

TERRE HAUTE CITY COUNCIL  
STATE OF INDIANA  
RESOLUTION NO. 8, 2017

FILED  
MAR 31 2017  
CITY CLERK

A Resolution of the Common Council of the City of Terre Haute, Indiana, Designating an Area Within the City Commonly Identified as 4150 East Steelton Avenue, Terre Haute, Indiana 47805, legally described as Lot 4C in the Fort Harrison Business Park Replat Lot Four (IV), of Phase I a Replat of Lot Two, being Part of the N.E.  $\frac{1}{4}$ , Section 1, Township 12-N, Range 9-W, in the City of Terre Haute, Vigo County, Indiana, as shown on the recorded plat thereof recorded in the Office of the Recorder of Vigo County, Indiana on January 3, 2007 as Instrument Number 2007000106, Terre Haute, Indiana, As an Economic Revitalization Area for the Purpose of a Ten Year Real Property Abatement.

WHEREAS, a petition for a ten year real property tax abatement has been filed with the Common Council of the City of Terre Haute requesting that the real property described therein be designated as Economic Revitalization Area for purposes of real property tax abatement; and

WHEREAS, Pyrolyx USA Indiana, LLC, the "petitioner," has submitted an Application and Statement of Benefits and provided all information and documentation necessary for the Common Council to make an informed decision, said information including a site plan as set forth in attached Exhibit A (which is hereby made a part hereof), and legal description of the aforesaid real property more particularly described as follows:

Lot 4C in the Fort Harrison Business Park Replat Lot Four (IV), of Phase I a Replat of Lot Two, being Part of the N.E.  $\frac{1}{4}$ , Section 1, Township 12-N, Range 9-W, in the City of Terre Haute, Vigo County, Indiana, as shown on the recorded plat thereof recorded in the Office of the Recorder of Vigo County, Indiana on January 3, 2007 as Instrument Number 2007000106; and

WHEREAS, petitioner has represented that the project itself will create 55 new permanent full-time jobs with an annual payroll of \$2,100,000.00 (approximately) and that the cost of the project will be at least \$2,300,000.00 for real property improvements; and

WHEREAS, the Common Council fo 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 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 has found the subject property to be within the boundaries of the City of Terre Haute, Indiana, an area where facilities that are technologically, economically, or energy obsolete are located, and where the obsolescence may lead to a decline in employment and tax revenues and has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements, character of occupancy, age, obsolescence, substantial buildings and other factors which prevent normal development or use;

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:

Abatement	Percentage	Tax Abated	Tax Paid
1	100%	\$69,000	\$0
2	95%	\$64,153	\$4,847
3	80%	\$49,611	\$19,389
4	65%	\$35,069	\$33,931
5	50%	\$20,527	\$48,473
6	40%	\$10,833	\$58,167
7	30%	\$1,138	\$67,862
8	20%	\$0	\$69,000
9	10%	\$0	\$69,000
10	5%	\$0	\$69,000
Totals		\$250,311	\$439,669

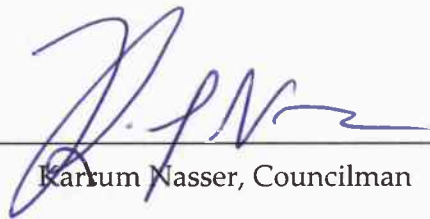
NOW, THEREFORE, IT IS FOUND, DETERMINED AND RESOLVED by the Common Council of the City of Terre Haute that:

1. The petitioner's estimate of the value of the redevelopment and rehabilitation and the project to be constructed on the subject real property is reasonable for projects of that

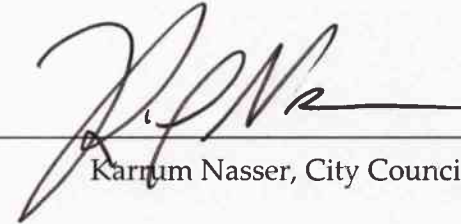
nature in order to maintain, expand, update and improve efficiency and capabilities for hotel accommodations.

