

**CITY OF WEST LAFAYETTE
TAX ABATEMENT APPLICATION FORM
WEST LAFAYETTE ECONOMIC DEVELOPMENT COMMISSION**

RECEIVED

APR 08 2011

Please complete the following questions prior to applying for tax abatement. Should questions arise please contact the Department of Development, 609 W. Navajo, West Lafayette, Indiana 47906, 765-775-5160. The abatement process is explained in the West Lafayette Tax Abatement Handbook. Please be sure that you also fill out the additional "supplementary" information sheets also attached.

SECTION I - APPLICANT

ORIGINAL

1. Name of Applicant: Dow AgroSciences, LLC

2. Address: 9330 Zionsville Rd

Indianapolis, IN 46268

3. Date Organized or
Incorporated: 10/31/89

4. Chief Executive Officer: Antonio Galindez

5. Principal Contact or Agent: Jamie Snead

6. Principal Office Address: 2030 Dow Center, Midland, MI 48674

Phone: (989) 638-9137

7. Name of Parent Company (if any): The Dow Chemical Company

8. Address of Parent Company (if any): 2030 Dow Center

Midland, MI 48674

9. Applicant is applying for Economic Revitalization Area designation for the purpose of :

 Real Property Tax Abatement

 X Personal Property Tax Abatement
(New Manufacturing Equipment)

 7 Number of full-time personnel currently employed locally

10. Please Provide:

a. a brief history of the company and eight (8) copies of the last Annual Report

- History of Dow AgroSciences: <http://www.dowagro.com/about/who/>

- History of The Dow Chemical Company:
<http://www.dow.com/about/aboutdow/history/1890s.htm>
- 2009 Annual Report for The Dow Chemical Company:
<http://www.dow.com/financial/pdfs/161-00479.pdf>

b. relevant financial information, e.g. annual report, etc.
financial information: <http://www.dow.com/financial/reports/>

SECTION II – LOCATION OF IMPROVEMENT

11. Location of Site: Purdue Research Park, West Lafayette, IN

12. Assessor's parcel (Key) #: 79-06-01-426-012.000-035

13. Owner of Property: Innovation Center PRF LLC

14. Does the company currently conduct business at the location?:

X Yes No

If yes, describe:

Dow AgroSciences is now occupying 15,000 square feet of research and office space in the Herman and Heddy Kurz Purdue Technology Center at 1281 Win Hentschel Blvd. In addition, Dow AgroSciences is the exclusive tenant of an 11,000-square-foot greenhouse complex on the south side of Ross Enterprise Center. Approximately 30 scientists and contract research assistants will work in the facilities in the years to come. These facilities are part of Dow AgroSciences' global technology development plans, and activity at Purdue Research Park is focused on biotechnology innovation and discovery.

SECTION III – NATURE OF THE IMPROVEMENT

15. Nature of the product or service to be performed at the site:

Approximately 35,000 sqft. of building space will be leased and improved for use as a commercial seed testing facility in support of Dow AgroSciences' seeds business.

16. Description of the proposed physical improvements. What physical changes will be made on the project property?

Real Property or Manufacturing Improvements

Internal walls, laboratory equipment, and support equipment will be installed

in order to perform commercial seed quality testing in the facility.

Personal Property (New Manufacturing Equipment):

Estimated \$5,800,000 for new research & development lab equipment

17. Cost of the real property or manufacturing improvements (excluding land costs): Estimated \$5,800,000

18. Size of the facilities to be constructed (in square feet), if any:

The seed testing laboratory is proposed to be housed in 35,000 sqft. of an existing building at the site.

19. Cost of the new manufacturing equipment to be installed:

20. What is the timetable for the start and completion of project?:

Construction is anticipated to begin in May of 2011, and the facility is expected to be operational by September of 2011.

21. When is completion expected?: approximately September 2011

22. How many permanent employees as a result of this project?:

It is estimated that 27 employees will be permanently employed at the site by 2014

In what type of employment will they be engaged?: Permanent employees upon startup of the facility will include four scientists and eleven technicians.

The scientists define the seed test methods that are used, ensure accuracy of the testing, engage with other Dow AgroSciences employees in communicating quality testing results. They are responsible for the safe and effective operation of the facility. The technicians at the facility are responsible for conducting seed quality testing.

