



## Memorandum

**To:** City of Franklin Economic Development Commission  
**From:** Krista Linke, Director of Community Development  
**Date:** March 3, 2016  
**Re:** Case C 2016-12: Faulkenberg Printing

### Summary:

- On October 20<sup>th</sup>, 2014, the Franklin Common Council passed Resolution No. 2014-13, approving a 3-year tax abatement on real property with a 2% economic development fee and a 5-year tax abatement on personal property with a 5% economic development fee for Faulkenberg Printing at 1670 Amy Lane.
- Actual and estimated benefits, as projected for 2015:

	Estimated on SB-1	Actual in 2015	Difference
Employees Retained	10	10	0
Salaries	\$499,200	\$520,000	\$20,800
New Employees	5	2	(3)
Salaries	\$249,600	\$104,000	-\$145,600
Total Employees	15	12	(3)
Total Salaries	\$748,800	\$624,000	-\$124,800
Average Hourly Salaries	\$24.00	\$25.00	\$1.00
Personal Property Improvements	\$400,000	\$400,000	\$0
Real Property Improvements	\$170,000	\$234,000	\$64,000

- The company has met their projected capital investment.
- The company has not met the number of jobs created, but they indicated on their original application that they would hire up to 5 new employees over the course of 5 years. This is the first reporting year of their abatement.
- The average hourly salary is \$1.00 per hour higher than estimated on their SB-1 form.
- The real property tax abatement is scheduled to expire in tax year 2017 payable 2018. The personal property tax abatement is scheduled to expire in 2019 pay 2020. The final compliance review will take place in 2020.

**Staff Recommendation:** Approval



## **PRINTING COMPANY, INC.**

*Complete Printing & Mailing Services*

1670 Amy Lane • Franklin, Indiana 46131

(317) 638-1359 FAX (317) 638-1375

[www.faulkenberg.net](http://www.faulkenberg.net)

February 11, 2015

Krista Link and Planning Commission Members

Thought i would give you a break down on our expenditures with our relocation from Indy to Franklin, we closed on our new building in March, the building was purchased for \$590,000, after building new offices, constructing prepress room, storage loft for our print materials and total remodeling of the interior with 8 new air conditioning units plus Mid West Electric brought in 800 more amps of electrical for our printing equipment, we invested \$234,000 for improvements this included our expense of \$40,000 for Absolute Printing Equipment to move our large printing presses and booklet maker, the total for the purchase of the building with improvements is \$820,000.

January 2015 i quoted 120 different jobs for Hewlett Packard through Xpedx Paper, the orders would consist of small instruction sheets and little booklets for most all the products they sell, i was contacted by Gary Friedmore @ Xpedx the next month that i would be awarded 50% of the work, the quantities would be 750,000 to one million on each order, i found a Komori Press in Dallas Texas that is one of the best presses you can buy for printing black ink on two sides of the paper \$140,000, it cost \$30,000 to have the press disassembled, two semi's moved the press to our new building, we bought all new rollers and fixed a few broken parts \$12,000.... i have been promised the work from Hewlett Packard since July but no work yet, last fall i approached other printing companies to see if we can help with there printing and i have been keeping the new press busy 40% of the work week.

April 2015 we bought a new work flow system for prepress plus a high quality proofing system for \$42,323.00 plus this last fall i purchased two new digital presses for short run print work \$52,000 for the two new press, i acquired two new major customers last fall Allegient on the north side of Indy were doing all the print work, they were considered one of the fastest growing companies in Indy plus i started printing for Binatone in Carmel which is Motorola, i printed 6 high end product catalogs in December for there show in Vegas.

I added two full time employee's on in 2015, we're seeing a steady growth.