2. The petitioner's estimate of the number of individuals who will be employed, and the benefit thereby, can reasonably be expected to result from the project and the redevelopment and rehabilitation.
3. The petitioner's estimate of the annual salaries or wages of the individuals who will be employed, and the benefit thereby, can reasonably be expected to result from the project and the redevelopment and rehabilitation.
4. That the other benefits about which information has been requested can be expected to result from the project and the redevelopment and rehabilitation.
5. The totality of the benefits of the proposed redevelopment and rehabilitation can reasonably be expected to result from the project and are sufficient to justify a ten year real property tax deduction from assess valuation under Indiana statutes, and each such deduction should be, is hereby, allowed.
6. That the petition for designating the subject property as an economic revitalization area for the purposes of ten year real property tax abatement and the Statement of Benefits, copies of which were submitted with the petitions, 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., and petitioner is entitled to the ten year real property tax abatement provided therein for the proposed redevelopment and rehabilitation upon the real estate described on Exhibit A attached hereto.
7. That notice hereof should be published according to law stating the adoption and substance hereof, that a copy of the description of the affected area is available for inspection in the County Assessor's Office, and stating a date on which the Council will hear and receive remonstrances and objections and take final action, all as required by law.

[SIGNATURES ON FOLLOWING PAGE]


Introduced by:   
Karrum Nasser, Councilman

Passed in open Council this 11<sup>th</sup> day of April 2017.


  
Karrum Nasser, City Council President


ATTEST:  Charles P. Hanley, City Clerk

Presented by me to the Mayor this 12 day of April, 2017.

  
Charles P. Hanley, City Clerk

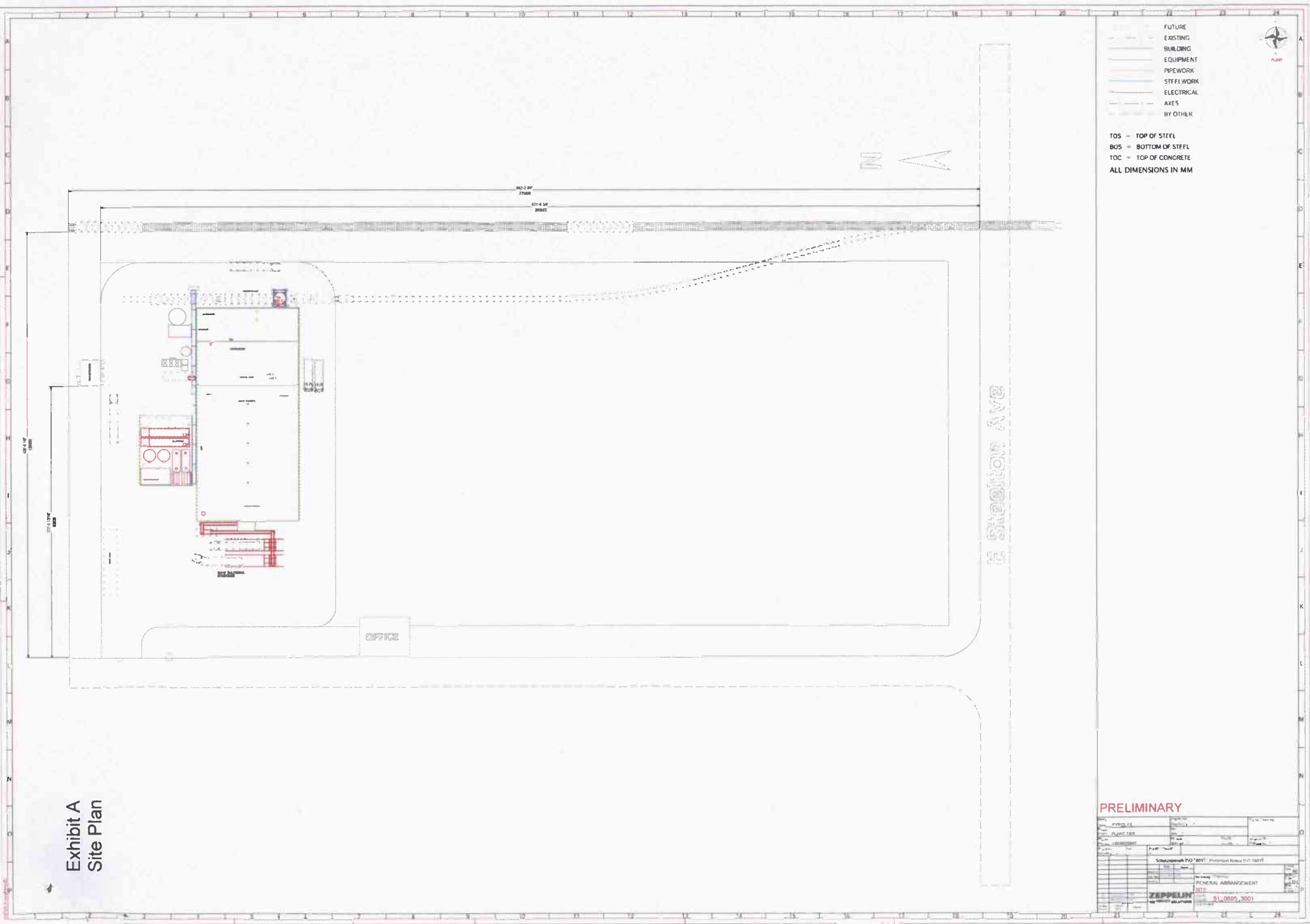
Approved by me, the Mayor, this 12<sup>th</sup> day of April, 2017.

