

FILED

JAN 02 2015

CITY CLERK

**TERRE HAUTE CITY COUNCIL
STATE OF INDIANA
RESOLUTION NO. – 2, 2015**

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 320-330 Grant Street, Terre Haute, Indiana as an Economic Revitalization Area for the Purpose of a ten (10) year real property improvement tax abatement and a ten (10) year new manufacturing machinery and equipment tax abatement for Gartland Foundry Company, Inc.

WHEREAS, a Petition for a ten (10) year real property improvement and personal 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 and personal property tax abatement; and

WHEREAS, the petitioner has submitted an 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 hereof), and a site plan; and

WHEREAS, petitioner has estimated that its investment in the new construction addition to the existing foundry building and the new manufacturing equipment (the "Project") to be located on said real estate itself will create an estimated 2-3 new full-time positions over the next 2 years after completion of the Project, as well as retain the existing 128 positions 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; and

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 residential 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;

WHEREAS, the real property abatement is a declining percentage of the increase in assessed value of the improvement based on the following time period and percentages as determined by the City Council:

Year	Percentage	Tax Abated	Tax Paid
1	100%	\$66,000	0
2	95%	\$62,700	3,300
3	80%	\$52,800	13,200
4	65%	\$42,900	23,100
5	50%	\$33,000	33,000
6	40%	\$26,400	39,600
7	30%	\$19,800	26,200
8	20%	\$13,200	52,800
9	10%	\$6,600	59,400
10	5%	\$3,300	62,700

WHEREAS, the personal property abatement is a declining percentage of the increase in assessed value of the property based on the following time period and percentages as determined by the City Council:

Year	Percentage	Tax Abated	Tax Paid
1	100%	\$120,000	\$0
2	90%	\$108,000	\$12,000
3	80%	\$96,000	\$24,000
4	70%	\$84,000	\$36,000
5	60%	\$72,000	\$48,000
6	50%	\$60,000	\$60,000
7	40%	\$48,000	\$72,000
8	30%	\$36,000	\$84,000
9	20%	\$24,000	\$96,000
10	10%	\$12,000	\$108,000

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 and the value of the new manufacturing equipment is reasonable for projects of that nature in order to maintain, expand, update and improve the facility for the production of ductile and gray iron casting products manufactured by the company.

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.

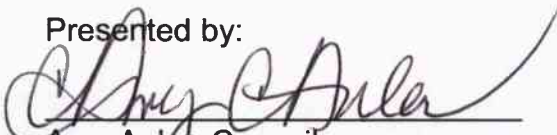
3. The petitioner's estimate of the annual salaries or wages of the individuals who will be employed, and the benefits thereby, can reasonably be expected to result from the Project.

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 a ten (10) year real property improvement tax abatement and a ten (10) year personal 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:



Amy Auler, Councilwoman

Passed in open Council this 15th day of January, 2015.



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 January, 2015.




Charles P. Hanley, City Clerk

Approved by me, the Mayor, this 16th day of January, 2015.



Duke Bennett, Mayor
City of Terre Haute, Indiana

ATTEST:



Charles P. Hanley, City Clerk

This instrument prepared by Jeffrey A. Lewellyn, Attorney,
333 Ohio Street, Terre Haute, IN 47807.

EXHIBIT A

(Legal Description)

Lot No. 199 in Chestnut Place, according to the corrected plat of said subdivision in the Vigo County Recorder's Office of Vigo County, State of Indiana, said subdivision being part of the Northeast quarter ($\frac{1}{4}$) of Section 33, Township 12 North, Range 9 West; together with all other real estate of every kind and description situate and located in said County and State or elsewhere, owned by the Grantors.

ALSO, Lot No. 196 [except forty-one (41) feet two (2) inches off of the West side thereof] in the Corrected Plat of Chestnut Place, a Subdivision of Blocks 7- 8-9-10-15-16-17-18-19-20-21-22-25-26-27-28 and the East halves of Blocks 3-4-5 and 6 in John D. Chestnut's Addition to Terre Haute, a subdivision of part of the Northeast quarter of Section Thirty-three (33) Township Twelve (12) North, Range Nine (9) West, in Vigo County, Indiana.

ALSO, Lot Numbers 155, 156, 157, 158, 159, 160, 161, 169, 170, 171, 172, 173, 174 and 175 in the Corrected Plat of Chestnut Place, a Subdivision of Blocks 7-8-9-10-15-16-17-18-19-20-21-22-25-26-27 and 28, and the East halves of Blocks 3-4-5 and 6 in John D. Chestnut's Addition to Terre Haute, as shown by the Corrected Plat of said subdivision as made by William R. McKeen, Guardian of John D. Chestnut, and recorded in Plat Record Vol. 7, Page 44, records of Recorder's Office of Vigo County, Indiana.

ALSO, That portion of Grant Street between Fourth Street and Fifth Street. That platted alleyway running North and South between Lincoln Street on the North and Grant Street on the South and separating Lots 155 through 161 from Lots 169 through 175 in the Corrected Plat of Chestnut Place.

Subject to existing easements for public utilities.

**FINAL ACTION BY COMMON COUNCIL OF
THE CITY OF TERRE HAUTE, INDIANA
REGARDING RESOLUTION 2, 2015**

WHEREAS, the Common Council of the City of Terre Haute, Indiana adopted Resolution 2, 2015, on the 15th day of January, 2015, 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 320-330 Grant 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 and the value of the new manufacturing equipment is reasonable for projects of that nature in order to maintain, expand, update and improve the facility for the production of ductile and gray iron casting products manufactured by the company.

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 a ten (10) year real property improvement tax abatement and a ten (10) year personal 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 2, 2015, 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 2, 2015, 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 2, 2015, 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 improvement tax abatement and a ten (10) year personal 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 2, 2015, is declared an Economic Revitalization Area for the purposes of a ten (10) year real property and personal 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 2, 2015, shall be incorporated in and be a part of Resolution 2, 2015.

Presented by:




Amy Auler, Councilwoman

Passed in open Council this 12th day of February, 2015.



