatement. .

Scoring System

The City of Terre Haute utilizes a scoring system as a guide for determining the appropriate length of time (one of ten time periods can be used) of the property tax abatement(s) being sought for a proposed project. Additional information on the scoring system can be found elsewhere in this document.

Indiana Real Property Assessment Standard

A property's assessed value is the basis for property taxes. Annually, local assessing officials assess the value of real property on March 1 based on market value in use of the property. Property owners can estimate the property taxes for new construction by adding the cost of the land and improvements together and multiplying by the tax rate. For real property tax abatement calculation purposes, the cost of the improvements (the land itself cannot be abated) would be utilized as the real property assessed value. This real property assessment value would then be phased-in over one of ten time periods.

Indiana Personal Property Assessment Standard

Personal property values are assessed March 1 of every year and are self reported by property owners to township assessors using prescribed state forms. Generally speaking, personal property taxes are levied against all tangible property other than real property. Numerous deductions can be applied to personal property. Of course, the value of personal property over time will be subject to depreciation, therefore, applicants are advised to seek the counsel of a financial advisor to determine which asset pool(s) (see following table) would be applicable to their particular project.

Additional information on the State of Indiana's property tax assessment system can be found at the Indiana Department of Local Government Finance website at www.in.gov/dlgf.

Indiana Pools of Assets by Lives Utilized on Federal Tax Return

Year of Acquisition	Pool #1 (1-4 Yrs)	Pool #2 (5-8 Yrs)	Pool #3 (9-12 yrs)	Pool #4 (13+ Yrs)
1	65%	40%	40%	40%
2	50%	56%	60%	60%
3	35%	42%	55%	63%
4	20%	32%	45%	54%
5		24%	37%	46%
6		18%	30%	40%
7		15%	25%	34%
8			20%	29%
9			16%	25%
10			12%	21%
11				15%
12				10%
13				5%

Note: The total valuation of a taxpayer's assessable depreciable personal property in a single taxing district cannot be less than 30% of the adjusted cost of all such property of the taxpayer.

Real Property Abatement Calculation

Real property abatement is a declining percentage of the increase in assessed value of the improvement based on one of the ten following time periods and percentages as determined by the City Council:

	10 Year	9 Year	8 Year	7 Year	6 Year	5 Year	4 Year	3 Year	2 Year	1 Year
Year										
1	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2	95%	88%	88%	85%	85%	80%	75%	66%	50%	
3	80%	77%	75%	71%	66%	60%	50%	33%		
4	65%	66%	63%	57%	50%	40%	25%			
5	50%	55%	50%	43%	34%	20%				
6	40%	44%	38%	29%	17%					
7	30%	33%	25%	14%						
8	20%	22%	13%							
9	10%	11%								
10	5%									

Depreciable Personal Property Abatement Calculation

Depreciable personal property tax abatement is a declining percentage of the assessed value of the newly installed manufacturing (and certain research/development and warehousing/distribution equipment), based upon one of the ten time periods and percentages as determined by the City Council:

	10 Year	9 Year	8 Year	7 Year	6 Year	5 Year	4 Year	3 Year	2 Year	1 Year
Year										
1	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2	90%	88%	88%	85%	85%	80%	75%	66%	50%	
3	80%	77%	75%	71%	66%	60%	50%	33%		
4	70%	66%	63%	57%	50%	40%	25%			
5	60%	55%	50%	43%	34%	20%				
6	50%	44%	38%	29%	17%					
7	40%	33%	25%	14%						
8	30%	22%	13%							
9	20%	11%								
10	10%									

Project Eligibility Criteria

Decisions to designate areas as Economic Revitalization Areas are determined by the City Council. The City Council utilizes a numerical scoring system as a guide for designating areas as Economic Revitalization Areas within the corporate limits of the City of Terre Haute. Each project is scored on its individual merits. The points system that is utilized to evaluate projects considers the degree of revitalization that the project will have on the surrounding area as well as other facts such as employment (created and/or retained), investment, utilization of local construction firms and labor and so forth.

The following projects will be considered by the Terre Haute City Council for property tax abatement. The real property guideline project scoring criteria can be found in the section entitled "City of Terre Haute Real Property Tax Abatement Guideline Scoring Criteria" on page 8. For projects seeking personal property tax abatement, the "City of Terre Haute Personal Property Tax Abatement Guideline Scoring Criteria" can be found on page 10.