  
Duke A. Bennett, Mayor

ATTEST:  Charles P. Hanley, City Clerk

This instrument prepared by Jeffrey A. Lind, Lind Law Firm, 400 Ohio Street, Terre Haute, IN 47807 (812) 234-5463.

Exhibit A  
Site Plan



- FUTURE
- EXISTING
- BUILDING
- EQUIPMENT
- PIPEWORK
- STEELWORK
- ELECTRICAL
- AXES
- BY OTHER



TOS = TOP OF STEEL  
 BOS = BOTTOM OF STEEL  
 TOC = TOP OF CONCRETE  
 ALL DIMENSIONS IN MM

**PRELIMINARY**

Project Name	Project No.	Scale	Sheet No.
Client	Contract No.	Revision	Date
Design	Approval	Checked	Drawn
Schaeffler FAG 18011 Production Release P-11 15818 FEDERAL ARRANGEMENT <b>ZEPPLIN</b> 51-0895-3001			

**FINAL ACTION BY COMMON COUNCIL OF  
THE CITY OF TERRE HAUTE, INDIANA  
REGARDING RESOLUTION NO. 8, 2017**

WHEREAS, the Common Council of the City of Terre Haute adopted Resolution 8, 2017, on the 11<sup>th</sup> day of April, 2017, and pursuant to Indiana Law has published notice of the adoption and substance of said Resolution including a description of the affected area, known as 4150 East Steelton Avenue, Terre Haute, IN 47805 and legally described as Lot 4C in the Fort Harrison Business Park Replat Lot Four (IV), of Phase I a Replat of Lot Two, being Part of the N.E.  $\frac{1}{4}$ , Section 1, Township 12-N, Range 9-W, in the City of Terre Haute, Vigo County, Indiana, as shown on the recorded plat thereof recorded in the Office of the Recorder of Vigo County, Indiana on January 3, 2007 as Instrument Number 2007000106, 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 would receive and hear remonstrances and objections; and

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

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

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

1. That the area has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth,

deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property.

2. That the estimate of the cost of the redevelopment and rehabilitation-is reasonable for projects of that type.
3. That the estimate of individuals who will be employed or whose employment will be retained as a result of the redevelopment and rehabilitation can reasonably be expected to result from the proposed project.
4. The estimate of annual salaries of those individuals who will be employed or whose employment will be retained can reasonably be expected to result from the proposed redevelopment and rehabilitation and the project.
5. That the benefits can reasonably be expected to result from the proposed redevelopment and rehabilitation and the project.
6. That the totality of benefits of the Project are sufficient to justify a ten (10) year real property tax deduction from assessed valuation to result therefrom under Indiana statutes, and each and all of such deductions should be, and are hereby, allowed.
7. That the real property is located within an Economic Revitalization Area as required by Indiana Code 6-1.1-12.1-2 for the type of facility proposed by Petitioner.
8. That all qualifications for establishing an economic revitalization area have been met.
9. That 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 the Statement of Benefits (copies of which were submitted with the Petition) are hereby approved and the real estate described hereinabove

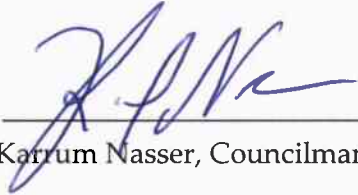
is hereby designated as an Economic Revitalization Area pursuant to I.C. 6-1.1-12.1-1 *et. seq.*