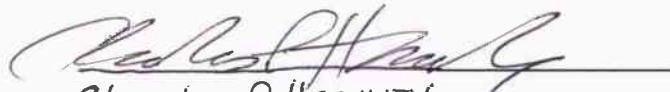
John Mullikin President
Common Council of
City of Terre Haute, Indiana

ATTEST:




Charles P. Hanley, City Clerk

Presented by me to the Mayor this 13th day of February, 2015.




Charles P. Hanley
CITY CLERK
City of Terre Haute, Indiana

Approved by me, the Mayor, this 13th day of FEBRUARY, 2015.



Duke Bennett, Mayor,
City of Terre Haute, Indiana

ATTEST:



Charles P. Hanley, City Clerk

This instrument prepared by Jeffrey A. Lewellyn, Attorney,
333 Ohio Street, Terre Haute, IN 47807.

**CITY OF TERRE HAUTE
PETITION FOR REAL PROPERTY IMPROVEMENT AND PERSONAL 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 improvement and new manufacturing machinery and equipment tax abatement consideration pursuant to I.C. 6-1.1-12.1-1, et seq. and for this petition states the following:

1. The Project. Petitioner, Gartland Foundry Company, Inc. ("Gartland") proposes the construction of a new addition to its foundry building on property located at 320-330 Grant Street, Terre Haute, Indiana. The Project will be located south of Lincoln Street between 4th Street and 5th Street on the currently unimproved land owned by Gartland.
2. The estimated cost of the new real property improvement addition is Two Million Two Hundred Thousand Dollars (\$2,200,000.00). The proposed facility will be an addition to the existing foundry building of approximately 8,500 square feet in new building space. The project will be bid early in 2015 and anticipates contracting with the use of local contractors and suppliers whenever feasible through the building process.

In addition, Gartland proposes the purchase new manufacturing equipment to be located at the property located at 320-330 Grant Street, Terre Haute, Indiana, consisting of:

1 - Molding Machine & Handling at the cost of One Million Eight Hundred Thousand Dollars (\$1,800,000.00);
1- Electric Furnace Equipment at the cost of One Million Eight Hundred Thousand Dollars (\$1,800,000.00);
1- Dust Collector, Monorail system- One Hundred Fifty Thousand Dollars (\$150,000).
Total personal property investment of Three Million Seven Hundred Fifty Thousand Dollars (\$3,750,000.00).

3. The project is important to the Petitioner as a means to expand its operations and update its physical facility for the production of ductile and gray iron casting products. The construction of this facility will allow for the future growth of the company within its industries.
4. The new proposed building addition will initially house both new and existing manufacturing equipment. The new building and equipment will allow the business to keep pace with the industry and maintain those positions while growing the business. The current annual payroll for 128 employees is approximately \$8,000,000.00.

Currently, Gartland's full-time employees earn an average wage of \$19.00 per hour. These employees also receive health insurance, pension plan, as well as disability and life insurance benefits.

In addition to assisting in retaining positions, this proposed facility will allow the addition of 2-3 new full-time positions. It is projected that with the completion of this facility the company will recruit and fill the new positions over the next two years following completion of the facility, which will result in anticipated new employee income of \$118,560.00 (\$39,520 x 3) added to the company payroll.

5. Estimate the dollar value of the new real property improvement construction project:

The estimated cost of completion of the improvements to the real property is approximately \$ Two Million Two Hundred Thousand Dollars (\$2,200,000.00).

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

Name, Address, and Interest:

Gartland Foundry Company, Inc. 330 Grant St. Terre Haute, IN 47802	100% interest
--	---------------

- (b) The following other persons lease, intend to lease or have an option to buy the Property (including corporate information as required in 4(a) above, if applicable:

Name, Address, and Interest:

NONE.

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

Gartland has been in business in Terre Haute, Indiana for more than 100 years. The company manufactures ductile and gray iron castings for many different industries, customer and product lines. Their products are installed both in the USA and internationally in a wide variety of end-use

environments, including agricultural, automotive, oil & gas, and water supply.

7. The commonly known address of the Property is:

320-330 Grant Street, Terre Haute, Indiana. A legal description of the land upon which the project would be built is attached hereto, marked Exhibit A and incorporated herein.

8. An Architectural Site Plan showing the entire tract and the proposed footprint of the proposed new construction and parking lot are attached hereto as Exhibit B and incorporated herein.

9. The property for the proposed building is currently undeveloped land which is part of the foundry property and the proposed building will connect to the existing facility.

10. Petitioner is seeking a ten (10) year real property improvement tax abatement that would provide that during each of the first ten (10) years after completion of construction the tax would abate as follows: The best estimate of the amount of taxes to be abated during each of the ten (10) years after construction is:

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

Assumed Assessed Value: \$2,200,000.00.00

Tax without Abatement: \$66,000.00.00

<u>ABATEMENT YEAR</u>	<u>ABATEMENT %</u>	<u>TAX ABATED</u>	<u>TAX PAID</u>
1	100%	\$66,000	0
2	95%	\$62,700	3,300
3	80%	\$52,800	13,200
4	65%	\$42,900	23,100
5	50%	\$33,000	33,000
6	40%	\$26,400	39,600
7	30%	\$19,800	26,200
8	20%	\$13,200	52,800
9	10%	\$6,600	59,400
10	5%	\$3,300	62,700

11. Petitioner is seeking an ten (10) year tax abatement that would provide that during each of the first ten (10) years after rehabilitation tax 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 4.0%.
 Assumed Assessed Value: \$3,000,000.00
 Tax without Abatement: \$120,000.00

<u>ABATEMENT YEAR</u>	<u>ABATEMENT %</u>	<u>TAX ABATED</u>	<u>TAX PAID</u>
1	100%	\$120,000	\$0
2	90%	\$108,000	\$12,000
3	80%	\$96,000	\$24,000
4	70%	\$84,000	\$36,000
5	60%	\$72,000	\$48,000
6	50%	\$60,000	\$60,000
7	40%	\$48,000	\$72,000
8	30%	\$36,000	\$84,000
9	20%	\$24,000	\$96,000
10	10%	\$12,000	\$108,000

12. 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.

13. The new manufacturing equipment has not been acquired and installed as of the date of filing of this Petition. The signature below is verification of this statement.

14. 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 by local lenders. Currently, the Petitioner has not sought or received any other public financing.

