

AGENDA RESERVATION REQUEST

CITY OF FRANKLIN COMMON COUNCIL

Please type or print

Date Submitted:	April 14, 2015	Meeting Date:	April 20, 2015
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:			
Yearly Tax Abatement Compliance Reports			
List Supporting Documentation Provided:			
Memorandum to the City Council	C 2015-12 & C 2015-28: GROK & Nitrex		
C 2015-04: Caterpillar Reman Powertrain	C 2015-13: Heartland Machine		
C 2015-05: Cooper Tire & Rubber Co.	C 2015-14: Holbrook Manufacturing		
C 2015-06: CTC Casting Technologies			
C 2015-08: Dualtech, Inc.			
C 2015-09: Electro-Spec, Inc.			
C 2015-10: Electro-Spec, Inc.			
C 2015-11: Franklin Tech Park Assoc.			
Who will present the request?			
Name:	Rhoni Oliver	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 14, 2015
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 14, 2015 meeting:

- C 2015-04 Caterpillar Reman Powertrain (Resolution 2010-15)
- C 2015-05 Cooper Tire & Rubber Co. (Resolution 2008-17)
- C 2015-06 CTC Casting Technologies (Resolution 2012-02)
- C 2015-08 Dualtech, Inc. (Resolution 2008-03)
- C 2015-09 Electro-Spec, Inc. (Resolution 2008-14/2010-13)
- C 2015-10 Electro-Spec, Inc. (Resolution 2012-07)
- C 2015-11 Franklin Tech Park Associates, LLC (Resolution 2004-05)
- C 2015-12 GROK Enterprises (Resolution 2011-02)
- C 2015-28 Nitrex, Inc. (Resolution 2011-02)
- C 2015-13 Heartland Machine (Resolution 2013-11)
- C 2015-14 Holbrook Manufacturing (Resolution 2007-12)

Case C 2015-01: Amcor PET Packaging was also reviewed by the EDC, but the case was tabled pending additional information.

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

There will be a special EDC meeting on Tuesday, April 28th to review the remaining tax abatement compliance reports. Those will be forwarded to you for review at your May 4th meeting.



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 2015-04: Caterpillar Reman Powertrain Indiana LLC

Summary:

1. On September 20th, 2010, the Franklin Common Council passed Resolution No. 2010-15, approving a 10-year tax abatement with a 5% economic development fee on personal property for Caterpillar Reman Powertrain Indiana, LLC, located at 751 International Drive.
2. Actual and estimated benefits, as projected for 2014:

	Estimated on SB-1	Actual in 2014	Difference
Employees Retained	338	338	0
Salaries	\$10,278,445	\$10,658,086	\$379,641
New Employees	0	0	0
Salaries	\$0	\$0	\$0
Total Employees	338	338	0
Total Salaries	\$10,278,445	\$10,658,086	\$379,641
Average Hourly Salaries	\$14.62	\$15.16	\$0.54
Personal Property Improvements	\$13,568,000	\$10,577,840	-\$2,990,160

3. The company estimated in their original application that they would spend \$4,700,000 on equipment in 2010, \$2,242,000 on equipment in 2011, and \$3,276,000 in 2012. The total for all three years is \$10,068,000. They reported spending \$7,762,540 total at the end of 2012. They were given until the end of 2013 to purchase all of the equipment. They indicated in their application that they would purchase \$3,276,000 in 2012 but only purchased \$1,907,869. They indicated on their original application they would purchase an additional \$3,500,000 in 2013 but only purchased \$932,163. In a letter dated April 2, 2014, Accounting Manager Lee Anspaugh reported that \$2.3 million of purchases included in the original tax abatement application were in process at the end of 2013. They were not purchased before the 12/31/2013 completion date.
4. The company has met the number of employees retained with higher than estimated average hourly salaries.
5. The tax abatement is scheduled to expire in tax year 2023 payable 2024. The final compliance review should take place in 2023.

Staff Recommendation: Approval



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 Caterpillar Reman Powertrain Indiana LLC	
Address of taxpayer (number and street, city, state, and ZIP code) 751 International Drive Franklin, IN 46131	
Name of contact person Lee A. Anspaugh	Telephone number (317) 346-3211

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body Franklin Common Council	Resolution number 2010-15
Location of property same as above	County Johnson
DLGF taxing district number 41009	Estimated starting date (month, day, year) 06/10/2010
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 completion date (month, day, year) 12/31/13

SECTION 3 EMPLOYEES AND SALARIES

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	338.00	338.00
Salaries	10,278,445.00	10,658,086.00
Number of employees retained	338.00	338.00
Salaries	10,278,445.00	10,658,086.00
Number of additional employees	0.00	69.00
Salaries	0.00	2,175,763.00

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	12,613,870.	4,946,825.0						
Plus: Values of proposed project	13,568,000.	5,427,200.0						
Less: Values of any property being replaced								
Net values upon completion of project	26,181,870.	10,374,025.						
ACTUAL								
Values before project	12,613,870.	2,694,562.0						
Plus: Values of proposed project	10,577,849.	3,455,057.4						
Less: Values of any property being replaced								
Net values upon completion of project	12,719,649.	6,149,619.4						

NOTE: The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6 (d).