NOW, THEREFORE, for final action on Resolution 8, 2017, the Common Council of the City of Terre Haute, Indiana, RESOLVES, FINDS AND DETERMINES that:

1. All of the requirements for designation of the real estate described in Resolution 8, 2017, 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. Resolution 8, 2017, is in all respects confirmed and approved (as modified to incorporate therein this final action) and that the benefits of the proposed project and the redevelopment and rehabilitation are sufficient to justify a ten year real property tax abatement under Indiana statutes for the proposed redevelopment and rehabilitation described in the petitioner's Statement of Benefits and the deduction for the proposed project and redevelopment and rehabilitation and the statements of benefits submitted are approved and the Council authorizes and directs the endorsement of said Statement of Benefits to show such approval and that the real estate described in Resolution 8, 2017, is declared an economic revitalization area for the purposes of a ten 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.* and petitioner is entitled to the ten year real property tax abatement as provided therein in connection with the proposed development and the project.
3. Said Resolution supplements any other designation of the real estate as a Revitalization Area or similar designation.
4. That this Final Action, findings and confirmation of Resolution 8, 2017, shall be incorporated in and be a part of Resolution 8, 2017.

[SIGNATURE PAGE TO FOLLOW]




Introduced by:   
Karrum Nasser, Councilman

Passed in open Council this 11<sup>th</sup> day of May 2017.

  
Karrum Nasser, City Council President

ATTEST:  Charles P. Hanley, City Clerk

Presented by me to the Mayor this 12<sup>th</sup> day of May, 2017.

  
Charles P. Hanley, City Clerk

Approved by me, the Mayor, this 12<sup>th</sup> day of MAY, 2017.

  
Duke A. Bennett, Mayor

ATTEST:  Charles P. Hanley, City Clerk

This instrument prepared by Jeffrey A. Lind, Lind Law Firm, 400 Ohio Street, Terre Haute, IN 47807 (812) 234-5463.

**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 states the following:

1. The Project. Pyrolyx USA Indiana, LLC proposes the construction of a new 60,000 square foot manufacturing facility. The construction of this manufacturing facility will serve as a significant economic catalyst for continued development of Terre Haute's North East side bringing new jobs and state of the art technology to our community.
2. The proposed manufacturing facility would contain approximately 60,000 square feet. The cost of construction is expected to be at least \$2,300,000.00 and will include the use of competitive bidding and the use of local suppliers whenever feasible.
3. The project is important to the Petitioner as a means to better serve the needs of its customers in the vicinity of Terre Haute. The unabated taxes (expected to be \$439,669.00 over the abatement period) would further support the efforts of the Terre Haute Department of Redevelopment's efforts to bring further development to the Fort Harrison Industrial Park.
4. The project itself will create 55 new, permanent jobs, representing a new annual payroll of \$2,100,000.00.
5. (a) The real property for which tax abatement consideration is petitioned (Property) is owned by the following:

NAME	ADDRESS	INTEREST
Pyrolyx USA Indiana, LLC	4023 Kennett Pike #50036 Wilmington, DE 19807	Holder of an Option to Purchase

(b) The following other persons lease, intend to lease, or have an option to buy the Property (including corporate information as required in 5(a) above, if applicable):

NAME	ADDRESS	INTEREST
	None Anticipated	

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

Pyrolyx USA is considering the construction of a new manufacturing facility in Terre Haute, Indiana. Pyrolyx USA produces raw materials for the rubber and plastics industries, and the company is interested in Terre Haute because of the concentration of plastics manufacturers in the area. The Pyrolyx USA manufacturing process involves the extraction of carbon black, oil and metal from waste rubber. The company is a joint venture between Reclaim, Inc. a Seattle based carbon black manufacturing company

and Pyrolyx AG, a Germany based recycling technology company. In Oregon and Germany Reclaim and Pyrolyx AG operate plants similar to the one considered for Terre Haute.

In many states, including Indiana, scrap tire management is difficult to sustain without good end markets for recycled products, and Pyrolyx USA represents one of the best opportunities to create these valuable end markets. The process used by Pyrolyx USA is clean, high tech, good for state businesses and good for the environment. Pyrolyx USA currently controls an option for a 9-acre parcel of undeveloped land at 1450 East Steelton Avenue in Terre Haute. On December 27th 2016 the company submitted a permit application to the Indiana Department of Environmental Management (IDEM) for the construction of the facility in Terre Haute.

