

AGENDA RESERVATION REQUEST

CITY OF FRANKLIN COMMON COUNCIL

Please type or print

Date Submitted:	October 17, 2016	Meeting Date:	October 17, 2016
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:			
Economic Development Target Area – 11 72 N. Main Street: Resolution 2016-15			
Confirming Resolution 2016-18			
Vacant Building Tax Abatement: Resolution 2016-16			
List Supporting Documentation Provided:			
Memo			
Staff Report			
Application			
Resolutions 2016-15, 2016-18, and 2016-16			
Who will present the request?			
Name:	Krista Linke	Telephone:	317-736-3631

The Franklin City Council meets on the 1st and 3rd Monday of each month at 6:00 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

Memorandum

To: City Council

From: Krista Linke, Director

Date: October 17, 2016

Re: ERA Designation, Vacant Building Deduction & Personal Property Tax Abatement

The City of Franklin Economic Development Commission (EDC) reviewed and acted on a vacant building deduction request from Urban Air of Indiana LLC, at a meeting held on October 11th, 2016. The board voted to forward a favorable recommendation to the City Council for a three year vacant building deduction at 100%.

The new tenant in the building owned by Frankinc LLC will be Urban Air of Indiana LLC. They also requested a personal property abatement. The board tabled this request to their November 8th meeting. Clarification needs to occur regarding the eligibility of the equipment for a personal property tax abatement.

The has not been designated an Economic Development Target Area. Therefore, two resolutions and two meetings are needed to create the Economic Revitalization Area. Resolution 2016-15 will be heard at the October 17th City Council Meeting. Resolution 2016-18 will confirm Resolution 2016-15 and will be heard at the November 7th City Council Meeting. Once the EDTA has been established, the City Council will be able to review and act on the vacant building deduction request on November 7th. The resolution for this request is Resolution Number 2016-16.

Attached to this memo are:

1. Case EDC 2016-05 Staff Report
2. Application and requested forms
3. Sample Tax Phase-In Savings Schedules
4. Resolution 2016-15 (for the October 17th meeting)
5. Exhibit A – Legal Description
6. Resolution 2016-18 (to be heard at the November 7th meeting)
7. Resolution 2016-16 (to be heard at the November 7th meeting)
8. Exhibit A – Legal Description
9. Exhibit B - Form SB-1 Vacant Building Deduction

If you have any questions regarding this request please contact me directly at 346-1250.



