



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Dana Monson, Community Development Specialist
Date: March 14, 2023
Re: Case C 2023-01: Aisin Industries Res. 21-10

Summary:

1. On March 1, 2021, the Franklin Common Council passed Resolution No. 2021-10 approving a 5-year tax abatement on \$710,000 in personal property with a 5% Economic Development Fee, for Aisin Industries located at 187 Bartram Parkway.
2. Actual and estimated benefits, as projected for 2022:

	Estimated on SB-1	Actual in 2022	Difference
Employees Retained	49	49	0
Salaries	\$1,793,792	\$2,175,992	\$382,200
New Employees	20	11	-9
Salaries	\$624,000	\$400,400	-\$223,600
Total Employees	69	60	-9
Total Salaries	\$2,417,792	\$2,576,392	\$158,600
Average Hourly Salaries	\$16.84	\$20.64	\$3.80
Personal Property Improvements	\$710,000	\$790,000	\$80,000

3. Aisin had stated on their SB-1 form that construction would begin in 2021. The company did start construction on the expansion which was completed in 2022. The investment in equipment exceeded the estimate by \$80,000.
4. The personal property continues to be installed and the majority of the work has been completed. As more employees are trained, the equipment will continue to be put into use.
5. The personal property tax abatement is scheduled to expire in tax year 2027 payable in 2028. The final compliance review will take place in 2027.

Staff Recommendation: Approval

Aisin World Corp of America, Franklin Logistics Center
187 Bartram Parkway
Franklin IN, 46131

FILED

FEB 24 2023

Elizabeth A. Amy
JOHNSON CO. AUDITOR

February 15, 2023

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

Re: Tax Abatement Compliance for Aisin World Corp of America, Franklin Logistics Center

Dear Mrs. Monson:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements which were granted to Aisin World Corp of America in 2021 under Franklin Common Council Resolution No. 00-05: *21-10*

As can be seen from reviewing the enclosed documents, our company has been highly successful in (1) making all of the capital investments which had been projected for the past year, and (2) creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved on March 22, 2021.

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

Sincerely,



Randall A. DeChant, Manager
Aisin World Corp of America, Franklin Logistics Center
(812) 216-5512

Enclosures



COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

FILED

FEB 24 2023

Elizabeth A. Alway
JOHNSON CO. AUDITOR

20 ²³ ~~22~~ PAY 20 ²⁴

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 Aisin World Corp of America	County Johnson		
Address of taxpayer (number and street, city, state, and ZIP code) 15300 Centennial Drive, Northville MI 48168	DLGF taxing district number		
Name of contact person Randall A DeChant	Telephone number (812) 216-5512		
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body City of Franklin Common Council	Resolution number 21-10	Estimated start date (month, day, year)	
Location of property Franklin Logistics Center 187 Bartram Parkway, Franklin IN 46131	41-07-17-033002.	Actual start date (month, day, year) December 2022	
Description of real property improvements Logistics Automation and Warehouse Management System Adding Repack and Pass Trough Production Lines	000-018	Estimated completion date (month, day, year) December 2023	
		Actual completion date (month, day, year)	
SECTION 3		EMPLOYEES AND SALARIES	
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		58-49	60
Salaries		\$20.35 17.60	21.35 20.64
Number of employees retained		58-49	60
Salaries		\$20.35 17.60	21.35
Number of additional employees		21 20	20
Salaries		\$17.00 15.00	17.50
SECTION 4		COST AND VALUES	
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE
Values before project		\$710,000	
Plus: Values of proposed project	710,000	\$4,600,000	710,000
Less: Values of any property being replaced		0	
Net values upon completion of project	1,420,000	\$5,310,000	
ACTUAL		COST	ASSESSED VALUE
Values before project		710,000	
Plus: Values of proposed project	796,000		
Less: Values of any property being replaced	0		
Net values upon completion of project	1,506,000		
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		0	
Other benefits:			
SECTION 6		TAXPAYER CERTIFICATION	
I hereby certify that the representations in this statement are true.			
Signature of authorized representative <i>Randall A DeChant</i>	Title Manager Franklin Logistics Center	Date signed (month, day, year) February 24, 2023	



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission

From: Dana Monson, Community Development Specialist

Date: March 14, 2023

Re: Cases C 2023-03: B2S Life Sciences (2020-05)

Summary:

1. On February 3, 2020, the Franklin Common Council passed Resolution No. 2020-05, approving a 7-year tax abatement with a 5% economic development fee on personal property for the real estate located at 97 E Monroe Street.
2. Actual and estimated benefits, as projected for 2022:

	Estimated on SB-1	Actual in 2022	Difference
Employees Retained	29	43	14
Salaries	\$2,028,000	\$2,834,243.74	\$806,243
New Employees	10	14	4
Salaries	\$676,000	\$985,949	\$309,949
Total Employees	39	50	11
Total Salaries	\$2,704,000.00	\$3,521,247.66	\$817,247
Average Hourly Wage	\$33.33	\$33.86	\$.53
Personal Property Improvements	\$882,845	\$961,412.49	\$78,567.49

3. B2S Life Sciences indicated they would add 10 employees. In 2020, the company had 6 new hires and working to bring the other four online. The hourly salaries are as estimated.
4. In 2021, the company exceeded its new hire estimate and increased its payroll. The payroll continues to grow and new employees added in 2022.
5. The personal property investment exceeds the SB-1 estimate.
6. The personal property abatement will expire in 2027 pay 2028 with final compliance in 2027.

Staff Recommendation: Approval

B2S Life Sciences
97 E. Monroe Street
Franklin, IN 46131

February 24, 2023

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

Re: Tax Abatement Compliance for B2S Life Sciences

Dear Mrs. Monson:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements which were granted to B2S Life Sciences in 2020 under Franklin Common Council Resolution No. 2020-05.

As can be seen from reviewing the enclosed documents, our company has been highly successful in (1) making the R & D equipment purchases which had been projected for the past year, and (2) creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved on February 3, 2020.

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

Sincerely,

A handwritten signature in blue ink, appearing to read 'Aleks Davis', is written over a horizontal line.

Aleks Davis
B2S Life Sciences

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

SECTION 1		TAXPAYER INFORMATION	
Name of taxpayer	B2S Life Sciences - JoCo Scientific Properties	County	Johnson
Address of taxpayer (number and street, city, state, and ZIP code)	97 E. Monroe Street	DLGF taxing district number	
Name of contact person	Aleks Davis	Telephone number	(317) 787-2213

SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body	City of Franklin Common Council	Resolution number	20-05
Location of property	97 E. Monroe Street 41-08-14-043-128.000-009	Estimated start date (month, day, year)	01/01/2022
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired.	R&D equipment for lab use	Actual start date (month, day, year)	01/01/2022
		Estimated completion date (month, day, year)	12/31/2022
		Actual completion date (month, day, year)	12/31/2022

SECTION 3		EMPLOYEES AND SALARIES	
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		29	50
Salaries		2,028,000.00	3,521,247.66
Number of employees retained		39	43
Salaries		2,028,000.00	2,834,243.74
Number of additional employees		10	14
Salaries		676,000.00	556,791.84 - 985,949

SECTION 4		COST AND VALUES							
		MANUFACTURING EQUIPMENT		R & D EQUIPMENT		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				882,845.00	882,845.00				
Plus: Values of proposed project				882,845.00	882,845.00				
Less: Values of any property being replaced				882,845.00	882,845.00				
Net values upon completion of project				882,845.00	882,845.00				
ACTUAL		COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project				1,534,863.00	1,534,863.00				
Plus: Values of proposed project				1,131,242.49	1,131,242.49				
Less: Values of any property being replaced				0.00	0.00				
Net values upon completion of project				2,666,105.49	2,666,105.49				

NOTE: The **COST** of the property is confidential pursuant to IC 6-1.1-12.1-5.6(c).

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	CEO
		Date signed (month, day, year)	2/24/2023

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 6-1.1-12.1-5.9)

1. This page does not apply to a Statement of Benefits filed before July 1, 1991; that deduction may not be terminated for a failure to comply with the Statement of Benefits.
2. Within 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.
3. 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. If a notice is mailed to a property owner, a copy of the written notice will be sent to the County Assessor and the County Auditor.
4. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable effort to substantially comply with the Statement of Benefits and whether any failure to substantially comply was caused by factors beyond the control of the property owner.
5. If the designating body determines that the property owner has **NOT** made reasonable effort to comply, then the designating body shall adopt a resolution terminating the deduction. 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.

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 clerk of 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.

