

AGENDA RESERVATION REQUEST

CITY OF FRANKLIN COMMON COUNCIL

Please type or print

Date Submitted:	4-29-14	Meeting Date:	5-05-14
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			
C 2014-02: Cooper Tire & Rubber Co. C 2014-26: Precision Cutoff of Indiana C 2014-27: Franklin Tech Park Assoc. C 2014-28: Nitrex, Inc. C 2014-34: GROK Enterprises C 2014-29: Electro-Spec, Inc. C 2014-31: Electro-Spec, Inc. C 2014-32: Indiana Hydraulic Equipment		C 2014-33: Holbrook Manufacturing, Inc. C 2014-35: Superior Essex C 2014-36: NSK Corporation C 2014-37: NSK Corporation C 2014-38: NSK Corporation C 2014-39: NSK Precision America C 2014-40: NSK Precision America	
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 29, 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 29th special meeting:

- C 2014-02 Cooper Tire & Rubber Co. (Resolution Number 2008-17)
- C 2014-26 Precision Cutoff of Indiana, LLC (Resolution Number 2008-09)
- C 2014-27 Franklin Tech Park Associates (Resolution Number 2004-05)
- C 2014-28 Nitrex, Inc. (Resolution Numbers 2011-02 & 2013-16)
- C 2014-34 GROK Enterprises (Resolution Number 2011-02)
- C 2014-29 Electro-Spec (Resolution Numbers 2008-04 & 2010-13)
- C 2014-31 Electro-Spec (Resolution Number 2012-07)
- C 2014-32 Indiana Hydraulic Equipment (Resolution Number 2006-08)
- C 2014-33 Holbrook Manufacturing (Resolution 2007-12)
- C 2014-35 Superior Essex (Resolution Number 2005-20)
- C 2014-36 NSK Corporation (Resolution Number 2005-18)
- C 2014-37 NSK Corporation (Resolution Number 2013-20)
- C 2014-38 NSK Corporation (Resolution Numbers 2010-19 & 2013-02)
- C 2014-39 NSK Precision America (Resolution Number 2005-10)
- C 2014-40 NSK Precision America (Resolution Number 13-18)

Compliance documentation is attached for each case. Please contact me directly at 346-1250 if you have any questions regarding any of this information.



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 Cooper Tire & Rubber Company	
Address of taxpayer (number and street, city, state, and ZIP code) 701 Lima Avenue, Findlay, OH 45840	
Name of contact person Jeffrey D. Lenhart	Telephone number (419) 424-7317

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body Franklin Common Council		Resolution number 08-17
Location of property 500 Bartram Parkway, Franklin, IN 46131	County Johnson	DLGF taxing district number 41018
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. Racking systems for the storage of tires, automated picking systems, dock equipment and improvements, tenant improvements, guard shack, and general office property.		Estimated starting date (month, day, year) 05/01/2009
		Estimated completion date (month, day, year) 05/31/2021

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		
Salaries		
Number of employees retained		
Salaries		
Number of additional employees	60.00	26.00
Salaries	2,311,920.00	938,989.14

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								
Plus: Values of proposed project					3,000,000.00			
Less: Values of any property being replaced								
Net values upon completion of project					3,000,000.00			
ACTUAL								
Values before project								
Plus: Values of proposed project					3,846,034.00			
Less: Values of any property being replaced								
Net values upon completion of project					3,846,034.00			

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 <i>Marjorie J. Griffing</i>	Title Marjorie J. Griffing Vice President	Date signed (month, day, year) 2/7/2014
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C 2014-02

COOPER TIRE & RUBBER COMPANY
701 Lima Avenue • Findlay, Ohio 45840 • 419.423.1321

January 29, 2014

Mrs. Krista Linke, Director
Dept. of Planning & Economic Development
70 E. Monroe Street
Franklin, IN 46131

Re: Tax Abatement Compliance for Cooper Tire & Rubber Company

Dear Mrs. Linke:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the personal property tax abatements which were granted to Cooper Tire & Rubber Company in 2008 under Franklin Common Council Resolution No. 08-17.

As can be seen from reviewing the enclosed documents, our company has been highly successful in making all of the capital investments which had been projected for this project. The number of employees hired is lower than the original plan due to the employees bringing more efficiency to our operation than Cooper originally planned and as a result we need fewer employees to operate this warehouse.

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 that reads 'Brittany Ferguson'.

Brittany Ferguson
Tax Analyst II

Enclosures

Cooper Tire & Rubber Company
 701 Lima Avenue
 Findlay, OH 45840

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

	Proposed Amount of Investment as of:	Actual Amount of Total Investment by:	Actual Amount of Investment Added During Year (by Qtr)				Actual Amount of Total Investment by:	Difference Between Actual and Proposed Investment			
			6/20/2008	12/31/2012	3/31	6/30			9/30	12/31	
Machinery & Equipment	\$3,000,000			\$3,846,034	\$0	\$0	\$0	\$0	\$0	\$3,846,034	\$846,034

Cooper Tire & Rubber Company
 701 Lima Avenue
 Findlay, OH 45840

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

Proposed # of Employees as of 6/20/08 (from SB-1)	Actual # of Employees as of 12/31/12 (from SB-1)	Actual # of Employees Added During Year (by Qtr)				Actual # of Employees as of 12/31/2013	Difference Between Actual and Proposed # of Employees
		March-13	June-13	September-13	December-13		
60	18	0	0	0	3	21	(39)

Cooper Tire & Rubber Company
701 Lima Avenue
Findlay, OH 45840

Attachment for Form CF-1 (Compliance with Statement of Benefits)
Comments Concerning Employees Hired

The number of employees hired is lower than the original plan due to the employees that were originally hired brought more efficiency to our operation than Cooper originally planned and as a result we need fewer employees to operate this warehouse.

The original projected number of new hires was 60; however, due to the efficiency of the employees hired to operate the facility we have been able to operate with only 21 employees.

It is our desire and request that the City of Franklin grant our tax abatement.



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Director of Community Development
Date: April 24, 2014
Re: Case C 2014-26: Precision Cutoff of Indiana, LLC

Summary:

- On April 28th, 2008, the Franklin Common Council passed Resolution No. 2008-09, approving a 10-year tax abatement on personal property for Precision Cutoff of Indiana, LLC located at 1001 Hurricane Street.
- Actual and estimated benefits, as projected for 2011, 2012 and 2013:

	Estimated on SB-1	Actual in 2011	Difference
New Employees	47	40	-7
Salaries	\$1,260,126	\$1,341,853	\$81,727
Average Hourly Wage	\$12.89	\$16.13	\$3.24
Personal Property Improvements	\$2,000,000	\$1,662,300	-\$337,700

	Estimated on SB-1	Actual in 2012	Difference
New Employees	47	37	-10
Salaries	\$1,260,126	\$1,312,771	\$52,645
Average Hourly Wage	\$12.89	\$17.06	\$4.17
Personal Property Improvements	\$2,000,000	\$1,704,941	-\$295,059

	Estimated on SB-1	Actual in 2013	Difference
New Employees	47	41	-6
Salaries	\$1,260,126	\$2,030,400	\$770,274
Average Hourly Wage	\$12.89	\$23.81	\$10.92
Personal Property Improvements	\$2,000,000	\$1,704,941	-\$295,059

- The company estimated to hire 25 employees in 2008 and an additional 22 employees in 2009 for a total of 47 employees. At the end of 2010 they had 36 employees. While their overall number of employees is less than estimated, their average hourly wage continues to be higher than what was estimated on their SB-1 Form.

4. The company estimated spending \$1,680,000 in 2008 and an additional \$320,000 in 2009 for a total of \$2,000,000 of personal property. They reported spending \$1,434,000 on personal property at the end of 2010. They spent an additional \$206,590 in 2011 and an additional \$42,641 in 2012. They have no plans for further investment at this time.
5. For further explanation regarding employees and personal property investment see the attached letter from Daniel Brown, dated February 19th, 2014. The letter also explains that the operation was turned over and leased to AK Tube in 2012. AK Tube was their sole customer at their Franklin facility.
6. The personal property tax abatement for Precision Cutoff of Indiana, LLC is scheduled to expire in tax year 2018 payable 2019. The final compliance review will take place in 2019.

Staff Recommendation:

Approval

Precision Cutoff of Indiana, LLC
P.O. Box 1040
7400 Airport Hwy.
Holland, Ohio 43528

February 19, 2014

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

Re: Tax Abatement Compliance for Precision Cutoff of Indiana (PCIN), LLC

Dear Ms. Linke:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the personal property tax abatement that was granted to Precision Cutoff of Indiana, LLC in 2008 under Franklin Common Council Resolution No. 08-09.