23. Estimate of the additional annual payroll to be produced at the end of:

1 year \$ 800,000 3 years \$ 1,400,000

24. Will the project result in any pollution?: _____

_____ air _____ water _____ noise X other

Explain: some solid non-hazardous waste will be generated by the lab, and a small amount of solid hazardous waste will be generated. All wastes will be handled in accordance with EPA and local regulations.

25. Will the project require a rezoning, variance, or zoning approval before construction is initiated? _____ yes X no

If yes, explain: _____

26. Describe additional public utilities and municipal services or facilities necessitated by the project (e.g, enlargement of sewer, street improvements, water supply, upgrading of traffic signals, etc.): None - Existing

27. With what businesses will you directly compete in the Greater Lafayette Area?:

- | | |
|--------------------|-----------|
| 1. <u> none </u> | 6. _____ |
| 2. _____ | 7. _____ |
| 3. _____ | 8. _____ |
| 4. _____ | 9. _____ |
| 5. _____ | 10. _____ |

What are your products or services sold outside the eight (8) county areas?

Dow AgroSciences conducts business globally.

28. The following is a definition of an “economic revitalization area”. Please read the definition and answer the following question as it pertains to your project.

According to IC 6-1.1.1-12.1-1:

“Economic revitalization area” means an area which is within the corporate limits of a city, town or county which has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings or other factors which have impaired values

or prevent a normal development of property or use of property. The term "economic revitalization area" also includes any area where a facility or a group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues.

What evidence can be provided that the project property should be designated as an "Economic Revitalization Area" based on this definition?

Property already designated as an Economic Revitalization
Area.

SECTION IV – ADDITIONAL APPLICANT INFORMATION

29. Has the applicant or any predecessor of the applicant defaulted in any material respect the performance of financial obligations by the applicant?

_____ yes X no If yes,

explain: _____

30. Has the applicant ever applied for or benefited from any tax abatement in any other project in the State of Indiana or elsewhere? X yes _____ no

If yes, explain: Real and Personal Property Tax Abatements in Marion County.

SECTION V – ANNUAL REPORT & HISTORY OF COMPANY

31. Is there any pending litigation materially affecting the applicant?:
_____ yes X no If yes, please describe (or have counsel for
the applicant describe) giving procedural posture of the case(s):

32. Are there any restriction contained in the applicant's Articles or Certificate of
Incorporation, Charter, Bylaws, Code of Regulations or any agreements to
which the applicant is a party that could affect the applicant's ability to
engage in the project? _____ yes X no If yes, please
explain:

33. Certified Public Accountant: _____

34. Commercial Bankers: _____

35. Company Counsel: _____

I hereby certify that the above information and representations are to the best of my
knowledge true and complete.

Jamie M. Snead
Signature of Applicant

Senior Tax Analyst
Position

4/8/2011
Date Submitted

Jamie M. Snead
Company Contact Person

2030 Dow Center, Midland, MI 48674
Address

(989) 638-9137
Phone

(989) 638-9906
Fax

**SUPPLEMENTARY INFORMATION SHEET
TAX ABATEMENT APPLICATION
CITY OF WEST LAFAYETTE
ECONOMIC DEVELOPMENT COMMISSION**

ORIGINAL

To be completed by applicant

R & D/LAB, MANUFACTURING OR COMMERCIAL

Is this request for: improvements to real estate X new manufacturing equipment
That has not been taxed in
Indiana before

Length of abatement requested for equipment and property:

Real Property 3 years bldg. 6 years bldg. 10 years bldg.
Mfg. Equipment 5 years equip. X 10 years equip. 7 years equip.

Number of jobs for residents of the Greater Lafayette area:

<u>Current</u>	<u>Retained</u>	<u>Additional</u>
Engineering <u> </u>	Engineering <u> </u>	Engineering <u> </u>
Sales <u> </u>	Sales <u> </u>	Sales <u> </u>
Administration <u> </u>	Administration <u> </u>	Administration <u> </u>
Manufacturing <u> </u>	Manufacturing <u> </u>	Manufacturing <u> </u>
Maintenance <u> </u>	Maintenance <u> </u>	Maintenance <u> </u>
Other (Specify) <u> 7 </u>	Other (Specify) <u> 7 </u>	Other (Specify) <u> 27 </u>

Salaries of jobs for residents of the Greater Lafayette area:

<u>Current</u>	<u>Retained</u>	<u>Additional</u>
Engineering <u> </u>	Engineering <u> </u>	Engineering <u> </u>
Sales <u> </u>	Sales <u> </u>	Sales <u> </u>
Administration <u> </u>	Administration <u> </u>	Administration <u> </u>
Manufacturing <u> </u>	Manufacturing <u> </u>	Manufacturing <u> </u>
Maintenance <u> </u>	Maintenance <u> </u>	Maintenance <u> </u>
Other (Specify) <u>653,000</u>	Other (Specify) <u>653,000</u>	Other (Specify) <u>1,400,000</u>

Payroll Categories:

Retained:

_____ up to \$30,000
_____ \$30,000 - \$38,000
_____ \$38,001 - \$45,000
 X >\$45,000

Additional:

_____ up to \$30,000
_____ \$30,000 - \$38,000
_____ \$38,001 - \$45,000
 X >\$45,000

Explanation of how the number of jobs was calculated and the time frame for reaching full employment level: It is estimated that 27 employees will be permanently employed at the site by 2014.

Type(s) of equipment, installation schedule(s), and depreciation pool(s):

The project will buildout laboratory space and install research and development lab equipment. Equipment will provide quality control capability to support the DAS Seed, Traits & Oils business. Construction will begin in May 2011 and finish in September 2011. Depreciation Pool 2 (5-8 year life).

Narrative description of need (attach separate sheet if necessary):

Dow AgroSciences is in need of a world class quality control lab in support of the rapidly increasing Seed, Traits & Oils business. Technology developed in this lab will be leveraged globally. The skill set of the testing requirements is well suited in a major university area where undergraduate and graduate students would be considered as the primary labor pool. The close partnership Dow AgroSciences has with Purdue University makes this location highly desirable. This partnership, along with the financial incentives, attracted the project to West Lafayette over other competing locations. These incentives are critical to the attraction and retention of investment and jobs in a globally competitive environment.



STATEMENT OF BENEFITS
PERSONAL PROPERTY

State Form 51764 (R / 1-06)
Prescribed by the Department of Local Government Finance

RECEIVED

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Per _____

FORM SB-1 / PP

PRIVACY NOTICE

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

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. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, BEFORE a deduction may be approved
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. The 103-ERA must be filed between March 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 March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001. For equipment installed prior to March 2, 2001, the schedules and statutes in effect at the time shall continue to apply. (IC 6-1.1-12.1-4.5(f) and (g))

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer: Dow AgroSciences, LLC
Address of taxpayer: 9330 Zionsville Road, Indianapolis, IN 46268
Name of contact person: Jamie M. Snead
Telephone number: (989) 638-9137

ORIGINAL

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body: West Lafayette Economic Development Commission
Location of property: Purdue Research Park, Kent Avenue, West Lafayette, IN 47906
County: Tippecanoe
DLGF taxing district number: 79035
Description of manufacturing equipment: The project will buildout laboratory space and install research and development lab equipment. Equipment will provide quality control capability to support the DAS Seed, Traits & Oils business.

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Table with 6 columns: Current number, Salaries, Number retained, Salaries, Number additional, Salaries. Values: 7, 653,000.00, 7, 653,000.00, 27, 1,400,000.00

SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

Table with 8 columns: Manufacturing Equipment (Cost, Assessed Value), R & D Equipment (Cost, Assessed Value), Logist Dist Equipment (Cost, Assessed Value), IT Equipment (Cost, Assessed Value). Includes current values and plus/less values of proposed project.

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: Jamie M. Snead
Title: Senior Tax Analyst
Date signed (month, day, year): 4/8/2011

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

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. Installation of new manufacturing equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____.

D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____.

F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____.

G. Other limitations or conditions (specify) _____

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction on or after July 1, 2000, is allowed for:

- | | |
|-------------------------------------|--------------------------------------|
| <input type="checkbox"/> 1 year | <input type="checkbox"/> 6 years |
| <input type="checkbox"/> 2 years | <input type="checkbox"/> 7 years |
| <input type="checkbox"/> 3 years | <input type="checkbox"/> 8 years |
| <input type="checkbox"/> 4 years | <input type="checkbox"/> 9 years |
| <input type="checkbox"/> 5 years ** | <input type="checkbox"/> 10 years ** |

** For ERA's established prior to July 1, 2000, only a 5 or 10 year schedule may be deducted.

Also we have 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)	Telephone number	Date signed (month, day, year)
Attested by:	Designated body	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5