15. 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 residential neighborhood, because of a lack of residential development and declining conditions of the housing 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 vacant and the assessed improvements are minimal.

16. (a) That part of the Property that is currently zoned M-2 is where the existing approximate 100,000 sq. ft. foundry building is located. The property has been the site of the Gartland foundry for more than 100 years. The foundry property is currently assessed at \$432,000.00. The 2 lots that are R-1, located directly north of the foundry, are mostly unimproved lots adjacent to the foundry and are currently assessed at a combined value of \$98,600.00. It is anticipated that the current R-1 part of the Property will need to be rezoned to a new zoning classification for a parking lot use.

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

None.

17. In view of the foregoing, Petitioner in good faith applies for a ten (10) year real property improvement tax abatement and a ten (10) year personal property new manufacturing equipment tax abatement.

18. Petitioner 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 "C" and further, Petitioner agrees to comply with Special Ordinance 2, 2009 (which replaced Special Ordinance 43, 2000).

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

Name: Jeffrey A. Lewellyn, Attorney at Law
Address: 333 Ohio Street
City, State, Zip: Terre Haute, IN. 47807
Telephone: (812) 232-4311

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

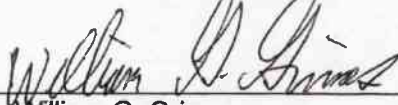
- _____ a. Housing
- _____ b. Office
- _____ c. Retail/Commercial
- _____ d. Mixed Use – Retail, Housing and Office*
- x e. Industrial
- _____ f. Warehousing

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):


Gartland Foundry Company, Inc.

By



William G. Grimes

By:



Jeffrey A. Lewellyn, Atty No. 15216-34

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 Jeffrey A. Lewellyn, Attorney,
333 Ohio Street, Terre Haute, IN 47807.

EXHIBIT A
(Legal Description)

EXHIBIT A

(Legal Description)

Lot No. 199 in Chestnut Place, according to the corrected plat of said subdivision in the Vigo County Recorder's Office of Vigo County, State of Indiana, said subdivision being part of the Northeast quarter (¼) of Section 33, Township 12 North, Range 9 West; together with all other real estate of every kind and description situate and located in said County and State or elsewhere, owned by the Grantors.

ALSO, Lot No. 196 [except forty-one (41) feet two (2) inches off of the West side thereof] in the Corrected Plat of Chestnut Place, a Subdivision of Blocks 7- 8-9-10-15-16-17-18-19-20-21-22-25-26-27-28 and the East halves of Blocks 3-4-5 and 6 in John D. Chestnut's Addition to Terre Haute, a subdivision of part of the Northeast quarter of Section Thirty-three (33) Township Twelve (12) North, Range Nine (9) West, in Vigo County, Indiana.

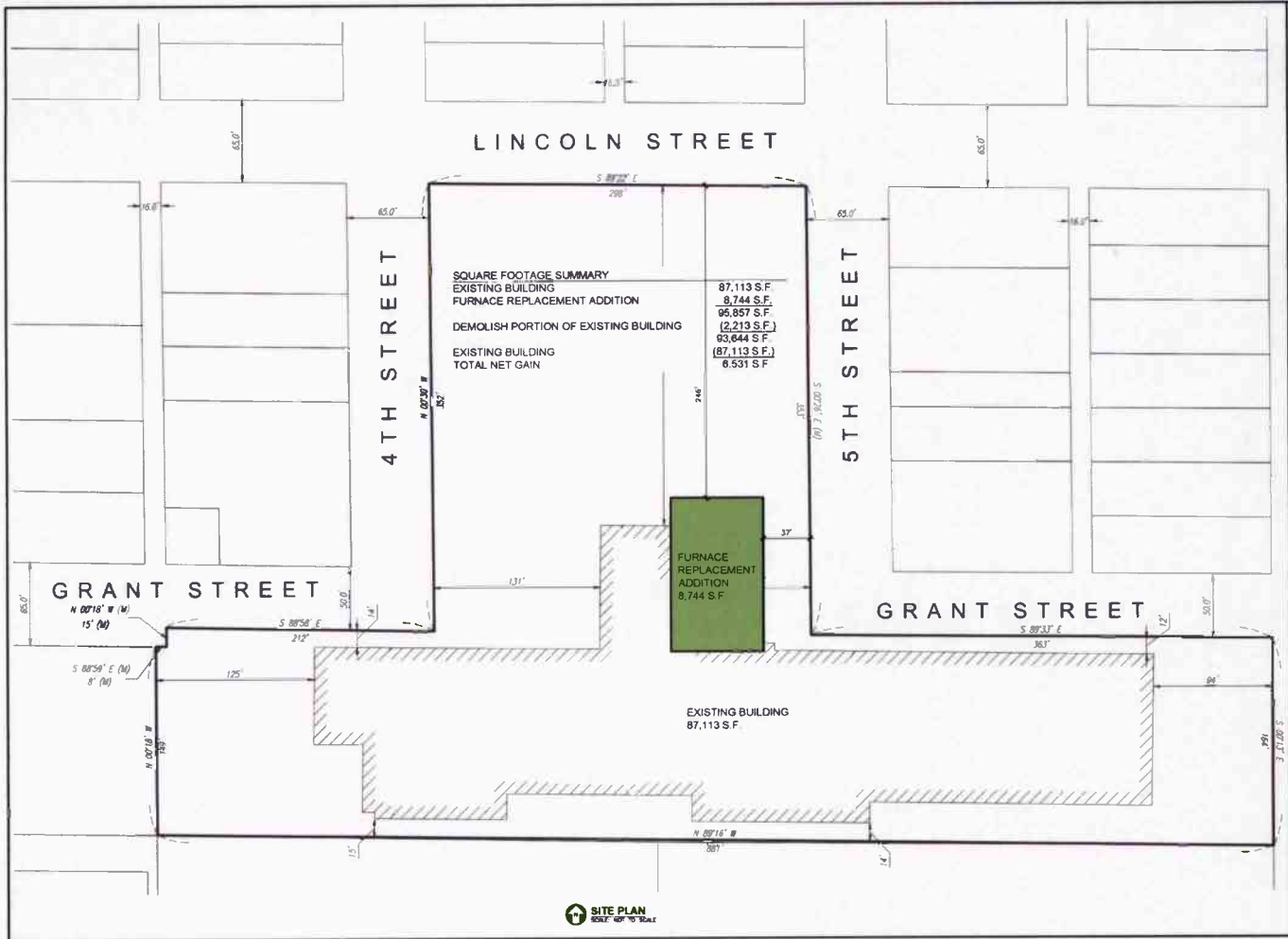
ALSO, Lot Numbers 155, 156, 157, 158, 159, 160, 161, 169, 170, 171, 172, 173, 174 and 175 in the Corrected Plat of Chestnut Place, a Subdivision of Blocks 7-8-9-10-15-16-17-18-19-20-21-22-25-26-27 and 28, and the East halves of Blocks 3-4-5 and 6 in John D. Chestnut's Addition to Terre Haute, as shown by the Corrected Plat of said subdivision as made by William R. McKeen, Guardian of John D. Chestnut, and recorded in Plat Record Vol. 7, Page 44, records of Recorder's Office of Vigo County, Indiana.