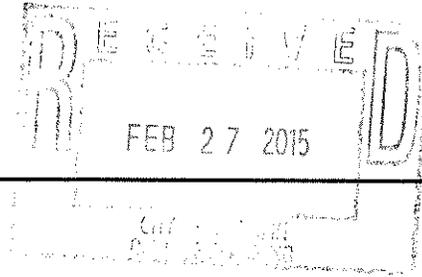
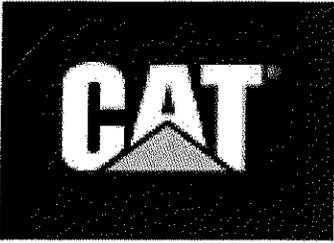
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

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>Lee A. Anspaugh</i>	Title Accounting Supervisor	Date signed (month, day, year) 02/27/15
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February 27, 2015

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

Re: Tax Abatement Compliance for Caterpillar Reman Powertrain Indiana LLC

Dear Ms. Linke:

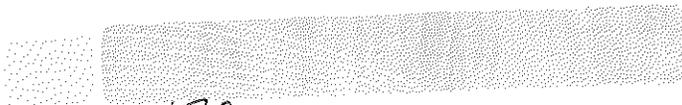
Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the personal property tax abatements which were granted to Caterpillar Reman Powertrain Indiana LLC in 2010 under Franklin Common Council Resolution No. 2010-15.

As can be seen from reviewing the enclosed documents, our company has been highly successful in a) making capital investment which had been projected for the past year, and b) retaining the full complement of jobs which had been proposed in the Statement of Benefits (From SB-1) which was approved on October 4, 2010.

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,

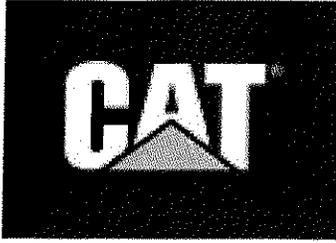
Lee Anspaugh
Accounting Supervisor
Caterpillar Reman Powertrain Indiana



170
200 addtl.
* agency / temp

Enclosures





Copy of last year inquiry

April 2, 2014

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

Re: Tax Abatement Compliance for Caterpillar Reman Powertrain Indiana LLC

Dear Ms. Linke:

Thank you for your inquiry regarding Caterpillar Reman Powertrain Indiana LLC's capital spending as related to the approved tax abatement which was granted to Caterpillar Reman Powertrain Indiana LLC in 2010 under Franklin Common Council Resolution No. 2010-15.

As we discussed, the Statement of Benefits lists the estimated completion date for the project to be 12/31/2013 (see Exhibit A below). Since there was no specific reference to indicate the completion date being firm, we were unaware that the Economic Development Council considered the completion date to be firm. Previous experience with tax abatements in other Indiana counties also led to our assumption.

Given our misunderstanding, we had already approved nearly \$2.3 million of qualified purchases that were in process at the end of the year (see Exhibit B below). Since these assets were still in process, we were unable to claim them in this year's tax abatement process.

We respectfully ask that the Council grant Caterpillar Reman Powertrain Indiana to be able to include these projects in the next tax year as qualified under the current tax abatement 2010-15. Caterpillar will then apply for additional tax abatements related to our planned growth beyond the projects listed.

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,

Lee Anspaugh
Accounting Manager
Caterpillar Reman Powertrain Indiana

Caterpillar Reman Powertrain Indiana

Resolution 2010-15

Machinery Investment Schedule

	Actual Amount of Investment (From SB-1) as of 06/2010	Proposed Amount of total Investment	Prior Period Investment	3/31/2014	6/30/2014	9/30/2014	12/31/2014	Actual Total Amount of Investment as of 12/31/13	Difference Between Actual and Proposed Amount of Investment
M&E	\$ 12,613,870	\$ 13,568,000	\$ 8,326,968	\$ 791,147	\$ 1,064,298	\$ -	\$ 395,426	\$ 10,577,840	\$ 2,990,160

Headcount Addition Schedule

	Actual Number of Employees (From SB-1)	Proposed Total No. of Employees	3/31/2014	6/30/2014	9/30/2014	12/31/2014	Actual total No. of Employees Added for Project	Difference Between Actual and Proposed Number of Employees
Headcount	338	0	18	21	20	10	69	69



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 21st, 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:

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 / Real Property).
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 / Real Property).

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer CLF Cooper Franklin LLC	
Address of taxpayer (number and street, city, state, and ZIP code) c/o American Realty Capital Properties, Inc. 1065 Avenue of the Americas 23rd Fl. New York, NY 10018	
Name of contact person Robert Bianchetti	Telephone number (212) 217-6385

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 real property improvements: Approx. 800,000 SF warehouse and distribution building - tiltup wall construction.	DLGF taxing district number 41018
	Estimated starting date (month, day, year) 08/01/2008
	Estimated completion date (month, day, year) 05/31/2009

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	126
Salaries	2,311,920.00	4,311,279.52

SECTION 4 COST AND VALUES

COST AND VALUES	REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE
Values before project	0.00	
Plus: Values of proposed project	23,343,049.64	
Less: Values of any property being replaced		
Net values upon completion of project	23,343,049.64	
ACTUAL	COST	ASSESSED VALUE
Values before project	0.00	
Plus: Values of proposed project	23,343,049.64	
Less: Values of any property being replaced		
Net values upon completion of project	23,343,049.64	30,962,500.00

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		
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 Bianchetti	Title Vice President Asset Mgmt.	Date signed (month, day, year) 02/13/2015
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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		Date signed (month, day, year)					
	Manager, State & Local Taxes		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 Total Investment by:	Difference Between Actual and Proposed Investment
	6/20/2008	12/31/2013	3/31 6/30 9/30 12/31	12/31/2014	
Machinery & Equipment	\$3,000,000	\$3,846,034	\$0 (\$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):
 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 Total Investment by:	Difference Between Actual and Proposed Investment
			12/31/2013	3/31	6/30	9/30		
Machinery & Equipment	6/20/2008 \$3,000,000		12/31/2013 \$3,846,034	3/31 (590,660)	6/30 \$0	9/30 \$0	12/31 \$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



CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission

From: Krista Linke, Community Development Director

Date: April 1st, 2015

Re: Case C 2015-06: CTC Casting Technologies

Summary:

1. On January 17th, 2012, the Franklin Common Council passed Resolution Number 2012-02, approving a 7-year tax abatement on personal property for CTC Casting Technologies, Inc. located at 1450 Commerce Parkway (formerly Musicland Drive).
2. Actual and estimated benefits, as projected for 2014:

	Estimated on SB-1	Actual in 2014	Difference
Employees Retained	57	57	0
Salaries	\$3,150,000	\$3,300,000	\$150,000
New Employees	25	44	19
Salaries	\$660,000	\$1,600,000	\$940,000
Total Employees	82	101	19
Total Salaries	\$3,810,000	\$4,900,000	\$1,090,000
Average Hourly Salaries	\$22.34	\$23.32	\$0.99
Personal Property Improvements	\$1,350,000	\$2,579,029	\$1,229,029

3. The company has greatly exceeded the number of new employees and the average hourly salaries for all employees are slightly higher than estimated.
4. The company has exceeded their estimate for personal property investment.
5. The personal property tax abatement is scheduled to expire in tax year 2018 payable 2019. The final compliance review will take place in 2019.

