WARRICK COUNTY COUNCIL

RESOLUTION NO. 2005- 03

A RESOLUTION OF THE WARRICK COUNTY COUNCIL APPROVING AN APPLICATION FOR DEDUCTION OF PERSONAL PROPERTY TAXES

Whereas, the Warrick County Council (the "Council"), fiscal body of Warrick County, Indiana, pursuant to I.C. 6-1.1-12.1-2, as amended (the "Act"), declared an area of real property owned by Alcoa Inc. an Economic Revitalization Area ("ERA") in its Resolution No. 2003-03 as confirmed by its Resolution No. 2003-04; and

Whereas, Alcoa Inc. has filed an Application for Deduction of Personal Property Taxes, together with its Statement of Benefits ("Application"), for Thirty Million Dollar ($30,000,000) of improvements for the purchase and installation of new equipment located within the ERA in order to provide fuel flexibility, enhanced coal receiving and handling infrastructure, and significant general plant modifications ("Improvements"); and

Whereas, the Warrick County Department of Economic Development (the "Department") and the Warrick County Economic Development Advisory Council has reviewed and considered Alcoa Inc.'s Application and have recommended to Council approval of the Application with a ten (10) year phase in of personal property taxes for the Improvements; and

Whereas, the Application filed by Alcoa Inc. and supporting data has been reviewed and considered by the Council at this meeting; and

Whereas, the Council deem it advisable to approve the Application and the granting of a ten (10) year phase in of personal property taxes for Alcoa Inc.'s Improvements.

NOW, THEREFORE, BE IT RESOLVED by the Warrick County Council, fiscal body for Warrick County, Indiana, as follows:

1. The estimate value of Improvements by Alcoa Inc. within the ERA in the amount of Thirty Million Dollars ($30,000,000) is reasonable for projects of that nature.

2. The number of individuals whose employment will be retained and new jobs that will be created at Alcoa Inc. as a result of the Improvements can be reasonably expected to result from the proposed Improvements.

3. The estimated annual salaries for those individuals whose employment will be retained and new jobs that will be created as a result of Alcoa Inc.'s Improvements within the ERA can be reasonably expected to result from the Improvements. In addition to the creation of jobs and retention of employment as a result of Alcoa Inc.'s Improvements within the ERA, the Improvements will reasonably expect to result in additional benefits to Warrick County, Indiana.

4. The totality of benefits to Warrick County as a result of Alcoa Inc.'s Improvement within the ERA is sufficient to justify the deduction of personal property taxes pursuant to its Application.

5. The Application of Alcoa Inc. for deduction of personal property taxes is hereby granted and the deductions are granted for a period of ten (10) years from the date of increased assessments for the Improvements.

6. The officers of the Council are hereby directed to make any and all required filings with the Warrick County Auditor in connection with the granting of Alcoa Inc.'s Application.

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

8. This Resolution constitutes the written order and approval by the Council of Alcoa Inc.'s Application in accordance with the Act.

9. The Secretary is hereby directed to file a copy of said Resolution with the minutes of this meeting.

PASSED, ISSUED, AND APPROVED by the Warrick County Council this 7 day of July, 2005.

Warrick County Council

Gary Meyer, President

Ray McIntyre, Vice President

Robert Addington

Raymond Bracher

David Hachmeister

Greg Richmond

Joe Schitter

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