R & D Equipment – Dow AgroSciences
Tax Abatement Request 4/18/11

Lab Analytical Equipment	\$2.300M
Environmentally Controlled Rooms	\$862 M
Lab furniture and fume hoods	\$681 M
Equipment Monitoring and Alarm System	\$206 M
Emergency Generator	\$243 M
HVAC for Labs	\$785 M
Dust Collection	\$118 M
Air Compressor/ RO Water System / Misc. Utility Systems	\$195 M
Germination Carts	\$341 M
Cold Library Shelving	<u>\$97 M</u>
Total	\$5.828M

Greater Lafayette Commerce Project Assessment System - Property Tax and Incentive Impacts

Operation of DOW 10 yr abatement -- \$2.32M on West Lafayette City-Tsc-B

Year	Property Taxes Net of Incentives			Value of Incentives					
	Real	Personal	Total	Personal Abatement	Term	Real Abatement	Term	Other Incentives	Total
2011	\$0	\$0	\$0	\$21,663	10	\$0		\$0	\$21,663
2012	\$0	\$3,033	\$3,033	\$27,296		\$0		\$0	\$27,296
2013	\$0	\$4,549	\$4,549	\$18,197		\$0		\$0	\$18,197
2014	\$0	\$5,199	\$5,199	\$12,131		\$0		\$0	\$12,131
2015	\$0	\$6,499	\$6,499	\$9,748		\$0		\$0	\$9,748
2016	\$0	\$8,124	\$8,124	\$8,124		\$0		\$0	\$8,124
2017	\$0	\$9,748	\$9,748	\$6,499		\$0		\$0	\$6,499
2018	\$0	\$11,373	\$11,373	\$4,874		\$0		\$0	\$4,874
2019	\$0	\$12,998	\$12,998	\$3,249		\$0		\$0	\$3,249
2020	\$0	\$14,623	\$14,623	\$1,625		\$0		\$0	\$1,625
Total	\$0	\$76,146	\$76,146	\$113,407		\$0		\$0	\$113,407

Tax abatement calculations based on \$2.32M personal property capital investment

Greater Lafayette Commerce Project Assessment System - Property Tax and Incentive Impacts

Operation of DOW 10 yr abatement on West Lafayette City-Tsc-B

Year	Property Taxes Net of Incentives			Value of Incentives					
	Real	Personal	Total	Personal Abatement	Term	Real Abatement	Term	Other Incentives	Total
2011	\$0	\$0	\$0	\$55,092	10	\$0		\$0	\$55,092
2012	\$0	\$7,713	\$7,713	\$69,416		\$0		\$0	\$69,416
2013	\$0	\$11,569	\$11,569	\$46,277		\$0		\$0	\$46,277
2014	\$0	\$13,222	\$13,222	\$30,851		\$0		\$0	\$30,851
2015	\$0	\$16,528	\$16,528	\$24,791		\$0		\$0	\$24,791
2016	\$0	\$20,659	\$20,659	\$20,659		\$0		\$0	\$20,659
2017	\$0	\$24,791	\$24,791	\$16,528		\$0		\$0	\$16,528
2018	\$0	\$28,923	\$28,923	\$12,396		\$0		\$0	\$12,396
2019	\$0	\$33,055	\$33,055	\$8,264		\$0		\$0	\$8,264
2020	\$0	\$37,187	\$37,187	\$4,132		\$0		\$0	\$4,132
Total	\$0	\$193,648	\$193,648	\$288,406		\$0		\$0	\$288,406

10 year abatement savings based on \$5.9M personal property investment.

FACT SHEET

- In partnership with Purdue University, Dow AgroSciences has invested \$1.5 million in West Lafayette as part of a global technology development plan with research & development focused on biotechnology innovation and discovery.
- There are currently eight full-time employees and eleven seasonal employees located at the Herman and Heddy Kurz Purdue Technology Center and Ross Enterprise Center.
- There is a need for a world class quality control lab in support of the rapidly expanding Seeds, Traits & Oils business. Dow AgroSciences is leasing 35,000 sq.ft. of building space at Purdue Research Park and plans to build out the space to use as a commercial seed testing facility. The current Seed Quality Control Lab will be relocated from Marshalltown, IA to the new facility in West Lafayette.
- Dow AgroSciences plans to invest an estimated \$11.6 million to build out the facility. Construction is anticipated to begin in May 2011 and the facility is expected to be operational by September 2011.
- It is estimated that 27 new full-time positions will be created by 2014. The positions will primarily consist of scientists and lab technicians to lead and perform seed quality testing.
- In addition to job creation and capital investment the project will benefit the community by generating new tax revenue, increasing construction contracts and jobs during the build-out phase and creating a healthy investment climate for future growth.