

RESOLUTION NO. 02 - 08

**A RESOLUTION PRELIMINARILY DESIGNATING  
ECONOMIC REVITALIZATION AREA AND QUALIFYING  
PROPOSED IMPROVEMENTS FOR TAX ABATEMENT**

WHEREAS, the Common Council of the City of Lebanon has received a written application filed on behalf of Duke Realty Limited Partnership for property tax abatement pursuant to IND. CODE §§ 6-1.1-12.1-1 *et seq.*; and

WHEREAS, said application has been reviewed by the Common Council of the City of Lebanon, Indiana, at a duly held public meeting of said Council on July 8, 2002, and should be tentatively approved.

NOW, THEREFORE, BE IT RESOLVED by the Council as follows:

1. Declaration of Economic Revitalization Area. It is hereby declared that the real estate containing approximately 61.035 acres located between Enterprise Boulevard and Council Drive in the Lebanon Business Park and more particularly described on Exhibit A attached hereto is preliminarily designated an Economic Revitalization Area:

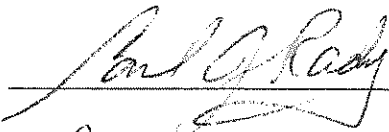
2. Improved Real Estate Tax Deduction. One of the Council's purposes is to encourage growth, revitalization, and rehabilitation of the community, and the granting of the application is expected to accomplish that result. Hence, the applicant, as the owner of real estate located in the Economic Revitalization Area, is tentatively entitled to a reduction from assessed value of the improvements to the property for a period of ten (10) years in accordance with the percentages of deduction set forth in Ind. Code § 6-1.1-12.1-4(d)(10) upon the filing by

Applicant of the required deduction application and compliance with the other provisions of IND. CODE §§ 6-1.1-12.1-1 *et seq.*

3. Commencement of Redevelopment. Upon the filing of the applicable Statement of Benefits (Form SB-1) by applicant, and subject to the Council's right to affirm, modify or rescind this resolution following a public hearing on the application, the applicant is permitted to commence work on the project once all necessary approvals of local zoning authorities have been obtained.

4. Filing with Boone County Authorities. Upon the adoption of this resolution, the applicant shall cause a certified copy of this resolution to be filed with the Boone County Assessor and/or such other Boone County governmental officials as shall be necessary. Further, a public hearing shall be held on the application at the next regular meeting of the Common Council, and notice of such hearing shall be published as provided by law.

Adopted by the Common Council of the City of Lebanon, Indiana, this 8<sup>th</sup> day of July, 2002.

  
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Andrea Klotter  
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Emmadue Sturgis  
\_\_\_\_\_

James K. Urban  
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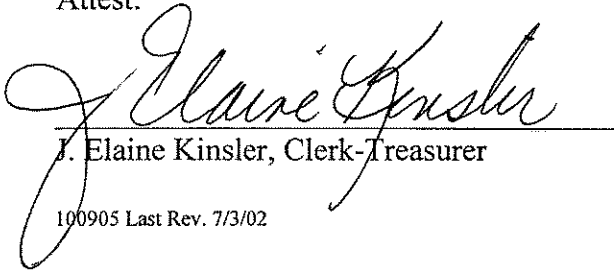
Harold "Huey" Quinn  
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James H. Acton, Mayor

Attest:

  
Elaine Kinsler, Clerk-Treasurer

100905 Last Rev. 7/3/02

BEFORE THE COMMON COUNCIL OF  
THE CITY OF LEBANON, INDIANA

[LBP Duke Bldn. #12 Site]

IN THE MATTER OF THE APPLICATION )  
OF DUKE REALTY LIMITED )  
PARTNERSHIP FOR DESIGNATION OF )  
ECONOMIC REVITALIZATION AREA )  
AND PROPERTY TAX DEDUCTIONS )

**APPLICATION FOR DESIGNATION  
OF ECONOMIC REVITALIZATION AREA  
AND PROPERTY TAX DEDUCTION**

Duke Realty Limited Partnership ("Duke Realty" or "Applicant"), by counsel, submits this application to the Common Council of the City of Lebanon, Indiana, for a resolution designating a 61.035-acre parcel of unimproved land the Lebanon Business Park, which is to be improved and leased to a commercial tenant to be identified, as an economic revitalization area. Duke Realty asks that the land be granted eligibility for property tax deductions for the improvements to real property for a period of ten (10) years pursuant to IND. CODE § 6-1.1-12.1-1 *et seq.* Required information in support of this application is set forth hereafter.

