

RESOLUTION NO. RC 2015-10

**A RESOLUTION TO AUTHORIZE THE WEST LAFAYETTE
REDEVELOPMENT COMMISSION TO APPLY TO THE
INDIANA ECONOMIC DEVELOPMENT CORPORATION FOR
DESIGNATION OF A CERTIFIED TECHNOLOGY PARK**

WHEREAS, Indiana Code 36-7-32, as amended (“Act”), authorized a redevelopment commission and the legislative body of a city to enter into an agreement with the Indiana Economic Development Corporation (“IEDC”) establishing the terms and conditions governing a certified technology park (“CTP”) under §11 of the Act; and

WHEREAS, the City of West Lafayette, Indiana (“City”) has completed an application to the IEDC to designate a CTP known as the Purdue Research Park Aerospace District CTP (“PRPAD”) as further described in the application which is substantially in its final form as attached hereto (“Application”); and

WHEREAS, the West Lafayette Redevelopment Commission (“Commission”) has investigated the proposed PRPAD and found that it meets the criteria listed in the Act for the designation of a CTP; and

WHEREAS, the Commission has determined not to include in the Application the capture of property tax increment in the PRPAD which is located within the boundaries of the Purdue 231 Allocation Area and the Commission is already capturing the increment in that area; and

WHEREAS, the Common Council of the City will consider the authorization of the submission of the Application at its meeting on July 6, 2015.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF WEST LAFAYETTE REDEVELOPMENT COMMISSION, AS FOLLOWS:

1. The West Lafayette Redevelopment Commission hereby finds that:
 - a. Rolls Royce Corporation (“Rolls Royce”) has demonstrated a firm commitment to engage in high technology activity creating a significant number of jobs.
 - b. Rolls Royce has received significant support from Purdue University as shown in the application.
 - c. Purdue University has demonstrated a significant commitment to the commercialization of research produced at the PRPAD as evidenced by the intellectual property and tenure policies that reward faculty and staff for commercialization and collaboration with private businesses.
 - d. PRPAD will be developed to take advantage of the unique characteristics and specialties offered by the public and private resources available in the West Lafayette and Tippecanoe County area.

e. As shown in the Application, business incubators are proposed for development within the CTP and will exhibit:

i. Significant financial and other types of support from the public or private resources in the area;

ii. A business plan exhibiting the economic utilization and availability of resources and a likelihood of successful development of technologies and research into viable business enterprises;

iii. A commitment to the employment of a qualified full-time manager to supervise the development and operation of the business incubator.

2. There exists a business plan for the CTP that has the following identifiable objectives

a. A commitment to new business formation;

b. Clustering of businesses, technology and research;

c. The availability of and a method for the development of infrastructure and other improvements, including telecommunications technology to develop the CTP;

d. The financial support of Purdue Research Foundation.

3. The Application provides assurance that the proposed PRPAD can be developed to principally contain property that is primarily used for, or will be primarily used for, a high technology activity or a business incubator.

4. Subject to the approval of the Application by the Common Council, the Commission hereby approves the Application, authorizes the Mayor to submit the Application to the IEDC, the Director of Development and the Commission attorney to negotiate the terms of an agreement with the IEDC regarding the designation of the PRPAD and the collection of revenues (other than property tax increment) authorized by the Act. The form of agreement shall be submitted to the Commission for approval prior to execution.

5. This Resolution shall be effective upon adoption.

ADOPTED at a meeting of the West Lafayette Redevelopment Commission held on June 17, 2015 at the Morton Community Center, 222 N. Chauncey, West Lafayette, Indiana 47906.