B2S Life Sciences
January - December 2022

Barcode	Equipment: Equipment Name	Received Date	Initial Value	Invoice #
B2S-0642	5°C Refrigerator 0642	1/24/2022	\$ 5,578.00	8807264130
B2S-0643	5°C Refrigerator 0643	1/24/2022	\$ 5,578.00	8807264130
B2S-0641	-30°C Freezer 0641	1/24/2022	\$ 5,852.00	8807264130
B2S-0640	-30°C Freezer 0640	1/24/2022	\$ 5,852.00	8807264130
B2S-0639	-80°C Freezer 0639	1/24/2022	\$ 12,307.00	8807264130
B2S-0637	-80°C Freezer 0637	1/24/2022	\$ 12,307.00	8807264130
B2S-0636	-80°C Freezer 0636	1/24/2022	\$ 12,307.00	8807264130
B2S-0638	-80°C Freezer 0638	1/24/2022	\$ 12,307.00	8807264130
B2S-0667	Thermo Vanquish System Base Horizon/Flex	1/31/2022	\$ 76,940.00	9021195716
B2S-0668	-80°C Freezer 0668	2/10/2022	\$ 12,307.00	8807482180
Qtr 1			\$ 161,335.00	
B2S-0684	Tecan EVOware Dongle	8/23/2022	\$ 8,495.00	hum - 22-084
Qtr 3			\$ 8,495.00	

\$ 169,830.00

Investment Schedule

B2S Life Sciences
97 E. Monroe Street
Franklin, IN 46131

*Attachment to Form CF-1 (Compliance with Statement of Benefits):
Expansion Investment Schedule by Quarter*

Proposed	Actual Amount of Investment as of 12/31/22	Proposed Amount of Total Investment by 12/31/22 (From SB-1)	Actual Amount of Investment				Actual Total Investment (by Quarter) Investment as of 12/31/22	Difference Between Amount of Actual and Amount of Investment	
			3/31/22	6/30/22	9/30/22	12/31/22		Amount of	Actual and
Equipment:	\$1,448,816.56	\$882,845.00	\$161,335.00	\$0.00	\$8,495.00	\$0.00	\$169,830.00	\$565,971.56	
Totals:	\$1,448,816.56	\$882,845.00	\$161,335.00	\$0.00	\$8,495.00	\$0.00	\$169,830.00	\$565,971.56	

Job Creation Schedule by Quarter

B2S Life Sciences
97 E. Monroe Street
Franklin, IN 46131

*Attachment to Form CF-1 (Compliance with Statement of Benefits):
Job Creation Schedule by Quarter*

Actual Number of Employees as of 12/31/21	Proposed Total Number of Employees by 12/31/22 (From SB-1)	Actual Number of Employees Added During Year (by Quarter)				Actual Total Number of Employees as of 12/31/22	Difference Between Actual and Proposed Number of Employees
		3/31/22	6/30/22	9/30/22	12/31/22		
43	39	6	5	3	0	50	+11



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission

From: Dana Monson, Community Development Specialist

Date: March 14, 2023

Re: Case C 2023-04: BPRex Healthcare Packaging Inc.

Summary:

1. On April 15th, 2019, the Franklin Common Council passed Resolution No. 2019-04, approving a 5-year tax abatement with a 5% economic development fee on personal property for BP Rex Healthcare Packaging, Inc., located 1900 Commerce Parkway.
2. Actual and estimated benefits, as projected for 2022:

	Estimated on SB-1	Actual in 2022	Difference
Employees Retained	209	188	-21
Salaries	\$10,300,300	\$12,018,497	\$1,718,197
New Employees	4	Hired in 2020	0
Salaries	\$140,000	Met in 2020	0
Total Employees	213	188	-25
Total Salaries	\$10,440,300	\$12,018,497	\$1,578,197
Average Hourly Salaries	\$23.57	\$30.73	\$7.16
Personal Property Improvements	\$3,720,000	\$3,346,461.00	-\$373,539

3. In 2020, the total number of employees exceeded the SB-1 estimate by 7, and the average hourly salary exceeded the estimate. They were right at their estimate and above in salaries. In 2021, the company lost 13 employees due to attrition, deaths, and other issues detailed in deficiency statement. In 2022 they continue to struggle with employment, however they have increased their salary and are being very proactive in their hiring search.
4. Personal property improvements are below by \$373,539 from the SB-1 estimate. However, the company plans to complete the final purchases in 2020 and expects to meet the estimate by the end of the year. In 2020 the company held off on the final purchases due to the pandemic. In 2021, the company was not able to complete purchase due to employment situation. In 2022 the additional line continued to be paused due to lack of employees.
5. The tax abatement for Rexam is scheduled to expire in tax year 2025 payable 2026. The final compliance review will take place in 2025.

Staff Recommendation: Approval



P.O. Box 959 (47706-0959)
101 Oakley Street
Evansville, Indiana 47710
Tel: (812) 424-2904

February 27, 2023

City of Franklin, IN
Attn: Dana Monson, Community Development Specialist
70 E. Monroe Street
Franklin, IN 46131

Dana,

In regards to Resolution 2019-04 for BPRex Healthcare Packaging, Inc's MLX Capacity Expansion Project, the number of employees has fallen below the anticipated amount budgeted at the onset of the project. This is due to various reasons through the calendar year 2022 as outlined below.

From January 1 – December 31, 2022, Franklin had 87 total leavers, headcount as of 12/31/22 was 188:

- Retirements – 8
- Company Transfer – 1
- Company-Initiated Terminations for Just Cause – 55
 - Majority of these involuntary terminations are related to violation of Company attendance policy
- Voluntary Terminations – 23
 - Multiple reasons – Personal/family reasons, New job closer to home/higher wages/better benefits

During the same time period (January 1 – December 31, 2022), Franklin hired & onboarded 84 new employees. This gave us a calendar year net result of -3.

As of today, 02/24/2023, the Franklin plant has 181 full-time, permanent employees. We also have 10 temporary-to-permanent employees, with an additional 5 beginning on Monday, 2/27/2023. In total, we have 196 active on our headcount including agency temps. These employees work full-time & are eligible to convert to permanent employment with Berry following 480 hours of work with the external staffing agency. We also have the opportunity to convert employees sooner than this hour requirement if they demonstrate exceptional performance & we do so, where appropriate.

Franklin is presently recruiting an additional 10-12 entry-level machine operator positions across both day-shift and night-shift to bring us to a full staffing level.

Open positions are posted on the Berry Global Careers Site, LinkedIn, Indeed, Indiana Department of Workforce Development & Franklin, Indiana Chamber of Commerce). The site continues to participate in local area job fairs, as available. We have an employee referral bonus program, which was increased in 2022 from \$600 to \$1,000 for a new hire referral that materializes. We have a 12-month new hire retention bonus program, providing various recognition and incentives during each month of the first year of employment.

We also conducted a wage study & received approval for a plant-wide wage increase in August 2022. This has been a tremendous help to ensure we have a larger candidate pool & are bringing in the right level of skill and capability. Our entry level starting rate is now \$22.00/hour, with an additional \$1.00/hour night-shift premium available. This is highly competitive for the local labor market.

Lastly, while the intended headcount threshold was 210, Franklin has also seen several changes in business volume over the past 2 years. We continue to monitor our sales & volume and ensure we are appropriately staffed to that level.

Let us know if you need additional information and thank you for your continuation of our existing resolutions.

Best regards,



Jason Humphrey

VP – Tax

Berry Global Inc.

P.O. Box 959

Evansville, IN 47706-0959

E-mail: jasonhumphrey@berryglobal.com

Phone (812) 424-2904

**COMPLIANCE WITH STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51785 (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.
 3. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance (CF-1).

SECTION 1 TAXPAYER INFORMATION		
Name of taxpayer	County	
BPRex Healthcare Packaging, Inc.	Johnson	
Address of taxpayer (number and street, city, state, and ZIP code)	DLGF taxing district number	
P.O. Box 959, Evansville, IN 47706-0959	41009	
Name of contact person	Telephone number	
Jason Humphrey, VP - Tax	(812) 424-2904	

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY		
Name of designating body	Resolution number	Estimated start date (month, day, year)
City of Franklin, IN	2019-04	05/01/2019
Location of property	Actual start date (month, day, year)	
1900 Commerce Drive, Franklin, IN 46131		
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired.	Estimated completion date (month, day, year)	
MLX Capacity Expansion Project	09/30/2019	
	Actual completion date (month, day, year)	

SECTION 3 EMPLOYEES AND SALARIES		
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1
Current number of employees		209
Salaries		10,300,000
Number of employees retained		209
Salaries		10,300,000
Number of additional employees		4
Salaries		140,000
		1,718,497

SECTION 4 COST AND VALUES								
AS ESTIMATED ON SB-1	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	68,600,000	15,880,000						
Plus: Values of proposed project	3,720,000	1,488,000						
Less: Values of any property being replaced								
Net values upon completion of project	72,320,000	17,368,000						
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
	68,600,000							
	3,348,461							

NOTE: The **COST** of the property is confidential pursuant to IC 6-1.1-12.1-5.6(c).

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	
WASTE CONVERTED AND OTHER BENEFITS	AS ESTIMATED ON SB-1
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)
	VP - Tax	02/23/2023

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 6-1.1-12.1-5.9)

1. This page does not apply to a Statement of Benefits filed before July 1, 1991; that deduction may not be terminated for a failure to comply with the Statement of Benefits.
2. Within 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.
3. 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. If a notice is mailed to a property owner, a copy of the written notice will be sent to the County Assessor and the County Auditor.
4. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable effort to substantially comply with the Statement of Benefits and whether any failure to substantially comply was caused by factors beyond the control of the property owner.
5. If the designating body determines that the property owner has **NOT** made reasonable effort to comply, then the designating body shall adopt a resolution terminating the deduction. 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.

