



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Dana Monson, Community Development Specialist
Date: March 9, 2021
Re: Case C 2021-06: City of Franklin 17-10

Summary:

1. On August 21st, 2017, the Franklin Common Council passed Resolution No. 2017-10, approving a 10-year tax abatement on \$2,837,000 in real property, for the City of Franklin RDC shell building located at 40 Linville Way.
2. Actual and estimated benefits, as projected for 2020:

	Estimated on SB-1	Actual in 2020	Difference
Employees Retained	NA	NA	NA
Salaries	NA	NA	NA
New Employees	NA	NA	NA
Salaries	NA	NA	NA
Total Employees	NA	NA	NA
Total Salaries	NA	NA	NA
Average Hourly Salaries	NA	NA	NA
Real Property Improvements	\$2,837,000	\$2,837,000	\$0

3. City of Franklin RDC partnered with Linville Farms and Runnebohm Construction to build the shell building. This shell was completed in 2019 and the property is now under contract to be sold to Patch Development. This abatement will transfer to Patch upon completion of the sale.
4. The real property investment is \$2,387,000.
5. The real property tax abatement is scheduled to expire in tax year 2031 payable 2032. The final compliance review will take place in 2031.

Staff Recommendation: Approval



COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

2021 PAY 2022

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 <i>City of Franklin Redevelopment Commission</i>	County <i>Johnson</i>
Address of taxpayer (number and street, city, state, and ZIP code) <i>70 E Monroe St. Franklin In 46131</i>	DLGF taxing district number
Name of contact person <i>Krista Linke</i>	Telephone number <i>(317) 736.3631</i>

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY		
Name of designating body <i>Franklin Common Council</i>	Resolution number <i>2017-10</i>	Estimated start date (month, day, year) <i>10-1-2017</i>
Location of property <i>40 Linville Way</i>	<i>41-08-02-043-001.000-009</i>	Actual start date (month, day, year) <i>10-1-2017</i>
Description of real property improvements <i>new construction of shell building only</i>		Estimated completion date (month, day, year) <i>5-1-2018</i>
		Actual completion date (month, day, year) <i>10-31-2019</i>

SECTION 3 EMPLOYEES AND SALARIES		
EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	<i>0</i>	<i>0</i>
Salaries	<i>0</i>	<i>0</i>
Number of employees retained	<i>0</i>	<i>0</i>
Salaries	<i>0</i>	<i>0</i>
Number of additional employees	<i>0</i>	<i>0</i>
Salaries	<i>0</i>	<i>0</i>

SECTION 4 COST AND VALUES		
COST AND VALUES	REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE
Values before project	<i>127400</i>	<i>127400</i>
Plus: Values of proposed project		
Less: Values of any property being replaced		
Net values upon completion of project	<i>2837000</i>	<i>2837000</i>
ACTUAL	COST	ASSESSED VALUE
Values before project	<i>127400</i>	<i>127400</i>
Plus: Values of proposed project		
Less: Values of any property being replaced		
Net values upon completion of project	<i>682600</i>	<i>682600</i>

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)

**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 5 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.