As you probably recall, we exited our Franklin operation in late 2012 under an arrangement with AK Tube, the sole customer we served from that facility, whereby AK took control of the operation. As part of the arrangement, AK hired our former employees and leased the equipment we had in place. Accordingly, the employment and equipment investment numbers reported in the enclosed schedules were obtained from AK.

Please let us know if you have any questions or concerns regarding this matter.

Sincerely,



Daniel Brown
CEO - Precision Cutoff of Indiana, LLC

Enclosures

Deficiency Statement

Precision Cutoff of Indiana, LLC
P.O. Box 1040
7400 Airport Hwy.
Holland, Ohio 43528

*Attachment to Form CF-1 (Compliance with Statement of Benefits)
Comments Concerning Expansion Investment Schedule and Job Creation or Retention
Schedule*

While it was the intention of Precision Cutoff of Indiana, LLC to purchase \$2 million worth of machinery and equipment, due to various factors and economic conditions, PCIN and its successor operator, AK Tube, has thus far been able to invest \$1.xxx million in machinery and equipment in the facility.

The employee count as of December 31, 2013 was 41, up from 37 at the end of 2012.

In view of these circumstances, it is our desire and request that the City of Franklin will look favorably upon the activities conducted at the facility and grant us an extension of time to be in full compliance with our tax abatement commitments.



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 Precision Cutoff of Indiana, LLC	
Address of taxpayer (number and street, city, state, and ZIP code) P.O. Box 1040, 7400 Airport Hwy., Holland, OH 43528	
Name of contact person Daniel H. Brown	Telephone number (419) 866-8000

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body City of Franklin Common Council		Resolution number 08-09
Location of property 1001 Hurricane St., Franklin, IN	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. Tube cutoff and end finishing equipment. Tube fabrication equipment for the tube processing		Estimated starting date (month, day, year) 5-1-08
		Estimated completion date (month, day, year)

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		47	41
Salaries			\$2,030,400
Number of employees retained			
Salaries			
Number of additional employees			
Salaries			

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	2,000,000							
Plus: Values of proposed project								
Less: Values of any property being replaced								
Net values upon completion of project	2,000,000							
ACTUAL								
Values before project	1,704,941							
Plus: Values of proposed project								
Less: Values of any property being replaced		3,128						
Net values upon completion of project	1,701,813							

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	None	None
Amount of hazardous waste converted	None	None
Other benefits:		

SECTION 6 TAXPAYER CERTIFICATION

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

Signature of authorized representative 	Title CEO	Date signed (month, day, year) 2/24-2014
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Job Creation or Retention Schedule

Precision Cutoff of Indiana, LLC
P.O. Box 1040, 7400 Airport Hwy.
Holland, Ohio 43528

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

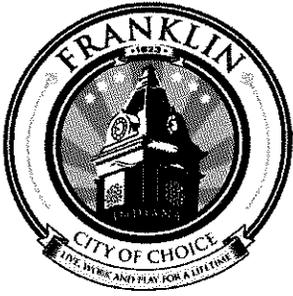
Actual Number of Employees as of 5/1/08 (From SB-1)	Proposed Total Number of Employees by 5/1/10 (From SB-1)	Actual Number of Employees as of 12/31/12	Actual Number of Employees Added During Year	Actual Total Number of Employees as of 12/31/13	Difference Between Actual and Proposed Number of Employees
0	47	37	4	41	6

Expansion Investment Schedule

Precision Cutoff of Indiana, LLC
 P.O. Box 1040, 7400 Airport Hwy.
 Holland, Ohio 43528

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

	Proposed Amount of Total Investment		Actual Amount of Investment		Difference Between Amount of Actual and Proposed Amount of Investment
	by 12/31/09 (From SB-1)	As of 12/31/12	Subtractions in 2013	As of 12/31/13	
Buildings and Improvements:					
Machinery and Equipment:	\$2,000,000	\$1,704,941	<\$3,128>	\$1,701,813	\$298,187
Totals:	\$2,000,000				



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Director of Community Development
Date: April 24, 2014
Re: Case C 2014-27: Franklin Tech Park Associates(Aisin Bulk Distribution Facility)

Summary:

1. On July 26th, 2004, the Franklin Common Council passed Resolution No. 2004-05, approving a 10-year tax abatement on real property for Franklin Tech Park Associates (Aisin Bulk Distribution Facility) at 187 Bartram Parkway.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
New Employees	40	58	18
Salaries	\$1,600,000	\$2,200,000	\$600,000
Average Hourly Salaries	\$19.23	\$18.24	-\$0.99
Real Property Improvements	\$4,000,000	\$4,907,016	\$907,016

3. The company has exceeded the projected capital investment.
4. The company has exceeded the projected number of jobs created.
5. The average hourly salary is \$0.99 per hour lower than estimated on their SB-1 form.
6. 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 (R / 1-06)
Prescribed by the Department of Local Government Finance

FORM CF-1 / RE

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. (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).
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/RE).

SECTION 1 TAXPAYER INFORMATION			
Name of taxpayer Franklin Tech Park Associates, LLC			
Address of taxpayer (number and street, city, state, and ZIP code) 36 S. Pennsylvania Street, Suite 200, Indianapolis, IN 46204			
Name of contact person Harry F. McNaught, Jr., President		Telephone number (317) 655-3120	
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY			
Name of designating body City of Franklin Common Council		Resolution number 04-05	
Location of property 187 Bartram Parkway, Franklin		County Johnson	
Description of real property improvements: 147,015 s.f. distribution center of hardwall, pre-cast construction and 30' clear height, including 3,075 s.f. office space		IN 46131	
		Estimated starting date (month, day, year) 07/01/2004	
		Estimated completion date (month, day, year) 01/01/2005	
SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		40	58
Salaries		1,600,000	2,200,000
Number of employees retained			
Salaries			
Number of additional employees			
Salaries			
SECTION 4 COST AND VALUES			
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE
Values before project		0.00	0.00
Plus: Values of proposed project		4,000,000.00	4,000,000.00
Less: Values of any property being replaced		0.00	0.00
Net values upon completion of project		4,000,000.00	4,000,000.00
ACTUAL		COST	ASSESSED VALUE
Values before project		0.00	0.00
Plus: Values of proposed project		4,907,016.00	4,644,500.00
Less: Values of any property being replaced		0.00	0.00
Net values upon completion of project		4,907,016.00	4,644,500.00
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		N/A	
Amount of hazardous waste converted			
Other benefits:			
SECTION 6 TAXPAYER CERTIFICATION			
I hereby certify that the representations in this statement are true.			
Signature of authorized representative 		Title President	Date signed (month, day, year) 02/20/14
Harry F. McNaught, Jr.			



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission

From: Krista Linke, Community Development Director

Date: April 24, 2014

Re: **Case C 2014-28: Nitrex, Inc.**
Case C 2014-34: GROK Enterprises

Summary:

1. On June 6th, 2011, the Franklin Common Council passed Resolution No. 2011-02, approving a 10-year tax abatement on real property with a 2% Economic Development Fee and a 10-year tax abatement on \$2,913,050 in personal property with a 5% Economic Development Fee for GROK Enterprises, LLC (Real Property) and Nitrex, Inc. (Personal Property), located 300 Blue Chip Court. In 2013, through Resolution No. 2013-16, the Franklin Common Council amended the personal property tax abatement to \$6,300,000 in personal property and extended the completion date through the end of 2014 for the project.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2012	Difference
Employees Retained	25	15	(10)
Salaries	\$881,567	\$606,892	-\$274,675
New Employees	12	11	(1)
Salaries	\$341,974	\$393,340	\$51,366
Total Employees	37	26	(11)
Total Salaries	\$1,223,541	\$1,000,232	-\$223,309
Average Hourly Salaries	\$15.90	\$18.50	\$2.60
Personal Property Improvements	\$2,913,050	\$1,361,572	-\$1,551,478
Real Property Improvements	\$850,000	\$915,000	\$65,000

3. The company indicated in their original application that they would hire 1 employee in 2011, 3 additional employees in 2012, 4 additional employees in 2013, and 3 additional employees in 2014. This adds up to 12 additional employees by the end of 2014. They are ahead of schedule in new employees but have not retained the number of employees they indicated. The average hourly wage is higher than originally estimated.
4. Their original abatement application indicated that they would not purchase any equipment in 2011 but they purchased \$241,525. They estimated purchasing \$1,499,050 in 2012 but they purchased \$1,120,036. \$1,414,000 was purchased in 2013 for a total of \$2,913,050. They are now ahead of their original equipment investment total, and have until the end of 2014 to purchase the remaining equipment added in the amended application in 2013.