ALSO, That portion of Grant Street between Fourth Street and Fifth Street.
That platted alleyway running North and South between Lincoln Street on the North and Grant Street on the South and separating Lots 155 through 161 from Lots 169 through 175 in the Corrected Plat of Chestnut Place.

Subject to existing easements for public utilities.

EXHIBIT B

(Site Plan)



SITE PLAN
 8527 4th Street

GARTLAND
 ENGINEERING & ARCHITECTURE, INC.
 1000 N. WASHINGTON STREET
 TERRE HAUTE, INDIANA 47787-1000
 PHONE: 317.251.1000
 FAX: 317.251.1001
 WWW.GARTLANDINC.COM

NO.	DATE	BY	CHKD	APP'D	DESC

FURNACE REPLACEMENT ADDITION
GARTLAND FOUNDRY
TERRE HAUTE, INDIANA

PROCESS PLAN

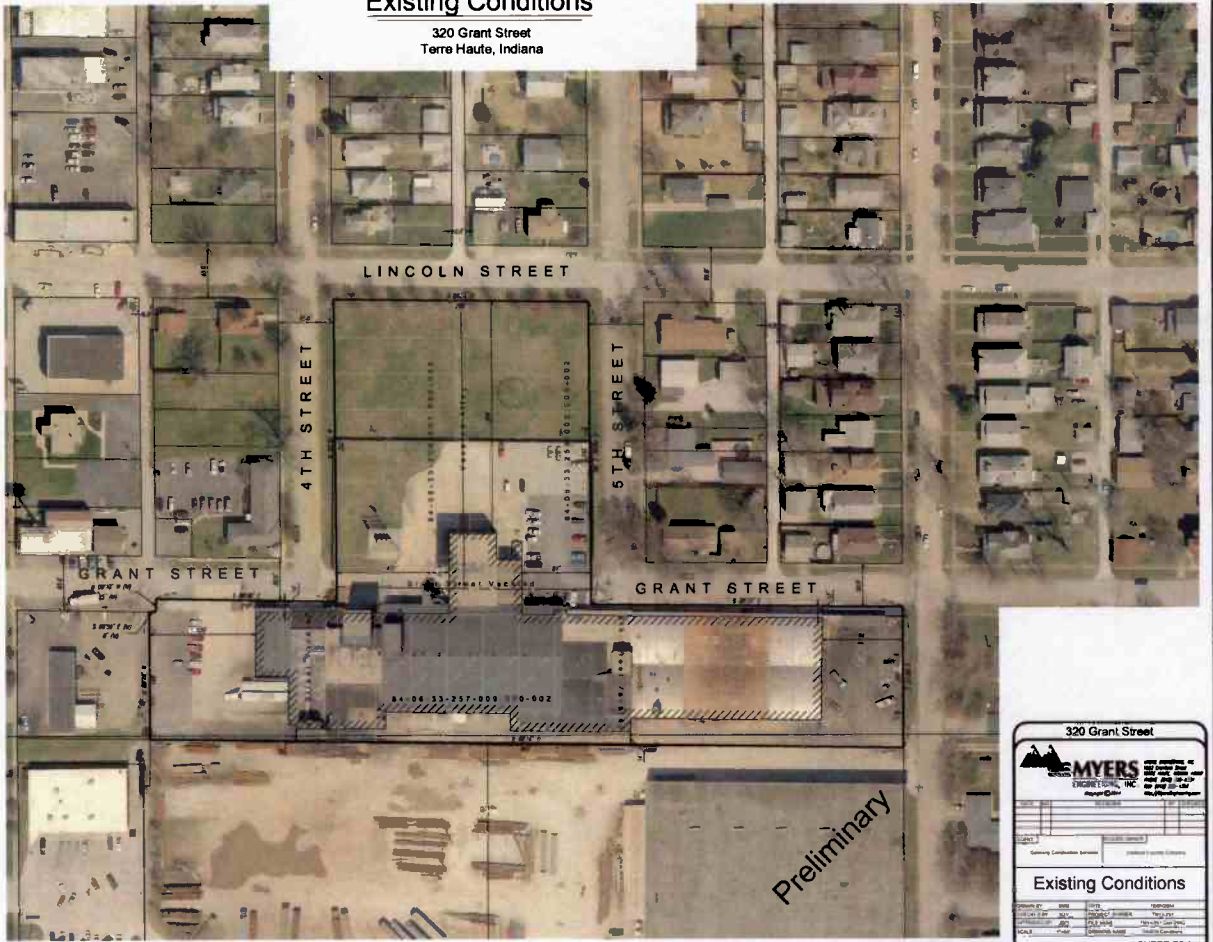
DESIGNED BY	AWM	DATE	TDC
CHECKED BY	DK	DATE	10/09/14
SCALE	NOT TO SCALE		
FILE NAME	14470ASP		

SP

X of X

Existing Conditions

320 Grant Street
Terre Haute, Indiana



The information contained herein is for informational purposes only and does not constitute an offer of insurance or any other financial product. It is not intended to be used as a basis for any investment decision. Please consult your insurance broker for more information.

