



CITY OF FRANKLIN

DEPARTMENT OF COMMUNITY DEVELOPMENT

Staff Report

To: Economic Development Commission Members
From: Krista Linke, Director
Date: October 6th, 2014
Re: Case EDC 2014-05 – Faulkenberg Printing

Case EDC 2014-05 – Faulkenberg Printing: A request for a 5-year tax abatement on \$170,000 in real property and a 5-year abatement on \$400,000 in personal property investment.

Location: 1670 Amy Lane

Summary:

1. Characteristics of this location:

The building at Hurricane Industrial Park Lot 10 was built in 2011. It is 11,600 square feet. Parking is available onsite.

2. Characteristics of this petitioner:

Faulkenberg Printing was founded in 1946 and is a family owned company. There are currently 10 employees and they plan to add five by the end of 2015.

3. Characteristics of this project:

The applicant plans to build out the facility at 1670 Amy Lane to suit their needs. Work includes: air conditioning, gas furnace, office area, electrical upgrades, additional lighting and racks for presses. The company is selling their existing facility on West Michigan Street in Indianapolis and moving their operation to Franklin. They plan to purchase a used high-end printing press for their new location.

4. Economic Revitalization Area (ERA):

This property has not previously been designated an ERA.

5. ERA & Tax Abatements Findings (Real Property):

Indiana Code Section 6-1.1-12.1-3 states that the following findings must be made when considering an ERA designation and the granting of a tax abatement for real property:

- a. Whether the estimate of the value of the development or rehabilitation is reasonable for projects of that nature;

- b. Whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed redevelopment or rehabilitation;
- c. Whether the estimate of annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed redevelopment or rehabilitation;
- d. Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed redevelopment or rehabilitation; and
- e. Whether the totality of the benefits is sufficient to justify the tax abatement.

6. ERA & Tax Abatements Findings (Personal Property):

Indiana Code Section 6-1.1-12.1-4.5 states that the following findings must be made when considering an ERA designation and the granting of tax abatement for personal property:

- a. Whether the estimate of the cost of new manufacturing equipment is reasonable for equipment of that type;
- b. Whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the instillation of new manufacturing equipment;
- c. Whether the estimate of annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment;
- d. Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the installation of the new manufacturing equipment; and
- e. Whether the totality of the benefits is sufficient to justify the tax abatement.

7. City of Franklin "Tax Abatement Policy" criteria:

The "Tax Abatement Policy" section of the *City of Franklin Community Investment Incentives Summary* states that the Economic Development Commission shall use certain criteria when considering a request for tax abatement. A comparison of those criteria and this request follows:

- a. *Diversification of Local Occupations:* There are 10 employees at the existing West Michigan Street location in Indianapolis. These jobs will be relocated to Franklin, and five additional jobs will be created over the first year. The average hourly salary for these 10 employees is \$23.99. The average hourly salary for the additional 5 employees is \$24.04. Wage figures do not include benefits. Faulkenberg Printing pays for 80% of all medical insurance for employees. They also offer bonuses two times per year if there are profits.
- b. *Diversification of Local Employment:* According to the 2011 U.S. Census Bureau, there were 9 printing and related support establishments in Johnson County and 39 employees.

- c. *Increase in Local Salaries:* The average wage for all industries in Johnson County for the first quarter of 2012 was \$14.98. The average hourly wage in Johnson County for printing and related support employees in 2011 was \$17.59 per hour. The average hourly wage (without benefits) for the 10 jobs being retained with Faulkenberg Printing is \$23.99. The average hourly wage (without benefits) for the 5 new jobs with Faulkenberg Printing is \$24.04.
- d. *Sustainable Land Use:* The petitioner proposes to make this investment at an existing building in Franklin that has been available since it was built in 2012.
- e. *Future Community Investment:* The applicant should share with the EDC their plans for future community investment. The company has indicated on their application that they are agreeable to a 2% economic development fee on real and personal property improvements. They also indicated on their application that they regularly donate printing to Child Abuse Indiana.
- f. *Conformance with the Comprehensive Plan:* The Comprehensive Plan - Land Use Map identifies this property as a Business Development Area. Business development areas are intended to serve as both the permanent home of small scale businesses and incubators for new local companies. Land uses in business development areas include manufacturing, light industrial operations, contractors' offices, and product suppliers. In many instances the types of businesses in these areas are those that have both commercial and industrial qualities. The business development areas provide these uses the ability to serve customers in a setting that allows outdoor storage and the operation of heavy equipment and machinery that often are involved.

