



# CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

## Memorandum

**To:** City of Franklin Economic Development Commission

**From:** Krista Linke, Director of Community Development

**Date:** March 2, 2016

**Re:** Case C 2016-05: Cooper Tire & Rubber Company  
Case C 2016-06: CLF Cooper Franklin LLC

### Summary:

1. On July 21<sup>st</sup>, 2008, the Franklin Common Council passed Resolution No. 2008-17, approving a 10-year tax abatement on personal and real property for CCD I-65 LLC (Cooper Tire) located at 500 Bartram Parkway.
2. Actual and estimated benefits, for 2015:

	Estimated on SB-1	Actual in 2015	Difference
New Employees	60	114	54
Salaries	\$2,311,920	\$4,581,868	\$2,269,948
Average Hourly Salaries	\$18.53	\$19.32	\$0.80
Real Property Improvements	\$24,000,000	\$23,343,050	-\$656,950
Personal Property Improvements	\$3,000,000	\$3,758,310	\$758,310

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 \$758,310.
5. Cooper Tires explained in 2013 that they do not have 60 Cooper Tire employees, but that a majority of their 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 has been lower than estimated on their original SB-1 form in the past. 2015 is the first year that the average hourly salary is above their original estimate. The total number of employees in 2014 was 126.
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  
Street Address • City, State, Zipcode • Phone Number

February 12, 2016

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 (R3 / 2-13)  
Prescribed by the Department of Local Government Finance

20 15 PAY 26 16

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 <b>CLF Cooper Franklin LLC</b>	County <b>Johnson</b>
Address of taxpayer (number and street, city, state, and ZIP code) <b>C/O VEREIT, Inc. 2325 Camelback Rd Ste 1100 Phoenix, AZ 85016</b>	DILGF taxing district number <b>41018</b>
Name of contact person <b>Steven Smith</b>	Telephone number <b>( 770 ) 855-1229</b>

**SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY**

Name of designating body <b>Franklin Common Council</b>	Resolution number <b>08-17</b>	Estimated start date (month, day, year) <b>05/01/2009</b>
Location of property <b>500 Bartram Parkway, Franklin, IN 46131</b>		Actual start date (month, day, year) <b>05/18/2009</b>
Description of real property improvements <b>Approx.800,000 SF warehouse and distribution facility -tiltup wall construction</b>		Estimated completion date (month, day, year) <b>05/31/2021</b>
		Actual completion date (month, day, year)

**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			
Salaries		<b>60</b>	<b>114</b>
		<b>2,311,920.00</b>	<b>4,581,867.64</b>

**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	<b>23,343,049.64</b>		
Less: Values of any property being replaced			
Net values upon completion of project	<b>23,343,049.64</b>		
<b>ACTUAL</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	
Values before project			
Plus: Values of proposed project			
Less: Values of any property being replaced			
Net values upon completion of project	<b>23,343,049.64</b>		<b>30,303,400.00</b>

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

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

**SECTION 6 TAXPAYER CERTIFICATION**

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

Signature of authorized representative <i>Shirley Smith</i>	Title <b>Asset Manager</b>	Date signed (month, day, year) <b>2/22/2016</b>
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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 <b>Cooper Tire &amp; Rubber Company</b>									
Address of taxpayer (number and street, city, state, and ZIP code) <b>701 Lima Avenue, Findlay, OH 45840</b>									
Name of contact person <b>Jeffrey D. Lenhart</b>							Telephone number <b>(419) 424-7317</b>		
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY									
Name of designating body <b>Franklin Common Council</b>							Resolution number <b>08-17</b>		
Location of property <b>500 Bartram Parkway, Franklin, IN 46131</b>					County <b>Johnson</b>		DLGF taxing district number <b>41018</b>		
Description of 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) <b>05/01/2009</b>		
							Estimated completion date (month, day, year) <b>05/31/2021</b>		
SECTION 3 EMPLOYEES AND SALARIES									
<b>EMPLOYEES AND SALARIES</b>						<b>AS ESTIMATED ON SB-1</b>		<b>ACTUAL</b>	
Current number of employees									
Salaries									
Number of employees retained									
Salaries									
Number of additional employees						60.00		114	
Salaries						2,311,920.00		4,581,867.64	
SECTION 4 COST AND VALUES									
		MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
<b>AS ESTIMATED ON SB-1</b>		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			
<b>ACTUAL</b>		COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project									
Plus: Values of proposed project						3,758,309.52			
Less: Values of any property being replaced									
Net values upon completion of project						3,758,309.52			
<b>NOTE:</b> 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									
<b>WASTE CONVERTED AND OTHER BENEFITS</b>						<b>AS ESTIMATED ON SB-1</b>		<b>ACTUAL</b>	
Amount of solid waste converted									
Amount of hazardous waste converted									
Other benefits:									
SECTION 6 TAXPAYER CERTIFICATION									
I hereby certify that the representations in this statement are true.									
Signature of authorized representative 					Title <b>Manager, State &amp; Local Taxes</b>			Date signed (month, day, year) <b>02/12/2016</b>	

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	
			12/31/2014	3/31	6/30	9/30			12/31
Machinery & Equipment	6/20/2008 \$3,000,000		12/31/2014 \$3,755,374	3/31 \$0	6/30 \$0	9/30 \$0	12/31 \$2,936	12/31/2015 \$3,758,310	\$758,310

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 12/31/14 (from SB-1)	Actual # of Employees Added During Year (by Qtr)	March-15	June-15	September-15	December-15	Actual # of Employees as of 12/31/2015	Difference Between Actual and Proposed # of Employees
60	126		(3)	(3)	(3)	(3)	114	54