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Staff Report

To: Economic Development Commission Members

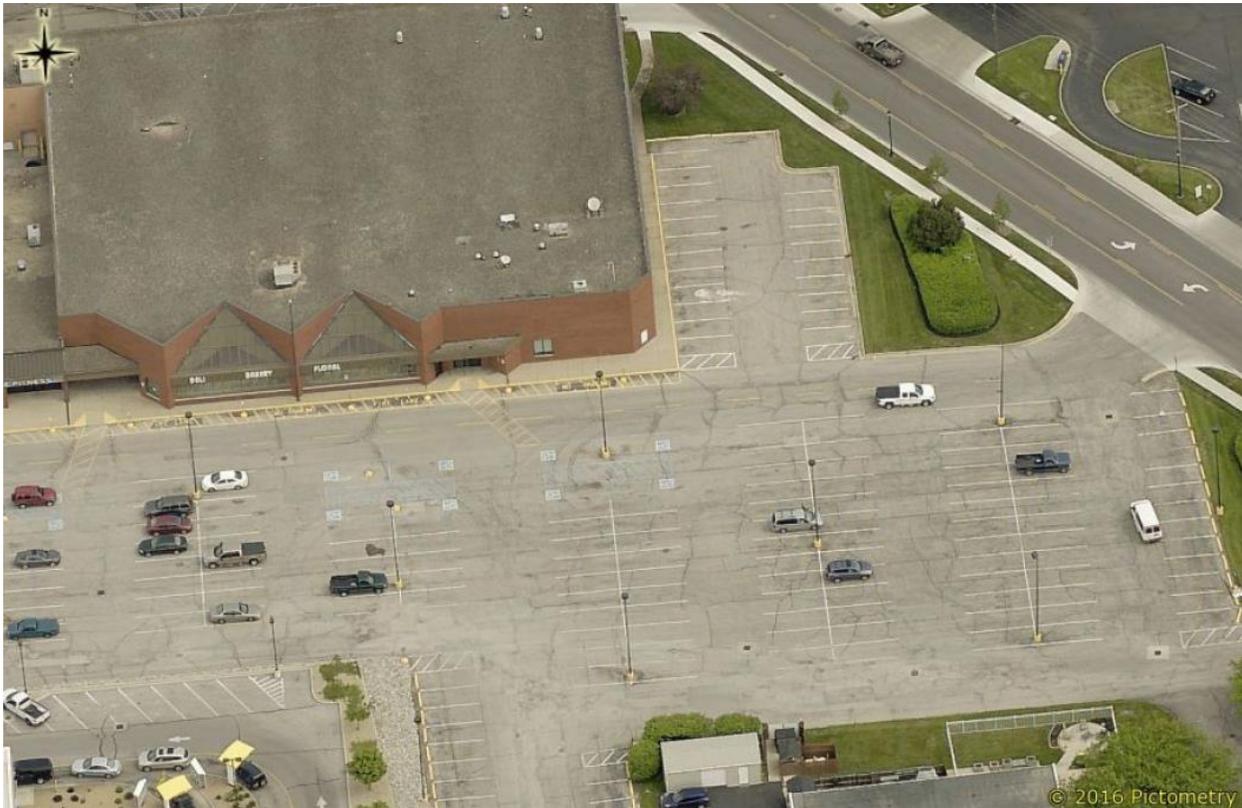
From: Krista Linke, Director

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 activities on its 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 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	<u>559,200</u>
2. Building	<u>882,700</u>
3. Inventory	<u>n/a</u>
4. Equipment	<u>n/a</u>

Have building permits been applied for (if applicable): Yes No
Has equipment been installed (if applicable): Yes No

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

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 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 0	Salaries n/a	Number retained n/a	Salaries n/a	Number additional n/a	Salaries \$110,000.00
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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 <i>Nichole Rains</i>	Title Owner	Date signed (month, day, year) 07/29/2016
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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; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> 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:

- | | |
|-------------------------------------|--------------------------------------|
| <input type="checkbox"/> 1 year | <input type="checkbox"/> 6 years |
| <input type="checkbox"/> 2 years | <input type="checkbox"/> 7 years |
| <input type="checkbox"/> 3 years | <input type="checkbox"/> 8 years |
| <input type="checkbox"/> 4 years | <input type="checkbox"/> 9 years |
| <input type="checkbox"/> 5 years ** | <input type="checkbox"/> 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
Description of eligible vacant building that the property owner or tenant will occupy (use additional sheets if necessary). See attached.	DLGF taxing district number 41009
	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 <i>Nichole A. Rains</i>	Title Owner	Date signed (month, day, year) 7/29/2016
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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 (<i>signature and title of authorized member of designating body</i>)	Telephone number ()	Date signed (<i>month, day, year</i>)
Printed name of authorized member of designating body	Name of designating body	
Attested by (<i>signature and title of attester</i>)	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