Staff Recommendation: Approval



Casting Technologies Company
1450 Musicland Drive
Franklin, IN 46131
www.ctc-na.com
tel 317. 738. 0282
fax 317. 738. 0282

A Subsidiary of Compass Automotive Group

February 27, 2015

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

Re: 2014 Tax Abatement Compliance Packet for CTC Casting Technologies, Inc.

Dear Ms. Linke:

Enclosed, please find Form CF-1/PP (Compliance with Statement of Benefits) regarding compliance with the personal property tax abatement that was granted to CTC in 2012 under Franklin Common Council Resolution number 12-02.

As indicated on the attached documents, our company has exceeded the capital investment projections for this project. Project spending to date of \$2.579 million is approximately \$1.2 million higher than the projected spending of \$1.350 million.

CTC was also successful in continuing to exceed head count projections. Our total head count remains strong at 101 (12/31/2014). This represents an increase of 44 over the number of employees in place before the project, 57. This increase of 44 employees exceeds our projected increase by 19.

Again, I would like to thank the City of Franklin for approving this tax abatement and I look forward to working with the City in the future. Please feel free to contact me at 317-738-7925 should you have any questions on the enclosed documents.

Sincerely,

A handwritten signature in black ink, appearing to read "CS", with a long horizontal flourish extending to the right.

Chuck Schiavello
Controller



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		CTC Casting Technologies, Inc.						
Address of taxpayer (number and street, city, state, and ZIP code)		1450 Commerce Parkway, Franklin, IN 46131						
Name of contact person	Chuck Schiavello	Telephone number	(317) 738-7925					
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY						
Name of designating body		Common Council of the City of Franklin, Indiana						
Resolution number		12-02						
Location of property	1450 Commerce Parkway, 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)						
Installation of melt equipment, 3 VRC/PRC casting machines, robotic equipment, finishing equipment, x-ray equipment, and inspection equipment.		01/01/2012						
		Estimated completion date (month, day, year)						
		01/01/2014						
SECTION 3		EMPLOYEES AND SALARIES						
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL					
Current number of employees		82.00	101					
Salaries		3,810,000.00	4,900,000.00					
Number of employees retained		57.00	57					
Salaries		3,150,000.00	3,300,000.00					
Number of additional employees		25.00	44					
Salaries		860,000.00	1,600,000.00					
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	7,843,000.00							
Plus: Values of proposed project	1,360,000.00							
Less: Values of any property being replaced	0.00							
Net values upon completion of project	9,193,000.00							
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	8,368,000.00							
Plus: Values of proposed project	2,579,029.00							
Less: Values of any property being replaced	0.00							
Net values upon completion of project	10,947,029.00							
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	Date signed (month, day, year)						
	Controller	2/27/2015						

CTC Casting Technologies, Inc.
Job Creation / Retention Timetable
Resolution 12-02

of Employees

12/31/2013

109

Employees Added:

1st Quarter 2014

(1)

2nd Quarter 2014

(4)

3rd Quarter 2014

-

4th Quarter 2014

(3)

101 at 12/31/2014

of Employees

12/31/2013

109

12/31/2014

101

Change in number of employees in 2014

(8)



CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 1st, 2015
Re: C 2015-08: Dualtech, Inc.

Summary:

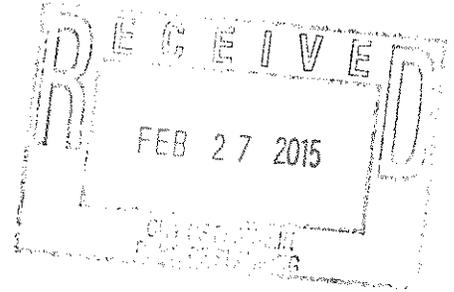
1. On April 28th, 2008, the Franklin Common Council passed Resolution No. 2008-03, approving a 7-year tax abatement on personal property for Dualtech, Inc., located at 351 Blue Chip Court.
2. Actual and estimated benefits, as projected for 2014:

	Estimated on SB-1	Actual in 2014	Difference
Employees Retained	17	16	-1
Salaries	\$551,760	\$641,523	\$89,763
New Employees	2	8	6
Salaries	\$64,480	\$930,355	\$865,875
Total Employees	19	24	5
Total Salaries	\$616,240	\$1,571,878	\$955,638
Average Hourly Salaries	\$15.59	\$31.49	\$15.89
Real Property Improvements	\$791,819	\$791,819	\$0

3. Dualtech was located across the street at 400 Blue Chip Court. There was a fire on February 3, 2008 at this location which destroyed all of Dualtech's equipment and damaged the building. Dualtech relocated to 351 Blue Chip Court. Laugle Properties is the owner of 351 Blue Chip Court and Dualtech leases the real estate from them.
4. The company has met their estimate provided on the SB-1 Form for real property.
5. Overall, the company has exceeded the total number of employees as well as the average hourly salary for these employees as estimated on their SB-1 Form.
6. The personal 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

Dualtech, Inc
351 Blue Chip Court
P.O. Box 476
Franklin, IN 46131



February 20, 2015

Krista Linke
Dept. of Planning and Economic Dev.
70 E. Monroe St.
Franklin, IN 46131

RE: Tax Abatement Compliance for Dualtech, Inc.