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 clerk of 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.



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Dana Monson, Community Development Specialist
Date: March 14, 2023
Re: Case C 2023-05: Caterpillar Reman Powertrain Indiana LLC

Summary:

1. On September 20th, 2010, the Franklin Common Council passed Resolution No. 2010-15, approving a 10-year tax abatement with a 5% economic development fee on personal property for Caterpillar Reman Powertrain Indiana, LLC, located at 751 International Drive.
2. Actual and estimated benefits, as projected for 2022:

	Estimated on SB-1	Actual in 2022	Difference
Employees Retained	338	245	-93
Salaries	\$10,278,445	\$13,124,159	\$2,845,714
New Employees	0	0	0
Salaries	\$0	\$0	\$0
Total Employees	338	245	-93
Total Salaries	\$10,278,445	\$13,124,159	\$2,845,714
Average Hourly Salaries	\$14.62	\$25.75	\$11.13
Personal Property Improvements	\$13,568,000	\$10,616,923	-\$2,951,077

3. The company estimated in its original application that it would spend \$4,700,000 on equipment in 2010, \$2,092,000 on equipment in 2011, \$3,276,000 in 2012, and \$3,500,000 in 2013. The total for all four years is \$13,568,000. They reported having spent \$7,762,540 at the end of 2012. They were given until the end of 2013 to purchase all of the equipment. They indicated in their application that they would purchase \$3,276,000 in 2012 but only purchased \$1,907,869. They indicated on their original application they would purchase an additional \$3,500,000 in 2013 but only purchased \$932,163. The completion date for the abatement was the end of 2013. Because the completion date on the SB-1 Form is the end of 2013, they are receiving abatement on \$10,616,923 in personal property. The number decreased in 2017 and 2018. While not eligible for the abatement, the company did invest an additional 2 million dollars in equipment to increase product offerings.
4. In 2018 the number of employees decreased by 29 due to leaner operations and natural attrition; however, total salaries and average hourly salaries are higher than the SB-1 estimate. 2019 saw an additional decrease of 68 total compared to estimates, however, salaries are still above estimate. In 2020 salaries are still above the estimate but due to attrition and leaner practices the employment numbers are lower. The company has increased bonuses and feels the employment base is better with the smaller number. The company continued the process of

creating a leaner and more quality employment situation, with wages well above estimates but with lower employment numbers, giving more benefits to employees. In 2022 the company increased employment by 19 with wages over \$11.00 per hour higher.

5. The tax abatement is scheduled to expire in tax year 2023 payable 2024. The final compliance review should take place in 2023.

Staff Recommendation: Approval



February 17, 2023

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

Re: Tax Abatement Compliance for Caterpillar Reman Powertrain Indiana LLC

Dear Mrs. Monson:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the personal property tax abatements which were granted to Caterpillar Reman Powertrain Indiana LLC in 2010 under Franklin Common Council Resolution No. 2010-15.

As can be seen from reviewing the enclosed documents, our company was highly successful in making capital investments for the project. Over the last several years, Caterpillar experienced a decrease in demand; resulting in a need to shrink our hourly workforce from the original estimated project. We reduced our hourly positions through lean activities and natural attrition. This has resulted in a more efficient labor force which allowed us to increase the hourly pay rate 5% in 2022 as well as award over 5% in quarterly gainsharing bonuses. Although the number of employees retained is lower than estimated on Statement of Benefits (From SB-1) which was approved on October 4, 2010, we believe that the quality of employment is better for the actual employees retained.

In the last twelve months, the Caterpillar Reman Powertrain facility has launched a diesel engine product line powering Caterpillar construction machines. This supports the division's strategy of significant parts growth and is a continuation of opportunities for new business in our facility. The development of the workforce and the location continues to make Franklin a front runner in the Reman growth strategy and supports continued discussion on additional products to be launched in the next several years.

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

Sincerely,

Andrea D. Haga

Andrea D. Haga
Business Resource Manager
Caterpillar Reman Powertrain Indiana

Enclosures

751 International Drive, Franklin, Indiana 46131 • 317-346-3211

Caterpillar: Confidential Green



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

SECTION 1 TAXPAYER INFORMATION	
Name of taxpayer Caterpillar Reman Powertrain Indiana LLC	County Johnson
Address of taxpayer (number and street, city, state, and ZIP code) 751 International Drive	DLGF taxing district number 41009
Name of contact person Andrea D. Haga	Telephone number (317) 346-3211
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body The City of Franklin Common Council	Resolution number 2010-15
Location of property same as above	Estimated start date (month, day, year) 06/10/2010
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired.	Actual start date (month, day, year) 03/04/2011
	Estimated completion date (month, day, year) 12/31/2013
	Actual completion date (month, day, year) 01/01/2015

SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		338	245
Salaries		10,278,445.00	13,124,159.00
Number of employees retained		338	245
Salaries		10,278,445.00	13,124,159.00
Number of additional employees		0	0
Salaries		0.00	0.00

SECTION 4 COST AND VALUES								
AS ESTIMATED ON SB-1	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	12,813,870.00	4,948,825.00						
Plus: Values of proposed project	13,568,000.00	5,427,200.00						
Less: Values of any property being replaced								
Net values upon completion of project	26,181,870.00	10,374,025.00						
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	12,813,870.00	756,833.00						
Plus: Values of proposed project	6,993,884.00	1,049,083.00						
Less: Values of any property being replaced								
Net values upon completion of project	19,807,754.00	1,805,916.00						

NOTE: The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6(c).

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 <i>Andrea D Haga</i>	Title Business Manager	Date signed (month, day, year) 02/16/2023

INSTRUCTIONS: (IC 6-1.1-12.1-5.9)

1. This page does not apply to a Statement of Benefits filed before July 1, 1991; that deduction may not be terminated for a failure to comply with the Statement of Benefits.
2. Within 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.
3. 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. If a notice is mailed to a property owner, a copy of the written notice will be sent to the County Assessor and the County Auditor.
4. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable effort to substantially comply with the Statement of Benefits and whether any failure to substantially comply was caused by factors beyond the control of the property owner.
5. If the designating body determines that the property owner has NOT made reasonable effort to comply, then the designating body shall adopt a resolution terminating the deduction. 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.

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 clerk of 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.

Caterpillar Hantian Powertrain Indiana LLC
 Tax Abatement 2010-15 - Personal Property Listing
 As of 12-31-2022

