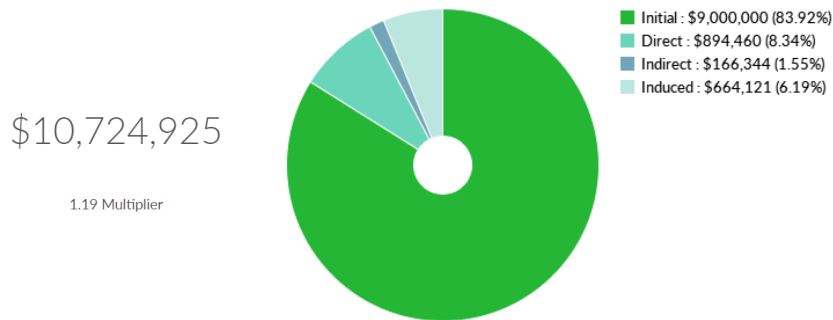




**Request For Local Support
August 5, 2020**

Project Jarasco is a perfect fit for the planning and vision that the Town of McCordsville has established over many years to grow the community and diversify the tax base, including the attraction of light manufacturing.

- The project would convert a site which is currently generating very little property tax revenue to a site that would generate significant property tax revenue in the near-term and the long-term. See details on following pages.
 - o Our proposed incentive structure will generate property tax revenue right away (2022 Pay 2023) and over 25 years the property taxes paid are estimated to exceed \$7.5 million.
- The project represents direct payroll of \$9 million with ripple effects in the economy supporting up to \$1.7 million of additional wages (annually)



continued on following pages

Projected Property Tax Flows

Tax Year	WITHOUT PROJECT*	WITH PROJECT**	Cumulative increase in property taxes paid WITH project
2022 PAY 2023	\$850	\$89,200	\$88,350
2024	850	89,200	176,700
2025	850	89,200	265,050
2026	850	89,200	353,400
2027	850	89,200	441,750
2028	850	89,200	530,100
2029	850	89,200	618,450
2030	850	89,200	706,800
2031	850	89,200	795,150
2032	850	89,200	883,500
2033	850	441,800	1,324,450
2034	850	441,800	1,765,400
2035	850	441,800	2,206,350
2036	850	441,800	2,647,300
2037	850	441,800	3,088,250
2038	850	441,800	3,529,200
2039	850	441,800	3,970,150
2040	850	441,800	4,411,100
2041	850	441,800	4,852,050
2042	850	441,800	5,293,000
2043	850	441,800	5,733,950
2044	850	441,800	6,174,900
2045	850	441,800	6,615,850
2046	850	441,800	7,056,800
2047	850	441,800	7,497,750
25-Year Total	\$21,250	\$7,519,000	

* project considering approx. 30 acres (50% of site); 50% of A/V assumed

** using requested incentive structure

BENEFITS SUMMARY

all estimates below represent a 25-year period

	WITHOUT PROJECT	WITH PROJECT
Property Taxes Paid	\$21,250†	\$7.5 million + land value will increase, thus adding even more to property taxes + potential for workers to generate new local income taxes
Project Savings	n/a	\$3.5 million‡ (tax abatement) + up to \$500k (infrastructure)

† project considering approx. 30 acres (50% of site); 50% of A/V assumed

‡ \$2.3 million net present value

Request for Local Support

Project Jarasco requests the following support from the Town of McCordsville to facilitate the relocation of its operation

1. Full abatement of real estate improvements and personal property (not previously taxed in Indiana) for ten years.
 - Note: once the facility is operational, the project will pay personal property tax “right away”, through the relocation of existing equipment which will not be abated. The timing of this will likely be: first assessment on January 1, 2022 with payments due in 2023. This portion of the company’s equipment is expected to generate approximately \$90,000 annually in local property taxes.
 - See more details on the following page
2. Reimbursement of up to \$500,000 to address an infrastructure (wastewater) issue that will cause extraordinary costs for development of the site. The site is not “shovel ready” due to this issue.
3. Waiver of permitting/tap/other local fees (controlled by the Town).
4. Approval of two curb cuts on Mount Comfort Road.

Location and Tax Advisors

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Tax Projections For
Southwark Metal Manufacturing Co.

