



## Memorandum

**To:** Economic Development Commission  
**From:** Krista Linke, Director  
**Date:** June 5<sup>th</sup>, 2014  
**Re:** Amcor Rigid Plastics, USA – Request for Waiver of Non-Compliance

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Amcor Rigid Plastics, USA, located at 3201 Bearing Drive, currently has a 10-year real property tax abatement and a 10-year personal property tax abatement through Resolution 2006-06. They formerly had a personal property tax abatement through Resolution 2005-05 that has expired.

They were notified that the tax abatement through Resolution 2005-05 had expired. They were sent the compliance forms for the two current tax abatements through Resolution 2006-06. There was a misunderstanding that all of the tax abatements were expired, and they failed to file their compliance forms for 2013 in time for EDC and City Council review before the May 15<sup>th</sup> deadline of this year.

Following is their compliance report that needs to be reviewed, along with a request for a waiver of non-compliance, which will need to be approved by resolution through the City Council at their June 16<sup>th</sup> meeting.

If you have any questions regarding this request please contact me directly at 346-1250.



**CITY OF FRANKLIN**  
COMMUNITY DEVELOPMENT DEPARTMENT

## Memorandum

**To:** City of Franklin Economic Development Commission  
**From:** Krista Linke, Director of Community Development  
**Date:** June 5, 2014  
**Re:** Case C 2014-41: Amcor Rigid Plastics, USA

**Summary:**

1. On July 24<sup>th</sup>, 2006, the Franklin Common Council passed Resolution No. 2006-06, approving a 10-year tax abatement on real property and a 10-year abatement on personal property for Amcor PET Packaging located at 3201 Bearing Drive.
2. Actual and estimated benefits, as projected for 2014:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	176	174	(2)
Salaries	\$12,100,000	\$13,420,000	\$1,320,000
New Employees	14	0	(14)
Salaries	\$689,000	\$0	-\$689,000
Total Employees	190	174	(16)
Total Salaries	\$12,789,000	\$13,420,000	\$631,000
Average Hourly Salaries	\$32.36	\$37.08	\$4.72
Personal Property Improvements	\$20,177,500	\$21,739,520	\$1,562,020
Real Property Improvements	\$2,700,000	\$2,652,437	-\$47,563

3. The company has closely met their estimate provided on their SB-1 Form for real property.
4. The company has exceeded their estimate provided on their SB-1 Form for personal property investment.
5. The company has not met their number of employees retained as estimated on their SB-1 Form but exceeded the average hourly salary estimated for the employees they have retained. Further explanation of the reduction in workforce and lack of new employees is explained in the attached letter and Deficiency Statement from Plant Controller, Janet Kearns.
6. The tax abatement is scheduled to expire in tax year 2017 payable 2018. The final compliance review will take place in 2018.

**Staff Recommendation:** Approval



May 13, 2014

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

Dear Krista,

Enclosed are the 2013 Tax Abatement Compliance forms for Amcor Rigid Plastics. In April of 2013 it was communicated to Amcor that 2012 was the last year for the abatement, however, in taking a closer look, we found that it is only the 05-05 abatement that has expired. The enclosed documents are for the 06-06 abatement which expires in 2016.

I sincerely apologize for the late filing of these documents for the 06-06 abatement. We respectfully request that they be accepted and considered for approval at this time. In that the filing deadline is May 15, would it be possible to have these documents reviewed and approved on or before May 15?

Please contact me if you need any additional information.

Thank you in advance for your time and consideration.

Best regards,

Amcor Rigid Plastics

A handwritten signature in black ink that reads "Jarlet M. Gears".

Jarlet M Gears  
Controller

Enclosures



Amcor Rigid Plastics, USA  
3201 Bearing Drive  
Franklin, IN 46131

Phone: (317) 736-4313  
Extension: 1167  
Fax: (317) 736-4067

May 12, 2014

City of Franklin  
Attn: Krista Linke  
71 East Court Street  
Franklin, IN 46131

RE: 2013 Tax Abatement Compliance Packet for Amcor Rigid Plastics

Dear Ms. Linke

Enclosed, please find form CF-1/PP (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatement granted to Amcor PET Packaging in 2006 under Franklin Common Council Resolution number 06-06.