System #	Description	Acquired Value	Asset #	Location	Class	Prop Tax	PP Tax Year	In Svc Date	Dispr Meths	Dep't	Vendor	Disposal Date	Abatement
1320	6.4L Leak Tester 6	56,323.40	3607	FPP	ME	Pool 2	2012	6/2/2011	P	YSMM	-	Abatement 2010-16	
1330	Torque Arm Cap 4	19,338.76	3614	FPP	ME	Pool 2	2012	6/2/2011	P	YSMM	ELDO SALES & ENGINEERING	Abatement 2010-16	
1331	Torque Arm Station	21,427.00	-	FPP	ME	Pool 2	2012	6/2/2011	P	YSMM	ELDO SALES & ENGINEERING	Abatement 2010-16	
1332	Torque Arm React	15,860.00	-	FPP	ME	Pool 2	2012	6/2/2011	P	YSMM	ELDO SALES & ENGINEERING	Abatement 2010-16	
1333	Torque Arm ST Wt	20,186.00	-	FPP	ME	Pool 2	2012	6/2/2011	P	YSMM	ELDO SALES & ENGINEERING	Abatement 2010-16	
1334	Torque Arm Smart	37,100.00	3612	FPP	ME	Pool 2	2012	6/2/2011	P	YSMM	ELDO SALES & ENGINEERING	Abatement 2010-16	
1335	Torque Arm React	14,600.00	3613	FPP	ME	Pool 2	2012	6/2/2011	P	YSMM	ELDO SALES & ENGINEERING	Abatement 2010-16	
1336	Torque Arm Station	37,124.00	-	FPP	ME	Pool 2	2012	6/2/2011	P	YSMM	ELDO SALES & ENGINEERING	Abatement 2010-16	
1337	Torque Arm Smart	35,587.00	3611	FPP	ME	Pool 2	2012	6/2/2011	P	YSMM	ELDO SALES & ENGINEERING	Abatement 2010-16	
1338	Torque Arm Station	19,388.76	-	FPP	ME	Pool 2	2012	12/7/2011	P	YSMM	Simplex Strip Doors Inc.	Abatement 2010-16	
1352	Deming 275L8 Hvy	2,328.00	3610	FPP	ME	Pool 2	2012	2/27/2012	P	YSMM	Inficon Inc.	Abatement 2010-16	
1353	Cleaning Encloser	19,160.04	2485	FPP	ME	Pool 2	2012	2/27/2012	P	YSMM	Fluid Power Associates	Abatement 2010-16	
1401	Infracton protac he	18,236.00	-	FPP	ME	Pool 2	2013	6/2/2012	P	YSMM	-	Abatement 2010-16	
1402	Valum III station	22,698.00	3478	FPP	ME	Pool 2	2013	2/27/2012	P	YSMM	-	Abatement 2010-16	
1407	DC torque shov at	19,424.04	-	FPP	ME	Pool 2	2012	2/27/2012	P	YSMM	-	Abatement 2010-16	
1389	6.4L HPP PCV/V	134,400.00	3071	FPP	ME	Pool 2	2012	2/27/2012	P	YSMM	-	Abatement 2010-16	
1403	RI Agitating Tank	21,421.89	3014	FPP	ME	Pool 2	2012	2/27/2012	P	YSMM	-	Abatement 2010-16	
1404	Conveyor Pass-Th	129,453.43	3073	FPP	ME	Pool 2	2012	2/27/2012	P	YSMM	Simplex Strip Doors	Abatement 2010-16	
1406	Magnetool Demag	6,805.64	3052	FPP	ME	Pool 2	2012	02/27/12	P	YSMM	Galatree	Abatement 2010-16	
1408	Clean Blow-Off Be	13,537.64	3024	FPP	ME	Pool 2	2012	02/27/12	P	YSMM	WATERWORKS MIDWEST	Abatement 2010-16	
1410	Enerspac Hydraulic	3,149.99	3054	FPP	ME	Pool 2	2012	04/01/13	P	YSMM	R.L. Gidment Company	Abatement 2010-16	
1411	6.4L HPP convey	2,145.85	3608	FPP	ME	Pool 2	2012	10/01/13	P	YSMM	HYDRAULIC SYSTEMS	Abatement 2010-16	
1413	Top Loading Pre-W	19,860.64	2013	FPP	ME	Pool 2	2012	10/01/13	P	YSMM	-	Abatement 2010-16	
1416	Epic ADAMM	10,419.00	-	FPP	ME	Pool 2	2012	02/27/12	P	YSMM	-	Abatement 2010-16	
1425	6.4L HPP Contra	5,042.87	3067	FPP	ME	Pool 2	2012	02/27/12	P	YSMM	-	Abatement 2010-16	
1524	80 Gal. Agitating T	4,148.00	3098	FPP	ME	Pool 2	2014	10/01/13	P	YSMM	-	Abatement 2010-16	
1525	80 Gal. Agitating T	4,148.00	3099	FPP	ME	Pool 2	2014	10/01/13	P	YSMM	-	Abatement 2010-16	
1571	6.4L HPP Kidney	3,220.86	-	FPP	ME	Pool 2	2015	06/01/14	P	YSMM	-	Abatement 2010-16	
1671	DC Torque Unit an	105,994.62	3164	FPP	ME	Pool 2	2012	10/01/14	P	YSMM	-	Abatement 2010-16	
1355	Ultrasonic Tank W	12,858.85	3022	FPP	ME	Pool 2	2012	12/01/11	P	YSMM	-	Abatement 2010-16	
1398	6.4L HPP 60LT F	371,368.48	3056	FPP	ME	Pool 2	2012	2/27/2012	P	YSMM	-	Abatement 2010-16	
1400	Creme Ltr. System	5,781.00	3180	FPP	ME	Pool 2	2012	02/27/12	P	YSMM	-	Abatement 2010-16	
1407	HPP Colligan Wa	12,312.94	3053	FPP	ME	Pool 2	2012	02/27/12	P	YSMM	-	Abatement 2010-16	
1434	Leak Master Leak	14,315.00	3181	FPP	ME	Pool 2	2013	04/01/12	P	YSMM	ELDO SALES & ENGINEERING	Abatement 2010-16	
1418	572 Torque Unit 30	20,072.62	-	FPP	ME	Pool 2	2013	08/01/12	P	YSMM	-	Abatement 2010-16	
1424	6.4L HPP Speed	5,042.87	3066	FPP	ME	Pool 2	2013	08/01/12	P	YSMM	-	Abatement 2010-16	
1434	6.4L HPP Leak Ma	21,596.00	3178	FPP	ME	Pool 2	2014	11/01/13	P	YSMM	-	Abatement 2010-16	
1343	6.4L Connecting R	29,990.00	-	FPP	ME	Pool 2	2015	05/01/14	P	YSMM	CRANE AMERICA	Abatement 2010-16	
1539	Magnetic Filterpion	24,114.00	-	FPP	ME	Pool 2	2013	07/01/12	P	YSMM	-	Abatement 2010-16	
1575	Force Monitoring 5	9,900.00	-	FPP	ME	Pool 2	2012	06/01/11	P	YSMM	-	Abatement 2010-16	
1430	Altera Pressure W	5,833.13	3073	FPP	ME	Pool 2	2012	06/01/11	P	YSMM	-	Abatement 2010-16	
1327	Demo D Overhead	9,838.23	-	FPP	ME	Pool 2	2012	06/01/11	P	YSMM	DETROIT PRECISION TOOL	Abatement 2010-16	
1379	Complete 300 HP	245,873.70	-	FPP	ME	Pool 2	2013	06/01/12	P	YSMM	-	Abatement 2010-16	
1479	SIT Dyno Algrma	2,910.00	-	FPP	ME	Pool 2	2014	04/01/13	P	YSMM	-	Abatement 2010-16	
1477	Propane Forkluch	12,900.00	3242	FPP	ME	Pool 2	2015	05/01/14	P	YSMM	-	Abatement 2010-16	
1478	Propane Forkluch	12,900.00	3271	FPP	ME	Pool 2	2015	05/01/14	P	YSMM	-	Abatement 2010-16	
1479	Propane Forkluch	11,900.00	3276	FPP	ME	Pool 2	2015	05/01/14	P	YSMM	GENERAL PLANT OPERATIONS	Abatement 2010-16	
1481	Propane Forkluch	12,900.00	3243	FPP	ME	Pool 2	2015	05/01/14	P	YSMM	GENERAL PLANT OPERATIONS	Abatement 2010-16	
1484	Walk Along Pallet	3,700.00	3248	FPP	ME	Pool 2	2015	05/01/14	P	YSMM	GENERAL PLANT OPERATIONS	Abatement 2010-16	
1501	Air Dryer	22,543.00	3206	FPP	ME	Pool 2	2015	05/01/14	P	YSMM	GENERAL PLANT OPERATIONS	Abatement 2010-16	
1556	Facility Air Compres	480,415.24	-	FPP	ME	Pool 2	2015	05/01/14	P	YSMM	GENERAL PLANT OPERATIONS	Abatement 2010-16	
1570	UPS and Time Del	27,045.80	-	FPP	ME	Pool 2	2015	05/01/14	P	YSMM	GENERAL PLANT OPERATIONS	Abatement 2010-16	
1463	Liftiden Ultracon	17,381.75	3087	FPP	ME	Pool 2	2012	06/01/11	P	YSMM	WIESE	Abatement 2010-16	
1482	Propane Forkluch	7,500.00	3225	FPP	ME	Pool 2	2014	04/01/13	P	YSMM	WIESE	Abatement 2010-16	
1588	Assembly Conveyo	76,493.83	2540	FPP	ME	Pool 2	2014	04/01/13	P	YSMM	WIESE	Abatement 2010-16	
1323	Oberlin Conditn Fil	226,463.00	-	FPP	ME	Pool 2	2014	04/01/13	P	YSMM	WIESE	Abatement 2010-16	
1386	HP-21 Hydraulic P	3,315.00	3063	FPP	ME	Pool 2	2015	05/01/14	P	YSMM	WIESE	Abatement 2010-16	
1409	Crane Lift System	8,249.64	3050	FPP	ME	Pool 2	2014	04/01/13	P	YSMM	SMACK MATERIAL HANDLING	Abatement 2010-16	
1431	6.4L HPP STYLUS	6,725.00	3077	FPP	ME	Pool 2	2015	05/01/14	P	YSMM	GENHING L.P.	Abatement 2010-16	
1440	Ultrasonic Standles	15,075.00	3074	FPP	ME	Pool 2	2015	05/01/14	P	YSMM	-	Abatement 2010-16	
1516	80 Gal. Agitating T	6,648.00	3124	FPP	ME	Pool 2	2013	07/01/12	P	YSMM	CRANE AMERICA	Abatement 2010-16	
1528	Cuda Front Load C	5,131.54	3113	FPP	ME	Pool 2	2013	09/01/12	P	YSMM	Gao T. Schmidt	Abatement 2010-16	
1536	80 Gal. Agitating T	6,648.00	3124	FPP	ME	Pool 2	2014	10/01/13	P	YSMM	-	Abatement 2010-16	
1548	Cuda Front Load C	5,131.54	3113	FPP	ME	Pool 2	2014	10/01/13	P	YSMM	-	Abatement 2010-16	