Updated Aug 4, 2020

Parameters	
New Building Assessed Value	12,000,000
New Equipment Purchase Cost	1,500,000
Existing Equipment Assessed Value	3,150,000
Local Tax Rate	2.8321% 2020 rate (021 MCCORDSVILLE-BUCK CREEK)

				Tax Abatement Request						Illustrative TIF Mechanism (20/80 split)						
Property Tax Generated				Local Property Tax Revenue			Project Savings			Local Property Tax Revenue			Project Savings			
Year	Building	New Equip	Existing Equip	Building	New Equip	Existing Equip	Building	New Equip	Existing Equip	Building	New Equip	Existing Equip	Building	New Equip	Existing Equip	
2022 Pay	2023	339,852	16,993	89,211	-	-	89,211	339,852	16,993	-	65,970	3,399	17,842	263,882	13,594	71,369
	2024	339,852	23,790	89,211	-	-	89,211	339,852	23,790	-	65,970	4,758	17,842	263,882	19,032	71,369
	2025	339,852	17,842	89,211	-	-	89,211	339,852	17,842	-	65,970	3,568	17,842	263,882	14,274	71,369
	2026	339,852	13,594	89,211	-	-	89,211	339,852	13,594	-	65,970	2,719	17,842	263,882	10,875	71,369
	2027	339,852	12,744	89,211	-	-	89,211	339,852	12,744	-	65,970	2,549	17,842	263,882	10,196	71,369
	2028	339,852	12,744	89,211	-	-	89,211	339,852	12,744	-	65,970	2,549	17,842	263,882	10,196	71,369
	2029	339,852	12,744	89,211	-	-	89,211	339,852	12,744	-	65,970	2,549	17,842	263,882	10,196	71,369
	2030	339,852	12,744	89,211	-	-	89,211	339,852	12,744	-	65,970	2,549	17,842	263,882	10,196	71,369
	2031	339,852	12,744	89,211	-	-	89,211	339,852	12,744	-	65,970	2,549	17,842	263,882	10,196	71,369
	2032	339,852	12,744	89,211	-	-	89,211	339,852	12,744	-	65,970	2,549	17,842	263,882	10,196	71,369
	2033	339,852	12,744	89,211	339,852	12,744	89,211	-	-	-	65,970	2,549	17,842	263,882	10,196	71,369
	2034	339,852	12,744	89,211	339,852	12,744	89,211	-	-	-	65,970	2,549	17,842	263,882	10,196	71,369
	2035	339,852	12,744	89,211	339,852	12,744	89,211	-	-	-	65,970	2,549	17,842	263,882	10,196	71,369
	2036	339,852	12,744	89,211	339,852	12,744	89,211	-	-	-	65,970	2,549	17,842	263,882	10,196	71,369
	2037	339,852	12,744	89,211	339,852	12,744	89,211	-	-	-	65,970	2,549	17,842	263,882	10,196	71,369
	2038	339,852	12,744	89,211	339,852	12,744	89,211	-	-	-	65,970	2,549	17,842	263,882	10,196	71,369
	2039	339,852	12,744	89,211	339,852	12,744	89,211	-	-	-	65,970	2,549	17,842	263,882	10,196	71,369
	2040	339,852	12,744	89,211	339,852	12,744	89,211	-	-	-	65,970	2,549	17,842	263,882	10,196	71,369
	2041	339,852	12,744	89,211	339,852	12,744	89,211	-	-	-	65,970	2,549	17,842	263,882	10,196	71,369
	2042	339,852	12,744	89,211	339,852	12,744	89,211	-	-	-	65,970	2,549	17,842	263,882	10,196	71,369
	2043	339,852	12,744	89,211	339,852	12,744	89,211	-	-	-	65,970	2,549	17,842	263,882	10,196	71,369
	2044	339,852	12,744	89,211	339,852	12,744	89,211	-	-	-	65,970	2,549	17,842	263,882	10,196	71,369
	2045	339,852	12,744	89,211	339,852	12,744	89,211	-	-	-	65,970	2,549	17,842	263,882	10,196	71,369
	2046	339,852	12,744	89,211	339,852	12,744	89,211	-	-	-	329,852	12,744	89,211	-	-	-
	2047	339,852	12,744	89,211	339,852	12,744	89,211	-	-	-	329,852	12,744	89,211	-	-	-
25-year TOTAL		8,496,300	339,852	2,230,279	5,097,780	191,167	2,230,279	3,398,520	148,685	-	2,177,023	88,362	588,794	6,069,277	251,490	1,641,485
Total Over 25 yrs				11,066,431	Total Local Revenue Over 25 yrs			Total Project Savings			Total Local Revenue Over 25 yrs			Total Project Savings		
							7,519,226			3,547,205			2,854,178			7,962,252
								NPV		2,326,390	values reflect annual TIF admin costs			NPV		3,796,001