

## AGENDA RESERVATION REQUEST

### CITY OF FRANKLIN COMMON COUNCIL

Please type or print

<b>Date Submitted:</b>	1/29/14	<b>Meeting Date:</b>	2/3/14
<b>Contact Information:</b>			
<b>Requested by:</b>	Krista Linke, Community Development Director		
<b>On Behalf of Organization or Individual:</b>			
		Rexam Consumer Plastics, Inc.	
<b>Telephone:</b>	317-736-3631		
<b>Email address:</b>	klinke@franklin.in.gov		
<b>Mailing Address:</b>	70 E. Monroe St., Franklin, IN 46131		
<b>Describe Request:</b>			
Tax Abatement Modification – Rexam Consumer Plastics, Inc.			
<b>List Supporting Documentation Provided:</b>			
Resolution 2014-03			
<b>Who will present the request?</b>			
<b>Name:</b>	Krista Linke, Thomas Sislow	<b>Telephone:</b>	317-736-3631

*The Franklin City Council meets on the 1st and 3rd Monday of each month at 6:30 p.m. in the Council Chambers of City Hall located at 70 E. Monroe Street. In order for an individual and/or agency to be considered for new business on the agenda, this reservation form and supporting documents must be received in the Mayor's office no later than 12:00 p.m. on the Wednesday before the meeting.*



## CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

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# Memorandum

**To:** Economic Development Commission  
**From:** Krista Linke, Director  
**Date:** January 9<sup>th</sup>, 2014  
**Re:** Tax Abatement Modification – Rexam Consumer Plastics, Inc.

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Rexam Consumer Plastics, Inc. was originally granted a tax abatement in 2010 through Resolution 2010-05 and confirmed by Resolution 2010-06. The abatement was granted for 10 years on \$14,500,000. One hundred and eight jobs with salaries of \$7,580,000 were retained and 46 additional jobs with salaries of \$2,760,000 were projected. In 2012 Rexam requested an amendment of this abatement. They were granted an amendment through Resolution 2012-08 to extend the completion date of the project from 12/31/2010 to 12/31/2011. They were also granted a request to increase the amount of manufacturing equipment purchased from \$14,500,000 to \$17,797,000. No salary or job numbers associated with the project changed.

In 2013 Rexam was granted a waiver of non-compliance through Resolution 2013-23. They failed to account for the tax abatement deduction when they filed their tax return. The EDC and City Council granted the request for the waiver of non-compliance, allowing them to file an amended tax return claiming the deduction.

Rexam is now requesting another amendment to this abatement. They are requesting an extension of the completion date to 10/31/2012. They have corrected salary figures. Their original SB-1 indicated 108 jobs with salaries of \$7,580,000 would be retained and 46 additional jobs with salaries of \$2,760,000 were projected. As stated in an attached letter from Thomas Sislow, the wrong amounts were used for salaries. They included all benefits and should not have. The corrected SB-1 form states 108 jobs with \$5,849,113.44 in salaries retained and 85 additional jobs with \$3,424,844.38 in salaries. The "Current Value" of manufacturing equipment in Section 4 of the SB-1 was adjusted from \$14,530,000 to \$36,348,981. The proposed project amount remains the same; \$17,797,000.

Attached to this memo you will find a letter from Thomas Sislow explaining this in further detail. I've also attached the original staff report from 2010 and the updated property tax tables showing the revised numbers. The amended FORM SB-1 / PP is also attached.

If you have any questions regarding this request please contact me directly at 346-1250.



PO Box 6030, Diamondhead, MS 39525

January 8, 2014

City of Franklin  
Dept. of Planning & Economic Development  
70 E. Monroe St.  
Franklin, IN 46131  
Attn: Krista M. Linke, Planning Director

Re: Rexam Consumer Plastics Inc.  
1900 Commerce Pkwy, Franklin, IN 46131

Ms. Linke,  
Rexam Consumer Plastics Inc. has hired Bald Eagle C. I. to represent them in all matters of Real and Personal Property. I have attached the Power of Attorney.

Rexam Consumer Plastics Inc. would like to amend the Tax Abatements 2010-05 and 2012-08 for the following reasons.

