

**RESOLUTION 2018-42**

**COMMON COUNCIL FOR THE CITY OF LEBANON, INDIANA**

**A RESOLUTION OF THE COMMON COUNCIL OF THE  
CITY OF LEBANON, INDIANA, REGARDING CERTAIN  
PERSONAL PROPERTY TAX ABATEMENT DEDUCTIONS  
FOR DS SMITH PACKAGING – OCEAN, LLC**

**WHEREAS**, pursuant to Indiana Code § 6-1.1-12.1-1, *et. seq.* (the “Act”), the City of Lebanon, Indiana (the “City”) by and through its Common Council acting in its capacity as the fiscal body of the City and acting as the designating body identified in the Act (the “Council”) has the right and opportunity to abate the payment of real property taxes for real estate located within an area declared by the Council to be an Economic Revitalization Area and to also abate the payment of personal property taxes within an Economic Revitalization Area (as defined in the Act); and

**WHEREAS**, pursuant to the Act, the Council may find that a particular area within the jurisdiction of the City is an Economic Revitalization Area and may by adoption of a resolution declare such area to be an Economic Revitalization Area which resolution must be confirmed, modified, or rescinded; and

**WHEREAS**, the Council adopted its Resolution 2016-04 (the “Declaratory Resolution”) on August 8, 2016 pursuant to the Act declaring the area whose boundaries are located within the corporate boundaries of the City comprising 250+/- acres within the Lebanon Business Park, more particularly described in **Exhibit A** (the “Area”) attached hereto and made a part hereof which is also shown on the map attached hereto as **Exhibit B** and made a part hereof as an Economic Revitalization Area in which property owners making application to the City pursuant to the Act subsequently approved by this Council pursuant to the Act may receive real property tax abatement and/or personal property tax abatement pursuant to the applicable procedures of the Act; and

**WHEREAS**, the Council, after following all applicable procedures of the Act, took final action adopting Resolution 2016-05 (the “Confirmatory Resolution”) on August 22, 2016 confirming the Declaratory Resolution, thereby establishing an Economic Revitalization Area; and

**WHEREAS**, DS Smith Packaging – Ocean, LLC (the “Applicant”) has filed with this Council a Statement of Benefits, Personal Property (Form SB-1/PP) (“Form SB-1”) attached hereto as **Exhibit C**, which describes the proposed project (the “Project”) to be installed by the Applicant, in order to receive a personal property tax abatement deduction for the Project; and

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Boone County Auditor

**WHEREAS**, the Project includes the purchase and installation of new manufacturing equipment; and

**WHEREAS**, the Project includes the purchase and installation of new IT equipment; and

**WHEREAS**, this Council has reviewed the Form SB-1; and

**WHEREAS**, the improvement of the Area will be of public utility and will be to the benefit and welfare of the citizens and taxpayers of the City.

**NOW, THEREFORE**, be it resolved and adopted by the Common Council of the City of Lebanon, Indiana as follows:

**Section 1.** The proposed Project will be located in the Area which has been confirmed as an economic revitalization area pursuant to the Act.

**Section 2.** In order for the Applicant to receive personal property tax abatement as contemplated herein, the Applicant shall acquire ownership interest in the Area from Duke.

**Section 3.** Based upon the information in the Form SB-1, this Council makes the following findings:

- (1) The estimate of Seventy Four Million Seven Hundred Fifty Thousand Dollars and 00/100 (\$74,750,000.00) as the cost of the new manufacturing equipment to be installed is reasonable for projects of that nature.
- (2) The estimate of Eight Hundred Thousand Dollars and 00/100 (\$800,000.00) as the cost of the new IT equipment to be installed is reasonable for projects of that nature.
- (3) The estimate of hiring One Hundred Forty (140) new individuals who will be employed can be reasonable expected to result from the proposed Project.
- (4) The estimate of Six Million Four Hundred Forty Thousand Dollars and 00/100 (\$6,440,000.00) for the aggregate annual salaries of those individuals who will be employed can be reasonably expected to result from the proposed Project.
- (5) The other benefits about which information has been presented to this Council are benefits that can be reasonably expected to result from the proposed Project.

- (6) The totality of benefits is sufficient to justify the granting of personal property tax abatement to the Applicant through the deduction provided by the Act.

