

RECORDED ON
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JILL L JACKSON
JOHNSON COUNTY
RECORDER

FILED

DEC 20 2016

Ramona J. Burton
JOHNSON CO. AUDITOR

REC FEE: 21.00
PAGES: 6

CITY OF FRANKLIN, INDIANA

RESOLUTION NUMBER 2016-21

**A RESOLUTION GRANTING TAX ABATEMENT FOR TUBE FORMING SYSTEMS dba
OVERTON INDUSTRIES**

WHEREAS, the Indiana General Assembly has enacted a statute, IC 6-1.1-12.1 (the "Act") authorizing certain tax deductions of property taxes (as defined in the Act) attributable to redevelopment or rehabilitation activities in economic development areas; and

WHEREAS, *Tube Forming Systems dba Overton Industries* (the "Applicant") has submitted a Statement of Benefits and made application for Real and Personal Property Tax Abatement pursuant to the Act; and

WHEREAS, the Franklin Economic Development Commission has on December 13th, 2016, held a public meeting and considered the tax abatement request of *Tube Forming Systems dba Overton Industries (2155 McClain Drive)* in a manner consistent with 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 *Tube Forming Systems dba Overton Industries* receive a ten (10) year tax abatement **with a 2% Economic Development Fee**, on real property, and a seven (7) year tax abatement with a 2% 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 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 2012-17 and confirmed by Resolution Number 2012-18;

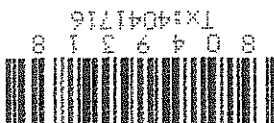
WHEREAS, the Common Council has received and reviewed "Exhibit B" with all attachments, and that such attachments are made a part hereof and incorporated herein, all which together contain the necessary statements of benefits and description of the project, along with the recommendation of the Economic Development Commission for tax abatement for real and 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, and specifically including the following findings:

As to **real property** the following findings are made:

- 1) Whether the estimate of the value of the development or rehabilitation is reasonable for projects of that nature;
- 2) Whether 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 proposed redevelopment or rehabilitation;

**Sales Disclosure NOT Required
Johnson County Assessor**



- 3) Whether the estimate of annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed redevelopment or rehabilitation;
- 4) Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed redevelopment or rehabilitation; and
- 5) Whether the totality of the benefits is sufficient to justify the tax abatement.

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

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 Exhibit C.
- 2) The abatement of personal property tax shall extend for a period of 7 years pursuant to the deduction schedule set forth in Exhibit D.
- 3) *Tube Forming Systems dba Overton Industries* 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.
- 4) 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 19th day of December, 2016.

City of Franklin, Indiana, By its Common Council:

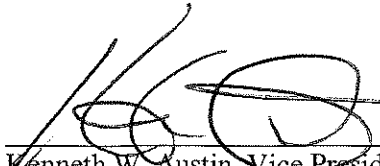
Voting Affirmative:



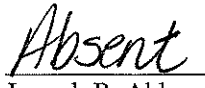
Stephen Barnett, Council President

Voting Opposed:

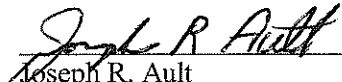
Stephen Barnett, Council President


Kenneth W. Austin, Vice President

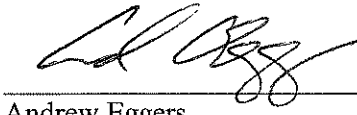
Kenneth W. Austin, Vice President


Joseph P. Abban

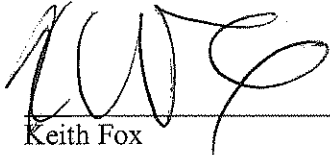
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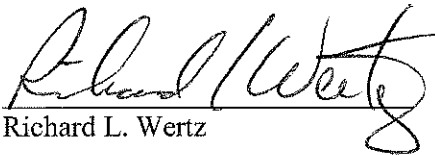
Joseph R. Ault


Andrew Eggers

Andrew Eggers


Keith Fox

Keith Fox

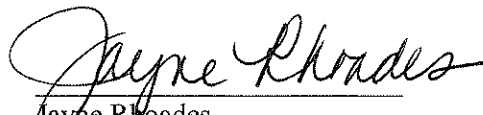

Richard L. Wertz

Richard L. Wertz

Attest:


Jayne Rhoades
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 19th day of December, 2016 at 6:00 o'clock a.m./p.m.