Enclosed please find Form CF-1 and CF-1/PP(Compliance with Statement of Benefits) regarding compliance with the personal property tax abatement; which were granted to Dualtech, Inc in 2008 under Franklin Common Council Resolution No. 08-03.

As can be seen from reviewing the enclosed documents, our company has been highly successful in (a) making all of the capital investments which had been projected for the initial year, and (b) creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved on April 28, 2008.

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,

Sandy Laugle
Dualtech, Inc

Enclosures

Dualtech, Inc.
 351 Blue Chip Court
 P.O. Box 476
 Franklin, IN 46131

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

Actual Number Of Employees As of 12/31/13	Proposed Total Number of employees by 12/31/14 (From SB-1)	Actual Number of Employees During Year (by Quarter)	Actual Total Number of Employees as of 12/31/14	Difference between Actual and Proposed Number of Employees
		3/31/14 6/30/14 9/30/14 12/30/14		
23	19	+1 -1 +2 -1	24	+5



**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 Dualtech, Inc. - Jack and Sandy Laugle	
Address of taxpayer (number and street, city, state, and ZIP code) 3719 E 700 N, Whiteland, IN 46184	
Name of contact person Jack or Sandy Laugle	Telephone number (317) 738-5966

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY		
Name of designating body Franklin Common Council		Resolution number 08-03
Location of property 351 Blue Chip Court, Franklin	County Johnson	DLGF taxing district number 031
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) 04/01/2008
		Estimated completion date (month, day, year) 07/01/2008

SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		17.00	24.00
Salaries		551,760.00	1,571,878.00
Number of employees retained		17.00	16.00
Salaries		551,760.00	641,523.00
Number of additional employees		2.00	8.00
Salaries		64,480.00	930,355.00

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	0.00	0.00	0.00	0.00				
Plus: Values of proposed project	791,819.00	316,727.00	165,539.00	66,215.00				
Less: Values of any property being replaced	0.00	0.00	0.00	0.00				
Net values upon completion of project	791,819.00	316,727.00	165,539.00	66,215.00				
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	0.00	0.00	0.00	0.00				
Plus: Values of proposed project	791,819.00	316,727.00	165,539.00	66,215.00				
Less: Values of any property being replaced	0.00	0.00	0.00	0.00				
Net values upon completion of project	791,819.00	316,727.00	165,539.00	66,215.00				

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>Sandy Laugle</i>	Title Member	Date signed (month, day, year) 2/20/15

Dualtech, Inc.

JOB CREATION/ RETENTION TABLE

	Year	Prof/Managerial	Secretary	Lab Tech.	Machine Operators	Total	Proposed Salary
Proposed	1	2	1	1	13	17	\$551,760
Actual	1	2	1	2	11	16	641,523
Proposed	2	2	1	1	15	19	\$616,240
Actual	2	2	1	2	17	22	\$895,071
Proposed	3	2	1	1	15	19	\$616,240
Actual	3	2	2	2	22	28	\$1,305,481
Proposed	4	2	1	1	15	19	\$616,240
Actual	4	2	2	2	15	21	\$1,410,350.84
Proposed	5	2	1	1	15	19	\$616,240
Actual	5	2	1	2	18	23	\$1,124,261.09
Proposed	6	2	1	1	15	19	\$616,240
Actual	6	2	1	2	19	24	\$1,571,878.00



CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Director of Community Development
Date: April 1st, 2015
Re: Case C 2015-09: Electro-Spec

Summary:

- 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.
- Actual and estimated benefits, as projected for 2014:

	Estimated on SB-1	Actual in 2014	Difference
Employees Retained	43	43	0
Salaries	\$1,649,129	\$1,649,129	\$0
New Employees	7	37	30
Salaries	\$189,280	\$1,852,138	\$1,662,858
Total Employees	50	80	30
Total Salaries	\$1,838,409	\$3,501,267	\$1,662,858
Average Hourly Salaries	\$17.68	\$21.04	\$3.36
Personal Property Improvements	\$2,200,000	\$2,472,691	\$272,691
Real Property Improvements	\$319,000	\$417,261	\$98,261

- The company has exceeded their estimate provided on their SB-1 Form for real property improvements.
- 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.
- The total number of employees increased from 75 at the end of 2012, to 84 at the end of 2013. The total number of employees at the end of 2014 was 80, 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 as estimated on their SB-1 Form. The average hourly salary also exceeds what was estimated on their SB-1 Form.
- The real property tax abatement is scheduled to expire in tax year 2018 payable 2019. The final compliance review will take place in 2019.
- 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 18, 2015

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



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

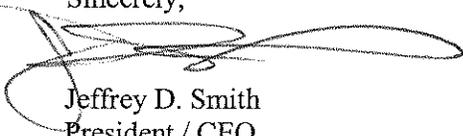
Dear Ms. Linke:

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. ~~08-04~~ / 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,


Jeffrey D. Smith
President / CEO
(317) 738-9199 ext. 924
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 08-04/10-13		
Location of property 1800 Commerce Parkway Franklin, IN 46131				County Johnson		DLGF taxing district number 41-009		
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						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						43.00		80
Salaries						1,649,129.00		3,501,267.00
Number of employees retained						43.00		43
Salaries						1,649,129.00		1,649,129.00
Number of additional employees						7.00		37
Salaries						189,280.00		1,852,138.00
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	2,200,000.00							
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	4,072,444.00							
Plus: Values of proposed project	2,472,691.00							
Less: Values of any property being replaced								
Net values upon completion of project	6,545,135.00							
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) 2/19/15		



