

RESOLUTION NO. 04 - 04  
[AAF McQuay Personal Property Tax Abatement]

**RESOLUTION REGARDING DEFICIENCIES IN FILING  
REQUIREMENTS FOR PERSONAL PROPERTY TAX ABATEMENT AND  
APPROVING SB-1 FOR PROPOSED NEW EQUIPMENT**

WHEREAS, on September 25, 1995, the Common Council of the City of Lebanon adopted Resolution No. 95-11 confirming the designation of a 10.4-acre parcel of land at 211 Enterprise Boulevard in the Lebanon Business Park to be the site of the office and manufacturing facility to be occupied by AAF McQuay, Inc. dba AAF International ("AAF") as an economic revitalization area and qualifying AAF for the benefits of tax abatement over a period of ten years for the qualifying new manufacturing equipment to be installed at the facility; and

WHEREAS, the project moved forward as represented and the building was completed and occupied in 1996, but two mistakes have since occurred with regard to the required filings for personal property tax abatement, namely (a) AAF timely filed the required Form 322 ERA/PPME in the spring of 2003 but with the Indiana Department of Local Government Finance instead of the Boone County Auditor and (b) a Statement of Benefits (Form SB-1) was not filed with and approved by the Council for certain new manufacturing equipment installed at the facility between March 1, 2001, and February 28, 2002; and

WHEREAS, AAF has also tendered a new Form SB-1 identifying new manufacturing equipment it intends to install during 2004 seeking approval from the Council for such equipment to qualify for the benefits of the tax abatement previously approved for this facility; and

WHEREAS, upon request of AAF and after a public hearing as required by law, the Council has determined to (a) grant a retroactive waiver with respect to the misfiling of the 2003 deduction application, (b) deny a retroactive waiver of the failure to file the Form SB-1 prior to installation of the 2001-02 equipment, and (c) approve the Form SB-1 for the proposed 2004 equipment installation.

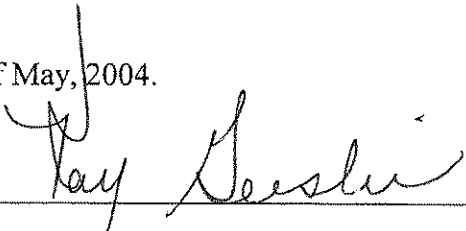

NOW, THEREFORE, THE COUNCIL HEREBY FINDS AND RESOLVES as follows:

1. For an excusable mistake and good cause shown by AAF, the 2003 deduction application timely filed with state officials instead of the County Auditor is hereby approved for filing with the County Auditor. Such will permit AAF to have such application processed by the state and county in accordance with normal channels as if it was filed with the correct body initially.

2. AAF's request to have the proposed Statement of Benefits (Form SB-1) retroactively approved for the new manufacturing equipment installed at this facility during the period of March 1, 2001, through February 28, 2002, is hereby denied.

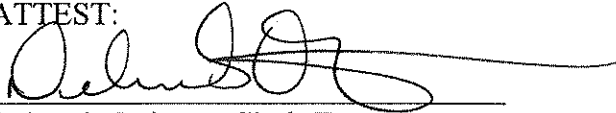
3. AAF's Statement of Benefits (Form SB-1) relating to the new manufacturing equipment proposed to be installed during 2004 is hereby approved. The Mayor and Clerk-Treasurer are hereby authorized and directed to sign such Form SB-1 confirming the Council's approval at this time.

Adopted by the Council this 24th day of May, 2004.

  
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James W. Messinger  
Joseph J. Loman  
John W. [unclear]  
Richard [unclear]  
Orlando [unclear]  
James H. Acton  
James H. Acton, Mayor

ATTEST:



Deborah Ottinger, Clerk-Treasurer  
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