5. The personal property tax abatement is scheduled to expire in tax year 2023 payable 2024. The final compliance review will take place in 2024.
6. The real property tax abatement is scheduled to expire in tax year 2021 payable 2022. The final compliance review will take place in 2022.

Staff Recommendation: Approval

**NITREX INC. – INDIANA OPERATIONS***Plant*

350 BLUE CHIP COURT, FRANKLIN, IN 46131
PHONE: 317-346-7700 • FAX: 317-346-7704

Corporate Address

201 E. MAYFLOWER AVE., NORTH LAS VEGAS, NV 89030
PHONE: 702-399-1554 • FAX: 702-639-3819

Ms. Krista Linke
Director of Planning & Economic Development
70 E. Monroe Street
Franklin, IN 46131

February 21, 2014

Ref.: (1) 2013 Tax Abatement Compliance Packet for Nitrex Inc.
(2) Resolutions 2011-02 and 2013-16.

Dear Ms. Linke,

Enclosed please find Form CF-1/PP (Compliance with Statement of Benefits) regarding compliance with the personal property tax abatements which were granted to Nitrex Inc. pursuant to our application made in May 2011, and further expanded pursuant to our amended application in May 2013. As can be seen from reviewing the enclosed documents, in the context of the revised application, our company:

- a) has already reached the originally planned investment, while it is also in the process of investing in additional equipment, as envisaged in the updated schedule;
- b) is in the process of creating additional jobs, as planned;
- c) has already almost reached the originally planned salary total, while it is also in the process of increasing such total further, and anticipates that the final salary levels will significantly exceed the plan.

At this point Nitrex is very pleased with its progress, in accordance with the updated application, and the corresponding resolution. We anticipate substantially meeting our goals for December 31, 2014. If you have any questions or concerns regarding this matter, please feel free to contact me at 702-399-1554 x-101.

Cordially yours,

Chris Morawski
President / Nitrex Inc.

cc.: *Isabelle Morawski – Controller*
Michael Rodman – Business Development Manager



COMPLIANCE WITH STATEMENT OF BENEFITS PERSONAL PROPERTY

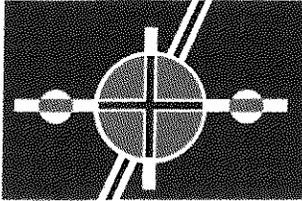
State Form 51765 (R2 / 5-13)

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 NITREX INC.			
Address of taxpayer (number and street, city, state, and ZIP code) 350 BLUE CHIP COURT, FRANKLIN, IN 46131 - MAILING ADDRESS: 201 E. MAYFLOWER AVE, N. LAS VEGAS, NV 89030			
Name of contact person ISABELLE MORAWSKI		Telephone number (702) 399-1554	
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body FRANKLIN CITY COUNCIL		Resolution number 2011-02 & 2013-16	
Location of property PT. OF 2100 - 2110 EARLYWOOD	County JOHNSON	DLGF taxing district number 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. SEE ATTACHMENT		Estimated starting date (month, day, year) 07/01/2011	
		Estimated completion date (month, day, year) 12/31/2014	
SECTION 3		EMPLOYEES AND SALARIES	
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		25.00	29.00
Salaries		881,567.00	1,122,364.00
Number of employees retained		25.00	11.00
Salaries		881,567.00	434,637.00
Number of additional employees		12.00	18.00
Salaries		341,974.00	687,727.00
SECTION 4		COST AND VALUES	
	MANUFACTURING EQUIPMENT	R & D EQUIPMENT	LOGIST DIST EQUIPMENT
	AS ESTIMATED ON SB-1	AS ESTIMATED ON SB-1	AS ESTIMATED ON SB-1
	COST	ASSESSED VALUE	COST
	COST	ASSESSED VALUE	COST
Values before project	1,786,059.00	595,353.00	
Plus: Values of proposed project	6,300,000.00	2,100,000.00	
Less: Values of any property being replaced	3,659.00	1,220.00	
Net values upon completion of project	8,082,400.00	2,694,133.00	
ACTUAL	COST	ASSESSED VALUE	COST
ACTUAL	COST	ASSESSED VALUE	COST
Values before project	1,786,059.00	595,353.00	
Plus: Values of proposed project	2,860,044.00	953,348.00	
Less: Values of any property being replaced	0.00	0.00	
Net values upon completion of project			
NOTE: The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6 (d).			
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	
WASTE CONVERTED AND OTHER BENEFITS		AS ESTIMATED ON SB-1	ACTUAL
Amount of solid waste converted			
Amount of hazardous waste converted			
Other benefits:			
SECTION 6		TAXPAYER CERTIFICATION	
I hereby certify that the representations in this statement are true.			
Signature of authorized representative <i>Isabelle Morawski</i>		Title ACCOUNTING MGR.	Date signed (month, day, year) 02/24/2014



GROK ENTERPRISES, LLC

300 Carlsbad Village Dr.
Suite 108/A, Box 186
CARLSBAD, CA 92008

OFFICE: 760-565-9754
FAX: 760-565-9440
MOBILE: 760-604-5049
E-mail: grokllc@prodigy.net

March 11, 2014

Krista Linke, Director
Franklin Economic Development Department
70 E. Monroe Street
Franklin, IN 4613

Re: Tax Abatement Compliance, GROK Enterprise, LLC for 300 Blue Chip Court - Nitrex Building Council Resolution 11-02

Dear Ms. Linke,

Enclosed please find Form CF-1 RE (Compliance with Statement of Benefits) regarding compliance for the real property tax abatements which were granted to GROK ENTERPRISES, LLC.

As can be seen from a review of the enclosed document, the new building continues to be rented by Nitrex-Indiana Operations who will be filing their own separate CF-1 which reflects their continued growth and their projected capital investment..

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

Best regards,

A handwritten signature in black ink that reads "Thomas Rose". The signature is fluid and cursive, with the first name being more prominent.

Thomas Rose
President. Grok Enterprises, LLC

Enclosures:
FRM CF-1 for 2013
Expansion Investment Schedule - Real Property
Building/Construction and Occupancy Status Report

CONSTRUCTION AND OCCUPANCY STATUS REPORT 2013
GROK ENTERPRISES, LLC

NITREX-INDIANA OPERATIONS
300-350 BLUE CHIP COURT, FRANKLIN, IN 46131

Construction of the new building began in 2011 and was completed for occupancy in July 2012. In August of 2012, Nitrex employees began the task of moving and installing the heat treating furnaces, outfitting the offices and moving the metallurgical lab. The office work and metallurgical lab was completed by Dec 2012. In addition, Nitrex-Indiana continues to provide heat treating services to Cummins Engine, Eaton Aerospace, Illinois Tool Works, Timron Gear and several other major customers.

Nitrex-Indiana has installed new Gas Nitride equipment and continues to install additional processing capabilities.

Nitrex-Indiana continues to occupy 100% of both buildings located at 300 & 350 Blue Chip Court.

2013 EXPANSION INVESTMENT SCHEDULE
 FOR
 GROK ENTERPRISES, LLC
 NITREX-INDIANA OPERATION

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

	Actual Amount of Investment in 2013	Proposed Amount of Investment in 2013	Actual Amount of Investment Added by Year				Actual Total Amount of Investment as of 12/31/2013	Difference between Actual and Proposed Amount of Investment
			3/13	6/13	9/13	12/13		
Buildings and Improvements	0	0	0	0	0	0	\$915,000 (previous year)	+\$65,000 (previous year)
Machinery & Equipment	Supplied by Nitrex		Supplied by Nitrex	Supplied by Nitrex	Supplied by Nitrex	Supplied by Nitrex	Supplied by Nitrex	
Totals	Supplied by Nitrex		Supplied by Nitrex	Supplied by Nitrex	Supplied by Nitrex	Supplied by Nitrex	Supplied by Nitrex	



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

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

20__ PAY 20__
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 GROK Enterprises, LLC 92008	County Johnson
Address of taxpayer (number and street, city, state, and ZIP code) 300 Carlsbad Village Drive, Suite 108F, Box 186, Carlsbad, CA	DLGF taxing district number 31
Name of contact person THOMAS C ROSE	Telephone number (760) 604-5049

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body FRANKLIN City Council	Resolution number 11-02	Estimated start date (month, day, year) July 2011
Location of property 300 Blue Chip Court		Actual start date (month, day, year) July 2011
Description of real property improvements Building @ 300 Blue Chip Court		Estimated completion date (month, day, year) July 2012
		Actual completion date (month, day, year) July 2012