- 1.) On the SB-1/pp filed, the following corrections are submitted:
  - a.) Section 2 – The completion date has been changed to reflect the correct completion date.
  - b.) Section 3 – The wrong amount was used for salaries for “current number”. The amount used included all benefits. The correct amount is now used. The final Number Additional/Salaries has been updated.
  - c.) Section 4 – The amount used for “Current Values” was incorrect. The correct amount is now used.
- 2.) With reference to the individual assets provided; an asset by asset analysis was performed comparing those assets submitted on the abatement and those filed with Property Tax returns. I have provided my Excel workbook as backup. That analysis produced the following corrections:
  - a.) The total amounts were incorrect. Error was due to the sum formula. Correct figure is now used.
  - b.) There were a number of assets where Book Values or Transfer Values were used, not Original Values. All have been changed to reflect Original Values. This of course, resulted in an increase in amount.
  - c.) Some proposed assets were not used in the project, corrections have been made.

d.) Assets under Construction numbers have been changed to Asset numbers, so they correspond to the Property Tax assets.

These errors were caused by the inexperience of the person preparing the original documents. Rexam is making every effort to correct all problems. Rexam would like to apologize and ask that they be granted the amendment to the original two abatement numbers and submit this as the final version, since the project is complete and fully functioning. Thank you in advance for your consideration.

If any questions or concerns arise in the meantime, please feel free to call me at 847.662.7575

Sincerely,

**Thomas A. Sislow, CFP**  
Email: [TSislow@BaldEagleCI.com](mailto:TSislow@BaldEagleCI.com)

# Memorandum

**To:** Economic Development Commission Members  
**From:** Krista Linke, Director  
**Date:** February 23<sup>rd</sup>, 2010  
**Re:** Case EDC 2010-01 – Rexam Consumer Plastics, Inc.

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**Case EDC 2010-01 – Rexam Consumer Plastics, Inc.:** A request for a 10-year tax abatement on a \$14,600,000 personal property manufacturing equipment investment.

**Location:** 1900 Musicland Drive.



**Summary:**

1. Characteristics of this location:

The existing facility is located on Musicland Drive between Indiana Hydraulic Equipment Corporation and Klaisler Manufacturing Corporation. The parcel size is 20 acres and is zoned Industrial: General (IG).

2. Characteristics of this petitioner:

As stated in the cover letter from Jay Howard, Plant Controller, "The Franklin Rexam Healthcare Plant anticipates a continued long and mutually beneficial association with the City of Franklin." This facility currently pays approximately \$400,000 in yearly real and personal property taxes. The facility expanded in 2008 and did not seek abatements on the additional \$8-10 million in capital expenditures that were incurred. The facility also has one of the highest paid labor forces in the City of Franklin.

3. Characteristics of this project:

Rexam is the leading global beverage can make and major global player in rigid plastic packaging. Rexam is currently consolidating a Plastic Injection Blow Molding (IBM) facility into four different sites. One of those sites is Franklin. The consolidation into the Franklin plant represents 60% of that IBM business, or approximately \$12 million in sales. The new business represents a 35% increase to the Franklin plant's operations.

4. Economic Revitalization Area (ERA):

This particular property has not been designated and ERA.

5. ERA & Tax Abatements Findings (Personal Property):

Indiana Code Section 6-1.1-12.1-4.5 states that the following findings must be made when considering an ERA designation and the granting of a tax abatement for personal property:

- a. Whether the estimate of the cost of new manufacturing equipment is reasonable for equipment of that type;
- b. Whether 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 instillation of new manufacturing equipment;
- c. Whether the estimate of annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment;
- d. Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the installation of the new manufacturing equipment; and
- e. Whether the totality of the benefits is sufficient to justify the tax abatement.

6. City of Franklin "Tax Abatement Policy" criteria:

The "Tax Abatement Policy" section of the *City of Franklin Community Investment Incentives Summary* states that the Economic Development Commission shall use certain criteria when considering a request for tax abatement. A comparison of those criteria and the Corporate Capital and Development request follows:

a. *Diversification of Local Occupations:* The company proposes 46 new employees within one year: 10 hourly and 1 salary in the 1<sup>st</sup> Quarter of 2010, 10 hourly and 2 salary in the 2<sup>nd</sup> Quarter of 2010, 10 hourly and 2 salary in the 3<sup>rd</sup> Quarter of 2010, and an additional 10 hourly and 1 salary in the 4<sup>th</sup> Quarter of 2010, for a total of 46 additional employees. There is an existing 116 jobs currently at the site. The breakdown of new jobs created are as follows:

- 2-3 Managerial/Professional Specialty Occupations with an average hourly wage of \$52.00
- 1 Technical/Sales/Administrative Support Occupations with an average hourly wage of \$42.00
- 16 Precision Production/Craft/Repair Occupations with an average hourly wage of \$35.00
- 27 Operators/Fabricators/Laborers with an average hourly wage of \$20.00

The average hourly wage listed for each type of job includes all benefits. The average hourly wage for all new jobs is \$27.09.

