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FILED

DEC 20 2013

Janis D. Hillert
AUDITOR, JOHNSON COUNTY

CITY OF FRANKLIN, INDIANA

RESOLUTION NUMBER 2013-32

DEC 20 2013

**A RESOLUTION GRANTING TAX ABATEMENT
FOR MITSUBISHI ENGINE NORTH AMERICA, INC.
(AMENDING RESOLUTION NUMBER 2013-07)**

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 Engine North America, Inc. (1200 N. Mitsubishi Parkway)* approved by Resolution 2013-07, 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 Engine North America, Inc. receive a ten (10) year tax abatement with a 5% Economic Development Fee, on personal property for the real estate described as "Exhibit A" and described in the tax abatement request;

WHEREAS, a copy of the Amended 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 personal 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 Engine North America, 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

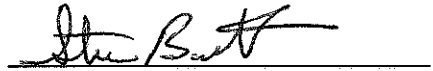
benefits submitted in their request for tax abatement within sixty (60) days after the end of each year in which the deduction is applicable, as required by IC 6-1.1-12.1-5.1.

- 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:



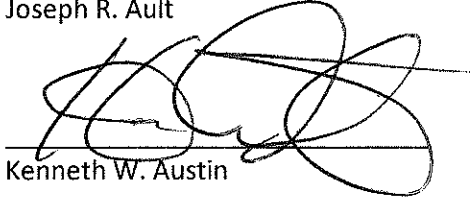
Stephen D. Barnett, Council President



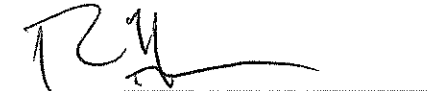
Joseph P. Abban

Absent

Joseph R. Ault



Kenneth W. Austin



Robert D. Henderson

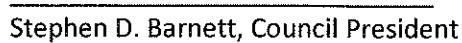
Absent

Stephen D. Hougland

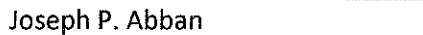


Richard L. Wertz

Voting Opposed:



Stephen D. Barnett, Council President



Joseph P. Abban



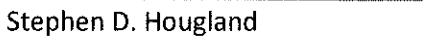
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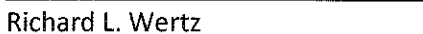
Kenneth W. Austin



Robert D. Henderson



Stephen D. Hougland



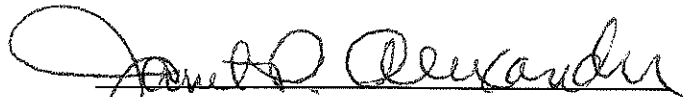
Richard L. Wertz

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.



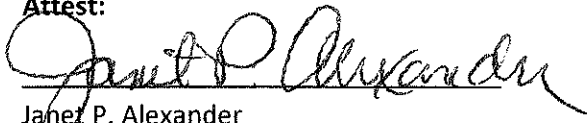
Janet P. Alexander
City Clerk-Treasurer

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.



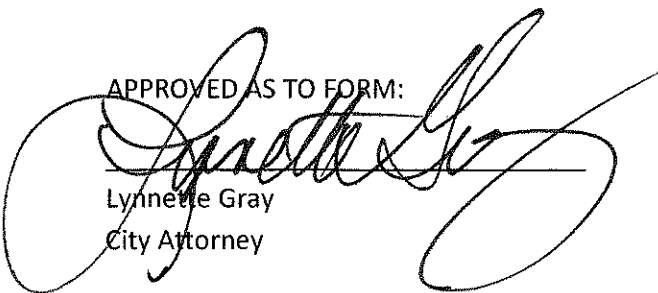
Joseph E. McGuinness
Mayor

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.

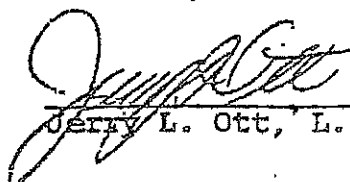
AND,

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
PERSONAL PROPERTY**

State Form 51764 (R / 1-06)

Prescribed by the Department of Local Government Finance

EXHIBIT B**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).

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 Engine North America (MENA)											
Address of taxpayer (number and street, city, state, and ZIP code) 1250 Greenbriar Drive, Suite E, Addison, Illinois 60101											
Name of contact person Atsushi Hagita						Telephone number (317) 346-5280					
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT											
Name of designating body City of Franklin Common Council						Resolution number (s) 13-07 / 13-32					
Location of property 1200 North Mitsubishi Parkway, Franklin, Indiana 46131					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) Equipment and machinery for manufacturing of turbochargers					ESTIMATED						
					START DATE COMPLETION DATE						
					Manufacturing Equipment		06/01/2014		10/01/2015		
					R & D Equipment						
					Logist Dist Equipment						
IT Equipment											
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT											
Current number 0		Salaries		Number retained		Salaries		Number additional 73		Salaries 3,114,238.00	
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			7,274,375.00	7,274,375.00			418,750.00	418,750.00			
Less values of any property being replaced											
Net estimated values upon completion of project			7,274,375.00	7,274,375.00			418,750.00	418,750.00			
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: MENA will produce turbochargers that help boost power and conserve fuel on small, more fuel efficient car engines.											
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) 12/11/13			

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 \$ _____ 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) 5% Economic Development Fee

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.

I. 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.

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) <u>Steve Barnett, President</u>	Telephone number <u>(317) 736-3631</u>	Date signed (month, day, year) <u>12/16/13</u>
Attested by: <u>Rhoni Oliver, Comm. Dev. Specialist</u>	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 6-1.1-12.1-4.5