## Memorandum

To: City of Franklin Economic Development Commission

From: Dana Monson, Community Development Specialist

Date: April 13, 201

**Re:** Case C 2021-15: NSK Corporation (10-19/13-02)

## Summary:

 On October 18<sup>th</sup>, 2010, the Franklin Common Council passed Resolution No. 2010-19, approving a 10-year tax abatement with a 5% economic development fee on personal property for NSK Corporation located at 3400 Bearing Drive. In 2013, the Franklin Common Council passed Resolution No. 2013-02, amending Resolution No. 2010-09. The investment amount was increased from \$9,440,000 to \$11,285,000.

2. Actual and estimated benefits, as projected for 2020:

	Estimated on SB-1	Actual in 2020	Difference
Total Employees	204	270	66
Salaries	\$11,603,000	\$16,647,573.05	\$5,044,573.05
Average Hourly Salaries	\$27.34	\$29.64	\$2.30
Personal Property Improvements	\$11,285,000	\$11,285,413	\$413

- 3. The company has met their estimate provided on the SB-1 Form for personal property investment.
- 4. NSK has exceeded the number of employees estimated on their SB-1 Form. Their estimated average hourly wage is higher than estimated.
- 5. The completion date approved on their SB-1 Form was July 31, 2012. The personal property tax abatement is scheduled to expire in tax year 2021 payable 2022. Their last year for compliance review will be 2022.

Staff Recommendation: Approval

NSK Corporation 3400 Bearing Dr Franklin, IN 46131

April 1, 2021

Mrs. Dana Monson, Community Development Specialist Dept. of Planning & Economic Development 70 E. Monroe Street Franklin, IN 46131

Re: Tax Abatement Compliance for NSK Corporation

Dear Mrs. Monson:

Enclosed please find Forms CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements which were granted to NSK Corporation in 2010, 2013, and 2016 under Franklin Common Council Resolution numbers 13-02 (formerly 10-19), 13-20, and 16-19.

NSK has been successful in making all of the capital investments and creating the full complement of jobs projected under Resolution number 13-02.

Per our supporting documentation, previous conversations, and previous years' compliance packet letters regarding Resolution 13-20, we did not meet our original capital expenditures target of \$20m. We had a substantially smaller investment, some of which was due to business we did not win, and some of which was canceled due to changes in business plans at global headquarters as a result of the lost business and significant currency fluctuations between the US dollar and the Japanese Yen. But we would like to draw increased attention to the fact that our headcount has exceeded the original estimates and salary amounts are still close to the original estimate.

In regards to Resolution 16-19, NSK is in the process of making all of the capital investments and has created the full complement of jobs projected under Resolution 16-19.

Please review the enclosed documents, and if you have any questions or concerns regarding this matter, please feel free to contact me.

Sincerely,

Kyle VanWambeke

Mish Van Warrlich

Advantax 630-444-2777

**Enclosures** 

## **COMPLIANCE WITH STATEMENT OF BENEFITS** PERSONAL PROPERTY

State Form 51765 (R4 / 11-16) Prescribed by the Department of Local Government Finance FORM CF-1 / PP

PRIVACY NOTICE This form contains information

confidential pursuant to IC 6-1.1-35-9 and IC 6-1.1-12.1-5.6.

INSTRUCTIONS:

- 1. Property owners whose Statement of Benefits was approved must file this form with the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
- 2. This form must be filed with the Form 103-ERA Schedule of Deduction from Assessed Value between January 1 and May 15 of each year, unless a filing extension under IC 6-1.1-3.7 has been granted. A person who obtains a filing extension must file between January 1 and the extended due date of each year.

  With the approval of the designating body compliance information for multiple projects may be consolidated on one (1) compliance.

