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 Johnson County-Recorded as Presented
 Jill L. Jackson County Recorder
 File **2013-006885**

CITY OF FRANKLIN, INDIANA

RESOLUTION NUMBER 2013-10

**A RESOLUTION GRANTING TAX ABATEMENT FOR
 MITSUBISHI HEAVY INDUSTRIES CLIMATE CONTROL (EDC 2013-04)**

WHEREAS, the economic growth and development of the City of Franklin, Johnson County, Indiana is the primary goal of the community;

WHEREAS, the Franklin Economic Development Commission has on March 12th, 2013, held a public meeting and considered the tax abatement request of Mitsubishi Heavy Industries Climate Control in a manner consistent with the City of Franklin Community Investment Incentives Summary and the applicable sections of the Indiana Code.

WHEREAS, the Franklin Economic Development Commission has made the findings required by IC 6-1.1-12.1-3 and IC 6-1.1-12.1-4.5 the Franklin Economic Development Commission recommends that Mitsubishi Heavy Industries Climate Control receive a 7 year tax abatement with a 5% Economic Development Fee on personal property located at the property described in "Exhibit A" and the manufacturing project described in the tax abatement request;

WHEREAS, a copy of the Statement of Benefits recommended for approval by the Franklin Economic Development Commission is attached hereto as "Exhibit B;"

WHEREAS, the said real estate as described in "Exhibit A" is located in an existing Economic Revitalization Area as approved by the City of Franklin Common Council with City Council Resolution Number 2008-02 and confirmed by Resolution Number 2008-08;

WHEREAS, the Common Council has received and reviewed "Exhibit B," with all attachments, and that such attachments are made a part hereof and incorporated herein, all which together contain the necessary statements of benefits, letter of application, and description of manufacturing equipment which are involved, along with the recommendation for tax abatement for personal property; and

WHEREAS, the Common Council has given careful consideration to the materials submitted and affirms the findings of the Franklin Economic Development Commission relative to the requirements of IC 6-1.1-12.1-3 and IC 6-1.1-12.1-4.5, and specifically including the following findings:

As to personal property the following findings are made:

- 1) The estimate of the cost of new manufacturing equipment is reasonable for equipment of that type;
- 2) The estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment;
- 3) The estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new equipment;
- 4) Any other benefits about which information was requested are benefits that can be reasonably expected to result from the installation of the new manufacturing equipment; and

FILED

MAR 21 2013

Janis D. Richhart
 AUDITOR, JOHNSON COUNTY

Sales Disclosure NOT Required
 Johnson County Assessor

- 5) The totality of the benefits is sufficient to justify the tax abatement.

NOW THEREFORE BE IT RESOLVED THAT:

- (1) The abatement of personal property tax shall extend for a period of 7 years, pursuant to the deduction schedule set forth in IC 6-1.1-12.1-4.5(e)(6).
- (2) Mitsubishi Heavy Industries Climate Control shall be required to provide the City of Franklin with information showing the extent to which there has been compliance with the statement of benefits submitted in their request for tax abatement within sixty (60) days after the end of each year in which the deduction is applicable, all as required by IC 6-1.1-12.1-5.1 and IC 6-1.1-12.1-5.6.
- (3) A copy of this resolution and a description of the affected area will be available and can be inspected in the office of the Johnson County Assessor and the City Clerk/Treasurer.

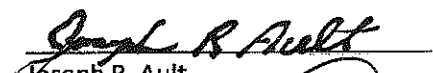
APPROVED by the Common Council of the City of Franklin, Johnson County, Indiana, this 18th day of March, 2013.

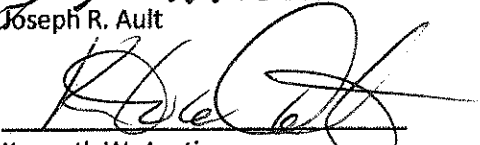
City of Franklin, Indiana, by its Common Council:

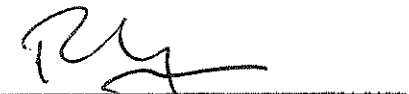
Voting Affirmative:

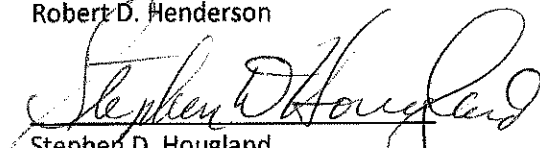

Stephen D. Barnett, Council President


Joseph P. Abban


Joseph R. Ault


Kenneth W. Austin


Robert D. Henderson


Stephen D. Hougland

Voting Opposed:

Stephen D. Barnett, Council President

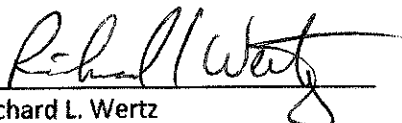
Joseph P. Abban

Joseph R. Ault

Kenneth W. Austin

Robert D. Henderson

Stephen D. Hougland

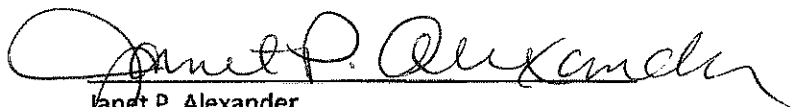

Richard L. Wertz

Richard L. Wertz

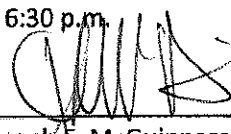
Attest:


Janet P. Alexander
City Clerk-Treasurer

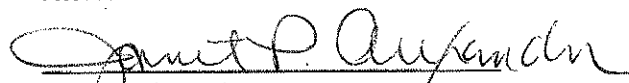
Presented by me to the Mayor of the City of Franklin for his approval or veto pursuant to
Indiana Code § 36-4-6-15, 16, this 18th day of March, 2013, at 6:30 p.m.