320 Grant Street

MYERS
ENGINEERS, INC.
1000 N. Main Street
Terre Haute, IN 47601
317.881.1234

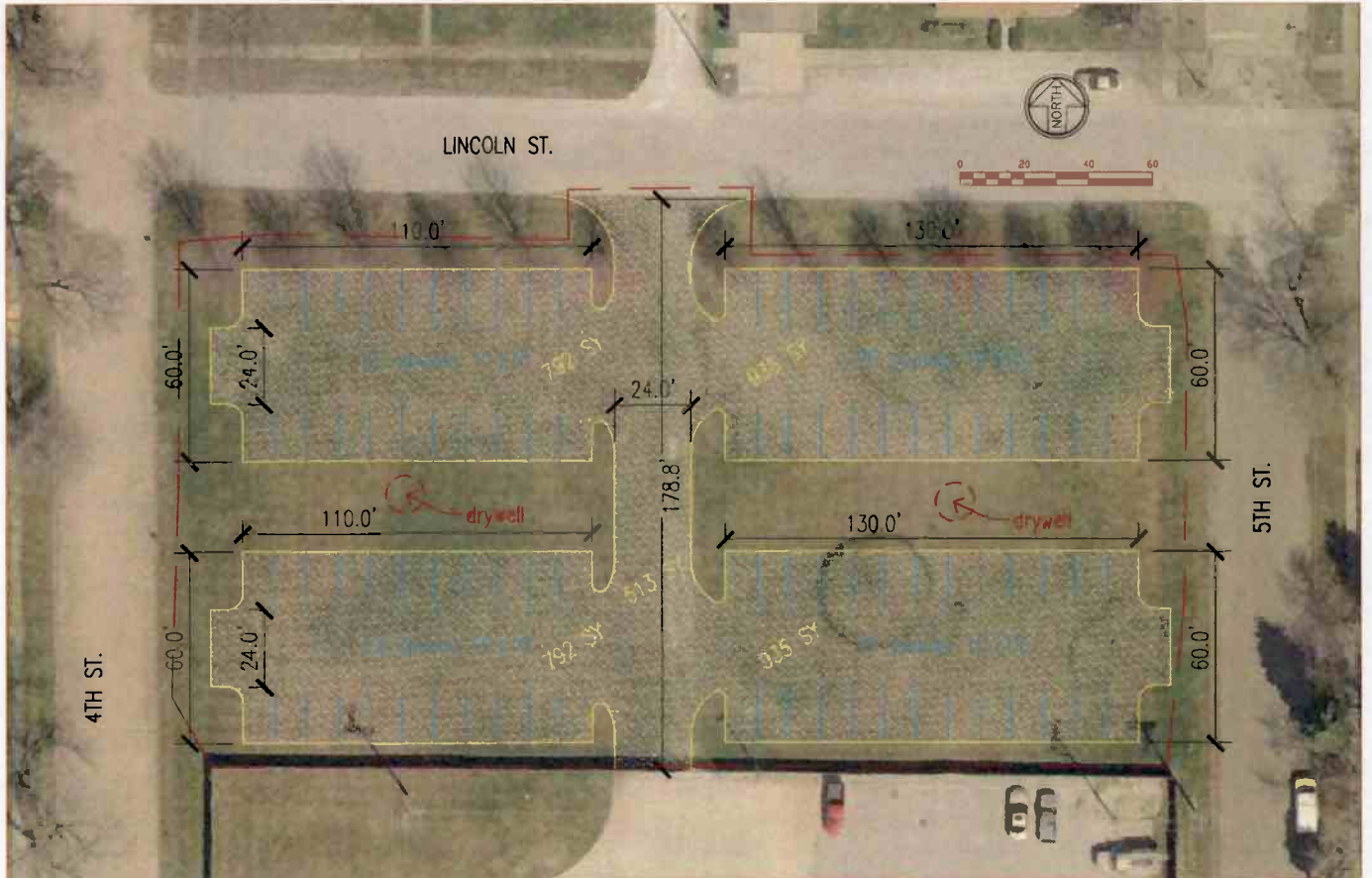
NO.	DATE	DESCRIPTION
1	08/01/2024	Initial Survey
2	08/15/2024	Final Survey

Existing Conditions

SCALE: 1"=30'

SHEET 02 1

© 2024 MYERS ENGINEERS, INC. ALL RIGHTS RESERVED.