- b. *Diversification of Local Manufacturing Employment:* According to the STATS Indiana, plastics and rubber products manufacturing jobs made up 7.9% of the manufacturing sector jobs in Johnson County in the 1<sup>st</sup> Quarter of 2009. There were 4,740 jobs in the manufacturing sector and 376 in the rubber products manufacturing sub-sector of manufacturing.
- c. *Increase in Local Salaries:* The company reports the average hourly wage for the new employees will be \$27.09 per hour. This average hourly wage includes benefits. According to STATS Indiana, the average hourly wage for all industries in Johnson County was \$14.50 per hour in the 1<sup>st</sup> Quarter of 2009. The average hourly wage in Johnson County for the manufacturing sector was \$19.70 per hour and the average hourly wage in Johnson County in the plastics and rubber products manufacturing was \$19.38 in Johnson County.
- d. *Sustainable Land Use:* The petitioner proposes to locate the new manufacturing equipment within the existing facility at 1900 Musicland Drive. Making use of an existing building meets the sustainable land use criteria.
- e. *Future Community Investment:* Jay Howard, Plant Controller, states in the letter of inducement that the Franklin Rexam Healthcare plant anticipates a continued long and mutually beneficial association with the City of Franklin. This operation currently pays approximately \$400,000 in yearly Real and Personal Property Tax. The facility expanded in 2008 and did not seek abatements for the additional \$8-10 million in capital expenditures made at that time.
- f. *Conformance with the Comprehensive Plan:* The Comprehensive Plan Future Land Use Plan identifies this property as Manufacturing. Manufacturing areas are intended to accommodate

large scale businesses that produce finished products from raw materials. Uses in these areas may include facilities that involve emissions or the outdoor storage of materials and finished products. The property is zoned IG, Industrial: General.

7. Tax Abatement Duration:

The *City of Franklin Community Investment Incentives Summary* provides that longer periods of abatement on real and personal property may be considered for requests of an exceptional nature. The Summary states that development examples of an exceptional nature include projects which:

- a. Create a new plant or product line for an existing manufacturer;
- b. Creates substantial employment opportunities with higher than average wages;
- c. Increase substantially property values and the city tax base with minimal impact to city services (police & fire protection, schools, utilities, infrastructure, etc.); and
- d. Utilize existing public infrastructure (sanitary & storm sewer, roads & streets, drainage facilities, and other utilities).

8. Tax Abatement Worksheet:

A copy of the Tax Abatement Worksheet from the *City of Franklin Community Investment Incentives Summary* is enclosed with the staff report. This document is recommended as an outline for considering and documenting these tax abatement requests for this meeting.

9. Requested Effective Year:

The petitioner has requested that, if approved, the tax abatement be effective for the tax year 2010, payable 2011. However, the deadline for tax abatements to become effective in the year 2010 with the Johnson County Assessor is March 1, 2010. Since the EDC meeting is March 2<sup>nd</sup> and then two City Council meetings will follow, the tax abatement would have to be effective 2011 payable 2012.

**Staff Comments:**

This tax abatement petition proposes an economic development project that will strengthen the community in many different ways. Rexam is located in an appropriately zoned industrial area and is also in line with the Comprehensive Plan. The project will increase the local employment base by 46 employees over the next year and will positively impact the diversity of employment opportunities as well as expand the type of industry in the community. Staff would suggest that the EDC consider an Economic Development Fee in the amount of 2% if a ten year abatement were recommended.

<b>3 YEAR</b>				
<b><i>Rexam Consumer Plastics Inc.</i></b>				
<b>Sample Property Tax on Personal Property (3 Year)</b>				
Personal Property Tax Investment: \$17,797,000				
Tax Rate: 3.0%				
	<b>2014 Payable 2015</b>	<b>2015 Payable 2016</b>	<b>2016 Payable 2017</b>	
<b>Cost of Equipment</b>	\$17,797,000	\$17,797,000	\$17,797,000	
<b>True Cash Percentage Rate</b>	65%	50%	35%	
<b>True Cash Value</b>	\$11,568,050	\$8,898,500	\$6,228,950	
<b>Net Tax Rate</b>	3.0%	3.0%	3.0%	<b>Total</b>
<b>Tax w/o Abatement</b>	\$347,042	\$266,955	\$186,869	<b>\$800,865</b>
<b>Abatement Rate</b>	100%	66%	33%	
<b>Amount Abated</b>	\$347,042	\$176,190	\$61,667	<b>Total</b>
<b>Taxes Paid w/Abatement</b>	\$0	\$90,765	\$125,202	<b>\$215,967</b>
				<b>Total Fees Paid</b>
<b>5% Fee</b>	\$17,352	\$8,810	\$3,083	<b>\$29,245</b>
				<b>Total Tax Savings without Economic Development Fee</b>
				<b>\$584,898</b>
				<b>Total Tax Savings with 5% Economic Development Fee</b>
				<b>\$555,653</b>