Janet P. Alexander
City Clerk-Treasurer

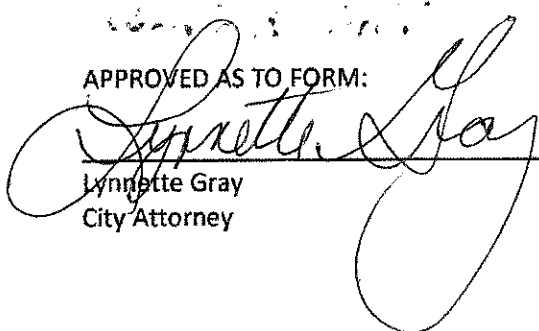
This ordinance having been passed by the legislative body and presented to me this [Approved
by me and duly adopted, pursuant to Indiana Code § 36-4-6-16(a)(1)] [Vetoed, pursuant to Indiana Code
§ 36-4-6-16(a)(2)], this 18th day of March, 2013, at 6:30 p.m.


Joseph E. McGuinness
Mayor

Attest:


Janet P. Alexander
City Clerk-Treasurer

APPROVED AS TO FORM:


Lynnette Gray
City Attorney

**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (R / 1-06)

Prescribed by the Department of Local Government Finance

FORM SB-1 / PP**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).

Exhibit B**INSTRUCTIONS:**

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, **BEFORE** a deduction may be approved
3. To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001. For equipment installed prior to March 2, 2001, the schedules and statutes in effect at the time shall continue to apply. (IC 6-1.1-12.1-4.5(f) and (g))

SECTION 1 TAXPAYER INFORMATION								
Name of taxpayer Mitsubishi Heavy Industries Climate Control, Inc.								
Address of taxpayer (number and street, city, state, and ZIP code) 1200 North Mitsubishi Parkway, Franklin, Indiana 46131								
Name of contact person Bob Francis				Telephone number (317) 348-5010				
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT								
Name of designating body City of Franklin Common Council				Resolution number (s) 13-10				
Location of property 1200 North Mitsubishi Parkway, Franklin, Indiana			County Johnson		DLGF taxing district number			
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (use additional sheets if necessary) Introduction of six additional machines for finishing scrolls to increase production capacity at MCC plant.				ESTIMATED				
				START DATE		COMPLETION DATE		
				Manufacturing Equipment		04/01/2013	12/31/2013	
				R & D Equipment				
				Logist Dist Equipment				
				IT Equipment				
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT								
Current number 219	Salaries 8,431,675.00	Number retained 219	Salaries 8,431,675.00	Number additional 3	Salaries 96,158.00			
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT								
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Current values								
Plus estimated values of proposed project	1,851,351.00	1,851,351.00						
Less values of any property being replaced								
Net estimated values upon completion of project	1,851,351.00	1,851,351.00						
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER								
Estimated solid waste converted (pounds) 0.00			Estimated hazardous waste converted (pounds) 0.00					
Other benefits: Additional machines will reduce the number of finished scrolls that MCC has to buy from foreign suppliers.								
SECTION 6 TAXPAYER CERTIFICATION								
I hereby certify that the representations in this statement are true.								
Signature of authorized representative Bob Francis			Title General Mgr. Admin		Date signed (month, day, year) 3-11-13			

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____.

B. The type of deduction that is allowed in the designated area is limited to:

- | | |
|--|---|
| 1. Installation of new manufacturing equipment; | ☒ Yes ☐ No |
| 2. Installation of new research and development equipment; | ☐ Yes ☒ No |
| 3. Installation of new logistical distribution equipment. | ☐ Yes ☒ No |
| 4. Installation of new information technology equipment; | ☐ Yes ☒ No |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ 1,851,351 cost with an assessed value of \$ _____.

D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____.

F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____.

G. Other limitations or conditions (specify) An agreed 5% fee on abated taxes pursuant to IC 6-1.1-12.1-14.

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction on or after July 1, 2000, is allowed for:

- | | |
|-------------------------------------|---|
| ☐ 1 year | ☐ 6 years |
| ☐ 2 years | ☒ 7 years |
| ☐ 3 years | ☐ 8 years |
| ☐ 4 years | ☐ 9 years |
| ☐ 5 years ** | ☐ 10 years ** |

** For ERA's established prior to July 1, 2000, only a 5 or 10 year schedule may be deducted.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member)

Stephen Barnett
Council Pres.

Telephone number

(317) 736-3631

Date signed (month, day, year)

3-18-13

Attested by:

Krista Linke
Krista Linke, Director of Community Development

Designated body

City of Franklin Common Council

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5