



# CITY OF FRANKLIN

Community Development Department

## Memorandum

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

**From:** Rhoni Oliver, Community Development Specialist

**Date:** March 2, 2017

**Re:** Case C 2017-04: BCC Products

### Summary:

1. On December 10<sup>th</sup>, 2007, the Franklin Common Council passed Resolution No. 2007-15, approving a 10-year tax abatement on real property for BCC Products, located at 2140 Earlywood Drive.
2. Actual and estimated benefits, as projected for 2016:

	Estimated on SB-1	Actual in 2016	Difference
Employees Retained	15	13	-2
Salaries	\$532,900	\$784,644	\$251,744
New Employees	3	8	5
Salaries	\$166,400	\$633,161	\$466,761
Total Employees	18	21	3
Total Salaries	\$699,300	\$1,417,805	\$718,505
Average Hourly Salaries	\$18.68	\$32.46	\$13.78
Real Property Improvements	\$800,000	\$877,737	\$77,737

3. The company has exceeded their estimate provided on the SB-1 Form for Real Property.
4. The company met their estimate for the number of employees retained in 2011, but not in 2012 or 2013. However, they added more new employees than estimated. At the end of 2011 they had a total of 16 employees and at the end of 2012 they had 20 total employees. At the end of 2013 they had 23 total employees. There were a total of 26 employees in 2014. There were 27 employees in 2015 and the average hourly salary was \$27.99. They have reduced the number of employees in 2016 to 21, but the average hourly salary has increased to \$32.46. The average hourly salaries greatly exceed their original estimate again this year.
5. The real property tax abatement is scheduled to expire in tax year 2017 payable 2018. The final compliance review will take place in 2018.

**Staff Recommendation:** Approval



**BCC PRODUCTS, INC.**



**BLEHM PLASTICS**

FAST CAST - EPOXIES - ADHESIVES - POLYSULFIDES - URETHANES - POLYESTER PASTES - TOOLING BOARDS - RELEASE AGENTS - SILICONES

BCC Products, Inc.  
Post Office Box 327  
Franklin, IN 46131

February 21, 2017

City of Franklin  
Attn: Krista Linke, AICP  
70 East Monroe Street  
Franklin, IN 46131

Re: 2016 Tax Abatement Compliance Reporting

Dear Ms. Linke,

Enclosed please find Form CF-1/Real Property, Compliance with Statement of Benefits Real Estate Improvements, regarding compliance with the real property tax abatement which was granted to BCC Products, Inc. under Franklin Common Council Resolution 07-15.

As of December 31, 2009 the expansion was complete (in excess of the amounts stated on the SB-1).

As I stated in this letter last year, please note on the Real Property CF-1 that the Section 4 difference of \$822,300 between the beginning \$753,400 and ending \$1,575,700 assessed value is made up of three values. The first is an increase of \$159,900 in the land value. The second is an increase of \$6,000 in the value of improvements prior to the expansion. The third, reflecting the revised 2009 assessment on the existing building and expansion in the amount of \$656,400. The actual abatement granted is on assessed valuation of \$700,000.

I would be happy to answer any questions you might have regarding the enclosed facts and figures. Please contact me at 317-736-4090 at your convenience.

Sincerely,

Roger Brunette, Jr., President  
BCC Products, Inc

2140 Earlywood Drive, P.O. Box 327, Franklin, IN 46131  
Ph (317) 736-4090 Fax (317) 736-4872  
Web: [www.bccproducts.com](http://www.bccproducts.com) & [www.blehmplastics.com](http://www.blehmplastics.com)



# COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20 16 PAY 20 17

FORM CF-1 / Real Property

## PRIVACY NOTICE

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

### INSTRUCTIONS:

1. This form does not apply to property located in a residentially distressed area or any deduction for which the Statement of Benefits was approved before July 1, 1991.
2. Property owners must file this form with the county auditor and the designating body for their review regarding the compliance of the project with the Statement of Benefits (Form SB-1/Real Property).
3. This form must accompany the initial deduction application (Form 322/RE) that is filed with the county auditor.
4. This form must also be updated each year in which the deduction is applicable. It is filed with the county auditor and the designating body before May 15, or by the due date of the real property owner's personal property return that is filed in the township where the property is located. (IC 6-1.1-12.1-5.1(b))
5. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance form (Form CF-1/Real Property).