**7 YEAR**

**Rexam Consumer Plastics Inc.**

**Sample Property Tax on Personal Property (7 Year Period)**

Personal Property Tax Investment: \$17,797,000

Tax Rate: 3.0%

	2014 Payable 2015	2015 Payable 2016	2016 Payable 2017	2017 Payable 2018	2018 Payable 2019	2019 Payable 2020	2020 Payable 2021	
<b>Cost of Equipment</b>	\$17,797,000	\$17,797,000	\$17,797,000	\$17,797,000	\$17,797,000	\$17,797,000	\$17,797,000	
<b>True Cash Percentage Rat</b>	40%	56%	42%	32%	24%	18%	15%	
<b>True Cash Value</b>	\$7,118,800	\$9,966,320	\$7,474,740	\$5,695,040	\$4,271,280	\$3,203,460	\$2,669,550	
<b>Net Tax Rate</b>	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	<b>Total</b>
<b>Tax w/o Abatement</b>	\$213,564	\$298,990	\$224,242	\$170,851	\$128,138	\$96,104	\$80,087	<b>\$1,211,976</b>
<b>Abatement Rate</b>	100%	85%	71%	57%	43%	29%	14%	
<b>Amount Abated</b>	\$213,564	\$254,141	\$159,212	\$97,385	\$55,100	\$27,870	\$11,212	<b>Total</b>
<b>Taxes Paid w/Abatement</b>	\$0	\$44,848	\$65,030	\$73,466	\$73,039	\$68,234	\$68,874	<b>\$393,492</b>
								<b>Total Fees Paid</b>
<b>5% Fee</b>	\$10,678	\$12,707	\$7,961	\$4,869	\$2,755	\$1,394	\$561	<b>\$40,924</b>
								<b>Total Tax Savings without Economic Development Fee</b>
								<b>\$818,484</b>
								<b>Total Tax Savings with 5% Economic Development Fee</b>
								<b>\$777,560</b>

**10 YEAR**

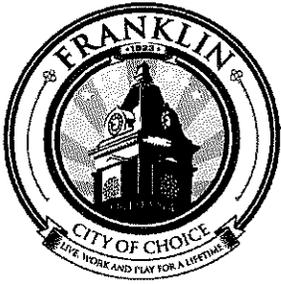
**Rexam Consumer Plastics Inc.**

**Sample Property Tax on Personal Property (10 Year Period)**

Personal Property Tax Investment: \$17,797,000

Tax Rate: 3.0%

	2014 Payable 2015	2015 Payable 2016	2016 Payable 2017	2017 Payable 2018	2018 Payable 2019	2019 Payable 2020	2020 Payable 2021	2021 Payable 2022	2022 Payable 2023	2023 Payable 2024	
<b>Cost of Equipment</b>	\$17,797,000	\$17,797,000	\$17,797,000	\$17,797,000	\$17,797,000	\$17,797,000	\$17,797,000	\$17,797,000	\$17,797,000	\$17,797,000	
<b>True Cash Percentage Rate</b>	40%	60%	55%	45%	37%	30%	25%	20%	16%	12%	
<b>True Cash Value</b>	\$7,118,800	\$10,678,200	\$9,788,350	\$8,008,650	\$6,584,890	\$5,339,100	\$4,449,250	\$3,559,400	\$2,847,520	\$2,135,640	
<b>Net Tax Rate</b>	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	<b>Total</b>
<b>Tax w/o Abatement</b>	\$213,564	\$320,346	\$293,651	\$240,260	\$197,547	\$160,173	\$133,478	\$106,782	\$85,426	\$64,069	<b>\$1,815,294</b>
<b>Abatement Rate</b>	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%	
<b>Amount Abated</b>	\$213,564	\$288,311	\$234,920	\$168,182	\$118,528	\$80,087	\$53,391	\$32,035	\$17,085	\$6,407	<b>Total</b>
<b>Tax Paid w/Abatement</b>	\$0	\$32,035	\$58,730	\$72,078	\$79,019	\$80,087	\$80,087	\$74,747	\$68,340	\$57,662	<b>\$602,784</b>
											<b>Total Fees Paid</b>
<b>5% Fee</b>	\$10,678	\$14,416	\$11,746	\$8,409	\$5,926	\$4,004	\$2,670	\$1,602	\$854	\$320	<b>\$60,625</b>
											<b>Total Tax Savings without Economic Development Fee</b>
											<b>\$1,212,510</b>
											<b>Total Tax Savings with 5% Economic Development Fee</b>
											<b>\$1,151,884</b>