The property is zoned IBD, Industrial: Business Development. The "IBD," Industrial: Business Development zoning district is intended to provide locations for small scale manufacturing, construction, production, and assembly uses, as well as other light industrial uses. This district is specifically intended to provide appropriate setbacks and standards for small-scale businesses, entrepreneurial operations, start-up businesses, and similar operations.

8. Tax Abatement Duration:

The *City of Franklin Community Investment Incentives Summary* provides that longer periods of abatement on real and personal property may be considered for requests of an exceptional nature. The Summary states that development examples of an exceptional nature include projects which:

- a. Create a new plant or product line for an existing manufacturer;
- b. Creates substantial employment opportunities with higher than average wages;
- c. Increase substantially property values and the city tax base with minimal impact to city services (police & fire protection, schools, utilities, infrastructure, etc.); and
- d. Utilize existing public infrastructure (sanitary & storm sewer, roads & streets, drainage facilities, and other utilities).

9. Requested Effective Year:

The petitioner has requested that, if approved, the tax abatement be effective for the tax year 2015, payable 2016.

Staff Comments:

This tax abatement application proposes the use of an existing industrial warehouse building that was built in anticipation of attracting this type of end user. This company will bring good paying jobs with it and create an additional 5 new jobs. The average hourly wage is higher than the average for all industries in Johnson County. This particular use appears to be the right kind of fit for this location.



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Tax Abatement Application

Organization/Corporation Requesting Tax Abatement

Organization/Corporation Name: Faulkenberg Printing
 Primary Contact Name: Jim Faulkenberg
 Contact Address: 116 West Michigan Street
 City: Indpls State: IN. Zip: 46204
 Phone Number: 317 638-1358
 Email: Jim@Faulkenberg.net
 Three possible dates before the EDC meeting to conduct a site visit: Any Time
 Name of Owner: Jim Faulkenberg
 Parent Company (If Applicable): _____

Primary Contact for Yearly Compliance Reports

Name: _____
 Title: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Phone Number: _____
 Email: _____

Description of Project

Project Location/Address: 1670 Amy Lane Franklin IN.
 Parcel Number: _____
 Brief Description of Project: Relocate Printing Company, Install Air Conditioning

Furnace, Electrical, Build offices + Prepress

Current Assessed Value (AV) of the Property:

1. Land 7590,000
2. Building 5000
3. Inventory 120,000
4. Equipment _____

Have building permits been applied for (if applicable): Yes No In the Process
 Has equipment been installed (if applicable): Yes No

Required Attachments:

- | | |
|---------------------------------------------------------------------|--------------------------------------------------------------|
| <input type="checkbox"/> Completed SB-1 Form(s) | <input type="checkbox"/> Summary of Benefits (if applicable) |
| <input type="checkbox"/> Legal Description of the Property | <input type="checkbox"/> Employment Phase-In Schedule |
| <input type="checkbox"/> Company Financial Statement | <input type="checkbox"/> Company Investment Timetable |
| <input type="checkbox"/> Job and Wage Description Information Sheet | <input type="checkbox"/> Compliance Affidavit |

Type of Abatement Requested

Real Property Personal Property

Length of Abatement Requested: 5 Years

Project Size (square feet): 14600 Size of Site (acres): _____

Type of Building:

Multiple Tenants (leased) Single Tenant (leased) Owner Occupied Corporate Headquarters

Capital Investment

- 1. Real property capital investment only: \$ 590,000
- 2. Personal property capital investment only: \$ 400,000
- 3. Total capital investment for proposed project: \$ 990,000

Jobs Created and/or Retained

- 1. Estimated number of full time jobs created by the proposed project: 4
- 2. Estimated number of full time jobs retained as a direct result of the proposed project: 10
- 3. Total number of full time jobs upon project completion: 14

Wages Created and Retained

- 1. Average hourly wage rate for new jobs (w/o benefits) \$ 24 -
- 2. Average hourly wage rate for jobs retained (w/o benefits) \$ 24 -

***In addition to answering these questions, please fill out the Job and Wage Description for Tax Abatement Application information sheet and submit it with the application as an attachment.