**WEST LAFAYETTE REDEVELOPMENT
COMMISSION**

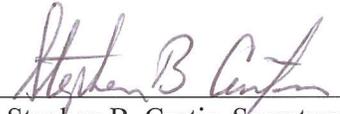
By: _____



Lawrence T. Oates, President

ATTEST:

By: _____



Stephen B. Curtis, Secretary

For Official Use Only:

Staff: BD: _____ DFO: _____ Actions: SV: _____ Date Sent: _____
Lead: _____ OV: _____ Date Received: _____

**INDIANA ECONOMIC DEVELOPMENT CORPORATION
CERTIFIED TECHNOLOGY PARK APPLICATION**

I. UNIT OF LOCAL GOVERNMENT

1) Applicant: West Lafayette Redevelopment Commission

Check One: Municipality

Township

County

Mailing Address: 222 North Chauncey Avenue

City: West Lafayette State: IN Zip: 47906

County: Tippecanoe Federal I.D. Number: 35-6001233

Phone: (765) - 775-5160 Fax: (765) - 775-5196

2) Chief Executive Official: Lawrence Oates

C.E.O. Title: President, Redevelopment Commission

Name of Clerk Treasurer/Auditor/Controller: Judith Rhodes

3) Contact Person: Chandler Poole

Contact Person's Title: Director of Development

Phone: (765) - 775-5160 Fax: (765) - 775-5196

4) Applicant has a (check one):

Department of Redevelopment/ Redevelopment Commission

Department of Metropolitan Development as the Redevelopment Commission of a Consolidated City

5) Legal Description of proposed Certified Technology Park (If necessary, attach additional page.):

NOTE: Boundaries of the proposed Park must be entirely within the jurisdiction of the applicant's Redevelopment Commission.

Attached

II. High Technology Company Information:

1) Company Name: Rolls Royce Federal I.D. No. 35-1899021
 Street Address: P.O. Box 420, Speed Code MC-S7-03 County: Marion
 City: Indianapolis State: IN Zip: 46206 Email: _____
 Phone: (____) _____ Fax: (____) _____ Internet Address: _____
 2) Company's Senior Officer: Pat Marolda Title: Chief Operation Officer, Defense
 3) Contact Person: Michael Welcher Title: Sr. Mgr - Financial Planning & Reporting
 Phone: (317) 230-4180 Fax: (____) _____ Email: michael.welcher@rolls-royce.com

A. Additional Information

1) List company NAICS Code 336412 2) List product(s) manufactured or service(s) provided by the company. Power systems
 provider, designing, manufacturing and supporting a range of products and services for air, sear and land applications.

2) The company's activities include at least one of the following (Check all applicable activities):

- Advanced Computing Advanced Materials Biotechnology
 Electronic Device Technology Engineering or Laboratory Testing Related to Development of a Product
 Technology Assisting in the Assessment or Prevention of Threats or Damage to Human Health or the Environment
 Medical Device Technology Product Research and Development
 Advanced Vehicles Technology

3) Has the applicant received a Letter of Intent from the Company To Locate in the Park? Yes No

4) Annual revenue of Company last year: \$20,286,904,444 b.) Prior year: _____

5) Does the Company have any outstanding regulatory issues with any state government agencies Yes No (If Yes, explain below)

B. Company Narrative. Please attach a brief narrative history of the company, including ownership, business operations, and product market. (Label as Attachment A)

C. Employment Information: (Full-time Employment Only)

1) List the Company's current level of employment 4300 2) Level of employment one (1) year ago. 4300

3) List total annual payroll of the Company's Indiana operation \$ 322,500,000.00

4) List the new employees job title (e.g., software engineer, machinist) and wage levels. Identify the job-skill level (skilled, semi-skilled, unskilled). Include only full-time permanent, company employees. (Attach additional sheets if necessary)

# FT Jobs	Job Title	Skill Level	Current W/O Fringes	Wages With Fringes
5	Engineer	Skilled	\$ 75,000.00	\$ 98,000.00
60	Purdue Graduate Research Assistant	Skilled	\$ 30,000.00	\$ 42,000.00
6	Research Engineer	Skilled	\$ 75,000.00	\$ 98,000.00
10	Research Faculty	Skilled	\$ 80,000.00	\$ 110,000.00

81 = Total Net New Hires

Project Information:

Attach as Attachment B a brief narrative that specifically describes the following requirements for approval of current and future applications for Certified Tech Park (CTP) status and grants from the Technology Development Grant Fund:

1. Submission of a viable business plan that establishes a clear strategy for long-term growth.
2. Demonstration that designation of the CTP creates an opportunity to attract a specific high-tech business.
3. Agreement on behalf of the applicant that funds from the CTP's tax increment account and grants awarded from the Technology Development Grant Fund will be expended according to CTP guidelines.
4. Agreement on behalf of the applicant that IEDC may revoke the tax increment and recapture rights of the technology park in the event of noncompliance with any part of the agreements of the community, redevelopment commission, or any tenant of the park.
5. Evidence of local government financial participation in the establishment of the CTP.
6. An agreement with an Indiana institution of higher education requiring that institution to make a meaningful monetary or in kind contribution to the park.
7. Agreement between IEDC and the applicant regarding
 - a. The types of businesses eligible to locate in the park; and
 - b. The types of businesses located within the park from which revenue may be recaptured for use within the park.

Technology Park Incubator Information:

Will there be an incubator associated with the Technology Park? Yes No (If yes, please describe as Attachment C)

COMPANY DISCLOSURE:

Please answer the following and explain all yes responses on a separate page.

- Yes No 1. Is the company presently involved in any litigation, which would have a material adverse effect on the company's and/or principals' financial condition?
- Yes No 2. Has the company or its affiliates ever been involved in bankruptcy, creditor's rights, or receivership proceedings or sought protection from creditors?
- Yes No 3. Has any member of the company's management (Officers, etc.), been convicted of any felony?
- Yes No 4. Has the company or any member of the management been under indictment or investigation by a public agency for a violation of a state or federal statute?

Please answer the following and explain all no responses on a separate page.

- Yes No 5. Is the company in good standing with Indiana Department of Revenue?
- Yes No 6. Is the company in good standing with the Indiana Department of Environment Management?
- Yes No 7. Is the company in good standing with the Indiana Department of Workforce Development?
- Yes No 8. Is the company in good standing with the Indiana Department of Natural Resources?

APPLICANT CERTIFICATION:

I affirm that data in this application are true and correct to the best of my knowledge.

APPLICANT AUTHORIZATION:

Signature: _____

Date: _____

6-9-15

Name: John R. Dennis

Title: Mayor

(Mayor, County Commissioner, Town Board President, or duly authorized representative)



Attachment A

Company Narrative

Rolls Royce has been present in North America for over 100 years and employs over 9,000 in North America. Rolls Royce is a leading aerospace industry supplier in the United States. Rolls Royce designs, manufactures, tests, engineers and sells power systems.

Rolls Royce produces commercial and military gas turbine engines for military, civil and corporate aircraft customers. Rolls Royce also delivers enabling, manufacturing, nuclear and materials technology. In addition, Rolls Royce also invests in research programs, advanced manufacturing research centers and research and university technology centers.



Attachment B

Purdue Research Park – Aerospace District CTP EXECUTIVE SUMMARY

The Purdue Research Foundation (PRF), Purdue University and The City of West Lafayette are pleased to submit this application supporting the formation of a Certified Technology Park (CTP) to be called the Purdue Research Park - Aerospace District CTP.

PRF has a proven track record of success developing technology parks. The Purdue Research Park north of the Purdue campus was the first CTP in the state. The \$5M realized through the distribution of CTP funds has been an integral part of what has become one of the world's leading economic development success stories. Together the Purdue Research Foundation and Purdue have refined the ability to leverage such public investment into tangible benefits for the local and state economies.

PRF, through its research parks, now provides a \$1.2B economic impact annually on the State of Indiana, as outlined in a report by J.P. Miller and Associates (attached). More than 200 companies call the parks home. Those companies employ more than 4,000 Hoosiers in a wide variety of market segments, including all of the categories targeted in the CTP program.

Now, expanding technical expertise at Purdue, award winning business development programming at PRF, and strong community support by the City of West Lafayette are again aligned, this time to focus specifically on aerospace, astronautics, aeronautics, aviation and advanced materials. Several large companies have indicated interest in this development effort and we believe the announcement of a new 960-acre CTP focused on aerospace will again not only demonstrate significant state support, but as it has in the past, help supercharge the economic development effort.

