



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 2014-30: Tippmann Realty Partners (700 Bartram Parkway-Phases 4-6)

Summary:

1. On November 21st, 2011, the Franklin Common Council passed Resolution No. 2011-08, approving a 10-year real property tax abatement and a 7-year personal property tax abatement for each of three phases, Phases 4-6. Each of the three phases is a separate 10 year real property tax abatement and 7 year personal property 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	\$8,654,815	\$5,154,815
Average Hourly Salaries	\$16.83	\$19.00	\$2.17
Phase 4: Personal Property Improvements	\$1,000,000	\$1,801,973	\$801,973
Phase 4: Real Property Improvements	\$12,000,000	\$15,118,865	\$3,118,865

1. The company did not break out the employment numbers by phase; they gave a total for all four phases that are complete.
2. The company has exceeded their estimate for the number of employees hired.
3. The company has exceeded the average hourly wage indicated on the SB-1 Form.
4. The company has exceeded their estimate provided on the SB-1 for personal property.
5. The company has exceeded their estimate provided on the SB-1 Form for real property.
6. The abatement for Tippmann Realty Partners is scheduled to expire in tax year 2019 payable 2020. 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
44 North Jackson Street
Franklin, IN 46131

Re: Tax Abatement Compliance for Tippmann Realty Partners Phase 4

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. 08-13.

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 May 2012.

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 PERSONAL PROPERTY

State Form 51765 (R2 / 5-13)
Prescribed by the Department of Local Government Finance

FORM CF-1 / PP

- INSTRUCTIONS:**
1. Property owners whose Statement of Benefits was approved must file this form with the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
 2. This form must be filed with the Form 103-ERA Schedule of Deduction from Assessed Value between March 1, and May 15, of each year, unless a filing extension under IC 6-1.1-3.7 has been granted. A person who obtains a filing extension must file between March 1, and the extended due date of each year.
 3. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance (CF-1).

SECTION 1		TAXPAYER INFORMATION						
Name of taxpayer Tippmann Realty Partners		Address of taxpayer (number and street, city, state, and ZIP code) 9009 Coldwater Road Fort Wayne, IN 46825						
Name of contact person Jess Hastings	Telephone number (260) 469-5458	Name of designating body City of Franklin Common Council						
Resolution number 2011-08		Location of property 700 Bartram Parkway	County Johnson					
DLGF taxing district number 50		Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. Phase 4						
Estimated starting date (month, day, year)		Estimated completion date (month, day, year)						
SECTION 3		EMPLOYEES AND SALARIES						
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL					
Current number of employees								
Salaries								
Number of employees retained								
Salaries								
Number of additional employees		25	219					
Salaries		895,000	865,915					
SECTION 4		COST AND VALUES						
AS ESTIMATED ON SB-1	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project								
Plus: Values of proposed project								
Less: Values of any property being replaced								
Net values upon completion of project								
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	0				1,204,304		597,669	
Plus: Values of proposed project	156,458				550,093		145,833	
Less: Values of any property being replaced								
Net values upon completion of project								
NOTE: The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6 (d).								
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					



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

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

20 13 PAY 20 14
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 Jack Hastings	Telephone number (260) 469-5458

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body City of Franklin Common Council	Resolution number 2011-08	Estimated start date (month, day, year)
Location of property 900 Bartram Parkway		Actual start date (month, day, year)
Description of real property improvements Phase 4		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		\$8,654,815
Number of employees retained		
Salaries		
Number of additional employees	25	
Salaries	\$975,000	

SECTION 4 COST AND VALUES

COST AND VALUES	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
AS ESTIMATED ON SB-1		
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		
Values before project		
Plus: Values of proposed project	\$15,118,865	
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 Jack Hastings	Title CFO	Date signed (month, day, year) 2-11-14
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