



CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission
From: Rhoni Oliver, Community Development Specialist
Date: April 26, 2019
Re: Case C 2019-50: Tippmann Realty Partners (700 Bartram Parkway: **Phases 1-3**)

Summary:

- On July 26, 2004, the Franklin Common Council passed Resolution No. 2004-06, approving a 10-year real property tax abatement for the construction of a new facility located at 700 Bartram Parkway (Interstate Warehousing Phase 1). On June 2nd, 2008, the Franklin Common Council passed Resolution No. 2008-13 to clarify Resolution No. 2004-06, approving a 10-year real property tax abatement for each of three phases of construction. Each of the three phases is a separate 10 year tax abatement. Each construction phase of the facility will entail a minimum building area of 140,000 square feet and will employ a minimum 25 workers. The abatement was approved for 700 Bartram Parkway (Interstate Warehousing).
- Actual and estimated benefits, as projected for 2018:

	Estimated on SB-1	Actual in 2018	Difference
New Employees	100	360	260
Salaries	\$3,500,000	\$16,776,845	\$13,276,845
Average Hourly Salaries	\$16.83	\$22.40	\$5.58
Phase 1: Real Property Improvements	\$10,500,000	\$16,361,586	\$5,861,586
Phase 2: Real Property Improvements	\$10,500,000	\$13,800,355	\$3,300,355
Phase 3: Real Property Improvements	\$10,500,000	\$11,600,453	\$1,100,453

- When the original tax abatement application was made in 2004, three phases were planned. Each phase had 25 jobs with \$875,000 total salaries. Each phase was estimated to cost \$10,500,000 to construct.
- They've also received abatements for phases 4-6. The company did not break out the employment numbers by phase; they gave a total for all five phases that are complete.
- They have exceeded their estimate for the number of employees hired.
- The company has exceeded the average hourly wage indicated on the SB-1 Form.
- The company has exceeded their estimate provided on the SB-1 Form for real property.
- The abatements for Tippmann Realty Partners expire in phases. The final compliance review will take place in 2020.

Staff Recommendation: Approval

Corporate Office

9009 Coldwater Road
Fort Wayne, IN 46825
(260) 490-3000
FAX: (260) 490-1362

April 24, 2019

Interstate Warehousing
Tippmann Properties
Tippmann Construction

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

RE: Tax Abatement Compliance Packet for Tippmann Realty Partners Phase 2-3

Dear Ms. Linke,

Enclosed, please find Forms CF-1/RE and CF-1/PP (Compliance with Statement of Benefits) regarding compliance with the real property and personal property tax abatements which were granted to Tippmann Realty Partners under Franklin Common Council Resolution number 08-13.

As can be seen from reviewing the enclosed documents, our company has been successful in

- (a) Making all of the capital investment which had been projected for the past year, and
- (b) Creating the full complement of jobs which had been proposed in the Statement of Benefits (FormSB-1) which was approved May 2008

Please review all of the enclosed documents and if you have any questions or concerns regarding this matter, please feel free to contact me at (260) 469-5460.

And Please remove Jeff Hastings as a contact on this Abatement. He is semi-retired now and will be retiring for good in October 2019. Going forward I will be taking care of all filings for the abatements.

Sincerely,



Tammy Cover
Corporate Controller
Tippmann Realty Partners
Enclosures



COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20 18 PAY 20 19

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	Tippmann Realty Partners		County	Johnson
Address of taxpayer (number and street, city, state, and ZIP code)	9009 Coldwater Rd, Fort Wayne, IN 46825		DLGF taxing district number	50
Name of contact person	Tammy Cover		Telephone number	(260) 469-5460
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY		
Name of designating body	City of Franklin Common Council	Resolution number	08-13	
Location of property	900 Bartram Pkwy	Estimated start date (month, day, year)		
Description of real property improvements	Phase 2-3	Actual start date (month, day, year)		
		Estimated completion date (month, day, year)		
		Actual completion date (month, day, year)		
SECTION 3		EMPLOYEES AND SALARIES		
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL	
Current number of employees			360	
Salaries			16,776,845	
Number of employees retained				
Salaries				
Number of additional employees		25		
Salaries		875,000		
SECTION 4		COST AND VALUES		
COST AND VALUES		REAL ESTATE IMPROVEMENTS		
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE		
Values before project				
Plus: Values of proposed project	10,500,000			
Less: Values of any property being replaced				
Net values upon completion of project				
ACTUAL	COST	ASSESSED VALUE		
Values before project				
Plus: Values of proposed project	13,800,355 PH 2			
Less: Values of any property being replaced	11,600,453 PH 3			
Net values upon completion of project	24,400,808 Total			
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER		
WASTE CONVERTED AND OTHER BENEFITS		AS ESTIMATED ON SB-1	ACTUAL	
Amount of solid waste converted				
Amount of hazardous waste converted				
Other benefits:				
SECTION 6		TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.				
Signature of authorized representative	Title	Date signed (month, day, year)		
Tammy Cover	Corporate Controller	04/24/19		