



CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission

From: Dana Monson, Community Development Specialist

Date: March 12, 2024

Re: Case C 2024-49: Sunbeam FTP LLC Res. 23-05

Summary:

1. On March 6th, 2023 the Franklin Common Council passed Resolution No. 2023-05, approving a 10-year tax abatement on real property for Sunbeam FTP LLC, located at Lot 1 of I65 South Commerce Park, Jim Black Road.
2. Actual and estimated benefits, as projected for 2023:

	Estimated on SB-1	Actual in 2023	Difference
Total Employees	0	0	0
Salaries	\$0	\$0	\$0
Average Hourly Salaries	\$0.00	\$0.00	\$0.00
Real Property Improvements	\$78,000,000	\$76,118,384	\$-1,881,616

3. The company has done substantial completion of the building and is beginning to market the facility. The building has not yet been assessed. It is 90% complete.
4. There are no employment numbers attached to this abatement as it is a speculative building.
5. The real property tax abatement is scheduled to expire in tax year 2033 payable in 2034. The final compliance review will take place in 2033.

Staff Recommendation: Approval



February 16, 2024

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

Re: Resolution No. 2023-05 – Tax Abatement Compliance for Sunbeam Development

Dear Ms. Monson:

Enclosed please find Form CF-1/RE (Compliance with Statement of Benefits) regarding compliance with the real property tax abatement which was granted to Sunbeam Development in 2023 under Franklin Common Council Resolution Number 2023-05.

The above resolution was granted for the construction of a modern bulk warehouse facility of 1,119,696 square feet for an estimated value of \$78,000,000. In the Spring of 2023, Sunbeam broke ground for the construction of a 1,119,696 square foot warehouse facility. This Facility is built on a Speculative Basis. The following is a breakdown by quarter of capital investments for the building:

2022 4th Quarter	\$ 7,496,635
2023 1 st Quarter	\$14,462,192
2023 2nd Quarter	\$31,956,927
2023 3 rd Quarter	\$19,695,751
2023 4 th Quarter	\$ 2,506,879
	<u>\$76,118,384</u>

As of the date of this report the shell structure was being completed. The property was marketed for lease in 2023. On leasing of the building, additional capital investment of approximately \$5,000,000 to \$10,000,000 for buildout in accordance with their specifications. It is anticipated that once the building is leased and completed that the total capital investment will be in excess of \$80,000,000.

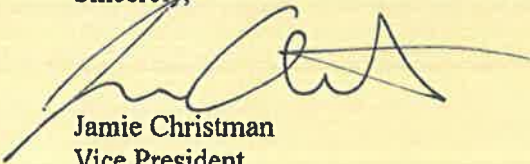
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City of Franklin

Attached with this letter is a copy of a *proposed* Form CF-1/Real Property for 2024 pay 2025, due to the fact that a Notice of Assessment has not been issued for this new facility and unsure if the County parcel number has been assigned for the 81.001 acre tract.

Based on the foregoing information, Sunbeam Development Corporation is in full compliance with the investment requirements proposed on the original SB-1/Real Property.

Upon review of the enclosures should you have any questions, please feel free to contact me.

Sincerely,



Jamie Christman
Vice President

JC:llj

Enclosures

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

State Form 51768 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20 24 PAY 20 25

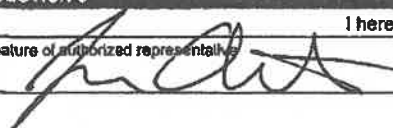
FORM CF-1 / Real Property

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 SUNBEAM DEVELOPMENT CORPORATION	County JOHNSON		
Address of taxpayer (number and street, city, state, and ZIP code) 1401 79TH STREET CAUSEWAY, NORTH BAY VILLAGE, FL 33141		DLGF taxing district number 018	
Name of contact person JAMIE CHRISTMAN	11800 EXIT FIVE PARKWAY, SUITE 100, FISHERS, IN 46037	Telephone number (317) 842-1168	
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body CITY OF FRANKLIN, IN BY ITS COMMON COUNCIL	Resolution number 2023-05	Estimated start date (month, day, year) 4/01/2023	
Location of property 2300 PROGRESS DRIVE, FRANKLIN, IN 46037		Actual start date (month, day, year)	
Description of real property improvements CONSTRUCTION OF 1,119,696 SQ. FT. BULK WAREHOUSE/DISTRIBUTION FACILITY BUILT ON A SPECULATIVE BASIS BY SUNBEAM DEVELOPMENT CORPORATION, LOT 1, BLDG 2 I-65 SOUTH COMMERCE PARK		Estimated completion date (month, day, year) 05/01/2024	
		Actual completion date (month, day, year)	
SECTION 3		EMPLOYEES AND SALARIES	
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees			0
Salaries			0
Number of employees retained			0
Salaries			0
Number of additional employees			
Salaries			
SECTION 4		COST AND VALUES	
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	
Values before project	549,900		
Plus: Values of proposed project	\$78,000,000		
Less: Values of any property being replaced			
Net values upon completion of project	\$78,000,000		
ACTUAL	COST	ASSESSED VALUE	
Values before project	549,900		
Plus: Values of proposed project	78,000,000		
Less: Values of any property being replaced			
Net values upon completion of project	\$76,118,384		
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 VICE PRESIDENT	Date signed (month, day, year) 2/20/24	

**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 4 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.