Significant Purdue University and Purdue Research Foundation Support

The proposed Purdue Research Park (PRP) Aerospace District CTP is adjacent to the Purdue University campus. The Purdue Airport and the immediately surrounding acreage, all which is located within the boundary of the proposed CTP, is also home to many of the university's world leading aeronautics, astronautics and aviation

technology programs, as well as its flight training and aviation management programs.

The proposed CTP will include the long-established Maurice J. Zucrow Labs, a high-tech complex that consists of 7 buildings housing 22 individual laboratories focused on gas turbine and rocket combustion, energetic materials, turbo machinery, laser diagnostics and automotive combustion as well. The facility has garnered more than \$57M worth of contracts with both a healthy industrial component and major interactions with NASA, DoD, and DOE.

Zucrow is also home to a professional machine shop, and air compressors and air tanks capable of delivering 3300 cubic feet of air at 2200 psi. The recent \$1.5M investment makes Zucrow the nation's most capable air system that also includes new capability to deliver air at temps as high as 1500F at high flow rates. The next step is a \$5.5M new building that will triple the high-pressure lab's capabilities with five new test cells. The laser lab adjacent to all five cells will provide state-of-the-art capability to employ the most advanced diagnostics, making it one of the most capable labs in the world.

Associated with 8 of the 22 individual labs are a total of 18 "hazard" test cells and 4 "high hazard" test cells. The lab also offers a 72-seat auditorium, a conference room, office space for 75 researchers, and onsite clerical, business office, and technical support.

Encompassing world-leading research in aeronautics, astronautics, aviation and materials engineering make this proposed CTP uniquely positioned to take advantage of numerous opportunities to expand on already existing and new synergistic relationships between private high-tech companies and Purdue. Additional significant support is as follows:

Commercialization of Intellectual Property

Within the Purdue Research Foundation, the Office of Technology Commercialization (OTC) works closely with Purdue University faculty in the disclosure of new discoveries. Ultimately, this leads to patents and licenses to private high-tech firms. OTC has a strong preference to work with Indiana companies and places highest priority on those companies that will locate in the Purdue Research Parks, like the one proposed for the Aerospace District CTP, because of the resources provided to PRP companies. In 2014, a record 24 new companies were formed based on Purdue-licensed technologies. A copy of the OTC "Class of 2014 Startups" is attached.

Business Assistance & Access to Facilities, Lead to High-Paying Jobs

Examples of PRP-based resources include the Purdue Foundry, the Purdue Technology Centers high-tech incubation programs, the Purdue Technical Assistance

Program (TAP) and the Trask Pre-Seed Capital Investment Program, which has been used to support spin-off companies based on Purdue technologies.

The Purdue Foundry, which is funded and staffed by the Purdue Research Foundation and focused on assisting Purdue faculty, staff and student entrepreneurs by helping them assess and validate the commercial viability of their high-tech innovations and business ideas. The majority of the companies that emerge from the Foundry will find permanent homes in the Purdue Research Parks. Others build partnerships with larger corporations that hire hundreds of Purdue students annually, creating new jobs in the local economies surrounding the parks.

The Purdue Technology Centers (PTCs) are high-tech business incubators located in each of the Purdue Research Parks. The PTCs made up the *Incubator Network of the Year* in 2014, as awarded by the National Business Incubation Association. Similar incubation space and programing will be available in the new CTP as well.

These world leading incubation programs include both the availability of quality labs and offices, as well as shared conference and other facilities, helping young fast-growing companies expand and add high paying jobs. The average wage in the PRPs, like the one proposed for the Aerospace District CTP is \$63,000 per year. In fact, the average wage in the Aerospace District will likely be higher, because of the advanced nature of the expertise required in the aerospace and aviation industries. For example, the average wage at Zucrow Labs currently is \$81,875 per year.

The Purdue Research Parks and Purdue University also offer economic gardening, publicity, human resources and other shared facility and programing help to park companies, along with connections to university intern and employment programs. These programs help companies connect to the talented students emerging from the various undergraduate and graduate level programs on campus.