Please explain why the abatement incentive is necessary to the project: Attach additional sheets as necessary.

Help us Fund the transition from Indy to Franklin

Company Information

How long has the company been in existence? Since 1946

Current address of company headquarters and duration at that address: 116 West Michigan Street, Been @ this Address Since 1964

Approximate percentage of employees at current location who live in the City of Franklin and/or Johnson County: No Employee's

Have you ever received tax abatement at your current location? Yes No

If yes, when and for what term? _____

What specifically has the company done to give back to the community: We Donate Printing to Child Abuse Indiana

While acting as a strong advocate for using economic incentives to help applicants expand and/or locate in the community, the City of Franklin also strives to enrich the quality of life for its citizens. To that end, the City embraces the use of voluntary economic development fees as allowed under Indiana law (IC 6-1.1-12.1-14). These fees are directed by the City to local nonprofit organizations to bolster their economic development efforts. The fee can be applied on both real and personal property abatements. The fee is collected annually by the County Treasurer as a special assessment on the tax bill and is distributed by the City to the designated economic development nonprofit organization. Typically, 2% is charged on Real Property and 5% is charged on Personal Property. The fee is a percentage of the abatement received. For example, instead of receiving 100% abatement in the first year, the company receives a 95% abatement, with the 5% difference going to support local economic development. More information can be found on the City's website (www.franklin.in.gov) under the Economic Development tab.

Is the company agreeable to the Economic Development Fee? Yes No

If yes, at what percent(s)? 2% Real Property
2% Personal Property



**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R5 / 12-13)
Prescribed by the Department of Local Government Finance

20__ PAY 20__

FORM SB-1 / Real Property

PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

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)
- Residentially distressed area (IC 6-1.1-12.1-4.1)

INSTRUCTIONS:

- This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise, this statement must be submitted to the designating body **BEFORE** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction.
- The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
- To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between March 1 and May 10 of a subsequent year.
- A property owner who files for the deduction must provide the County Auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
- For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/Real Property that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. IC 6-1.1-12.1-17

SECTION 1		TAXPAYER INFORMATION			
Name of taxpayer <i>Faulkenberg Printing Company Inc.</i>					
Address of taxpayer (number and street, city, state, and ZIP code) <i>116 West Michigan Street, Indpls. IN 46204</i>					
Name of contact person <i>Jim Faulkenberg</i>		Telephone number <i>(317) 638-1359</i>		E-mail address <i>Jim@Faulkenberg.net</i>	
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT			
Name of designating body				Resolution number	
Location of property <i>1670 Amy Lane</i>		County <i>Johnson</i>		DLGF taxing district number	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) <i>Add Aircondition, install gas furnace, Build 40' x 90' office Bring in more electric, Add lighting, Build Racks for Messes</i>				Estimated start date (month, day, year) <i>November 4 2014</i>	
				Estimated completion date (month, day, year) <i>January 1st 2015</i>	
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT			
Current number <i>10</i>	Salaries <i>24 per hour</i>	Number retained <i>10</i>	Salaries	Number additional <i>up to 5</i>	Salaries <i>424</i>
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT			
		REAL ESTATE IMPROVEMENTS			
		COST		ASSESSED VALUE	
Current values		<i>590,000</i>		<i>590,000</i>	
Plus estimated values of proposed project		<i>170,000</i>			
Less values of any property being replaced					
Net estimated values upon completion of project		<i>760,000</i>		<i>760,000</i>	
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER			
Estimated solid waste converted (pounds) _____		Estimated hazardous waste converted (pounds) _____			
Other benefits					
SECTION 6		TAXPAYER CERTIFICATION			
I hereby certify that the representations in this statement are true.					
Signature of authorized representative <i>Jim Faulkenberg</i>				Date signed (month, day, year) <i>9-12-14</i>	
Printed name of authorized representative <i>Jim Faulkenberg</i>			Title <i>President</i>		