**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:

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 / Real Property).
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 / 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
Description of real property improvements: 6900 Sq Ft Building Expansion	DLGF taxing district number 41-009
	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	80
Salaries	1,649,129.00	3,501,267.00
Number of employees retained	43	43
Salaries	1,649,129.00	1,649,129.00
Number of additional employees	7	37
Salaries	189,280.00	1,852,138.00

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) 2/19/15
--	---------------------------	--

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 03/01/2008 (Form SB-1)	Proposed Total Number of Employees by 12/31/2010 (Form SB-1)	Actual Number of Employees (By Quarter 6/30/2014	9/30/2014	12/31/2014	Actual Total Number of Employees as of 12/31/14	Difference Between Actual and Proposed Number of Employees
43	50	84	85	80	80	30

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 12/31/14	Difference Between Actual and Proposed Investment
			3/31/2014	6/30/2014	9/30/2014		
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 (\$1,169,455) 2010 Investment (\$950,487), 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 1st, 2015
Re: Case C 2015-10: 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 2014:

	Estimated on SB-1	Actual in 2014	Difference
Employees Retained	62	62	0
Salaries	\$2,428,138	\$2,428,138	\$0
New Employees	22	18	-4
Salaries	\$600,000	\$1,073,129	\$473,129
Total Employees	84	80	-4
Total Salaries	\$3,028,138	\$3,501,267	\$473,129
Average Hourly Salaries	\$17.33	\$21.04	\$3.71
Personal Property Improvements	\$2,170,000	\$2,244,219	\$74,219

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 met the number of jobs retained and created as originally estimated in 2013. That number declined by 4 in 2014. However, in Jeff Smith's cover letter dated February 18th, 2015, he explained that Electro-Spec has already hired 3 new employees as of February 2015 and they will continue to hire more employees throughout the year. The average hourly salary also exceeds what was estimated on their 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



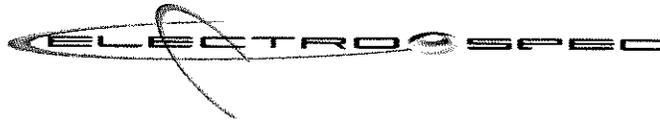
**COMPLIANCE WITH STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51765 (R / 1-06)
Prescribed by the Department of Local Government Finance

FORM CF-1 / PP

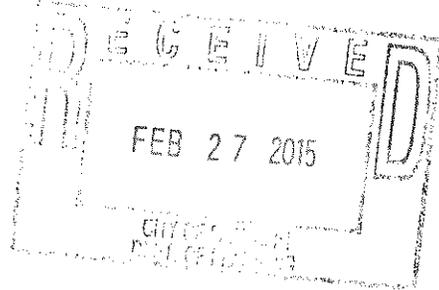
- INSTRUCTIONS:**
1. Property owners whose Statement of Benefits was approved must file this form with the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
 2. This form must be filed with the Form 103-ERA Schedule of Deduction 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		DLGF taxing district number 41-009			
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						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		80	
Salaries						2,428,138.00		3,501,267.00	
Number of employees retained						62.00		62	
Salaries						2,428,138.00		2,428,138.00	
Number of additional employees						22.00		18	
Salaries						600,000.00		1,073,129.00	
SECTION 4		COST AND VALUES							
		MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
AS ESTIMATED ON SB-1		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		2,244,219.00							
Less: Values of any property being replaced									
Net values upon completion of project		2,244,219.00							
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			Date signed (month, day, year)		
				PRESIDENT			2/19/15		



February 18, 2015

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



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

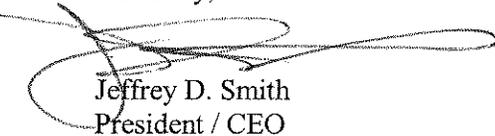
Dear Ms. Linke:

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 exceeding the initial capital investment set for 2012. Although our number of jobs dropped below the amount we had proposed in the September and December quarter ends, Electro-Spec has already hired 3 more people as of February 2015 and continuing to hire.

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

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 05/01/2012 (Form SB-1)	Proposed Total Number of Employees by 12/31/2014 (Form SB-1)	Actual Number of Employees (By Quarter)	Actual Total Number of Employees as of 12/31/14	Difference Between Actual and Proposed Number of Employees
62	84	3/31/2014 84	80	(4.00)
		6/30/2014 85		
		9/30/2014 80		
		12/31/2014 80		
			80	

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
		3/31/2014	6/30/2014	9/30/2014	12/31/2014			
Machinery & Equipment	\$ 2,170,000	\$ 40,096	\$ 113,977	\$ 114,771	\$ 81,474	\$ 350,319	\$ 2,244,219	\$ 74,219
Totals:	\$ 2,170,000					\$ 350,319	\$ 2,244,219	\$ 74,219

Resolution Number 12-07

** Sum of Prior Years' Investments 2012 (1,365,196) + 2013 (528,704)



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Director of Community Development
Date: April 1st, 2014
Re: Case C 2015-11: 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 2014:

	Estimated on SB-1	Actual in 2014	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 (R3 / 2-13)

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).

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 Franklin Tech Park Associates, LLC	County Johnson
Address of taxpayer (number and street, city, state, and ZIP code) 36 S. Pennsylvania Street, Suite 200, Indianapolis, IN 46204	DLGF taxing district number 41-018
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	Estimated start date (month, day, year) 07/01/2004
Location of property 187 Bartram Parkway, Franklin, IN		Actual start date (month, day, year) 07/01/04
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.		Estimated completion date (month, day, year) 01/01/2005
		Actual completion date (month, day, year) 12/23/2004

SECTION 3 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	
	COST	ASSESSED VALUE
AS ESTIMATED ON SB-1		
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		
Values before project	0.00	0.00
Plus: Values of proposed project	4,907,016.00	4,644,700.00
Less: Values of any property being replaced	0.00	0.00
Net values upon completion of project	4,907,016.00	4,644,700.00

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 Harry F. McNaught, Jr. President	Date signed (month, day, year) 2/4/15
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CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission

From: Krista Linke, Community Development Director

Date: April 1st, 2015

Re: **Case C 2015-12: GROK Enterprises**

Case C 2015-28: Nitrex, Inc.

