

AGENDA RESERVATION REQUEST

CITY OF FRANKLIN COMMON COUNCIL

Please type or print

Date Submitted:	4-16-14	Meeting Date:	4-21-14
Contact Information:			
Requested by:	Krista Linke		
On Behalf of Organization or Individual: Economic Development Commission			
Telephone:	317-736-3631		
Email address:	klinke@franklin.in.gov		
Mailing Address:	70 E. Monroe St., Franklin, IN 46131		
Describe Request:			
Tax Abatement Compliance Reports			
List Supporting Documentation Provided:			
Memo			
April 8, 2014 DRAFT EDC Minutes		C 2014-17: Overton Industries	
C 2014-06: CTC Casting Technologies		C 2014-18: Overton Industries	
C 2014-09: Caterpillar Reman Powertrain		C 2014-19: Overton Industries	
C 2014-10: Heartland Machine & Engineering		C 2014-20: Mitsubishi	
C 2014-13: Laugle Properties		C 2014-21: Mitsubishi	
C 2014-14: Laugle Properties		C 2014-22: Mitsubishi	
C 2014-15: Laugle Properties		C 2014-23: Mitsubishi	
C 2014-16: Dualtech, Inc.			
Who will present the request?			
Name:	Krista Linke	Telephone:	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

Memo

To: City Council Members
CC: Mayor, Clerk-Treasurer, City Attorney
From: Krista Linke, Community Development Director
Date: April 16, 2014
Subject: EDC – Tax Abatement Compliance

The Economic Development Commission found the following tax abatement compliance reports to be in substantial compliance and forwarded them to the City Council with favorable recommendations at their April 8th meeting:

- C 2014-06 CTC Casting Technologies, Co. (Resolution 2012-02)
- C 2014-09 Caterpillar Reman Powertrain (Resolution 2010-15)
- C 2014-10 Heartland Machine & Engineering (Resolution 2013-11)
- C 2014-13 Laugle Properties, LLC (Resolution 2005-14)
- C 2014-14 Laugle Properties, LLC (Resolution 2008-07)
- C 2014-15 Laugle Properties, LLC (Resolution 2008-06)
- C 2014-16 Dualtech, Inc. (Resolution 2008-03)
- C 2014-17 Overton Industries (Resolution 2005-19)
- C 2014-18 Overton Industries (Resolution 2010-20)
- C 2014-19 Overton Industries (Resolution 2012-17)
- C 2014-20 Mitsubishi Heavy Industries Climate Control (Resolution 2008-02)
- C 2014-21 Mitsubishi Heavy Industries Climate Control (Resolution 2010-10)
- C 2014-22 Mitsubishi Heavy Industries Climate Control (Resolution 2012-10)
- C 2014-23 Mitsubishi Heavy Industries Climate Control (Resolution 2013-10)

Case C2014-02: Cooper Tire & Rubber Company was also reviewed by the EDC, but the case was tabled pending additional information.

Compliance documentation is attached for each case. A draft copy of the minutes from the April 8th Economic Development Commission Meeting are also included for your reference. Please contact me directly at 346-1250 if you have any questions regarding any of this information.



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

ECONOMIC DEVELOPMENT COMMISSION

April 8, 2014

Members Present:

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

Others Present:

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

Call to Order:

Ken Austin called the meeting to order at 8:00 a.m.

Approval of Minutes:

Lee Hodgen made a motion to approve the March 11, 2014 minutes as presented. Jake Sappenfield seconded the motion. The motion carried.

Old Business:

Ms. Linke stated there have been no economic development fees collected since last year. The corporations are being billed but the fees haven't been collected. She will meet with the auditor to figure it out. She stated there are over \$17,000 in fees to be collected. John Ditmars stated he would be speaking to the county about the EDC and would talk to them about the issue.

New Business:

C 2014-02: Cooper Tire & Rubber Company:

Tax Abatement Compliance Hearing as granted through Council Resolution No. 2008-17.

Ms. Linke stated they neglected to include their full employment information. She has requested the information and is waiting to hear back from them.

Action taken on C 2014-02: Cooper Tire & Rubber Company:

John Ditmars made a motion to table the case until the next meeting. Jake Sappenfield seconded the motion. The motion carried.

C 2014-06: CTC Casting Technologies, Co.:

Tax Abatement Compliance Hearing as granted through Council Resolution No. 2012-02.

Action taken on C 2014-06: CTC Casting Technologies, Co.:

On a motion by John Ditmars and a second by Tony Wellings, the members voted unanimously to forward a favorable recommendation to City Council to find the company in substantial compliance.

C 2014-09: Caterpillar Reman Powertrain:

Tax Abatement Compliance Hearing as granted through Council Resolution No. 2010-15. Ms. Linke stated the equipment has been ordered and purchased but has not been installed. She stated they would be applying for a new abatement on their personal property for a larger amount. She stated they will have exceeded their employees and wages with the additional request. She stated that the abatement doesn't apply until they have installed the equipment.

Action taken on C 2014-09: Caterpillar Reman Powertrain:

On a motion by Lee Hodgen and a second by Tony Wellings, the members voted unanimously to forward a favorable recommendation to City Council to find the company in substantial compliance.

C 2014-10: Heartland Machine & Engineering:

Tax Abatement Compliance Hearing as granted through Council Resolution No. 2013-11. Ms. Linke stated they have exceeded their employees and their salaries are higher than anticipated. She stated they have had a delay in constructing their building.

Action taken on C 2014-10: Heartland Machine & Engineering:

On a motion by Tony Wellings and a second by Lee Hodgen, the members voted unanimously to forward a favorable recommendation to City Council to find the company in substantial compliance.

C 2014-13: Laugle Properties, LLC:

Tax Abatement Compliance Hearing as granted through Council Resolution No. 2005-14.

Action taken on C 2014-13: Laugle Properties, LLC:

On a motion by John Ditmars and a second by Jake Sappenfield, the members voted unanimously to forward a favorable recommendation to City Council to find the company in substantial compliance.

C 2014-14: Laugle Properties, LLC:

Tax Abatement Compliance Hearing as granted through Council Resolution No. 2008-07.

Action taken on C 2014-14: Laugle Properties, LLC:

On a motion by John Ditmars and a second by Jake Sappenfield, the members voted unanimously to forward a favorable recommendation to City Council to find the company in substantial compliance.

C 2014-15: Laugle Properties, LLC:

Tax Abatement Compliance Hearing as granted through Council Resolution No. 2008-06.

Action taken on C 2014-15: Laugle Properties, LLC:

On a motion by John Ditmars and a second by Jake Sappenfield, the members voted unanimously to forward a favorable recommendation to City Council to find the company in substantial compliance.

C 2014-16: Dualtech, Inc.

Tax Abatement Compliance Hearing as granted through Council Resolution No. 2008-03.

Action taken on C 2014-16: Dueltech, Inc.:

On a motion by John Ditmars and a second by Jake Sappenfield, the members voted unanimously to table the discussion until the next meeting.

C 2014-17: Overton Industries:

Tax Abatement Compliance Hearing as granted through Council Resolution No. 2005-19.

Action taken on C 2014-17: Overton Industries:

On a motion by John Ditmars and a second by Tony Wellings, the members voted unanimously to forward a favorable recommendation to City Council to find the company in substantial compliance.

C 2014-18: Overton Industries:

Tax Abatement Compliance Hearing as granted through Council Resolution No. 2010-20.

Action taken on C 2014-18: Overton Industries:

On a motion by John Ditmars and a second by Tony Wellings, the members voted unanimously to forward a favorable recommendation to City Council to find the company in substantial compliance.

C 2014-19: Overton Industries:

Tax Abatement Compliance Hearing as granted through Council Resolution No. 2012-17.

Action taken on C 2014-19: Overton Industries:

On a motion by John Ditmars and a second by Tony Wellings, the members voted unanimously to forward a favorable recommendation to City Council to find the company in substantial compliance.

C 2014-20: Mitsubishi Heavy Industries Climate Control:

Tax Abatement Compliance Hearing as granted through Council Resolution No. 2008-02.

Action taken on C 2014-20: Mitsubishi Heavy Industries Climate Control:

On a motion by Ken Austin and a second by John Ditmars, the members voted unanimously to forward a favorable recommendation to City Council to find the company in substantial compliance.

C 2014-21: Mitsubishi Heavy Industries Climate Control:

Tax Abatement Compliance Hearing as granted through Council Resolution No. 2010-10.

Action taken on C 2014-21: Mitsubishi Heavy Industries Climate Control:

On a motion by Jake Sappenfield and a second by Lee Hodgen, the members voted unanimously to forward a favorable recommendation to City Council to find the company in substantial compliance.

C 2014-22: Mitsubishi Heavy Industries Climate Control:

Tax Abatement Compliance Hearing as granted through Council Resolution No. 2012-10.

Action taken on C 2014-22: Mitsubishi Heavy Industries Climate Control:

On a motion by John Ditmars and a second by Tony Wellings, the members voted unanimously to forward a favorable recommendation to City Council to find the company in substantial compliance.

C 2014-23: Mitsubishi Heavy Industries Climate Control:

Tax Abatement Compliance Hearing as granted through Council Resolution No. 2013-10.

Action taken on C 2014-23: Mitsubishi Heavy Industries Climate Control:

On a motion by John Ditmars and a second by Tony Wellings, the members voted unanimously to forward a favorable recommendation to City Council to find the company in substantial compliance.

Other Business:

A special EDC meeting will be held Tuesday, April 29th, at 8:00 a.m.

Adjournment:

There being no further business, the meeting was adjourned. Respectfully submitted this 29th day of April, 2014.