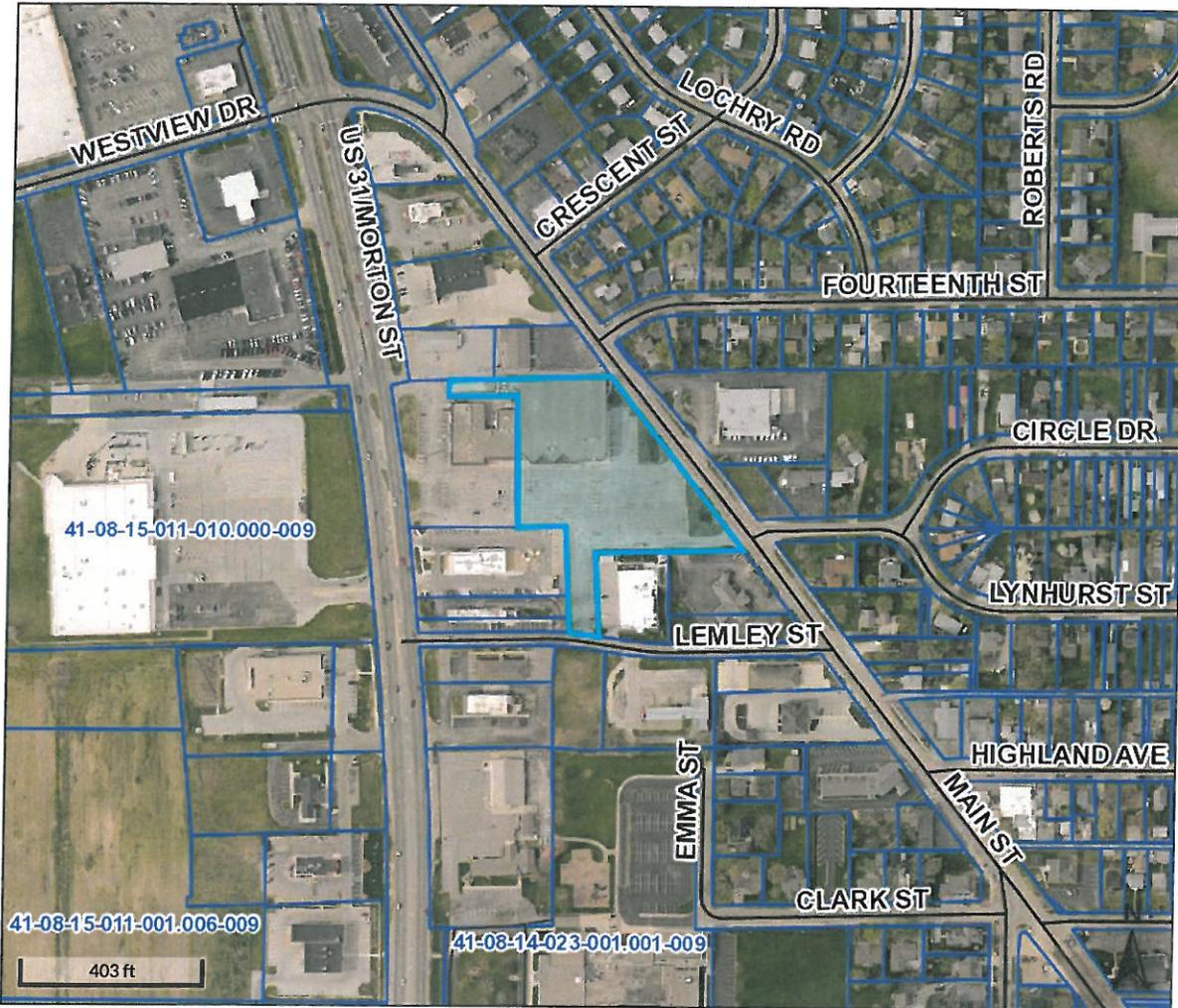
This facility is the old Marsh building that has sat vacant for 2+ years. Urban Air Indiana LLC would occupy the building, refurbish it, and operate an Urban Air Trampoline Park. Identified areas of investment are as follows:

- 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

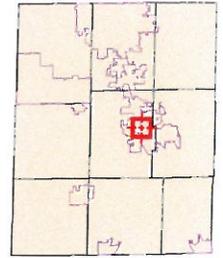
Other items in need of repair may be identified after applicant takes occupancy of the building.

Legal Description

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



Overview



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
Sec/Twp/Rng	n/a	Class	Com Supermarkets		4848 ROUTE 8 UNIT 2
Property Address	1172 N MAIN ST FRANKLIN	Acreage	3.591		ALLISON PARK, PA 15101-0000
District	009				
Brief Tax Description	JOHN CLARK'S 2ND ADD PT LOT 17 & PT LOT 18 <i>(Note: Not to be used on legal documents)</i>				

DISCLAIMER: Johnson County maintains this World Wide Web site to enhance public access to information. This site is continually under development and therefore subject to change without notice. While we endeavor to provide timely and accurate information, we make no guarantees. Johnson County makes no warranty, express or implied, including warranties of merchantability and fitness for a particular purpose. Use of the information is the sole responsibility of the user. The material on this site comes from a variety of sources. We do not control or guarantee the accuracy, relevance, timeliness or completeness of any outside information. Further, the inclusion of pointers to particular items is not intended to reflect their importance nor is it an endorsement of any of the views expressed or products or services offered. Maps and data are provided for informational purposes only.