**Section 4.** The Form SB-1 submitted by the Applicant is approved.

**Section 5.** Personal property tax deductions for the Project are hereby approved. The period for personal property tax deductions under the Act for the Project shall be seven (7) years from the date each item of personal property is first assessed, utilizing the following schedule:

Year 1: 100%

Year 2: 100%

Year 3: 75%

Year 4: 75%

Year 5: 50%

Year 6: 25%

Year 7: 25%

**Section 6.** Pursuant to the Act, the Council shall cause to be filed a certified copy of this Resolution with the Boone County Auditor.

**Section 7.** This Resolution shall be in full force and effect immediately upon its adoption.

*[Remainder of this page intentionally left blank.]*

ALL OF WHICH IS ADOPTED this 29 day of OCTOBER, 2018 by the Lebanon  
Common Council of the City of Lebanon, Indiana.

Voting For

Voting Against

Abstain

Keith Campbell  
Keith Campbell

\_\_\_\_\_  
Keith Campbell

\_\_\_\_\_  
Keith Campbell

John Copeland  
John Copeland

\_\_\_\_\_  
John Copeland

\_\_\_\_\_  
John Copeland

Dan Fleming  
Dan Fleming

\_\_\_\_\_  
Dan Fleming

\_\_\_\_\_  
Dan Fleming

ABSENT  
Mike Kincaid

\_\_\_\_\_  
Mike Kincaid

\_\_\_\_\_  
Mike Kincaid

Morris Jones  
Morris Jones

\_\_\_\_\_  
Morris Jones

\_\_\_\_\_  
Morris Jones

ABSENT  
Dick Robertson

\_\_\_\_\_  
Dick Robertson

\_\_\_\_\_  
Dick Robertson

Brent Wheat  
Brent Wheat

\_\_\_\_\_  
Brent Wheat

\_\_\_\_\_  
Brent Wheat

ATTEST:

Tonya Thayer  
Tonya Thayer, Clerk-Treasurer

I hereby certify that Resolution 2018-42 was delivered to the Mayor of Lebanon on the 29 day of OCTOBER, 2018, at 6:18 p.m.

Tonya Thayer  
Tonya Thayer, Clerk-Treasurer

I hereby APPROVE RESOLUTION 2018-42 this 29 day of October, 2018, at 6:23 p.m.

[Signature]  
Matthew T. Gentry, Mayor

I hereby VETO RESOLUTION 2018-42 this \_\_\_\_\_ day of \_\_\_\_\_, 2018, at \_\_\_\_\_:\_\_\_\_\_ m.

\_\_\_\_\_  
Matthew T. Gentry, Mayor

ATTEST:

Tonya Thayer  
Tonya Thayer, Clerk-Treasurer

This document prepared by:  
Robert S. Schein, Esq.  
KRIEG DEVAULT, LLP  
(317) 238-6276