TOTAL BUILDOUT (1.26 ACRES):
 86 PARKING SPACES
 3872 SF PARKING LOT AND ROADWAY
 1660 LF CURB
 2 DRYWELLS

CARTLAND FOUNDRY PARKING LOT EXPANSION

TERRE HAUTE, IN
 PRELIMINARY
 FOR BID PURPOSE ONLY
 BY: MYERS ENGINEERING INC.
 MARCH 18, 2014

Date Created: 12/31/2014

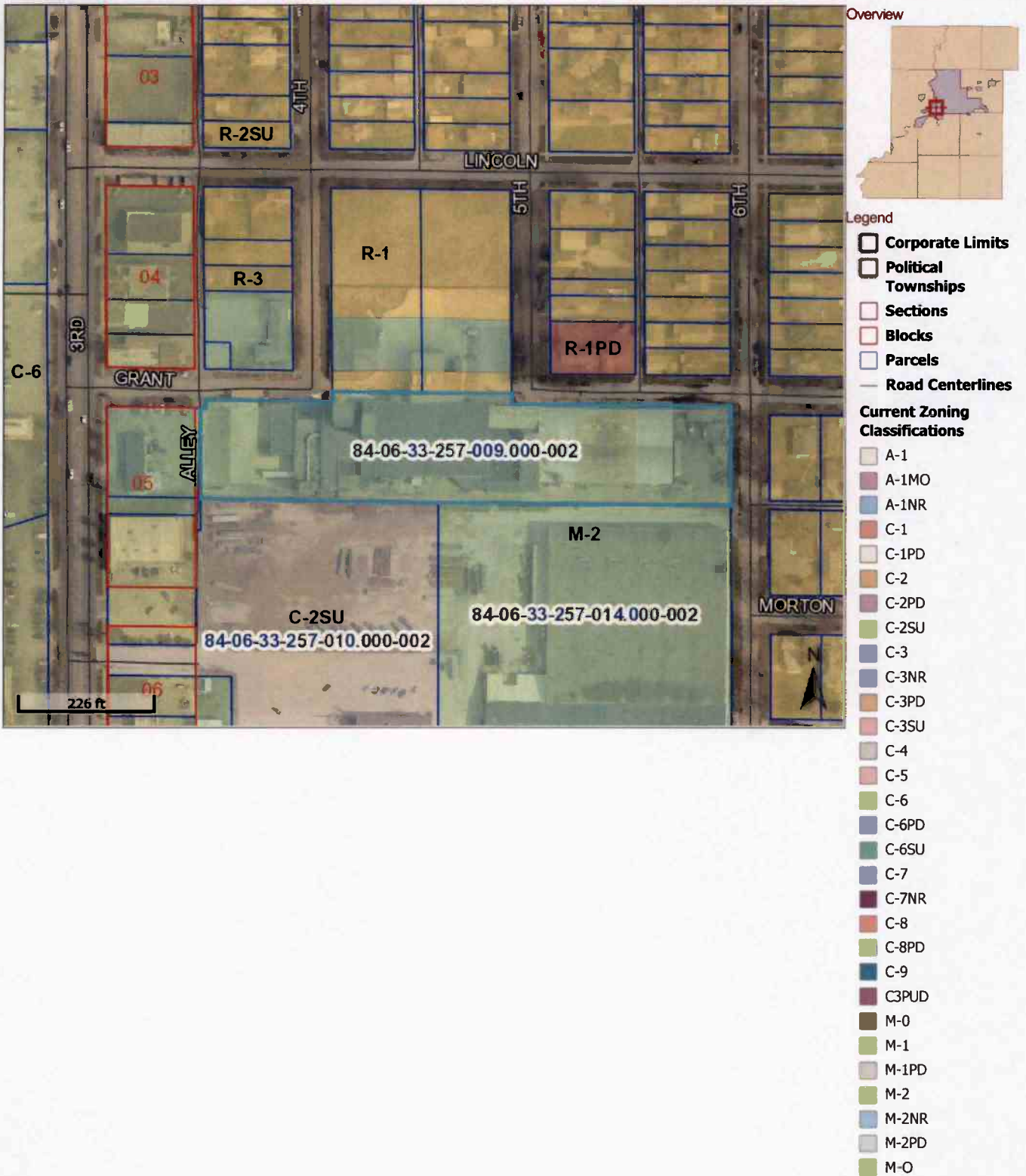


EXHIBIT C
(Board of Works Agreement)

AGREEMENT

This Agreement (the "Agreement") dated as of the ___ day of _____, 2015, serves as a confirmation of the Gartland Foundry Company, Inc. (the "Applicant") commitment, pending a February 12, 2015, public hearing, to comply with the project description, and job employment and retention (and associated wage rates and salaries) figures contained in its designation application, Statement of Benefits, the Preliminary Economic Revitalization Area Resolution No. 2, 2015, and attachments adopted by the Common Council of the City of Terre Haute, Indiana (the "Council") on Thursday, January 15, 2015, 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 a ten (10) year real property tax abatement for the Applicant's capital expenditure of up to \$2,200,000.00 associated with the construction of the Commitments and a ten (10) year personal property tax abatement for the Applicant's capital expenditure of approximately \$3,750,000.00 associated with installing a new manufacturing equipment described and approved as a part of the Commitment, (collectively, the "Project"). The capital expenditure of the Project and the filling of such positions shall occur within two (2) years of the estimated completion date of September 2015, contained in the approved Statement of Benefits Form SB-1 (the "Commitment Date").

During the term of the abatement, the city may annually request information from the Applicant concerning the status of the Project, the approval 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 the position, 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 CF1 is filed with the County. The City shall utilize this information to verify that the Applicant has complied with the commitments contained in "the Commitments" 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 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 commitments, and the Applicant's failure to substantially comply with the Commitments was not due to factors beyond its control. As used in the Agreement, "substantial compliance" shall mean the Applicant's compliance with the following: Making capital expenditures as set out above 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 calculation 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.

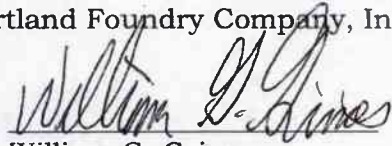
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

“Applicant”

Board of Public Works & Safety
City of Terre Haute

Gartland Foundry Company, Inc.

By:


William G. Grimes,
President

Approved as to Legal Adequacy and Form on this ____ day of _____,
2015.

By: _____

Title: _____



**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R6 / 10-14)

Prescribed by the Department of Local Government Finance

CONFIDENTIAL

20__ PAY 20__

FORM SB-1 / Real Property

PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

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)
- Residentially distressed area (IC 6-1.1-12.1-4.1)

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.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
3. To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between March 1 and May 10 of a subsequent year.
4. A property owner who files for the deduction must provide the County Auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
5. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/Real Property that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. IC 6-1.1-12.1-17

SECTION 1 TAXPAYER INFORMATION					
Name of taxpayer Gartland Foundry Company, Inc.					
Address of taxpayer (number and street, city, state, and ZIP code) 320 Grant St, Terre Haute, IN 47802					
Name of contact person Jeffrey A. Lewellyn			Telephone number (812) 232-4311		E-mail address jalewellyn@wilkinsonlaw.com
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body Common Council City of Terre Haute					Resolution number 2 - 2015
Location of property 330 Grant St, Terre Haute, IN 47802			County Vigo		DLGF taxing district number 84
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) 8,500 square foot addition to existing foundry building.					Estimated start date (month, day, year) 07/01/2014
					Estimated completion date (month, day, year) 12/01/2015
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 128.00	Salaries \$7,500,000.00	Number retained 128.00	Salaries \$7,500,000.00	Number additional 3.00	Salaries \$118,560.00
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
			REAL ESTATE IMPROVEMENTS		
			COST		ASSESSED VALUE
Current values					530,800.00
Plus estimated values of proposed project					2,200,000.00
Less values of any property being replaced					0.00
Net estimated values upon completion of project					2,730,000.00
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER					
Estimated solid waste converted (pounds) _____			Estimated hazardous waste converted (pounds) _____		
Other benefits					
SECTION 6 TAXPAYER CERTIFICATION					
I hereby certify that the representations in this statement are true.					
Signature of authorized representative <i>William B. Grimes</i>					Date signed (month, day, year) 1-2-15
Printed name of authorized representative WILLIAM B. GRIMES				Title PRESIDENT	

FOR USE OF THE DESIGNATING BODY

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be 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 10 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

C. The amount of the deduction applicable is limited to \$ NIA.

D. Other limitations or conditions (specify) NIA

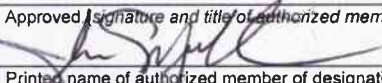
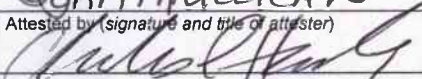
E. Number of years allowed: Year 1 Year 2 Year 3 Year 4 Year 5 (* see below)
 Year 6 Year 7 Year 8 Year 9 Year 10

F. For a statement of benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?
 Yes No

If yes, attach a copy of the abatement schedule to this form.

