



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: March 7, 2014
Re: Case C 2014-03: Tippmann Realty Partners (700 Bartram Parkway: **Phases 1-3**)

Summary:

1. On July 26, 2004, the Franklin Common Council passed Resolution No. 2004-06, approving a 10-year real property tax abatement for the construction of a new facility located at 700 Bartram Parkway (Interstate Warehousing Phase 1). On June 2nd, 2008, the Franklin Common Council passed Resolution No. 2008-13 to clarify Resolution No. 2004-06, approving a 10-year real property tax abatement for each of three phases of construction. Each of the three phases is a separate 10 year tax abatement. Each construction phase of the facility will entail a minimum building area of 140,000 square feet and will employ a minimum 25 workers. The abatement was approved for 700 Bartram Parkway (Interstate Warehousing).
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
New Employees	100	219	119
Salaries	\$3,500,000	\$8,564,815	\$5,064,815
Average Hourly Salaries	\$16.83	\$18.80	\$1.98
Phase 1: Real Property Improvements	\$10,500,000	\$11,600,453	\$1,100,453
Phase 2: Real Property Improvements	\$10,500,000	\$13,800,355	\$3,300,355
Phase 3: Real Property Improvements	\$10,500,000	\$11,600,453	\$1,100,453

3. When the original tax abatement application was made in 2004, three phases were planned. Each phase had 25 jobs with \$875,000 total salaries. Each phase was estimated to cost \$10,500,000 to construct.
4. They've also received abatements for phases 4-6. The company did not break out the employment numbers by phase; they gave a total for all four phases that are complete.
5. They have exceeded their estimate for the number of employees hired.
6. The company has exceeded the average hourly wage indicated on the SB-1 Form.
7. The company has exceeded their estimate provided on the SB-1 Form for real property.
8. The abatements for Tippmann Realty Partners are scheduled to start expiring in tax year 2015 payable 2016. The final compliance review will take place in 2020.

Staff Recommendation: Approval

Corporate Office

9009 Coldwater Road
Fort Wayne, IN 46825
(260) 490-3000
FAX: (260) 490-1362

February 9, 2014

Interstate Warehousing
Tippmann Properties
Tippmann Construction

Krista Linke, AICP
City of Franklin
70 E. Monroe Street
Franklin, IN 46131

Re: Tax Abatement Compliance for Tippmann Realty Partners Ph 1

Dear Krista:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements which were granted to TRP in 2004 under Franklin Common Council Resolution No. 04-6.

As can be seen from reviewing the enclosed documents, our company has been highly successful in (a) making all of the capital investments which had been projected for the past year, and (b) creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved July 2004.

Please review all of the enclosed documents, and if you have any questions or concerns regarding this matter, please feel free to contact me at 260-469-5458.

Sincerely,



Jeff Hastings, CFO
Tippmann Realty Partners

JH/ads
Enclosures



**COMPLIANCE WITH STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51766 (R3 / 2-13)
Prescribed by the Department of Local Government Finance

20__ PAY 20__
FORM CF-1 / Real Property

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

INSTRUCTIONS:

1. This form does not apply to property located in a residentially distressed area or any deduction for which the Statement of Benefits was approved before July 1, 1991.
2. Property owners must file this form with the county auditor and the designating body for their review regarding the compliance of the project with the Statement of Benefits (Form SB-1/Real Property).
3. This form must accompany the initial deduction application (Form 322/RE) that is filed with the county auditor.
4. This form must also be updated each year in which the deduction is applicable. It is filed with the county auditor and the designating body before May 15, or by the due date of the real property owner's personal property return that is filed in the township where the property is located. (IC 6-1.1-12.1-5.1(b))
5. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance form (Form CF-1/Real Property).

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer Tippmann Realty Partners	County Johnson
Address of taxpayer (number and street, city, state, and ZIP code) 9009 Coldwater Road Fort Wayne, IN 46825	DLGF taxing district number 50
Name of contact person Jess Hastings	Telephone number (260) 469-5458

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body City of Franklin Common Council	Resolution number 2004-06/2008-13	Estimated start date (month, day, year)
Location of property 900 Bartram Parkway		Actual start date (month, day, year)
Description of real property improvements Phase 2		Estimated completion date (month, day, year)
		Actual completion date (month, day, year)

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		219
Salaries		\$8,564,815
Number of employees retained		
Salaries		
Number of additional employees	25	
Salaries	\$875,000	

SECTION 4 COST AND VALUES

COST AND VALUES	REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE
Values before project		
Plus: Values of proposed project	\$10,500,000	
Less: Values of any property being replaced		
Net values upon completion of project		
ACTUAL	COST	ASSESSED VALUE
Values before project		
Plus: Values of proposed project	\$16,361,586	
Less: Values of any property being replaced		
Net values upon completion of project		

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

WASTE CONVERTED AND OTHER BENEFITS	AS ESTIMATED ON SB-1	ACTUAL
Amount of solid waste converted		
Amount of hazardous waste converted		
Other benefits:		

SECTION 6 TAXPAYER CERTIFICATION

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

Signature of authorized representative Jess Hastings	Title CFO	Date signed (month, day, year) 2-11-14
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**COMPLIANCE WITH STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

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Name of contact person Jess Hastings	Telephone number (260) 469-5458

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Location of property 900 Bartram Parkway		Actual start date (month, day, year)
Description of real property improvements Phase 2		Estimated completion date (month, day, year)
		Actual completion date (month, day, year)

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EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		219
Salaries		\$8,564,815
Number of employees retained		
Salaries		
Number of additional employees	25	
Salaries	\$875,000	

SECTION 4 COST AND VALUES

COST AND VALUES	REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE
Values before project		
Plus: Values of proposed project	\$10,500,000	
Less: Values of any property being replaced		
Net values upon completion of project		
ACTUAL	COST	ASSESSED VALUE
Values before project		
Plus: Values of proposed project	\$13,800,356	
Less: Values of any property being replaced		
Net values upon completion of project		

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

WASTE CONVERTED AND OTHER BENEFITS	AS ESTIMATED ON SB-1	ACTUAL
Amount of solid waste converted		
Amount of hazardous waste converted		
Other benefits:		

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Location of property 900 Bartram Parkway		Actual start date (month, day, year)
Description of real property improvements Phase III		Estimated completion date (month, day, year)
		Actual completion date (month, day, year)

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees			219
Salaries			\$8,564,815
Number of employees retained			
Salaries			
Number of additional employees		25	
Salaries		\$875,000	

SECTION 4 COST AND VALUES

COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE
Values before project			
Plus: Values of proposed project	410,500,000		
Less: Values of any property being replaced			
Net values upon completion of project			
ACTUAL		COST	ASSESSED VALUE
Values before project			
Plus: Values of proposed project	411,600,453		
Less: Values of any property being replaced			
Net values upon completion of project			

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

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