Date created: 7/28/2016

**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**

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

		Jumping Equip. IT			
Year of Abatement	Buildings 2016	Equip. Type 1 2016	Equip. Type 2	Equip. Type 3	Total
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%

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

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
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**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**

CITY OF FRANKLIN, INDIANA

RESOLUTION NUMBER 2016-15

**A DECLARATORY RESOLUTION DESIGNATING AN ECONOMIC REVITALIZATION AREA
FOR URBAN AIR INDIANA, LLC (EDC 2016-05)**

WHEREAS, Urban Air Indiana LLC has submitted a Statement of Benefits and made application for an Economic Revitalization Area designation pursuant to IC 6-1.1-12.1, *et. seq.*, for the property commonly known as 1172 N. Main Street; and

WHEREAS, pursuant to IC 6-1.1-12.1, *et. seq.*, the Council may find that a particular area within the jurisdiction of the City is an Economic Revitalization Area and may by adoption of a resolution, declare such area to be an Economic Revitalization Area which resolution must be confirmed, modified, or rescinded; and

WHEREAS, pursuant to IC 6-1.1-12.1, *et. seq.*, the City of Franklin, Indiana (the "City") by and through its Common Council, acting in its capacity as the fiscal body of the City and acting as the designating body identified in IC 6-1.1-12.1 *et. seq.*, the City has the right and opportunity to abate the payment of real property taxes for real estate located within an area declared by the City to be an Economic Revitalization Area and to also abate the payment of personal property taxes within the Economic Revitalization Area; and

WHEREAS, the Franklin Economic Development Commission has on October 11th, 2016 held a public meeting and considered the economic revitalization area designation and the vacant building tax abatement request of Urban Air Indiana LLC, in a manner consistent with all applicable sections of the Indiana Code; and

WHEREAS, the Franklin Economic Development Commission made the findings required by IC 6-1.1-12.1 *et. seq.* and recommended that the property commonly known as 1172 N. Main Street, Franklin, Indiana more particularly described in Exhibit A, be designated as an economic revitalization area; and

WHEREAS, said property meets the criteria for designation as an Economic Revitalization Area pursuant to IC 6-1.1-12.1 *et. seq.*;

NOW, THEREFORE BE IT RESOLVED by the Common Council of the City of Franklin as follows:

Section 1. The Common Council has reviewed the Statement of Benefits and additional information submitted pursuant to IC 6-1.1-12.1 *et. seq.* and makes the following findings:

- a. 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; and
- b. 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; and

- c. 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; and
- d. The occupation of the eligible vacant building will increase the tax base and assist in the rehabilitation of the economic revitalization area; and
- e. The totality of benefits is sufficient to justify the deduction.

Section 2. Based on these findings, the Common Council has determined that the purposes of IC 6-1.1-12.1 *et. seq.* are served by allowing the deduction, and the property described in Exhibit A is hereby declared to be an Economic Revitalization Area.

Section 3. A public hearing shall be held on the 7th day of November, 2016 at 6:00 p.m. at the Franklin City Hall Council Chambers, 70 E. Monroe Street, Franklin, Indiana. The Council shall publish or cause to be published, pursuant to the provisions of IC 6-1.1-12.1 *et. seq.*, notice of the adoption and substance of this Resolution in accordance with IC 5-3-1, one time at least 10 days before the date of the public hearing on this matter, which notice shall state the date and time for the public hearing, that the Council will hear all remonstrance's and objections from interested persons at the public hearing, and that at the conclusion of the public hearing, the Council may take final action on the proposed designation determining whether the qualifications for an economic revitalization area have been met and confirm, modify, or rescind this Resolution. A copy of this Resolution, including a legal description of the property, will be filed with and shall be available for inspection in the office of the Johnson County Assessor.

Section 4. Said designation shall begin and be in full force and effect immediately upon adoption of the Confirming Resolution.

Introduced and Filed on the 17th day of October, 2016.