Ken Austin, President

Tony Wellings, Secretary



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 2014-09: Caterpillar Reman Powertrain Indiana LLC

Summary:

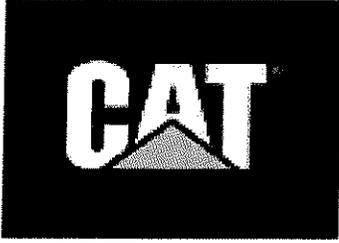
1. On September 20th, 2010, the Franklin Common Council passed Resolution No. 2010-15, approving a 10-year tax abatement with a 5% economic development fee on personal property for Caterpillar Reman Powertrain Indiana, LLC, located at 751 International Drive.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2012	Difference
Employees Retained	338	338	0
Salaries	\$10,278,445	\$10,791,664	\$513,219
New Employees	0	51	51
Salaries	\$0	\$1,628,328	\$1,628,328
Total Employees	338	389	51
Total Salaries	\$10,278,445	\$12,419,992	\$2,141,547
Average Hourly Salaries	\$14.62	\$15.35	\$0.73
Personal Property Improvements	\$13,568,000	\$7,762,540	-\$5,805,460

3. The company estimated in their original application that they would spend \$4,700,000 on equipment in 2010, \$2,242,000 on equipment in 2011, and \$3,276,000 in 2012. The total for all three years is \$10,068,000. They reported spending \$7,762,540 total at the end of 2012. They were given until the end of 2013 to purchase all of the equipment. They indicated in their application that they would purchase \$3,276,000 in 2012 but only purchased \$1,907,869. They indicated on their original application they would purchase an additional \$3,500,000 in 2013 but only purchased \$932,163.
4. The company has met the number of employees retained with higher salaries, as well as hired an additional 51 employees. The average hourly salary is slightly above what was estimated.
5. The tax abatement is scheduled to expire in tax year 2023 payable 2024. The final compliance review should take place in 2023.

Staff Recommendation:

Approval



February 27, 2014

Ms. Krista Linke, AICP
Department of Planning & Economic Development
70 E. Monroe Street
Franklin, Indiana 46131

Re: Tax Abatement Compliance for Caterpillar Reman Powertrain Indiana LLC

Dear Ms. Linke:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the personal property tax abatements which were granted to Caterpillar Reman Powertrain Indiana LLC in 2010 under Franklin Common Council Resolution No. 2010-15.

As can be seen from reviewing the enclosed documents, our company has been highly successful in a) making capital investment which had been projected for the past year, and b) retaining the full complement of jobs which had been proposed in the Statement of Benefits (From SB-1) which was approved on October 4, 2010.

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

Sincerely,

A handwritten signature in cursive script, appearing to read 'Lee Anspaugh', is written in black ink.

Lee Anspaugh
Accounting Supervisor
Caterpillar Reman Powertrain Indiana

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
Caterpillar Reman Powertrain Indiana LLC

Address of taxpayer (number and street, city, state, and ZIP code)
751 International Drive Franklin, IN 46131

Name of contact person
Lee A. Anspaugh

Telephone number
(317) 346-3211

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body
Franklin Common Council

Resolution number
2010-15

Location of property
same as above

County
Johnson

DLGF taxing district number
41009

Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired.

Estimated starting date (month, day, year)
06/10/2010

Estimated completion date (month, day, year)
12/31/13

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	338.00	338.00
Salaries	10,278,445.00	10,615,904.00
Number of employees retained	338.00	338.00
Salaries	10,278,445.00	10,615,904.00
Number of additional employees	0.00	80.00
Salaries	0.00	2,512,640.00

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	12,613,870.	4,946,825.0						
Plus: Values of proposed project	13,568,000.	5,427,200.0						
Less: Values of any property being replaced								
Net values upon completion of project	26,181,870.	10,374,025.						
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	12,613,870.	2,694,562.0						
Plus: Values of proposed project	8,331,079.6	3,402,229.0						
Less: Values of any property being replaced								
Net values upon completion of project	21,744,949.	6,096,791.0						

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
Lee A. Anspaugh

Title
Accounting Supervisor

Date signed (month, day, year)
02/27/14

Caterpillar Reman Powertrain Indiana

Resolution 2010-15

Machinery Investment Schedule

	Actual Amount of Investment (From SB-1) as of 06/2010	Proposed Amount of Investment	Prior Period Investment	3/31/2013	6/30/2013	9/30/2013	12/31/2013	Actual Total Amount of Investment as of 12/31/13	Difference Between Actual and Proposed Amount of Investment
M&E	\$ 12,613,870	\$ 13,568,000	\$ 7,775,936	\$ 191,239	\$ 116,039	\$ 66,259	\$ 558,626	\$ 8,708,099	\$ 4,359,901
								<u>932,163 in 2013</u>	

Headcount Addition Schedule

	Actual Number of Employees (From SB-1)	Proposed Total No. of Employees	3/31/2013	6/30/2013	9/30/2013	12/31/2013	Actual total No. of Employees Added for Project	Difference Between Actual and Proposed Number of Employees
Headcount	338	0	55	6	14	5	80	80



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 2nd, 2014
Re: Case C 2014-10: Heartland Machine & Engineering, LLC

Summary:

1. On March 18th, 2013, the Franklin Common Council passed Resolution No. 2013-11, approving a 10-year tax abatement on real property with a 2% Economic Development Fee for Heartland Machine & Engineering, located at 2848 N. Graham Road.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	18	18	0
Salaries	\$1,080,144	\$1,080,144	\$0
New Employees	7	10	3
Salaries	\$364,000	\$576,056	\$212,056
Total Salaries	\$1,444,144	\$1,656,200	\$212,056
Average Hourly Salaries	\$27.77	\$28.44	\$0.67
Real Property Improvements	\$800,000	\$178,518	-\$621,482

3. Justin Weber, VP & Chief Operating Officer for Heartland Machine & Engineering, LLC explains in the attached letter that the entire capital investment was not made in 2013 due to harsh fall/winter conditions, as well as time to secure financing and state building permits. Financing was ultimately secured and all permits have been granted.
4. The revised investment timetable indicates that the remaining \$621,482 will be spent in the first two quarters of 2014.
5. The real property tax abatement for Heartland Machine & Engineering, LLC, is scheduled to expire in tax year 2024 payable 2025. The final compliance review will take place in 2025.

Staff Recommendation

Approval



COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R2 / 1-07)

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).

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
 Eligible vacant building (IC 6-1.1-12.1-4.8)

INSTRUCTIONS:

- This form does not apply to property located in a residentially distressed area. (IC 6-1.1-12.1-2 (b))
- 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 (SB-1 / Real Property).
- This form must accompany the initial deduction application that is filed with the County Auditor.
- Property owners whose Statement of Benefits was approved after June 30, 1991, must file an updated form with the County Auditor and the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.1)
- The updated form must be filed annually by May 15, or by the due date for the real property owner's personal property return that is filed in the township where the project is located, whichever is later. (IC 6-1.1-12.1-5.1 (b))
- With the approval of the Designating Body, compliance information for multiple projects may be consolidated on one (1) compliance form (CF-1 / Real Property).

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer Heartland Machine & Engineering, LLC	
Address of taxpayer (number and street, city, state, and ZIP code) 2850 Graham Road, Franklin, IN 46131	
Name of contact person Justin G. Weber	Telephone number (317) 346-0463

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body The City of Franklin Common Council		Resolution number 13-11
Location of property 2848 Graham Road, Franklin, IN 46121	County Johnson	DLGF taxing district number
Description of real property improvements: HME will build a 20K sq. ft. building to support machine tool distribution. The building will provide office space for 6-8 employees, showroom facilities, and warehousing.		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	18	25
Salaries	1,080,144.00	1,500,200.00
Number of employees retained	18	18
Salaries	1,080,144.00	1,080,144.00
Number of additional employees	7	10
Salaries	364,000.00	576,056.00

SECTION 4 COST AND VALUES

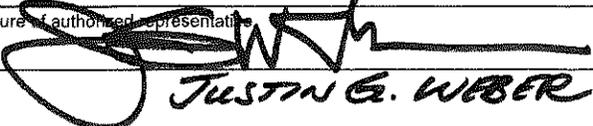
COST AND VALUES	REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE
Values before project	63,000.00	92,600.00
Plus: Values of proposed project	800,000.00	800,000.00
Less: Values of any property being replaced		
Net values upon completion of project	863,000.00	892,600.00
ACTUAL	COST	ASSESSED VALUE
Values before project	63,000.00	92,600.00
Plus: Values of proposed project	178,518.00	178,518.00
Less: Values of any property being replaced		
Net values upon completion of project	241,518.00	271,118.00

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	0	0
Amount of hazardous waste converted	0	0
Other benefits:		

SECTION 6 TAXPAYER CERTIFICATION

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

Signature of authorized representative  JUSTIN G. WEBER	Title VP & COO	Date signed (month, day, year) 02/27/2014
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2850 Graham Road
Franklin, IN 46131
(317) 346-0463

February 27, 2014

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

Re: 2013 Tax Abatement Compliance Packet for Heartland Machine & Engineering, LLC

Dear Ms. Linke,

Enclosed, please find Form CF-1/RE and other required documentation per your instructions listed in your letter dated January 28, 2014. The enclosed documentation pertains to our compliance with the real property tax abatements which were granted to Heartland Machine & Engineering, LLC (HME) in 2013 under Franklin Common Council Resolution number 13-11. The tax abatement deduction was granted for the redevelopment or rehabilitation of real estate improvements for the construction of a 20,000 square foot facility located at 2848 Graham Rd. in Franklin, IN. The facility will provide office space for six to eight employees, showroom facilities, and warehousing for machine tools (whole goods) and spare parts for aftermarket / warranty fulfillment.

As can be seen from the enclosed documents, our company has been successful in creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1). Eighteen employees were retained at our headquarters location in Franklin, and ten additional employees were hired in 2013. Seven of the ten additional hires are based in the Franklin office. The three remaining employees reside in our satellite office in Mason, MI. Although the Michigan staff members do not reside at the Franklin location, their positions were directly created as a result of strengthened, strategic relationships with our key vendors. Distribution expansion agreements with these vendors will be fulfilled through the new showroom and warehouse.

HME was not successful in making all of the projected capital investment in the forecasted period as stated on Form SB-1. A total of \$800,000 in capital investment was to have been spent in 2013. Due to harsh fall / winter conditions, and to a lesser extent, time to secure financing and State building permit approval delays, total capital expenditures amounted to \$178,518 in 2013. Financing was secured and all permits have been granted, but severe weather conditions continue to delay building progress. Please refer to the enclosed deficiency statement and revised timeline for the project.

If you have any questions or concerns regarding this matter, please feel free to contact me at (317) 346-0463.