1529	Cuda Front Load C	FPP	ME	Pool 2	2014	10/01/13 P	YSMM	HPP	-	Abatement 2010-16
1530	Cuda Front Load C	FPP	ME	Pool 2	2014	10/01/13 P	YSMM	HPP	-	Abatement 2010-16
1546	Blatt R All Blast Ca	FPP	ME	Pool 2	2015	05/01/14 P	YSMM	HPP	-	Abatement 2010-16
1506	80 Gal. Agitating T	FPP	ME	Pool 2	2015	10/01/13 P	YSMM	16	-	Abatement 2010-16
1557	16 Pressure Decay	FPP	ME	103-T	2015	05/01/14 P	YSMM	16	LEAKMASTER	Abatement 2010-16
1597	Pelton Pin Retainer	FPP	ME	Pool 2	2012	03/04/11 P	YSMM		ABA Metal Products	Abatement 2010-16
1551	Machine Material a	FPP	ME	Pool 2	2015	05/01/14 P	YSMM		Test: Development Inn	Abatement 2010-16
1552	Machine Material a	FPP	ME	Pool 2	2013	08/01/12 P	YSMM		-	Abatement 2010-16
1639	Leak Master Leak	FPP	ME	Pool 2	2014	09/01/12 P	YSMM		-	Abatement 2010-16
1532	4.5/6.0 Hard Tors	FPP	ME	108-T	2014	10/01/13 P	YSMM		WHSE	Abatement 2010-16
1531	4.5/1 Leak Tester	FPP	ME	Pool 2	2014	04/01/13 P	YSMM		WHSE	Abatement 2010-16
1480	Electric Forktruck	FPP	ME	Pool 2	2012	01/01/12 P	YSMM		AAA DEFURNING CO.	Abatement 2010-16
1395	SWACO VIBRATO	FPP	ME	Pool 2	2012	01/01/12 P	YSMM		Edmunds Games	Abatement 2010-16
1455	FER Dht Tank Wa	FPP	ME	Pool 2	2013	12/01/12 P	YSMM		WATERWORKS MIDWEST	Abatement 2010-16
1464	From Load Cabine	FPP	ME	Pool 2	2013	02/01/13 P	YSMM		Andersson Metal Prod.	Abatement 2010-16
1549	Manual Cabinet Pa	FPP	ME	Pool 2	2015	05/01/14 P	YSMM		-	Abatement 2010-16
1363	DC PRO VAMARL	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		-	Abatement 2010-16
1364	DC PRO VAMARL	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		-	Abatement 2010-16
1367	Cuda Aresion Pa	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		-	Abatement 2010-16
1368	Compressor Core B	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		-	Abatement 2010-16
1370	Whitlock Torque T	FPP	ME	103-T	2012	12/01/11 P	YSMM		-	Abatement 2010-16
1372	Blaker Crane Lift S	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		-	Abatement 2010-16
1373	Compressor Core B	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		-	Abatement 2010-16
1374	Leak Master Leak	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		-	Abatement 2010-16
1455	YRANGE 95-500	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1460	Reduction 250L	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1467	Joint Replacement	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1566	Blatt R All Blast Ca	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1291	Crane LIFT Switlen	FPP	ME	Pool 2	2013	08/01/12 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1502	AIR DRIVER	FPP	ME	Pool 2	2013	02/01/13 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1545	Cuda Aresion Pa	FPP	ME	Pool 2	2015	05/01/14 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1546	80 Front Loading	FPP	ME	Pool 2	2012	03/04/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1561	Blatt R All Blast Ca	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1578	Manforce 4 and 1-	FPP	ME	Pool 2	2013	08/01/12 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1608	Compressor Wheee	FPP	ME	Pool 2	2013	02/01/13 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1609	Turbo Wheel Balan	FPP	ME	Pool 2	2013	02/01/13 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1511	DISASSEMBLY PH	FPP	ME	Pool 2	2015	05/01/14 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1514	80 KWST	FPP	ME	Pool 2	2015	05/01/14 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1515	80 KWST	FPP	ME	Pool 2	2015	05/01/14 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1517	Cuda Aresion Pa	FPP	ME	Pool 2	2015	05/01/14 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1618	TANK WASHEN	FPP	ME	Pool 2	2015	05/01/14 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1644	ASSEMBLY LEAK	FPP	ME	Pool 2	2015	05/01/14 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1659	6 G. Turbo DC Un	FPP	ME	Pool 2	2015	05/01/14 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1664	EDM Machine	FPP	ME	Pool 2	2015	05/01/14 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1521	80 Gal. Artiline T	FPP	ME	Pool 2	2014	10/01/13 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1526	80 Gal. Artiline T	FPP	ME	Pool 2	2014	10/01/13 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1292	Crane LIFT Switlen	FPP	ME	Pool 2	2013	08/01/12 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1341	Blaker Crane Lift S	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1351	Blaker Crane Lift S	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1441	4.5/1 DC Torque Un	FPP	ME	103-T	2014	01/04/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1536	Leak Master Leak	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1591	Front Load Cabine	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1294	Front Load Cabine	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1500	Aresion Arization	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1507	80 Gal. Artiline T	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1527	80 Gal. Artiline T	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1528	80 Gal. Artiline T	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1565	Blatt R All Blast Ca	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1303	Franc Robot Ton C	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1304	Franc Robot Ton C	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1305	Franc Robot Bond	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1306	Bond Coat 1 Power	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1307	Ton Coat 1 Power	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1308	Ton Coat 1 Power	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1309	Air Compressor A D	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1324	Blaker Crane Lift S	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1421	Blaker Crane Lift S	FPP	ME	Pool 2	2012	12/01/11 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1405	Automatic Airseamer	FPP	ME	Pool 2	2013	02/01/13 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1469	6 G. Venable Sump	FPP	ME	Pool 2	2014	03/01/13 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1474	TOP LOAD MGPFA	FPP	ME	Pool 2	2014	03/01/13 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1531	Cuda Front Load C	FPP	ME	Pool 2	2014	12/01/13 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1547	6 G. A 6.41 Cornea	FPP	ME	Pool 2	2014	12/01/13 P	YSMM		CLUNE AMERICA	Abatement 2010-16
1549	Huazuelo 148 Red	FPP	ME	Pool 2	2014	12/01/13 P	YSMM		CLUNE AMERICA	Abatement 2010-16

1579	CNC Bortler Mills	63,129.33	3100	PPP	ME	Pool 2	2014	01/01/14	P	YSMM	V8 MACHINING	-	Abatement 2010-16
1580	CNC Bortler Mills	63,129.33	3102	PPP	ME	Pool 2	2015	05/01/14	P	YSMM	V8 MACHINING	-	Abatement 2010-16
1581	CNC Value Guide	128,129.33	3102	PPP	ME	Pool 2	2014	01/01/14	P	YSMM	V8 MACHINING	-	Abatement 2010-16
1582	CNC Value Guide	128,129.33	3104	PPP	ME	Pool 2	2014	01/01/14	P	YSMM	V8 MACHINING	-	Abatement 2010-16
1584	Rottler Value Seat	80,207.52	3105	PPP	ME	Pool 2	2014	01/01/14	P	YSMM	V8 MACHINING	-	Abatement 2010-16
1585	Rottler Value Seat	80,207.52	3106	PPP	ME	Pool 2	2014	01/01/14	P	YSMM	V8 MACHINING	-	Abatement 2010-16
1587	Rottler Value Seat	80,207.52	3107	PPP	ME	Pool 2	2014	01/01/14	P	YSMM	V8 MACHINING	-	Abatement 2010-16
1589	Rottler Value Seat	76,029.83	2543	PPP	ME	Pool 2	2014	01/01/14	P	YSMM	V8 MACHINING	-	Abatement 2010-16
1590	Pho Install Stratum	20,000.00	PF0993	PPP	ME	Pool 2	2015	05/01/14	P	YSMM	V8 MACHINING	-	Abatement 2010-16
1591	Bridle Crane Lift 5	44,064.67	3110	PPP	ME	Pool 2	2015	05/01/14	P	YSMM	V8 MACHINING	-	Abatement 2010-16
1592	Bridle Crane Lift 5	43,532.00	3111	PPP	ME	Pool 2	2015	05/01/14	P	YSMM	V8 MACHINING	-	Abatement 2010-16
1593	Leak Master Leak	8,652.59	2542	PPP	ME	Pool 2	2015	01/01/14	P	YSMM	V8 MACHINING	-	Abatement 2010-16
1594	Leak Master Leak	8,188.35	2543	PPP	ME	Pool 2	2015	05/01/14	P	YSMM	V8 MACHINING	-	Abatement 2010-16
1595	Leak Master Leak	6,486.72	2544	PPP	ME	Pool 2	2015	05/01/14	P	YSMM	V8 MACHINING	-	Abatement 2010-16
1606	Roof Mechanical Jo	41,516.10	3166	PPP	ME	Pool 2	2015	10/01/14	P	YSMM	V8 MACHINING	-	Abatement 2010-16
		6,737,720.92				Machinery Total							
1475	Sore Torosa Gun	11,098.23	-	PPP	T	103-T	2014	03/01/13	P	YSMM	6 4 Assembly - Core Room	-	Abatement 2010-16
1318	6 4i Torosa Fusio	15,859.40		PPP	T	103-T	2012	05/01/11	P	YSMM	6 4i Assembly	-	Abatement 2010-16
1357	Tinina Gear Test	6,179.33	TL302	PPP	T	103-T	2012	12/01/11	P	YSMM	6 4i Assembly	-	Abatement 2010-16
1397	6 4i HPP Vane To	17,000.00		PPP	T	103-T	2012	02/01/12	P	YSMM	6 4i HPP	-	Abatement 2010-16
1412	Material storage an	47,224.28		PPP	T	103-T	2014	02/01/12	P	YSMM	A26 Assembly Line	-	Abatement 2010-16
1472	GC Fuel Fuel Tank	46,208.08	3671	PPP	T	103-T	2012	03/01/13	P	YSMM	QUALITY	-	Abatement 2010-16
1357	Parties Counter	10,548.00	-	PPP	T	103-T	2014	11/01/13	P	YSMM	QUALITY	-	Abatement 2010-16
1357	Atlas ETD 500 Tor	27,613.81	-	PPP	T	103-T	2014	11/01/13	P	YSMM	QUALITY	-	Abatement 2010-16
1336	ETD 510 Tor	27,613.81	-	PPP	T	103-T	2012	12/01/11	P	YSMM	TCT	-	Abatement 2010-16
1365	DC T Toolins	27,045.63		PPP	T	103-T	2012	12/01/11	P	YSMM	TCT	-	Abatement 2010-16
1371	Material Storage IC	38,139.54	-	PPP	T	103-T	2017	12/01/11	P	YSMM	TCT	-	Abatement 2010-16
1375	Garford Heater	3,137.90	2590	PPP	T	103-T	2017	12/01/11	P	YSMM	TCT	-	Abatement 2010-16
1351	Steele Pulver	14,554.40	EN-711	PPP	T	103-T	2012	12/01/11	P	YSMM	TEARDOWN	-	Abatement 2010-16
		278,462.88				Toolbox Total							
		6,993,883.80				Grand Total							