DULY PASSED on this 17th day of October, 2016, by the Common Council of the City of Franklin, Johnson County, Indiana, having been passed by a vote of _____ in Favor and _____ Opposed.

Voting Affirmative:

Voting Opposed:

Stephen Barnett, Council President

Stephen Barnett, Council President

Kenneth W. Austin, Vice President

Kenneth W. Austin, Vice President

Joseph P. Abban

Joseph P. Abban

Joseph R. Ault

Joseph R. Ault

Andrew Eggers

Andrew Eggers

Keith Fox

Keith Fox

Richard L. Wertz

Richard L. Wertz

Attest:

Jayne Rhoades
Clerk-Treasurer

Presented by me to the Mayor of the City of Franklin for his approval or veto pursuant to Indiana Code § 36-4-6-15, 16, this this _____ day of _____, _____ at 6:00 o'clock a.m./p.m.

Jayne Rhoades
Clerk-Treasurer

This ordinance having been passed by the legislative body and presented to me [Approved by me and duly adopted, pursuant to Indiana Code § 36-4-6-16(a)(1)] [Vetoed, pursuant to Indiana Code § 36-4-6-16(a)(2)], this this _____ day of _____, _____ at 6:00 o'clock a.m./p.m.

Joseph E. McGuinness
Mayor

Attest:

Jayne Rhoades
Clerk-Treasurer

Exhibit A

Legal Description:

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

CITY OF FRANKLIN, INDIANA

RESOLUTION NUMBER 2016-18

**RESOLUTION SETTING FORTH FINAL ACTION IN DETERMINING AN ECONOMIC REVITALIZATION AREA
AND CONFIRMING RESOLUTION 2016-15 OF October 17, 2016
(EDC 2016-05: URBAN AIR OF INDIANA LLC)**

WHEREAS, Indiana Code IC 6-1.1-12.1-1 et seq., as amended, allows for the abatement of property taxes for certain property constructed in or located in economic revitalization areas; and

WHEREAS, Indiana Code IC 6-1.1-12.1-1 et seq., as amended, empowers the Common Council of the City of Franklin to designate economic revitalization areas; and

WHEREAS, Urban Air of Indiana LLC has applied for certain property to be designated as an economic revitalization area; and

WHEREAS, at a regular meeting of the Common Council of the City of Franklin, Indiana held on October 17, 2016, said Common Council reviewed and approved said request and declared certain real estate within the City of Franklin, Indiana commonly known as 1172 N. Main Street, Franklin, Indiana to be an Economic Revitalization Area pursuant to the specification of Resolution No. 2016-15, adopted and approved that date; and

WHEREAS, a copy of the declaratory resolution and description of the affected real estate have been available for public inspection in the office of the City of Franklin Economic Development Commission, located at 70 E. Monroe Street, Franklin, Indiana; and

WHEREAS, after the adoption of the preliminary declaratory resolution, notice of the adoption of the resolution was properly published pursuant to IC 6-1.1-12.1-2.5 and appropriate explanatory information was provided to each taxing unit that has authority to levy property taxes in the geographic area described; and

WHEREAS, the Council conducted a public hearing on this matter on the 7th November, 2016, at 6:00 p.m. in the City Hall Council Chambers, 70 E. Monroe Street, Franklin, Indiana. No remonstrance, written or oral, has been filed with regard to Resolution Number 2016-15 stating opposition of any type or character, to said Resolution, or the designation of the real estate described therein as an Economic Revitalization Area; and

NOW, THEREFORE BE IT RESOLVED, by the Common Council of the City of Franklin, Indiana, that the above described real estate is designated as an economic revitalization area as set forth in IC 6-1.1-12.1-1 et seq.

BE IT ALSO RESOLVED that the designation of the subject property as an economic revitalization area will assist in the inducement of projects to locate in the economic revitalization area which will provide employment opportunities to the residents of Johnson County, Indiana.

BE IT ALSO RESOLVED that the designation of said real estate as an economic revitalization area shall not be limited to a specific time period and shall continue indefinitely. The Council reserves the right to terminate this designation by subsequent resolution, if necessary.

