

RESOLUTION NO. 06-03a
[Festool facility abatement]

**A RESOLUTION CONFIRMING DESIGNATION OF
AN ECONOMIC REVITALIZATION AREA
AND APPROVING TAX ABATEMENT BENEFITS
AND SUPPORTING FINDINGS OF FACT AND ORDER**

WHEREAS, the Common Council of the City of Lebanon (“Council”) has received an application from TTS Real Estate LP (“TTS”) and TTS, LP d/b/a Festool (“Festool”) for designation of a ten-acre parcel of land TTS intends to purchase along the west side of Enterprise Boulevard in the Lebanon Business Park, the legal description and depiction of which is attached as Exhibit A in two pages (the “Real Estate”), as an Economic Revitalization Area (“ERA”) and seeking the benefits of tax abatement for proposed improvements to the Real Estate and for qualifying equipment to be installed therein pursuant to IND. CODE §§ 6-1.1-12.1-1 *et seq.*; and

WHEREAS, the application has been reviewed by the Council at public meetings held on February 27, 2006, and March 13, 2006; and

WHEREAS, the Council has preliminarily designated the Real Estate as an ERA and has tentatively allowed abatement for real estate improvements and qualifying equipment over a ten-year period; and

WHEREAS, confirmation of that designation is necessary for TTS and Festool to qualify for the benefits of tax abatement; and

WHEREAS, after the required public notices, a hearing has been held on the application, and the Council now enters its findings of fact and order and adopts this resolution.

NOW, THEREFORE, IT IS HEREBY FOUND, ORDERED AND RESOLVED as follows:

1. The Council hereby finds (a) the estimated value of the proposed redevelopment of the Real Estate is reasonable for projects of this nature; (b) the estimate of the cost of the proposed new improvements is reasonable for a facility of this type; (c) the number of individuals estimated to be employed by Festool is reasonable; (d) the estimate of the annual salaries of those individuals is reasonable; (e) other information provided by the applicants about the anticipated benefits from the redevelopment reasonably support the granting of abatement; and (f) the totality of benefits flowing to this community from the proposed redevelopment is sufficient to justify the deductions requested.

2. The designation of the above-described real estate as an Economic Revitalization Area pursuant to IND. CODE §§ 6-1.1-12.1-1 *et seq.*, is hereby confirmed.

3. TTS, as proposed owner of the Real Estate, is approved for a deduction in assessed value of the improvements to be made to the Real Estate for a period of ten (10) years in accordance with IND. CODE § 6-1.1-12.1-4(d)(10), upon filing the required deduction application and compliance with other provisions of IND. CODE §§ 6-1.1-12.1-1 *et seq.*

4. Festool, as the operating entity on the site, is approved for a deduction in the assessed value of qualifying equipment to be installed at the Real Estate over a period of ten (10) years in accordance with IND. CODE § 6-1.1-12.1-4.5(e)(10). This deduction shall be allowed upon (a) submission to the Clerk-Treasurer of one or more lists of new manufacturing equipment, logistical distribution equipment, technology equipment, or other qualifying equipment for which it seeks abatement, with the list to be attached to the approved Form SB-1/PP prior to the installation of such equipment and (b) filing the required deduction application with local officials and compliance with the other provisions of law.

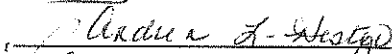
5. The provisions of IND. CODE § 6-1.1-12.1-12 relating to the potential recovery of past-abated taxes are incorporated into this resolution by reference.

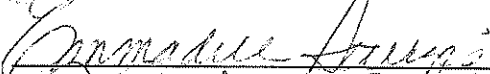
6. Since this ERA is located within a previously established TIF allocation area under the jurisdiction of the Lebanon Redevelopment Commission ("RDC"), IND. CODE § 6-1.1-12.1-2(l) requires the approval of that body for abatement to be granted by the Council. Attached hereto is a copy of RDC Resolution No. 2006-1 approving this abatement, an original of which resolution has been filed with the Clerk-Treasurer.

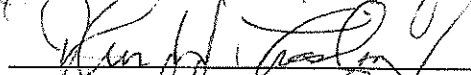
7. This resolution shall be automatically rescinded if TTS or an affiliated entity does not acquire the Real Estate and make the improvements contemplated in this proceeding.

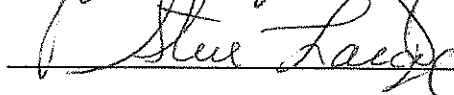
Adopted by the Council this 13th day of March, 2006.












