

CASS COUNTY, INDIANA
COUNTY COUNCIL

RESOLUTON NO. 2021- 05

RESOLUTION APPROVING A STATEMENT OF BENEFITS FOR THE ANDERSONS
MARATHON HOLDINGS, LLC.

WHEREAS, the County Council (“Council”) of Cass County, Indiana (“County”), did on the 15th day of November, 2013, adopt a resolution designating certain real property (“Declaratory Resolution”) located in the County and set forth in the Declaratory Resolution as an economic revitalization area under and pursuant to IC 6-1.1-12.1 (“ERA”) and the Declaratory Resolution was confirmed on the 13th day of December, 2013, following a public hearing pursuant to IC 6-1.1-12.1-1 et seq. (“Act”); and

WHEREAS, The Andersons Marathon Holdings, LLC (“Taxpayer”) submitted a Statement of Benefits Form-1 (“SB-1”) attached hereto as Exhibit A and incorporated herein by reference, applying for an assessed value deduction in accordance with IC 6-1.1-12.1-4.5 and IC 6-1.1-12.1-17 in connection with the installation of certain equipment and requesting approval thereof; and

WHEREAS, notice of a public hearing on the ERA was published in accordance with IC 5-3-1 and the filing of the SB-1 with overlapping taxing units for the property tax abatement was completed pursuant to the Act; and

WHEREAS, the Council hereby determines that the deduction IC 6-1.1-12.1-4.5 should be allowed based on the following findings:

- (i) The proposed cost of the new manufacturing equipment is reasonable for equipment of this nature;
- (ii) The number of individuals to be employed reasonably result from the installation of the new manufacturing equipment;
- (iii) The annual salaries of those individuals to be employed reasonably result from the installation of the new manufacturing equipment;
- (iv) The number of individual opportunities for employment, both temporary and permanent, and the compensation paid to employees, create benefits of the type and quality anticipated by this Council within the ERA and can reasonably be expected to result from the described installation of new manufacturing equipment; and
- (v) The totality of the benefits provided by the installation of the new manufacturing equipment is sufficient to justify the deduction; and

WHEREAS, the Council hereby determines that use of the alternative/standard deduction schedule authorized under IC 6-1.1-12.1-17 is appropriate as demonstrated by:

- (i) The total amount of the Taxpayer’s investment in real and personal property;
 - (ii) The number of new full-time equivalent jobs created;
 - (iii) The average wage of the new employees compared to the state minimum wage;
- and

(iv) The infrastructure requirements for the Taxpayer's investment; and

WHEREAS, the Council hereby finds that the purposes of the Act are served by allowing the deduction provided by IC 6-1.1-12.1-4.5 in accordance with the alternate schedule attached hereto as Exhibit B.

NOW, THEREFORE, BE IT RESOLVED BY THE CASS COUNTY COUNCIL OF CASS COUNTY, INDIANA, THAT:


Section 1. The Taxpayer shall be entitled to the deduction provided by IC 6-1.1-12.1-4.5 in accordance with Exhibit B.

Section 2. The SB-1 and abatement application submitted by the Taxpayer are hereby approved.

Section 3. This resolution shall be effective from and after passage.

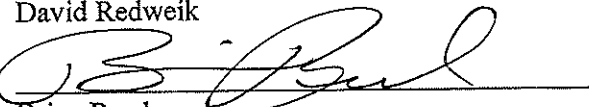
Passed and adopted by the County Council of Cass County, Indiana this 15th day of October, 2021.

CASS COUNTY COUNCIL;


Tracy Williamson

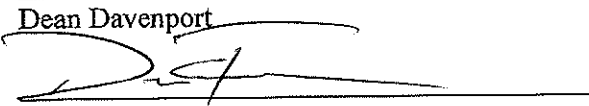
Absent
Grover Bishop

David Redweik


Brian Reed

Absent
Bruce Ide

Dean Davenport


Damon Foreman

Attest:


Cheryl Alcorn, County Auditor

STATEMENT OF BENEFITS (SB-1)

Exhibit "A"



**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

1. 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.
2. 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.
3. 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.
4. 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)
5. 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 The Andersons Marathon Holdings LLC			Name of contact person Daniel Dembowski						
Address of taxpayer (number and street, city, state, and ZIP code) 1947 Briarfield BLVD, Maumee OH 43537				Telephone number (419) 897-3643					
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT									
Name of designating body Cass County Council				Resolution number (s)					
Location of property 3389 W. County Road 300, Logansport, IN 46947			County Cass	DLGF taxing district number 09-007					
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.) See Attached				ESTIMATED					
						START DATE	COMPLETION DATE		
				Manufacturing Equipment		10/16/2021	06/30/2022		
				R & D Equipment					
				Logist Dist Equipment					
IT Equipment									
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT									
Current number 60	Salaries 4,500,000	Number retained 60	Salaries 4,500,000	Number additional	Salaries				
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	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Current values		150,000,000	150,000,000						
Plus estimated values of proposed project		5,030,000	5,030,000						
Less values of any property being replaced									
Net estimated values upon completion of project		155,030,000	155,030,000						
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER									
Estimated solid waste converted (pounds) _____			Estimated hazardous waste converted (pounds) _____						
Other benefits:									
SECTION 6 TAXPAYER CERTIFICATION									
I hereby certify that the representations in this statement are true.									
Signature of authorized representative 				Date signed (month, day, year) 9-29-21					
Printed name of authorized representative Michael Hoelter			Title V.P. Corporate Controller						