BE IT ALSO RESOLVED that upon adoption of the Resolution, the Clerk-Treasurer of the City of Franklin, Indiana shall cause a certified copy of this Resolution to be filed with the Johnson County Assessor and/or such other Johnson County government officials as shall be necessary to make *Frankinc LLC (building owner) for the benefit of Urban Air Indiana LLC (lessee)* eligible to file for tax abatement as to the real property that qualifies as an “eligible vacant building” as defined by IC 6-1.1-12.1-1(17), and reviewed and approved by Resolution Number 2016-15 and ratified and affirmed by this Resolution.

BE IT FINALLY RESOLVED that any part, parts, clause, or portion of this resolution shall not be adjudged invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of this resolution as whole or any part, clause, or portion of this resolution.

Introduced and Filed on the _____ day of _____, 2016.

DULY PASSED on this _____ day of _____, 2016, by the Common Council of the City of Franklin, Johnson County, Indiana, having been passed by a vote of _____ in Favor and _____ Opposed.

Voting Affirmative:

Voting Opposed:

Stephen Barnett, Council President

Stephen Barnett, Council President

Kenneth W. Austin, Vice President

Kenneth W. Austin, Vice President

Joseph P. Abban

Joseph P. Abban

Joseph R. Ault

Joseph R. Ault

Andrew Eggers

Andrew Eggers

Keith Fox

Keith Fox

Richard L. Wertz

Richard L. Wertz

Attest:

Jayne Rhoades
Clerk-Treasurer

Presented by me to the Mayor of the City of Franklin for his approval or veto pursuant to Indiana Code § 36-4-6-15, 16, this this _____ day of _____, _____ at 6:00 o'clock a.m./p.m.

Jayne Rhoades
Clerk-Treasurer

This ordinance having been passed by the legislative body and presented to me [Approved by me and duly adopted, pursuant to Indiana Code § 36-4-6-16(a)(1)] [Vetoed, pursuant to Indiana Code § 36-4-6-16(a)(2)], this this _____ day of _____, _____ at 6:00 o'clock a.m./p.m.

Joseph E. McGuinness
Mayor

Attest:

Jayne Rhoades
Clerk-Treasurer

Prepared by: Krista M. Linke, Director of Community Development

CITY OF FRANKLIN, INDIANA

RESOLUTION NUMBER 2016-16

**A RESOLUTION AUTHORIZING THE APPROVAL OF TAX ABATEMENT
FOR REUSE OF AN ELIGIBLE VACANT BUILDING
(EDC 2016-05: URBAN AIR INDIANA LLC)**

WHEREAS, the Indiana General Assembly has enacted a statute, IC 6-1-12-1 (the "Act) authorizing certain tax deductions from the assessed value of Eligible Vacant Buildings (as defined in the Act) for the purpose of encouraging the reuse of vacant buildings within an economic development area; and

WHEREAS, the Act provides that the Common Council may find that an Eligible Vacant Building that is to be occupied and is located in an Economic Revitalization Area; and

WHEREAS, Frankinc, LLC (Building Owner) for the benefit of Urban Air Indiana LLC (Lessee) (the "Applicant") has requested the approval of a deduction for the purposes of tax abatement for property commonly known as 1172 N. Main Street, Franklin, Indiana more particularly described in Exhibit A. Said property is located in an Economic Revitalization Area; and the request was accompanied by a Statement of Benefits, attached hereto as Exhibit B; and

WHEREAS, the information submitted by the Applicant was reviewed by the Franklin Economic Development Commission at their regular monthly meeting on October 11th, 2016 and recommends that Frankinc, LLC receive a 3 year vacant building tax abatement, and that the percentage amount of the deduction for each year shall be 100%, for the real estate described in Exhibit A and described in the tax abatement request and the Statement of Benefits attached hereto as Exhibit B; and

WHEREAS, the Common Council has given careful consideration to the materials submitted and affirms the findings of the Franklin Economic Development Commission relative to the requirements of IC 6-1.1-12.1-4.8, and specifically including the following findings:

- 1) The estimate of the value 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; and
- 2) 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; and
- 3) 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; and
- 4) The occupation of the eligible vacant building will increase the tax base and assist in the rehabilitation of the economic revitalization area; and
- 5) The totality of benefits is sufficient to justify the deduction.