With the purchase of the new building, construction, buying the new large press out of Dallas, new work flow system for prepress plus buying the two new digitals we have invested \$1,100,000.00

I would like to invite all the Planning Commission Members to a tour to see our operation plus samples of the printing we do, your welcome to stop in Monday thru Friday 7:00 am to 4:00 pm

Jim Faulkenberg  
President



# 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

<b>PRIVACY NOTICE</b>
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 <u>Faulkenberg Printing Co.</u>	County <u>Johnson</u>
Address of taxpayer (number and street, city, state, and ZIP code) <u>1670 Amy Lane Franklin, IN 46131</u>	DLGF taxing district number
Name of contact person <u>James Faulkenberg</u>	Telephone number <u>(317) 638-1359</u>

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY		
Name of designating body <u>The City of Franklin Common Council</u>	Resolution number <u>14-13</u>	Estimated start date (month, day, year) <u>11-14-2014</u>
Location of property <u>1670 Amy Lane Franklin, IN 46131</u>		Actual start date (month, day, year)
Description of real property improvements		Estimated completion date (month, day, year) <u>1-1-2015</u>
		Actual completion date (month, day, year)

SECTION 3 EMPLOYEES AND SALARIES		
EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	<u>10</u>	<u>12</u>
Salaries	<u>\$24/hr</u>	<u>\$25/hr</u>
Number of employees retained	<u>10</u>	<u>10</u>
Salaries	<u>\$24/hr</u>	<u>\$25/hr</u>
Number of additional employees	<u>up to 5</u>	<u>2</u>
Salaries	<u>\$24/hr</u>	<u>\$25/hr</u>

SECTION 4 COST AND VALUES		
COST AND VALUES	REAL ESTATE IMPROVEMENTS	
<b>AS ESTIMATED ON SB-1</b>	<b>COST</b>	<b>ASSESSED VALUE</b>
Values before project	<u>590,000</u>	<u>590,000</u>
Plus: Values of proposed project	<u>170,000</u>	<u>170,000</u>
Less: Values of any property being replaced		
Net values upon completion of project	<u>760,000</u>	<u>760,000</u>
<b>ACTUAL</b>	<b>COST</b>	<b>ASSESSED VALUE</b>
Values before project	<u>590,000</u>	<u>590,000</u>
Plus: Values of proposed project	<u>234,000</u>	<u>234,000</u>
Less: Values of any property being replaced		
Net values upon completion of project	<u>824,000</u>	<u>824,000</u>

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 <u>Owner</u>	Date signed (month, day, year) <u>2-18-16</u>



# STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R3 / 12-13)

Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

### PRIVACY NOTICE

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

### INSTRUCTIONS

- This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction.
- The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the installation of qualifying abatable equipment for which the person desires to claim a deduction.
- To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
- Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
- For a Form SB-1/PP that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/PP that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. (IC 6-1.1-12.1-17)

SECTION 1		TAXPAYER INFORMATION						
Name of taxpayer <i>Faulkenberg Printing</i>		Name of contact person						
Address of taxpayer (number and street, city, state, and ZIP code) <i>116 West Michigan Street Indianapolis IN 46204</i>		Telephone number <i>317 638-1359</i>						
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT						
Name of designating body		Resolution number (s)						
Location of property <i>1670 Amy Lane</i>		County <i>Johnson</i>						
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (Use additional sheets if necessary.)		ESTIMATED						
		START DATE	COMPLETION DATE					
		Manufacturing Equipment						
		R & D Equipment						
		Logist Dist Equipment						
		IT Equipment						
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT						
Current number <i>10</i>	Salaries <i>24<sup>00</sup> per Hour</i>	Number retained <i>10</i>	Salaries <i>24<sup>00</sup> per Hour</i>					
		Number additional <i>4</i>	Salaries <i>24<sup>00</sup> per Hour</i>					
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT						
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
	Current values	<i>120,000 120,000</i>					<i>25,000 25,000</i>	
	Plus estimated values of proposed project	<i>280,000 400,000</i>					<i>42,000 42,000</i>	
	Less values of any property being replaced	<i>180,000</i>						
Net estimated values upon completion of project	<i>320,000 520,000</i>					<i>67,000 67,000</i>		
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER						
Estimated solid waste converted (pounds) _____		Estimated hazardous waste converted (pounds) _____						
Other benefits:								
SECTION 6		TAXPAYER CERTIFICATION						
I hereby certify that the representations in this statement are true.								
Signature of authorized representative <i>Jim Faulkenberg</i>		Date signed (month, day, year) <i>9-16-14</i>						
Printed name of authorized representative <i>Jim Faulkenberg</i>		Title <i>President</i>						