CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Staff Report

To: Economic Development Commission Members

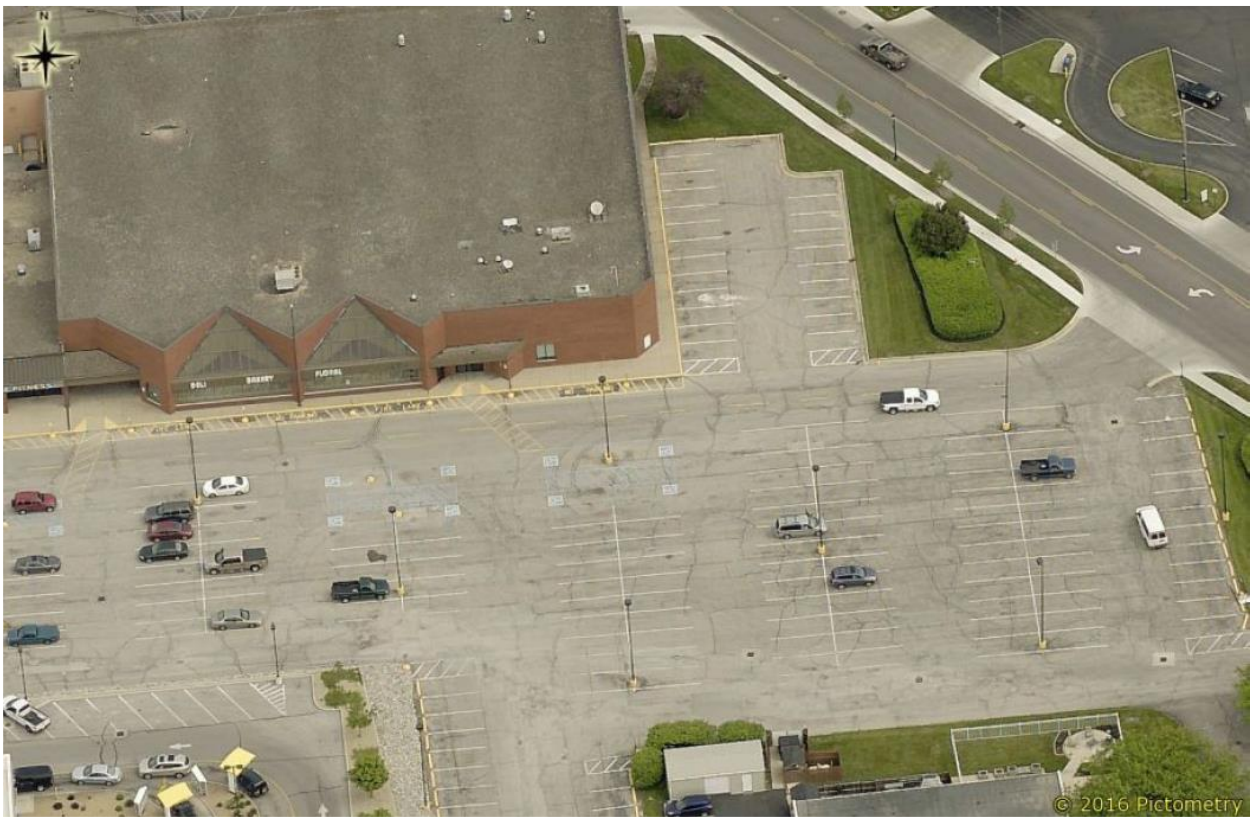
From: Krista Linke, Director

Date: August 3, 2016

Re: Case EDC 2016-05 – Urban Air Indiana LLC

Case EDC 2016-05 – Urban Air Indiana LLC: A request for a 6-year tax abatement for a vacant building located at 1172 N. Main Street.

Location: 1172 N. Main Street



Summary:

1. Characteristics of this location:
   The building has been vacant for 2+ years. It is the former Marsh location on North Main Street.

   IC 6-1.1-12.1-1(17) An "eligible vacant building" means a building that (A) is zoned for commercial or industrial purposes; and (B) is unoccupied for at least one year before the owner of the building or a tenant of the owner occupies the building, as evidenced by a valid certificate of occupancy, paid utility receipts, executed lease agreements, or any other evidence of occupation that the department of local government finance requires.

   The Indiana Code has changed to allow vacant building deductions for up to 10 years. The municipality can set the interest rate for each year. Your attached property tax samples show a couple of different lengths and percentages.

2. Characteristics of this petitioner:
   About Urban Air: Urban Air Trampoline parks are the nation's premier indoor trampoline and adventure parks. Urban Air Trampoline Park in Bloomington offers a variety of trampoline activites on it wall-to-wall trampolines, foam pit, trampoline dodgeball, trampoline runway, slam dunk track, and trampoline bowl. Their website states: "No matter if you are looking for a kids birthday party venue or to have some family fun, Urban Air Trampoline Park is the place to go." www.urbanairtrampolinepark.com

3. Characteristics of this project:
   The total capital investment for the proposed project, including real and personal property, is $1,261,000. Anthony and Nichole Rains currently live in Martinsville and have just started this company. They have been searching for the right location for over a year. In addition to cleaning up the exterior of the building through a façade grant through the FDC, they have received an estimate to do crack repair, sealcoating and striping of the parking lot as well. They plan on asking the RDC for assistance with the paving cost ($9,886). They will be leasing the property. As stated on their application, this project would involve the renovation of the long-vacant March building and convert the facility to an Urban Air Trampoline Park. Once completed, the facility would provide a state-of-the-art facility that would draw in business from the Indianapolis/South-Central Indiana market. They will invest in $500,000 in jumping equipment and $10,000 of IT equipment. The grand opening is estimated for March 2017. The general rehab of the structure and build-out of the building is estimated at $500,000. Relocation of the HVAC to raise the ceiling height is approximately $145,000. The relocation of the sprinkler system to raise the ceiling is approximately $51,000.