3. With the approval of the o	lesignating boo	dy, compliance i	information i	for multiple proj	ects may be	consolidated on	one (1) co	mpliance (CF-1
SECTION 1		TAXPAYER	INFORMAT	ION				
Name of taxpayer						County		
NSK Corporation					Johnson			
Address of taxpayer (number and street, city, state, and ZIP code)					DLGF taxing district number			
PO Box 134007, Ann Arbor, MI 48	113-4007							
Name of contact person	100					Telephone numb	per	
Amy Miller						(734)9	13-7597	7
SECTION 2	LOCATI	ON AND DESC						
	Name of designating body Resolution number					Estimated start date (month, day, year)		
The City of Franklin Common Council 13-02, formerl 10-1					1 10-19	11/01/2010		
3400 Bearing Drive, Franklin, IN 40	6131					Actual start date	(month, day, 1/01/201	5
Description of new manufacturing equipment, or new re		elopment equipme	ent or new in	formation techno	oav	Estimated compl		
equipment, or new logistical distribution equipment to be		oropinom equipme	one, or new m	ionnation teemio	ogy			
Manufacturing, inspection, and assembly equipr	nent used to p	roduce taper ro	ller bearing	S		07/31/2012 Actual completion date (month, day, year)		
							7/31/201	
SECTION 3		EMPLOYEES	ANDSALA	DIES			113 1120	Z CONTRACTOR
	ES AND SAL		AND SALA	KKIES	AC EC	TIMATED ON S	D.4	ACTUAL
Current number of employees	ES AND SAL	ARIES			ASES			ACTUAL 270
Salaries								6,647,573,05
Number of employees retained								
Salaries								276,000,00
Number of additional employees					-	24 24		
Salaries						Date (Association)		860,000.00
SECTION 4		COST AN	D VALUES			1000,000.00		555,000:00
			LOG	LOGIST DIST EQUIPMENT		IT EQUIPMENT		
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	91,700,000.00	19,885,000.00						
Plus: Values of proposed project	11,285,000.00	3,388,000.00			33-22			
Less: Values of any property being replaced	0.00	0.00						
Net values upon completion of project	102,985,000.00	23,271,000.00	-18					
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	91,700,000.00	19,885,000.00						
Plus: Values of proposed project	11,285,413.00	3,385,624.00						
Less: Values of any property being replaced	60,627.00	18,188.00						
Net values upon completion of project	102,924,786.00	23,252,436.00						
NOTE: The COST of the property is confidential	pursuant to IC	6-1.1-12.1-5.6	i(c).					
SECTION 5 WASTE CO	NVERTED A	ND OTHER BE	NEFITS PR	OMISED BY T	HE TAXPA	/ER		
WASTE CONVERTED	AND OTHER	BENEFITS			AS ESTIM	ATED ON SB-1	A	CTUAL
Amount of solid waste converted							5	
Amount of hazardous waste converted						_		
Other benefits:								
SECTION 6		TAXPAYER CE	ERTIFICATI	ON				
I hereby certify that the representations in this s								
Signature of authorized representative	/.	Titl		av Agent		Date signed (mon	th, day, year)	
Signature of authorized representative Wan Vamy	h	Titl		ax Agent		Date signed (mon	th, day, year)	