The PRP programs lead to partnerships with larger corporations that hire hundreds of Purdue students annually, creating new jobs in the local economies surrounding the parks. These corporations have already created thousands of jobs in West Lafayette alone.

The Technical Assistance Program (TAP) was created to help companies resolve technical issues in the areas of advanced manufacturing, information technology and life sciences. The Aerospace District will be attractive to companies operating in all of these arenas. TAP also provides support in the areas of placement of Purdue graduates. Companies in the PRPs have a tremendous opportunity to utilize the resources TAP provides.

Telecommunication Facilities and Infrastructure

The Purdue Research Parks, including the Aerospace District CTP will be connected to Purdue University and the world via fiber. This network allows those companies

working closely with Purdue to utilize a direct connection. The fiber network also enables the Purdue Research Foundation to provide low cost high-speed internet access to companies locating in the parks.

Financial Commitments

The Purdue Research Foundation provides financial support for the Office of Technology Commercialization and the business assistance programming available to all companies located in the Purdue Research Parks. In addition, the Purdue Research Foundation provides resources for the creation and management of facilities like the Purdue Technology Centers and for the development of the infrastructure in the Purdue Research Parks.

Companies like Rolls Royce and GE have indicated interest and support of the development of the PRP-Aerospace District. Rolls Royce will invest \$48M on the development of its next generation engines. The IEDC, PRF, and Purdue believe the approval of the CTP will clearly demonstrate total community support for these companies increasing their commitment to grow and expand here. As part of that effort, Purdue has committed \$32.8M worth of funding that will run parallel and complement the private investment through the development of facilities with expanded technical capabilities.

PRF is also working with other companies that wish to remain anonymous for now, that are considering significant manufacturing facilities that will, among other things, provide advanced materials for the aviation industry. Parallel to that effort, PRF is in development on another \$50M project that could ultimately provide new office, lab and some retail space that becomes home up to 2,000 new jobs.

Support by the City of West Lafayette

As with the Purdue Research Park north of campus, the City of West Lafayette remains a huge supporter of PRF's park development efforts. Through its redevelopment commission, the city will be contributing funds from its recently established "231 Purdue Economic Development Area" tax increment finance (TIF) district. This TIF includes the area proposed as the new CTP. A map of the new TIF district is attached as well. The TIF funds will be applied to various needed infrastructure improvements, including streets, utilities, lighting and other construction. Working together, West Lafayette and the Purdue Research Foundation will leverage their combined resources to ensure a solid future for the Purdue Research Park - Aerospace District and economic progress for the city, region and state.

Utilization of the Certified Technology Park Program

The Certified Technology Park program will be used for the purposes set forth in the act. Current priorities include the development of high tech incubation space for entrepreneurial companies focused on technologies focused on the aerospace and

aviation industries. This development would leverage current capacity through expansion of existing facilities, creation of new facilities and creation of enhanced or specialized facilities. Although a telecommunications network exists, it is limited to a small number of existing buildings. Certified Technology Park funds can be used to expand the network to new and existing facilities with the intent of providing more opportunities for companies to access high quality telecommunications infrastructure and providers.

In Conclusion

Purdue University continues to demonstrate and expand its world-leading expertise in a number of technical disciplines that are incredibly attractive to the leading companies in aerospace, aeronautics, astronautics and aviation. The time is right for the development of the Purdue Research Park – Aerospace District and state approval of a new Certified Technology Park focused on Aerospace will send a clear signal that the State, the City of West Lafayette, Purdue and the Purdue Research Foundation are committed to such an effort and open for business.

Together, West Lafayette and the Purdue Research Foundation are leveraging their combined resources to ensure a solid future for the proposed Aerospace District CTP, including planned recruiting missions to the world's largest aviation and aerospace exhibition at the Paris Air Show in June. Additionally, the Purdue Research Foundation has committed \$50,000 to help facilitate the region's and the state's marketing and informational efforts to promote the new Aerospace District at that event.