4. Economic Revitalization Area (ERA):
   This property was has not been designated an Economic Development Target Area.

5. Previous Tax Abatement(s) Received:
   Urban Air Indiana LLC is new to Franklin and has not received any previous tax abatement.

6. ERA & Tax Abatement Findings (Vacant Building Deduction):
   Indiana Code Section 6-1.1-12.1-4.8 states that the following findings must be made when considering a vacant building deduction:

a. Whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed occupation of the eligible vacant building;

b. Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed occupation of the eligible vacant building;

c. Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed occupation of the eligible vacant building;

d. Whether the occupation of the eligible vacant building will increase the tax base and assist in the rehabilitation of the economic revitalization area;

e. Whether the totality of benefits is sufficient to justify the deduction.

7. City of Franklin "Tax Abatement Policy" criteria:
The "Tax Abatement Policy" section of the *City of Franklin Community Investment Incentives Summary* states that the Economic Development Commission shall use certain criteria when considering a request for tax abatement. A comparison of those criteria and the proposed request follows:

a. *Diversification of Local Occupations*: There are no other facilities like this in or near Franklin.

b. *Increase in Local Salaries*: The average wage for all industries in Johnson County for the first quarter of 2012 was $15.84. The average hourly wage in Johnson County for professional, scientific, and technical services employees in the first quarter of 2012 was $19.84 per hour. The average hourly wage (without benefits) for the 2 full time employees proposed is $26.44. There will be many part time employees, but only full time employees are considered as part of the tax abatement process.

c. *Sustainable Land Use*: The petitioner proposes to make this investment at an existing location.

d. *Future Community Investment*: The applicant has repeatedly stressed the importance of maintaining a partnership with the City of Franklin and serving as a tourist destination for the south central region. They anticipate their facility to draw thousands of visitors to the City of Franklin annually.

e. *Conformance with the Comprehensive Plan*: The Comprehensive Plan - Future Land Use Plan identifies this property as a "Community Activity Center." Future land uses in Community Activity Centers are intended as areas of mixed land uses that provide gathering places and goods and services for the entire community. Community activity centers may include churches, schools, community parks, grocery stores, gas stations, shopping centers, offices, banks, and restaurants. Community activity centers may also include residences located on the upper floors of otherwise commercial buildings. Community activity centers are generally located along major streets and at prominent intersections where they are readily accessible by people from throughout the community.

The property is zoned MXC, Mixed Use: Community Center. The "MXC", Mixed-Use: Community Center zoning district is intended to provide locations for a variety of small-to-mid-sized

business and institutional facilities that serve the entire Franklin-area community. This district should be used alone, and in combination with other zoning district to create areas for community shopping, entertainment, services, and public gatherings.

8. Tax Abatement Duration:
   The *City of Franklin Community Investment Incentives Summary* provides that longer periods of abatement on real and personal property may be considered for requests of an exceptional nature. The Summary states that development examples of an exceptional nature include projects which:

a. Create a new plant or product line for an existing manufacturer;

b. Creates substantial employment opportunities with higher than average wages;

c. Increase substantially property values and the city tax base with minimal impact to city services (police & fire protection, schools, utilities, infrastructure, etc.); and

d. Utilize existing public infrastructure (sanitary & storm sewer, roads & streets, drainage facilities, and other utilities).

9. Requested Effective Year:
   The petitioner has requested that, if approved, the tax abatement be effective for the first year the increased assessed value is applicable.

Staff Comments:

This project is very unique to the City of Franklin. There has been interest in the property over the last couple of years, but the property owner has not been willing to sell the building. There is, however, a new owner, and the applicant will be leasing from them. Due to the location of this property and the recommendation of the Comprehensive Plan and the Zoning Ordinance, this is a very good fit for the community.

CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Tax Abatement Application

Organization/Corporation Requesting Tax Abatement

Organization/Corporation Name: URBAN AIR INDIANA LLC

Primary Contact Name: Nichole Rains

Contact Address: 3111 N Lahr Dr.

City: Martinsville State: IN Zip: 46151

Phone Number: 765-346-2629

Email: ndubrosky@prodigy.net

Three possible dates before the EDC meeting to conduct a site visit: Applicant does not have full access to the site currently, but can schedule it

Name of Owner:

Parent Company (If Applicable): n/a

Primary Contact for Yearly Compliance Reports

Name: Nichole Rains

Title: Owner

Address: 3111 N Lahr Dr.