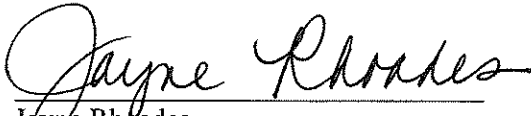

Jayne Rhoades
Clerk-Treasurer

This ordinance having been passed by the legislative body and presented to me [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 19th day of December, 2016 at 6:00 o'clock a.m./p.m.



Joseph E. McGuinness
Mayor

Attest:



Jayne Rhoades
Clerk-Treasurer

Prepared by: Krista M. Linke, Director of Community Development

"I affirm, under the penalties for perjury, that I have taken reasonable care to redact each social security number in this document, unless required by law."

Name: Krista Linke
Krista M. Linke, Director of Community Development

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. Number of years allowed: ☐ Year 1 ☐ Year 2 ☐ Year 3 ☐ Year 4 ☐ Year 5 (* see below)
☐ Year 6 ☐ Year 7 ☐ Year 8 ☐ Year 9 ☒ Year 10
- F. For a statement of benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?
☒ Yes ☐ No
 If yes, attach a copy of the abatement schedule to this form.
 If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

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 Barnett</u>	Telephone number <u>(317) 736-3602</u>	Date signed (month, day, year) <u>12-19-16</u>
Printed name of authorized member of designating body <u>Steve Barnett, President</u>	Name of designating body <u>City Council</u>	
Attested by (signature and title of attester) <u>Krista Linke</u>	Printed name of attester <u>Krista Linke</u>	

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

- A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4.1 remain in effect. The deduction period may not exceed five (5) years. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. The deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)
- B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. (See IC 6-1.1-12.1-17 below.)

IC 6-1.1-12.1-17

Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

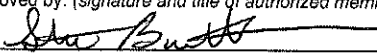
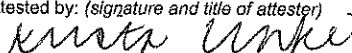
- (1) The total amount of the taxpayer's investment in real and personal property.
 - (2) The number of new full-time equivalent jobs created.
 - (3) The average wage of the new employees compared to the state minimum wage.
 - (4) The infrastructure requirements for the taxpayer's investment.
- (b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.
- (c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

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 _____. *NOTE: This question addresses whether the resolution contains an expiration date for the designated area.*
- B. The type of deduction that is allowed in the designated area is limited to:
1. Installation of new manufacturing equipment; ☒ Yes ☐ No ☐ Enhanced Abatement per IC 6-1.1-12.1-18
 2. Installation of new research and development equipment; ☐ Yes ☐ No *Check box if an enhanced abatement was approved for one or more of these types.*
 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 \$ _____. (One or both lines may be filled out to establish a limit, if desired.)
- D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)
- E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)
- F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)
- G. Other limitations or conditions (specify) 2% 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 is allowed for:
- ☐ Year 1 ☐ Year 2 ☐ Year 3 ☐ Year 4 ☐ Year 5 ☐ Enhanced Abatement per IC 6-1.1-12.1-18
- ☐ Year 6 ☒ Year 7 ☐ Year 8 ☐ Year 9 ☐ Year 10 *Number of years approved: _____*
(Enter one to twenty (1-20) years; may not exceed twenty (20) years.)
- I. For a Statement of Benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17? ☒ Yes ☐ No
If yes, attach a copy of the abatement schedule to this form.
If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

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 by: (signature and title of authorized member of designating body) 	Telephone number (317) 736-3602	Date signed (month, day, year) 12-19-16
Printed name of authorized member of designating body Steve Barnett, President	Name of designating body Council	
Attested by: (signature and title of attester) 	Printed name of attester Krista Linke	

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

IC 6-1.1-12.1-17

Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
- (2) The number of new full-time equivalent jobs created.
- (3) The average wage of the new employees compared to the state minimum wage.
- (4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.