If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

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)	Telephone number	Date signed (month, day, year)
	(812) 232 3375	2-12-2015
Printed name of authorized member of designating body	Name of designating body	
John Mullican	Terre Haute City Clerk	
Attested by (signature and title of attester)	Printed name of attester	
	Charles P Hanley City Clerk	

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4.1 remain in effect. The deduction period may not exceed five (5) years. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. The deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)

B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. (See IC 6-1.1-12.1-17 below.)

**IC 6-1.1-12.1-17
Abatement schedules**

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
 - (2) The number of new full-time equivalent jobs created.
 - (3) The average wage of the new employees compared to the state minimum wage.
 - (4) The infrastructure requirements for the taxpayer's investment.
- (b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.
- (c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.



STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R3 / 12-13)

Prescribed by the Department of Local Government Finance

CONFIDENTIAL

FORM SB-1 / PP

PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

INSTRUCTIONS

- 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 a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction.
- The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the installation of qualifying abatable equipment for which the person desires to claim a deduction.
- To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
- Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
- For a Form SB-1/PP that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/PP that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. (IC 6-1.1-12.1-17)

SECTION 1 TAXPAYER INFORMATION											
Name of taxpayer Gartland Foundry Company, Inc.					Name of contact person Jeffrey A. Lewellyn						
Address of taxpayer (number and street, city, state, and ZIP code) 320 Grant St, Terre Haute, IN 47802							Telephone number (812) 232-4311				
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT											
Name of designating body Common Council City of Terre Haute							Resolution number (s) 2 - 2015				
Location of property 330 Grant St, Terre Haute, IN 47802				County Vigo		DLGF taxing district number 84					
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (Use additional sheets if necessary.) New manufacturing equipment consisting of: molding machine - \$1,800,000; electric furnace - \$1,800,000; and dust collector, monorail - \$150,000.					ESTIMATED						
							START DATE		COMPLETION DATE		
					Manufacturing Equipment		07/01/2015		09/01/2015		
					R & D Equipment						
					Logist Dist Equipment						
IT Equipment											
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT											
Current number		Salaries		Number retained		Salaries		Number additional		Salaries	
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.			MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT		
			COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	
Current values			770,372								
Plus estimated values of proposed project			3,750,000								
Less values of any property being replaced			770,372								
Net estimated values upon completion of project			2,979,628								
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER											
Estimated solid waste converted (pounds) _____					Estimated hazardous waste converted (pounds) _____						
Other benefits:											
SECTION 6 TAXPAYER CERTIFICATION											
I hereby certify that the representations in this statement are true.											
Signature of authorized representative <i>William G. GAMES</i>							Date signed (month, day, year) 1-2-16				
Printed name of authorized representative William G. GAMES					Title President						

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 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

- A. The designated area has been limited to a period of time not to exceed 10 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. Installation of new manufacturing equipment; Yes No
 - 2. Installation of new research and development equipment; Yes No
 - 3. Installation of new logistical distribution equipment. Yes No
 - 4. Installation of new information technology equipment; Yes No
- C. The amount of deduction applicable to new manufacturing equipment is limited to \$ N/A cost with an assessed value of \$ _____.
- D. The amount of deduction applicable to new research and development equipment is limited to \$ N/A cost with an assessed value of \$ _____.
- E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ N/A cost with an assessed value of \$ _____.
- F. The amount of deduction applicable to new information technology equipment is limited to \$ N/A cost with an assessed value of \$ _____.
- G. Other limitations or conditions (specify) N/A
- H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction is allowed for:
- Year 1 Year 2 Year 3 Year 4 Year 5 (see below *)
- Year 6 Year 7 Year 8 Year 9 Year 10
- I. For a Statement of Benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17? Yes No
 If yes, attach a copy of the abatement schedule to this form.
 If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

Also we have 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 by: (signature and title of authorized member of designating body)	Telephone number	Date signed (month, day, year)
	(812) 232 3375	02-12-2015
Printed name of authorized member of designating body	Name of designating body	
JOHN MULICAN	Terre Haute City Council	
Attested by: (signature and title of attester)	Printed name of attester	
 CITY CLERK	Charles P Hanley	

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

IC 6-1.1-12.1-17

Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
 - (2) The number of new full-time equivalent jobs created.
 - (3) The average wage of the new employees compared to the state minimum wage.
 - (4) The infrastructure requirements for the taxpayer's investment.
- (b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.
- (c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

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:
Gartland Foundry Company, Inc. 330 Grant St. Terre Haute, IN 47802	Jeffrey A. Lewellyn, Attorney 333 Ohio St. Terre Haute, IN 47807 812-232-4311
100% interest in real estate & improvements	

(b) The following other persons lease, intend to lease or have an option to buy the Property is held by the following:

Name, Address, and Interest:	Contact:
NONE.	

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: 320 Grant Street; and
330 Grant Street.

A legal description of the land upon which the project would be built is attached hereto, marked Exhibit A and incorporated herein.

B. Parcel ID Number(s): 84-06-33-257-009.000-002;
84-06-33-256-001.000-002; and
84-06-33-256-002.000-002.

Current Status of Property

A. Current zoning designation of property:

The current zoning is: M-2, Manufacturing and R-1 Residential.

It is anticipated that the current R-1 part of the Property will need to be rezoned to a new zoning classification for a parking lot use.

