

RESOLUTION NO. 4-05

**A RESOLUTION APPROVING THE DESIGNATION OF
AN ECONOMIC REVITALIZATION AREA FOR
PROPERTY TAX ABATEMENT FOR BUTLER SERVICES,
INC. D/B/A BUTLER TECHNICAL GROUP AND/OR
PURDUE RESEARCH FOUNDATION**

WHEREAS, Indiana Code chapter 6-1.1-12.1 allows a partial abatement of property taxes attributable to new manufacturing equipment and a partial abatement of property taxes attributable to research and development equipment in Economic Revitalization Areas;

WHEREAS, Indiana Code chapter 6-1.1-12.1 allows a partial abatement of property taxes attributable to certain real estate redevelopment, improvement or rehabilitation in Economic Revitalization Areas;

WHEREAS, Indiana Code chapter 6-1.1-12.1 empowers the Common Council to designate Economic Revitalization Areas by following a procedure involving the adoption of a preliminary resolution, provision of public notice, conducting of a public hearing and adoption of a final resolution confirming the preliminary resolution or a modified version of the preliminary resolution;

WHEREAS, the businesses, Butler Services, Inc. d/b/a Butler Technical Group and/or Purdue Research Foundation (called applicants), named above and in the attachments to this resolution, which attachments are incorporated by reference, have an ownership interest in the geographic area (called subject real estate) described in such attachments;

WHEREAS, the applicants have requested that the subject real estate be designated as an Economic Revitalization Area for the purpose of achieving property tax savings in connection with the installation and rehabilitation of new research and development equipment/new manufacturing equipment (called New Equipment) identified in such attachments; and

WHEREAS, evidence and testimony were considered by the Common Council.

WHEREAS, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF WEST LAFAYETTE that:

Section 1. The Common Council, after consideration of the applications and Statements of Benefits contained in the attachments and the evidence presented finds that:

The estimate of the cost of the rehabilitation and installation of New Equipment (both manufacturing equipment and research and development equipment) is reasonable for equipment of that type.

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 rehabilitation and installation of New Equipment.

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 installation of New Equipment.

Other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described installation of New Equipment.

The totality of benefits is sufficient to justify the deduction.

Section 2. The Common Council designates, finds and establishes the subject real estate an Economic Revitalization Area, subject to final confirmation after public hearing. This designation is subject to the condition that designation allows abatement of property taxes only as follows: installation of research and development equipment (New Equipment) for a period of three years. However, on the written request of the applicants, the Director of the Department of Development is allowed to authorize, in writing, substitutions, modifications and additions to the tax abatement set forth above and in the attachments which are not substantial in nature to the specified rehabilitation and installation of New Equipment before March 1st of the year in which the initial certified deduction application for rehabilitation and installation of New Equipment is filed with the Tippecanoe County Auditor and the State Board of Tax Commissioners.

Section 3. The Economic Revitalization Area designation terminates two years after the date of the final resolution. Accordingly, partial abatement of property taxes is allowed, to the extent provided above relative to specified rehabilitation and installation of New Equipment on the subject real estate during the period from the date of the submission of the Statement of Benefits, December 8, 2004, by Butler Services, Inc. d/b/a Butler Technical Group, and the date of the submission of the Statement of Benefits, January 25, 2005, by Purdue Research Foundation, until two years after adoption of the final resolution. However, termination of this designation does not limit the period of time to a period of less than the applicants or successor owner is entitled to receive a partial abatement of property taxes relative to specified installation of New Equipment on the subject real estate before the termination of such designation, as provided by Indiana Code chapter 6-1.1-12.1.

Section 4. The partial abatement of taxes attributed to the installation of New Equipment is subject to limitations contained in the Statements of Benefits, which are a part of the attachments to this resolution.

This resolution shall be in full force and effect from and after its passage and signing by the Mayor.

INTRODUCED AND FILED ON _____, 2005.

PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE CITY OF WEST LAFAYETTE, INDIANA ON _____, 2005, HAVING BEEN PASSED BY A VOTE OF ____ IN FAVOR AND ____ OPPOSED.

Presiding Officer

Attested:

Clerk-Treasurer

PRESENTED BY ME TO THE MAYOR OF THE CITY OF WEST LAFAYETTE, INDIANA ON _____, 2005, AT THE HOUR OF _____ .M.

Clerk-Treasurer

THIS RESOLUTION APPROVED AND SIGNED BY ME ON _____, 2005, AT THE HOUR OF _____ .M.

Jan H. Mills, Mayor

Attested:

Clerk-Treasurer



STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (5-04)
Prescribed by the Department of Local Government Finance

FORM
SB - 1 / PP

JAN 25 2005
RECEIVED

INSTRUCTIONS:

- 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)
- 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
- To obtain a deduction, Form 322 ERA/PPME and/or Form 322 ERA/PP Other, must be filed with the county auditor. Form 322 ERA/PPME and/or Form 322 ERA/PP Other 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 becomes assessable, 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.
- Property owners whose Statement of Benefits was approved after June 30, 1991 must submit Form CF-1 annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
- The schedules established under IC 6-1.1-12.1-4(d) and IC 6-1.1-12.1-4.5(e) effective July 1, 2000 apply to any statement of benefits filed on or after July 1, 2000. The schedules effective prior to July 1, 2000 shall continue to apply to those statement of benefits filed before July 1, 2000.

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer: **Butler Services, Inc. DBA Butler Technical Group**

Address of taxpayer (street and number, city, state and ZIP code):
110 Summit Ave., Montvale, NJ 07645

Name of contact person: **Catherine O. June** Telephone number: **(201) 476-5473**

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body: **City of West Lafayette** Resolution number: _____

Location of property: **Purdue Research Center, Whirlpool Building** County: **Tippecanoe** Taxing district: _____

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):
Furniture & Fixtures, PC's; software related to airframe design, drafting, engineering and analysis for helicopters

	ESTIMATED	
	Start Date	Completion Date
Manufacturing Equipment		
R & D Equipment	Feb. 2005	Dec. 2007
Logist Dist Equipment *		
IT Equipment *		

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
0	0	40	3mil	310	18.9 mil

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			250K					
Plus estimated values of proposed project			1,950K					
Less values of any property being replaced								
Net estimated values upon completion of project			2,200K					

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted (pounds) **N/A** Estimated hazardous waste converted (pounds) **N/A**

Other benefits:
N/A

SECTION 6 TAXPAYER CERTIFICATION

I hereby certify that the representations in this statement are true.

Signature of authorized representative: Title: **Vice President - Tax** Date signed (month, day, year): **1/10 12/12/2004**

* See IC 6-1.1-12.1-2.3.

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 after July 1, 2000 is allowed for:
- | | | |
|-------------------------------------|--------------------------------------|---|
| <input type="checkbox"/> 1 year | <input type="checkbox"/> 6 years | ** For ERA's established prior to July 1, 2000 <u>only</u> a 5 or 10 year schedule may be deducted. |
| <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 ** | |

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: (<i>signature and title of authorized member</i>)	Telephone number	Date signed (<i>month, day, year</i>)
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



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (5-04)

Prescribed by the Department of Local Government Finance

**FORM
SB - 1 / PP**

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 installing 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, Form 322 ERA/PPME and/or Form 322 ERA/PP Other, must be filed with the county auditor. Form 322 ERA/PPME and/or Form 322 ERA/PP Other 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 becomes assessable, 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 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(d) and IC 6-1.1-12.1-4.5(e) effective July 1, 2000 apply to any statement of benefits filed on or after July 1, 2000. The schedules effective prior to July 1, 2000 shall continue to apply to those statement of benefits filed before July 1, 2000.