CITY OF FRANKLIN  
COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

ECONOMIC DEVELOPMENT COMMISSION  
January 14, 2014

**Members Present:**

John Ditmars	President
H. Lee Hodgen	Vice-President
Ken Austin	Member
Jake Sappenfield	Member

**Members Absent:**

Tony Wellings	Secretary
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**Others Present:**

Rob H. Schafstall	Legal Counsel
Krista Linke	Director of Community Development
Jaime Shilts	Recording Secretary

**Call to Order:**

John Ditmars called the meeting to order at 8:00 a.m.

**Election of Officers:**

On a motion by Lee Hodgen and a second by John Ditmars, the members voted to elect Ken Austin as President.

On a motion by Lee Hodgen and a second by John Ditmars, the members voted to elect Jake Sappenfield as Vice-President.

On a motion by Lee Hodgen and a second by John Ditmars, the members voted to elect Tony Wellings as Secretary.

**Appointment of Legal Counsel:**

John Ditmars made a motion to retain Rob H. Schafstall as legal counsel. Lee Hodgen seconded the motion. The motion carried.

**Approval of Minutes:**

Lee Hodgen made a motion to approve the December 10<sup>th</sup>, 2013 minutes as presented. Jake Sappenfield seconded the motion. The motion carried.

**Old Business:**

Revised 2014 Meeting Calendar:

The only change is the November 11<sup>th</sup> meeting date has been changed to November 10<sup>th</sup>, due to Veteran's Day.

**New Business:**

**EDC 2014-01: Rexam Consumer Plastics:**

Ms. Linke stated the abatement was originally granted in 2010 and approved by Resolution 2010-05. The abatement was granted for 10 years on \$14.5 million for personal property. There were 108 jobs retained with salaries of \$7.85 million. There were 46 additional jobs pledged with salaries of \$2.76 million. In 2012 they requested and were granted an amendment which extended their completion date and increased the amount of equipment purchased from \$14.5 million to \$17.79 million. She stated they were also granted a waiver of noncompliance through Resolution 2013-23 as they failed to account for the abatement deduction when they filed their tax return. They are now requesting another amendment to their abatement.

Thomas Sislow, Bald Eagle Consulting, stated he does the tax returns for the company. He was hired after the two previous people who did the abatements left the company. He stated that he has found errors in the Rexam abatement. He found that the completion date was wrong, the salaries numbers reported included benefits and should not have, and the number of employees had increased greatly, from 108 to 193. The current value at \$14 million should be listed as \$36 million. He stated their assets were off as they used non-original values for the amendment amounts. He stated he changed things line by line and submitted everything to Ms. Linke. The abatement original values should show increased assets from \$17 million to \$22 million.

Mr. Sislow stated that the people that had filled out the forms before were not experienced with abatements. He apologized on behalf of Rexam for the errors.

Mr. Sappenfield questioned the job breakdown. Ms. Shawna Suttles, Rexam, stated they are 90% hourly and 10% salaried individuals. Mr. Sislow stated that the depreciation dates are also much older than listed and may offset some of the values. Everything presented includes their final numbers.

Mr. Austin noted that his company does provide supplies to Rexam.

John Ditmars made a favorable recommendation to the City Council to amend Resolution Number 2013-06. Lee Hodgen seconded the motion. The motion carried.

**Other Business:**

None.

**Adjournment:**

There being no further business, the meeting was adjourned. Respectfully submitted this 11<sup>th</sup> day of February, 2014.

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John Ditmars, President

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Tony Wellings, Secretary

**CITY OF FRANKLIN, INDIANA**

**RESOLUTION NUMBER 2014-03**

**A RESOLUTION GRANTING TAX ABATEMENT  
FOR REXAM CONSUMER PLASTICS, INC.  
(AMENDING RESOLUTION NUMBERS 2010-05, 2010-06, 2012-08)**

**WHEREAS**, the economic growth and development of the City of Franklin, Johnson County, Indiana is the primary goal of the community;

**WHEREAS**, the Franklin Economic Development Commission has on January 14<sup>th</sup>, 2014, held a public meeting and considered amending the tax abatement request of Rexam Consumer Plastics, Inc. (1900 Commerce Parkway) originally approved by Resolutions 2010-05, confirmed by 2010-06 and amended by 2012-08, in a manner consistent with the *City of Franklin Community Investment Incentives Summary* and the applicable section of the Indiana Code;