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (R / 1-06)

Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

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 statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, **BEFORE** a deduction may be approved
3. To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001. For equipment installed prior to March 2, 2001, the schedules and statutes in effect at the time shall continue to apply. (IC 6-1.1-12.1-4.5(f) and (g))

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer <i>Faulkenberg Printing</i>	
Address of taxpayer (number and street, city, state, and ZIP code) <i>116 West Michigan Street, Indianapolis, IN 46204</i>	
Name of contact person <i>Jim Faulkenberg</i>	Telephone number <i>317-638-1359</i>

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body		Resolution number (s)	
Location of property		County	
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (use additional sheets if necessary)		ESTIMATED	
		START DATE COMPLETION DATE	
		Manufacturing Equipment	<i>Jan 2015 10 Years Plus</i>
		R & D Equipment	
		Logist Dist Equipment	
IT Equipment			

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current number <i>10</i>	Salaries <i>49,900</i>	Number retained <i>10</i>	Salaries <i>49,900</i>	Number additional <i>5</i>	Salaries <i>150,000</i>
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SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Current values	<i>120,000</i>	<i>120,000</i>						
Plus estimated values of proposed project	<i>400,000</i>	<i>400,000</i>						
Less values of any property being replaced								
Net estimated values upon completion of project	<i>520,000</i>	<i>520,000</i>						

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted (pounds) _____	Estimated hazardous waste converted (pounds) _____
Other benefits:	

SECTION 6 TAXPAYER CERTIFICATION

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

Signature of authorized representative <i>James J. [Signature]</i>	Title <i>President</i>	Date signed (month, day, year) <i>9-23-19</i>
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**EMPLOYMENT PHASE-IN SCHEDULE
SAMPLE JOB CREATION/RETENTION TIMETABLE**

Year of Abatement 1st Quarter 2nd Quarter 3rd Quarter 4th Quarter	Job Type 1	Job Type 2	Job Type 3	Job Type 4	Total
	<i>press operator + Helper</i>	<i>Sales Person</i>			<i>4 Total New Employees</i>
		<i>Birdsey Operator</i>			<i>150,000 each per year</i>
Year of Abatement 1st Quarter 2nd Quarter 3rd Quarter 4th Quarter					
Year of Abatement 1st Quarter 2nd Quarter 3rd Quarter 4th Quarter					
TOTAL					

**JOB AND WAGE DESCRIPTION
FOR TAX ABATEMENT APPLICATION**

Please provide the following job and wage earning information that is associated with this Tax Abatement Petition (*Please specify all wages in an hourly format without benefits*):

- (1) Company NAICS code: _____.
- (2) The total number of jobs current at the site: 10, the number of those jobs that will be retained as a direct result of the proposed investment 10, and the number of new jobs which will be created as a direct result of the proposed investment 4.
- (3) The total number of full-time employees at the site: 10.
- (4) The total number of temporary and/or contract employees currently at the site: 1.
- (5) The average hourly wages for the new jobs: \$24.
- (6) Will the new jobs being created begin as temporary and/or contract employees? _____
If yes, please provide an explanation of the typical transition process to full time:

- (7) Number of new and/or retained jobs in:
 - (a) Managerial/Professional Specialty Occ.: 1 Average Hourly Wage: \$24
 - (b) Technical/Sales/Admin. Support Occ.: _____ Average Hourly Wage: _____
 - (c) Service Occ.: _____ Average Hourly Wage: _____
 - (d) Precision Production/Craft/Repair Occ.: _____ Average Hourly Wage: _____
 - (e) Operators/Fabricators/Laborers: 9 Average Hourly Wage: \$24

Note: The total number of jobs specified above should correspond with the Statement of Benefits Form SB-1.

(8) Attach detailed information on the types of benefits offered for new employees. A description of all possible bonuses and incentives should also be given if provided.

We give Bonuses 2x Year if there are Profits. March 12th 2017 50% of the Company will Be turned over to Employees once my partner stock is paid out fully.