(A.) Manufacturing Project – Local manufacturing projects, local manufacturing-related office structures and local manufacturing-related warehouses that create or preserve employment within the city limits are eligible for property tax abatement. In the case of manufacturing facilities that directly produce product (as well as manufacturing related-warehouses), both real and depreciable personal property are eligible. In the case of manufacturing-related office structures, only real property is eligible for abatement. Also, certain research and development equipment may qualify for depreciable personal property tax abatement.

(B.) Non-Manufacturing Warehouse and Distribution Center Projects – Warehouses and distribution centers not related to a local manufacturing facility may be eligible for both real and depreciable personal property tax abatement. To be eligible for property tax abatement, the facility must substantially serve markets beyond the Terre Haute metropolitan area.

(C.) Office Space Development – Office space developments within the city limits are eligible for real property abatement provided the project substantially serves markets beyond the Terre Haute metropolitan area.

(D.) Historic Preservation – Projects within the city limits that assist in the preservation of buildings of significant historical nature will be considered for real property abatement.

**City of Terre Haute
Real Property Tax Abatement Guideline Scoring Criteria**

Company Name: LIN Television Corporation

Application Date: May 24, 2011

1. New Real Property Investment	5 points maximum	<u>5</u>
< \$500,000	1	
\$501,000 to \$1,000,000	2	
\$1,000,001 to \$2,000,000	3	
\$2,000,001 to \$3,000,000	4	
\$3,000,001 and up	5	
2. Anticipated New Full-Time Jobs Created Within 5 Years	5 points maximum	<u>1</u>
1 to 10 employees	1	
11 to 20 employees	2	
21 to 30 employees	3	
31 to 40 employees	4	
41 employees and up	5	
3. Anticipated Jobs To Be Retained	5 points maximum	<u>5</u>
1 to 10 employees	1	
11 to 20 employees	2	
21 to 30 employees	3	
31 to 40 employees	4	
41 employees and up	5	
4. Wage Rates	3 points maximum	<u>3</u>
\$7.50 to \$10.00 per hour	0	
\$10.01 to \$12.00 per hour	1	
\$12.01 to \$14.00 per hour	2	
\$14.01 per hour and up	3	
5. Benefits Package	1 point if offered	<u>1</u>
6. Targeted Business	1 point if project is good fit for community	<u>1</u>
7. Community Involvement	1 point if company plans or is already involved in community activities	<u>1</u>
8. Is this project a headquarters or a new project to the community?	1 point if "Yes"	<u>1</u>
9. Diverse Workforce	1 point if applicant maintains an affirmative action plan or other statement of specific goals with respect to employee diversity	<u>1</u>
Total Points		<u>19</u>

ScoringLength of Real Property Abatement

20 points and up	10 years
18 to 19 points	9 years
16 to 17 points	8 years
14 to 15 points	7 years
12 to 13 points	6 years
10 to 11 points	5 years
8 to 9 points	4 years
6 to 7 points	3 years
4 to 5 points	2 years
2 to 3 points	1 year

Bonus Points

1. Common Construction Wage	Council may award one bonus point if company includes common construction wage requirement in its bid specs	<u>1</u>
2. Contractors Licensed To Do Business in Vigo County	Council may award one bonus point if a substantial percentage of the total fees for construction work associated with the project are paid to companies licensed to do business in Vigo County	<u>1</u>
3. Materials and Supplies From Vigo County Vendors	Council may award one bonus point if the applicant commits to purchase a substantial amount of materials and supplies for the construction work associated with the project from Vigo County-based vendors	<u>1</u>
4. Existing Facility	Council may award one bonus point for use, reuse, rehabilitation and/or expansion of an existing facility	<u>0</u>
5. Mentoring/Intern Program	Council may award one bonus point if applicant pledges to participate in a mentoring or intern program associated with a Vigo County educational institution	<u>1</u>
Total Bonus Points		<u>4</u>
Grand Total Points		<u>23</u>
Recommended Length of Real Property Abatement Per Guideline Scoring Criteria		<u>10 Years</u>

Exhibit A

Lot Number Forty-five (45), Lot Number Forty-six (46), and 63 feet off the East side of Lot Number Forty-seven (47) in Chauncey Rose's Addition to the Town, now City, of Terre Haute, being a part of the West Half of Section 22, Township 12 North, Range 9 West, as per recorded plat of the same recorded August 7, 1852 in Plat Record 1, Page 6, records of the Recorder's Office of Vigo County, Indiana.