**WHEREAS**, the Franklin Economic Development Commission has made the findings required by IC 6-1.1-12.1-3 and IC 6-1.1-12.1-4.5 and recommended that Rexam Consumer Plastics, Inc. receive a ten (10) year tax abatement on personal property for the real estate described as "Exhibit A" and described in the tax abatement request;

**WHEREAS**, a copy of the Amended Statement of Benefits recommended for approval by the Franklin Economic Development Commission is attached hereto as "Exhibit B;"

**WHEREAS**, the said real estate as described in "Exhibit A" is located in an existing Economic Revitalization Area as approved by the City of Franklin Common Council with City Council Resolution Number 2010-05 and confirmed by Resolution Number 2010-06;

**WHEREAS**, the Common Council has received and reviewed "Exhibit B" with all attachments, and that such attachments are made a part hereof and incorporated herein, all which together contain the necessary statements of benefits and description of the project, along with the recommendation of the Economic Development Commission for tax abatement for personal property; and

**WHEREAS**, the Common Council has give careful consideration to the materials submitted and affirms the findings of the Franklin Economic Development Commission relative to the requirements of IC 6-1.1-12.1-3 and IC 6-1.1-12.1-4.5.

**NOW THEREFORE BE IT RESOLVED THAT:**

- 1) The abatement of real property tax shall extend for a period of \_\_\_\_\_ years pursuant to the deduction schedule set forth in IC 6-1.1-12.1-4.5(e)(10).
- 2) Rexam Consumer Plastics, Inc. shall be required to provide the City of Franklin with information showing the extent to which there has been compliance with the statement of benefits

submitted in their request for tax abatement within sixty (60) days after the end of each year in which the deduction is applicable, as required by IC 6-1.1-12.1-5.1.

- 3) A copy of this resolution and a description of the affected area will be available and can be inspected in the office of the Johnson County Assessor and the City Clerk/Treasurer.

**APPROVED** by the Common Council of the City of Franklin, Johnson County, Indiana, this 3<sup>rd</sup> day of February, 2014.

City of Franklin, Indiana, by its Common Council:

**Voting Affirmative:**

**Voting Opposed:**

\_\_\_\_\_  
Stephen D. Barnett, Council President

\_\_\_\_\_  
Stephen D. Barnett, Council President

\_\_\_\_\_  
Joseph P. Abban

\_\_\_\_\_  
Joseph P. Abban

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Joseph R. Ault

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Joseph R. Ault

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Kenneth W. Austin

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Kenneth W. Austin

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Robert D. Henderson

\_\_\_\_\_  
Robert D. Henderson

\_\_\_\_\_  
Stephen D. Hougland

\_\_\_\_\_  
Stephen D. Hougland

\_\_\_\_\_  
Richard L. Wertz

\_\_\_\_\_  
Richard L. Wertz

**Attest:**

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Janet P. Alexander  
Clerk-Treasurer

Presented by me to the Mayor of the City of Franklin for his approval or veto pursuant to Indiana Code § 36-4-6-15, 16, this 3<sup>rd</sup> day of February, 2014.

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Janet P. Alexander  
City Clerk-Treasurer

This ordinance having been passed by the legislative body and presented to me this [Approved by me and duly adopted, pursuant to Indiana Code § 36-4-6-16(a)(1)] [Vetoed, pursuant to Indiana Code § 36-4-6-16(a)(2)], this 3<sup>rd</sup> day of February, 2014.

---

Joseph E. McGuinness  
Mayor

**Attest:**

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Janet P. Alexander  
City Clerk-Treasurer

APPROVED AS TO FORM:

---

Lynnette Gray  
City Attorney

## Exhibit A

### PARCEL I:

A part of the Northeast Quarter of Section 11, Township 12 North, Range 4 East of the Second Principal Meridian, Johnson County, Indiana, described as follows:

Beginning at a point on the west line of said Northeast Quarter Section North 00 degrees 00 minutes 00 seconds East (previous survey bearing) 72.31 feet from the Southwest corner thereof; thence continuing North 00 degrees 00 minutes 00 seconds East on and along said West line 611.21 feet to a point in the center of a proposed 30 foot wide railroad right-of-way easement (Record Book 275, page 839); (the following 5 courses and distance follow the center of said proposed right-of-way easement); 1) thence North 89 degrees 07 minutes 38 seconds East 82.22 feet to the beginning of a curve to the left; 2) thence northeasterly on and along the arc of said curve to the left 139.12 feet, said curve having a radius of 540.26 feet; and a chord bearing and distance of North 81 degrees 45 minutes 12 seconds East 138.73 feet; 3) thence North 74 degrees 22 minutes 45 seconds East 453.91 feet to the beginning of a curve to the right; 4) thence northeasterly on and along the arc of said curve to the right 145.82 feet, said curve having a radius of 534.85 feet, and a chord bearing and distance of North 82 degrees 13 minutes 03 seconds East 145.37 feet; 5) thence North 90 degrees 00 minutes 00 seconds East 416.04 feet to a point on the westerly right-of-way line of Musciand Drive; thence South 00 degrees 00 minutes 00 seconds West on and along said westerly right-of-way line 774.27 feet; thence South 90 degrees 00 minutes 00 seconds West 1216.72 feet to the POINT OF BEGINNING, containing 20.0 acres, more or less.