City: Martinsville State: IN Zip: 46151

Phone Number: 765-346-2629

Email: ndubrosky@prodigy.net

Description of Project

Project Location/Address: 1172 N. Main Street

Parcel Number: 41-08-14-022-016.000-009

Brief Description of Project:

This project would involve the renovation the long-vacant Marsh building and convert the facility to an Urban Air Trampoline Park. Once completed, the facility would provide a state-of-the-art facility that would draw in business from the Indianapolis/South-Central Indiana market.

Current Assessed Value (AV) of the Property:

1. Land 559,200
2. Building 882,700
3. Inventory n/a
4. Equipment n/a

Have building permits been applied for (if applicable): Yes ☐ No ☑

Has equipment been installed (if applicable): Yes No x

Required Attachments:

- ■ Completed SB-1 Form(s)
- ■ Legal Description of the Property
- ☐ Company Financial Statement (new company)
- ■ Job and Wage Description Information Sheet
- ■ Summary of Benefits (if applicable)
- ■ Employment Phase-In Schedule
- ■ Company Investment Timetable
- ■ Compliance Affidavit

Type of Abatement Requested

Real Property ☑ Personal Property ☑

Length of Abatement Requested: 6 Years

Project Size (square feet): Approx. 36,000 sf Size of Site (acres): 3.59

Type of Building:

Multiple Tenants (leased) ☐ Single Tenant (leased) ☑ Owner Occupied ☐ Corporate Headquarters ☐

Capital Investment

1. Real property capital investment only: 706,000
2. Personal property capital investment only: 555,000
3. Total capital investment for proposed project: 1,261,000

Jobs Created and/or Retained

1. Estimated number of full time jobs created by the proposed project: 2 *
2. Estimated number of full time jobs retained as a direct result of the proposed project: 0
3. Total number of full time jobs upon project completion: 2

Wages Created and Retained

1. Average hourly wage rate for new jobs (w/o benefits) $26.44
2. Average hourly wage rate for jobs retained (w/o benefits) 0

***In addition to answering these questions, please fill out the Job and Wage Description for Tax Abatement Application information sheet and submit it with the application as an attachment.

Please explain why the abatement incentive is necessary to the project: *Attach additional sheets as necessary.*

The site has sat vacant for several years, and will need significant investment. Aside from general repairs and build-out expenses, the biggest barrier to development is the fact that the ceiling HVAC and sprinkler system will need to be raised to provide a more functional space. Other sites under consideration do not have this barrier.

Company Information

How long has the company been in existence? New start-up

Current address of company headquarters and duration at that address:

3111 N. Lahr Dr. -- Martinsville, 46151 (would be moved to project site) upon completion)

Approximate percentage of employees at current location who live in the City of Franklin and/or Johnson County: n/a - no current employees

Have you ever received tax abatement at your current location? Yes (No)

If yes, when and for what term?

What specifically has the company done to give back to the community: The company just started, but envisions being deeply committed to the community and an active corporate citizen that could host community events.

While acting as a strong advocate for using economic incentives to help applicants expand and/or locate in the community, the City of Franklin also strives to enrich the quality of life for its citizens. To that end, the City embraces the use of voluntary economic development fees as allowed under Indiana law (IC 6-1.1-12.1-14). These fees are directed by the City to local nonprofit organizations to bolster their economic development efforts. The fee can be applied on both real and personal property abatements. The fee is collected annually by the County Treasurer as a special assessment on the tax bill and is distributed by the City to the designated economic development nonprofit organization. Typically, 2% is charged on Real Property and 5% is charged on Personal Property. The fee is a percentage of the abatement received. For example, instead of receiving 100% abatement in the first year, the company receives a 95% abatement, with the 5% difference going to support local economic development. More information can be found on the City's website (www.franklin.in.gov) under the Economic Development tab.

Is the company agreeable to the Economic Development Fee? (Yes) No

If yes, at what percent(s)? 2%

In addition to 2 full time manager positions, there will be several part time employees hired to staff operations.

Indianapolis, IN 46218
ACI Inc.

Phone: (317) 549-1833
Fax: (317) 549-1880

ESTIMATE

DATE	ESTIMATE NO.
7/1/2016	13087

DISCUSSION DRAFT
As a valued customer, we want you to succeed. We'll be glad to discuss these terms further.
Thank You,
Lindsey Lewis

NAME / ADDRESS
Urban Air Attn: Anthony Rains 1172 N. Main St. Franklin, IN 46131

WORK ORDER#

This order is placed by the purchaser and by the seller subject to strikes, accidents, or other delays beyond our control.

JOB NUMBER	PHONE #	FAX #
	765-345-2629	e-mail

DESCRIPTION	TOTAL
Job Site: SAME Asphalt Crack Repair, Sealcoating and Striping Areas: APPROXIMATELY 68,765 SQ.FT. ** SEE SITE MAP ** Clean all areas of dirt and debris, and haul away. Clean cracks of all vegetation and other debris by use of compressed air. Crack repair is limited to individual sealable cracks. No work is to be performed in crack clustered areas (alligatored) or deteriorated failed locations. Hot pour all large cracks 1/4" or larger using hot rubberized crack filler. Apply brewer cote sealcoat to areas to be sealed with sand. Apply (2) coats sealcoat with machine spray. Customer is responsible for any towing of vehicles. Leave job site in workmanlike manner. This estimate is valid for 30 days. Restripe as existing.	9,886.00

Terms: 1 1/2% will be added per month to all accounts exceeding 30 days. Delinquent accounts will be subject to additional charges to include attorney fees, court cost and any cost directly related to collections.