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer
Purdue Research Foundation

Address of taxpayer (street and number, city, state and ZIP code)
Purdue Technology Center, 3000 Kent Avenue, West Lafayette, IN 47906

Name of contact person
Michelle L. White, Vice Pres./Finance

Telephone number
765-494-8645

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body
City of West Lafayette

Resolution number

Location of property
Purdue Research Center, Whirlpool Building

County
Tippecanoe

Taxing district

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)
Furniture & Fixtures, PCs & software related to airframe design, drafting, engineering and analysis for helicopters. See Statement attached.

	ESTIMATED	
	Start Date	Completion Date
Manufacturing Equipment		
R & D Equipment	Feb. 2005	Dec. 2007
Logist Dist Equipment *		
IT Equipment *		

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

Current number	Salaries	Number retained	Salaries	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			250 k					
Plus estimated values of proposed project			1,950 k					
Less values of any property being replaced								
Net estimated values upon completion of project			2.21 M					

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted (pounds) **N/A** Estimated hazardous waste converted (pounds) **N/A**

Other benefits:

SECTION 6 TAXPAYER CERTIFICATION

I hereby certify that the representations in this statement are true.

Signature of authorized representative
Michelle L. White

Title
VP. Finance & Asst. Treasurer

Date signed (month, day, year)
1-25-2005

* See IC 6-1.1-12.1-2.3.

Attachment to Purdue Research Foundation Statement of Benefits
(Form SB-1/PP)

The research and development equipment described in the Statement of Benefits will be owned by Purdue Research Foundation and leased to Butler Services DBA Butler Technical Group for use in its operations at the Purdue Research Center in West Lafayette, Indiana. With respect to Section 3 of the Statement of Benefits, the representation of Butler Services DBA Butler Technical Group in the attached Statement of Benefits is incorporated by reference.

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 after July 1, 2000 is allowed for:
- | | | |
|-------------------------------------|--------------------------------------|---|
| <input type="checkbox"/> 1 year | <input type="checkbox"/> 6 years | ** For ERA's established prior to July 1, 2000 <u>only</u> a 5 or 10 year schedule may be deducted. |
| <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 ** | |

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



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (5-04)

Prescribed by the Department of Local Government Finance

**FORM
SB - 1 / PP**

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, Form 322 ERA/PPME and/or Form 322 ERA/PP Other, must be filed with the county auditor. Form 322 ERA/PPME and/or Form 322 ERA/PP Other 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 becomes assessable, 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 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(d) and IC 6-1.1-12.1-4.5(e) effective July 1, 2000 apply to any statement of benefits filed on or after July 1, 2000. The schedules effective prior to July 1, 2000 shall continue to apply to those statement of benefits filed before July 1, 2000.

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer: Butler Services, Inc. DBA Butler Technical Group

Address of taxpayer (street and number, city, state and ZIP code):
110 Summit Ave., Montvale, NJ 07645

Name of contact person: Catherine O. June Telephone number: (201) 476-5473

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body: City of West Lafayette Resolution number: _____

Location of property: Purdue Research Center, Whirlpool Building County: Tippecanoe Taxing district: _____

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):
Furniture & fixtures, PC's; software related to airframe design, drafting engineering and analysis for helicopters

	ESTIMATED	
	Start Date	Completion Date
Manufacturing Equipment		
R & D Equipment	<u>Feb. 2005</u>	<u>Dec. 2007</u>
Logist Dist Equipment *		
IT Equipment *		

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

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
<u>0</u>	<u>0</u>	<u>40</u>	<u>3mil</u>	<u>310</u>	<u>18.9 mil</u>

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			<u>250K</u>					
Plus estimated values of proposed project			<u>1,950K</u>					
Less values of any property being replaced								
Net estimated values upon completion of project			<u>2,210K</u>					

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted (pounds) N/A Estimated hazardous waste converted (pounds) N/A

Other benefits:
N/A

SECTION 6 TAXPAYER CERTIFICATION

I hereby certify that the representations in this statement are true.