As can be seen from reviewing the enclosed documents, our company has been successful in making substantially all of the capital investment projected for this project. During the last quarter of 2008, however, the state of the economy caused Amcor to drop below the proposed and previously achieved headcount of 190. During 2013 our headcount fluctuated based on sales volume, however, as of March 31, 2014, we had 187 employees which is a 2.7% increase over the same time last year and only three people short of our previously projected headcount. Our business outlook is continuing to improve as we gain new business and we expect to reach our proposed headcount again, as the economic environment continues to improve. We ask that you consider this economic recession as an acceptable reason to grant the exclusion to the headcount requirement.

Please review all of the enclosed documents and if you have any questions or concerns regarding this matter, please feel free to contact me at (317) 736-4313 ext. 1167.

Sincerely,

A handwritten signature in black ink that reads "Janet M. Gearns".

Janet Gearns  
Plant Controller  
Amcor Rigid Plastics, USA



Amcor Rigid Plastics, USA  
3201 Bearing Drive  
Franklin, IN 46131

Phone: (317) 736-4313  
Extension: 1167  
Fax: (317) 736-4067

May 12, 2014

**DEFICIENCY STATEMENT**

While it has always been the intention of Amcor Rigid Plastics to maintain the projected headcount of 190 employees, the downturn of economy in the fall of 2008 required us to make a reduction in workforce necessary. At this time, Amcor Rigid Plastics employees 187 full-time people. We previously achieved beyond the required headcount of 190 for our abatement and strategize to do so again, as the economy recovers. Because we are addressing these concerns, it is our desire and request that the City of Franklin will look favourably upon our activities and grant us an extension of time to be in full compliance with our tax abatement commitments.

**Personal Property Listing**

Amcor PET Packaging  
 3201 Bearing Drive  
 Franklin, IN 46131

**Resolution 06-06**

Project #46PEA01189,#46PEA01184,#46PEA01192  
 Original Proposed Franklin Project SB-1

<u>Item Description</u>	<u>Qty</u>	<u>Acquisition \$\$</u>
Husky 600 T Index	2	\$ 2,614,000
Resin Handling Systems	1	\$ 1,966,000
Support & Downstream Equipment	1	\$ 7,729,500
SBO 30 Blow Molding Machine	1	\$ 4,307,000
<b>Total Machinery &amp; Equipment</b>		<b>\$ 16,616,500</b>

<u>Item Description</u>	<u>Qty</u>	<u>Acquisition \$\$</u>
Husky 600 T Index	1	\$ 2,545,520
Resin Handling Systems	1	\$ 311,533
Support & Downstream Equipment	1	\$ 8,681,007
SBO 30 Blow Molding Machine	1	\$ 4,242,696
Husky HyPet	1	\$ 1,779,569
		<b>\$ 17,560,325</b>

<u>Item Description</u>	<u>Qty</u>	<u>Acquisition \$\$</u>
Injection Mold 128 cav	1	\$ 3,270,000
Blow Molds	31	\$ 291,000
<b>Total New Equipment/Tooling</b>		<b>\$ 3,561,000</b>
<b>Total M&amp;E (Personal Property)</b>		<b>\$ 20,177,500</b>

<u>Item Description</u>	<u>Qty</u>	<u>Acquisition \$\$</u>
Injection Mold 128 cav	1	\$ 2,657,899
Blow Molds	0	\$ 292,275
HyPet 28G 128C		\$ 1,229,021
		<b>\$ 4,179,195</b>

<b>Total Project</b>		<b>\$ 20,177,500</b>
<b>Total Building (Real Property)</b>		<b>\$ 2,700,000</b>

<b>Total M&amp;E (Personal Property)</b>		<b>\$ 21,739,520</b>
<b>Total Building (Real Property)</b>		<b>\$ 2,652,437</b>

