



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission

From: Krista Linke, Director of Community Development

Date: April 24, 2015

Re: Case C 2015-03: BCC Products

Summary:

1. On December 10th, 2007, the Franklin Common Council passed Resolution No. 2007-15, approving a 10-year tax abatement on real property for BCC Products, located at 2140 Earlywood Drive.
2. Actual and estimated benefits, as projected for 2014:

| | Estimated on SB-1 | Actual in 2014 | Difference |
|----------------------------|-------------------|----------------|------------|
| Employees Retained | 15 | 14 | -1 |
| Salaries | \$532,900 | \$719,779 | \$186,879 |
| New Employees | 3 | 12 | 9 |
| Salaries | \$166,400 | \$711,699 | \$545,299 |
| Total Employees | 18 | 26 | 8 |
| Total Salaries | \$699,300 | \$1,431,478 | \$732,178 |
| Average Hourly Salaries | \$18.68 | \$26.47 | \$7.79 |
| Real Property Improvements | \$800,000 | \$877,737 | \$77,737 |

3. The company has exceeded their estimate provided on the SB-1 Form for Real Property.
4. The company met their estimate for the number of employees retained in 2011, but not in 2012 or 2013. However, they added more new employees than estimated. At the end of 2011 they had a total of 16 employees and at the end of 2012 they had 20 total employees. At the end of 2013 they had 23 total employees. They increased their number of new employees again in 2014. Average hourly salaries have again exceeded their estimate this year.
5. The real property tax abatement is scheduled to expire in tax year 2017 payable 2018. The final compliance review will take place in 2018.

Staff Recommendation: Approval

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

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20 14 PAY 20 15

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 BCC Products, INC // RDB Holdings LLC | | County Johnson | |
| Address of taxpayer (number and street, city, state, and ZIP code) Post Office Box 327, Franklin, IN 46131 | | DLGF taxing district number | |
| Name of contact person Roger Brunette, Jr | | Telephone number (317) 736-4090 | |
| SECTION 2 | | LOCATION AND DESCRIPTION OF PROPERTY | |
| Name of designating body Common Council of the City of Franklin | Resolution number 07-15 | Estimated start date (month, day, year) 12/01/2007 | |
| Location of property 2140 Earlywood Drive, Franklin, IN 46131 | | Actual start date (month, day, year) 12/01/2007 | |
| Description of real property improvements 19,200 Sq Feet Added to Warehouse and Manufacturing Area Using Steel and Masonry Block Exterior | | Estimated completion date (month, day, year) 05/31/2008 | |
| | | Actual completion date (month, day, year) 09/01/2008 | |
| SECTION 3 | | EMPLOYEES AND SALARIES | |
| EMPLOYEES AND SALARIES | | AS ESTIMATED ON SB-1 | ACTUAL |
| Current number of employees | | 15 | 26 |
| Salaries | | 532,900 | 1,431,478 |
| Number of employees retained | | 15 | 14 |
| Salaries | | 532,900 | 719,779 |
| Number of additional employees | | 3 | 12 |
| Salaries | | 166,400 | 711,699 |
| SECTION 4 | | COST AND VALUES | |
| COST AND VALUES | | REAL ESTATE IMPROVEMENTS | |
| AS ESTIMATED ON SB-1 | COST | ASSESSED VALUE | |
| Values before project | 1,316,828 | 753,400 | |
| Plus: Values of proposed project | 800,000 | | |
| Less: Values of any property being replaced | | | |
| Net values upon completion of project | 2,116,828 | 753,400 | |
| ACTUAL | COST | ASSESSED VALUE | |
| Values before project | 1,316,828 | 753,400 | |
| Plus: Values of proposed project | 877,737 | | |
| Less: Values of any property being replaced | | | |
| Net values upon completion of project | 2,194,565 | 1,514,500 | |
| 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 Roger Brunette | Title President | Date signed (month, day, year) 04-17-15 | |