Summary:

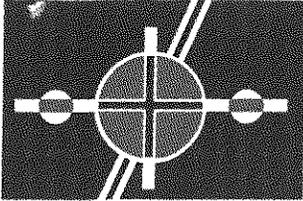
1. On June 6th, 2011, the Franklin Common Council passed Resolution No. 2011-02, approving a 10-year tax abatement on real property with a 2% Economic Development Fee and a 10-year tax abatement on \$2,913,050 in personal property with a 5% Economic Development Fee for GROK Enterprises, LLC (Real Property) 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 2014:

	Estimated on SB-1	Actual in 2014	Difference
Employees Retained	25	7	(18)
Salaries	\$881,567	\$253,895	-\$627,672
New Employees	12	32	20
Salaries	\$341,974	\$1,026,700	\$684,726
Total Employees	37	39	2
Total Salaries	\$1,223,541	\$1,280,595	\$57,054
Average Hourly Salaries	\$15.90	\$15.79	-\$0.11
Personal Property Improvements	\$6,300,000	\$6,253,343	-\$46,657
Real Property Improvements	\$850,000	\$915,000	\$65,000

3. This company has now exceeded the total number of employees estimated on their SB-1 Form for the first time since the abatement was originally granted. The average hourly wage is also 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. Their amended application gave them an additional year to purchase additional equipment. They were successful in purchasing \$3,393,300 of equipment in 2014.
5. Their personal property tax abatement is scheduled to expire in tax year 2023 payable 2024. Their 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



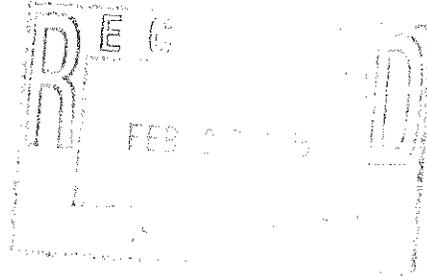
GROK ENTERPRISES, LLC

300 CARLSBAD VILLAGE DRIVE
SUITE 108A, BOX186
CARLSBAD, CA 92008

OFFICE: 760-609-4645
FAX: 760-565-9440
MOBILE: 760-604-5049
E-mail: grokllc@prodigy.net

February 16, 2015

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



Re: Tax Abatement Compliance, GROK Enterprises, 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,

Thomas Rose
President. Grok Enterprises, LLC

Enclosures:
FRM CF-1 for 2014
Expansion Investment Schedule - Real Property
Building/Construction and Occupancy Status Report



**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	County Johnson	
Address of taxpayer (number and street, city, state, and ZIP code) 300 Carlsbad Village Dr, Suite 108A, Box 186, Carlsbad, CA 92008	DLGF taxing district number 31	
Name of contact person Thomas C Rose	Telephone number (760) 609-4645	
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY		
Name of designating body Franklin City Council	Resolution number 11-02	
Location of property 300 Carlsbad Blue Chip Ct.	Estimated start date (month, day, year) July 2011	
Description of real property improvements Building @ 300 Blue Chip Court	Actual start date (month, day, year) July 2011	
	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	25	1
Salaries	861,567	253,895
Number of additional employees	12	32
Salaries	341,974	1,026,700
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	915,000	
Plus: Values of proposed project		
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 PRES-GROK ENT LLC	Date signed (month, day, year) 2-16-2015

CONSTRUCTION AND OCCUPANCY STATUS REPORT 2014
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.

In 2014 Nitrex-Indiana has installed new Vacuum Carburizing Equipment and continues to install additional processing capabilities.

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



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 6, 2015

Ref.: (1) 2014 Tax Abatement Compliance Packet for Nitrex Inc.
(2) Resolutions 2011-02, 2011-03 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 substantially reached the originally planned investment, by adding \$6,253K in equipment, versus the planned maximum total of \$6,300K;
- b) has exceeded its job creation plan, by providing 39 total jobs (for a net increase of 14 positions), versus the planned total 37 total jobs;
- c) has exceeded its salary growth plan, by providing a nominal annualized gross payroll of \$1,280,595, versus the planned \$1,223,541.

Thus the envisaged project is completed, and Nitrex is very pleased with its level of compliance with the conditions approved in the referenced resolutions. 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	39.00
Salaries	881,567.00	1,280,595.00
Number of employees retained	25.00	7.00
Salaries	881,567.00	253,895.00
Number of additional employees	12.00	32.00
Salaries	341,974.00	1,026,700.00

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	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	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	1,786,059.00	595,353.00						
Plus: Values of proposed project	6,253,343.00	2,084,448.00						
Less: Values of any property being replaced	0.00	0.00						
Net values upon completion of project	8,039,402.00	2,679,801.00						

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>IMorawski</i>	Title ACCOUNTING MGR.	Date signed (month, day, year) 02/10/2015
--	---------------------------------	---

	Managerial Professional Spec. Engineer	Admin. Support Sales Technical/Quality	Services Maintenance	Craft. Precision Prod. Supervisor	Laborers Fabricators Operators	TOTAL
2011	2	6	4	5	8	25
1st Quarter		+1				26
2nd Quarter		+1				27
3rd Quarter		+1				28
4th Quarter	+1					29
2012						
1st Quarter	-2					27
2nd Quarter					-1	26
3rd Quarter		+1				27
4th Quarter		-1				26
2013						
1st Quarter	+1				+1	28
2nd Quarter						28
3rd Quarter	+1					29
4th Quarter	-1	+1				29
2014						
1st Quarter		-1		-1		27
2nd Quarter					-1	26
3rd Quarter	-1		+1		+2	28
4th Quarter		-1	-1		+13	39
2015						
1st Quarter						
2nd Quarter						
3rd Quarter						
4th Quarter						
2016						
1st Quarter						
2nd Quarter						
3rd Quarter						
4th Quarter						
2017						
1st Quarter						
2nd Quarter						
3rd Quarter						
4th Quarter						
2018						
1st Quarter						
2nd Quarter						
3rd Quarter						
4th Quarter						
2019						
1st Quarter						
2nd Quarter						
3rd Quarter						
4th Quarter						
2020						
1st Quarter						
2nd Quarter						
3rd Quarter						
4th Quarter						