Sincerely,

Justin G. Weber
VP & Chief Operating Officer
Heartland Machine & Engineering, LLC

Heartland Machine & Engineering Employment Phase-In Schedule

	Managerial/Professional	Technical/Sales/Admin	Service	Other	Total
Year of Abatement	2013	2013	2013	2013	
1st Quarter					
2nd Quarter					
3rd Quarter	1	3	2		6
4th Quarter		2	2		4
Year of Abatement	2014	2014	2014	2014	
1st Quarter					
2nd Quarter					
3rd Quarter					
4th Quarter					
Year of Abatement	2015	2015	2015	2015	
1st Quarter					
2nd Quarter					
3rd Quarter					
4th Quarter					
Total	1	5	4		10

Heartland Machine & Engineering Investment Timetable

	Buildings	Equip. Type 1	Equip. Type 2	Equip. Type 3	Total
Year of Abatement	2013	2013	2013	2013	
1st Quarter					
2nd Quarter					
3rd Quarter					
4th Quarter	\$ 178,518				\$178,518
Year of Abatement	2014	2014	2014	2014	
1st Quarter	\$ 300,000				\$300,000
2nd Quarter	\$ 321,482				\$321,482
3rd Quarter					
4th Quarter					
Year of Abatement	2015	2015	2015	2015	
1st Quarter					
2nd Quarter					
3rd Quarter					
4th Quarter					
Total	\$ 800,000				\$800,000

Construction Progress



Steel frame assembly.



Brick fascia materials on site.



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 2nd, 2014
Re: Case C 2014-13: Laugle Properties (Formerly McWilliams Realty)

Summary:

1. On June 28th, 2005, the Franklin Common Council passed Resolution No. 2005-14, approving a 10-year tax abatement on real property for McWilliams Realty, LLC located at 401 and 451 Blue Chip Court (Greenwood Machine).
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	23	28	5
Salaries	\$801,632	\$1,818,867	\$1,017,235
New Employees	13	0	-13
Salaries	\$381,014	\$0	-\$381,014
Total Salaries	\$1,182,646	\$1,818,867	\$636,221
Average Hourly Salaries	\$15.79	\$31.23	\$15.44
Real Property Improvements	\$750,000	\$910,530	\$160,530

3. As stated in "Attachment to Form CF-1," Greenwood Machine has abandoned this location. Laugle Properties, LLC purchased this location on November 18, 2009. Innovative Casting Technologies moved its operations to 451 Blue Chip Court.
4. Innovative Casting Technologies had 25 total employees at the end of 2011 with total salaries of \$1,751,890. They added three employees in 2012 and increased total salaries to \$2,210,550. In 2013 the number of employees remains that same, but the total salaries were \$391,683 less than in 2012.
5. The average hourly wage is still double what was estimated on the SB-1 Form for Greenwood Machine. Overall, there are 8 less employees at this location than originally estimated for Greenwood Machine.
6. The company has exceeded their real property investment.
7. The real property tax abatement is scheduled to expire in tax year 2015 payable 2016. The final compliance review will take place in 2016.

Staff Recommendation:

Approval



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

State Form 51766 (R2 / 1-07)

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).

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
- Eligible vacant building (IC 6-1.1-12.1-4.8)

INSTRUCTIONS:

1. This form does not apply to property located in a residentially distressed area. (IC 6-1.1-12.1-2 (b))
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 (SB-1 / Real Property).
3. This form must accompany the initial deduction application that is filed with the County Auditor.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must file an updated form with the County Auditor and the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.1)
5. The updated form must be filed annually by May 15, or by the due date for the real property owner's personal property return that is filed in the township where the project is located, whichever is later. (IC 6-1.1-12.1-5.1 (b))
6. With the approval of the Designating Body, compliance information for multiple projects may be consolidated on one (1) compliance form (CF-1 / Real Property).

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer Laugle Properties, LLC	
Address of taxpayer (number and street, city, state, and ZIP code) 451 Blue Chip Court, Franklin, IN 46131	
Name of contact person Jack or Sandy Laugle	Telephone number 738-5966

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body City of Franklin Common Council	Resolution number 05-14
Location of property 451 Blue Chip Court, Franklin	County Johnson
Description of real property improvements: 7500 Sq. Ft. Mfg facility constructed in 2006	DLGF taxing district number 009
	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	23	28
Salaries	801,632.00	1,818,866.97
Number of employees retained	23	
Salaries	801,632.00	
Number of additional employees	13	
Salaries	381,014.00	

SECTION 4 COST AND VALUES

COST AND VALUES	REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE
Values before project	120,000.00	108,000.00
Plus: Values of proposed project	750,000.00	750,000.00
Less: Values of any property being replaced		
Net values upon completion of project	870,000.00	858,000.00
ACTUAL	COST	ASSESSED VALUE
Values before project		50,000.00
Plus: Values of proposed project	910,530.00	273,300.00
Less: Values of any property being replaced		
Net values upon completion of project		323,300.00

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		
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>Sandy Laugle</i>	Title Member	Date signed (month, day, year) 02/12/2014
---	------------------------	---

Laugle Properties, LLC
3719 E 700 N.
Whiteland, IN 46184
738-5966

February 12, 2014

Krista Linke
Dept. of Planning and Economic Dev.
70 E. Monroe St.
Franklin, IN 46131

RE: Tax Abatement Compliance for Laugle Properties, LLC

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with real property tax abatements; which were granted to McWilliams Realty, LLC in 2005 under Franklin Common Council Resolution No. 05-14.

As described in Attachment to CF-1, Laugle Properties, LLC purchased this location on November 18, 2009

As can be seen from reviewing the enclosed documents, our company has been highly successful in (a) creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved on May 23, 2005.

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

Sincerely,



Sandy Laugle
Laugle Properties, LLC

Enclosures

ATTACHMENT TO FORM CF-1

LAUGLE PROPERTIES LLC

McWilliams Realty, LLC, was granted a tax abatement on the improvements constructed on Lot 8 in Blue Chip Industrial Park, commonly known as 451 Blue Chip Court, Franklin, Indiana by the Common Council of the City of Franklin. Resolution No. 05-14 was passed by the Franklin Common Council on the 23rd day of May 2005.

Laugle Properties, LLC , purchased 451 Blue Chip Court on the 18th day of November 2009.

The business that was operating at 451 Blue Chip Court, Greenwood Machine, Inc., has abandoned the location. Innovative Casting Technologies, Inc., has moved its operations to 451 Blue Chip Court.

Laugle Properties, LLC, requests that the Franklin Common Council find that the property owner has made reasonable effort to substantially comply with the Statement of Benefits. The amount of salaries paid to the estimated 36 total employees was estimated to total \$1,182,646 by the end of the ten (10) year abatement period on the Statement of Benefits filed by McWilliams Realty, LLC. Greenwood Machine, Inc , no longer employs anyone at the site. The business that occupies the subject real estate, Innovative Casting Technologies, Inc., employed 28 persons at the site and paid salaries totaling \$1,818,866.97 in 2013, an increase of \$636,220.97 from the estimate filed by the prior owner.



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 2nd, 2013
Re: Case C 2014-14: Laugle Properties

Summary:

1. On April 28th, 2008, the Franklin Common Council passed Resolution No. 2008-07, approving a 10-year tax abatement on real property for Laugle Properties, located at 400 Blue Chip Court.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	1	1	0
Salaries	\$41,600	\$46,700	\$5,100
New Employees	1	1	0
Salaries	\$41,600	\$60,327	\$18,727
Total Salaries	\$83,200	\$107,027	\$23,827
Average Hourly Salaries	\$20.00	\$25.73	\$5.73
Real Property Improvements	\$497,000	\$513,615	\$16,615

3. The company has exceeded their estimate provided on the SB-1 Form for real property.
4. There were two employees in 2011 with total salaries of \$70,819. The average hourly wage was \$17.02.
5. There were two employees in 2012 with total salaries of \$103,345. The average hourly wage was \$24.84.
6. There are still two employees in 2013, and salaries increased to \$107,027.42.
7. The real property tax abatement is scheduled to expire in tax year 2018 payable 2019. The final compliance review will take place in 2019.

Staff Recommendation:

Approval



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

State Form 51766 (R2 / 1-07)
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).

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
- Eligible vacant building (IC 6-1.1-12.1-4.8)

INSTRUCTIONS:

1. This form does not apply to property located in a residentially distressed area. (IC 6-1.1-12.1-2 (b))
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 (SB-1 / Real Property).
3. This form must accompany the initial deduction application that is filed with the County Auditor.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must file an updated form with the County Auditor and the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.1)
5. The updated form must be filed annually by May 15, or by the due date for the real property owner's personal property return that is filed in the township where the project is located, whichever is later. (IC 6-1.1-12.1-5.1 (b))
6. With the approval of the Designating Body, compliance information for multiple projects may be consolidated on one (1) compliance form (CF-1 / Real Property).

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer Laugle Properties, LLC - Jack and Sandy Laugle	
Address of taxpayer (number and street, city, state, and ZIP code) 3719 E 700 N, Whiteland, IN 46184	
Name of contact person Jack or Sandy Laugle	Telephone number 738-5966

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body City of Franklin Common Council	Resolution number 08-07
Location of property 400 Blue Chip Court, Franklin	County Johnson
Description of real property improvements: 9000 Sq. Ft. Warehouse	Estimated starting date (month, day, year) 04/01/2008
	Estimated completion date (month, day, year) 07/01/2008

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	1	2
Salaries	41,600.00	107,027.42
Number of employees retained	1	1
Salaries	41,600.00	46,700.00
Number of additional employees		1
Salaries		60,327.42

SECTION 4 COST AND VALUES

COST AND VALUES	REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE
Values before project	518,800.00	
Plus: Values of proposed project	497,000.00	
Less: Values of any property being replaced	451,300.00	
Net values upon completion of project	564,500.00	
ACTUAL	COST	ASSESSED VALUE
Values before project	518,800.00	
Plus: Values of proposed project	513,615.00	
Less: Values of any property being replaced	451,300.00	
Net values upon completion of project	581,115.00	493,500.00

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		
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>Sandy Laugle</i>	Title Member	Date signed (month, day, year) 02/20/2014
---	------------------------	---

Laugle Properties, LLC
3719 E 700 N.
Whiteland, IN 46184
738-5966

February 12, 2014

Krista Linke
Dept. of Planning and Economic Dev.
70 E. Monroe St.
Franklin, IN 46131

RE: Tax Abatement Compliance for Laugle Properties, LLC

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with real property tax abatements; which were granted to Laugle Properties, LLC in 2008 under Franklin Common Council Resolution No. 08-07.

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 initial year, and (b) creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved on April 28, 2008.