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		
Salaries		
Number of employees retained		
Salaries		
Number of additional employees		
Salaries		

*Completed by
NAREX*

SECTION 4 COST AND VALUES

COST AND VALUES	REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE
Values before project	0	
Plus: Values of proposed project	850,000	
Less: Values of any property being replaced		
Net values upon completion of project	850,000	
ACTUAL	COST	ASSESSED VALUE
Values before project	0	
Plus: Values of proposed project	915,000	
Less: Values of any property being replaced		
Net values upon completion of project	915,000	

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 THOMAS C ROSE	Title President-GROK	Date signed (month, day, year) 3-11-2014
--	--------------------------------	--



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Director of Community Development
Date: April 24, 2014
Re: Case C 2014-29: Electro-Spec

Summary:

1. On February 25th, 2008, the Franklin Common Council passed Resolution No. 2008-04, approving a 10-year tax abatement on real property and a 7-year personal property tax abatement for Electro-Spec located at 3070 RJ Parkway.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2012	Difference
Employees Retained	43	43	0
Salaries	\$1,649,129	\$1,649,129	\$0
New Employees	7	32	25
Salaries	\$189,280	\$1,666,618	\$1,477,338
Total Employees	50	75	25
Total Salaries	\$1,838,409	\$3,315,747	\$1,477,338
Average Hourly Salaries	\$17.68	\$21.25	\$3.58
Personal Property Improvements	\$2,200,000	\$2,472,691	\$272,691
Real Property Improvements	\$319,000	\$471,261	\$152,261

3. The company has exceeded their estimate provided on their SB-1 Form for real property improvements.
4. Because it took them longer to purchase the equipment than anticipated, Resolution 2008-04 was amended with Resolution 2010-13 to allow them to purchase the equipment by the end of 2010, and increase the investment amount from \$1,800,000 to \$2,200,000. The 7-year personal property tax abatement will begin in the year the machinery is purchased.
5. The total number of employees has increased from 75 at the end of 2012, to 84 at the end of 2013, as shown in the table above. The company continues to meet the number of employees retained as well as exceed the number of new employees. The average hourly salary also exceeds what was estimated on the SB-1 Form.
6. The real property tax abatement is scheduled to expire in tax year 2018 payable 2019. The final compliance review will take place in 2019.
7. The personal property tax abatement is now scheduled to expire in 2018 pay 2019 due to Resolution 2010-13. The final compliance will take place in 2019.

Staff Recommendation: Approval



February 20, 2014

Mrs. Krista Linke, Director
Dept. Of Planning & Economic Development
70 East Monroe Street
Franklin, IN 46131

RE: Tax Abatement Compliance for Electro-Spec, Inc.

Dear Ms. Linke:

Enclosed please find the CF-1 forms (Compliance with Statement of Benefits) regarding compliance with real and personal property tax abatements which were granted to Electro-Spec, Inc. under Franklin Common Council Resolution No. 08-03 / 10-13.

As you can see from reviewing the enclosed documents, our company has been successful in (1) exceeding substantially all of the capital investments which had been projected for the project, and (2) exceeding the number of jobs which had been proposed in the Statement of Benefits (Form SB-1).

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 black ink, appearing to read 'Jeffrey D. Smith', with a large, sweeping flourish extending to the right.

Jeffrey D. Smith
President / CEO
(317) 738-9199 ext. 204
jsmith@electro-spec.com

1800 Commerce Parkway
Franklin, IN 46131
(317) 738-9199 phone
(317) 738-9491 fax



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 Electro-Spec, Inc.			
Address of taxpayer (number and street, city, state, and ZIP code) 1800 Commerce Parkway Franklin, IN 46131			
Name of contact person Jeffrey D. Smith		Telephone number (317) 738-9199	
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY			
Name of designating body Franklin City Council		Resolution number 08-04/10-13	
Location of property 3070 RJ Parkway Franklin, IN 46131	County Johnson	DLGF taxing district number 41-009	
Description of real property improvements: 6900 Sq Ft Building Expansion		Estimated starting date (month, day, year) 03/01/2008	
		Estimated completion date (month, day, year) 09/01/2008	
SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		43	84
Salaries		1,649,129.00	3,663,397.00
Number of employees retained		43	43
Salaries		1,649,129.00	1,649,129.00
Number of additional employees		7	41
Salaries		189,280.00	2,014,268.00
SECTION 4 COST AND VALUES			
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE
Values before project			685,900.00
Plus: Values of proposed project		319,000.00	300,000.00
Less: Values of any property being replaced			
Net values upon completion of project		319,000.00	985,900.00
ACTUAL		COST	ASSESSED VALUE
Values before project			692,800.00
Plus: Values of proposed project		417,261.00	319,600.00
Less: Values of any property being replaced			
Net values upon completion of project		417,261.00	1,012,400.00
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER			
WASTE CONVERTED AND OTHER BENEFITS		AS ESTIMATED ON SB-1	ACTUAL
Amount of solid waste converted			
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 PRESIDENT	Date signed (month, day, year) 02/20/14



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 Electro-Spec, Inc.		Address of taxpayer (number and street, city, state, and ZIP code) 1800 Commerce Parkway Franklin, IN 46131						
Name of contact person Jeffrey D. Smith		Telephone number (317) 738-9199						
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY						
Name of designating body Franklin City Council		Resolution number 08-04/10-13						
Location of property 1800 Commerce Parkway Franklin IN 46131		County Johnson						
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. Plating lines and Associated Equipment		DLGF taxing district number 41-009						
		Estimated starting date (month, day, year) 03/01/2008						
		Estimated completion date (month, day, year) 12/31/2010						
SECTION 3		EMPLOYEES AND SALARIES						
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL					
Current number of employees		43	84					
Salaries		1,649,129.00	3,663,397.00					
Number of employees retained		43	43					
Salaries		1,649,129.00	1,649,129.00					
Number of additional employees		7	41					
Salaries		189,280.00	2,014,268.00					
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	2,200,000							
Less: Values of any property being replaced								
Net values upon completion of project								
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	4,072,449							
Plus: Values of proposed project	2,472,691							
Less: Values of any property being replaced								
Net values upon completion of project	6,545,135							
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 PRESIDENT	Date signed (month, day, year) 4/22/14					

Electro-Spec, Inc.
 1800 Commerce Parkway
 Franklin, IN 46131

Attachment to Form CF-1 (Compliance with Statement of Benefits)
 Employees by Quarter

Number of Employees As of 03/01/2008 (Form SB-1)	Proposed Total Number of Employees by 12/31/2010 (Form SB-1)	Actual Number of Employees (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		
43	50	82	84	83	84	34

Electro-Spec, Inc.
 1800 Commerce Parkway
 Franklin, IN 46131

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

	Actual Amount of Investment As of 03/01/2008 (Form SB-1)	Proposed Amount of Total Investment by 12/31/10 (Form SB-1)	Actual Amount of Investment Added During the Year (By Quarter)			Actual Total Investment as of 12/31/12	Difference Between Actual and Proposed Investment
			3/31/2013	6/30/2013	9/30/2013 - 12/31/2013		
Machinery & Equipment	\$ 4,072,444	\$2,200,000*	\$ -	\$ -	\$ -	\$2,472,691**	\$ 272,691
Totals:		\$ 2,200,000					

* As amended by Resolution Number 2010-13.

** Sum of Prior Years' Investment 2009 (\$1,169,456) 2010 Investment (\$950,467), 2011 Investment (\$271,288) and 2012 Investment (\$81,461).



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Director of Community Development
Date: April 24, 2014
Re: Case C 2014-31: Electro-Spec

Summary:

1. On April 16th, 2012, the Franklin Common Council passed Resolution No. 2012-074, approving a 10-year tax abatement on personal property tax abatement for Electro-Spec located at 1800 Commerce Parkway.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	62	62	0
Salaries	\$2,428,138	\$2,428,138	\$0
New Employees	22	22	0
Salaries	\$600,000	\$1,235,259	\$635,259
Total Employees	84	84	0
Total Salaries	\$3,028,138	\$3,663,397	\$635,259
Average Hourly Salaries	\$17.33	\$20.97	\$3.64
Personal Property Improvements	\$2,170,000	\$1,893,900	-\$276,100

3. The company stated they would make a total personal property investment of \$2,170,000. \$1,170,000 was to be made in 2012, \$500,000 in 2013, and \$500,000 in 2014. They exceeded their estimate for 2012 and 2013.
4. The company stated they would create 10 jobs in 2012, 5 to 7 jobs in 2013, and 5 to 8 jobs in 2014. They have exceeded the estimated number of jobs created. The average hourly salary also exceeds what was estimated on the SB-1 Form.
5. The personal property tax abatement is scheduled to expire in 2024 pay 2025. The final compliance will take place in 2025.