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

That part of the Property that is currently zoned M-2 is where the existing approximate 100,000 sq. ft. foundry building is located. The property has been the site of the Gartland foundry for more than 100 years. The foundry property is currently assessed at \$432,000.00. The 2 lots that are R-1, located directly north of the foundry, are mostly unimproved lots adjacent to the foundry and are currently assessed at a combined value of \$98,600.00.

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 home to Gartland Foundry Company, Inc., which has been in business in Terre Haute, Indiana for more than 100 years. The company manufactures ductile and gray iron castings for many different industries, customer and product lines. Their products are installed both in the USA and internationally in a wide variety of end-use environments, including agricultural, automotive, oil & gas, and water supply.

Gartland currently has 128 employees.

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

The foundry property is currently assessed at \$432,000.00. The 2 lots that are R-1 are mostly unimproved lots adjacent to the foundry and are currently assessed at a combined value of \$98,600.00.

E. Describe any unique historical structure or aesthetic improvements:

The existence of the foundry at that site for over 100 years is historical, but the historic significance of the structures is minimal.

Proposed Improvements

A. Describe proposed real property improvements and projected costs:

Gartland Foundry Company, Inc. proposes the construction of a new addition to its foundry building on property located at 320-330 Grant Street, Terre Haute, Indiana. The Project will be located south of Lincoln Street between 4th Street and 5th Street on the currently unimproved land owned by Gartland. The estimated cost of the new addition facility is Two Million Two Hundred Thousand Dollars (\$2,200,000.00). The proposed facility will be an addition to the existing foundry building of approximately 8,500 square feet in size.

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

Gartland Foundry Company, Inc. proposes the purchase new manufacturing equipment consisting of a Molding Machine & Handling at the cost of One Million Eight Hundred Thousand Dollars (\$1,800,000.00); Electric Furnace Equipment at the cost of One Million Eight Hundred Thousand Dollars (\$1,800,000.00); auxiliary equip.- Dust Collector, Monorail- One Hundred Fifty Thousand Dollars (\$150,000). Total personal property investment of Three Million Seven Hundred Fifty Thousand Dollars (\$3,750,000.00).

The Tax Value of personal property equipment being replaced by the proposed new equipment is \$770,372.00. So, the increased tax value is almost \$3,000,000.00.

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

It is not anticipated that 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 in the Spring of 2015 for the real property improvements and in the Fall of 2015 for the personal property new manufacturing equipment.

E. Project Completion Date:

It is anticipated that the project end date will be in the Winter of 2015.

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 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 a residential neighborhood because of a lack of residential development near the existing foundry and the ability for the foundry to expand is limited to only the property that it currently owns. As well, the planned commercial development has been slow as a transitional area which has prevented a normal development of property or use of property – and such is an area declining in tax revenues. Currently, much of the land is unimproved and has minimal assessed improvements.

The existing manufacturing equipment pieces are aged and are technologically, economically, and/or energy obsolete and such obsolescence may lead to a decline in productivity and ultimately employment and tax revenues if new equipment if not obtained.

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

The new proposed building addition will initially house both new and existing manufacturing equipment. The new building and equipment will allow the business to keep pace with the industry and maintain those positions while growing the business. The current annual payroll for 128 employees is approximately \$8,000,000.00.

Currently, Gartland's full-time employees earn an average wage of \$19.00 per hour. These employees also receive health insurance, pension plan, as well as disability and life insurance benefits.

In addition to assisting in retaining positions, this proposed facility will allow the addition of 2-3 new full-time positions. It is projected that with the completion of this facility the company will recruit and fill the new positions over the next two years following completion of the facility, which will result in anticipated new employee income of \$118,560.00 (\$39,520 x 3) added to the company payroll.

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

The employees receive health insurance, pension plan, as well as disability and life insurance benefits.

C. Please attach completed State of Indiana Statement of Benefits form for real property improvements (Form SB — 1/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


Gartland Foundry Company, Inc.

By


William G. Grimes, President

12-31-14

By:


Jeffrey A. Lewellyn, Atty No. 15216-34

12-31-14

* 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:

Year	10 Year	9 Year	8 Year	7 Year	6 Year	5 Year	4 Year	3 Year	2 Year	1 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:

Year	10 Year	9 Year	8 Year	7 Year	6 Year	5 Year	4 Year	3 Year	2 Year	1 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: Gartland Foundry Company, Inc.

Application Date: January 2, 2015

1. New Real Property Investment	5 points maximum	<u>4</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 18

Scoring

Length 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 1

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 1

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 1

4. Existing Facility
Council may award one bonus point for use, reuse, rehabilitation and/or expansion of an existing facility 1

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

Total Bonus Points 4

Grand Total Points 22

Recommended Length of Real Property Abatement Per Guideline Scoring Criteria 10 Years

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

Company Name: Gartland Foundry Company, Inc.

Application Date: January 2, 2015

1. New Property Investment	5 points maximum	__ 5 __
< \$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	__ 1 __
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	__ 5 __
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	__ 3 __
\$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	__ 1 __
6. Targeted Business	1 point if project is good fit for community	__ 1 __
7. Community Involvement	1 point if company plans or is already involved in community activities	__ 1 __
8. Diverse Workforce	1 point if applicant maintains an affirmative action plan or other statement of specific goals with respect to employee diversity	__ 1 __
Total Points		__ 18 __

Scoring

Length of Personal Property Abatement

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

10 years
 9 years
 8 years
 7 years
 6 years
 5 years
 4 years
 3 years
 2 years
 1 year

Bonus Points

1. American Made
 Council may award one bonus point if equipment to be installed is manufactured or engineered in the United States
 _____ 1 _____

2. Installation by Local Contractor(s)
 Council may award one bonus point if a substantial portion of the equipment to be installed is by a company or individuals maintaining a place of business in Vigo County
 _____ 1 _____

3. Rehabilitation of Existing Facilities
 Council may award one bonus point if the project involves the rehabilitation of existing facilities.
 _____ 1 _____

4. 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

Total Bonus Points _____ 3 _____

Grand Total Points _____ 21 _____

Recommended Length of Personal Property Abatement Per Guideline Scoring Criteria
 _____ 10 Years _____