

RESOLUTION NO. 2024- 7- 1

**CONFIRMATORY RESOLUTION OF THE COUNTY COUNCIL OF MORGAN COUNTY,
INDIANA APPROVING PERSONAL PROPERTY TAX ABATEMENT**

WHEREAS, the County Council of Morgan County, Indiana (respectively, the "County Council" and the "County"), was previously advised of a proposed development project which includes redevelopment or rehabilitation on certain property located in the Morgan County, IN, as more particularly described in the map and legal description set forth in Exhibit A attached hereto (the "Area"); and,

WHEREAS, the County Council was advised by Deckers Outdoor Corporation ("Deckers") of a proposed development project which includes redevelopment or rehabilitation to include certain personal property through installation of additional new distribution and logistics equipment to meet the needs of Deckers for its development project, with a total estimated capital investment of \$50 million, (the "Project"), said personal property located in the Area; and,

WHEREAS, the County Council received from Deckers for the Project the Statement of Benefits on Form SB-1/Personal Property ("Application"), attached hereto as Exhibit B and incorporated herein by reference; and,

WHEREAS, Deckers represented and evidenced in connection with the Project and in its Application that it proposed to create 80-100 new jobs; provide an estimated capital investment of \$50,000,000 in distribution and logistics equipment, commencing in the fourth quarter of 2022 and completing by the end of 2023; and,

WHEREAS, Deckers anticipated an increase in the assessed value of its personal property by reason of its Project and requested personal property tax abatement with respect to such anticipated increases and has submitted the Application to the County Council in connection therewith; and,

WHEREAS, the County Council established the Area, including the Project, as an economic revitalization area on the 1st day of August, 2022, pursuant to its adoption of a Declaratory Resolution regarding this request; and,

WHEREAS, the County Council found that the purposes of the Act are served by allowing the owner of the Project a ten (10) year personal property tax deduction for the respective portion of the Project under the Application pursuant to the Act;

WHEREAS, the initial estimates for the investment estimated capital investment of \$50,000,000 in distribution and logistics equipment, commencing in the fourth quarter of 2022 and completing by the end of 2023 were exceeded and the actual investment in distribution and logistics equipment, commencing in the fourth quarter of 2022 and completing by the end of 2023 totaled \$76,341,000 per Exhibit C; and

WHEREAS, Deckers anticipates an increased investment into distribution and logistics

equipment completing by the end of 2024 in the amount of an additional \$13,000,000 per Exhibit D.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF MORGAN COUNTY, INDIANA, as follows:

1. In accordance with Section 2.5(6) of the Act, the County Council hereby determines that the owner of the Project shall be entitled to a personal property tax deduction for the Project, to be provided pursuant to Section 3 of the Act, for a period often (10) years with respect to personal property which is redeveloped or rehabilitated as contemplated by and reflected in the Application (\$89,341,000 of cost) as filed with the County Council, with such abatement to be in accordance with the following schedule;

Year of Deduction	Abatement percentage
1	100%
2	95%
3	80%
4	65%
5	50%
6	40%
7	30%
8	20%
9	10%
10	5%

2. That said described property is located within the jurisdiction of the Morgan County Council for purposes set forth in Indiana Code 6-1.1-12.1-2.

3. That the subject real estate complies with the general requirements of the Morgan County Council according to Indiana Code 6-1.1-12.1-2 for determining "Economic Revitalization Area" within the jurisdiction of the Council, as evidenced by the information provided by the Applicant.

4. The Applicant plans to create 80-100 new jobs; provide an estimated capital investment of \$89,341,000 in distribution and logistics equipment, commencing in the fourth quarter of 2022 and completing by the end of 2024, as described in an Application and a related Statement of Benefits submitted by the Applicant to the County (collectively, the "Application") to be located in the Area.

5. The improvement of the real estate described herein would be to the benefit and welfare of all citizens and taxpayers of Morgan County.

6. The County determines that the Area is within the County and has become

undesirable for, or impossible of, normal development and occupancy because of a lack of development and other factors which have impaired values and prevented the normal development of property and use of property, and, therefore, that the Area is an "Economic Revitalization Area" (as defined in LC. 6-1.1-12.1-1 (I)).

7. The Auditor of the County is hereby authorized and directed to make all filings necessary or desirable with the County Assessor, to publish any notices required by the Act, and to take all other necessary actions to carry out the purposes and intent of this and any prior related Confirmatory Resolution.

8. The Auditor of the County is further authorized and directed to file this Confirmatory Resolution, together with any supporting data, to each of the officers of each taxing unit that has authority to levy property taxes in the geographic area where the Area, including the Project, is located, as provided in the Act.