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission

From: Dana Monson, Community Development Specialist

Date: March 14, 2023

Re: Case C 2023-06: Electro-Spec, Inc. (12-07)

Summary:

1. On April 16th, 2012, the Franklin Common Council passed Resolution No. 2012-07, approving a 10-year tax abatement on personal property tax abatement for Electro-Spec located at 1800 Commerce Parkway.
2. Actual and estimated benefits, as projected for 2022:

	Estimated on SB-1	Actual in 2022	Difference
Employees Retained	62	64	0
Salaries	\$2,428,138	\$3,739,586	\$1,311,448
New Employees	22	0	-22
Salaries	\$600,000	\$0	-\$600,000
Total Employees	84	64	-20
Total Salaries	\$3,028,138	\$3,739,586	\$711,448
Average Hourly Salaries	\$17.33	\$28.09	\$10.76
Personal Property Improvements	\$2,170,000	\$2,244,219	\$74,219

3. The company has exceeded their personal property investment estimated on their SB-1 Form.
4. The company stated they would create 10 jobs in 2012, 5 to 7 jobs in 2013, and 5 to 8 jobs in 2014. They met the number of jobs retained and created as originally estimated in 2013. That number declined by 4 in 2014. The number of jobs in 2015 exceeds their SB-1 estimate by 4. The total employees in 2016 is 4 fewer than estimated on SB-1; however, the average hourly salary exceeds what was estimated. In 2017 the number of employees is 5 short of the estimate, but total salaries and hourly wages well exceed the SB-1 estimate. In 2018 Electro-Spec was down two employees, but exceeded hourly wages by \$6.87 compared to SB-1 estimates. In 2019 they were down by 18, however, their wages are above estimates by \$8.00. In 2020 they are down by 15 but wages are up by \$5.12. Jobs have become more skilled than originally estimated in 2012 and have reduced employees but increased wages. The company is down 22 employees in 2021, however the wages are above by \$7.11 and the company is using more skilled labor, with less unskilled needs. In 2022 the company is still down in employment but over \$10 per hour in wages.
5. The personal property tax abatement is scheduled to expire in 2023 pay 2024. The final compliance will take place in 2023.

Staff Recommendation: Approval



February 22, 2023

Ms. Dana Monson
Community Development Specialist
Dept. Of Planning & Economic Development
70 East Monroe Street
Franklin, IN 46131

RE: Tax Abatement Compliance for Electro-Spec, Inc.

Dear Ms. Monson:

Enclosed please find the CF-1 (Compliance with Statement of Benefits) regarding compliance with personal property tax abatements which were granted to Electro-Spec, Inc. under Franklin Common Council Resolution No. 12-07.

As you can see from reviewing the enclosed documents, our company has been successful in (1) exceeding the initial capital investment set forth in 2012, but are short on maintaining the number of jobs which had been proposed in the Statement of Benefits (Form SB-1) by 20 employees. While falling short by the number of jobs, we actually exceeded the proposed amount of payroll by hiring higher skilled employees for specific engineering and quality roles within the company. We are actively trying to hire, but continue to run into problems with bringing in personnel unfortunately.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Smith', with a large, stylized flourish extending to the right.

Jeffrey D. Smith
President
(317) 739-0924
jsmith@electro-spec.com

1800 Commerce Parkway
Franklin, IN 46131
(317) 738-9199 phone
(317) 738-9491 fax



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

SECTION 1 TAXPAYER INFORMATION								
Name of taxpayer Electro-Spec, Inc.						County Johnson		
Address of taxpayer (number and street, city, state, and ZIP code) 1800 Commerce Parkway Franklin, IN 46131						DLGF taxing district number 41-009		
Name of contact person Jeffrey D Smith						Telephone number (317) 738-9199		

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY								
Name of designating body Franklin City Council				Resolution number 12-07		Estimated start date (month, day, year) 05-01-2012		
Location of property 1800 Commerce Parkway Franklin, IN 46131						Actual start date (month, day, year) 05-01-2012		
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. New Manufacturing Equipment						Estimated completion date (month, day, year) 12-31-2014		
						Actual completion date (month, day, year) 12-31-2014		

SECTION 3 EMPLOYEES AND SALARIES								
EMPLOYEES AND SALARIES					AS ESTIMATED ON SB-1		ACTUAL	
Current number of employees					62		64	
Salaries					2,428,138.00		3,739,586.00	
Number of employees retained					62		62	
Salaries					2,428,138.00		2,428,138.00	
Number of additional employees					22		2	
Salaries					600,000.00		1,311,448.00	

SECTION 4 COST AND VALUES								
	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		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								
Plus: Values of proposed project	2,170,000.00							
Less: Values of any property being replaced								
Net values upon completion of project								
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	0.00							
Plus: Values of proposed project	3,212,158.00							
Less: Values of any property being replaced								
Net values upon completion of project	3,212,158.00							

NOTE: The **COST** of the property is confidential pursuant to IC 6-1.1-12.1-5.6(c).

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 President		Date signed (month, day, year) Feb. 21st, 2023		

**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 6-1.1-12.1-5.9)

1. This page does not apply to a Statement of Benefits filed before July 1, 1991; that deduction may not be terminated for a failure to comply with the Statement of Benefits.
2. Within 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.
3. 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. If a notice is mailed to a property owner, a copy of the written notice will be sent to the County Assessor and the County Auditor.
4. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable effort to substantially comply with the Statement of Benefits and whether any failure to substantially comply was caused by factors beyond the control of the property owner.
5. If the designating body determines that the property owner has **NOT** made reasonable effort to comply, then the designating body shall adopt a resolution terminating the deduction. 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.

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 clerk of 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.

Electro-Spec, Inc.
1800 Commerce Parkway
Franklin, IN 46131

Attachment to Form CF-1 (Compliance with Statement of Benefits)
Expansion Investment Schedule by Quarter

	Proposed Amount of Total Investment by 12/31/2014 (Form SB-1)	Actual Amount of Investment Added During the Year (By Quarter)				Actual Total Investment as of 12/31/21	Sum of Prior Years Investments + Current Year	Difference Between Actual and Proposed Investment
		3/31/2022	6/30/2022	9/30/2022	12/31/2022			
Machinery & Equipment	\$ 2,170,000	\$ 113,826	\$ 72,816	\$ 151,560	\$ 100,497	\$ 438,699	\$ 3,212,158	\$ 1,042,158

Totals: \$ 2,170,000

Resolution Number 12-07



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Dana Monson, Community Development Specialist
Date: March 14, 2023
Re: Case C 2023-08: Essex Furukawa (Res. 21-14)

Summary:

1. On April 5th, 2021, the Franklin Common Council passed Resolution No. 2021-14 approving a 7-year tax abatement on \$3,000,000 in personal property with a 5% Economic Development Fee, for Essex Furukawa located at 3200 Essex Drive.