**Investment Schedule**

Amcor Rigid Plastics  
 3201 Bearing Drive  
 Franklin, IN 46131

**Resolution 06-06**

**Attachment to Form CF-1 (Compliance with Statement of Benefits)  
 Expansion Investment Schedule by Quarter**  
 Project #46PEA01189, #46PEA01184, #46PEA01192

Actual Amount of Investment as of 12/31/2007 (From SB-1)	Proposed Amount of Total Investment by 02/01/2007 (From SB-1)	Actual Amount of Investment Added During Year (by Quarter)											
		9/30/2006	12/31/2006	3/31/2007	6/30/2007	9/30/2007	12/31/2007	3/31/2008	6/30/2008	9/30/2008	12/31/2008		
		213,732	\$ 1,190,853	\$ 1,131,699	\$ 108,248	\$ 7,905	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings & Improvements	\$ 2,652,437	\$ 2,700,000	\$ 2,700,000	\$ 2,700,000	\$ 2,700,000	\$ 2,700,000	\$ 2,700,000	\$ 2,700,000	\$ 2,700,000	\$ 2,700,000	\$ 2,700,000	\$ 2,700,000	\$ 2,700,000
Machinery & Equipment	\$ 21,739,520	\$ 20,177,500	\$ 5,860,588	\$ 1,669,718	\$ 2,968,850	\$ 4,935,752	\$ 2,004,306	\$ 3,743,928	\$ 318,635	\$ 127,608	\$ 77,095	\$ 33,041	\$ -
Totals	\$ 24,391,957	\$ 22,877,500	\$ 6,074,320	\$ 2,860,571	\$ 4,100,549	\$ 5,044,000	\$ 2,012,211	\$ 3,743,928	\$ 318,635	\$ 127,608	\$ 77,095	\$ 33,041	\$ -

	3/31/2009	6/30/2009	9/30/2009	12/31/2009	3/31/2010	6/30/2010	9/30/2010	12/31/2010	Actual Total Amount of Investment as of 12/31/10	Difference Between Actual and Proposed Amount of Investment
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,652,437	\$ (47,563)
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,739,520	\$ 1,562,020
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,391,957	\$ 1,514,457

**Job Creation or Retention Schedule**

Amcro Rigid Plastics  
3201 Bearing Drive  
Franklin, IN 46131

**Resolution 06-06**

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

Actual Amount of Employees as of 5/31/13 (From SB-1)	Proposed Total Number of Employees by 12/31/05 (From SB-1)	2006				Actual Total Number of Employees as of 12/31/06	Difference Between Actual and Proposed Number of Employees
		Actual Number of Employees Added During Year (by Quarter)					
		3/31/2006	6/30/2006	9/30/2006	12/31/2006		
164	190	-	2	10	-	176	(14)
		2007					
		Actual Number of Employees Added During Year (by Quarter)					
		3/31/2007	6/30/2007	9/30/2007	12/31/2007	Actual Total Number of Employees as of 12/31/07	Difference Between Actual and Proposed Number of Employees
		-	-	12	-	188	(2)
		2008					
		Actual Number of Employees Added During Year (by Quarter)					
		3/31/2008	6/30/2008	9/30/2008	12/31/2008	Actual Total Number of Employees as of 12/31/08	Difference Between Actual and Proposed Number of Employees
		-	-	(34)	-	154	(36)
		2009					
		Actual Number of Employees Added During Year (by Quarter)					
		3/31/2009	6/30/2009	9/30/2009	12/31/2009	Actual Total Number of Employees as of 12/31/09	Difference Between Actual and Proposed Number of Employees
		-	-	(9)	(2)	143	(47)
		2010					
		Actual Number of Employees Added During Year (by Quarter)					
		3/31/2010	6/30/2010	9/30/2010	12/31/2010	Actual Total Number of Employees as of 12/31/10	Difference Between Actual and Proposed Number of Employees
		(2)	7	(7)	(5)	136	(54)
		2011					
		Actual Number of Employees Added During Year (by Quarter)					
		3/31/2011	6/30/2011	9/30/2011	12/31/2011	Actual Total Number of Employees as of 12/31/11	Difference Between Actual and Proposed Number of Employees
		20	(1)	(20)	(8)	139	(51)
		2012					
		Actual Number of Employees Added During Year (by Quarter)					
		3/31/2012	6/30/2012	9/30/2012	12/31/2012	Actual Total Number of Employees as of 12/31/12	Difference Between Actual and Proposed Number of Employees
		24	12	-	(8)	167	(23)
		2013					
		Actual Number of Employees Added During Year (by Quarter)					
		3/31/2013	6/30/2013	9/30/2013	12/31/2013	Actual Total Number of Employees as of 12/31/13	Difference Between Actual and Proposed Number of Employees
		15	6	(24)	2	164	(26)



