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FILED

DEC 20 2013

CITY OF FRANKLIN, INDIANA

DEC 20 2013

James D. Richert
AUDITOR, JOHNSON COUNTY

RESOLUTION NUMBER 2013-29

**A RESOLUTION GRANTING TAX ABATEMENT
FOR MITSUBISHI HEAVY INDUSTRIES CLIMATE CONTROL, INC.**

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 December 10th, 2013, held a public meeting and considered amending the tax abatement request of *Mitsubishi Heavy Industries Climate Control, Inc. (1200 N. Mitsubishi Parkway)* in a manner consistent with the *City of Franklin Community Investment Incentives Summary* and the applicable section 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 and recommended that Mitsubishi Heavy Industries Climate Control, Inc. receive a ten (10) year tax abatement with a 2% Economic Development Fee, on real property for the real estate described as "Exhibit A" and 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 and description of the project, along with the recommendation of the Economic Development Commission for tax abatement for real property; and

WHEREAS, the Common Council has give 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.

NOW THEREFORE BE IT RESOLVED THAT:

- 1) The abatement of real property tax shall extend for a period of 10 years pursuant to the deduction schedule set forth in IC 6-1.1-12.1-4.5(e)(10).
- 2) Mitsubishi Heavy Industries Climate Control, Inc. 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, as required by IC 6-1.1-12.1-5.1.

- 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 16th day of December, 2013.

City of Franklin, Indiana, by its Common Council:

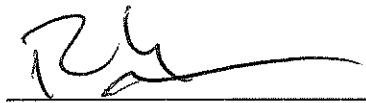
Voting Affirmative:


Stephen D. Barnett, Council President

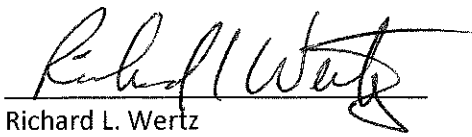

Joseph P. Abban

Absent
Joseph R. Ault

Kenneth W. Austin


Robert D. Henderson

Absent
Stephen D. Hougland


Richard L. Wertz

Voting Opposed:

Stephen D. Barnett, Council President

Joseph P. Abban

Joseph R. Ault

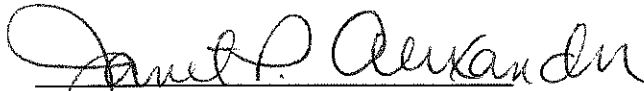
Kenneth W. Austin

Robert D. Henderson

Stephen D. Hougland

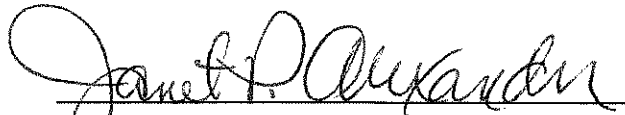
Richard L. Wertz

Attest:



Janet P. Alexander
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 16th day of December, 2013.



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 16th day of December, 2013.



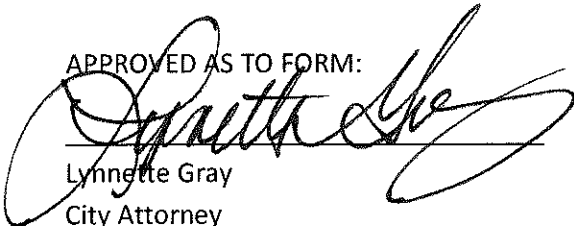
Joseph E. McGuinness
Mayor

Attest:



Janet P. Alexander
City Clerk-Treasurer

APPROVED AS TO FORM:



Lynnette Gray
City Attorney

EXHIBIT A

MHI OPTION REAL ESTATE

Legal Description

A part of the West half of the Northeast quarter of Section 18, Township 12 North, Range 5 East of the Second Principal Meridian, Needham Township, Johnson County, Indiana, described as follows:

Beginning at the Northeast corner of the said half quarter section; thence Southerly on and along the East line of the said half quarter section, a distance of 1660 feet; thence Westerly on a line parallel with the North line of the said half quarter section, a distance of 737 feet, more or less, to a point on the Easterly right-of-way line of Interstate 65; thence Northwesterly on and along said right-of-way line, a distance of 1695 feet, more or less, to a point on the North line of the said half quarter section; thence Easterly on and along said North line a distance of 1075 feet, more or less, to the Place of Beginning, containing 34.5 acres, more or less, subject to all legal rights-of-way and easements.