Company Name	Site Code	Asset #	Description	Acquisition Date	Reported Cost	Asset Category
NSK Corporation	13-02, (Formerly 10-19)	125232-1	RK 350-20 CINCINNATI OD MACHINE W/SPARE SPINDLE	02/16/2012		Machinery & Equipment
NSK Corporation NSK Corporation	13-02, (Formerly 10-19) 13-02, (Formerly 10-19)	125245-1 125246-1	BCD HEIGHT CHECKING MACHINE ENCODER SEAL & CAP PRESS & CHECK MACHINE	12/16/2011 07/16/2011		Machinery & Equipment
NSK Corporation	13-02, (Formerly 10-19)	125255-1	INNER RING CARRIER	12/16/2011		Machinery & Equipment Machinery & Equipment
NSK Corporation	13-02, (Formerly 10-19)	125256-1	INNER RING AUTO SUPPLY MACHINE	12/16/2011	53,398.75	Machinery & Equipment
NSK Corporation	13-02, (Formerly 10-19)	125257-1	INNER RING RIB GRINDING MACHINE	12/16/2011	220,203.67	Machinery & Equipment
NSK Corporation NSK Corporation	13-02, (Formerly 10-19) 13-02, (Formerly 10-19)	126135-1	OUTER RING CARRIER	07/16/2011		Machinery & Equipment
NSK Corporation	13-02, (Formerly 10-19)	126138-1 126139	SEMI-ASSEMBLY MACHINE STOCKER	12/16/2011		Machinery & Equipment
NSK Corporation	13-02, (Formerly 10-19)	126140-1	OUTER RING CARRIER	07/16/2011 07/16/2011		Machinery & Equipment Machinery & Equipment
NSK Corporation	13-02, (Formerly 10-19)		AUTO OUTER RING MEASURING MACHINE	07/16/2011		Machinery & Equipment
VSK Corporation	13-02, (Formerly 10-19)	126145-1	ECT CONVEYOR INNER RING	07/16/2011		Machinery & Equipment
NSK Corporation	13-02, (Formerly 10-19)	126146-1	FINISH WASHING MACHINE	07/16/2011		Machinery & Equipment
NSK Corporation	13-02, (Formerly 10-19)	126147-1	MANUAL NOISE TESTER	07/16/2011		Machinery & Equipment
NSK Corporation	13-02, (Formerly 10-19) 13-02, (Formerly 10-19)	126148-1 126154-1	OUTER RING RACEWAY SUPERFINISH MACHINE OUTER RING AUTO SUPPLY MACHINE	07/16/2011		Machinery & Equipment
NSK Corporation	13-02, (Formerly 10-19)	126156-1	OUTER RING CARRIER	12/16/2011 12/16/2011		Machinery & Equipment Machinery & Equipment
NSK Corporation	13-02, (Formerly 10-19)	127024-1	RK 350-20 CINCINNATI OD MACHINE	02/16/2012		Machinery & Equipment
NSK Corporation	13-02, (Formerly 10-19)	127035	INNER RING STOCKER	07/16/2011		Machinery & Equipment
ISK Corporation	13-02, (Formerly 10-19)	127036	INNER RING STOCKER	07/16/2011	60,987.85	Machinery & Equipment
SK Corporation	13-02, (Formerly 10-19) 13-02, (Formerly 10-19)	127038-1 127039-1	MANUAL NOISE TESTER	12/16/2011		Machinery & Equipment
ISK Corporation	13-02, (Formerly 10-19)	127039-1	OUTER RING RACEWAY SUPERFINISH MACHINE OUTER RING SUPERFINISH MACHINE	07/16/2011 07/16/2011		Machinery & Equipment
ISK Corporation	13-02, (Formerly 10-19)	127042-1	WASHING MACHINE	07/16/2011		Machinery & Equipment Machinery & Equipment
ISK Corporation	13-02, (Formerly 10-19)	127043-1	OUTER RING AUTO SUPPLY MACHINE	07/16/2011		Machinery & Equipment
ISK Corporation	13-02, (Formerly 10-19)	127053-1	INNER RING RACEWAY SUPERFINISH MACHINE	12/16/2011		Machinery & Equipment
ISK Corporation	13-02, (Formerly 10-19)	128004-1	INNER RING RACEWAY GRINDING MACHINE	07/16/2011		Machinery & Equipment
ISK Corporation ISK Corporation	13-02, (Formerly 10-19)	128005-1	INNER RING RIB GRINDING MACHINE	07/16/2011	214,523.74	Machinery & Equipment
ISK Corporation	13-02, (Formerly 10-19) 13-02, (Formerly 10-19)	128006-1 128008-1	INNER RING CARRIER INNER RING BORE GRINDING MACHINE	07/16/2011		Machinery & Equipment
ISK Corporation	13-02, (Formerly 10-19)	128009-1	INNER RING BORE GRINDING MACHINE INNER RING RIB GRINDING MACHINE	07/16/2011 07/16/2011		Machinery & Equipment Machinery & Equipment