The Andersons Marathon Holdings LLC

Statement of Benefits – Personal Property

Indiana Form SB-1/PP

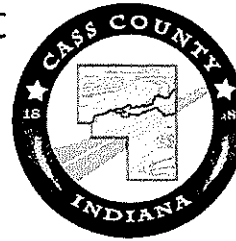
The Andersons Marathon Holdings LLC is proposing to make significant capital additions to its ethanol facility in Cass County. The agriculture and ethanol industry are not only extremely competitive but also very volatile, especially in the current economic environment affected by COVID19. Capital intensive manufacturing operations require significant ongoing investments as well as continued innovative advancements to maintain competitiveness in the market and to sustain and grow the operations. In order to maintain and expand capital budgets it is imperative for the business to propose projects to management that are both innovative and cost effective.

These proposed projects are investments to enhance our raw materials receiving and distribution capabilities and improve production output and efficiencies. Securing project cost and expense reductions in the form of property tax abatements would make the projects more competitive which supports continued investments into the facility and the community. The proposed personal property capital projects totaling over \$5 mil. including:

Personal Property

1. Raw Materials Receiving Upgrade - \$3,000,000
2. Sieve Processing Equipment Addition - \$1,300,000
3. Upgrade Water Tower Connection - \$150,000
4. Process Equipment Electrical Switch Gear Replacement - \$330,000
5. Upgrade Process Drying Conveyors- \$250,000

Cass County Tax Abatement Worksheet



Company name: The Anderson's Clymers Ethanol

Community Benefits:

10 points for rehabilitation or utilization of existing vacant structures or service

GIVEN POINTS 10

Total new investment as a percentage of current values = 3 %

1 point of every 1% increase

15 points maximum, no minimum

GIVEN POINTS 3

Total increase in full-time company direct paid employment
as a percentage of the current employment = 0 %

1 point for every 1% increase

15 points maximum, no minimum

GIVEN POINTS 0

Number of full-time company direct paid jobs new or retained

1 point for every 1.5 jobs

10 points maximum, no minimum

GIVEN POINTS 4

Wages (hourly full-time company direct paid) \$ 36/hr

1 point for every \$1.00 per hour

20 points maximum, no minimum

GIVEN POINTS 20

Wages (from above formula)

Exceed current Self-Sufficiency Standard for Cass County (\$16.84)

As per Indiana Coalition on Housing and Homeless Issues, Inc. for single parent with one infant and one preschooler

5 points for 11% to 20% above SSS

3 points for 5% to 10% above SSS

0 points for 0% to 4% above SSS

-1 points for 0% to 4% below SSS

-3 points for 5% to 10% below SSS

-5 points for 11% to 20% below SSS

POINTS +/- 5

Employee benefits:

5 points for group health insurance or HSA*

*must be made available to all full-time employees

5 points for private pension plan*

*must be made available to all full-time employees per company policy

5 points for day-care provisions*

*must be available to all full-time employees

GIVEN POINTS 10

Industry type:

7 points for primarily industrial

7 points for agriculture

5 points for warehousing

3 points for commercial

Retail and Residential, by State Statute, is only abated in properly designated areas.

GIVEN POINTS 7

TOTAL POINTS 54

Real Property

1 year = 30 to 33 points

2 years = 34 to 37 points

3 years = 38 to 41 points

4 years = 42 to 45 points

5 years = 46 to 49 points

6 years = 50 to 53 points

7 years = 54 to 57 points

8 years = 58 to 61 points

9 years = 62 to 65 points

10 years = 66 + points

Personal Property

1 year = 30 to 38 points

2 years = 39 to 47 points

3 years = 48 to 54 points

4 years = 55 to 63 points

5 years = 64 + points

The Anderson's Clymer's Ethanol, LLC

Res. #2017-02	4/21/17	fermenter, liquefaction tank, slurry hydro heater, DDG boiler, pump Real Property improvements	\$6,000,000 \$800,000
Res. #2018-01	2/16/18	corn oil centrifuge, fermentation cooling & distillation, urea & ethanol piping, sand filtration, Compression power system	\$5,000,000
Res. #2018-04	8/17/18	Thin Stillage Clarification & Select Milling Processing/Thermal Oxidizer Economizer Real Property improvements	\$13,300,000 \$600,000
Res. #2019-06	7/19/19	corn receiving capacity, elevator leg & bin distribution & conveyor, elevator man lift, hammer milling processing, distillation & fermentation pump system, train loading pump, valve, piping & controls	\$5,200,000
No Abatement	2/5/21	Grain elevator and storage facility	\$3,120,000
		Total investment in equipment	\$29,500,000
		Total investment in Real Property	<u>\$4,520,000</u>
			\$34,020,000

EXHIBIT B

The Anderson's Marathon Holdings, LLC

Tax Abatement Alternative Deduction Schedule

7 Year Personal Property Tax Abatement

<u>Year</u>	<u>Percentage Amount of Deduction</u>
1	50%
2	35%
3	35%
4	45%
5	50%
6	60%
7	30%