JIM MESSENGER ABSENT

RICHARD ROBERTSON - ABSENT



James H. Acton, Mayor

ATTEST:


Deborah S. Ottinger Clerk-Treasurer
178941v2

EXHIBIT A
PAGE 1 OF 2

A LAND BOUNDARY DESCRIPTION OF AN
10.00 ACRE PURCHASE
IN LEBANON BUSINESS PARK
BOONE COUNTY, INDIANA
MARCH 13, 2006

A part of the Southwest Quarter of Section 35, Township 19 North, Range 1 West, Boone County, Indiana, being a portion of the land described in the deed to Alma C. and John L. Nelson, Trustees recorded in Deed Record 202, page 766 in the Office of the Recorder of Boone County, Indiana, described as follows: Commencing at the railroad rail found at the southwest corner of said quarter section, said corner being South 00 degrees 02 minutes 03 seconds East 2,638.21 feet from the northwest corner of said quarter section; thence South 89 degrees 40 minutes 44 seconds East 1,000.00 feet along the south line of said quarter section to the southwest corner of the parcel of land known as AAF International in Lebanon Business Park as described in the deed to Duke Realty Limited partnership, recorded in Deed Record 256, page 61 in said Recorder's office, said corner being on the eastern line of the land described in the deed to Sharon Hope Niccum, recorded in Deed Record 251, page 124 in said Recorder's office; thence North 00 degrees 09 minutes 37 seconds East 1,485.90 feet along said eastern line and along the western line of said AAF International parcel and along the western line of said Nelson parcel (D.R. 202, page 766) to the POINT OF BEGINNING of this description; thence North 00 degrees 09 minutes 37 seconds East 741.02 feet along the western line of said Nelson parcel to the southwest corner of the land described in the deed to Ag-Chem Equipment Company, Inc., recorded in Deed Record 248, page 990 in said Recorder's office; thence South 89 degrees 55 minutes 18 seconds East 583.99 feet along the southern line of said Ag-Chem Equipment Company land and the easterly extension of said southern line to the western right-of-way line of Enterprise Boulevard, described in the deed to Lebanon Redevelopment Authority, recorded in Deed Record 253, page 50 in said Recorder's office; thence South 00 degrees 22 minutes 59 seconds East 741.89 feet along said western right-of-way line; thence North 89 degrees 50 minutes 23 seconds West 591.02 to the POINT OF BEGINNING, containing 10.00 acres, more or less. The bearings in this description are based upon the bearing system for Lebanon Business Park, the south line of the Southwest Quarter of said Section 35 having a bearing of South 89 degrees 40 minutes 44 seconds East. Subject to all easements, restrictions, and rights-of-way of legal record.

EXHIBIT A
PAGE 1 OF 2

LEBANON REDEVELOPMENT COMMISSION
RESOLUTION NO. 2006 - 1

**RESOLUTION APPROVING APPLICATION FOR PROPERTY TAX DEDUCTION
(ABATEMENT) FOR FESTOOL FACILITY IN LEBANON BUSINESS PARK**

WHEREAS, the Lebanon Redevelopment Commission ("Commission") has been established and exists pursuant to IND. CODE §§ 36-7-14 for the purpose of, among other things, clearing, replanning, and redeveloping of areas in and around the Lebanon Business Park in the City of Lebanon, Indiana under its jurisdiction; in that capacity the Commission established the City of Lebanon Allocation Area No. 1 by Resolution No. 94-1 adopted on July 11, 1994; and

WHEREAS, in order for the Commission to properly manage its fiscal affairs and insure adequate revenues to service and retire the outstanding debt on bonds issued by the Commission, IND. CODE § 6-1.1-12.1-2(l) requires that an application for property tax deduction (abatement) sought under IND. CODE § 6-1.1-12.1 for a proposed redevelopment in an economic revitalization area located in an allocation area established under IND. CODE § 36-7-14-39, the deduction application may not be approved by the fiscal body having jurisdiction over the economic revitalization area without the Commission that created and has jurisdiction over the allocation area adopts a resolution approving the application; and

WHEREAS, TTS Real Estate, LP, as the owner of the 10-acre site depicted on Exhibit A attached hereto (the "Festool Site") and TTS, LP dba Festool, as the operating entity, have applied to and been granted by the Common Council of Lebanon designation of the Festool Site as an Economic Revitalization Area and received by Council Resolution 2006-03 conditional approval of tax abatement over a period of ten-years for improvements proposed to be made to

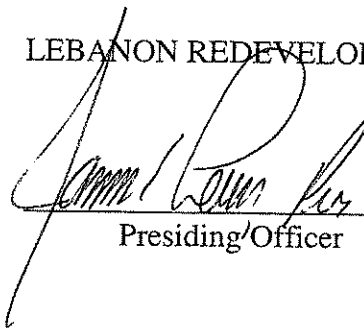
the Festool Site and qualifying equipment to be installed therein, subject to final approval by the Commission, and in connection therewith has submitted a copy of the application and supporting material for the Commission's consideration as required by law; and

WHEREAS, the Commission has reviewed the application and supporting material at a duly called public meeting at which a quorum of the Commission existed and has determined by majority vote of those present that the conditional approval by the Common Council of the requested deduction for a ten-year period in the assessed value of the proposed improvements and equipment won't adversely impact the fiscal condition of the Commission or its ability to service the debt on its outstanding bonds.

NOW, THEREFORE, BE IT RESOLVED by the Lebanon Redevelopment Commission that the application filed for abatement deductions relating to the proposed improvements to the Festool Site and the qualifying equipment to be installed therein is hereby approved and the officers of this Commission are authorized to affix their signatures hereto. An executed copy of this resolution shall be provided to the Clerk-Treasurer of the City of Lebanon.

Adopted this 21st day of March, 2006.

LEBANON REDEVELOPMENT COMMISSION



Presiding Officer

ATTEST:



Secretary

180628