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

Sincerely,



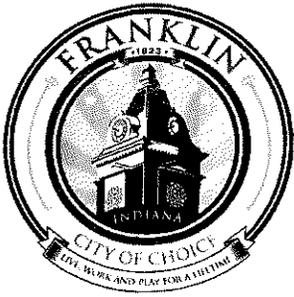
Sandy Laugle
Laugle Properties, LLC

Enclosures

Laugle Properties, LLC
 400 Blue Chip Court
 P.O. Box 476
 Franklin, IN 46131

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

Actual Number Of Employees As of 12/31/12	Proposed Total Number of employees by 12/31/13 (From SB-1)	Actual Number of Employees Added During Year (by Quarter)	3/31/13	6/30/13	9/30/13	12/30/13	Actual Total Number of Employees as of 12/31/13	Difference between Actual and Proposed Number of Employees
2	1	0	0	0	0	0	2	1



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 2nd, 2014
Re: Case C 2014-15: Laugle Properties

Summary:

1. On April 28th, 2008, the Franklin Common Council passed Resolution No. 2008-06, approving a 10-year tax abatement on real property for Laugle Properties, located at 351 Blue Chip Court.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	17	16	-1
Salaries	\$551,760	\$641,523	\$89,763
New Employees	2	7	5
Salaries	\$64,480	\$482,738	\$418,258
Total Salaries	\$616,240	\$1,124,261	\$508,021
Average Hourly Salaries	\$15.59	\$23.50	\$7.91
Real Property Improvements	\$804,500	\$900,000	\$95,500

3. Dualtech was located across the street at 400 Blue Chip Court. There was a fire on February 3, 2008 at this location which destroyed all of Dualtech's equipment and damaged the building. Dualtech relocated to 351 Blue Chip Court. Laugle Properties is the owner of 351 Blue Chip Court and Dualtech leases the real estate from them.
4. They have exceeded their estimate provided on the SB-1 Form for real property.
5. They exceed the overall number of employees as well as average hourly salaries.
6. The real property tax abatement is scheduled to expire in tax year 2019 payable 2020. The final compliance review will take place in 2020.

Staff Recommendation:

Approval



COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R2 / 1-07)

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).

This statement is being completed for real property that qualifies under the following Indiana Code (*check one box*):

- Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
 Eligible vacant building (IC 6-1.1-12.1-4.8)

INSTRUCTIONS:

- This form does not apply to property located in a residentially distressed area. (IC 6-1.1-12.1-2 (b))
- 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 (SB-1 / Real Property).
- This form must accompany the initial deduction application that is filed with the County Auditor.
- Property owners whose Statement of Benefits was approved after June 30, 1991, must file an updated form with the County Auditor and the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.1)
- The updated form must be filed annually by May 15, or by the due date for the real property owner's personal property return that is filed in the township where the project is located, whichever is later. (IC 6-1.1-12.1-5.1 (b))
- With the approval of the Designating Body, compliance information for multiple projects may be consolidated on one (1) compliance form (CF-1 / Real Property).

SECTION 1 TAXPAYER INFORMATION	
Name of taxpayer Laugle Properties, LLC - Jack and Sandy Laugle	
Address of taxpayer (number and street, city, state, and ZIP code) 3719 E 700 N, Whiteland, IN 46184	
Name of contact person Jack or Sandy Laugle	Telephone number 738-5966

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY		
Name of designating body City of Franklin Common Council		Resolution number 08-06
Location of property 351 Blue Chip Court, Franklin	County Johnson	DLGF taxing district number 031
Description of real property improvements: 20,000 Sq. ft. Manufacturing Facility		Estimated starting date (month, day, year) 04/01/2008
		Estimated completion date (month, day, year) 07/01/2008

SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		17	23
Salaries		551,760.00	1,124,261.00
Number of employees retained		17	16
Salaries		551,760.00	641,523.00
Number of additional employees		2	7
Salaries		64,480.00	482,738.00

SECTION 4 COST AND VALUES		
COST AND VALUES	REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE
Values before project	100,000.00	67,500.00
Plus: Values of proposed project	804,500.00	
Less: Values of any property being replaced		
Net values upon completion of project	904,500.00	
ACTUAL	COST	ASSESSED VALUE
Values before project	100,000.00	
Plus: Values of proposed project	900,000.00	
Less: Values of any property being replaced		
Net values upon completion of project	1,000,000.00	

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		
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>Sandy Laugle</i>	Title Member	Date signed (month, day, year) 02/20/2014

Laugle Properties, LLC
3719 E 700 N.
Whiteland, IN 46184
738-5966

February 12, 2014

Krista Linke
Dept. of Planning and Economic Dev.
70 E. Monroe St.
Franklin, IN 46131

RE: Tax Abatement Compliance for Laugle Properties, LLC

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with real property tax abatements; which were granted to Laugle Properties, LLC in 2008 under Franklin Common Council Resolution No. 08-06.

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 initial year, and (b) creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved on April 30, 2009.

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

Sincerely,



Sandy Laugle
Laugle Properties, LLC

Enclosures

Dualtech, Inc.
 351 Blue Chip Court
 P.O. Box 476
 Franklin, IN 46131

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

Actual Number Of Employees As of 12/31/12	Proposed Total Number of employees by 12/31/13 (From SB-1)	Actual Number of Employees Added During Year (by Quarter)	Actual Total Number of Employees as of 12/31/13	Difference between Actual and Proposed Number of Employees
		3/31/13 6/30/13 9/30/13 12/30/13		
21	19	0 0 0 +2	23	+4



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 3rd, 2014
Re: C 2014-16: Dualtech, Inc.

Summary:

1. On April 28th, 2008, the Franklin Common Council passed Resolution No. 2008-03, approving a 7-year tax abatement on personal property for Dualtech, Inc., located at 351 Blue Chip Court.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	17	16	-1
Salaries	\$551,760	\$641,523	\$89,763
New Employees	2	7	5
Salaries	\$64,480	\$482,738	\$418,258
Total Employees	19	23	4
Total Salaries	\$616,240	\$1,124,261	\$508,021
Average Hourly Salaries	\$15.59	\$23.50	\$7.91
Real Property Improvements	\$791,819	\$791,819	\$0

3. Dualtech was located across the street at 400 Blue Chip Court. There was a fire on February 3, 2008 at this location which destroyed all of Dualtech's equipment and damaged the building. Dualtech relocated to 351 Blue Chip Court. Laugle Properties is the owner of 351 Blue Chip Court and Dualtech leases the real estate from them.
4. The company has met their estimate provided on the SB-1 Form for personal property.
5. Overall, the company has exceeded the total number of employees as well as the average hourly salary for these employees estimated on the SB-1 Form. An additional 2 employees have been added since 2012.
6. The personal property tax abatement is scheduled to expire in tax year 2015 payable 2016. The final compliance review will take place in 2016.

Staff Recommendation: Approval



COMPLIANCE WITH STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51765 (R / 1-06)
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		Dualtech, Inc. Jack & Sandy Laugle						
Address of taxpayer (number and street, city, state, and ZIP code)		351 Blue Chip Court, Franklin, IN 46131						
Name of contact person	Telephone number	Jack or Sandy Laugle 738-5966						
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY						
Name of designating body		Franklin Common Council						
Resolution number		08-03						
Location of property	County	DLGF taxing district number						
351 Blue Chip Court, Franklin, IN 46131	Johnson	31						
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired.		Estimated starting date (month, day, year)						
		04/01/2008						
		Estimated completion date (month, day, year)						
		07/01/2008						
SECTION 3		EMPLOYEES AND SALARIES						
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL					
Current number of employees		17.00	23					
Salaries		551,760.00	1,124,261.00					
Number of employees retained		17.00	16					
Salaries		551,760.00	641,523.00					
Number of additional employees		2.00	7					
Salaries		64,480.00	482,738.00					
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	0.00	0.00	0.00	0.00				
Plus: Values of proposed project	791,818.00	316,727.00	165,539.00	66,215.00				
Less: Values of any property being replaced	0.00	0.00	0.00	0.00				
Net values upon completion of project	791,819.00	316,727.00	165,539.00	66,215.00				
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	0.00	0.00	0.00	0.00				
Plus: Values of proposed project	791,819.00	316,727.00	165,539.00	66,215.00				
Less: Values of any property being replaced	0.00	0.00	0.00	0.00				
Net values upon completion of project	791,819.00	316,727.00	165,539.00	66,215.00				
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								
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		Title	Date signed (month, day, year)					
Sandy Laugle		Member	02/26/2014					

Dualtech, Inc
351 Blue Chip Court
P.O. Box 476
Franklin, IN 46131

February 26, 2014

Krista Linke
Dept. of Planning and Economic Dev.
70 E. Monroe St.
Franklin, IN 46131

RE: Tax Abatement Compliance for Dualtech, Inc.

Enclosed please find Form CF-1 and CF-1/PP(Compliance with Statement of Benefits) regarding compliance with the personal property tax abatement; which were granted to Dualtech, Inc in 2008 under Franklin Common Council Resolution No. 08-03.

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 initial year, and (b) creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved on April 28, 2008.

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

Sincerely,


Sandy Laugle
Dualtech, Inc

Enclosures

Dualtech, Inc.
 351 Blue Chip Court
 P.O. Box 476
 Franklin, IN 46131

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

Actual Number Of Employees As of 12/31/12	Proposed Total Number of employees by 12/31/13 (From SB-1)	Actual Number of Employees Added During Year (by Quarter)	Actual Total Number of Employees as of 12/31/13	Difference between Actual and Proposed Number of Employees
		3/31/13 6/30/13 9/30/13 12/30/13		
21	19	0 0 0 +2	23	+4



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 3, 2014
Re: Case C 2014-17: Tube Forming Systems, Inc. d/b/a Overton Industries

Summary:

1. On August 22nd, 2005, the Franklin Common Council passed Resolution No. 2005-19, approving a 7-year tax abatement on \$316,000 of personal property for new equipment and a 10-year real property tax abatement on \$425,000 to allow for an 8,000 square foot expansion at 2155 McClain Drive.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	23	23	0
Salaries	\$1,157,142	\$1,157,142	\$0
New Employees	5	15	10
Salaries	\$212,420	\$646,431	\$434,011
Total Employees	28	38	10
Total Salaries	\$1,369,562	\$1,803,573	\$434,011
Average Hourly Salaries	\$23.52	\$22.82	-\$0.70
Personal Property Improvements	\$316,000	\$316,000	\$0
Real Property Improvements	\$425,000	\$425,000	\$0

3. The company has exceeded the number of jobs indicated on their original SB-1 Form by 10. While they are still above the estimated number of employees, they lost 3 from 2012 to 2013. Their average hourly salary is slightly lower than estimated this year as well.
4. The company has met their estimate provided on the SB-1 Form for personal property and real property.
5. The personal property tax abatement for Overton is expired.
6. The real property tax abatement for Overton is scheduled to expire in tax year 2016 payable 2017. The final compliance review will take place in 2017.