PARR RICHEY OBREMSKEY & MORTON

Attorneys for Duke Realty Limited Partnership

By   
Kent M. Frandsen

1. The name and address of Applicant are:

Duke Realty Limited Partnership  
600 East 96<sup>th</sup> Street, Suite 100  
Indianapolis, Indiana 46240

Applicant's attorney in this proceeding is Kent M. Frandsen of the law firm of PARR RICHEY OBREMSKEY & MORTON, 225 West Main Street, Post Office Box 668, Lebanon, Indiana 46052, Telephone (765) 482-0110, Fax (765) 483-3444, e-mail [kfrandsen@parrlaw.com](mailto:kfrandsen@parrlaw.com).

2. The real estate sought to be designated as an economic revitalization area is a presently unimproved tract of land containing approximately 61.035 acres located between Council Drive and Enterprise Boulevard in the Lebanon Business Park in the City of Lebanon, the legal description of which is set forth on Exhibit A (hereafter the "Real Estate"). A drawing of the area is being submitted with this application and the Real Estate is the area outlined in yellow on the drawing.
3. The current owners of the Real Estate are Duke Realty as to the north part of the land and Jack Lenox and Miriam Lenox as to the southern portion of the parcel. Duke Realty will be placing on this site a building to contain approximately 600,000 square feet and additional site improvements on this land. Applicant will be leasing for an initial term of ten (10) years the new building to a tenant to be disclosed prior to adoption of the confirming resolution in this matter. That tenant will operate an office and distribution facility in the building.
4. Construction is expected to begin in July 2002, with an estimated completion date in early 2003. The estimated cost of the building and site improvements is approximately \$12.8 million excluding the cost of the land itself.
5. The tenant (to be identified) is also expected to install a substantial amount of equipment and personal property in the building for use in its distribution operations. The cost and value of such equipment and property is not yet known.
6. This project will cause an immediate increase in the assessed value of the Real Estate. This will result in substantially more property taxes being paid on the land itself, since there is no abatement deduction on the land component of the tax. Further, the improvements to the real estate will generate substantial property taxes as the amount of the abatement deduction declines over the ten-year period. In addition, the tenant will be

paying substantial amounts of personal property taxes, as no abatement is available for its equipment, personal property and inventory in the building.

7. Applicant estimates that the tenant will initially create approximately two hundred ninety (290) new full-time jobs, with the total annual earnings of these new employees estimated to be approximately \$\_\_\_\_\_.
8. Even with the abatement, it is reasonably projected that Applicant and its tenant will pay substantial amounts of real and personal property taxes over the ten-year period. Further, the community and Boone County will benefit from County Option Income Tax revenues to be assessed annually on the incomes of those employees of the facility who reside in Boone County.
9. The real estate is zoned PB, which permits a building of this type as a matter of right in this zoning district. Applicant will be seeking approval from the Lebanon Board of Zoning Appeals for outside storage, building height, and trailer storage variances needed to operate this facility as planned.
10. It is not anticipated that any additional public facilities will be necessitated for this project other than the hookups for water, sewer, electricity, gas and telephone at the site.
11. The Real Estate is located in an area that is undesirable for normal development and occupancy because of lack of development, cessation of growth, and other factors that have impaired values or prevented normal development of the property or use of the property.
12. The proposed designation of the Real Estate as an economic revitalization area will further the economic development objectives of the city of Lebanon by allowing for the utilization of previously vacant land. This designation will assist in the inducement of a project providing substantial employment opportunities. The economic benefits to this community of the additional jobs resulting from this project will far exceed the cost of anticipated property tax deductions. Even with the tax abatement, this project will provide long-term benefits to the tax base of the city, warranting the granting of the annually decreasing percentage of tax abatement over a ten-year period as provided in IND. CODE § 6-1.1-12.1-4(d)(10) for improvements to real estate.
13. Applicant requests that the Common Council of the City of Lebanon adopt a resolution designating the Real Estate as an economic revitalization area, as such term is defined at IND. CODE § 6-1.1-12.1-1, and allow deductions in taxes over a ten-year period in the percentages set forth in the above-referenced statutes.