TOTAL $9,886.00

ACI INC. Garry Newman

Purchaser _____

STATEMENT OF BENEFITS
PERSONAL PROPERTY

State Form 51764 (R / 1-06)
Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

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 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. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)*
2. *Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment,* ***BEFORE*** *a deduction may be approved*
3. *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. 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.*
4. *Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)*
5. *The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001. For equipment installed prior to March 2, 2001, the schedules and statutes in effect at the time shall continue to apply. (IC 6-1.1-12.1-4.5(f) and (g))*

SECTION 1 — TAXPAYER INFORMATION

Name of taxpayer	Urban Air Indiana LLC
Address of taxpayer *(number and street, city, state, and ZIP code)*	3111 N. Lahr Dr. -- Martinsville, IN 46151
Name of contact person	Nichole Rains
Telephone number	(765) 346-2629

SECTION 2 — LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body	City of Franklin Common Council
Resolution number (s)	
Location of property	1172 N. Main Street
County	Johnson
DLGF taxing district number	41009

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)*

The company would invest in $500,000 in jumping equipment and $10,000 of IT equipment.

	ESTIMATED START DATE	ESTIMATED COMPLETION DATE
Manufacturing Equipment	10/1/2016	12/31/2017
R & D Equipment		
Logist Dist Equipment		
IT Equipment	10/1/2016	12/31/2017

SECTION 3 — ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
0	n/a	n/a	n/a	n/a	$110,000.00

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	$0.00	$0.00					$0.00	$0.00
Plus estimated values of proposed project	$500,000						$10,000	
Less values of any property being replaced								
Net estimated values upon completion of project								

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	Title	Date signed *(month, day, year)*
Nichole Rains	Owner	07/29/2016

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A . The designated area has been limited to a period of time not to exceed _____ calendar years * *(see below)*. The date this designation expires is _____ .

B . The type of deduction that is allowed in the designated area is limited to:

1. Installation of new manufacturing equipment; ☐ Yes ☐ No
2. Installation of new research and development equipment; ☐ Yes ☐ No
3. Installation of new logistical distribution equipment. ☐ Yes ☐ No
4. Installation of new information technology equipment; ☐ Yes ☐ No

C. The amount of deduction applicable to new manufacturing equipment is limited to $ _____ cost with an assessed value of $ _____.

D. The amount of deduction applicable to new research and development equipment is limited to $ _____ cost with an assessed value of $ _____.

E . The amount of deduction applicable to new logistical distribution equipment is limited to $ _____ cost with an assessed value of $ _____.

F. The amount of deduction applicable to new information technology equipment is limited to $ _____ cost with an assessed value of $ _____.

G. Other limitations or conditions *(specify)*_____

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction on or after July 1, 2000, is allowed for:

☐ 1 year ☐ 6 years
☐ 2 years ☐ 7 years
☐ 3 years ☐ 8 years
☐ 4 years ☐ 9 years
☐ 5 years ** ☐ 10 years **

** For ERA's established prior to July 1, 2000, only a 5 or 10 year schedule may be deducted.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: *(signature and title of authorized member)*	Telephone number	Date signed *(month, day, year)*
Attested by:	Designated body	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5

STATEMENT OF BENEFITS
VACANT BUILDING DEDUCTION

State Form 55182 (R / 2-14)
Prescribed by the Department of Local Government Finance

20 17 PAY 20 18
FORM SB-1 / VBD

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 as an "eligible vacant building" as defined by IC 6-1.1-12.1-1(17).

INSTRUCTIONS:

1. *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 the occupation of the eligible vacant building for which the person wishes to claim a deduction.*
2. *To obtain a vacant building deduction, a Form 322/VBD must be filed with the county auditor before May 10 in the year in which the property owner or his tenant occupies the vacant building or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. If the property owner misses the May 10 deadline in the initial year of occupation, he can apply between March 1 and May 10 of a subsequent year.*
3. *A property owner who files the Form 322/VBD must provide the county auditor and the designating body with a Form CF-1/VBD to show compliance with the approved Form SB-1/VBD. The Form CF-1/VBD must also be updated each year in which the deduction is applicable.*

SECTION 1 — TAXPAYER INFORMATION

Name of taxpayer: Urban Air Indiana LLC		
Address of taxpayer (number and street, city, state, and ZIP code): 3111 N. Lahr Dr. -- Martinsville, IN 46151		
Name of contact person: Nichole Rains	Telephone number: (765) 346-2629	E-mail address: ndubrosky@prodigy.net

SECTION 2 — LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body: City of Franklin Common Council		Resolution number:
Location of property: 1172 N. Main Street	County: Johnson	DLGF taxing district number: 41009
Description of eligible vacant building that the property owner or tenant will occupy (use additional sheets if necessary): See attached.		Estimated occupancy date (month, day, year): Oct. 1, 2016 Estimated date placed-in-use (month, day, year): Mar. 1, 2017 (Grand Opening Estimate

SECTION 3 — ESTIMATE OF EMPLOYEES AND SALARIES AS A RESULT OF PROPOSED PROJECT

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
0	0	0	0	2	$110,000

SECTION 4 — ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values		$1,441,900
Plus estimated values of proposed project	$706,000	
Less values of any property being replaced		
Net estimated values upon completion of project		

SECTION 5 — EFFORTS TO SELL OR LEASE VACANT BUILDING

Described efforts by the owner or previous owner to sell, lease, or rent the building during period of vacancy:

The property has sat vacant for 2+ years. The property was put under receivership after Marsh left, and attempts to market the property for sale or lease were unsuccessful.