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 Tube Forming Systems, Inc. (dba) Overton Industries		County Johnson	
Address of taxpayer (number and street, city, state, and ZIP code) 1250 Old State Road 67 South Mooresville, IN 46158		DLGF taxing district number Franklin	
Name of contact person Rita Z Shearer		Telephone number (317) 831-4542	
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY			
Name of designating body The City Of Franklin Common Council		Resolution number 05-19	Estimated start date (month, day, year) 09/10/2005
Location of property 2155 McClain Drive Franklin, IN 46131		Actual start date (month, day, year) 09/10/2005	
Description of real property improvements Steel frame building consisting of 7800 sq ft used for light manufacturing		Estimated completion date (month, day, year) 12/31/2005	
		Actual completion date (month, day, year) 12/31/2005	
SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		23	38
Salaries		1,157,142.	1,803,573.
Number of employees retained		23	23
Salaries		1,157,142.	1,157,142.
Number of additional employees		5	15
Salaries		212,420.00	646,431.00
SECTION 4 COST AND VALUES			
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE
Values before project		534,819.	
Plus: Values of proposed project		425,000.	
Less: Values of any property being replaced		0	
Net values upon completion of project		959,819.	
ACTUAL		COST	ASSESSED VALUE
Values before project		534,819.	
Plus: Values of proposed project		425,000.	
Less: Values of any property being replaced			
Net values upon completion of project		959,819.	
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		0	0
Amount of hazardous waste converted		0	0
Other benefits:		0	0
SECTION 6 TAXPAYER CERTIFICATION			
I hereby certify that the representations in this statement are true.			
Signature of authorized representative 		Title CFO	Date signed (month, day, year) 2/24/14



OVERTON INDUSTRIES
INTERNATIONAL

January 29, 2014

City of Franklin

Attn: Krista Linke

70 E. Monroe Street

Franklin, IN 46131

RE: Annual Tax Abatement Compliance Packet for Tube Forming Systems d/b/a Overton Industries

Dear Ms. Linke,

Enclosed, please find Forms CF-1/RE and CF-1/PP (Compliance with Statement of Benefits) regarding compliance with the real property and personal property tax abatements which were granted to Overton & Sons in 2005 under Franklin Common Council Resolution number 05-19.

As can be seen from reviewing the enclosed documents, our company has been highly successful in (1) making all of the capital investments which had been projected, and (2) creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved on August 22, 2005.

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 (317) 831-4542.

Sincerely,



Steve Overton, CFO

Overton Industries

Job Creation or Retention Schedule

Overton Carbide Tool & Engineering
 1255 McClain Drive
 Franklin, IN 46131

*Attachment to Form CF-1 (Compliance with Statement of Benefits)
 Expansion Investment Schedule by Quarter Resolution 05-19*

Actual Number of Employees	Proposed Total No. of Employees	Actual Number of Employees Added During Year (by Quarter)	3/31/2013	6/30/2013	9/30/2013	12/31/2013	Actual Total Number of Employees as of 12/31/13	Difference Between Actual and Proposed
(From SB-1)	(From SB-1)							
23	28	0	0	0	0	0	38	10



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission

From: Krista Linke, Community Development Director

Date: April 3, 2014

Re: Case C 2014-18 Overton Industries International

Summary:

1. On October 18th, 2010, the Franklin Common Council passed Resolution No. 2010-20, approving a 5-year tax abatement on personal property at 2155 McClain Drive.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	36	36	0
Salaries	\$1,708,252	\$1,708,252	\$0
New Employees	2	2	0
Salaries	\$93,000	\$95,321	\$2,321
Total Employees	38	38	0
Total Salaries	\$1,801,252	\$1,803,573	\$2,321
Average Hourly Salaries	\$22.79	\$22.82	\$0.03
Personal Property Improvements	\$275,000	\$275,000	\$0

3. The company meets the number of employees retained as well as new employees. They also meet the average hourly wage indicated on the SB-1 Form.
4. There were 41 employees in 2012 and the average hourly salary was \$23.93.
5. The company has met their estimate provided on the SB-1 Form for personal property.
6. The personal property tax abatement for Overton is scheduled to expire in tax year 2015 payable 2016. The final compliance review will take place in 2016.

Staff Recommendation:

Approval



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 Tube Forming Systems, Inc. dba Overton Industries		
Address of taxpayer (number and street, city, state, and ZIP code) 1250 Old State Road 67 South Mooresville, In 46158		
Name of contact person Rita Z Shearer	Telephone number (317) 831-4542	
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY		
Name of designating body The City of Franklin Common Council		Resolution number 10-20
Location of property 2155 McClain Drive Franklin, IN 46131	County Franklin	DLGF taxing district number Franklin
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. Studer SN 270610		Estimated starting date (month, day, year) 08/30/2010
		Estimated completion date (month, day, year) 10/31/2010

SECTION 3 EMPLOYEES AND SALARIES		
EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	36.00	38.00
Salaries	1,708,252.00	1,803,573.00
Number of employees retained	36.00	36.00
Salaries	1,708,252.00	1,708,252.00
Number of additional employees	2.00	2.00
Salaries	93,000.00	95,321.00

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	275,000.00							
Less: Values of any property being replaced	0.00							
Net values upon completion of project	275,000.00							
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project								
Plus: Values of proposed project	275,000.00							
Less: Values of any property being replaced	0.00							
Net values upon completion of project	275,000.00							

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	0.00	0.00
Amount of hazardous waste converted	0.00	0.00
Other benefits:	0.00	0.00

SECTION 6 TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative 	Title CFO	Date signed (month, day, year) 2/24/14

January 31, 2014

City of Franklin

Attn: Krista Linke

71 East Monroe Street

Franklin, IN 46131-2358

RE: Annual Tax Abatement Compliance Packet for Tube Forming Systems, Inc. d/b/a Overton Industries

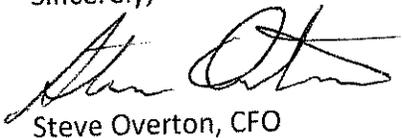
Dear Ms. Linke,

Enclosed, please find Form CF-1/PP (Compliance with Statement of Benefits) regarding compliance with the real property and personal property tax abatements which were granted to Overton & Sons in 2010 under Franklin Common Council Resolution number 10-20.

As can be seen from reviewing the enclosed documents, our company has been highly successful in (1) making all of the capital investments which had been projected, and (2) retaining the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved on October 18, 2010.

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 (317) 831-4542.

Sincerely,



Steve Overton, CFO

Overton Industries

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Expansion Investment Schedule

Overton Carbide Tool & Engineering
 1255 McClain Drive
 Franklin, IN 46131

*Attachment to Form CF-1 (Compliance with Statement of Benefits)
 Expansion Investment Schedule by Quarter Resolution 10-20*

	Actual Amount of Investment (From SB-1)	Proposed Amount of Total Investment (From SB-1)	Actual Amount of Investment Added During Year (by Quarter)				Actual Total Amount of Investment as of 12/31/13	Difference Between Actual and Proposed Amount of Investment
			3/31/2013	6/30/2013	9/30/2013	12/31/2013		
Buildings and Improvements:	0	0	0	0	0	0	0	0
Machinery and Equipment:	275,000	275,000	0	0	0	0	275,000	0.0
Totals								

Job Creation or Retention Schedule

Overton Carbide Tool & Engineering
 1255 McClain Drive
 Franklin, IN 46131

*Attachment to Form CF-1 (Compliance with Statement of Benefits)
 Expansion Investment Schedule by Quarter Resolution 10-20*

Actual Number of Employees (From SB-1)	Proposed Total No. of Employees (From SB-1)	Actual Number of Employees Added During Year (by Quarter)				Actual Total Number of Employees as of 12/31/13	Difference Between Actual and Proposed Number of Employees
		3/31/2013	6/30/2013	9/30/2013	12/31/2013		
36	38	1	1	1	1	38	0



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 3, 2014
Re: Case C 2014-19: Tube Forming Systems, Inc. d/b/a Overton Industries

Summary:

1. On October 15th, 2012, the Franklin Common Council passed Resolution No. 2012-17, approving a 5-year tax abatement on \$321,456 of personal property for new equipment at 2155 McClain Drive.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	37	37	0
Salaries	\$1,615,649	\$1,615,649	\$0
New Employees	2	1	-1
Salaries	\$95,680	\$44,734	-\$50,946
Total Employees	39	38	-1
Total Salaries	\$1,711,329	\$1,660,383	-\$50,946
Average Hourly Salaries	\$21.10	\$21.01	-\$0.09
Personal Property Improvements	\$321,456	\$321,456	\$0

3. In 2012 there were 41 total employees and the average hourly salary was \$23.93.
4. In 2013 the company meets the estimated average hourly wage indicated on the SB-1 Form but is one employee lower than estimated on their SB-1 Form. Steve Overton explains in his cover letter the difficulty they are having finding and retaining skilled employees.
5. The company has met their estimate provided on the SB-1 Form for personal property.
6. The personal property tax abatement for Overton 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 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 Tube Forming Systems, Inc. dba Overton Industries	
Address of taxpayer (number and street, city, state, and ZIP code) 1250 Old State Road 67 South Mooresville, IN 46158	
Name of contact person Rita Z Shearer	Telephone number (317) 831-4542

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body The City of Franklin Common Council		Resolution number 12-17
Location of property 2155 McClain Drive Franklin, IN 46131	County Franklin	DLGF taxing district number Franklin
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. EC1600 Horizontal Machining Mill ST-30 CNC Lathe	Estimated starting date (month, day, year) 11/05/1012	
	Estimated completion date (month, day, year) 11/19/2012	

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	37.00	38.00
Salaries	1,615,649.00	1,803,573.00
Number of employees retained	37.00	37.00
Salaries	1,615,649.00	1,615,649.00
Number of additional employees	2.00	1.00
Salaries	95,680.00	44,734.00

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	321,456.00							
Less: Values of any property being replaced	0.00							
Net values upon completion of project	321,456.00							
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project								
Plus: Values of proposed project	321,456.00							
Less: Values of any property being replaced	0.00							
Net values upon completion of project	321,456.00							

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	0.00	0.00
Amount of hazardous waste converted	0.00	0.00
Other benefits:	0.00	0.00

SECTION 6 TAXPAYER CERTIFICATION

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

Signature of authorized representative 	Title CFO	Date signed (month, day, year) 2/24/14
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OVERTON INDUSTRIES

INTERNATIONAL
February 24, 2014

City of Franklin

Attn: Krista Linke

71 East Monroe Street

Franklin, IN 46131-2358

RE: Annual Tax Abatement Compliance Packet for Tube Forming Systems, Inc. d/b/a Overton Industries

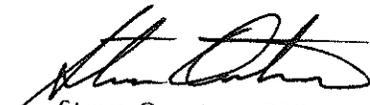
Dear Ms. Linke,

Enclosed, please find Form CF-1/PP (Compliance with Statement of Benefits) regarding compliance with the real property tax abatement which was granted to Overton & Sons in 2012 under Franklin Common Council Resolution number 12-17 and approved on October 18, 2010.