Staff Recommendation: Approval



February 20, 2014

Mrs. Krista Linke, Director
Dept. Of Planning & Economic Development
70 East Monroe Street
Franklin, IN 46131

RE: Tax Abatement Compliance for Electro-Spec, Inc.

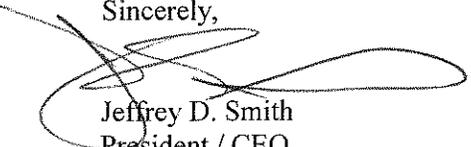
Dear Ms. Linke:

Enclosed please find the CF-1 (Compliance with Statement of Benefits) regarding compliance with personal property tax abatements which were granted to Electro-Spec, Inc. under Franklin Common Council Resolution No. 12-07.

As you can see from reviewing the enclosed documents, our company has been successful in (1) exceeding the initial capital investment set for 2012, and (2) exceeding the number of jobs which had been proposed for 2012 in the job creation schedule. Although this project is not completed yet, it is on track to exceed the projections set on the Statement of Benefits (SB-1) which was approved on April 16, 2012.

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

Sincerely,



Jeffrey D. Smith
President / CEO
(317) 738-9199 ext. 204
jsmith@electro-spec.com

1800 Commerce Parkway
Franklin, IN 46131
(317) 738-9199 phone
(317) 738-9491 fax



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 Electro-Spec, Inc.	
Address of taxpayer (number and street, city, state, and ZIP code) 1800 Commerce Parkway Franklin, IN 46131	
Name of contact person Jeffrey D. Smith	Telephone number (317) 738-9199

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body Franklin City Council	Resolution number 12-07
Location of property 1800 Commerce Parkway Franklin, IN 46131	County Johnson
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. New Manufacturing Equipment	DLGF taxing district number 41-009
	Estimated starting date (month, day, year) 05/01/2012
	Estimated completion date (month, day, year) 12/31/2014

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	62.00	84
Salaries	2,428,138.00	3,663,397.00
Number of employees retained	62.00	62
Salaries	2,428,138.00	2,428,138.00
Number of additional employees	22.00	22
Salaries	600,000.00	1,235,259.00

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	2,170,000.00							
Less: Values of any property being replaced								
Net values upon completion of project								
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	0.00							
Plus: Values of proposed project	1,893,900.00							
Less: Values of any property being replaced								
Net values upon completion of project	1,893,900.00							

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 PRESIDENT	Date signed (month, day, year) 02/20/14
--	--------------------	--

Electro-Spec, Inc.
 1800 Commerce Parkway
 Franklin, IN 46131

Attachment to Form CF-1 (Compliance with Statement of Benefits)
 Employees by Quarter

Number of Employees As 05/01/2012 (Form SB-1)	Proposed Total Number of Employees by 12/31/2014 (Form SB-1)	Actual Number of Employees (By Quarter 6/30/2013 9/30/2013 12/31/2013	Actual Total Number of Employees as of 12/31/13	Difference Between Actual and Proposed Number of Employees
62	84	82 83 84	84	0

Resolution Number 12-07

Electro-Spec, Inc.
 1800 Commerce Parkway
 Franklin, IN 46131

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

	Proposed Amount of Total Investment by 12/31/2014 (Form SB-1)	Actual Amount of Investment Added During the Year (By Quarter)				Actual Total Investment as of 12/31/13	Sum of Prior Years Investments + Current Year	Difference Between Actual and Proposed Investment
		3/31/2013	6/30/2013	9/30/2013	12/31/2013			
Machinery & Equipment	\$ 2,170,000	\$ 140,199	\$ 203,228	\$ 71,702	\$ 113,575	\$ 528,704	\$ 1,893,900	\$ (276,100)
Totals:	\$ 2,170,000					\$ 528,704	\$ 1,893,900	\$ (276,100)

Resolution Number 12-07

** Sum of Prior Years' Investments 2012 (1,365,196)



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 24, 2014
Re: Case C 2014-32: Indiana Hydraulic Equipment Corp. (Formerly Nishina)

Summary:

1. On October 23rd, 2006, the Franklin Common Council passed Resolution No. 2006-08, approving a 10-year tax abatement on real property and a 10-year tax abatement on personal property for Indiana Hydraulic Equipment Corporation (formerly Nishina Industries) located at 2000 Commerce Parkway (Musicland Drive was renamed to Commerce Parkway in 2010).
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
New Employees	34	32	-2
Salaries	\$1,320,000	\$1,109,172	-\$210,828
Average Hourly Salaries	\$18.67	\$16.66	-\$2.00
Real Property Improvements	\$5,000,000	\$6,014,112	\$1,014,112
Personal Property Improvements	\$7,000,000	\$6,623,542	-\$376,458

3. This company has exceeded their estimate provided on their SB-1 Form for Real Property.
4. Their original estimate was to hire 7 employees in 2007, an additional 13 employees in 2008, and the remaining 14 in 2009, for a total of 34 employees. They reported 23 employees at the end of 2010. They increased to 25 at the end of 2011.
5. While they increased their number of employees from 2012, the average hourly salary no longer exceeds their original estimate as it did in 2012.
6. The company has not met their estimated amount for personal property investment. They increased from \$6,088,158 in 2011 and \$6,205,352 in 2012.
7. The personal and real property tax abatements for Indiana Hydraulic Equipment Corporation are scheduled to expire in tax year 2017 payable 2018. The final compliance review will take place in 2018.

Staff Recommendation: Approval



INDIANA HYDRAULIC EQUIPMENT, CORP.

February 19, 2014

Krista Linke, AICP
Director of Planning & Economic Development
City of Franklin
70 E. Monroe Street
Franklin, IN 46131

RE: 2013 Tax Abatement Compliance for Indiana Hydraulic Equipment, Corp.

Dear Ms. Linke,

Please find attached Form CF-1/RE and CF-1/PP (Compliance with Statement of Benefits) regarding our compliance with the real and personal property tax abatements granted in 2006 to Indiana Hydraulic Equipment, Corp. (IHC) through Nishina Industrial Co., Ltd. by the Franklin Common Council via Resolution No. 2006-08.

As can be seen from reviewing the enclosed documents, IHC was successful in maintaining the projected capital investment in the area of "Property" and "Buildings and Improvements". IHC made significant "Machinery and Equipment" purchases in 2013, however we did not make any new investments in IT equipment. At the end of 2013, IHC employed 32 of the estimated 34 Associates projected on the SB-1.

Please review the attached documents and feel free to contact me at 317-736-2532 if you have any questions or concerns regarding this matter.

Thank you again for your consideration of our report and your continuing support of Indiana Hydraulic Equipment, Corp.

Sincerely,

Dean L. Isley
Asst. Plant Manager
Indiana Hydraulic Equipment, Corp.

Indiana Hydraulic Equipment, Corp.
2000 Commerce Parkway
Franklin, IN 46131
2/19/2014

Attachment to Form CF-1 (Compliance with Statement of Benefits)
Construction & Occupancy Status Report - 2013

Construction of the new Indiana Hydraulic Equipment, Corp. (IHC) manufacturing facility was started with a ground breaking ceremony on May 7, 2007. By January 18, 2008 construction was substantially complete.

The inspection of the facility for Certificate of Occupancy was completed January 18, 2008 and the IHC staff began to move in the offices on January 21, 2008.

Receipt and unpacking of the new manufacturing equipment began from February 4, 2008 with the equipment setting and utilities completed by February 29, 2008.

Adjustments were completed by the end of March 2008 and initial trials were started from the first of April 2008. IHC Associates began training on the equipment from April 28, 2008. First production trials were on May 19, 2008 and IHC began shipping product to our customer on June 2, 2008.

Indiana Hydraulic Equipment, Corp.
2000 Commerce Parkway
Franklin, IN 46131
2/19/2014

Attachment to Form CF-1 (Compliance with Statement of Benefits)
Personal Property Listing - 2013

The attached 6 pages list the personal property which is presently installed and for which the original abatement deduction was granted.

Indiana Hydraulic Equipment, Corp. (IHC)
2000 Commerce Parkway
Franklin, IN 46131
2/19/2014

Attachment to Form CF-1 (Compliance with Statement of Benefits)
Comments concerning Expansion Investment Schedule and Job Creation Schedule - 2012

As of December 31, 2013, \$6,623,543 of the estimated \$7,000,000.00 "Machinery & Equipment" investment has been achieved. The discrepancy is due to the difference between the projected equipment and installation estimate and the actual equipment procurement and installation cost. IHC did however make machinery and equipment purchases of over \$500,000 in 2013.