Show amount for which the building was offered for sale, lease, or rent during period of vacancy.
$1,233,750

List any other benefits resulting from the occupancy of the eligible vacant building.

The property's use under its current layout is limited by its grocery design. Urban Air would make significant improvements to make the property more functional. The building would be converted from an eyesore to an attraction.

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)
Nichole R. Rains	Owner	7/29/2016

FOR USE OF THE DESIGNATING BODY

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

A. The designated area has been limited to a period of time not to exceed _____ calendar years* *(see below)*. The date this designation expires is _____.

B. The amount of the deduction applicable is limited to $ _____.

C. Other limitations or conditions *(specify)* _____

D. Number of years allowed: ☐ Year 1 ☐ Year 2 ☐ Year 3 ☐ Year 4 ☐ Year 5 *(* see below)* ☐ Year 6 ☐ Year 7 ☐ Year 8 ☐ Year 9 ☐ Year 10

E. For a statement of benefits approved after June 30, 2013, did the designating body adopt an abatement schedule per IC 6-1.1-12.1-17?
☐ Yes ☐ No
If yes, attach a copy of the abatement schedule to this form.
If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

We have also reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved *(signature and title of authorized member of designating body)*	Telephone number ( )	Date signed *(month, day, year)*
Printed name of authorized member of designating body	Name of designating body	
Attested by *(signature and title of attester)*	Printed name of attester	

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

IC 6-1.1-12.1-1(17) "Eligible vacant building" means a building that:
(A) is zoned for commercial or industrial purposes; and
(B) is unoccupied for at least one (1) year before the owner of the building or a tenant of the owner occupies the building, as evidenced by a valid certificate of occupancy, paid utility receipts, executed lease agreements, or any other evidence of occupation that the department of local government finance requires.

IC 6-1.1-12.1-17
Abatement schedules
Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:
(1) The total amount of the taxpayer's investment in real and personal property.
(2) The number of new full-time equivalent jobs created.
(3) The average wage of the new employees compared to the state minimum wage.
(4) The infrastructure requirements for the taxpayer's investment.
(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.
(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

Attachment to SB-1/VBD
Urban Air Indiana LLC

This facility is the old Marsh building that has sat vacant for 2+ years. Urban Air Indiana LLC would occupy the building, refurbish it, and operate an Urban Air Trampoline Park. Identified areas of investment are as follows:

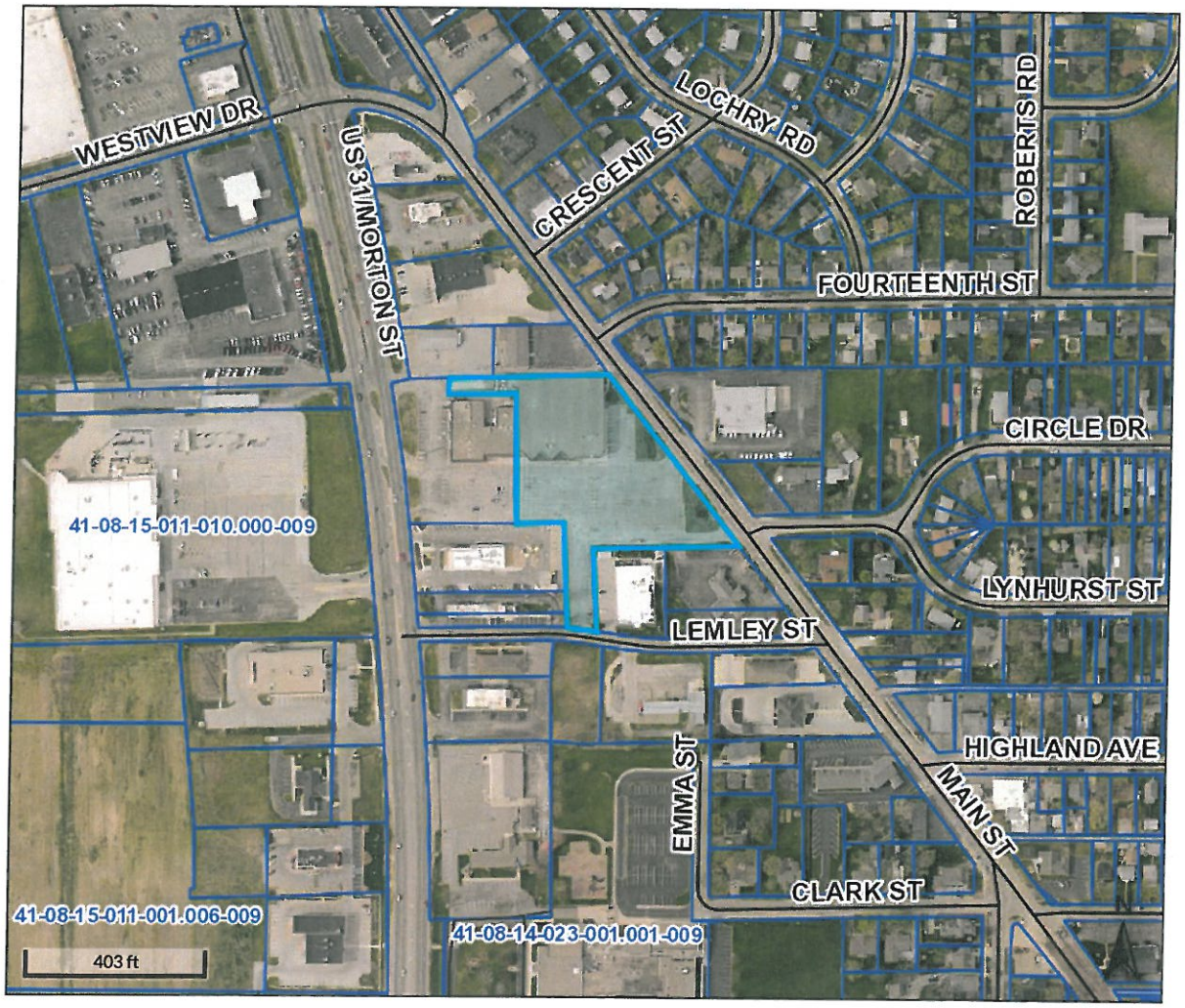
- General Rehab of Structure and Build-Out of Building - $500,000
- Parking lot stripping/resealing – Approximately $10,000
- Relocation of HVAC to Raise Ceiling – Approximately $145,000
- Relocation of Sprinkler System to Raise Ceiling – Approximately $51,000

