



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Director of Community Development
Date: March 7, 2014
Re: Case C 2014-11: BCC Products, Inc.

Summary:

1. On July 17th, 2007, the Franklin Common Council passed Resolution No. 2007-07, approving a 7-year tax abatement on personal property for BCC Products, located at 2140 Earlywood Drive.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	7	7	0
Salaries	\$345,700	\$380,796	\$35,096
New Employees	8	16	8
Salaries	\$187,200	\$835,482	\$648,282
Total Employees	15	23	8
Total Salaries	\$532,900	\$1,216,278	\$683,378
Average Hourly Salaries	\$17.08	\$25.42	\$8.34
Personal Property Improvements	\$485,454	\$568,213	\$82,759

3. The company has exceeded their estimate provided on the SB-1 Form for Personal Property.
4. The company has exceeded the total number of jobs indicated on their SB-1 form. The average hourly wage is higher than estimated.
5. This personal property tax abatement is scheduled to expire in tax year 2014 payable 2015. The final compliance review will take place in 2015.

Staff Recommendation:

Approval

BCC Products, Inc.
Post Office Box 327
Franklin, IN 46131

February 12, 2014

City of Franklin
Attn: Krista Linke, AICP
70 East Monroe Street
Franklin, IN 46131

Re: 2013 Tax Abatement Compliance Reporting

Dear Ms. Linke,

Enclosed please find Form CF-1/RE and CF-1/PP (Compliance with Statement of Benefits) regarding compliance with the personal property and real property tax abatements which were granted to BCC Products, Inc. under Franklin Common Council Resolution 07-07 and 07-15, respectively.

As of December 31, 2009 the expansion was complete with the building expansion and equipment purchases (in excess of the amounts stated on the SB-1) in place and in use. During 2013, \$69,547 was invested in new production equipment. This equipment, though not related to the abatement, reflects a more positive business environment.

In the employee area, I was able to add three employees over the year end 2012 staffing levels. At the end of 2013 I added one salesman and two production employees for a gain of 3 and a total of 23. I am hopeful that an improving economy will allow me to again increase my production department in 2014.

As I stated in this letter last year, please note on the Real Property CF-1 that the Section 4 difference of \$851,000 between the beginning \$753,400 and ending \$1,604,400 assessed value is made up of three values. The first is an increase of \$159,900 in the land value. The second is an increase of \$6,000 in the value of improvements prior to the expansion. The third, reflecting the revised 2009 assessment on the existing building and expansion in the amount of \$685,100. The actual abatement granted is on assessed valuation of \$700,000.

I would be happy to answer any questions you might have regarding the enclosed facts and figures. Please contact me at 317-736-4090 at your convenience.

Sincerely,



Roger Brunette, Jr., President
BCC Products, Inc

**COMPLIANCE WITH STATEMENT OF BENEFITS
PERSONAL PROPERTY**

FORM CF-1 / PP

State Form 51765 (R2 / 5-13)

Prescribed by the Department of Local Government Finance

- 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 BCC Products, Inc.	
Address of taxpayer (number and street, city, state, and ZIP code) Post Office Box 327, Franklin, IN 46131	
Name of contact person Roger Brunette, Jr	Telephone number (317) 736-4090
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body Common Council of the City of Franklin	Resolution number 07-07
Location of property 2140 Earlywood Drive, Franklin, IN 46131	County Johnson
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. Chemical Manufacturing Equipment	Estimated starting date (month, day, year) 06/05/2007 Estimated completion date (month, day, year) 07/01/2007

SECTION 3 EMPLOYEES AND SALARIES		
EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	7	23
Salaries	345,700.00	1,216,278.00
Number of employees retained	7	7
Salaries	345,700.00	380,796.00
Number of additional employees	8	16
Salaries	187,500.00	835,482.00

SECTION 4 COST AND VALUES								
	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
AS ESTIMATED ON SB-1								
Values before project	202,574.00	37,490.00					11,233.00	6,290.00
Plus: Values of proposed project	485,454.00		16,935.00					
Less: Values of any property being replaced								
Net values upon completion of project	688,028.00	37,490.00	16,935.00				11,233.00	6,290.00
ACTUAL								
Values before project	202,574.00	37,490.00					11,233.00	6,290.00
Plus: Values of proposed project	568,213.00							
Less: Values of any property being replaced								
Net values upon completion of project	770,787.00	37,490.00					11,233.00	6,290.00

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	N/A	
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 <i>Roger W Brunette</i>	Title President	Date signed (month, day, year) 2/26/14

BCC Products, Inc.
 2140 Earlywood Drive
 Franklin, IN 46131

Attachment to Form CF-1/PP (Compliance with Statement of Benefits) Section 3
 Job Creation Schedule by Quarter

Actual Number of Employees as of 12/31/06 (From SB-1)	Proposed Total Employees by 12/31/07 (From SB-1)	Actual Number of Employees Added During Year (by Quarter) 3/31/2007	Actual Number of Employees Added During Year (by Quarter) 6/30/2007	Actual Number of Employees Added During Year (by Quarter) 9/30/2007	Actual Total Number of Employees as of 12/31/07	Difference Between Actual and Proposed Number of Employees
7	15	n/a	n/a	4	11	(4)
Actual Number of Employees as of 12/31/2007	Proposed Total Employees by 12/31/07 (From SB-1)	3/31/2008	6/30/2008	9/30/2008	Actual Total Current Number of Employees	Difference Between Actual and Proposed Number of Employees
11	15	6	0	0	17	Plus 2
Actual Number of Employees as of 12/31/2008	Proposed Total Employees by 12/31/07 (From SB-1)	3/31/2009	6/30/2009	9/30/2009	Actual Total Current Number of Employees	Difference Between Actual and Proposed Number of Employees
17	15	0	1	0	18	Plus 3
Actual Number of Employees as of 12/31/2009	Proposed Total Employees by 12/31/07 (From SB-1)	3/31/2010	6/30/2010	9/30/2010	Actual Total Current Number of Employees	Difference Between Actual and Proposed Number of Employees
18	15	0	(2)	(1)	15	Even
Actual Number of Employees as of 12/31/2010	Proposed Total Employees by 12/31/07 (From SB-1)	3/31/2011	6/30/2011	9/30/2011	Actual Total Current Number of Employees	Difference Between Actual and Proposed Number of Employees
15	15	0	1	0	15	Even
Actual Number of Employees as of 12/31/2011	Proposed Total Employees by 12/31/07 (From SB-1)	3/31/2012	6/30/2012	9/30/2012	Actual Total Current Number of Employees	Difference Between Actual and Proposed Number of Employees
15	15	2	1	3	20	Plus 5
Actual Number of Employees as of 12/31/2012	Proposed Total Employees by 12/31/07 (From SB-1)	3/31/2013	6/30/2013	9/30/2013	Actual Total Current Number of Employees	Difference Between Actual and Proposed Number of Employees
20	15	0	2	-1	23	Plus 8