As of December 31, 2013, \$376,748.00 of the estimated \$700,000.00 "IT Equipment" investment has been achieved. The last IT equipment purchased was in 2008; IHC will upgrade, replace and add new equipment as necessary.

IHC added a second shift in August 2013 in order to keep up with sales demand. Currently IHC is able to employ 32 of the 34 Associates originally projected on the SB-1; this includes approximately 17% temporary workforce. It has been IHC's practice to transition the temporaries to IHC employees between 3 and 6 months of service.

IHC's actual payroll cost in 2013 was \$1,109,172 of the estimated \$1,320,000 on the SB-1. This figure includes full time and temporary workers salary but does not include medical, dental, vision, 401K and other benefits IHC offers. Please note that in last year's report, I included benefit cost in the actual salary reported; I did not include benefit costs in this year's report.

As we continue to address those concerns of which we have control over, we hope to have them resolved as we move into the future. It is IHC's 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.



**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	Indiana Hydraulic Equipment, Corp.		County
Address of taxpayer (number and street, city, state, and ZIP code)	2000 Commerce Parkway Franklin, IN 46131		DLGF taxing district number
Name of contact person	Dean Isley		Telephone number
			(317) 736-2532
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body	Resolution number	Estimated start date (month, day, year)	
City of Franklin Common Council	2006-08		
Location of property	2000 Commerce Parkway Franklin, IN 46131		Actual start date (month, day, year)
Description of real property improvements	Construction of a new manufacturing facility consisting of approximately 6500 sq. feet of office space and 55,000 sq. feet of manufacturing and warehouse space.		Estimated completion date (month, day, year)
			Actual completion date (month, day, year)
SECTION 3		EMPLOYEES AND SALARIES	
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		34	32
Salaries		\$1,320,000.00	\$1,109,171.98
Number of employees retained			
Salaries			
Number of additional employees		34	32
Salaries		\$1,320,000.00	\$1,109,171.98
SECTION 4		COST AND VALUES	
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE
Values before project		\$190,000.00	
Plus: Values of proposed project		\$5,000,000.00	
Less: Values of any property being replaced			
Net values upon completion of project		\$5,190,000.00	
ACTUAL		COST	ASSESSED VALUE
Values before project		\$190,000.00	
Plus: Values of proposed project		\$6,014,112.94	
Less: Values of any property being replaced			
Net values upon completion of project		\$6,204,112.94	
SECTION 5			
WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER		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	Date signed (month, day, year)	
Dean Isley	Asst. Plant Manager	02-19-2014	



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 <i>Indiana Hydraulic Equipment, Corp.</i>	
Address of taxpayer (number and street, city, state, and ZIP code) <i>2000 Commerce Parkway Franklin, IN 46131</i>	
Name of contact person <i>Dean Isley</i>	Telephone number <i>(317) 736-2532</i>

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body <i>City of Franklin Common Council</i>	Resolution number <i>2006-08</i>
Location of property <i>2000 Commerce Parkway Franklin, IN 46131</i>	County <i>Johnson</i>
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. <i>Construction of a new facility (approx. 60,000 square feet) of office and manufacturing space to produce Hydraulic Control Valves.</i>	DLGF taxing district number <i>12</i>
	Estimated starting date (month, day, year) <i>6 1 07</i>
	Estimated completion date (month, day, year) <i>6 1 07</i>

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	<i>34</i>	<i>29</i>
Salaries	<i>\$1,320,000.00</i>	<i>\$1,109,171.98</i>
Number of employees retained		
Salaries		
Number of additional employees	<i>34</i>	<i>29</i>
Salaries	<i>\$1,320,000.00</i>	<i>\$1,109,171.98</i>

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	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Plus: Values of proposed project	<i>\$7,000,000</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>\$700,000</i>	<i>0</i>
Less: Values of any property being replaced	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Net values upon completion of project	<i>\$7,000,000</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>\$700,000</i>	<i>0</i>
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Plus: Values of proposed project	<i>\$6,623,542</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>\$376,748</i>	<i>0</i>
Less: Values of any property being replaced	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Net values upon completion of project	<i>\$6,623,542</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>\$376,748</i>	<i>0</i>

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	<i>0</i>	<i>0</i>
Amount of hazardous waste converted	<i>0</i>	<i>0</i>
Other benefits:	<i>0</i>	<i>0</i>

SECTION 6 TAXPAYER CERTIFICATION

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

Signature of authorized representative <i>Dean S. Isley</i>	Title <i>Asst. Plant Manager</i>	Date signed (month, day, year) <i>02-19-2014</i>
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Indiana Hydraulic Equipment, Corp.
 2000 Commerce Parkway
 Franklin, In. 46131

Attachment to Form CF-1 (Compliance with Statement of Benefits)
 Expansion Investment Schedule by Quarter - 2013

	Actual Amount of Investment as of 12/31/2012	Proposed Amount of Total Investment by 11/30/2007 (From SB-1)	Actual Amount of Investment Added During Year (by Quarter)				Actual Total Amount of Investment as of 12/31/2013	Difference Between Actual and Proposed Amount of Investment
			3/31/2013	6/30/2013	9/30/2013	12/30/2013		
Property	\$ 687,822.00	\$ 190,000.00	\$ -	\$ -	\$ -	\$ 36,173.44	\$ 723,995	\$ 533,995.44
Buildings and Improvements	\$ 5,461,335.00	\$ 5,000,000.00	\$ 18,782.42	\$ -	\$ -	\$ -	\$ 5,480,117	\$ 480,117.42
Totals (A)	\$ 6,149,157.00	\$ 5,190,000.00	\$ 18,782.42	\$ -	\$ -	\$ 36,173.44	\$ 6,204,113	\$ 1,014,112.86

	Actual Amount of Investment as of 12/31/2012	Proposed Amount of Total Investment by 11/30/2007 (From SB-1)	Actual Amount of Investment Added During Year (by Quarter)				Actual Total Amount of Investment as of 12/31/2013	Difference Between Actual and Proposed Amount of Investment
			3/31/2013	6/30/2013	9/30/2013	12/30/2013		
Machinery and Equipment	\$ 6,098,134.01	\$ 7,000,000.00	\$ 25,446.40	\$ 491,229.19	\$ -	\$ 8,733.28	\$ 6,623,543	\$ (376,457.12)
IT Equipment	\$ 376,748.00	\$ 700,000.00	\$ -	\$ -	\$ -	\$ -	\$ 376,748	\$ (323,252.00)
Totals (B)	\$ 6,474,882.01	\$ 7,700,000.00	\$ 25,446.40	\$ 491,229.19	\$ -	\$ 8,733.28	\$ 7,000,291	\$ (699,709.12)

Indiana Hydraulic Equipment, Corp.
 2000 Commerce Parkway
 Franklin, In. 46131

Attachment to Form CF-1 (Compliance with Statement of Benefits)
 Job Creation Schedule by Quarter - 2013

Actual Number of Employees on 12/31/2012	Proposed Total Number of Employees by 12/31/08 (From SB-1)	Actual Number of Employees Added During the Year by Quarter				Actual Total Number of Employees as of 12/31/2013	Difference Between Actual and Proposed Number of Employees
		3/31/2013	6/30/2013	9/30/2013	12/31/2013		
24	34	1	-1	9	-1	32	-2



Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Director of Community Development
Date: April 24, 2014
Re: Case C 2014-33: Holbrook Manufacturing, Inc.

Summary:

1. On February 25th, 2008, the Franklin Common Council passed Resolution No. 2007-14, approving a 7-year tax abatement on personal property for Holbrook Manufacturing at 291 Province Street.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	40	24	-16
Salaries	\$1,899,280	\$1,375,555	-\$523,725
Average Hourly Salaries	\$22.83	\$27.56	\$4.73
Personal Property Improvements	\$750,000	\$710,970	-\$39,030

3. Holbrook Manufacturing came very close to meeting their proposed capital investment in their first year of their tax abatement. They also proposed a total of 40 jobs and had created 36 by the end of 2008.
4. The average hourly salary reported in 2010 was \$20.84 per hour. The company met their average hourly salary as estimated on their SB-1 form last year and this year.
5. Additional information has been provided on Page 2 regarding past employment figures and equipment purchases made in 2011 and 2012 without abatements.
6. The personal property tax abatement is scheduled to expire in tax year 2014 payable 2015. The final compliance review will take place in 2015.