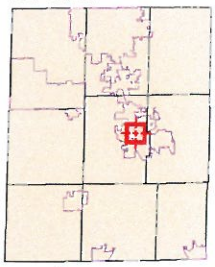
Other items in need of repair may be identified after applicant takes occupancy of the building.

Legal Description

John Clark's 2nd Add PT Lot 17 & PT Lot 18

Beacon™ Johnson County, IN





Legend

- Cities
- Townships
- Parcels

Roads

- ACCESS RAMP
- INTERSTATE
- LOCAL
- MAJOR ARTERIAL
- MAJOR COLLECTOR
- MINOR ARTERIAL
- MINOR COLLECTOR
- PRIVATE ROAD

Parcel ID	41-08-14-022-016.000-009	**Alternate ID**	5100 14 10 045/00	**Owner Address**	FRANKLIN SHOPPING PLAZA LP 4848 ROUTE 8 UNIT 2 ALLISON PARK, PA 15101-0000
Sec/Twp/Rng	n/a	**Class**	Com Supermarkets		
Property Address	1172 N MAIN ST FRANKLIN	**Acreage**	3.591		
District	009				
Brief Tax Description	JOHN CLARK'S 2ND ADD PT LOT 17 & PT LOT 18 (Note: Not to be used on legal documents)				

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Date created: 7/28/2016

Schneider
Developed by
The Schneider Corporation

JOB AND WAGE DESCRIPTION
FOR TAX ABATEMENT APPLICATION

Please provide the following job and wage earning information that is associated with this Tax Abatement Petition ***(Please specify all wages in an hourly format without benefits):***

(1) Company NAICS code: 713110.

(2) The total number of jobs current at the site: 0, the number of those jobs that will be retained as a direct result of the proposed investment 0, and the number of new jobs which will be created as a direct result of the proposed investment 2.

(3) The total number of full-time employees at the site: 0.

(4) The total number of temporary and/or contract employees currently at the site: 0.

(5) The average hourly wages for the new jobs: $26.44.

(6) Will the new jobs being created begin as temporary and/or contract employees? no
If yes, please provide an explanation of the typical transition process to full time:

(7) Number of new and/or retained jobs in:

(a) Managerial/Professional Specialty Occ.: 2 Average Hourly Wage: $26.44

(b) Technical/Sales/Admin. Support Occ.: ___ _Average Hourly Wage: _____

(c) Service Occ.: ___ _Average Hourly Wage: _____

(d) Precision Production/Craft/Repair Occ.: ____ Average Hourly Wage: _____

(e) Operators/Fabricators/Laborers: ___ _Average Hourly Wage: _____

Note: The total number of jobs specified above should correspond with the Statement of Benefits Form SB-1.

(8) Attach detailed information on the types of benefits offered for new employees. A description of all possible bonuses and incentives should also be given if provided.

Paid vacation and some fringe benefits.