ISK Corporation	13-02, (Formerly 10-19)	128011-1	FACE GRIND MACHINE (JL LUCAS)	07/16/2011		Machinery & Equipment Machinery & Equipment
SK Corporation	13-02, (Formerly 10-19)	128012-1	OUTER RING TRANSFER UNIT	07/16/2011		Machinery & Equipment
SK Corporation	13-02, (Formerly 10-19)	128013-1	ECT CONVEYOR OUTER RING	07/16/2011	34,795.36	Machinery & Equipment
SK Corporation	13-02, (Formerly 10-19)	128014-1	WASHING MACHINE	07/16/2011	38,419.88	Machinery & Equipment
SK Corporation SK Corporation		128015-1 128024-1	ECT CONVEYOR INNER RING INNER RING RACEWAY GRINDING MACHINE	07/16/2011 12/16/2011		Machinery & Equipment
SK Corporation		128950-1	INNER RING RACEWAY GRINDING MACHINE INNER RING BORE GRINDING MACHINE	12/16/2011 07/16/2011		Machinery & Equipment Machinery & Equipment
SK Corporation		128953-1	FINISH WASHING MACHINE	12/16/2011		Machinery & Equipment
SK Corporation		128954-1	CAGE PRESS MACHINE	07/16/2011		Machinery & Equipment
SK Corporation		128955-1	AUTO INNER RING MEASURING MACHINE	07/16/2011		Machinery & Equipment
SK Corporation		128956	STOCKER	07/16/2011		Machinery & Equipment
SK Corporation SK Corporation		128966 128967	LAZER MARKER OUTER RING STOCKER	12/16/2011		Machinery & Equipment
SK Corporation		129861-1	OUTER RING STOCKER OUTER RING RACEWAY GRINDING MACHINE	12/16/2011 07/16/2011		Machinery & Equipment
SK Corporation		129862-1	INNER RING RACEWAY GRINDING MACHINE	07/16/2011		Machinery & Equipment Machinery & Equipment
SK Corporation	13-02, (Formerly 10-19)	129879-1	OUTER RING RACEWAY GRINDING MACHINE	12/16/2011		Machinery & Equipment
SK Corporation	13-02, (Formerly 10-19)		OUTER RING RACEWAY SUPERFINISH MACHINE	12/16/2011		Machinery & Equipment
SK Corporation	13-02, (Formerly 10-19)		INNER RING RACEWAY SUPERFINISH MACHINE	07/16/2011	305,122.90 M	Machinery & Equipment
SK Corporation SK Corporation	13-02, (Formerly 10-19) 13-02, (Formerly 10-19)	130769-1 130770-1	INNER RING RACEWAY SUPERFINISH MACHINE	07/16/2011		Machinery & Equipment
SK Corporation		130770-1	INNER RING AUTO SUPPLY MACHINE AUTO VIBRATION TESTING MACHINE	12/16/2011		Machinery & Equipment
SK Corporation		130772-1	INNER RING AUTO SUPPLY MACHINE	12/16/2011 07/16/2011		Machinery & Equipment Machinery & Equipment
SK Corporation		130773-1	OUTER RING RACEWAY GRINDING MACHINE	07/16/2011		Machinery & Equipment
SK Corporation		130775-1	LAZER MARKER	07/16/2011		Machinery & Equipment
SK Corporation		130776	LAZER MARKER	07/16/2011	187,951.35 N	Machinery & Equipment
SK Corporation		130784-1	INNER RING BORE GRINDING MACHINE	12/16/2011		Machinery & Equipment
SK Corporation SK Corporation		131649-1 131650-1	OUTER RING AUTO SUPPLY MACHINE INNER RING AUTO SUPPLY MACHINE	07/16/2011		Machinery & Equipment
SK Corporation		131651-1	INNER RING CARRIER	07/16/2011 07/16/2011		Machinery & Equipment Machinery & Equipment
K Corporation		131653-1	OUTER RING AUTO SUPPLY MACHINE	07/16/2011		Machinery & Equipment
K Corporation	13-02, (Formerly 10-19)	131654-1	WASHING MACHINE	07/16/2011		Machinery & Equipment
SK Corporation		131655-1	AUTO VIBRATION TESTING MACHINE	07/16/2011		Machinery & Equipment
K Corporation		131656-1	INNER RING AUTO SUPPLY MACHINE	07/16/2011		Machinery & Equipment
SK Corporation SK Corporation		131657-1	CAGE PRESS MACHINE	07/16/2011	76,550.16 N	Aachinery & Equipment
K Corporation	13-02, (Formerly 10-19)	131661 125232-2	INNER RING STOCKER RK 350-20 CINCINNATI OD MACHINE W/SPARE SPINDLE	12/16/2011 02/16/2012		Machinery & Equipment