After reviewing the documents, you will see that we have been successful in making all of the capital investments which had been projected. As proposed in the Statement of Benefits (Form SB-1) we anticipated hiring 2 people. Although we hired two people in 2012 and two people in 2013, we are having a difficult time acquiring workers with the level of skill that we require. Two people were let go because their skill level was insufficient and one person left for employment elsewhere. Since we are continuing to seek skilled workers, but the pool currently available is not sufficient, it is our desire and request that the City of Franklin will look favorably upon our activities and grant us an extension of time to be in full compliance with our tax abatement commitments.

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 (317) 831-4542.

Sincerely,



Steve Overton, CFO

Overton Industries

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Expansion Investment Schedule

Overton Carbide Tool & Engineering
 1255 McClain Drive
 Franklin, IN 46131

Attachment to Form CF-1 (Compliance with Statement of Benefits)
 Expansion Investment Schedule by Quarter Resolution 12-17

	Actual Amount of Investment (From SB-1)	Proposed Amount of Total Investment (From SB-1)	Actual Amount of Investment Added During Year (by Quarter)			Actual Total Amount of Investment as of 12/31/13	Difference Between Actual and Proposed Amount of Investment
			3/31/2013	6/30/2013	9/30/2013		
Buildings and Improvements:	0	0	0	0	0	0	0
Machinery and Equipment:	321,456	321,456	0	0	0	321,456	0.0
Totals							

Job Creation or Retention Schedule

Overton Carbide Tool & Engineering
 1255 McClain Drive
 Franklin, IN 46131

*Attachment to Form CF-1 (Compliance with Statement of Benefits)
 Expansion Investment Schedule by Quarter Resolution 12-17*

Actual Number of Employees (From SB-1)	Proposed Total No. of Employees (From SB-1)	3/31/2013	6/30/2013	9/30/2013	12/31/2013	Actual Number of Employees Added During Year (by Quarter)	Actual Total Number of Employees as of 12/31/13	Difference Between Actual and Proposed Number of Employees
37	39	1	0	1	0		38	1



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 3, 2014
Re: Case C 2014-20: Mitsubishi Heavy Industries Climate Control, Inc.

Summary:

1. On April 28th, 2008, the Franklin Common Council passed Resolution No. 2008-08 confirming resolution 2008-02, approving a 7-year tax abatement on personal property for Mitsubishi, located at 1200 N. Mitsubishi Parkway.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	139	44	-95
Salaries	\$6,146,532	\$2,427,584	-\$3,718,948
New Employees	36	175	139
Salaries	\$1,042,003	\$7,105,278	\$6,063,275
Total Employees	175	219	44
Total Salaries	\$7,188,535	\$9,532,862	\$2,344,327
Average Hourly Salaries	\$19.75	\$20.93	\$1.18
Personal Property Improvements	\$5,317,174	\$5,677,155	\$359,981

3. The company had a total of 110 employees at the end of 2011. They had 211 total employees at the end of 2012. In 2013 they exceed the total number of employees estimated again. Average hourly salaries are also above estimated. Please see the attached letter from Bob Francis dated February 26th that explains this further.
4. The company exceeded their estimate provided on their SB-1 Form for personal property.
5. The personal property tax abatement for Mitsubishi is scheduled to expire in tax year 2015 payable 2016. The final compliance review will take place in 2016.

Staff Recommendation:

Approval



**COMPLIANCE WITH STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51765 (R / 1-06)

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 Mitsubishi Heavy Industries Climate Control, Inc.	
Address of taxpayer (number and street, city, state, and ZIP code) 1200 North Mitsubishi Parkway, Franklin, Indiana 46131	
Name of contact person Bob Francis	Telephone number (317) 346-5010

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body Franklin City Council	Resolution number 08-02
Location of property 1200 North Mitsubishi Parkway, Franklin, Indiana 46131	County Johnson
DLGF taxing district number 41-018	Estimated starting date (month, day, year) 09/01/2008
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. New assembly line to assemble car air-conditioning compressor model	Estimated completion date (month, day, year) 01/30/2009

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	139.00	44
Salaries	6,146,532.00	2,427,584.00
Number of employees retained	139.00	44
Salaries	6,146,532.00	2,427,584.00
Number of additional employees	36.00	175
Salaries	1,042,003.00	7,105,278.00

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	5,317,174.00	5,317,174.00						
Plus: Values of proposed project	5,317,174							
Less: Values of any property being replaced								
Net values upon completion of project	5,317,174.00	5,317,174.00						
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	5,677,155.00	5,677,155.00						
Plus: Values of proposed project	5,677,155							
Less: Values of any property being replaced								
Net values upon completion of project	5,677,155.00	5,677,155.00						

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	0	0
Amount of hazardous waste converted	0	0
Other benefits:		

SECTION 6 TAXPAYER CERTIFICATION

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

Signature of authorized representative <i>Bob Francis</i>	Title <i>General Mgr. Admin</i>	Date signed (month, day, year) <i>2-26-14</i>
--	------------------------------------	--

 **MITSUBISHI HEAVY INDUSTRIES CLIMATE CONTROL, INC.**

February 26, 2014

Krista Linke, AICP
Director of Community Development
City of Franklin
70 E. Monroe Street
Franklin, Indiana 46131
RE: Annual Tax Abatement Compliance - Common Council Resolution 08-02

Dear Economic Development Commission Members:

Mitsubishi Heavy Industries Climate Control, Inc. (MCC) requested and was granted tax abatement (Resolution 08-02) by the City of Franklin on \$5,317,174.00 for personal property (a new automotive air conditioning compressor assembly line) to be purchased and installed during the fourth quarter 2008. The tax abatement was to begin for 2009 taxes payable to 2010. MCC has complied with the machinery and equipment purchase and installation. The new assembly line was installed during 2008 and is operational. See attachments – Form CF-1 / PP, Investment Time Table for QS Assembly Line machines.

The new compressor assembly line was installed to produce a new style (QS) compressor that we felt would enable MCC to obtain new business, maintain the 139 jobs we listed on Form SB-1 dated 3/4/08 and add 18 jobs during the fourth quarter 2009 and 18 jobs during the fourth quarter 2010 for a total of 175 jobs.

However, the 2009/2010 global and automotive industry economic crisis that we were facing resulted in reduced sales that caused MCC to stop production and reduce headcount from the 139 jobs that we planned to maintain down to 44 that we reported on Form CF-1/PP dated February 16, 2010. MCC has since been awarded a new business contract with a major automotive manufacturer that resulted in restarting production during the third quarter 2011. We hired nine (9) new employees during 2010, 57 employees during 2011, 111 employees during 2012 and had a reduction of two employees during 2013. We had six job openings at the end of 2013 that, when filled, will bring total employees to 225. The total number of employees at the end of 2013 is 219, or 44 more than projected on our original request for tax abatement. See the Job Retention and Creation Schedule attached to Form CF-1/PP dated February 26, 2014.

We would like to thank the City of Franklin for continued support in approving our tax abatement compliance request for previous projects and we respectfully request that the City of Franklin will continue to look favorably upon our growth activities and grant this 2014 compliance request for the abatement on taxes for 2013 payable 2014.

Respectfully,



Bob Francis
General Manager Administration
Mitsubishi Heavy Industries Climate Control, Inc. (MCC)

Company Investment Time Table

Resolution 08-02

Mitsubishi Heavy Industries Climate
Control, Inc. (MCC)
1200 North Mitsubishi Parkway
Franklin, IN 46131

	Buildings	Equipment Type 1 (Machining and Equipment) 2008	Equipment Type 2 (Fixtures) 2008	Equipment Type 3 (Tooling) 2008	Total
Year of Abatement					
1st Quarter					
2nd Quarter			\$270,868.00		\$270,868.00
3rd Quarter		\$4,593,217.00			\$4,593,217.00
4th Quarter		\$535,230.00	\$159,086.00	\$10,000.00	\$704,316.00
Year of Abatement			2009		2009
1st Quarter			\$108,754.00		\$108,754.00
2nd Quarter					
3rd Quarter					
4th Quarter					
Year of Abatement					
1st Quarter					
2nd Quarter					
3rd Quarter					
4th Quarter					
Total		\$5,128,447.00	\$538,708.00	\$10,000.00	\$5,677,155.00

Note: This money has been spent and the machines and equipment are installed and operational.

Job Creation and Retention Schedule

Resolution 08-02

Attachment to Form CF-1 (Compliance with Statement of Benefits) :
Job Creation Schedule by Quarter

Climate Control, Inc.
(MCC)

SB-1
03/04/08

Retained 139, added 18 in 4th quarter 2009 and 18 in 4th quarter 2010 for a total of 175 at the end of 2010. Major layoff in 2009 - stopped production - retained 44 employees at year end.

2009

Proposed (SB-1)
Actual ->

Retained	New 1st Qtr	New 2nd Qtr	New 3rd Qtr	New 4th Qtr	Year End Total
139	-	-	-	18	157
44	-	-	-	-	44

2010

Proposed (SB-1)
Actual ->

Retained	New 1st Qtr	New 2nd Qtr	New 3rd Qtr	New 4th Qtr	Year End Total
157	-	-	-	18	175
44	1	2	3	3	53

2011

Proposed (SB-1)
Actual ->

Retained	New 1st Qtr	New 2nd Qtr	New 3rd Qtr	New 4th Qtr	Year End Total
175	-	-	-	-	175
53	15	19	21	2	110

2012

Proposed (SB-1)
Actual ->

Retained	New 1st Qtr	New 2nd Qtr	New 3rd Qtr	New 4th Qtr	Year End Total
175	-	-	-	-	175
110	47	27	23	14	221

2013

Proposed (SB-1)
*** Actual ->

Retained	New 1st Qtr	New 2nd Qtr	New 3rd Qtr	New 4th Qtr	Year End Total
175	-	-	-	-	175
221	-	-	-	-2	219

*** NOTE: We had six (6) job openings at the end of 2013 - that, when filled, will bring the total employment to 225.

The 219 number is the actual number of employees on the payroll at the end of 2013.



