



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 2014-12: BCC Products

Summary:

1. On December 10th, 2007, the Franklin Common Council passed Resolution No. 2007-15, approving a 10-year tax abatement on real 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	15	14	-1
Salaries	\$532,900	\$637,244	\$104,344
New Employees	3	9	6
Salaries	\$166,400	\$579,034	\$412,634
Total Salaries	\$699,300	\$1,216,278	\$516,978
Average Hourly Salaries	\$18.68	\$25.42	\$6.75
Real Property Improvements	\$800,000	\$877,737	\$77,737

3. The company has exceeded their estimate provided on the SB-1 Form for Real Property.
4. The company met their estimate for the number of employees retained in 2011, but not in 2012 or 2013. However, they added more new employees than estimated. At the end of 2011 they had a total of 16 employees and at the end of 2012 they had 20 total employees. At the end of 2013 they had 23 total employees. Average hourly salaries have again exceeded their estimate this year.
5. The real property tax abatement is scheduled to expire in tax year 2017 payable 2018. The final compliance review will take place in 2018.

Staff Recommendation:

Approval

**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 BCC Products, INC // RDB Holdings, LLC		County Johnson	
Address of taxpayer (number and street, city, state, and ZIP code) Post Office Box 327, Franklin, IN 46131		DLGF taxing district number	
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 07-15	Estimated start date (month, day, year) 12/01/2007
Location of property 2140 Earlywood Drive, Franklin, IN 46131		Actual start date (month, day, year) 12/01/2007	
Description of real property improvements: 19,200 Sq Feet Added to Warehouse and Manufacturing Area Using Steel and Masonry Block Exterior		Estimated completion date (month, day, year) 05/31/2008	Actual completion date (month, day, year) 09/01/2008
SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		15	23
Salaries		532,900.00	1,216,278.00
Number of employees retained		15	14
Salaries		532,900.00	637,244.00
Number of additional employees		3	9
Salaries		166,400.00	579,034.00
SECTION 4 COST AND VALUES			
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE
Values before project		1,316,828.00	753,400.00
Plus: Values of proposed project		800,000.00	
Less: Values of any property being replaced			
Net values upon completion of project		2,116,828.00	753,400.00
ACTUAL		COST	ASSESSED VALUE
Values before project		1,316,828.00	753,400.00
Plus: Values of proposed project		877,737.00	
Less: Values of any property being replaced			
Net values upon completion of project		2,194,565.00	1,604,400.00
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 Brunette, Jr</i>		Title <i>President</i>	Date signed (month, day, year) <i>2/26/14</i>