The considered Pyrolyx USA facility would require a total capital investment of approximately \$25 million, would employ approximately 55 workers and would have a total estimated annual payroll of \$2.1 million. Construction would include the creation of a 60,000 square feet manufacturing center with rail access connected to CSX, and an administrative office building.

6. The commonly known address of the property is:  
4150 East Steelton Avenue, Terre Haute, Indiana 47805. The legal description is Lot 4C in the Fort Harrison Business Park Replat Lot Four (IV), of Phase I a Replat of Lot Two, being Part of the N.E. ¼, Section 1, Township 12-N, Range 9-W, in the City of Terre Haute, Vigo County, Indiana, as shown on the recorded plat thereof recorded in the Office of the Recorder of Vigo County, Indiana on January 3, 2007 as Instrument Number 2007000106, Terre Haute, Indiana.
7. A map designating the Property and showing the proposed new construction is attached hereto, marked Exhibit A and incorporated herein.
8. There are no improvements upon the site of the proposed project.
9. Petitioner is seeking a 10 year real property tax abatement. The best estimate of the amount of taxes to be abated during each of the first 10 years after construction is as follows:  
Tax Rate for Terre Haute Harrison Township is expected to be 4.215% (2015 pay 2016).  
Assumed Assessed Value of Improvement: \$2,300,000.00  
Annual Tax without Abatement: \$69,000.00 (estimated annual average as taken from Tax Abatement Calculator, Southwest Indiana Economic Development Coalition)

Abatement	Percentage	Tax Abated	Tax Paid
1	100%	\$69,000	\$0
2	95%	\$64,153	\$4,847
3	80%	\$49,611	\$19,389

4	65%	\$35,069	\$33,931
5	50%	\$20,527	\$48,473
6	40%	\$10,833	\$58,167
7	30%	\$1,138	\$67,862
8	20%	\$0	\$69,000
9	10%	\$0	\$69,000
10	5%	\$0	\$69,000
Totals		\$250,311	\$439,669

It is anticipated that \$439,669.00 of additional real estate tax will be paid over the course of the abatement period. (The above assumes an assessment equal to the cost of construction and used a tax calculator out of Evansville, but specific to this tax district, from among those calculators suggested by the Terre Haute City Clerk's Office).

10. 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.
  
11. 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):  
Pursuant to Special Ordinance No. 11, 2017, adopted by the Common Council of the City on March 9, 2017, the City authorized the issuance of its Economic Development Solid Waste Facility Revenue Bonds (Pyrolyx USA Indiana, LLL Project), Series 2017, in one or more series in an aggregate principal amount not to exceed \$32,000,000.
  
12. The property is located in an underdeveloped area in the Fort Harrison Business Park. The project would bring good paying stable, manufacturing jobs to the City and features innovative and clean technology that would reflect well upon our community and serve existing manufacturing facilities and potentially draw other companies in related fields to the City of Terre Haute.
  
13. (a) The current use of the Property is undeveloped land and the current zoning is M-2 Planned Development.  
(b) The Property is located in the following Allocation Area: Fort Harrison Business Park TIF District, declared and confirmed by the Terre Haute Redevelopment Commission. The Terre Haute Redevelopment Commission will be taking action before final action is taken by Council.
  
14. In view of the foregoing, Pyrolyx USA Terre Haute, LLC in good faith applies for a 10 year real property tax abatement.

15. Pyrolyx USA Terre Haute, LLC 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, Pyrolyx USA Terre Haute, LLC agrees to comply with Special Ordinance 2, 2009 (which replaced Special Ordinance 43, 2000).