## EXHIBIT A

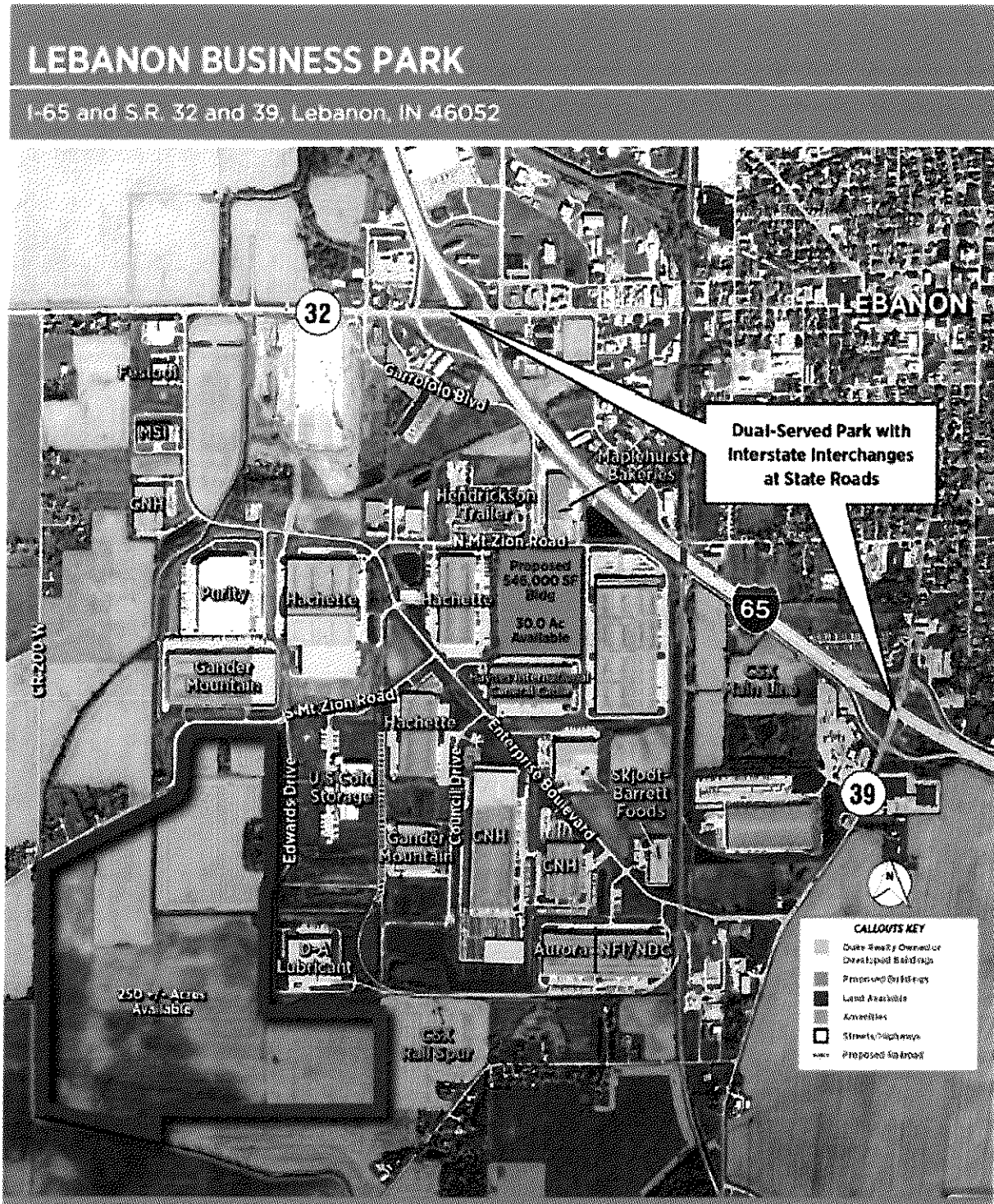
### Legal Description of Area

Part of the Southwest and Southeast Quarters of Section 2, Township 18 North, Range 1 West of the Second Principal Meridian, Boone County, Indiana, being that 41.750-acre tract of land shown on the ALTA/NSPS Land Title Survey dated October 5, 2018 by Michael J. Smith, PS #LS20500025 of American Structurepoint, Inc. under project number 201801689, more particularly described as follows:

BEGINNING at a Harrison monument at the southeast corner of said Southwest Quarter; thence North 89 degrees 32 minutes 06 seconds West 1,982.34 feet along the south line of said Southwest Quarter to 5/8-inch diameter rebar with a cap stamped "Structurepoint – 0094" set flush (hereafter referred to as "set rebar") at a southwest corner of the 146.55-acre parcel described in Instrument Number 201400011291 on file in the Office of the Recorder of Boone County, Indiana (basis of bearings per said Instrument Number 201400011291), the following three (3) courses are along west and north lines of said 146.55-acre parcel; 1)thence North 00 degrees 32 minutes 22 seconds East 660.00 feet to a rebar set; 2)thence South 89 degrees 32 minutes 06 seconds East 660.00 feet to a rebar set; 3)thence North 00 degrees 32 minutes 22 seconds East 358.27 feet to a rebar set; thence South 89 degrees 58 minutes 46 seconds East 1358.60 feet to a rebar set on the east line of said 146.55-acre parcel; thence South 00 degrees 00 minutes 00 seconds East 859.25 feet along said east line to a rebar set at the north corner of the 0.16-acre parcel described in Instrument Number 201600010294, on file in the Office of said Recorder, the following two (2) courses are along the west line thereof; 1)thence Southwesterly 50.98 feet along a curve to the right having a radius of 50.00 feet and subtended by a long chord having a bearing of South 29 degrees 12 minutes 21 seconds West and a length of 48.80 feet; 2)thence Southerly 94.47 feet along a curve to the left having a radius of 55.00 feet and subtended by a long chord having a bearing of South 09 degrees 12 minutes 18 seconds West and a length of 83.28 feet to a rebar set on the north line of the 1.36-acre parcel described in Instrument Number 201600010293, on file in the Office of said Recorder; thence South 89 degrees 44 minutes 54 seconds West 8.45 feet along the north line of said 1.63-acre parcel to a rebar set on the east line of said Southwest Quarter; thence South 00 degrees 24 minutes 05 seconds West 44.38 feet along said east line to the POINT OF BEGINNING. Containing 41.900 acres, more or less.