EMPLOYMENT PHASE-IN SCHEDULE
SAMPLE JOB CREATION/RETENTION TIMETABLE

	Job Type 1	Job Type 2	Job Type 3	Job Type 4	**Total**
Year of Abatement	2017				
1st Quarter	1				
2nd Quarter	1				
3rd Quarter					
4th Quarter					
Year of Abatement					
1st Quarter					
2nd Quarter					
3rd Quarter					
4th Quarter					
Year of Abatement					
1st Quarter					
2nd Quarter					
3rd Quarter					
4th Quarter					
TOTAL	2				

SAMPLE COMPANY INVESTMENT TIMETABLE

	Buildings	Jumping Equip. Equip. Type 1	IT Equip. Type 2	Equip. Type 3	Total
Year of Abatement	2016	2016			
1st Quarter					
2nd Quarter					
3rd Quarter					
4th Quarter	$456,000	$250,000			
Year of Abatement	$250,000	2017	2017		
1st Quarter		$250,000	$10,000		
2nd Quarter		unknown			
3rd Quarter		unknown			
4th Quarter		unknown			
Year of Abatement					
1st Quarter					
2nd Quarter					
3rd Quarter					
4th Quarter					
TOTAL	$706,000	$500,000	$10,000		

1 Year Vacant Building Deduction

Urban Air Indiana LLC

Sample Property Tax (1 Year)

Vacant Building Deduction: $1,441,900

Tax Rate: 3.0%

	2016 pay 2017	
Total Assessed Value	$1,441,900	
Percentage Abated	**100%**	
Net Tax Rate	3.0%	***Total***
Tax w/o Abatement	$43,257	***$43,257***
Tax Paid with Abatement	$0.00	***$0.00***

2 YEAR

Urban Air Indiana LLC

Sample Property Tax (2 Year)

Vacant Building Deduction: $1,441,900

Tax Rate: 3.0%

	2016 pay 2017	*2017 pay 2018*	
Total Assessed Value	$1,441,900	$1,441,900	
Percentage Abated	**100%**	**100%**	
Net Tax Rate	3.0%	3.0%	***Total***
Tax Paid w/o Abatement	$43,257	$43,257	***$86,514***
Taxes Paid w/Abatement	$0.00	$0.00	***$0.00***

2 YEAR

Urban Air Indiana LLC

Sample Property Tax (2 Year)

Vacant Building Deduction: $1,441,900

Tax Rate: 3.0%

	2016 pay 2017	*2017 pay 2018*	
Assessed Value	$1,441,900	$1,441,900	
Net Tax Rate	3.0%	3.0%	
Tax w/o Abatement	$43,257	$43,257	
Abatement Rate	**100%**	**50%**	
Amount Abated	$43,257	$21,629	***Total***
Taxes Paid w/Abatement	$0	$21,629	***$21,629***

3 YEAR

Urban Air Indiana LLC

Sample Property Tax (3 Year)

Vacant Building Deduction: $1,441,900

Tax Rate: 3.0%

	2016 pay 2017	*2017 pay 2018*	*2018 pay 2019*	
Total Assessed Value	$1,441,900	$1,441,900	$1,441,900	
Percentage Abated	**100%**	**100%**	**100%**	
Net Tax Rate	3.0%	3.0%	3.0%	***Total***
Tax Paid w/o Abatement	$43,257	$43,257	$43,257	***$129,771***
Taxes Paid w/Abatement	$0.00	$0.00	$0.00	***$0.00***

3 YEAR

Urban Air Indiana LLC

Sample Property Tax (3 Year)

Vacant Building Deduction: $1,441,900

Tax Rate: 3.0%

	2016 pay 2017	*2017 pay 2018*	*2018 pay 2019*	
Assessed Value	$1,441,900	$1,441,900	$1,441,900	
Net Tax Rate	3.0%	3.0%	3.0%	
Tax w/o Abatement	$43,257	$43,257	$43,257	
Abatement Rate	**100%**	**66%**	**33%**	
Amount Abated	$43,257	$28,550	$14,275	***Total***
Taxes Paid w/Abatement	$0	$14,707	$28,982	***$43,690***

4 YEAR

Urban Air Indiana LLC

Sample Property Tax (4 Year)

Vacant Building Deduction: $1,441,900

Tax Rate: 3.0%

	2016 pay 2017	*2017 pay 2018*	*2018 pay 2019*	*2019 pay 2020*	
Total Assessed Value	$1,441,900	$1,441,900	$1,441,900	$1,441,900	
Percentage Abated	**100%**	**100%**	**100%**	**100%**	
Net Tax Rate	3.0%	3.0%	3.0%	3.0%	***Total***
Tax Paid w/o Abatement	$43,257	$43,257	$43,257	$43,257	***$173,028***
Taxes Paid w/Abatement	$0.00	$0.00	$0.00	$0.00	***$0.00***

4 YEAR

Urban Air Indiana LLC

Sample Property Tax (4 Year)

Vacant Building Deduction: $1,441,900

Tax Rate: 3.0%

	2016 pay 2017	*2017 pay 2018*	*2018 pay 2019*	*2019 pay 2020*	
Assessed Value	$1,441,900	$1,441,900	$1,441,900	$1,441,900	
Net Tax Rate	3.0%	3.0%	3.0%	3.0%	
Tax w/o Abatement	$43,257	$43,257	$43,257	$43,257	
Abatement Rate	**100%**	**75%**	**50%**	**25%**	
Amount Abated	$43,257	$32,443	$21,629	$10,814	***Total***
Taxes Paid w/Abatement	$0	$10,814	$21,629	$32,443	***$64,886***

5 YEAR

Urban Air Indiana LLC

Sample Property Tax (5 Year)