Staff Recommendation:

Approval.

Holbrook Manufacturing, Inc. (Resolution 2007-14)

	Employees Retained	Salaries	New Employees	Salaries	Average Hourly Salary
2007 SB-1	36	\$1,800,000	4	\$99,280	\$24.00
2008 CF-1	36	\$1,800,000	4	\$212,203	\$24.18
2009 CF-1	33	\$1,209,057	0	\$0	\$17.61
2010 CF-1	34	\$1,474,255	0	\$0	\$20.84
2011 CF-1	31	\$1,655,407	0	\$0	\$25.67
2012 CF-1	30	\$1,530,602	0	\$0	\$24.53
2013 CF-1	24	\$1,375,555	0	\$0	\$27.56

2011 Equipment Purchases:

Haas Machining Center	5/4/2011	\$126,466.00	
Sullair Air Compressor	8/8/2011	\$9,444.00	
		\$135,910.00	

2012 Equipment Purchases:

Triple J Ironworks	5/15/2012	\$31,287.00	Crane
Capital Machinery	7/30/2012	\$9,800.00	Compressor
		\$41,087.00	

February 12, 2014

Mrs. Krista Linke, Director
Dept. of Planning & Economic Development
70 E. Monroe Street
Franklin, IN 46131

Re: Tax Abatement Compliance for Holbrook Manufacturing Inc.

Dear Mrs. Linke:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements which were granted to Holbrook Manufacturing Inc. in 2008 under Franklin Common Council Resolution number 07-12, 07-13, 07-14.

Holbrook Manufacturing Inc. was able to make the capital investment and jobs originally proposed in the first year. Due to the economy, a decrease in orders and financial circumstances the company did not make any further capital investments. Due to the above circumstance there was also, a cut back in the total workforce to 24 employees, as opposed to the 40 which were originally projected.

Please review all of the enclosed documents and if you have any questions or concerns, please feel free to contact me at (317) 736-9387.

Sincerely,



Avis M. Holbrook
President



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 HOLBROOK MANUFACTURING INC.								
Address of taxpayer (number and street, city, state, and ZIP code) 291 PROVINCE ST., FRANKLIN, IN 46131								
Name of contact person AVIS M. HOLBROOK		Telephone number 317.736-9387						
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY						
Name of designating body FRANKLIN CITY COUNCIL		Resolution number 07-12, 07-13, 07-14						
Location of property 291 PROVINCE ST.	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)						
		Estimated completion date (month, day, year)						
SECTION 3		EMPLOYEES AND SALARIES						
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL					
Current number of employees		40	24					
Salaries		1,899,280	1,375,555.14					
Number of employees retained		40	24					
Salaries		1,899,280	1,375,555.14					
Number of additional employees		0	0					
Salaries		0	0					
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	1,642,742	483,920						
Plus: Values of proposed project	750,000	300,000						
Less: Values of any property being replaced								
Net values upon completion of project	2,362,742	783,920						
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	2,362,742	783,920						
Plus: Values of proposed project	710,970							
Less: Values of any property being replaced								
Net values upon completion of project								
NOTE: The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6 (d).								
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER						
WASTE CONVERTED AND OTHER BENEFITS		AS ESTIMATED ON SB-1	ACTUAL					
Amount of solid waste converted								
Amount of hazardous waste converted								
Other benefits:								
SECTION 6		TAXPAYER CERTIFICATION						
I hereby certify that the representations in this statement are true.								
Signature of authorized representative Avis M. Holbrook		Title PRESIDENT	Date signed (month, day, year)					



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Director of Planning & Economic Development
Date: April 25, 2014
Re: Case C 2014-35: Superior Essex (Formerly FEMCO Magnet Wire)

Summary:

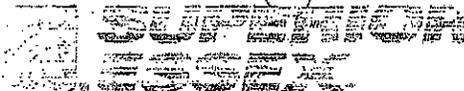
1. On October 24th, 2005, the Franklin Common Council passed Resolution No. 2005-20, approving a 7-year tax abatement on personal property for FEMCO Magnet Wire Corporation (now Superior Essex) located at 1900 Earlywood Drive.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	4	4	0
Salaries	\$132,870	\$147,026	\$14,156
Average Hourly Salaries	\$15.97	\$17.67	\$1.70
Personal Property Improvements	\$1,000,000	\$1,651,372	\$651,372

3. The company has exceeded their estimate provided on their SB-1 Form for personal property investment.
4. The company has met their estimate for the number of employees retained as well as exceeded the average hourly wage.
5. The personal property tax abatement is scheduled to expire in tax year 2013 payable 2014. The final compliance review will take place in 2014.

Staff Recommendation:

Approval



14-35

Essex Group, Inc.
1601 Wall Street
Fort Wayne, IN 4802
260-461-4000

February 17, 2014

Mrs. Krista Linke, Director
Dept of Planning & Economic Development
Franklin, IN 46131

Re: Tax Abatement Compliance for Superior Essex

Dear Mrs. Linke:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real estate and personal property tax abatements which were granted to FEMCO Magnet Wire Corporation in 2005 under Franklin Common Council Resolution No. 2005-20.

As can be seen from reviewing the enclosed documents, our company has been highly successful in meeting or exceeding:

- The retained jobs projection
- The total payroll projection
- The average hourly wage
- The personal property improvement projection

These benchmarks were proposed in the Statement of Benefits (Form SB-1) which was approved on October 24, 2005.

Please review all the enclosed documents, and if you have any questions or concerns regarding this matter, please feel free to contact me at 260-461-4091.

Thank you,

ESSEX GROUP, INC.

Melissa Staton
Accountant

MS
Enclosures

Statement of Benefits
Personal Property
Attachment 1

Abatement is requested for the following items of manufacturing equipment with a total cost of \$1,000,000:

1. One Five Line Wire Drawing Machine
2. Five Layer Take-up Machines
3. Enamel Dies and Drawing Dies
4. Portable Enamel Systems
5. Flat Groove Oven Sheaves
6. Cold Room
7. Enamel Applicator

FEMCO Magnet Wire
1900 Earlywood Drive
Franklin, IN

Capital Investment Schedule by Quarter

	A	B	C	D	E	G	H
	Actual Amount of Investment as of 12/31/07 (From SB-1)	Proposed Amount of Investment by 12/31/08 (From SB-1)	Actual Amount of Investment as of 12/31/08 12/31/2008	Actual Amount of Investment as of 12/31/09 (From SB-1)	Actual Amount of Investment as of 12/31/10 (From SB-1)	Actual Total Amount of Investment as of 12/31/10	Difference Between Actual and Proposed Amount of Investment
Buildings and Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Machinery and Equipment	\$ 1,921,718	\$ 1,000,000	\$ 1,651,372	\$ 1,651,372	\$ 1,651,372	\$ 1,651,372	\$ 651,372
Total	\$ 1,921,718	\$ 1,000,000	\$ 1,651,372	\$ 1,651,372	\$ 1,651,372	\$ 1,651,372	\$ 651,372

Note:

Asset # AA71675, AA71699, AA71737, and AA71737A sold to Furukawa America Inc. (FAI) in 4th quarter. (\$355,743)

12-31-13.

Investment 1,651,372

FEMCO Magnet Wire
 1900 Earlywood Drive
 Franklin, IN
 Job Retention Schedule

A	B	C	D	E	F	(F-B) G
Actual Number of Employees as of 12/31/07 (From SB-1)	Proposed Total Number of Employees by 12/31/07 (From SB-1)	Actual Number of Employees as of 12/31/2008 (From SB-1)	Actual Number of Employees as of 12/31/2009 (From SB-1)	Actual Number of Employees as of 12/31/2010 (From SB-1)	Actual Total Amount of Employees as of 12/31/10	Difference Between Actual and Proposed Amount of Employees
4	4	4	4	4	4	0

12/31/13.
 4 employees



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
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	17,490,295.00
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								
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	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	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
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 	Title TAX MANAGER	Date signed (month, day, year) 4/22/2014



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 2014-37: NSK Corporation

Summary:

1. On July 15th, 2013, the Franklin Common Council passed Resolution No. 2013-20, approving a 10-year tax abatement with a 5% economic development fee 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
Current Employees	258	270	12
Salaries	\$16,650,000	\$17,490,296	\$840,296
Employees Retained	18	18	0
Salaries	\$576,000	\$576,000	\$0
Total Employees	276	288	12
Total Salaries	\$17,226,000	\$18,066,296	\$840,296
Average Hourly Salaries	\$30.01	\$30.16	\$0.15
Personal Property Improvements	\$20,000,000	\$5,727,496	-\$14,272,504

3. The company indicated on their original application that \$5,500,000 in equipment would be purchased in 2013; \$6,000,000 in 2014; \$6,800,000 in 2015; and \$1,500,000 in 2016. The company has exceeded their estimate provided on the SB-1 Form for personal property investment in 2013.
4. They have exceeded their employment estimates and met their average hourly salaries.
5. The completion date approved on their SB-1 Form was March 31, 2016. The personal property tax abatement is scheduled to expire in tax year 2025 payable 2026. Their last year for compliance review will be 2026.