SECTION 1		TAXPAYER INFORMATION	
Name of taxpayer <b>BCC Products, Inc. / RDB Holdings, LLC</b>		County <b>Johnson</b>	
Address of taxpayer (number and street, city, state, and ZIP code) <b>Post Office Box 327, Franklin, IN 46131</b>		DLGF taxing district number	
Name of contact person <b>Roger Brunette, Jr.</b>		Telephone number <b>( 317 ) 736-4090</b>	
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body <b>Common Council of the City of Franklin</b>		Resolution number <b>07-15</b>	Estimated start date (month, day, year) <b>12/01/2007</b>
Location of property <b>2140 Earlywood Drive, Franklin, IN 46131</b>		Actual start date (month, day, year) <b>12/01/2007</b>	
Description of real property improvements <b>10,200 Sq Feet Added to Warehouse and Manufacturing Area Using Steel and Masonry Block Exterior</b>		Estimated completion date (month, day, year) <b>05/31/2008</b>	
		Actual completion date (month, day, year) <b>09/01/2008</b>	
SECTION 3		EMPLOYEES AND SALARIES	
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		15	21
Salaries		532,900.00	1,417,805.00
Number of employees retained		15	13
Salaries		532,900.00	784,644.00
Number of additional employees		3	8
Salaries		166,400.00	633,161.00
SECTION 4		COST AND VALUES	
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE
Values before project		1,316,828.00	753,400.00
Plus: Values of proposed project		800,000.00	
Less: Values of any property being replaced			
Net values upon completion of project		2,116,828.00	753,400.00
ACTUAL		COST	ASSESSED VALUE
Values before project		1,316,828.00	753,400.00
Plus: Values of proposed project		877,737.00	
Less: Values of any property being replaced			
Net values upon completion of project		2,194,565.00	1,575,700.00
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	
WASTE CONVERTED AND OTHER BENEFITS		AS ESTIMATED ON SB-1	ACTUAL
Amount of solid waste converted			
Amount of hazardous waste converted			
Other benefits:			
SECTION 6		TAXPAYER CERTIFICATION	
I hereby certify that the representations in this statement are true.			
Signature of authorized representative <i>Roger Brunette, Jr.</i>		Title <i>Owner</i>	Date signed (month, day, year) <i>7/10/11</i>

**OPTIONAL: FOR USE BY A DESIGNATING BODY WHO ELECTS TO REVIEW THE COMPLIANCE WITH STATEMENT OF BENEFITS (FORM CF-1)  
THAT WAS APPROVED AFTER JUNE 30, 1991**

INSTRUCTIONS: (IC 6-1.1-12.1-5.1 and IC 6-1.1-12.1-5.9)

1. Not later than forty-five (45) days after receipt of this form, the designating body may determine whether or not the property owner has substantially complied with the Statement of Benefits (Form SB-1/Real Property).
2. If the property owner is found **NOT** to be in substantial compliance, the designating body shall send the property owner written notice. The notice must include the reasons for the determination and the date, time and place of a hearing to be conducted by the designating body. The date of this hearing may not be more than thirty (30) days after the date this notice is mailed. A copy of the notice may be sent to the county auditor and the county assessor.
3. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable efforts to substantially comply with the Statement of Benefits (Form SB-1/Real Property) and whether any failure to substantially comply was caused by factors beyond the control of the property owner.
4. If the designating body determines that the property owner has **NOT** made reasonable efforts to comply, then the designating body shall adopt a resolution terminating the property owner's deduction. If the designating body adopts such a resolution, the deduction does not apply to the next installment of property taxes owed by the property owner or to any subsequent installment of property taxes. The designating body shall immediately mail a certified copy of the resolution to: (1) the property owner; (2) the county auditor; and (3) the county assessor.

We have reviewed the CF-1 and find that:

- ☐ the property owner **IS** in substantial compliance
- ☐ the property owner **IS NOT** in substantial compliance
- ☐ other (specify) \_\_\_\_\_

Reasons for the determination (attach additional sheets if necessary)

Signature of authorized member

Date signed (month, day, year)

Attested by:

Designating body

If the property owner is found not to be in substantial compliance, the property owner shall receive the opportunity for a hearing. The following date and time has been set aside for the purpose of considering compliance. (Hearing must be held within thirty (30) days of the date of mailing of this notice.)