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 3rd, 2014
Re: Case C 2014-21: Mitsubishi Heavy Industries Climate Control, Inc.

Summary:

1. On May 17th, 2010, the Franklin Common Council passed Resolution No. 2010-10 approving a 10-year tax abatement on real property and a 10-year tax abatement on personal property for Mitsubishi, located at 1200 N. Mitsubishi Parkway.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	44	44	0
Salaries	\$2,638,636	\$2,488,375	-\$150,261
New Employees	67	175	108
Salaries	\$2,308,134	\$7,044,487	\$4,736,353
Total Employees	111	219	108
Total Salaries	\$4,946,770	\$9,532,862	\$4,586,092
Average Hourly Salaries	\$21.43	\$20.93	-\$0.50
Personal Property Improvements	\$8,496,346	\$8,751,627	\$255,281

3. The company reported 110 total jobs with an average hourly salary of \$19.05 in 2011. They added 101 jobs in 2012 and slightly increased the average hourly salary. Their overall number of employees greatly exceeds the original estimate, and they've added an additional 8 employees since 2012.
4. The company exceeded their estimate provided on their SB-1 Form for personal property. An additional \$358,625 in research and development equipment was spent in 2010. Only manufacturing equipment was included in this abatement.
5. Mr. Francis explains in the attached letter dated February 26th that the real property abatement does not apply because the renovations to the current facility do not add tax liability.
6. The personal property tax abatement for Mitsubishi is scheduled to expire in tax year 2020 payable 2021. The final compliance review will take place in 2021.

Staff Recommendation: Approval



COMPLIANCE WITH STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51765 (R / 1-06)

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 Mitsubishi Heavy Industries Climate Control, Inc.									
Address of taxpayer (number and street, city, state, and ZIP code) 1200 North Mitsubishi Parkway, Franklin, Indiana 46131									
Name of contact person Bob Francis						Telephone number (317) 346-5010			
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY							
Name of designating body Franklin City Council						Resolution number 10-10			
Location of property 1200 North Mitsubishi Parkway, Franklin, Indiana 46131				County Johnson		DLGF taxing district number 41-018			
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. Upgrade to assembly line, new machining and inspection equipment and building improvements in the machining and assembly areas to machine and assemble automotive air conditioning compressors.						Estimated starting date (month, day, year) 08/01/2010			
						Estimated completion date (month, day, year) 12/31/2011			
SECTION 3		EMPLOYEES AND SALARIES							
EMPLOYEES AND SALARIES				AS ESTIMATED ON SB-1		ACTUAL			
Current number of employees				44.00		44			
Salaries				2,638,636.00		2,488,375.00			
Number of employees retained				44.00		44			
Salaries				2,638,636.00		2,488,375.00			
Number of additional employees				67.00		175			
Salaries				2,308,134.00		7,044,487.00			
SECTION 4		COST AND VALUES							
		MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project		8,496,346.00	8,496,346.00	396,842.00	396,842.00				
Plus: Values of proposed project		8,496,346							
Less: Values of any property being replaced									
Net values upon completion of project		8,496,346.00	8,496,346.00	396,842.00	396,842.00				
ACTUAL		COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project		8,751,627.00	8,751,627.00	358,625.00	358,625.00				
Plus: Values of proposed project		8,751,627							
Less: Values of any property being replaced									
Net values upon completion of project		8,751,627.00	8,751,627.00	358,625.00	358,625.00				
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				0		0			
Amount of hazardous waste converted				0		0			
Other benefits:									
SECTION 6		TAXPAYER CERTIFICATION							
I hereby certify that the representations in this statement are true.									
Signature of authorized representative <i>Bob Francis</i>				Title <i>General Mgr. Admin.</i>		Date signed (month, day, year) <i>2-26-14</i>			

 **MITSUBISHI HEAVY INDUSTRIES CLIMATE CONTROL, INC.**

February 26, 2014

Krista Linke, AICP
Director of Community Development
City of Franklin
70 E. Monroe Street
Franklin, Indiana 46131

RE: Annual Tax Abatement Compliance - Common Council Resolution 10-10

Dear Economic Development Commission Members:

Mitsubishi Heavy Industries Climate Control, Inc. (MCC) requested and was granted tax abatement (Resolution 10-10) by the City of Franklin on \$8,893,188.00 for personal property (Assembly line upgrades, Inspection equipment and Machining equipment) and \$446,212.00 for Real Estate Improvements (building upgrades in Machining and Assembly area) to be purchased and installed during 2010 and 2011. The personal property and real estate improvements have been completed. Personal property actual spending was \$9,110,252.00 and real estate improvements actual spending was \$249,334.00 – see Form CF-1/PP and also Investment Time Table form that are included with this report. We understand that the real property abatement does not apply because it was renovations to the current facility that does not add tax liability. Therefore, we will not report on the real property portion going forward.

These investments were necessary to manufacture car air conditioning compressors for a new global contract that MCC was awarded with a major US automobile manufacturer. These investments were needed to produce a new style (QS) compressor for this new contract, maintain the 44 jobs we listed on Form SB-1 dated 4/16/2010 and add 67 jobs (35 during 2011 and 32 during 2012) for a total of 111 jobs. MCC has maintained the 44 jobs listed on Form SB-1 dated 4/16/2010 and has added 9 jobs during 2010, 57 jobs during 2011, and 111 during 2012, and had a reduction of 2 employees during 2012. We had six (6) job openings at the end of 2013 that, when filled, will bring the total employment to 225. See the Job Retention and Creation schedule attached to CF-1/PP dated February 26, 2014.

We would like to thank the City of Franklin for its continued support in approving our tax abatement compliance requests for previous projects and we respectfully request that the City of Franklin will continue to look favorably upon our growth activities and grant this 2014 compliance request relative to Common Council Resolution 10-10 for the abatement on taxes for 2013 payable 2014.

Respectfully,



Bob Francis
General Manager Administration
Mitsubishi Heavy Industries Climate Control, Inc. (MCC)

Company Investment Time Table

Resolution 10-10

Mitsubishi Heavy Industries Climate
Control, Inc. (MCC)
1200 North Mitsubishi Parkway
Franklin, IN 46131

	Buildings 2010	Equipment Type Manufacturing Equipment	Equipment R&D 2010	Total 2010
Year of Abatement				
1st Quarter		\$148,888.00		
2nd Quarter		\$706,691.00		
3rd Quarter		\$697,452.00	\$358,625.00	
4th Quarter		\$346,467.00		
Year of Abatement	2011	2011		2011
1st Quarter		\$1,271,951.00		
2nd Quarter		\$3,106,877.00		
3rd Quarter		\$1,910,062.00		
4th Quarter		\$563,239.00		
Total		\$8,751,627.00	\$358,625.00	\$9,110,252.00

Note: This money has been spent and the machines and equipment are installed and operational.
*** NOTE: Abatement request has also been referred to as Common Council Resolution 10-10

Job Creation and Retention Schedule

Resolution 10-10

Mitsubishi Heavy Industries
Climate Control, Inc. (MCC)
1200 North Mitsubishi Parkway
Franklin, IN 46131

Attachment to Form CF-1 (Compliance with Statement of Benefits) :
Job Creation Schedule by Quarter

	Retained	New 1st Qtr	New 2nd Qtr	New 3rd Qtr	New 4th Qtr	Year End Total
2011						
Proposed (SB-1)	44	0	0	22	13	79
Actual ->	53	15	19	21	2	110
2012						
Proposed (SB-1)	79	21	11	0	0	111
Actual ->	110	47	27	23	14	221
2013						
Proposed (SB-1)	111	0	0	0	0	111
*** Actual ->	221	0	0	0	-2	219

*** NOTE: We had six (6) job openings at the end of 2013 - that, when filled, will bring the total employment to 225.

The 219 number is the actual number of employees on the payroll at the end of 2013.



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 3, 2014
Re: Case C 2014-22: Mitsubishi Heavy Industries Climate Control, Inc.

Summary:

1. On May 21st, 2012, the Franklin Common Council passed Resolution No. 2012-10, approving a 7-year tax abatement on personal property for Mitsubishi, located at 1200 N. Mitsubishi Parkway.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	150	157	7
Salaries	\$8,444,556	\$8,610,540	\$165,984
New Employees	3	62	59
Salaries	\$126,921	\$1,782,190	\$1,655,269
Total Employees	153	219	66
Total Salaries	\$8,571,477	\$10,392,730	\$1,821,253
Average Hourly Salaries	\$26.93	\$22.82	-\$4.12
Personal Property Improvements	\$1,717,647	\$1,511,422	-\$206,225

3. The company originally estimated adding 3 employees in 2012 as a result of purchasing two new scroll finishing machines. They added 64 jobs in 2012. Overall, there are two less jobs in 2013 than 2012. The average hourly salaries increased from \$22.73 in 2012 to \$22.82 in 2013.
4. The two new scroll finishing machines cost less to purchase than estimated on their SB-1 Form for personal property. They have been purchased and this number will remain the same over the length of the abatement.
5. The personal property tax abatement for Mitsubishi is scheduled to expire in tax year 2018 payable 2019. The final compliance review will take place in 2019.

Staff Recommendation:

Approval



**COMPLIANCE WITH STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51765 (R / 1-06)
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
Mitsubishi Heavy Industries Climate Control, Inc.

Address of taxpayer (number and street, city, state, and ZIP code)
1200 North Mitsubishi Parkway, Franklin, Indiana 46131

Name of contact person
Bob Francis

Telephone number
(317) 346-5010

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body
Franklin City Council

Resolution number
12-10

Location of property
1200 North Mitsubishi Parkway, Franklin, Indiana 46131

County
Johnson

DLGF taxing district number
41-018

Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired.
New machining equipment in the machining area to machine automotive air compressor parts.