## EXHIBIT B

Economic Revitalization Area is the area outlined with a broad green line located at the southwest corner of the Lebanon Business Park



**EXHIBIT C**

Form SB-1/PP





**STATEMENT OF BENEFITS  
PERSONAL PROPERTY**

State Form 51764 (R4 / 11-15)  
Prescribed by the Department of Local Government Finance

**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 January 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 January 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 <b>DS Smith Packaging - Ocean, LLC</b>		Name of contact person <b>Josh Burnette</b>						
Address of taxpayer (number and street, city, state, and ZIP code) <b>1300 Wilson Blvd., Suite 1075 Arlington, VA 22209</b>		Telephone number <b>( 470 ) 345-7183</b>						
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT						
Name of designating body <b>Lebanon City Council</b>		Resolution number (s) <b>2018-42</b>						
Location of property <b>535 S Mt. Zion Rd Lebanon, IN 46052</b>		County <b>Lebanon</b>						
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.) <b>Manufacturing equipment for the production of CPG corrugated packaging for FMCG and utilize a "Corrugator" and box converting equipment.</b>		DLGF taxing district number <b>06-06-02-000-028.000-002</b>						
		ESTIMATED						
		START DATE		COMPLETION DATE				
		Manufacturing Equipment		11/01/2018 11/01/2019				
		R & D Equipment						
		Logist Dist Equipment						
		IT Equipment						
		11/01/2018 11/01/2019						
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT						
Current number <b>0</b>	Salaries <b>0</b>	Number retained <b>0</b>	Salaries <b>0</b>					
		Number additional <b>140</b>	Salaries <b>\$6,440,000</b>					
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	
	Current values		0 0		0 0		0 0	
	Plus estimated values of proposed project		74,750,000		0 0		0 800,000	
	Less values of any property being replaced		0 0		0 0		0 0	
Net estimated values upon completion of project		74,750,000		0 0		0 - 800,000		
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER						
Estimated solid waste converted (pounds) _____		Estimated hazardous waste converted (pounds) _____						
Other benefits: <b>N/A</b>								
SECTION 6		TAXPAYER CERTIFICATION						
I hereby certify that the representations in this statement are true.								
Signature of authorized representative 		Date signed (month, day, year) <b>10/03/2018</b>						
Printed name of authorized representative <b>Josh Burnette</b>		Title <b>General Counsel for North America</b>						

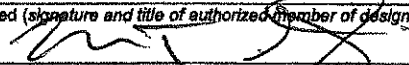

**FOR USE OF THE DESIGNATING BODY**

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 \_\_\_\_\_ 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 \$ \_\_\_\_\_.
- D. Other limitations or conditions (specify) \_\_\_\_\_
- E. Number of years allowed:
 

<input type="checkbox"/> Year 1	<input type="checkbox"/> Year 2	<input type="checkbox"/> Year 3	<input type="checkbox"/> Year 4	<input type="checkbox"/> Year 5 (* see below)
<input type="checkbox"/> Year 6	<input type="checkbox"/> Year 7	<input type="checkbox"/> Year 8	<input type="checkbox"/> Year 9	<input type="checkbox"/> 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)
Printed name of authorized member of designating body Matthew J. Gentry	Name of designating body	
Attested by (signature and title of attester) 	Printed name of attester Tonya Thayer	

\* 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.