2. Actual and estimated benefits, as projected for 2022:

	Estimated on SB-1	Actual in 2022	Difference
Employees Retained	68	68	0
Salaries	\$4,220,569.60	\$3,253,120	-\$967,449.60
New Employees	6	20	14
Salaries	\$262,080.00	\$956,800	\$694,720
Total Employees	74	88	14
Total Salaries	\$4,482,649.00	\$4,209,920	-\$272,729
Average Hourly Salaries	\$29.00	\$23.00	-\$6.00
Personal Property Improvements	\$3,000,000	\$5,647,000	\$2,647,000.00

3. Essex Furukawa is down in their employment numbers by 18 and also down in salaries. They have explained that they have lost some employees but have hired new in their place, but not the full complement as indicated on their SB-1. They are continuing to hire, but finding it difficult in the current workforce climate. In 22 the company is up in employment but down in wages. The primary reason is the experience level of the new employees. As they are trained, they rise in their wages.

4. The real property investment is \$5,647,000, well above their estimate of \$3,000,000.

5. The real property tax abatement is scheduled to expire in tax year 2029 payable 2030. The final compliance review will take place in 2029.

Staff Recommendation: Approval



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

SECTION 1 TAXPAYER INFORMATION									
Name of taxpayer Essex Furukawa Magnet Wire USA LLC						County Johnson			
Address of taxpayer (number and street, city, state, and ZIP code) 3200 Essex Drive Franklin In. 46131						DLGF taxing district number			
Name of contact person Greg Bosk						Telephone number (210) 269-0707			
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY									
Name of designating body Franklin City Council				Resolution number 21-09		Estimated start date (month, day, year) 05-2019			
Location of property 3200 Essex Drive Franklin In. 46131						Actual start date (month, day, year)			
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. Conversion of warehouse space into a new production area with equipment for automotive market						Estimated completion date (month, day, year) 05-2021			
						Actual completion date (month, day, year)			
SECTION 3 EMPLOYEES AND SALARIES									
EMPLOYEES AND SALARIES				AS ESTIMATED ON SB-1		ACTUAL			
Current number of employees				68		88			
Salaries				29.84		23.00			
Number of employees retained				68		68			
Salaries				29.84		23.00			
Number of additional employees				6		20			
Salaries				21.00		23.00			
SECTION 4 COST AND VALUES									
		MANUFACTURING EQUIPMENT		R & D EQUIPMENT		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		9,000,000.00							
Plus: Values of proposed project		3,000,000.00							
Less: Values of any property being replaced		0.00							
Net values upon completion of project		12,000,000.00							
ACTUAL		COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project		9,000,000.00							
Plus: Values of proposed project		56,470,000.00							
Less: Values of any property being replaced		0.00							
Net values upon completion of project		14,647,000.00							
NOTE: The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6(c).									
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 <i>[Signature]</i>				Title <i>[Signature]</i>		Date signed (month, day, year) <i>05/21/20</i>			

**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 6-1.1-12.1-5.9)

1. This page does not apply to a Statement of Benefits filed before July 1, 1991; that deduction may not be terminated for a failure to comply with the Statement of Benefits.
2. Within 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.
3. 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. If a notice is mailed to a property owner, a copy of the written notice will be sent to the County Assessor and the County Auditor.
4. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable effort to substantially comply with the Statement of Benefits and whether any failure to substantially comply was caused by factors beyond the control of the property owner.
5. If the designating body determines that the property owner has **NOT** made reasonable effort to comply, then the designating body shall adopt a resolution terminating the deduction. 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:			
<input type="checkbox"/> the property owner IS in substantial compliance <input type="checkbox"/> the property owner IS NOT in substantial compliance <input type="checkbox"/> 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.			
Time of hearing	<input type="checkbox"/> AM <input type="checkbox"/> PM	Date of hearing (month, day, year)	Location of hearing
HEARING RESULTS (to be completed after the hearing)			
<input type="checkbox"/> Approved <input type="checkbox"/> 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 clerk of 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.			



CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission
From: Dana Monson, Community Development Specialist
Date: March 14, 2023
Re: Case C 2023-10: Patch Development 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. The property was sold to Patch Development in 2021. The property was then leased to G & H Wire, another Franklin company.

2. Actual and estimated benefits, as projected for 2022:

	Estimated on SB-1	Actual in 2022	Difference
Employees Retained	134	134	0
Salaries	\$22.90	\$27.48	\$4.58
New Employees	116	77	--39
Salaries	\$25.00	\$18.59	-\$6.41
Total Employees	250	170	-80
Total Salaries	NA	NA	NA
Average Hourly Salaries	\$23.95	\$23.03	-.92
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. In 2021 the sale to Patch was final and abatement transferred. Patch completed the buildout and the property is now fully leased.

4. The real property investment is \$2,387,000 which is the estimated amount on the SB-1

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



patch development

February 15, 2023

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

Re: Tax Abatement Compliance for Patch Linville Way LLC

Dear Mrs. Monson:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements which were previously granted to the property owned by Patch Linville Way LLC under Franklin Common Council Resolution No. 2021-11 and No. 2017-11.

Our company as the building/property owner was successful in exceeding the capital investment in 2021 as contemplated. In 2022, the jobs created and retained by G&H Orthodontics, the tenant, are reflected in the attached forms. Please note the salary rates decreasing from 2021 to 2022 are based on a recalculation of the hours worked by salary and non-salaried employees, but G&H continues to add new employees with 73 additional employees added since moving into the facility in 2021.

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

Sincerely,

Andrew Greenwood, General Counsel
Patch Linville Way LLC

Enclosures



COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20____ PAY 20____

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 Patch Linville Way LLC		County Johnson	
Address of taxpayer (number and street, city, state, and ZIP code) 400 Alpha Drive, Westfield, IN 46074 <i>41-08-02-043-001.000-009</i>		DLGF taxing district number	
Name of contact person Andrew Greenwood		Telephone number (317) 412-4298	
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body City of Franklin, Common Council	Resolution number 2017-10	Estimated start date (month, day, year) October 2017	
Location of property 40 Linville Way, Franklin, IN		Actual start date (month, day, year) 2017	
Description of real property improvements 50k Square Foot shell building, paving, landscaping, etc.		Estimated completion date (month, day, year) May 2018	
		Actual completion date (month, day, year) 2018	
SECTION 3		EMPLOYEES AND SALARIES	
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees			170
Salaries			25.54/hr
Number of employees retained		134	138
Salaries		\$22.9/hr	\$27.48/hr
Number of additional employees		116	73
Salaries		\$25/hr	\$18.59/hr
SECTION 4		COST AND VALUES	
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	
Values before project	2,837,000		
Plus: Values of proposed project			
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	3,050,000		
Less: Values of any property being replaced			
Net values upon completion of project	4,000,000		
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 <i>[Signature]</i>		Title VP/General Counsel	Date signed (month, day, year) 2/15/2023

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.



CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission
From: Dana Monson, Community Development Specialist
Date: March 14, 2023
Re: Case C 2023-11: Patch Development 21-11

Summary:

1. On February 17th 2021, the Franklin Common Council passed Resolution No. 2021-11, approving a 10-year tax abatement on \$3,800,000 in real property, for the Patch Development building located at 40 Linville Way. This building is leased to G & H Wire.
2. Actual and estimated benefits, as projected for 2022:

	Estimated on SB-1	Actual in 2022	Difference
Employees Retained	134	134	0
Salaries	\$22.90	\$27.48	\$4.58
New Employees	116	77	-39
Salaries	\$25.00	\$18.59	-\$6.41
Total Employees	250	170	-80
Total Salaries	NA	NA	NA
Average Hourly Salaries	\$23.95	\$23.03	-.92
Real Property Improvements	\$3,800,000	\$4,000,000	\$200,000

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 was sold to Patch Development in 2021. The building was leased to G & H Wire and this investment was their buildout.
4. The real property investment is \$3,800,000. The company is above this estimate.
5. The real property tax abatement is scheduled to expire in tax year 2032 payable 2033. The final compliance review will take place in 2032.

Staff Recommendation: Approval



patch development

February 15, 2023

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

Re: Tax Abatement Compliance for Patch Linville Way LLC

Dear Mrs. Monson:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements which were previously granted to the property owned by Patch Linville Way LLC under Franklin Common Council Resolution No. 2021-11 and No. 2017-11.

Our company as the building/property owner was successful in exceeding the capital investment in 2021 as contemplated. In 2022, the jobs created and retained by G&H Orthodontics, the tenant, are reflected in the attached forms. Please note the salary rates decreasing from 2021 to 2022 are based on a recalculation of the hours worked by salary and non-salaried employees, but G&H continues to add new employees with 73 additional employees added since moving into the facility in 2021.

