



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 25, 2015
Re: Case C 2015-39: Tippmann Realty Partners (700 Bartram Parkway: **Phases 1-3**)

Summary:

- On July 26, 2004, the Franklin Common Council passed Resolution No. 2004-06, approving a 10-year real property tax abatement for the construction of a new facility located at 700 Bartram Parkway (Interstate Warehousing Phase 1). On June 2nd, 2008, the Franklin Common Council passed Resolution No. 2008-13 to clarify Resolution No. 2004-06, approving a 10-year real property tax abatement for each of three phases of construction. Each of the three phases is a separate 10 year tax abatement. Each construction phase of the facility will entail a minimum building area of 140,000 square feet and will employ a minimum 25 workers. The abatement was approved for 700 Bartram Parkway (Interstate Warehousing).
- Actual and estimated benefits, as projected for 2014:

	Estimated on SB-1	Actual in 2014	Difference
New Employees	100	233	133
Salaries	\$3,500,000	\$9,617,306	\$6,117,306
Average Hourly Salaries	\$16.83	\$19.84	\$3.02
Phase 1: Real Property Improvements	\$10,500,000	\$16,361,586	\$5,861,586
Phase 2: Real Property Improvements	\$10,500,000	\$13,800,355	\$3,300,355
Phase 3: Real Property Improvements	\$10,500,000	\$11,600,453	\$1,100,453

- When the original tax abatement application was made in 2004, three phases were planned. Each phase had 25 jobs with \$875,000 total salaries. Each phase was estimated to cost \$10,500,000 to construct.
- They've also received abatements for phases 4-6. The company did not break out the employment numbers by phase; they gave a total for all four phases that are complete.
- They have exceeded their estimate for the number of employees hired.
- The company has exceeded the average hourly wage indicated on the SB-1 Form.
- The company has exceeded their estimate provided on the SB-1 Form for real property.
- The abatements for Tippmann Realty Partners are scheduled to start expiring in tax year 2015 payable 2016. The final compliance review will take place in 2020.

Staff Recommendation: Approval

Corporate Office

9009 Coldwater Road
Fort Wayne, IN 46825
(260) 490-3000
FAX: (260) 490-1362

February 18, 2015

Interstate Warehousing
Tippmann Properties
Tippmann Construction

Krista Linke, AICP
City of Franklin
44 North Jackson Street
Franklin, IN 46131

Re: Tax Abatement Compliance for Tippmann Realty Partners Phase 2

Dear Krista:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements which were granted to TRP in 2004 under Franklin Common Council Resolution No. 08-13.

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 past year, and (b) creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved May 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 at 260-469-5458.

Sincerely,



Jeff Hastings, CFO
Tippmann Realty Partners

JH/ads
Enclosures



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:

- 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.
- 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).
- This form must accompany the initial deduction application (Form 322/RE) that is filed with the county auditor.
- 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))
- 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	Tippmann Realty Partners		County Johnson
Address of taxpayer (number and street, city, state, and ZIP code)	9009 Coldwater Road Fort Wayne, IN 46825		DLGF taxing district number 50
Name of contact person	Jake Hastings		Telephone number (260) 469-5458
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY			
Name of designating body	Resolution number	Estimated start date (month, day, year)	
City of Franklin Common Council	04-06		
Location of property	900 Bastram Parkway		Actual start date (month, day, year)
Description of real property improvements	Phase 1		Estimated completion date (month, day, year)
			Actual completion date (month, day, year)
SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees			233
Salaries			\$9,617,306
Number of employees retained			
Salaries			
Number of additional employees		25	
Salaries		\$975,000	
SECTION 4 COST AND VALUES			
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE
Values before project			
Plus: Values of proposed project		\$10,500,000	
Less: Values of any property being replaced			
Net values upon completion of project			
ACTUAL		COST	ASSESSED VALUE
Values before project			
Plus: Values of proposed project		\$16,361,586	
Less: Values of any property being replaced			
Net values upon completion of project			
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)	
Jake Hastings	CFO	2-18-15	



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INSTRUCTIONS:

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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	Tippmann Realty Partners		County Johnson
Address of taxpayer (number and street, city, state, and ZIP code)	9009 Coldwater Road Fort Wayne, IN 46825		DLGF taxing district number 50
Name of contact person	Jesse Hastings		Telephone number (260) 469-5458
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY			
Name of designating body	Resolution number	Estimated start date (month, day, year)	
City of Franklin Common Council	04-06/08-13		
Location of property	900 Bartram Parkway		Actual start date (month, day, year)
Description of real property improvements	Phase II		Estimated completion date (month, day, year)
			Actual completion date (month, day, year)
SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees			233
Salaries			\$9,617,306
Number of employees retained			
Salaries			
Number of additional employees	25		
Salaries	\$275,000		
SECTION 4 COST AND VALUES			
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	
Values before project			
Plus: Values of proposed project	\$10,500,000		
Less: Values of any property being replaced			
Net values upon completion of project			
ACTUAL	COST	ASSESSED VALUE	
Values before project			
Plus: Values of proposed project	\$13,800,355		
Less: Values of any property being replaced			
Net values upon completion of project			
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)	
Jesse Hastings	CFO	2-18-15	



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SECTION 1 TAXPAYER INFORMATION			
Name of taxpayer	Tippmann Realty Partners		County
Address of taxpayer (number and street, city, state, and ZIP code)		9009 Coldwater Road Fort Wayne, IN 46825	DLGF taxing district number
Name of contact person		John Hastings	Telephone number
			(260) 469-5458
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY			
Name of designating body	Resolution number	Estimated start date (month, day, year)	
City of Franklin Common Council	08-13		
Location of property	900 Bastram Parkway		Actual start date (month, day, year)
Description of real property improvements	Phase 3		Estimated completion date (month, day, year)
			Actual completion date (month, day, year)
SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees			233
Salaries			\$9,617,306
Number of employees retained			
Salaries			
Number of additional employees		25	
Salaries		\$875,000	
SECTION 4 COST AND VALUES			
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	
Values before project			
Plus: Values of proposed project	\$10,500,000		
Less: Values of any property being replaced			
Net values upon completion of project			
ACTUAL	COST	ASSESSED VALUE	
Values before project			
Plus: Values of proposed project	\$11,600,453		
Less: Values of any property being replaced			
Net values upon completion of project			
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:			
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John Hastings	CFO	2-18-15	