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

Name:	Jeff Lind	Thomas H. Redd
Address:	400 Ohio St.	4023 Kennett Pike #50036
City, State, Zip:	Terre Haute, IN 47807	Wilmington, DE 19807
Telephone:	812-234-5463	302-295-1370


17. The type of Economic Development Revitalization Project involved in this request:  
**Manufacturing**

WHEREFORE, petitioner requests 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 the 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):  
Thompson Thrift Properties LLC

By:   
~~Paul Thrift, Manager~~ Cynthia G Gordon ICFE  
Thompson Thrift Properties LLC

Name of Option Holder:  
Pyrolyx USA Terre Haute, LLC

By:   
Thomas H. Redd, Manager  
Pyrolyx USA Terre Haute, LLC

DO NOT USE THIS SPACE

Resolution # \_\_\_\_\_ Target Area Required \_\_\_\_\_

\_\_\_\_\_ Yes \_\_\_\_\_ No \_\_\_\_\_

\_\_\_\_\_

Confirming Ordinance # \_\_\_\_\_

Date of Notice \_\_\_\_\_

\_\_\_\_\_

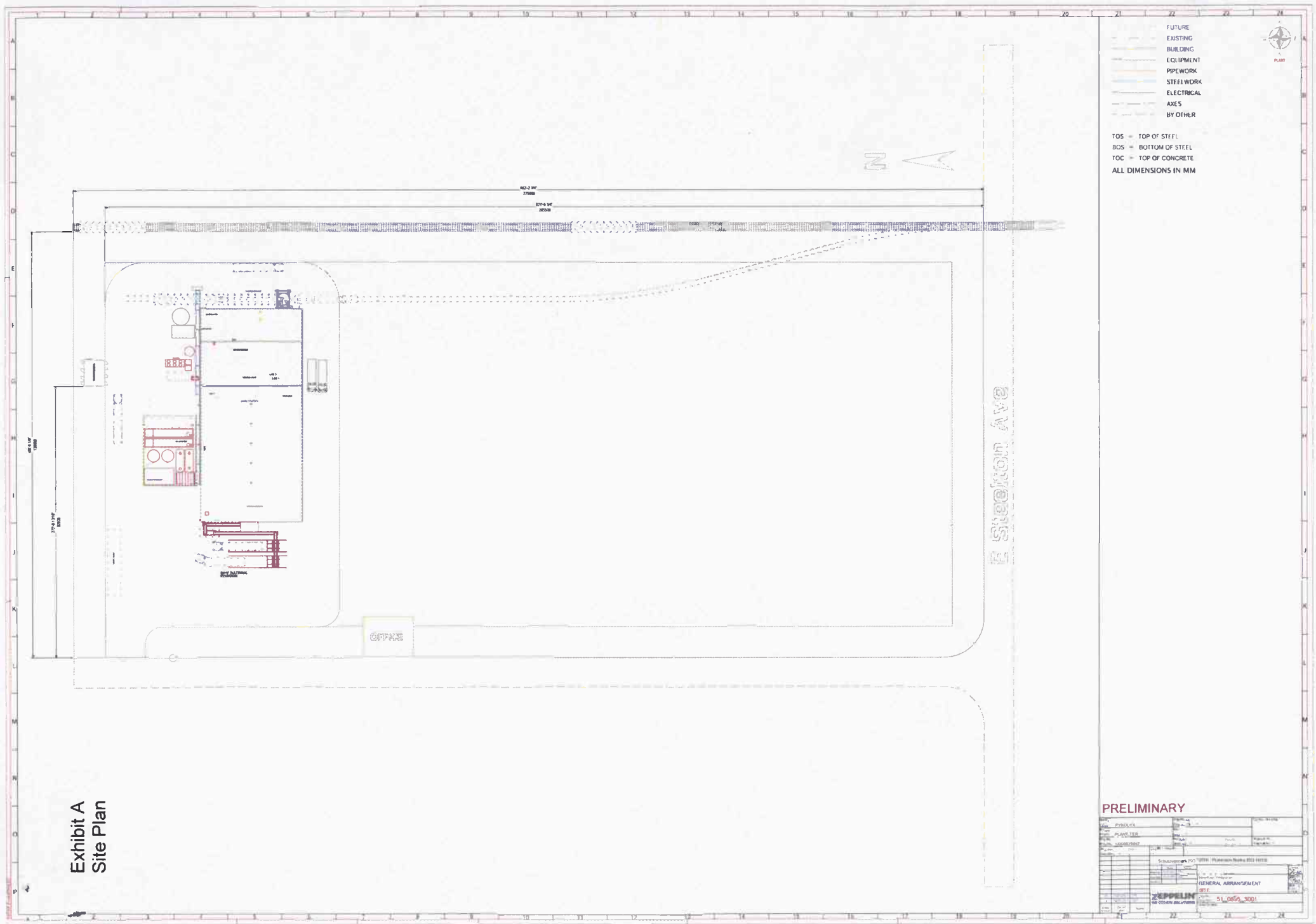
Final Action \_\_\_\_\_

Target Area Ord. Effective \_\_\_\_\_

\_\_\_\_\_

This instrument prepared by Jeffry A. Lind, Lind Law Firm, 400 Ohio Street, Terre Haute, IN  
47807 (812) 234-5463.