# 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 <b>Amcor PET Packaging</b>	
Address of taxpayer (number and street, city, state, and ZIP code) <b>3201 Bearing Drive, Franklin, IN 46131</b>	
Name of contact person <b>Janet Kearns</b>	Telephone number <b>(317) 736-4313</b>

## SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body <b>Franklin City Council</b>		Resolution number <b>06-06</b>
Location of property <b>3201 Bearing Drive, Franklin, IN 46131</b>	County <b>Johnson</b>	DLGF taxing district number <b>31</b>
Description of real property improvements:		Estimated starting date (month, day, year) <b>07/01/2006</b>
		Estimated completion date (month, day, year) <b>02/01/2007</b>

## SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	176	174
Salaries	12,100,000.00	13,420,000.00
Number of employees retained	176	174
Salaries	12,100,000.00	13,420,000.00
Number of additional employees	14	0
Salaries	689,000.00	0.00

## SECTION 4 COST AND VALUES

COST AND VALUES	REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE
Values before project	18,083,430.00	7,606,020.00
Plus: Values of proposed project	2,700,000.00	900,000.00
Less: Values of any property being replaced	0.00	0.00
Net values upon completion of project	20,783,430.00	8,506,020.00
ACTUAL	COST	ASSESSED VALUE
Values before project	18,083,430.00	7,606,020.00
Plus: Values of proposed project	2,652,437.00	461,280.00
Less: Values of any property being replaced	0.00	0.00
Net values upon completion of project	20,735,867.00	8,067,300.00

## SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

WASTE CONVERTED AND OTHER BENEFITS	AS ESTIMATED ON SB-1	ACTUAL
Amount of solid waste converted		
Amount of hazardous waste converted		
Other benefits:		

## SECTION 6 TAXPAYER CERTIFICATION

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

Signature of authorized representative 	Title <b>Plant Controller</b>	Date signed (month, day, year) <b>05/12/2014</b>
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**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  
**Amcor PET Packaging**

Address of taxpayer (number and street, city, state, and ZIP code)  
**3201 Bearing Drive, Franklin, IN 46131**

Name of contact person  
**Janet M Kearns**

Telephone number  
**( 317 ) 736-4313**

**SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY**

Name of designating body  
**City of Franklin Common Council**

Resolution number  
**06-06**

Location of property  
**3201 Bearing Drive, Franklin, IN 46131**

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.

Estimated starting date (month, day, year)  
**07/01/2006**

Estimated completion date (month, day, year)  
**07/01/2007**

**SECTION 3 EMPLOYEES AND SALARIES**

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	176.00	174.00
Salaries	12,100,000.00	13,420,000.00
Number of employees retained	176.00	174.00
Salaries	12,100,000.00	13,420,000.00
Number of additional employees	14.00	0.00
Salaries	689,000.00	0.00

**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
<b>AS ESTIMATED ON SB-1</b>								
Values before project	112,222,379	15,657,460						
Plus: Values of proposed project	20,177,500	2,421,300						
Less: Values of any property being replaced								
Net values upon completion of project	132,399,879	18,078,760						
<b>ACTUAL</b>								
Values before project								
Plus: Values of proposed project								
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  
*Janet M Kearns*

Title  
**Plant Controller**

Date signed (month, day, year)  
**05/12/2014**