



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

ECONOMIC DEVELOPMENT COMMISSION

July 8, 2014

Members Present:

Ken Austin	President
John Ditmars	Member
H. Lee Hodgen	Member
Jake Sappenfield	Vice-President

Members Absent:

Tony Wellings	Secretary
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Others Present:

Rob H. Schafstall	Legal Counsel
Krista Linke	Director of Community Development
Jaime Shilts	Recording Secretary

Call to Order:

Ken Austin called the meeting to order at 8:00 a.m.

Approval of Minutes:

Lee Hodgen made a motion to approve the June 10, 2014 minutes as presented. John Ditmars seconded the motion. The motion carried.

Old Business:

None.

New Business:

C 2014-03: Hetsco, Inc.:

Ms. Linke stated the request is for a 10 year tax abatement. They are requesting abatements on \$4 million in real property and \$400,000 in personal property.

Sam Willard, President of Hetsco, stated that the company was founded in the mid-1980s and has been located in Greenwood since then. The core business has been the repair of exchangers and they also repair them on site for customers. He stated they are proud of their safety record and they now are able to do high pressure parts. They expanded their facility in 2009 and have a facility in Houston, TX. The shell building is about 10,000 sq ft bigger than their immediate needs but they will fill it up very quickly. He stated their business includes repair and maintenance, fabrication and construction. They do business all over the world but Indiana works well for them as it is centrally located. The shell building will allow them to move in at least 6 months earlier than other sites they looked at.

They anticipate 40 new jobs over the next 4 years and their average salary is above the local median wage. They would like to complete permitting and design in August of 2014 and start

the build out late in the third quarter of 2014 and have it completed and occupied by the first quarter of 2015.

Mr. Willard stated the \$4 million includes the acquisition cost. Mr. Ditmars stated the amount of the abatement will only be applicable on the build-out. The build-out is estimated to cost \$2,770,000. Mr. Willard stated the \$400,000 is all new equipment.

Action taken on C 2014-03: Hetsco, Inc.:

On a motion by Jake Sappenfield and a second by Lee Hodgen, the members voted to find the statutory requirements satisfied on the real property and personal property as the estimate of the value of the development is reasonable for projects of this nature, the estimate of the number of individuals who will be employed can be reasonably expected to result from the development, the estimate of the annual salaries of those who will be employed or retained can be reasonably expected to result from the development, whether any other benefits can be reasonably be expected to result from the project and whether the totality of the benefits is sufficient to justify the abatement.

On a motion by John Ditmars and a second by Jake Sappenfield, the members voted to set the abatement at 10 years on real property and 5 years on personal property.

C 2014-04: Pridgeon & Clay, Inc.:

Ms. Linke stated the request is for a 10 year abatement on \$500,000 in real property and a 7 year abatement on \$3,300,000 in personal property investment.

Dan Todaro, Plant Manager, stated they were founded in 1948 in Michigan and have expanded. Their current location is land locked and there is no room for expansion. They are set to expand all of their facilities out of the Franklin location.

Mr. Schafstall questioned if they were in agreement on the Economic Development Fee. Mr. Todaro stated they were. The amount is 2% for real and 5% for personal property.

Action taken on C 2014-04: Pridgeon & Clay, Inc.:

On a motion by Jake Sappenfield and a second by Lee Hodgen, the members voted to find the statutory requirements satisfied on the real property and personal property as the estimate of the value of the development is reasonable for projects of this nature, the estimate of the number of individuals who will be employed can be reasonably expected to result from the development, the estimate of the annual salaries of those who will be employed or retained can be reasonably expected to result from the development, whether any other benefits can be reasonably be expected to result from the project and whether the totality of the benefits is sufficient to justify the abatement.

Mr. Todaro stated the personal property is new to Indiana and is in the process of being manufactured.

On a motion by John Ditmars and a second by Lee Hodgen, the members voted to set the abatement at 10 years on real property and 7 years on personal property.

Mr. Austin disclosed that the company he works for does business with Pridgeon & Clay.

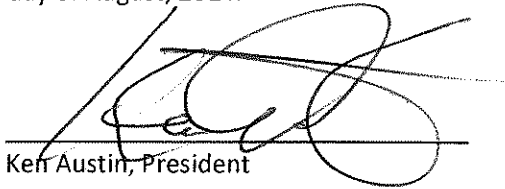
Other Business:

Economic Development Fee Update: Proposals Due August 5th, 2014:

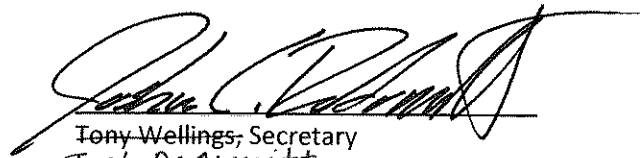
Ms. Linke stated the amount collected is just over \$33,000 in economic development fees. \$17,000 of the \$33,000 is delinquent amounts from last year that have been paid. The county is holding the funds until the EDC has a recommendation for City Council. The proposals are due August 5th which will give the Board a week to review them before the August meeting.

Adjournment:

There being no further business, the meeting was adjourned. Respectfully submitted this 12th day of August, 2014.



Ken Austin, President



Tony Wellings, Secretary
Josh DeArmitt,