### PARCEL II:

A part of the Northeast Quarter of Section 11, Township 12 North, Range 4 East of the Second Principal Meridian Franklin Township, City of Franklin, Johnson County, Indiana, more particularly described as follows:

Commencing at the Southwest corner of the Northeast Quarter of said Section as referenced by a PK nail; thence on and along the West line of said Quarter Section North 00 degrees 00 minutes 00 seconds East 683.52 feet (previous survey bearing and distance) to the POINT OF BEGINNING; thence continuing on and along said West line North 00 degrees 00 minutes 00 seconds East 35.00 feet to a point 15 feet South of the center of an existing railroad track; thence North 89 degrees 07 minutes 38 seconds East and parallel to said railroad track 262.63 feet to the beginning of a curve to the left having a radius of 622.04 feet and an arc length of 23.69 feet and chord bearing North 88 degrees 02 minutes 10 seconds East and a chord length of 23.69 feet to a point on a tangent and being on the North line of a tract known locally as the Owens - Illinois Tract; thence South 74 degrees 22 minutes 45 seconds West on and along said North line 69.33 feet to a beginning of a curve to the right having a radius of 540.26 feet and an arc length of 139.12 feet and chord bearing South 81 degrees 45 minutes 12 seconds West and a chord length of 138.73 feet to a point; thence South 89 degrees 07 minutes 38 seconds West on and along said North line 82.22 feet to the POINT OF BEGINNING, containing, 0.171 acre (7436 sq. ft.), more or less.



**STATEMENT OF BENEFITS  
PERSONAL PROPERTY**

State Form 51764 (R3 / 12-13)  
Prescribed by the Department of Local Government Finance

**FORM SB-1 / PP**

**PRIVACY NOTICE**

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

**EXHIBIT B**

**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.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the installation of qualifying abatable equipment for which the person desires to claim a deduction.
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 or with the county assessor if there is no township assessor for the township. 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, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. For a Form SB-1/PP that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/PP that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. (IC 6-1.1-12.1-17)

SECTION 1 TAXPAYER INFORMATION								
Name of taxpayer <b>Rexam Consumers Plastics, Inc.</b>			Name of contact person <b>Thomas A Sislow</b>					
Address of taxpayer (number and street, city, state, and ZIP code) <b>1900 Commerce Pkwy, Franklin, IN 46131</b>				Telephone number <b>( 847 ) 662-7575</b>				
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT								
Name of designating body <b>City of Franklin Common Council</b>				Resolution number (s) <b>10-05/10-06/12-08</b>				
Location of property <b>1900 Commerce Drive, Franklin, IN 46131</b>			County <b>Johnson</b>		DLGF taxing district number			
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.) <b>Injection Blow molding operations, system upgrade, IBM machine refurbish.</b>				ESTIMATED				
				START DATE		COMPLETION DATE		
				Manufacturing Equipment		<b>02/01/2010</b>	<b>10/31/2012</b>	
				R & D Equipment				
				Logist Dist Equipment				
IT Equipment								
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT								
Current number <b>108</b>	Salaries <b>5,849,113.44</b>	Number retained <b>108</b>	Salaries <b>5,849,113.44</b>	Number additional <b>85</b>	Salaries <b>3,424,844.38</b>			
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	<b>38,348,981.1</b>						
	Plus estimated values of proposed project	<b>22,834,940.1</b>						
	Less values of any property being replaced							
Net estimated values upon completion of project	<b>59,183,921.1</b>							
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER								
Estimated solid waste converted (pounds) <b>0</b>			Estimated hazardous waste converted (pounds) <b>0</b>					
Other benefits:								
SECTION 6 TAXPAYER CERTIFICATION								
I hereby certify that the representations in this statement are true.								
Signature of authorized representative <i>Thomas A Sislow</i>				Date signed (month, day, year) <b>1/8/2014</b>				
Printed name of authorized representative <b>Thomas A Sislow</b>			Title <b>Agent, Power of Attorney</b>					