Time of hearing

- ☐ AM  
☐ PM

Date of hearing (month, day, year)

Location of hearing

**HEARING RESULTS (to be completed after the hearing)**

☐ Approved

☐ Denied (see instruction 4 above)

Reasons for the determination (attach additional sheets if necessary)

Signature of authorized member

Date signed (month, day, year)

Attested by:

Designating body

**APPEAL RIGHTS [IC 6-1.1-12.1-5.9(e)]**

A property owner whose deduction is denied by the designating body may appeal the designating body's decision by filing a complaint in the office of the Circuit or Superior Court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner.

Attachment to Form OC-1/PP (Compliance with Statement of Benefits) Section 3  
Job Creation Schedule by Quarter

Actual Number of Employees as of 12/31/06 (From SB-1)	Proposed Total Employees by 12/31/07 (From SB-1)	2/3/2007	Actual Number of Employees Added During Year (by Quarter) 6/30/2007	9/30/2007	12/31/2007	Actual Total Number of Employees as of 12/31/07	Difference Between Actual and Proposed Number of Employees
7	15	n/a	n/a	4	0	11	(4)
Actual Number of Employees as of 12/31/2007	Proposed Total Employees by 12/31/07 (From SB-1)	3/31/2008	Actual Number of Employees Added During Year (by Quarter) 6/30/2008	9/30/2008	12/31/2008	Actual Total Number of Employees	Difference Between Actual and Proposed Number of Employees
11	15	6	0	0	0	17	Plus 2
Actual Number of Employees as of 12/31/2008	Proposed Total Employees by 12/31/07 (From SB-1)	3/31/2009	Actual Number of Employees Added During Year (by Quarter) 6/30/2009	9/30/2009	12/31/2009	Actual Total Number of Employees	Difference Between Actual and Proposed Number of Employees
17	15	0	1	0	0	18	Plus 3
Actual Number of Employees as of 12/31/2009	Proposed Total Employees by 12/31/07 (From SB-1)	3/31/2010	Actual Number of Employees Added During Year (by Quarter) 6/30/2010	9/30/2010	12/31/2010	Actual Total Number of Employees	Difference Between Actual and Proposed Number of Employees
18	15	0	(2)	(1)	0	15	Even
Actual Number of Employees as of 12/31/2010	Proposed Total Employees by 12/31/07 (From SB-1)	3/31/2011	Actual Number of Employees Added During Year (by Quarter) 6/30/2011	9/30/2011	12/31/2011	Actual Total Number of Employees	Difference Between Actual and Proposed Number of Employees
15	15	0	1	0	-1	15	Even
Actual Number of Employees as of 12/31/2011	Proposed Total Employees by 12/31/07 (From SB-1)	3/31/2012	Actual Number of Employees Added During Year (by Quarter) 6/30/2012	9/30/2012	12/31/2012	Actual Total Number of Employees	Difference Between Actual and Proposed Number of Employees
15	15	2	1	3	-1	20	Plus 5
Actual Number of Employees as of 12/31/2012	Proposed Total Employees by 12/31/07 (From SB-1)	3/31/2013	Actual Number of Employees Added During Year (by Quarter) 6/30/2013	9/30/2013	12/31/2013	Actual Total Number of Employees	Difference Between Actual and Proposed Number of Employees
20	15	0	2	-1	2	23	Plus 8
Actual Number of Employees as of 12/31/2013	Proposed Total Employees by 12/31/07 (From SB-1)	3/31/2014	Actual Number of Employees Added During Year (by Quarter) 6/30/2014	9/30/2014	12/31/2014	Actual Total Number of Employees	Difference Between Actual and Proposed Number of Employees
23	15	0	1	-1	3	26	Plus 11
Actual Number of Employees as of 12/31/2014	Proposed Total Employees by 12/31/07 (From SB-1)	3/31/2015	Actual Number of Employees Added During Year (by Quarter) 6/30/2015	9/30/2015	12/31/2015	Actual Total Number of Employees	Difference Between Actual and Proposed Number of Employees
26	15	-2	1	-1	3	27	Plus 12
Actual Number of Employees as of 12/31/2015	Proposed Total Employees by 12/31/07 (From SB-1)	3/31/2016	Actual Number of Employees Added During Year (by Quarter) 6/30/2016	9/30/2016	12/31/2016	Actual Total Number of Employees	Difference Between Actual and Proposed Number of Employees
27	15	2	-2	-1	-5	21	Plus 6