		Equipment #1	Equipment #2	TOTAL	
2011	1st Quarter	0.00	0.00	0	
	2nd Quarter	0.00	0.00	0	
	3rd Quarter	176,963.41	64,561.11	241,525	
	4th Quarter			0	241,525
2012	1st Quarter	402,981.27	59,930.00	462,911	
	2nd Quarter	0.00	20,987.00	20,987	
	3rd Quarter	636,149.07	0.00	636,149	
	4th Quarter	0.00	0.00	0	1,120,047
2013	1st Quarter	0.00	509,783.00	509,783	
	2nd Quarter	0.00	0.00	0	
	3rd Quarter	863,373.70	125,315.35	988,689	
	4th Quarter	0.00	0.00	0	1,498,472
2014	1st Quarter		147,516.12	147,516.12	
	2nd Quarter		92,323.96	92,323.96	
	3rd Quarter		219,493.60	219,493.60	
	4th Quarter	2,754,183.06	179,782.79	2,933,965.85	3,393,300
2015	1st Quarter		0.00	0.00	
	2nd Quarter		0.00	0.00	
	3rd Quarter		0.00	0.00	
	4th Quarter	0.00	0.00	0.00	N/A
2016	1st Quarter		0.00	0.00	
	2nd Quarter		0.00	0.00	
	3rd Quarter		0.00	0.00	
	4th Quarter	0.00	0.00	0.00	N/A
2017	1st Quarter		0.00	0.00	
	2nd Quarter		0.00	0.00	
	3rd Quarter		0.00	0.00	
	4th Quarter	0.00	0.00	0.00	N/A
2018	2018				
	1st Quarter		0.00	0.00	
	2nd Quarter		0.00	0.00	
	3rd Quarter		0.00	0.00	
4th Quarter	0.00	0.00	0.00	N/A	
2019	2019				
	1st Quarter		0.00	0.00	
	2nd Quarter		0.00	0.00	
	3rd Quarter		0.00	0.00	
4th Quarter	0.00	0.00	0.00	N/A	
2020	2020				
	1st Quarter		0.00	0.00	
	2nd Quarter		0.00	0.00	
	3rd Quarter		0.00	0.00	
4th Quarter	0.00	0.00	0.00	N/A	
				ADDITIONS:	6,253,343



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 2nd, 2015
Re: Case C 2015-13: Heartland Machine & Engineering, LLC

Summary:

1. On March 18th, 2013, the Franklin Common Council passed Resolution No. 2013-11, approving a 10-year tax abatement on real property with a 2% Economic Development Fee for Heartland Machine & Engineering, located at 2848 N. Graham Road.
2. Actual and estimated benefits, as projected for 2014:

	Estimated on SB-1	Actual in 2014	Difference
Employees Retained	18	18	0
Salaries	\$1,080,144	\$1,465,575	\$385,431
New Employees	7	14	7
Salaries	\$364,000	\$782,920	\$418,920
Total Employees	25	32	7
Total Salaries	\$1,444,144	\$2,248,495	\$804,351
Average Hourly Salaries	\$27.77	\$33.78	\$6.01
Real Property Improvements	\$800,000	\$1,102,251	\$302,251

3. Heartland Machine & Engineer planned to construct this building in 2013. It was not finished in 2013, but it was finished in 2014, and the estimated construction cost was lower than the actual construction cost (as shown in the table above).
4. Debra Burton, Controller for Heartland Machine, explains in her letter dated February 27th that the company has been successful in retaining the 18 jobs estimated on their SB-1 Form, and the average hourly wage is higher than estimated. However, the additional 14 jobs that have been created are not all located at their Franklin facility. **Six of these 14 jobs are actually located at their Mason, Michigan facility.** Even if these six jobs are not included, they would still exceed their total number of employees estimated on their original SB-1 Form.
5. The real property tax abatement for Heartland Machine & Engineering, LLC, is scheduled to expire in tax year 2024 payable 2025. The final compliance review will take place in 2025.

Staff Recommendation: Approval

February 27, 2015

City of Franklin
Attn: Krista Linke
70 E. Monroe Street
Franklin, IN 46131

RE: 2014 Tax Abatement Compliance Packet for Heartland Machine & Engineering, LLC

Dear Ms. Linke,

Enclosed please find Form CF-1/RE and other required documents per your instructions listed in your letter dated January 26, 2015. The enclosed documentation pertains to our compliance with the real property tax abatements which were granted to Heartland Machine & Engineering, LLC (HME) in 2013 under Franklin Common Council Resolution number 2013-11. The tax abatement deduction was granted for the redevelopment or rehabilitation of real estate improvements for the construction of a 20,000 square foot facility located at 2848 Graham Road in Franklin, Indiana. The facility will provide office space, showroom facilities and warehousing for machine tools (whole goods) and spare parts for aftermarket/warranty fulfillment.

Our company has been successful in creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1). Eighteen employees were retained at our headquarters location in Franklin, and fourteen additional employees have been hired, exceeding our proposed job creation goal. Eight of these additional hires are based in the Franklin office. The remaining six employees reside in our satellite office in Mason, Michigan. Although the Michigan staff members do not reside at the Franklin location, their positions were created as a direct result of our corporate growth and need to expand into other territories.