Exhibit A  
Site Plan



- FUTURE
  - EXISTING
  - BUILDING
  - EQUIPMENT
  - PIPEWORK
  - STEEL WORK
  - ELECTRICAL
  - AXES
  - BY OTHER
- TOS = TOP OF STEEL  
 BOS = BOTTOM OF STEEL  
 TOC = TOP OF CONCRETE  
 ALL DIMENSIONS IN MM



**PRELIMINARY**

Project No.	51_0625_3001
Client	ZEPPELIN
Scale	1:100
Date	2024-08-01
Drawn by	[Name]
Checked by	[Name]
Approved by	[Name]
Project Name	GENERAL ARRANGEMENT
Sheet No.	01
Total Sheets	01

CONFIDENTIAL



STATEMENT OF BENEFITS  
REAL ESTATE IMPROVEMENTS

State Form 51767 (R6 / 10-14)

Prescribed by the Department of Local Government Finance

20 ____ PAY 20 ____
FORM SB-1 / Real Property
<b>PRIVACY NOTICE</b> 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:

- 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.
- 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.
- 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.
- 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)
- 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 Pyrolyx USA Indiana, LLC		
Address of taxpayer (number and street, city, state, and ZIP code) 4023 Kennett Pike #50036, Wilmington, DE 19807		
Name of contact person Thomas H. Redd	Telephone number ( 302 ) 295-1370	E-mail address tomr@reclaim.com

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT		
Name of designating body Terre Haute City Council	Resolution number 8	
Location of property Fort Harrison Business Park	County Vigo	DLGF taxing district number 84-002
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Construction of a 60,000 square foot manufacturing facility	Estimated start date (month, day, year) August 1, 2017	
	Estimated completion date (month, day, year) January 1, 2019	

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number	Salaries	Number retained	Salaries	Number additional	Salaries
0.00	\$0.00	0.00	\$0.00	55.00	\$2,100,000.00

SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT		
	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values		0.00
Plus estimated values of proposed project		2,300,000.00
Less values of any property being replaced		0.00
Net estimated values upon completion of project		2,300,000.00

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	
Estimated solid waste converted (pounds) 88,000,000.00	Estimated hazardous waste converted (pounds) _____

Other benefits  
The estimated 88,000,000 pounds of solid waste converted in section 5 is an annual estimate.  
Anticipated new personal property investment of \$22,500,000.00. Additionally the facility will produce raw materials used in the rubber and plastics industries and the location of this facility in Terre Haute will further benefit the concentration of plastics manufacturers in and around the community.

SECTION 6 TAXPAYER CERTIFICATION	
I hereby certify that the representations in this statement are true.	
Signature of authorized representative 	Date signed (month, day, year) March 28 2017
Printed name of authorized representative Thomas H. Redd	Title Manager



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 N/A.
- 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 \$ N/A.
- D. Other limitations or conditions (specify) N/A
- 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 (812) 232-3375	Date signed (month, day, year) 05-11-17
Printed name of authorized member of designating body Karrum Nasser	Name of designating body Terre Haute City Clerk	
Attested by (signature and title of attester) 	Printed name of attester 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.

- 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.