14. Applicant understands that this filing constitutes a request for economic revitalization area designation only, and approval of resolutions allowing the deduction of property taxes does not constitute an automatic deduction of property taxes.

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**EXHIBIT A**  
**PAGE 1 OF 1**  
**A LAND BOUNDARY DESCRIPTION OF**  
**BUILDING 12 SITE**  
**LEBANON BUSINESS PARK**  
**CITY OF LEBANON, BOONE CO., INDIANA**  
**JULY 3, 2002**

A part of the Northwest and Southwest Quarters of Section 1, Township 18 North, Range 1 West and a part of the Northeast and Southeast Quarters of Section 2, Township 18 North, Range 1 West, in Boone County, Indiana, described as follows: Commencing at the northwest corner of the Southwest Quarter of said Section 1; thence North 89 degrees 13 minutes 15 seconds East 539.85 feet along the north line of said Southwest Quarter to the southwest right-of-way line of Enterprise Boulevard as described in the deed to Lebanon Redevelopment Authority, recorded as instrument number 9701004 in the Office of the Recorder of Boone County, Indiana and the POINT OF BEGINNING of this description; thence South 40 degrees 59 minutes 40 seconds East 285.83 feet along said right-of-way line to the most northerly corner of the parcel of land known as the Building 11 Site; thence the following two (2) courses along the northwestern most and western line of said Building 11 Site: (1) South 49 degrees 00 minutes 20 seconds West 306.01 feet; (2) South 01 degree 19 minutes 04 seconds West 1,944.64 feet; thence North 89 degrees 42 minutes 53 seconds West 460.95 feet to the northeast corner of land owned by Kenneth W. and Nancy S. Wethington as recorded in Deed Record 252, Page 986 in the Office of the Recorder of Boone County, Indiana; thence continuing along said north line of Wethington property North 89 degrees 42 minutes 53 seconds West 245.58 feet to the northwest corner of said Wethington property; thence North 89 degrees 42 minutes 53 seconds West 223.72 feet to a point being an extension of the easterly right-of-way line of Council Drive; thence North 01 degree 19 minutes 04 seconds East for 2,594.80 feet; thence the following three (3) course along the eastern line of said Council Drive; (1) Northcrly, and Northeasterly 387.03 feet along an arc to the right and having a radius of 465.00 feet and subtended by a long chord having a bearing of North 25 degrees 09 minutes 43 seconds East and a length of 375.95 feet; (2) North 49 degrees 00 minutes 21 seconds East 193.48 feet; (3) Northeasterly, Easterly, and Southeasterly 47.12 feet along an arc to the right and having a radius of 30.00 feet and subtended by a long chord having a bearing of South 85 degrees 59 minutes 40 seconds East and a length of 42.23 feet to the southwest right-of-way line of said Enterprise Boulevard; thence South 40 degrees 59 minutes 40 seconds East 930.59 feet along said right-of-way line to the POINT OF BEGINNING and containing 61.035 Acres More or less. The bearings in this description are based upon the bearing system for the Lebanon Business Park, the north line of the Southwest Quarter of said Section 1 having a bearing of North 89 degrees 13 minutes 15 seconds East.

**EXHIBIT A**  
**PAGE 1 OF 1**