9. Notice of the Public Hearing conducted by the County Council on October 3, 2022 was published as required by the Act and interested parties and remonstrators invited to attend.

10. The County Council hereby makes the following affirmative findings pursuant to Section 3 of the Act regarding the Application:

a. the estimate of the value of the redevelopment or rehabilitation is reasonable for projects of that nature;

b. the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation;

c. the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation;

d. the other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed redevelopment or rehabilitation; and,

e. The totality of the benefits is sufficient to justify the granting of real property tax deductions to the Applicant pursuant to J.C. 6-1.1-12.1-4; and,

f. Pursuant to LC. 6-1.1-12.1-17, an alternative deduction schedule, on an incremental, or sliding scale basis, which is attached hereto as a part of the Application, and would commence with the Applicant receiving a One Hundred Percent (100%) abatement in Year I, which would be reduced incrementally each year thereafter until the Applicant would receive a Five Percent (5%) abatement in Year 10 and thereafter pay the entire amount due, and the abatement is structured in this manner based upon consideration

of the following factors:

- i. The total amount of the Applicant'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.
- iv. The infrastructure requirements for the Applicant's investment.

11. As an inducement for Deckers to invest in the Project within the Area, the Application is hereby approved effective upon confirmation of this Confirmatory Resolution as required by the Act.

12. The provisions of this Confirmatory Resolution shall be subject in all respects to the Act and any amendments thereto.

13. This Confirmatory shall take effect upon its adoption.

NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE COUNTY COUNCIL OF MORGAN COUNTY, INDIANA, as follows:

1. Based on the information in the Application and the foregoing findings, the County, pursuant to I.C. 6-1.1-12.1-4, I.C. 6-1.1-12.1-4.5, and I.C. 6-1.1-12.1-17, hereby approves and allows the Applicant's personal property tax deductions for ten (10) years, on an incremental, or sliding scale basis, which is attached hereto as a part of the Application, and would commence with the Applicant receiving a One Hundred Percent (100%) abatement in Year I, which would be reduced incrementally each year thereafter until the Applicant would receive a Five Percent (5%) abatement in Year 10 and thereafter pay the entire amount due, for the building constructed in the Area as a part of the Project.

2. That in the event the investment period, as identified on the Statement of Benefits form, covers more than one assessment cycle as anticipated, it is the intention of the Morgan County Council that Morgan County treat each year of partial assessment as the first year of abatement deduction schedule outlined in the abatement Resolution. Each new increment of assessment that occurs during the approved investment period will trigger its own ten-year schedule, ensuring that the Applicant receives the full, intended abatement savings associated with its forecasted investment.

3. Any provisions of this Resolution that may conflict with J.C. 6-1.1-12.1 are null and void and the provisions of the Indiana Code shall apply. Any provisions of this Resolution that conflict with any amendments to the above statute shall be deemed amended upon passage of said amendments by the General Assembly. If any part, parts, clause, or

portion of this Resolution shall be adjudged invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or unconstitutionality of this Resolution as a whole or any other part, clause, or portion of this Resolution. All Applicants must comply with State and local requirements, including but not limited to zoning and health laws.

4. That pursuant to Indiana Code 6-1.1-12.1, the extent to which the deduction for tax abatement will be allowed shall be determined by final Resolution of the Morgan County Council within sixty (60) days after receiving a copy of a property owner's certified Deduction Application from the County Auditor.

5. This Resolution shall be effective upon passage and shall remain in full force and effect until repealed by Ordinance or Resolution of the Morgan County Council.

ALL OF WHICH IS HEREBY ADOPTED AND RESOLVED ON THIS 1st DAY OF JULY, 2024.

[SIGNATURE PAGE TO FOLLOW]

MORGAN COUNTY COUNCIL, INDIANA

"Aye"

"Nay"

Kim Merideth

Kim Merideth, President

Kim Merideth, President

Vickie Kivett

Vickie Kivett, Vice President

Vickie Kivett, Vice President

Chip Keller, Member

Chip Keller, Member

Melissa Greene

Melissa Greene, Member

Melissa Greene

Melissa Greene, Member

Brian Culp

Brian Culp, Member

Brian Culp, Member

Troy Sprinkle, Member

Troy Sprinkle, Member

Jason Maxwell, Member

for Maxwell
Jason Maxwell, Member

ATTEST:

Linda Pruitt

Linda Pruitt, Auditor
Morgan County, Indiana

Date: 7/1/24