**JOB AND WAGE DESCRIPTION
FOR TAX ABATEMENT APPLICATION**

Please provide the following job and wage earning information that is associated with this Tax Abatement Petition (*Please specify all wages in an hourly format without benefits*):

- (1) Company NAICS code: 323111.
- (2) The total number of jobs current at the site: 10, the number of those jobs that will be retained as a direct result of the proposed investment 10, and the number of new jobs which will be created as a direct result of the proposed investment 4.
- (3) The total number of full-time employees at the site: 10.
- (4) The total number of temporary and/or contract employees currently at the site: 0.
- (5) The average hourly wages for the new jobs: \$24-.
- (6) Will the new jobs being created begin as temporary and/or contract employees? NO
If yes, please provide an explanation of the typical transition process to full time:

- (7) Number of new and/or retained jobs in:
 - (a) Managerial/Professional Specialty Occ.: 1 Average Hourly Wage: \$24-
 - (b) Technical/Sales/Admin. Support Occ.: none Average Hourly Wage: _____
 - (c) Service Occ.: _____ Average Hourly Wage: _____
 - (d) Precision Production/Craft/Repair Occ.: _____ Average Hourly Wage: _____
 - (e) Operators/Fabricators/Laborers: 9 Average Hourly Wage: \$24-

Note: The total number of jobs specified above should correspond with the Statement of Benefits Form SB-1.

- (8) Attach detailed information on the types of benefits offered for new employees. A description of all possible bonuses and incentives should also be given if provided.

We Pay 80% of All Medical Invs.

SAMPLE COMPANY INVESTMENT TIMETABLE

Year of Abatement	Buildings	Equip. Type 1	Equip. Type 2	Equip. Type 3	Total
1st Quarter	\$570,000 Will Be Completed By 6-1-2015				\$990,000
2nd Quarter					
3rd Quarter					
4th Quarter					
Year of Abatement					
1st Quarter					
2nd Quarter					
3rd Quarter					
4th Quarter					
Year of Abatement					
1st Quarter					
2nd Quarter					
3rd Quarter					
4th Quarter					
TOTAL					

3 YEAR

Faulkenberg Printing

Sample Property Tax on Real Property (3 Year) with 2% Economic Development Fee

Real Property Tax Investment: \$170,000

Tax Rate: 3.0%

	2015 Payable 2016	2016 Payable 2017	2017 Payable 2018	
True Cash Value	\$170,000	\$170,000	\$170,000	
Assessed Value	\$170,000	\$170,000	\$170,000	
Net Tax Rate	3.0%	3.0%	3.0%	Total
Tax w/o Abatement	\$5,100	\$5,100	\$5,100	\$15,300
Abatement Rate	100%	66%	33%	
Amount Abated	\$5,100	\$3,366	\$1,683	Total
Taxes Paid w/Abatement	\$0	\$1,734	\$3,417	\$5,151

Total Fees Paid

2% Fee	\$102	\$67	\$34	\$203
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Total Tax Saving without Economic Development Fee

\$10,149

Total Tax Savings with 2% Economic Development Fee

\$9,946

5 YEAR

Faulkenberg Printing

Sample Property Tax on Real Property (5 Year Period) with 2% Economic Development Fee

Real Property Tax Investment: \$170,000

Tax Rate: 3.0%

	2015 Payable 2016	2015 Payable 2016	2016 Payable 2017	2017 Payable 2018	2018 Payable 2019	
True Cash Value	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	
Assessed Value	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	
Net Tax Rate	3.0%	3.0%	3.0%	3.0%	3.0%	Total
Tax w/o Abatement	\$5,100	\$5,100	\$5,100	\$5,100	\$5,100	\$25,500
Abatement Rate	100%	80%	60%	40%	20%	
Amount Abated	\$5,100	\$4,080	\$3,060	\$2,040	\$1,020	Total
Taxes Paid w/Abatement	\$0	\$1,020	\$2,040	\$3,060	\$4,080	\$10,200