Vacant Building Deduction: $1,441,900

Tax Rate: 3.0%

	2016 pay 2017	*2017 pay 2018*	*2018 pay 2019*	*2019 pay 2020*	*2020 pay 2021*	
Total Assessed Value	$1,441,900	$1,441,900	$1,441,900	$1,441,900	$1,441,900	
Percentage Abated	**100%**	**100%**	**100%**	**100%**	**100%**	
Net Tax Rate	3.0%	3.0%	3.0%	3.0%	3.0%	***Total***
Tax Paid w/o Abatement	$43,257	$43,257	$43,257	$43,257	$43,257	***$216,285***
Taxes Paid w/Abatement	$0.00	$0.00	$0.00	$0.00	$1.00	***$0.00***

5 YEAR

Urban Air Indiana LLC

Sample Property Tax (5 Year)

Vacant Building Deduction: $1,441,900

Tax Rate: 3.0%

	2016 pay 2017	*2017 pay 2018*	*2018 pay 2019*	*2019 pay 2020*	*2020 pay 2021*	
Assessed Value	$1,441,900	$1,441,900	$1,441,900	$1,441,900	$1,441,900	
Net Tax Rate	3.0%	3.0%	3.0%	3.0%	3.0%	
Tax w/o Abatement	$43,257	$43,257	$43,257	$43,257	$43,257	
Abatement Rate	**100%**	**80%**	**60%**	**40%**	**20%**	
Amount Abated	$43,257	$34,606	$25,954	$17,303	$8,651	***Total***
Taxes Paid w/Abatement	$0	$8,651	$17,303	$25,954	$34,606	***$86,514***

6 YEAR

Urban Air Indiana LLC

Sample Property Tax (6 Year)

Vacant Building Deduction: $1,441,900

Tax Rate: 3.0%

	2016 pay 2017	*2017 pay 2018*	*2018 pay 2019*	*2019 pay 2020*	*2020 pay 2021*	*2021 pay 2022*	
Total Assessed Value	$1,441,900	$1,441,900	$1,441,900	$1,441,900	$1,441,900	$1,441,900	
Percentage Abated	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	
Net Tax Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	***Total***
Tax Paid w/o Abatement	$43,257	$43,257	$43,257	$43,257	$43,257	$43,257	***$259,542***
Taxes Paid w/Abatement	$0.00	$0.00	$0.00	$0.00	$1.00	$2.00	***$0.00***

6 YEAR

Urban Air Indiana LLC

Sample Property Tax (6 Year)

Vacant Building Deduction: $1,441,900

Tax Rate: 3.0%

	2016 pay 2017	*2017 pay 2018*	*2018 pay 2019*	*2019 pay 2020*	*2020 pay 2021*	*2021 pay 2022*	
Assessed Value	$1,441,900	$1,441,900	$1,441,900	$1,441,900	$1,441,900	$1,441,900	
Net Tax Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Tax w/o Abatement	$43,257	$43,257	$43,257	$43,257	$43,257	$43,257	
Abatement Rate	**100%**	**85%**	**70%**	**55%**	**30%**	**15%**	
Amount Abated	$43,257	$36,768	$30,280	$23,791	$12,977	$6,489	***Total***
Taxes Paid w/Abatement	$0	$6,489	$12,977	$19,466	$30,280	$36,768	***$105,980***

3 YEAR

Urban Air Indiana LLC

Sample Property Tax on Personal Property (3 Year)

Personal Property Tax Investment: $510,000

Tax Rate: 3.0%

	2016 Payable 2017	***2017 Payable 2018***	***2018 Payable 2019***	
Cost of Equipment	$510,000	$510,000	$510,000	
True Cash Percentage Rate	65%	50%	35%	
True Cash Value	$331,500	$255,000	$178,500	
Net Tax Rate	3.0%	3.0%	3.0%	***Total***
Tax w/o Abatement	$9,945	$7,650	$5,355	***$22,950***
Abatement Rate	100%	66%	33%	
Amount Abated	$9,945	$5,049	$1,767	***Total***
Taxes Paid w/Abatement	$0	$2,601	$3,588	***$6,189***

				Total Fees Paid
5% Fee	$497	$252	$88	***$838***

Total Tax Savings without Economic Development Fee

$16,761

Total Tax Savings with 5% Economic Development Fee

$15,923

5 YEAR

Urban Air Indiana LLC

Sample Property Tax on Personal Property (5 Year Period)

Personal Property Tax Investment: $510,000

Tax Rate: 3.0%

	2016 Payable 2017	***2017 Payable 2018***	***2018 Payable 2019***	***2019 Payable 2020***	***2020 Payable 2021***	
Cost of Equipment	$510,000	$510,000	$510,000	$510,000	$510,000	
True Cash Percentage Rate	40%	56%	42%	32%	24%	
True Cash Value	$204,000	$285,600	$214,200	$163,200	$122,400	
Net Tax Rate	3.0%	3.0%	3.0%	3.0%	3.0%	***Total***
Tax w/o Abatement	$6,120	$8,568	$6,426	$4,896	$3,672	***$29,682***
Abatement Rate	100%	80%	60%	40%	20%	
Amount Abated	$6,120	$6,854	$3,856	$1,958	$734	***Total***
Taxes Paid w/Abatement	$0	$1,714	$2,570	$2,938	$2,938	***$10,159***

						Total Fees Paid
5% Fee	$306	$343	$193	$98	$37	***$976***

Total Tax Savings without Economic Development Fee

$19,523

Total Tax Savings with 5% Economic Development Fee

$18,547