



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 2021-08: GDI Holdings (Res. 20-04)

Summary:

1. On March 2nd, 2020, the Franklin Common Council passed Resolution No. 2020-04, approving a 10-year tax abatement on \$35,000,000 in real property with a 2% Economic Development Fee, for GDI Holdings located at SR 44 and Forest Road.
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	\$35,000,000	\$0	\$35,000,000

3. GDI had stated on their SB-1 form that construction would begin in 2020. However, due to the pandemic and uncertainty in the market, the project was delayed. GDI has informed the Planning Department they will begin construction in March 2021 and have submitted all plans required. GDI has stated that the market is rebounding and while construction materials are in high demand, they do feel this will be a very successful project.

4. The real property investment is \$0, however the company has made progress with site readiness, including appearing before the county drainage board for permits for site preparation.

5. The real property tax abatement (GDI) is scheduled to expire in tax year 2031 payable 2032. The final compliance review will take place in 2031.

Staff Recommendation: Approval



GDI COMPANIES
building a better experience

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Indianapolis, IN 46256
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gdiconstruction.com

February 8, 2021

Mrs. Dana Monson
Community Development Specialist
Dept. of Community Development
70 E. Monroe St
Franklin, IN 46131

RE: Tax Abatement Compliance for GDI Holdings LLC

Dear Mrs. Monson:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real property tax abatement which were granted to GDI Holdings LLC in 2020 under Franklin Common Council Resolution No. 20-04.

As can be seen from the enclosed documents, we have not yet started construction of this speculative logistics building, however, we do plan to break ground very shortly and anticipate finishing the building in 1st Quarter 2022.

Please review all the enclosed documents and if you have any questions, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael Sheek'.

Michael Sheek
GDI Holdings LLC



COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20 21 PAY 20 22

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 GDI Holdings LLC		County Hamilton	
Address of taxpayer (number and street, city, state, and ZIP code) 9775 Crosspoint Blvd, Suite 105, Indianapolis, IN 46256		DLGF taxing district number	
Name of contact person Terry McCardwell		Telephone number (317) 567-6104	
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY			
Name of designating body The City of Franklin Common Council		Resolution number 20-04	Estimated start date (month, day, year) May 1, 2020
Location of property SE corner of SR 44 & Forest Rd, Franklin, IN <u>41-07-17-034-002.000-018</u>		Actual start date (month, day, year) March 16, 2021	
Description of real property improvements Construction of a 948,000 SF speculative logistics facility		Estimated completion date (month, day, year) January 1, 2021	
		Actual completion date (month, day, year) January 21, 2022	
SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		N/A	N/A
Salaries		N/A	N/A
Number of employees retained		N/A	N/A
Salaries		N/A	N/A
Number of additional employees		N/A	N/A
Salaries		N/A	N/A
SECTION 4 COST AND VALUES			
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	
Values before project		\$89,000	
Plus: Values of proposed project	\$35,000,000		
Less: Values of any property being replaced			
Net values upon completion of project	\$35,000,000		
ACTUAL	COST	ASSESSED VALUE	
Values before project	0	\$89,000	
Plus: Values of proposed project	0		
Less: Values of any property being replaced	0		
Net values upon completion of project	0		
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		N/A	N/A
Amount of hazardous waste converted		N/A	N/A
Other benefits:		N/A	N/A
SECTION 6 TAXPAYER CERTIFICATION			
I hereby certify that the representations in this statement are true.			
Signature of authorized representative 		Title Member	Date signed (month, day, year) 2-8-21

Construction & Occupancy Status Report

GDI Holdings LLC is projecting to begin construction on a 930,000 SF speculative logistics building in March 2021. With this schedule, we would anticipate completing construction in the 1st Quarter 2022.

Deficiency Statement

GDI Holdings LLC did not start this project in 2020 as stated on our SB-1 form. The delay was due to the pandemic and uncertainty in the market. However, the Central Indiana industrial market has proven to be extremely strong and we now plan to start in March 2021, with a 1st Quarter 2022 completion. The expected investment in real property will be over \$35,000,000.

Expansion Investment Schedule
GDI Holdings LLC

Proposed	Actual Investment as of 12/31/20	Proposed Investment by 12/31/21 (SB-1)	Estimated Investment by Quarter				Estimated Total
			3/31/2021	6/30/2021	9/30/2021	12/31/2021	
New building	\$0	\$30,600,000	\$180,000	\$10.62M	\$14.4M	\$5.4M	\$30,600,000

Job Creation Statement

GDI Holdings LLC is proposing a speculative logistics building and as such, we cannot anticipate the number or types of jobs that this development will create. According to our SB-1 form, the request for this information is not applicable.