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

Sincerely,

Andrew Greenwood, General Counsel
Patch Linville Way LLC

Enclosures



COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20__ PAY 20__

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 Patch Linville Way LLC	County Johnson	
Address of taxpayer (number and street, city, state, and ZIP code) 400 Alpha Drive, Westfield, IN 46074 41-08-02-043-001.000-009	DLGF taxing district number	
Name of contact person Andrew Greenwood	Telephone number (317) 412-4298	
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY		
Name of designating body City of Franklin, Common Council	Resolution number 2021-11	Estimated start date (month, day, year) March 1, 2021
Location of property 40 Linville Way, Franklin, IN	Actual start date (month, day, year) May 3, 2021	
Description of real property improvements Paving, landscaping, fire suppression, HVAC/Electrical, build out of office space (Approximately 1k Square Feet)	Estimated completion date (month, day, year) December 31, 2021	
	Actual completion date (month, day, year) December 17, 2021	
SECTION 3 EMPLOYEES AND SALARIES		
EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		170
Salaries		\$25.54/hr
Number of employees retained	134	138
Salaries	\$22.9/hr	\$27.48/hr
Number of additional employees	116	73
Salaries	\$25/hr	\$18.59/hr
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	\$3,800,000	
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	\$4,000,000	
Less: Values of any property being replaced		
Net values upon completion of project		
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 VP/General Counsel	Date signed (month, day, year) 2/15/2023

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.



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Dana Monson, Community Development Specialist
Date: March 14, 2023
Re: Case C 2023-12: GDI.Legacy (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 \$18,000,000 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 2022:

	Estimated on SB-1	Actual in 2022	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	\$18,000,000	\$32,500,000	\$14,500,000

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. The project is substantially completed in 2022 and is actively being marketed after purchase by Core Five. The building was sold to Legacy Investments in 2022 and is now being leased to Target for a return center. Employee numbers will come from Target in 2023 pay 2024 compliance
4. The real property investment is \$32,500,000, above the estimate of \$18,000,000.
5. The real property tax abatement is scheduled to expire in tax year 2032 payable 2033. The final compliance review will take place in 2032.

Staff Recommendation: Approval

LA Crossroads I Owner LLC
4201 Wilson Blvd #110-159
Arlington VA 22203

February 24, 2023

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

Re: Tax Abatement Compliance for LA Crossroads I Owner LLC

Dear Mrs. Monson:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements which were granted in 2020 under Franklin Common Council Resolution No. 2020-04.

As can be seen from reviewing the enclosed documents, our company has been highly successful in making all of the capital investments which had been projected for the past year, and which had been proposed in the Statement of Benefits (Form SB-1) which was approved on March 2, 2020.

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

Sincerely,

Nathan Brooks

Nathan Brooks, Director of Asset Management

Legacy Investing LLC

Enclosures

**COMPLIANCE WITH STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20 23 PAY 20 24**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 LA Crossroads I Owner LLC	County Johnson		
Address of taxpayer (number and street, city, state, and ZIP code) 4201 Wilson Blvd #110-159 Arlington VA 22203	DLGF taxing district number 18		
Name of contact person Nate Brook	Telephone number (413) 426-3370		
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body The City of Franklin Common Council	Resolution number 2020-03	Estimated start date (month, day, year) 5/1/2020	
Location of property 81 & 89 FOREST RD FRANKLIN, IN 46131		Actual start date (month, day, year) 2/1/2021	
Description of real property improvements New 954,370 sq. ft. bulk industrial building		Estimated completion date (month, day, year) 1/1/2021	
		Actual completion date (month, day, year) 10/28/2022	
SECTION 3		EMPLOYEES AND SALARIES	
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		0	0
Salaries		0	0
Number of employees retained		0	0
Salaries		0	0
Number of additional employees		0	0
Salaries		0	0
SECTION 4		COST AND VALUES	
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	
Values before project		89,000.00	
Plus: Values of proposed project	18,000,000.00		
Less: Values of any property being replaced			
Net values upon completion of project	18,000,000.00	89,000.00	
ACTUAL	COST	ASSESSED VALUE	
Values before project			
Plus: Values of proposed project	41,775,529.98	35,105,600.00	
Less: Values of any property being replaced			
Net values upon completion of project	41,775,529.98	35,105,600.00	
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 <i>Jay Rappaport</i>	Title CEO	Date signed (month, day, year) 2/24/2023	

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.



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission

From: Dana Monson, Community Development Specialist

Date: March 14, 2023

Re: Case C 2023-13: GMI Corporation 22-21

Summary:

1. On October 3rd, 2022 the Franklin Common Council passed Resolution No. 2022-21, approving a 5-year tax abatement on personal property with a 5% Economic Development Fee to GMI Corporation located at 700 International Drive.
2. Actual and estimated benefits, as projected for 2022:

	Estimated on SB-1	Actual in 2022	Difference
Current Employees	91	91	0
Salaries	\$26.00	\$27.76	\$1.76
New Employees	6	0	-6
Salaries	\$18.00	0	-\$18.00
Personal Property Improvements	\$2,700,000	\$1,800,000	-\$900,000

3. The company has begun adding the new equipment, but due to delivery delays not all the equipment is here and has not been installed.
4. The company has maintained employment and increased wages slightly. Hiring the new employees is expected to begin this summer after the new line arrives.
5. The tax abatement is scheduled to expire in tax year 2027 payable 2028. The final compliance review will take place in 2027.

Staff Recommendation: Approval



February 15, 2023

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

Re: Tax Abatement Compliance for GMI Corporation

Dear Mrs. Monson:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements which were granted to GMI Corporation in 2022 under Franklin Common Council Resolution No. 22-21.

As can be seen from reviewing the enclosed documents, our company is in the process of making the capital investments which had been projected for the past year. Due to delays in the supply chain and labor shortage, the project is expected to be completed in June of 2022. To date, GMI has invested over \$1.8M and is committed to seeing this project to completion. At which time GMI will create the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved on October 3, 2022.

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

Sincerely,

Jeffrey W Osler, Director of Finance
GMI Corporation
700 International Dr
Franklin, IN 46131

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

SECTION 1 TAXPAYER INFORMATION								
Name of taxpayer <i>GMT Corporation</i>						County <i>Johnson</i>		
Address of taxpayer (number and street, city, state, and ZIP code) <i>700 International Dr Franklin In 46131</i>						DLGF taxing district number <i>009</i>		
Name of contact person <i>Jeffrey W. Osler</i>						Telephone number <i>(317) 684 4231</i>		

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY			
Name of designating body <i>Hydromet Epic HF HS-16</i>		Resolution number	Estimated start date (month, day, year) <i>12-2021</i>
Location of property <i>41-08-03-012-018, 000-009</i>			Actual start date (month, day, year) <i>12-2021</i>
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired.			Estimated completion date (month, day, year) <i>10-2022</i>
			Actual completion date (month, day, year) <i>5-2023</i>

SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		<i>91</i>	<i>0</i>
Salaries			<i>27.74</i>
Number of employees retained		<i>91</i>	
Salaries			
Number of additional employees		<i>0</i>	
Salaries			

SECTION 4 COST AND VALUES								
	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		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	<i>2,700,000</i>							
Plus: Values of proposed project								
Less: Values of any property being replaced								
Net values upon completion of project								
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project								
Plus: Values of proposed project	<i>1,800,000</i>							
Less: Values of any property being replaced								
Net values upon completion of project								

NOTE: The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6(c).

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	<i>NA</i>		
Amount of hazardous waste converted	<i>NA</i>		
Other benefits:			

SECTION 6 TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative <i>Jeffrey W. Osler</i>	Title <i>Dir. of Finance</i>	Date signed (month, day, year) <i>2-28-2022</i>

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 6-1.1-12.1-5.9)

1. This page does not apply to a Statement of Benefits filed before July 1, 1991; that deduction may not be terminated for a failure to comply with the Statement of Benefits.
2. Within 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.
3. 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. If a notice is mailed to a property owner, a copy of the written notice will be sent to the County Assessor and the County Auditor.
4. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable effort to substantially comply with the Statement of Benefits and whether any failure to substantially comply was caused by factors beyond the control of the property owner.
5. If the designating body determines that the property owner has **NOT** made reasonable effort to comply, then the designating body shall adopt a resolution terminating the deduction. 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.

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 clerk of 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.

Additional Information

In December 2021, GMI contracted Hydromat to build and design a rotary CNC machining center specific to GMI Specifications with a delivery of October 2022. Due to supply chain constraints and a national labor shortage the delivery of the new equipment has been delayed until 2023. As mentioned to date GMI has contributed \$1.888 M to the completion of the project and the addition of the 6 new employees to support the machinery. AS we near the completion of the project GMI will begin to add the new personnel to be able to support the new capacity. GMI fully expects to make the additional capital expenditure and labor additions in the next several months with a final completion in early Summer 2023. GMI continues to move this project forward and asks the City of Franklin to take the unforeseen and uncontrollable delays into account regarding tax abatement commitments.

Expansion Investment Schedule

Proposed Investment		\$2,700,000.00
Initial Deposit	12-21-2021	\$1,180,000.00
Progress Payment	9-1-2022	\$708,000.00
Progress Payment	Anticipated 4-2023	\$236,000.00
Final Payment	Anticipated 6-2023	\$576,000.00