NOW, THEREFORE BE IT RESOLVED by the Common Council of the City of Franklin, Indiana:

- 1) The Council finds and determines that the real estate described in Exhibit A is located in an Economic Revitalization Area; and

- 2) The Council finds and determines that the building located at 1172 N. Main Street meets the Eligible Vacant Building criteria as outlined in IC 6-1.1-12.1(17) because it is zoned for commercial use, and it has been unoccupied for at least one year before the owner of the building or a tenant of the owner occupies the building.
- 3) The Council limits the allowed deduction for _____ years and the percentage amount of the deduction for each year shall be _____%.
- 4) This resolution shall be in full force an effect from and after its passage by the Common Council and such publications as may be required by law.
- 5) It is understood that Frankinc, LLC is responsible for following all annual state and local filing requirements regarding this abatement to assure receipt of the abatement per the applicable three year schedule.

Introduced and Filed on the _____ day of _____, 2016.

DULY PASSED on this _____ day of _____, 2016, by the Common Council of the City of Franklin, Johnson County, Indiana, having been passed by a vote of _____ in Favor and _____ Opposed.

City of Franklin, Indiana, By its Common Council:

Voting Affirmative:

Voting Opposed:

Stephen Barnett, Council President

Stephen Barnett, Council President

Kenneth W. Austin, Vice President

Kenneth W. Austin, Vice President

Joseph P. Abban

Joseph P. Abban

Joseph R. Ault

Joseph R. Ault

Andrew Eggers

Andrew Eggers

Keith Fox

Keith Fox

Richard L. Wertz

Richard L. Wertz

Attest:

Jayne Rhoades
Clerk-Treasurer

Presented by me to the Mayor of the City of Franklin for his approval or veto pursuant to Indiana Code § 36-4-6-15, 16, this this _____ day of _____, _____ at 6:00 o'clock a.m./p.m.

Jayne Rhoades
Clerk-Treasurer

This ordinance having been passed by the legislative body and presented to me [Approved by me and duly adopted, pursuant to Indiana Code § 36-4-6-16(a)(1)] [Vetoed, pursuant to Indiana Code § 36-4-6-16(a)(2)], this this _____ day of _____, _____ at 6:00 o'clock a.m./p.m.

Joseph E. McGuinness
Mayor

Attest:

Jayne Rhoades
Clerk-Treasurer

Prepared by: Krista M. Linke, Director of Community Development

Exhibit A

Legal Description:

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



**STATEMENT OF BENEFITS
VACANT BUILDING DEDUCTION**

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

Exhibit B

20 <u>17</u> PAY 20 <u>18</u>
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 Franking, LLC (Building Owner) for the benefit of Urban Air Indiana LLC (Lessee)					
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 97 E. Monroe 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) November 2016	
				Estimated date placed-in-use (month, day, year) March 2017 (Grand Opening Estimate)	
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS A RESULT OF PROPOSED PROJECT					
Current number 0	Salaries 0	Number retained 0	Salaries 0	Number additional 2	Salaries \$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 Franklin Development Corporation has partnered with WEB Partnership for the past two years to find a tenant for this property. The first project started and demolition on the interior of the building was mostly completed, but the developer backed out of the project in 2014. 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. \$225,000					
List any other benefits resulting from the occupancy of the eligible vacant building. The new owner will invest a large amount of money into the property and the assessed value will be greatly increased. 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 <i>Nichole Rains</i>			Title Owner		Date signed (month, day, year) 10/6/2016

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:

<input type="checkbox"/> Year 1	<input type="checkbox"/> Year 2	<input type="checkbox"/> Year 3	<input type="checkbox"/> Year 4	<input type="checkbox"/> Year 5 (* <i>see below</i>)
<input type="checkbox"/> Year 6	<input type="checkbox"/> Year 7	<input type="checkbox"/> Year 8	<input type="checkbox"/> Year 9	<input type="checkbox"/> 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 (<i>signature and title of authorized member of designating body</i>)	Telephone number ()	Date signed (<i>month, day, year</i>)
Printed name of authorized member of designating body	Name of designating body	
Attested by (<i>signature and title of attester</i>)	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.