Signature of authorized representative: [Signature] Title: Vice President - Tax Date signed (month, day, year): 10/12/2004

* See IC 6-1.1-12.1-2.3.

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; Yes No
 - 2. Installation of new research and development equipment; Yes No
 - 3. Installation of new logistical distribution equipment. Yes No
 - 4. Installation of new information technology equipment; Yes 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 after July 1, 2000 is allowed for:

- 1 year
- 2 years
- 3 years
- 4 years
- 5 years **
- 6 years
- 7 years
- 8 years
- 9 years
- 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

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

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" attached to this document. Please be sure that you also fill out the additional "supplementary" information sheets also attached.

SECTION I-- APPLICANT

- 1. Name of Applicant: Butler Services, Inc. DBA Butler Technical Group
- 2. Address: 110 Summit Ave.
Montvale, NJ 07645
- 3. Date Organized or Incorporated: June 6, 1986
- 4. Chief Executive Officer: Edward M. Kopko
- 5. Principal Contact or Agent: James Beckley
- 6. Principal Office Address: 800 Hillview Court, Suite 110
Milpitas, CA 95035
- 7. Name of Parent Company (if any): Butler International, Inc.
- 8. Address of Parent Company (if any): 110 Summit Ave.
Montvale, NJ 07645

Phone: (201) 476-5430

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

- Real Property Tax Abatement
- Personal Property Tax Abatement (New Manufacturing Equipment)
- 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
- b. relevant financial information, e.g. annual report, etc.

See attached

SECTION II-- LOCATION OF IMPROVEMENT

11. Location of Site: Purdue Research Center (Whirlpool Building)

12. Assessor's Parcel (key) #: _____

13. Owner of Property: Purdue Research Foundation

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

____ Yes No

If yes, describe: _____

SECTION III-- NATURE OF THE IMPROVEMENT

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

Airframe design, drafting, engineering and analysis for helicopters.

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

services provided in Item 15 above

Real Property or Manufacturing Improvements:

Personal Property (New Manufacturing Equipment/R&D/Lab Equipment):

High-end personal computer operating systems with CATIA software

- 17. Cost of the real property or manufacturing improvements (excluding land costs): N/A
- 18. Size of the facilities to be constructed (in square feet), if any: N/A (taking over whirlpool Bldg.)
- 19. Cost of the new manufacturing equipment to be installed: None
- 20. What is the timetable for the start and completion of project?: Jan. 05 - Dec. 07
- 21. When is completion expected?: December 2007
- 22. How many permanent employees employed as a result of this project?: 350
- 23. In what type of employment will they be engaged?: Computer aided aircraft airframe design, drafting, engineering and analysis for helicopters.
- 24. Estimate of the additional annual payroll to be produced at the end of:
1 year \$ 10.8 mil 3 years \$ 18.9 mil.
- 25. Will the project result in any pollution?: No

air	water	noise	other
_____	_____	_____	_____

Explain:

- 26. Will the project require a rezoning, variance, or zoning approval before construction is initiated? _____ yes _____ no
If yes, explain:
- 27. 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.):
- 28. With what businesses will you directly compete in the Greater Lafayette Area?: N/A

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 area?

Airframe design, drafting, engineering and analysis for helicopters for Sikorsky at United Technologies Corp. of Hartford, CT.

29. 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?

N/A

SECTION IV-- ADDITIONAL APPLICANT INFORMATION

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

Yes _____ no If yes, explain:

31. Has the applicant ever applied for or benefited from any tax abatement in any other project in the State of Indiana or elsewhere? _____ Yes No

If yes, explain:

SECTION V-- ANNUAL REPORT & HISTORY OF COMPANY

32. Is there any pending litigation materially affecting the applicant?:

_____ Yes No If yes, please describe (or have counsel for the applicant describe) giving procedural posture of the case(s):

33. Are there any restrictions 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 this project? _____ Yes No

If yes, explain:

34. Certified Public Accountant: Craig S. Tireman

35. Commercial Bankers: GE Capital Corp.

36. Company Counsel: Richard S. Paras

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



Signature of Applicant

Vice President - Tax

Position

12/8/2004

Date Submitted

Renee Ward

Company Contact Person.