						Total Fees Paid
2% Fee	\$102	\$82	\$61	\$41	\$20	\$306

**Total Tax Saving without Economic Development Fee
\$15,300**

**Total Tax Savings with 2% Economic Development Fee
\$14,994**

7 YEAR

Faulkenberg Printing

Sample Property Tax on Real Property (7 Year) with 2% Economic Development Fee

Real Property Tax Investment: \$170,000

Tax Rate: 3.0%

	2015 Payable 2016	2016 Payable 2017	2017 Payable 2018	2018 Payable 2019	2019 Payable 2020	2020 Payable 2021	2021 Payable 2022	
True Cash Value	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	
Assessed Value	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	
Net Tax Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	Total
Tax w/o Abatement	\$5,100	\$5,100	\$5,100	\$5,100	\$5,100	\$5,100	\$5,100	\$35,700
Abatement Rate	100%	85%	71%	57%	43%	29%	14%	
Amount Abated	\$5,100	\$4,335	\$3,621	\$2,907	\$2,193	\$1,479	\$714	Total
Taxes Paid w/Abatement	\$0	\$765	\$1,479	\$2,193	\$2,907	\$3,621	\$4,386	\$15,351
								Total Fees Paid
2% Fee	\$102	\$87	\$72	\$58	\$44	\$30	\$14	\$407

**Total Tax Saving without Economic Development Fee
\$20,349**

**Total Tax Savings with 2% Economic Development Fee
\$19,942**

10 YEAR

Faulkenberg Printing

Sample Property Tax on Real Property (10 Year Period) Schedule with 2% Fee

Real Property Tax Investment: \$170,000

Tax Rate: 3.0%

	<i>2015 Payable 2016</i>	<i>2016 Payable 2017</i>	<i>2017 Payable 2018</i>	<i>2018 Payable 2019</i>	<i>2019 Payable 2020</i>	<i>2020 Payable 2021</i>	<i>2021 Payable 2022</i>	<i>2022 Payable 2023</i>	<i>2023 Payable 2024</i>	<i>2024 Payable 2025</i>	
True Cash Value	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	
Assessed Value	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	
Net Tax Rate	3.6195%	3.6195%	3.6195%	3.6195%	3.6195%	3.6195%	3.6195%	3.6195%	3.6195%	3.6195%	Total
Tax w/o Abatement	\$6,153	\$6,153	\$6,153	\$6,153	\$6,153	\$6,153	\$6,153	\$6,153	\$6,153	\$6,153	\$61,532
Abatement Rate	100%	95%	80%	65%	50%	40%	30%	20%	10%	5%	
Amount Abated	\$6,153	\$5,845	\$4,923	\$4,000	\$3,077	\$2,461	\$1,846	\$1,231	\$615	\$308	Total
Taxes Paid w/Abatement	\$0	\$308	\$1,231	\$2,154	\$3,077	\$3,692	\$4,307	\$4,923	\$5,538	\$5,845	\$31,073

											Total Fees Paid
2% Fee	\$123	\$117	\$98	\$80	\$62	\$49	\$37	\$25	\$12	\$6	\$609

Total Tax Saving without Economic Development Fee

\$30,458

Total Tax Savings with 2% Economic Development Fee

\$29,849

3 YEAR

Faulkenberg Printing

Sample Property Tax on Personal Property (3 Year)

Personal Property Tax Investment: \$400,000

Tax Rate: 3.0%

	2015 Payable 2016	2016 Payable 2017	2017 Payable 2018	
Cost of Equipment	\$400,000	\$400,000	\$400,000	
True Cash Percentage Rate	65%	50%	35%	
True Cash Value	\$260,000	\$200,000	\$140,000	
Net Tax Rate	3.0%	3.0%	3.0%	Total
Tax w/o Abatement	\$7,800	\$6,000	\$4,200	\$18,000
Abatement Rate	100%	66%	33%	
Amount Abated	\$7,800	\$3,960	\$1,386	Total
Taxes Paid w/Abatement	\$0	\$2,040	\$2,814	\$4,854

Total Fees Paid

5% Fee	\$390	\$198	\$69	\$657
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**Total Tax Savings without Economic Development Fee
\$13,146**

**Total Tax Savings with 5% Economic Development Fee
\$12,489**

5 YEAR

Faulkenberg Printing

Sample Property Tax on Personal Property (5 Year Period)