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

14-37

- 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 13-20
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. Expansion of taper roller lines to accomodate new business volumes. We will replace temporary & part time positions with fulltime. Increase in equipment efficiency & quality to increase production.		Estimated starting date (month, day, year) 04/01/2013
		Estimated completion date (month, day, year) 03/31/2016

SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		268.00	270
Salaries		16,650,000.00	17,490,296.00
Number of employees retained		18.00	18
Salaries		576,000.00	576,000.00
Number of additional employees			
Salaries			

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	101,625,000.00	21,852,000.00						
Plus: Values of proposed project	20,000,000.00	6,000,000.00						
Less: Values of any property being replaced	1,000,000.00	300,000.00						
Net values upon completion of project	120,625,000.00	27,252,000.00						
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	101,625,000.00	21,852,000.00						
Plus: Values of proposed project	5,727,496.00	1,718,249.00						
Less: Values of any property being replaced								
Net values upon completion of project	107,352,496.00	23,570,249.00						

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 <i>Rachel Allen</i>	Title TAX MANAGER	Date signed (month, day, year) 4/22/2014



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 2014-38: NSK Corporation

Summary:

1. On October 18th, 2010, the Franklin Common Council passed Resolution No. 2010-19, approving a 10-year tax abatement with a 5% economic development fee on personal property for NSK Corporation located at 3400 Bearing Drive. In 2013, the Franklin Common Council passed Resolution No. 2013-02, amending Resolution No. 2010-09. The investment amount was increased from \$9,440,000 to \$11,285,000.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Current Number of Employees	204	270	66
Salaries	\$11,603,000	\$17,490,296	\$5,887,296
Employees Retained	8	8	0
Salaries	\$276,000	\$276,000	\$0
New Employees	24	24	0
Salaries	\$860,000	\$960,000	\$100,000
Total Employees	236	302	66
Total Salaries	\$12,739,000	\$18,726,296	\$5,987,296
Average Hourly Salaries	\$25.95	\$29.81	\$3.86
Personal Property Improvements	\$11,285,000	\$11,285,413	\$413

3. The company has exceeded their estimate provided on the SB-1 Form for personal property investment.
4. They have more employees than estimated on their SB-1 Form. Their estimated average hourly wage is also higher than estimated.
5. The completion date approved on their SB-1 Form was July 31, 2012. The personal property tax abatement is scheduled to expire in tax year 2021 payable 2022. Their last year for compliance review will be 2022.

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

14-38

- 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 10-19 / 13-02
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. Manufacturing, Inspection and Assembly Equipment used to produce Taper Roller Bearings.		Estimated starting date (month, day, year) 11/01/2010
		Estimated completion date (month, day, year) 07/31/2012

SECTION 3 EMPLOYEES AND SALARIES		
EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	204.00	270
Salaries	11,603,000.00	17,490,286.00
Number of employees retained	8.00	8
Salaries	276,000.00	278,000.00
Number of additional employees	24.00	24
Salaries	880,000.00	980,000.00

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	91,700,000.00	19,885,000.00						
Plus: Values of proposed project	11,285,000.00	3,388,000.00						
Less: Values of any property being replaced								
Net values upon completion of project	102,985,000.00	23,271,000.00						
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	91,700,000.00	19,885,000.00						
Plus: Values of proposed project	11,285,413.00	3,385,624.00						
Less: Values of any property being replaced								
Net values upon completion of project	102,985,413.00	23,270,624.00						

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



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 2014-39: NSK Precision America Inc.

Summary:

1. On June 13th, 2005, the Franklin Common Council passed Resolution No. 2005-10, approving a 10-year tax abatement on real property and a 7-year tax abatement on personal property for NSK Precision America at 3450 Bearing Drive.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	91	160	69
Salaries	\$4,800,000	\$7,065,238	\$2,265,238
New Employees	24	0	(24)
Salaries	\$1,800,000	\$0	-\$1,800,000
Total Employees	115	160	45
Total Salaries	\$6,600,000	\$7,065,238	\$465,238
Average Hourly Salaries	\$27.59	\$21.23	-\$6.36
Personal Property Improvements	\$572,000	\$572,000	\$0
Real Property Improvements	\$500,000	\$618,137	\$118,137

3. The company has met their estimate provided on the SB-1 Form for personal property investment and exceeded their real property investment.
4. Due to the way the current number of employees and the number of additional employees was reported on the CF-1 Form, overall NSK has exceeded the total number of employees. Their estimated average hourly wage for all employees was \$1.79 higher in 2011 and \$1.96 higher than estimated in 2012. It decreased in 2013.
5. The personal property tax abatement is scheduled to expire in tax year 2013 payable 2014. This is the final compliance review.
6. The real property tax abatement 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
PERSONAL PROPERTY**

State Form 51766 (R / 1-06)
Prescribed by the Department of Local Government Finance

FORM CF-1 / PP

14-39

- 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 PRECISION AMERICA, INC.

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
05-10

Location of property
3460 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.
Installation of equipment used in NPA Corp. office.

Estimated starting date (month, day, year)
05/15/2005

Estimated completion date (month, day, year)
12/01/2005

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	91.00	160
Salaries	4,800,000.00	7,085,238.00
Number of employees retained		
Salaries		
Number of additional employees	36.00 24	
Salaries	1,800,000.00	

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	21,936,000.00	6,583,000.00						
Plus: Values of proposed project	572,000.00	242,000.00						
Less: Values of any property being replaced								
Net values upon completion of project	22,508,000.00	6,825,000.00						
ACTUAL								
Values before project	21,938,000.00	6,583,000.00						
Plus: Values of proposed project	572,000.00	242,000.00						
Less: Values of any property being replaced								
Net values upon completion of project	22,508,000.00	6,825,000.00						

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		
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. Hoyle

Title
TAX MANAGER

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



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 2014-40: NSK Precision America

Summary:

1. On July 15th, 2013, the Franklin Common Council passed Resolution No. 2013-18, approving a 10-year tax abatement with a 5% economic development fee on personal property for NSK Precision America, located at 3450 Bearing Drive.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	135	160	25
Salaries	\$8,960,000	\$7,065,238	-\$1,894,762
New Employees	28	0	-28
Salaries	\$970,000	\$0	-\$970,000
Total Employees	163	160	-3
Total Salaries	\$9,930,000	\$7,065,238	-\$2,864,762
Average Hourly Salaries	\$29.29	\$21.23	-\$8.06
Personal Property Improvements	\$10,200,000	\$2,378,284	-\$7,821,716

3. The company indicated on their original application that \$2,500,000 in equipment would be purchased in 2013; \$2,600,000 in 2014; \$4,100,000 in 2015; and \$1,000,000 in 2016. The company has come very close to their estimate provided on the SB-1 Form for personal property investment in 2013.
4. They are 3 employees short of what they estimated their employee count to be, and lower on their estimated average hourly salaries.
5. The completion date approved on their SB-1 Form was March 31, 2016. The personal property tax abatement is scheduled to expire in tax year 2025 payable 2026. Their last year for compliance review will be 2026.

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

14-46

- 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 PRECISION AMERICA, INC.	
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 13-18
Location of property 3450 BEARING DRIVE, FRANKLIN, IN 46131	County JOHNSON
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. Machinery reconstruction & replacement to increase output & maintain quality. Creation of existing space for additional production to supply increased demand overseas.	Estimated starting date (month, day, year) 07/01/2013
	Estimated completion date (month, day, year) 03/31/2016

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	136.00	160
Salaries	8,980,000.00	7,065,238.00
Number of employees retained		
Salaries		
Number of additional employees	28.00	
Salaries	970,000.00	

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	29,498,000.00	8,367,000.00						
Plus: Values of proposed project	10,200,000.00	3,080,000.00						
Less: Values of any property being replaced	5,000,000.00	1,500,000.00						
Net values upon completion of project	34,698,000.00	10,197,000.00						
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	29,498,000.00	8,367,000.00						
Plus: Values of proposed project	2,378,264.00	713,492.00						
Less: Values of any property being replaced								
Net values upon completion of project	31,876,264.00	9,080,492.00						

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