110 Summit Ave., Montvale, NJ 07645

Address

Phone: (201) 476-5430

Fax: (201) 573-0049

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

To be completed by applicant

R&D/LAB, MANUFACTURING OR COMMERCIAL

Is this request for:

_____ improvements to real estate

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 10 years equip.

Number of jobs for residents of the Greater Lafayette area:

<u>Current</u>	<u>Retained</u>	<u>Additional</u>
Engineering <u>0</u>	Engineering <u>40</u>	Engineering <u>310</u>
Sales _____	Sales _____	Sales _____
Administration _____	Administration _____	Administration _____
Manufacturing _____	Manufacturing _____	Manufacturing _____
Maintenance _____	Maintenance _____	Maintenance _____
Other (Specify) _____	Other(Specify) _____	Other(Specify) _____

Salaries of jobs for residents of the Greater Lafayette area:

<u>Current</u>	<u>Retained</u>	<u>Additional</u>
Engineering <u>0</u>	Engineering <u>3 mil</u>	Engineering <u>18.9 mil</u>
Sales _____	Sales _____	Sales _____
Administration _____	Administration _____	Administration _____
Manufacturing _____	Manufacturing _____	Manufacturing _____
Maintenance _____	Maintenance _____	Maintenance _____
Other (Specify) _____	Other(Specify) _____	Other(Specify) _____

Payroll Categories:

Retained

up to \$20,000
 \$20,000 to \$28,000
 \$28,001 to \$35,000
 greater than \$35,000

Additional

up to \$20,000
 \$20,000 to \$28,000
 \$28,001 to \$35,000
 greater than \$35,000

Explanation of how the number of jobs were calculated and the time frame for reaching full employment

level: Sr. Management in conjunction with Sikorsky Sr. engineering management determined ramp-up and needs based on current work load and anticipated work load.

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

High-end PC's - as salaried employees are ramped up - Pool 2
 Office F & F - 1st Qtr. 05, minor additions thru Dec. 07 - Pool 2

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

Butler is making this application for abatement to offset the initial set-up costs for the design and engineering center in the Purdue Research Park. A mitigating factor in Butler's decision to set-up the center in the Lafayette/West Lafayette Community was the possibility of tax abatement available to us.

Butler's Corporate History

Making History Since the 1940s

With a corporate history that traces back to the 1940s, Butler originally served the aviation industry exclusively. Chicago Industrialist, Paul Butler, founded Butler in 1947. Recognizing a trend in aviation following World War II, Butler opened its doors at Midway Airport in the city of Chicago, at the time, the busiest airport in the world. From then the company went on to become the largest chain of FBO's in the world covering the major cities of the U.S.

After recognizing other markets, the Company quickly diversified, beginning with the purchase of International Transport, the largest oversize and over weight trucking company in the US in 1964. In 1970 Butler Service Group was started, which provided technical services and additional value businesses. In 1968 the company was listed on the American Stock Exchange and later changed to NASDAQ in 1978.

Butler Today - Structured for Optimum Customer Service

Butler has since grown and changed to become a TechOutsourcing company with 29 offices and over 3,200 employees worldwide. The principal executive offices of the Company are located at 110 Summit Avenue, Montvale, New Jersey. Butler is a publicly traded company on NASDAQ under the National Market Symbol BUTL. The Company's revenue for 2003 was \$209 million.

Committed to customer service, Butler is optimally structured to provide technical services to companies worldwide through four certified business divisions: Butler Technology Solutions[®], Butler Telecom[®], Butler Technical Group[®], and Butler Fleet Services[®].