Exhibit A

CITY OF TERRE HAUTE

PROPERTY TAX ABATEMENT PROGRAM APPLICATION

**Ownership Information**

Name	Address	Phone	Percentage Interest (if applicable)
Fee: Thompson Thrift Properties, LLC - Paul Thrift, 901 Wabash Ave, Terre Haute, IN 47807			
Option Holder: Pyrolyx USA Indiana, LLC - Thomas H. Redd 4012 Kennett Pike #50036, Wilmington, DE 19807			

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: 4150 East Steelton Avenue, Terre Haute, IN 47805
- B. Parcel ID Number(s): 84-06-01-200-013.000-002

**Current Status of Property**

- A. Current zoning designation of property: M-2 Planned Development
- B. Describe current improvements to the property, including estimated age of existing buildings:  
None, the property is currently unimproved.
- 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):  
None, the property is currently unimproved.
- D. Current total assessed valuation of land and all improvements:

Land Only - \$20,200

Adopted: 4/16/15

Exhibit A

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

**Proposed Improvements**

A. Describe proposed real property improvements and projected costs: \_\_\_\_\_  
Approximately 60,000 square foot manufacturing facility at at least \$2,300,000 cost

B. Describe proposed depreciable personal property improvements and projected costs: \_\_\_\_\_  
\$21,700,000.00 in new machinery and equipment;  
\$500,000 in Logistics Equipment & \$300,000 in IT Equipment.

C. List any public infrastructure improvements, with estimated costs, that will be necessary  
for the project: \_\_\_\_\_  
Rail Spur to CSX line. Costs currently uncertain, but discussions are ongoing with CSX.

D. Project Start Date: 08/01/17

E. Project Completion Date: 01/01/19

**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:

Lack of significant manufacturing development, growth has ceased.  
The Area's Technology would be greatly increased with this project  
forestalling a decline in employment.

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:

Exhibit A

Number of new employees: 55; Average Annual Salary: \$38,000.00

Number of retained employees: \_\_\_\_\_; Average Annual Salary: \_\_\_\_\_

Description of employee benefits for new and/or retained employees: Paid time off accrued  
401k- 100% employer match up to 4% of gross pay; Medical/Dental/Visitation  
Disability Ins., 60% of earning for qualifying events; Life Ins./Accidental Death

*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 – 1/ 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 dealer's 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;

Exhibit A

**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)\*

*[Signature]*  
*Cynthia G. Ford*

DATE

*March 28 2017*  
*March 30, 2017*

\* 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.

Exhibit A

**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/dlgef](http://www.in.gov/dlgef).

Exhibit A

**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%									

Adopted: 4/16/15

## Exhibit A

### **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.



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

Company Name: Pyrolox USA Terre Haute, LLC

Application Date: \_\_\_\_\_

1. New Real Property Investment	5 points maximum	<b>4</b> _____
< \$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	<b>5</b> _____
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	<b>---</b> _____
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	<b>3</b> _____
\$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	<b>1</b> _____
6. Targeted Business	1 point if project is good fit for community	<b>1</b> _____
7. Community Involvement	1 point if company plans or is already involved in community activities	<b>1</b> _____
8. Is this project a headquarters or a new project to the community?	1 point if "Yes"	<b>1</b> _____
9. Diverse Workforce	1 point if applicant maintains an affirmative action plan or other statement of specific goals with respect to employee diversity	<b>1</b> _____

Adopted 4/14/15

Exhibit B

17

Total Points

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	_____
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	_____
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

3

Grand Total Points

20

Recommended Length of Real Property Abatement Per Guideline Scoring Criteria

10 Years

Adopted 4/14/15

FILED

APR 25 2017

AGREEMENT

CITY CLERK

This Agreement (the "Agreement") dated as of the 24 day of April, 2017, serves as a confirmation of the Pyrolyx USA Indiana, LLC's (the "Applicant") commitment, pending a May 11, 2017, 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. 8, 2017, and attachments adopted by the Common Council of the City of Terre Haute, Indiana (the "Council") on Thursday, April 11, 2017, 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 \$2,300,000.00 associated with the construction of the Commitments. The capital expenditure of the Project and the filling of positions shall occur within three (3) years of the estimated completion date of January 1, 2019, 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 CFI to the Board of Public Works and Safety at the same time the CFI 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 of up to \$2,300,000.00 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 calculation of 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.

[SIGNATURES ON FOLLOWING PAGE]

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

Applicant

Pyrolyx USA Indiana, LLC

By: Thomas H. Redd  
Thomas H. Redd, Manager  
Pyrolyx USA Indiana, LLC

Board of Public Works & Safety  
City of Terre Haute

Jonathan Ste...  
Jane Tr...  
Paul Schultz  
Robert Cell  
\_\_\_\_\_

Approved as to Legal Adequacy and Form on this 24<sup>th</sup> day of April, 2017.

By: Donald E. Smith

Title: City Atty.