Estimated starting date (month, day, year)
07/09/2012

Estimated completion date (month, day, year)
09/01/2012

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	150.00	157
Salaries	8,444,556.00	7,750,672.00
Number of employees retained	150.00	157
Salaries	8,444,556.00	8,610,540.00
Number of additional employees	3.00	62
Salaries	126,921.00	1,782,190.00

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	1,717,647.00	1,717,647.00						
Plus: Values of proposed project	1,717,647							
Less: Values of any property being replaced								
Net values upon completion of project	1,717,647.00	1,717,647.00						
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	1,511,422.00	1,511,422.00						
Plus: Values of proposed project	1,511,422							
Less: Values of any property being replaced								
Net values upon completion of project	1,511,422.00	1,511,422.00						

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	0	0
Amount of hazardous waste converted	0	0
Other benefits:		

SECTION 6 TAXPAYER CERTIFICATION

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

Signature of authorized representative *Bob Francis* Title *General Mgr. Admin* Date signed (month, day, year) *2-26-12*

 **MITSUBISHI HEAVY INDUSTRIES CLIMATE CONTROL, INC.**

February 26, 2014

Krista Linke, AICP
Director of Community Development
City of Franklin
70 E. Monroe Street
Franklin, Indiana 46131

RE: Annual Tax Abatement Compliance –Common Council Resolution 12-10

Dear Economic Development Commission Members:

Mitsubishi Heavy Industries Climate Control, Inc. (MCC) requested and was granted tax abatement (Common Council Resolution 12-10) by the City of Franklin on \$1,717,647.00 for personal property (two new scroll finishing machines) to be purchased and installed during the third quarter 2012. This equipment was installed and operational during the third quarter 2012 (see Company Investment Timetable chart). However, the actual value of the two machines is \$1,511,422.00. The tax abatement is to start with 2012 taxes payable 2013.

The investment in these two new machines was necessary to maintain production levels of scrolls to manufacture car air conditioning compressors for a new global contract that MCC was awarded with a major U S automobile manufacturer. With this investment we were able to maintain the 150 jobs we listed on Form SB-1 dated 4/12/2012 and add the 3 jobs that we listed during the third quarter 2012. MCC actually added 23 jobs during the third quarter of 2012 - see Job Creation or Retention Schedule. The 2013 year-end total of employees on the payroll was 219.

We would like to thank the City of Franklin for continued support in approving our tax abatement compliance requests for previous projects and we respectfully request that the City of Franklin will continue to look favorably on our growth activities and grant this 2012 compliance request relative to Common Council Resolution 12-10 for the abatement on taxes for 2013 payable 2014.

Respectfully,



Bob Francis
General Manager Administration/Production/ Materials
Mitsubishi Heavy Industries Climate Control, Inc.

Company Investment Time Table

Resolution 12-10

Mitsubishi Heavy Industries Climate
Control, Inc. (MCC)
1200 North Mitsubishi Parkway
Franklin, IN 46131

	Buildings	Equip. Type 1	Equip. Type 2	Equip. Type 3	Total
Year of Abatement	2010	2010	2010	2010	2010
1st Quarter					
2nd Quarter					
3rd Quarter					
4th Quarter					
2011					
Year of Abatement	2011	2011	2011	2011	2011
1st Quarter					
2nd Quarter					
3rd Quarter					
4th Quarter					
2012					
Year of Abatement	2012	2012	2012	2012	2012
1st Quarter					
2nd Quarter				Machining Equipment	
3rd Quarter				\$1,511,422	\$1,511,422
4th Quarter					
Total					\$1,511,422.00

Job Creation and Retention Schedule

Resolution 12-10

Mitsubishi Heavy Industries
Climate Control, Inc. (MCC)
1200 North Mitsubishi Parkway
Franklin, IN 46131

Attachment to Form CF-1 (Compliance with Statement of Benefits) :
Job Creation Schedule by Quarter

Retained	New 1st Qtr	New 2nd Qtr	New 3rd Qtr	New 4th Qtr	Year End Total
150	0	0	3	0	153
as of 4-12-12					
157	0	27	23	14	221

2012

Proposed (SB-1)

Actual ->

Retained	New 1st Qtr	New 2nd Qtr	New 3rd Qtr	New 4th Qtr	Year End Total
153	0	0	0	0	153
221	0	0	0	-2	219

2013

Proposed (SB-1)

*** Actual ->

*** NOTE: We had six (6) job openings at the end of 2013 - that, when filled, will bring the total employment to 225.

The 219 number is the actual number of employees on the payroll at the end of 2013.



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 3, 2014
Re: Case C 2014-23: Mitsubishi Heavy Industries Climate Control, Inc.

Summary:

1. On March 18th, 2013, the Franklin Common Council passed Resolution No. 2013-10, approving a 7-year tax abatement with a 5% economic development fee on personal property for Mitsubishi, located at 1200 N. Mitsubishi Parkway.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	219	219	0
Salaries	\$8,431,675	\$9,532,862	\$1,101,187
New Employees	3	0	-3
Salaries	\$96,158	\$0	-\$96,158
Total Employees	222	219	-3
Total Salaries	\$8,527,833	\$9,532,862	\$1,005,029
Average Hourly Salaries	\$18.47	\$20.93	\$2.46
Personal Property Improvements	\$1,851,351	\$1,193,030	-\$658,321

3. The company estimated on their original application that they would add one employee in the 4th quarter of 2013 and 2 employees in 2014. As explained in the attached letter from Bob Francis dated February 26th, 2014, they had six open jobs at the end of 2013. If those were filled their total jobs would have been 225.
4. The average hourly salaries are higher than estimated.
5. The two new scroll finishing machines cost less to purchase than estimated on their SB-1 Form for personal property. They have been purchased and this number will remain the same over the length of the abatement.
6. The personal property tax abatement for Mitsubishi is scheduled to expire in tax year 2019 payable 2020. The final compliance review will take place in 2020.

Staff Recommendation: Approval



COMPLIANCE WITH STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51765 (R / 1-06)

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		Mitsubishi Heavy Industries Climate Control, Inc.						
Address of taxpayer (number and street, city, state, and ZIP code)		1200 North Mitsubishi Parkway, Franklin, Indiana 46131						
Name of contact person	Bob Francis	Telephone number	(317) 346-5010					
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY						
Name of designating body	City of Franklin Common Council	Resolution number	13-10					
Location of property	1200 North Mitsubishi Parkway, Franklin, Indiana 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.		DLGF taxing district number	41-018					
Introduction of six additional machines for finishing scrolls to increase production capacity at MCC Plant.		Estimated starting date (month, day, year)	04/01/2013					
		Estimated completion date (month, day, year)	12/31/2013					
SECTION 3		EMPLOYEES AND SALARIES						
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL					
Current number of employees		219.00	219					
Salaries		8,431,675.00	9,532,862.00					
Number of employees retained		219.00	219					
Salaries		8,431,675.00	9,532,862.00					
Number of additional employees		3.00	0					
Salaries		96,158.00	0.00					
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	1,851,351.00	1,851,351.00						
Less: Values of any property being replaced								
Net values upon completion of project	1,851,351.00	1,851,351.00						
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project								
Plus: Values of proposed project	1,193,030.00	1,193,030.00						
Less: Values of any property being replaced								
Net values upon completion of project	1,193,030.00	1,193,030.00						
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		0	0					
Amount of hazardous waste converted		0	0					
Other benefits:								
SECTION 6		TAXPAYER CERTIFICATION						
I hereby certify that the representations in this statement are true.								
Signature of authorized representative	<i>Bob Francis</i>	Title	General Mgr. Admin					
		Date signed (month, day, year)	2-26-14					

 **mitsubishi HEAVY INDUSTRIES CLIMATE CONTROL, INC.**

February 26, 2014

Krista Linke, AICP
Director of Community Development
City of Franklin
70 E. Monroe Street
Franklin, Indiana 46131

RE: Annual Tax Abatement Compliance - Common Council Resolution 13-10

Dear Economic Development Commission Members:

Mitsubishi Heavy Industries Climate Control, Inc. (MCC) requested and was granted tax abatement (Common Council Resolution 13-10) by the City of Franklin on \$1,851,351.00 for personal property (six scroll finishing machines) to be purchased and installed during the third quarter 2013. This equipment was installed and operational during the third quarter 2013 (see Company Investment Timetable chart). However, the actual value of the six machines is \$1,193,030.00. The tax abatement is to start with 2013 taxes payable 2014.

The investment in these six machines was necessary to maintain production levels of scrolls to manufacture car air conditioning compressors for a new global contract that MCC was awarded with a major U S automobile manufacturer. With this investment we were able to maintain the 219 jobs we listed on Form SB-1 dated 3/1/2013 and add the 3 jobs that we listed during 2013 (1) and 2014 (2). The 2013 year-end total of employees on the payroll was 219, however we had six open jobs that, when filled, will bring the total to 225. This is three more than the 222 projected on the SB-1.

We would like to thank the City of Franklin for continued support in approving our tax abatement compliance requests for previous projects and we respectfully request that the City of Franklin will continue to look favorably on our growth activities and grant this 2014 compliance request relative to Common Council Resolution 13-10 for the abatement on taxes for 2013 payable 2014.

Respectfully,



Bob Francis
General Manager Administration/Production/ Materials
Mitsubishi Heavy Industries Climate Control, Inc.

COMPANY INVESTMENT TIMETABLE MCCA

	Proposed New Machinery and Equipment 2013	Actual New Machinery and Equipment	Actual Total
Year of Abatement			
1st Quarter			\$0.00
2nd Quarter			\$0.00
3rd Quarter	\$1,851,351.00	\$1,193,030.00	\$1,193,030.00
4th Quarter			\$0.00
2014			
Year of Abatement			
1st Quarter			\$0.00
2nd Quarter			\$0.00
3rd Quarter			\$0.00
4th Quarter			\$0.00
2015			
Year of Abatement			
1st Quarter			\$0.00
2nd Quarter			\$0.00
3rd Quarter			\$0.00
4th Quarter			\$0.00
2016			
Year of Abatement			
1st Quarter			\$0.00
2nd Quarter			\$0.00
3rd Quarter			\$0.00
4th Quarter			\$0.00
Total	\$1,851,351.00	\$1,193,030.00	\$1,193,030.00

Job Creation and Retention Schedule

Resolution 13-10

Mitsubishi Heavy Industries
Climate Control, Inc. (MCC)
1200 North Mitsubishi Parkway
Franklin, IN 46131

Attachment to Form CF-1 (Compliance with Statement of Benefits) :
Job Creation Schedule by Quarter

Retained	New				Year End Total
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	
219	0	0	0	1	220
219	0	0	0	0	219

2013

Proposed (SB-1)

Actual ->

Retained	New				Year End Total
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	
220	1	1	0	0	222
219					

2014

Proposed (SB-1)

*** Actual ->

*** NOTE: We had six (6) job openings at the end of 2013 - that, when filled, will bring the total employment to 225 or 3 more than projected on the SB-1 form.

The 219 number is the actual number of employees on the payroll at the end of 2013.