**CITY OF FRANKLIN, INDIANA**

**RESOLUTION NUMBER 2014-03**

**A RESOLUTION GRANTING TAX ABATEMENT  
FOR REXAM CONSUMER PLASTICS, INC.**

**(AMENDING RESOLUTION NUMBERS 2010-05, 2010-06, 2012-08)**

**WHEREAS**, the economic growth and development of the City of Franklin, Johnson County, Indiana is the primary goal of the community;

**WHEREAS**, the Franklin Economic Development Commission has on January 14<sup>th</sup>, 2014, held a public meeting and considered amending the tax abatement request of Rexam Consumer Plastics, Inc. (1900 Commerce Parkway) originally approved by Resolutions 2010-05, confirmed by 2010-06 and amended by 2012-08, in a manner consistent with the *City of Franklin Community Investment Incentives Summary* and the applicable section of the Indiana Code;

**WHEREAS**, the Franklin Economic Development Commission has made the findings required by IC 6-1.1-12.1-3 and IC 6-1.1-12.1-4.5 and recommended that Rexam Consumer Plastics, Inc. receive a ten (10) year tax abatement on personal property for the real estate described as "Exhibit A" and described in the tax abatement request;

**WHEREAS**, a copy of the Amended Statement of Benefits recommended for approval by the Franklin Economic Development Commission is attached hereto as "Exhibit B;"

**WHEREAS**, the said real estate as described in "Exhibit A" is located in an existing Economic Revitalization Area as approved by the City of Franklin Common Council with City Council Resolution Number 2010-05 and confirmed by Resolution Number 2010-06;

**WHEREAS**, the Common Council has received and reviewed "Exhibit B" with all attachments, and that such attachments are made a part hereof and incorporated herein, all which together contain the necessary statements of benefits and description of the project, along with the recommendation of the Economic Development Commission for tax abatement for personal property; and

**WHEREAS**, the Common Council has give careful consideration to the materials submitted and affirms the findings of the Franklin Economic Development Commission relative to the requirements of IC 6-1.1-12.1-3 and IC 6-1.1-12.1-4.5.

**NOW THEREFORE BE IT RESOLVED THAT:**

- 1) The abatement of real property tax shall extend for a period of \_\_\_\_\_ years pursuant to the deduction schedule set forth in IC 6-1.1-12.1-4.5(e)(10).
- 2) Rexam Consumer Plastics, Inc. shall be required to provide the City of Franklin with information showing the extent to which there has been compliance with the statement of benefits

submitted in their request for tax abatement within sixty (60) days after the end of each year in which the deduction is applicable, as required by IC 6-1.1-12.1-5.1.

- 3) A copy of this resolution and a description of the affected area will be available and can be inspected in the office of the Johnson County Assessor and the City Clerk/Treasurer.

**APPROVED** by the Common Council of the City of Franklin, Johnson County, Indiana, this 3<sup>rd</sup> day of February, 2014.

City of Franklin, Indiana, by its Common Council:

**Voting Affirmative:**

**Voting Opposed:**

\_\_\_\_\_  
Stephen D. Barnett, Council President

\_\_\_\_\_  
Stephen D. Barnett, Council President

\_\_\_\_\_  
Joseph P. Abban

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Joseph P. Abban

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Joseph R. Ault

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Joseph R. Ault

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Kenneth W. Austin

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Kenneth W. Austin

\_\_\_\_\_  
Robert D. Henderson

\_\_\_\_\_  
Robert D. Henderson

\_\_\_\_\_  
Stephen D. Hougland

\_\_\_\_\_  
Stephen D. Hougland

\_\_\_\_\_  
Richard L. Wertz

\_\_\_\_\_  
Richard L. Wertz

**Attest:**

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Janet P. Alexander  
Clerk-Treasurer

Presented by me to the Mayor of the City of Franklin for his approval or veto pursuant to Indiana Code § 36-4-6-15, 16, this 3<sup>rd</sup> day of February, 2014.

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Janet P. Alexander  
City Clerk-Treasurer

This ordinance having been passed by the legislative body and presented to me this [Approved by me and duly adopted, pursuant to Indiana Code § 36-4-6-16(a)(1)] [Vetoed, pursuant to Indiana Code § 36-4-6-16(a)(2)], this 3<sup>rd</sup> day of February, 2014.

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Joseph E. McGuinness  
Mayor

**Attest:**

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Janet P. Alexander  
City Clerk-Treasurer

APPROVED AS TO FORM:

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Lynnette Gray  
City Attorney