K Corporation		125245-2	BCD HEIGHT CHECKING MACHINE	12/16/2011		Molds, Dies, Jigs & Tools Molds, Dies, Jigs & Tools
K Corporation		125246-2	ENCODER SEAL & CAP PRESS & CHECK MACHINE	07/16/2011		Molds, Dies, Jigs & Tools Molds, Dies, Jigs & Tools
K Corporation	13-02, (Formerly 10-19)	125255-2	INNER RING CARRIER	12/16/2011		Aolds, Dies, Jigs & Tools
K Corporation		25256-2	INNER RING AUTO SUPPLY MACHINE	12/16/2011	13,349.69 N	Nolds, Dies, Jigs & Tools
K Corporation		25257-2	INNER RING RIB GRINDING MACHINE	12/16/2011	55,050.92 M	folds, Dies, Jigs & Tools
K Corporation K Corporation		26135-2 26138-2	OUTER RING CARRIER SEMI-ASSEMBLY MACHINE	07/16/2011		folds, Dies, Jigs & Tools
K Corporation		26140-2	OUTER RING CARRIER	12/16/2011 07/16/2011		Molds, Dies, Jigs & Tools
K Corporation		26144-2	AUTO OUTER RING MEASURING MACHINE	07/16/2011		folds, Dies, Jigs & Tools folds, Dies, Jigs & Tools
K Corporation	13-02, (Formerly 10-19)	26145-2	ECT CONVEYOR INNER RING	07/16/2011		folds, Dies, Jigs & Tools
K Corporation		26146-2	FINISH WASHING MACHINE	07/16/2011	24,448.08 M	folds, Dies, Jigs & Tools
K Corporation		26147-2	MANUAL NOISE TESTER	07/16/2011	16,141.47 M	folds, Dies, Jigs & Tools
K Corporation		26148-2	OUTER RING RACEWAY SUPERFINISH MACHINE	07/16/2011	67,648.33 M	folds, Dies, Jigs & Tools
K Corporation K Corporation		26154-2 26156-2	OUTER RING AUTO SUPPLY MACHINE OUTER RING CARRIER	12/16/2011		folds, Dies, Jigs & Tools
K Corporation		27024-2	RK 350-20 CINCINNATI OD MACHINE	12/16/2011 02/16/2012		lolds, Dies, Jigs & Tools lolds, Dies, Jigs & Tools
K Corporation	13-02, (Formerly 10-19) 1	27038-2	MANUAL NOISE TESTER	12/16/2011		lolds, Dies, Jigs & Tools
K Corporation	13-02, (Formerly 10-19) 1	27039-2	OUTER RING RACEWAY SUPERFINISH MACHINE	07/16/2011		lolds, Dies, Jigs & Tools
K Corporation		27041-2	OUTER RING SUPERFINISH MACHINE	07/16/2011	28,407.78 M	lolds, Dies, Jigs & Tools
K Corporation		27042-2	WASHING MACHINE	07/16/2011	9,604.97 M	lolds, Dies, Jigs & Tools
K Corporation K Corporation		27043-2 27053-2	OUTER RING AUTO SUPPLY MACHINE INNER RING RACEWAY SUPERFINISH MACHINE	07/16/2011		lolds, Dies, Jigs & Tools
Corporation		28004-2	INNER RING RACEWAY SUPERFINISH MACHINE INNER RING RACEWAY GRINDING MACHINE	12/16/2011 07/16/2011		lolds, Dies, Jigs & Tools
Corporation		28005-2	INNER RING RIB GRINDING MACHINE	07/16/2011		olds, Dies, Jigs & Tools olds, Dies, Jigs & Tools
< Corporation		28006-2	INNER RING CARRIER	07/16/2011		olds, Dies, Jigs & Tools
Corporation	13-02, (Formerly 10-19) 1	28008-2	INNER RING BORE GRINDING MACHINE	07/16/2011		olds, Dies, Jigs & Tools
Corporation	13-02, (Formerly 10-19) 1	28009-2	INNER RING RIB GRINDING MACHINE	07/16/2011		olds, Dies, Jigs & Tools
Corporation		28011-2	FACE GRIND MACHINE (JL LUCAS)	07/16/2011	68,652.75 Me	olds, Dies, Jigs & Tools
Corporation		28012-2	OUTER RING TRANSFER UNIT	07/16/2011	22,910,41 Ma	olds, Dies, Jigs & Tools
Corporation		28013-2	ECT CONVEYOR OUTER RING	07/16/2011	8,698.84 Md	olds, Dies, Jigs & Tools
	13-02, (Formerly 10-19) 1	28014-2	WASHING MACHINE	07/16/2011		olds, Dies, Jigs & Tools
Corporation	42.02 (F-vs. 1.40.46) 4	70045 5				
Corporation		28015-2	ECT CONVEYOR INNER RING	07/16/2011		olds, Dies, Jigs & Tools
	13-02, (Formerly 10-19) 1:	28015-2 28024-2 28950-2	ECT CONVEYOR INNER RING INNER RING RACEWAY GRINDING MACHINE INNER RING BORE GRINDING MACHINE	07/16/2011 12/16/2011 07/16/2011	59,487.46 Me	olds, Dies, Jigs & Tools olds, Dies, Jigs & Tools olds, Dies, Jigs & Tools