



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 25, 2014
Re: Case C 2014-36: NSK Corporation

Summary:

1. On August 22nd, 2005, the Franklin Common Council passed Resolution No. 2005-18, approving a 7-year tax abatement on personal property for NSK Corporation located at 3400 Bearing Drive.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	23	23	0
Salaries	\$900,000	\$900,000	\$0
New Employees	9	9	0
Salaries	\$306,000	\$306,000	\$0
Total Employees	250	270	20
Total Salaries	\$12,700,000	\$17,490,296	\$4,790,296
Average Hourly Salaries	\$24.42	\$31.14	\$6.72
Personal Property Improvements	\$6,600,000	\$6,632,809	\$32,809

3. The total number of employees reported in 2012 was 292 with \$17,856,018 in total salaries and \$29.40 average hourly salaries. The total number of employees has decreased in 2013, but still exceeds the original estimate on the SB-1 Form.
4. The company has exceeded their estimate provided on the SB-1 Form for personal property investment.
5. The personal property tax abatement is scheduled to expire in tax year 2013 payable 2014. This is the final compliance review.

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

14-36

- 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
NSK CORPORATION

Address of taxpayer (number and street, city, state, and ZIP code)
PO BOX 134007, ANN ARBOR, MI 48113-4007

Name of contact person
RACHEL ALLEN

Telephone number
(734) 913-7588

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body
FRANKLIN CITY COMMON COUNCIL

Resolution number
05-18

Location of property
3400 BEARING DRIVE, FRANKLIN, IN 46131

County
JOHNSON

DLGF taxing district number

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)
08/01/2005

Estimated completion date (month, day, year)
03/31/2006

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	250.00	270
Salaries	12,700,000.00	17,490,296.00
Number of employees retained	23.00	23
Salaries	900,000.00	900,000.00
Number of additional employees	9.00	8
Salaries	306,000.00	306,000.00

SECTION 4 COST AND VALUES

	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
AS ESTIMATED ON SB-1								
Values before project	82,144,055.00	19,071,000.00						
Plus: Values of proposed project	6,600,000.00	1,980,000.00						
Less: Values of any property being replaced								
Net values upon completion of project	88,744,055.00	21,051,000.00						
ACTUAL								
Values before project	82,144,055.00	19,071,000.00						
Plus: Values of proposed project	6,632,809.00	2,049,843.00						
Less: Values of any property being replaced								
Net values upon completion of project	88,976,864.00	21,120,843.00						

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
Robert M. Stork

Title
TAX MANAGER

Date signed (month, day, year)
4/22/2014