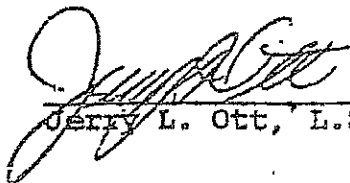
AND,

A part of the East half of the Northeast quarter of Section 18, Township 12 North, Range 5 East of the Second Principal Meridian, Needham Township, Johnson County, Indiana, described as follows:

Beginning at the Northwest corner of the said half quarter section; thence Southerly on and along the West line of the said half quarter section, a distance of 1660 feet; thence Easterly on a line parallel with the North line of the said half quarter section, a distance of 327.3 feet, more or less; thence Northerly on a line parallel with the West line of the said half quarter section, a distance of 1660 feet, more or less, to a point on the North line of the said half quarter section; thence Westerly on and along said North line a distance of 327.3 feet, more or less, to the Place of Beginning, containing 12.5 acres, more or less, subject to all legal rights-of-way and easements.

Total Real Property Described: 47.0 acres.

This description is not based upon a survey and has been prepared from scaled dimensions from the topographic drawing of the "Franklin Eastside Business Park" prepared by The Odle McGuire & Shook Corp. for The Crider Development Group, 1995.

 11-6-95
Jerry L. Ott, L.S.

**STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51767 (R2 / 1-07)

Prescribed by the Department of Local Government Finance

EXHIBIT B

21 PAY 20

FORM SB-1 / Real Property

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☐ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Eligible vacant building (IC 6-1.1-12.1-4.8)

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** the redevelopment or rehabilitation of real property 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 initiation of the redevelopment or rehabilitation, **BEFORE** a deduction may be approved.
3. To obtain a deduction, application Form 322 ERA/RE or Form 322 ERA/VBD, whichever is applicable, must be filed with the County Auditor by the later of: (1) May 10; or (2) thirty (30) days after the notice of addition to assessed valuation or new assessment is mailed to the property owner at the address shown on the records of the township assessor.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must attach a Form CF-1/Real Property annually to the application to show compliance with the Statement of Benefits. [IC 6-1.1-12.1-5.1(b) and IC 6-1.1-12.1-5.3(j)]
5. The schedules established under IC 6-1.1-12.1-4(d) for rehabilitated property and under IC 6-1.1-12.1-4.8(1) for vacant buildings apply to any statement of benefits approved on or after July 1, 2000. The schedules effective prior to July 1, 2000, shall continue to apply to a statement of benefits filed before July 1, 2000.

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) 346-5010		E-mail address bobf@mhicc.com	
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT			
Name of designating body Franklin Common Council		Resolution number 2013-29		DLGF taxing district number	
Location of property 1200 North Mitsubishi Parkway, Franklin, Indiana		County Johnson		Estimated start date (month, day, year) 03/01/2014	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) New construction - Approximately 23,840 square feet of new building on the north end of the current MCC plant.				Estimated completion date (month, day, year) 09/30/2014	
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT			
Current number 228.00	Salaries \$8,784,108.00	Number retained 228.00	Salaries \$8,784,108.00	Number additional 3.00	Salaries \$89,793.00
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.		REAL ESTATE IMPROVEMENTS			
		COST		ASSESSED VALUE	
Current values		6,681,593.00		6,681,593.00	
Plus estimated values of proposed project		1,200,000.00		1,200,000.00	
Less values of any property being replaced					
Net estimated values upon completion of project		7,881,593.00		7,881,593.00	
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 New construction is for space to be used by Mitsubishi Engine North America, Inc. as manufacturing space to build turbochargers for small cars. The new construction will be property of Mitsubishi Heavy Industries Climate Control, Inc. However, Mitsubishi Engine North America, Inc. will lease this space.					
SECTION 6		TAXPAYER CERTIFICATION			
I hereby certify that the representations in this statement are true.					
Signature of authorized representative Bob Francis		Title General Manager		Date signed (month, day, year) 11-26-13	

FOR USE OF THE DESIGNATING BODY

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

- 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. Redevelopment or rehabilitation of real estate improvements ☐ Yes ☐ No
 2. Residentially distressed areas ☐ Yes ☐ No
- C. The amount of the deduction applicable is limited to \$ _____.
- D. Other limitations or conditions (specify) 2% Economic Development Fee
- E. The deduction is allowed for 10 years* (see below).
- F. Did the designating body adopt an alternative deduction schedule per IC 6-1.1-12.1-17? ☐ Yes ☐ No
If yes, attach a copy of the alternative deduction schedule to this form.

We have also 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 of designating body) <u>Steve Barnhart</u> <u>Steve Barnhart</u> President	Telephone number <u>(317) 736.3631</u>	Date signed (month, day, year) <u>12/16/13</u>
Attested by (signature and title of attester) <u>Rhoni Oliver</u> Comm. Dev. Specialist	Designated body <u>Common Council</u>	

* 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.

- A. For residentially distressed areas, the deduction period may not exceed five (5) years.
- B. For redevelopment and rehabilitation or real estate improvements:
1. If the Economic Revitalization Area was designated prior to July 1, 2000, the deduction period is limited to three (3), six (6), or ten (10) years.
 2. If the Economic Revitalization Area was designated after June 30, 2000, and is not in a residentially distressed area, the deduction period may not exceed ten (10) years.