



# CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

## Memorandum

**To:** City of Franklin Economic Development Commission  
**From:** Dana Monson, Community Development Specialist  
**Date:** April 12, 2022  
**Re:** Case C 2022-16: Brookside Industrial/Chart Life (Formerly Hetsco )

### Summary:

1. On July 21<sup>st</sup>, 2014, the Franklin Common Council passed Resolution No. 2014-09, approving a 10-year tax abatement on real property and a 5-year tax abatement on personal property for Hetsco, Inc., located at 1725 N. Graham Road.
2. Actual and estimated benefits, as projected for 2021:

	Estimated on SB-1	Actual in 2021	Difference
Employees Retained	49	49	0
Salaries	\$3,066,000	\$3,267,000	\$201,000
New Employees	40	2	-40
Salaries	\$2,271,000	\$75,000	-\$2,196,000
Total Employees	89	52	-37
Total Salaries	\$5,337,000	\$3,342,000	-\$1,995,000
Average Hourly Salaries	\$28.83	\$30.90	+\$2.07
Personal Property Improvements	\$400,000	\$855,875	\$455,875
Real Property Improvements	\$2,770,000	\$2,216,176	-\$553,824

3. Hetsco estimated in their application that they would hire 10 employees in 2015, 10 employees in 2016, 10 employees in 2017, and another 10 employees in 2018, for a total of 40 additional employees. As explained in their letter, the company has had to reduce by half the number of employees and are in the process of right-sizing their operations due to market conditions. They have seen higher order levels during the last 2 quarters of 2019 and expect that to continue. As a result, they are starting the hiring process this year and plan to bring back the number reduced. 2020 saw the Covid pandemic severely restrict their ability to have workers in the field which is a major portion of their operation. To offset that the company added a new line of work with gas vaporizers to provide work for their field techs. They anticipate returning to field service in 2021 and have a goal of hiring 15 additional employees. The travel restrictions did continue through 2021, however, they continued to maintain their employees and hired 2 new during the 4<sup>th</sup> quarter. They anticipate that if the travel restrictions continue to lessen, they will add more employees this year, hoping to get to the full number within two years.

4. Their personal property investment is more than double what was estimated on their SB-1 Form.
5. Hetsco estimated in their application that they would invest \$2,770,000 in real property improvements by the end of 2015. As stated in the table above, the company did not make that shortfall up, but remain short by \$553,000.
6. The personal property tax abatement for Hetsco has now expired. The real property tax abatement for Hetsco is scheduled to expire in tax year 2024 payable 2025. The final compliance review will take place in 2024.

**Staff Recommendation:** Approval



*Chart Lifecycle, Inc.*

1725 N. Graham Road  
Franklin, IN 46131  
1-844-485-7911  
[www.ChartLifecycle.com](http://www.ChartLifecycle.com)

**Cover Letter**

March 23, 2022

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

**Re: Cover Letter** - Tax Abatement Compliance for Chart Lifecycle, Inc. (Hetsco Inc. / Brookside Industrial Park)  
**Parcel #:** 41-08-11-042-002.000-009  
**Resolution #:** 14-09

Dear Mrs. Monson:

Attached please find the annual submittal of form CF-1/Real Property for the continuation of the Real Property Tax Abatement. Recall from last year, Chart Lifecycle, Inc. bought the Hetsco business and retained the operations in Franklin at 1725 N. Graham RD. Ownership of the real estate was not included in that purchase; Chart Lifecycle pays the real estate taxes on this property through our landlord, Brookside Industrial Park LLC.

2020 and 2021 were difficult years for many businesses, and Chart Lifecycle, too, was severely impacted by the pandemic. Our customer's budgetary constrictions, combined with global travel restrictions, and the overall difficulty in hiring qualified people are the biggest obstacles to achieving our planned growth and associated head count goals. We are pleased to communicate that, despite those challenges, we have maintained 2020's staffing levels in 2021. By end of year, we even added 4 additional full time employees to our roster.

