



# CITY OF FRANKLIN

Community Development Department

## Memorandum

**To:** City of Franklin Economic Development Commission  
**From:** Krista Linke, Director of Community Development  
**Date:** March 31, 2015  
**Re:** Case C 2015-05: Cooper Tire & Rubber Company

### Summary:

1. On July 21<sup>st</sup>, 2008, the Franklin Common Council passed Resolution No. 2008-17, approving a 10-year tax abatement on personal and real property for CCD I-65 LLC (Cooper Tire) located at 500 Bartram Parkway.
2. Actual and estimated benefits, for 2014:

	Estimated on SB-1	Actual in 2014	Difference
New Employees	60	126	66
Salaries	\$2,311,920	\$4,311,279	\$1,999,359
Average Hourly Salaries	\$18.53	\$16.45	-\$2.07
Real Property Improvements	\$24,000,000	\$23,343,050	-\$656,950
Personal Property Improvements	\$3,000,000	\$3,755,374	\$755,374

3. CLF Cooper Franklin LLC is the owner of the property and building in which Cooper Tires is located. They nearly met their estimate for real property improvements.
4. Cooper Tire and Rubber Company exceeded their personal property investment by \$755,374.
5. Cooper Tires explained in 2013 that they do not have 60 Cooper Tire employees, but that a majority of their 126 employees are temporary employees. These temporary employees work 40 hours per week and make approximately \$12 per hour. Because of temporary employees, their average hourly salary is lower than estimated on their original SB-1 form.
6. The tax abatement is scheduled to expire in tax year 2018 payable 2019. The final compliance review will take place in 2019.

### Staff Recommendation:

Approval



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



February 12, 2015

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. 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 'Amy Harshman'.

Amy Harshman  
Tax Analyst

Enclosures



# COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R2 / 1-07)  
Prescribed by the Department of Local Government Finance

20 14 PAY 20 15

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>CLF Cooper Franklin LLC</b>			
Address of taxpayer (number and street, city, state, and ZIP code) <b>c/o American Realty Capital Properties, Inc. 1065 Avenue of the Americas 23rd Fl. New York, NY 10018</b>			
Name of contact person <b>Robert Bianchetti</b>		Telephone number <b>(212) 217-6385</b>	
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY			
Name of designating body <b>Franklin Common Council</b>		Resolution number <b>08-17</b>	
Location of property <b>500 Bartram Parkway Franklin, IN 46131</b>		County <b>Johnson</b>	DLGF taxing district number <b>41018</b>
Description of real property improvements: <b>Approx. 800,000 SF warehouse and distribution building - tiltup wall construction.</b>		Estimated starting date (month, day, year) <b>08/01/2008</b>	
		Estimated completion date (month, day, year) <b>05/31/2009</b>	
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		<b>60</b>	<b>126</b>
Salaries		<b>2,311,920.00</b>	<b>4,311,279.52</b>
SECTION 4 COST AND VALUES			
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE
Values before project		<b>0.00</b>	
Plus: Values of proposed project		<b>23,343,049.64</b>	
Less: Values of any property being replaced			
Net values upon completion of project		<b>23,343,049.64</b>	
ACTUAL		COST	ASSESSED VALUE
Values before project		<b>0.00</b>	
Plus: Values of proposed project		<b>23,343,049.64</b>	
Less: Values of any property being replaced			
Net values upon completion of project		<b>23,343,049.64</b>	<b>30,962,500.00</b>
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 <b>Robert Bianchetti</b>		Title <b>Vice President Asset Mgmt.</b>	Date signed (month, day, year) <b>02/13/2015</b>



# 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 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
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired.	DLGF taxing district number 41018
	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	126
Salaries		2,311,920.00	4,311,279.52

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					3,000,000.00			
Less: Values of any property being replaced								
Net values upon completion of project					3,000,000.00			
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project								
Plus: Values of proposed project					3,755,373.88			
Less: Values of any property being replaced								
Net values upon completion of project					3,755,373.88			

**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 Manager, State & Local Taxes	Date signed (month, day, year) 02/12/2015

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/(Disposed) During Year (by Qtr)	Actual Amount of Investment Added/(Disposed) During Year (by Qtr)	Actual Amount of Total Investment by:	Difference Between Actual and Proposed Investment
	6/20/2008	12/31/2013	3/31	6/30	9/30	12/31/2014
Machinery & Equipment	\$3,000,000	\$3,846,034	(\$90,660)	\$0	\$0	\$3,755,374
						\$755,374

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	120	0	3	3	0	126	66



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	120	0	3	3	0	126	66