HME has been successful in making all of the capital investment as stated on Form SB-1. Although severe weather at the onset of the project did create a delay in capital investment, the project was substantially completed during 2014. Financing has been secured and a temporary Certificate of Occupancy has been received.

Please do not hesitate to contact me if you have any questions or concerns regarding this matter.

Sincerely,

Heartland Machine & Engineering, LLC



Debra Burton
Controller



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:

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 / Real Property).
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 / Real Property).

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer Heartland Machine & Engineering, LLC	
Address of taxpayer (number and street, city, state, and ZIP code) 2850 Graham Road, Franklin, Indiana 46131	
Name of contact person Debra Burton	Telephone number (317) 346-0463

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY

Name of designating body The City of Franklin Common Council		Resolution number 13-11
Location of property 2848 Graham Road, Franklin, Indiana 46131	County Johnson	DLGF taxing district number
Description of real property improvements: Construction of 20k square foot building to support machine tool distribution. The building provides office space, showroom facilities and warehousing.		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	18	32
Salaries	1,080,144.00	2,248,495.00
Number of employees retained	18	18
Salaries	1,080,144.00	1,465,575.00
Number of additional employees	7	14
Salaries	364,000.00	782,920.00

SECTION 4 COST AND VALUES

COST AND VALUES	REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE
Values before project	63,000.00	92,600.00
Plus: Values of proposed project	800,000.00	800,000.00
Less: Values of any property being replaced		
Net values upon completion of project	863,000.00	892,600.00
ACTUAL	COST	ASSESSED VALUE
Values before project	63,000.00	92,600.00
Plus: Values of proposed project	1,102,251.00	1,200,000.00
Less: Values of any property being replaced		
Net values upon completion of project	1,162,251.00	1,292,600.00

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 <i>Debra Burton</i>	Title Controller	Date signed (month, day, year) 02/27/2015
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Heartland Machine & Engineering Employment Phase-In Schedule

	Manager/Professional	Technical/Sales/Admin	Service	Other	Total
Year of Abatement	2013	2013	2013	2013	
1st Qtr					
2nd Qtr					
3rd Qtr	1	3	2		6
4th Qtr		2	2		4
Year of Abatement	2014	2014	2014	2014	
1st Qtr		1			1
2nd Qtr		1			1
3rd Qtr		1			1
4th Qtr		1			1
Year of Abatement	2015	2015	2015	2015	
1st Qtr					0
2nd Qtr					0
3rd Qtr					0
4th Qtr					0
Total	1	9	4	0	14

Heartland Machine & Engineering Investment Time Table

	Buildings	Equip. Type 1	Equip. Type 2	Equip. Type 3	Total
Year of Abatement	2013	2013	2013	2013	
1st Qtr					
2nd Qtr					
3rd Qtr					
4th Qtr	178,518				178,518
Year of Abatement	2014	2014	2014	2014	
1st Qtr	63,944				63,944
2nd Qtr	248,500				248,500
3rd Qtr	393,839				393,839
4th Qtr	217,450				217,450
Year of Abatement	2015	2015	2015	2015	
1st Qtr					
2nd Qtr					
3rd Qtr					
4th Qtr					
Total	1,102,251				1,102,251



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Director of Community Development
Date: April 2nd, 2015
Re: Case C 2015-14: 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 2014:

	Estimated on SB-1	Actual in 2014	Difference
Employees Retained	40	22	-18
Salaries	\$1,899,280	\$1,298,737	-\$600,543
Average Hourly Salaries	\$22.83	\$28.38	\$5.55
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 and has increased to \$28.38 in 2014 (as shown in the table above).
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 expired in tax year 2014 payable 2015. This is the final compliance review.

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
2014 CF-1	22	\$1,298,737	0	\$0	\$28.38

EQUIPMENT PURCHASES MADE WITHOUT ABATEMENTS

2011 Equipment Purchases:

Haas Machining Center	5/4/2011	\$126,466.00
Sullair Air Compressor	8/8/2011	\$9,440.00
	Subtotal:	\$135,906.00

2012 Equipment Purchases:

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

Total: \$145,706.00

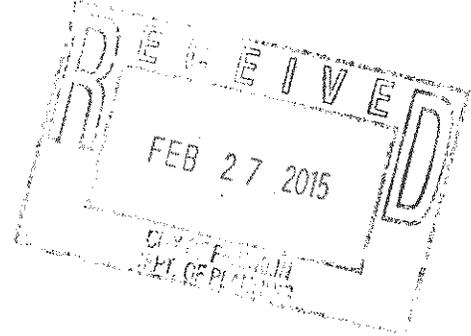
HOLBROOK MANUFACTURING, INC.
SHEET METAL FABRICATORS

291 PROVINCE STREET • P.O. BOX NO. 95 • FRANKLIN, INDIANA 46131

PHONE (317) 736-9387 • FAX (317) 736-4395

February 10, 2015

Krista Linke, Director
Franklin Economic Development Department
70 E. Monroe Street
Franklin, IN 46131



RE: Expansion Investment Schedule and Job Creation or Retention Schedule

Dear Economic Development Commission Members:

Enclosed for your records is Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements that 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 create the number of jobs that were originally proposed in the first year. Due to a sharp downturn in the economy, resulting in a decrease in sales and cash flow that continues through today, the company did not make any further capital investments. The above circumstance also forced Holbrook Manufacturing, Inc. to cut back its workforce to 22 employees, as opposed to the originally projected 40.

Please review the enclosed documents. If you have any questions or concerns, you may contact me at (317) 736-9387.

Sincerely,

Avis M. Holbrook, President

Enclosures



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	22
Salaries	1,899,280	1,298,737
Number of employees retained	40	22
Salaries	1,899,280	1,298,737
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	1,642,742	483,820						
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	783,820						
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	2,362,472	783,820						
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) 02/10/2015
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