Sincerely,

A handwritten signature in black ink, appearing to read "Ross Parkman", is written over a light blue horizontal line.

Ross Parkman  
Chart Lifecycle, Inc.  
Operations Manager  
1725 N. Graham Road  
Franklin, IN 46131



# COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20 22 PAY 20 23

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 Brookside Industrial Park, LLC		County Johnson	
Address of taxpayer (number and street, city, state, and ZIP code) 1725 N. Graham Rd., Franklin, IN 46131		DLGF taxing district number 41009	
Name of contact person Ashley Aletto		Telephone number ( 317 ) 590-5953	
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY			
Name of designating body The City of Franklin Common Council		Resolution number 14-09	Estimated start date (month, day, year) 08.01.2014
Location of property 1725 N. Graham Rd., Franklin, IN 46131 (Parcel # 41-08-11-042-000-009)		Actual start date (month, day, year) 12.01.2014	
Description of real property improvements Complete Construction of shell building, parking, landscaping		Estimated completion date (month, day, year) 12.31.2015	
		Actual completion date (month, day, year) 05.15.2015	
SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		49	51
Salaries		\$3,066,000	\$3,342,000
Number of employees retained		49	49
Salaries		\$3,066,000	\$3,267,000
Number of additional employees		40	2
Salaries		\$2,271,000	\$75,000
SECTION 4 COST AND VALUES			
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	
Values before project	0		
Plus: Values of proposed project	\$2,770,000		
Less: Values of any property being replaced	0		
Net values upon completion of project	\$2,770,000		
ACTUAL	COST	ASSESSED VALUE	
Values before project	0		
Plus: Values of proposed project	\$2,216,176		
Less: Values of any property being replaced	0		
Net values upon completion of project	\$2,216,176		
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 MANAGING MEMBER	Date signed (month, day, year) 3-22-2022



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Attachment to Form CF-1  
Job Creation by Schedule

				Actual Number of Employees Added During the Qtr.				Actual Total Number of Employees as of 12/31/2021	Difference Between Actual and Proposed Number of Employees
	Actual Number of Employees in 2016	Proposed Total Number of Employees by 12/31/19 (Form SB-1)	Actual Total Number of Employees as of 12/31/2020	Q1 21	Q2 21	Q3 21	Q4 21		
Head Count	82	89	47	6	1	-5	2	51	-38
Wages		\$ 5,337,000						\$ 3,342,000	\$ (1,995,000)
Average Wages/Hr.		\$ 28.83						\$ 31.50	\$ 2.67



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**Deficiency Statement**

March 23, 2022

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

**Re: Deficiency Statement - Tax Abatement Compliance for Chart Lifecycle, Inc. (Hetsco Inc. / Brookside Industrial Park, LLC)**  
**Parcel #: 41-08-11-042-002.000-009**  
**Resolution #: 14-09**

Dear Mrs. Monson:

Chart Lifecycle, Inc. is pleased to communicate that we have maintained our 2020 staffing levels with a slight improvement during 2021. Our markets continued to see severe limitations by the pandemic; the associated limitations on global travel limited our ability to complete field service work. Many of our customers experienced significant pressure on their operating budgets, which, of course, has a direct impact on our sales. As noted in our report for year ended 2020, we added to our business scope to include the fabrication and assembly of Industrial Gas Vaporizers in the Franklin facility. The vaporizer work offset much of the under-utilization of our field service personnel; we have increased our line to 19 full time employees for the fourth quarter of 2021. The forecast for 2022, with the anticipated relaxing of Covid-19 restriction, we believe our ability to do field service work, especially internationally, will improve.

We hope that the City of Franklin appreciates that although our staffing levels are lower than originally estimated we have been addressing new ways to effectively maximize our headcount, despite the challenges presented. We optimistically request that you look favourably upon our activities and grant us the tax abatement.

Sincerely,

A handwritten signature in black ink, appearing to read "Ross Parkman", is written over a light blue horizontal line.

Ross Parkman  
Chart Lifecycle, Inc.  
Operations Manager  
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