Personal Property Tax Investment: \$400,000

Tax Rate: 3.0%

	2015 Payable 2016	2016 Payable 2017	2017 Payable 2018	2018 Payable 2019	2019 Payable 2020	
Cost of Equipment	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	
True Cash Percentage Rate	40%	56%	42%	32%	24%	
True Cash Value	\$160,000	\$224,000	\$168,000	\$128,000	\$96,000	
Net Tax Rate	3.0%	3.0%	3.0%	3.0%	3.0%	
Tax w/o Abatement	\$4,800	\$6,720	\$5,040	\$3,840	\$2,880	Total \$23,280
Abatement Rate	100%	80%	60%	40%	20%	
Amount Abated	\$4,800	\$5,376	\$3,024	\$1,536	\$576	Total \$7,968
Taxes Paid w/Abatement	\$0	\$1,344	\$2,016	\$2,304	\$2,304	

						Total Fees Paid
5% Fee	\$240	\$269	\$151	\$77	\$29	\$766

**Total Tax Savings without Economic Development Fee
\$15,312**

**Total Tax Savings with 5% Economic Development Fee
\$14,546**

7 YEAR

Faulkenberg Printing

Sample Property Tax on Personal Property (7 Year Period)

Personal Property Tax Investment: \$400,000

Tax Rate: 3.0%

	2015 Payable 2016	2016 Payable 2017	2017 Payable 2018	2018 Payable 2019	2019 Payable 2020	2020 Payable 2021	2021 Payable 2022	
Cost of Equipment	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	
True Cash Percentage Rate	40%	56%	42%	32%	24%	18%	15%	
True Cash Value	\$160,000	\$224,000	\$168,000	\$128,000	\$96,000	\$72,000	\$60,000	
Net Tax Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	Total
Tax w/o Abatement	\$4,800	\$6,720	\$5,040	\$3,840	\$2,880	\$2,160	\$1,800	\$27,240
Abatement Rate	100%	85%	71%	57%	43%	29%	14%	
Amount Abated	\$4,800	\$5,712	\$3,578	\$2,189	\$1,238	\$626	\$252	Total
Taxes Paid w/Abatement	\$0	\$1,008	\$1,462	\$1,651	\$1,642	\$1,534	\$1,548	\$8,844

								Total Fees Paid
5% Fee	\$240	\$286	\$179	\$109	\$62	\$31	\$13	\$920

**Total Tax Savings without Economic Development Fee
\$18,396**

**Total Tax Savings with 5% Economic Development Fee
\$17,476**

10 YEAR

Faulkenberg Printing

Sample Property Tax on Personal Property (10 Year Period)

Personal Property Tax Investment: \$400,000

Tax Rate: 3.0%

	2015 <i>Payable 2016</i>	2016 <i>Payable 2017</i>	2017 <i>Payable 2018</i>	2018 <i>Payable 2019</i>	2019 <i>Payable 2020</i>	2020 <i>Payable 2021</i>	2021 <i>Payable 2022</i>	2022 <i>Payable 2023</i>	2023 <i>Payable 2024</i>	2024 <i>Payable 2025</i>		
Cost of Equipment	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	
True Cash Percentage Rate	40%	60%	55%	45%	37%	30%	25%	20%	16%	12%		
True Cash Value	\$160,000	\$240,000	\$220,000	\$180,000	\$148,000	\$120,000	\$100,000	\$80,000	\$64,000	\$48,000		
Net Tax Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%		Total
Tax w/o Abatement	\$4,800	\$7,200	\$6,600	\$5,400	\$4,440	\$3,600	\$3,000	\$2,400	\$1,920	\$1,440		\$40,800
Abatement Rate	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%		
Amount Abated	\$4,800	\$6,480	\$5,280	\$3,780	\$2,664	\$1,800	\$1,200	\$720	\$384	\$144		Total
Tax Paid w/Abatement	\$0	\$720	\$1,320	\$1,620	\$1,776	\$1,800	\$1,800	\$1,680	\$1,536	\$1,296		\$13,548

												Total Fees Paid
5% Fee	\$240	\$324	\$264	\$189	\$133	\$90	\$60	\$36	\$19	\$7		\$1,363

**Total Tax Savings without Economic Development Fee
\$27,252**

**Total Tax Savings with 5% Economic Development Fee
\$25,889**