

AGENDA RESERVATION REQUEST**CITY OF FRANKLIN
COMMON COUNCIL**

Please type or print

Date Submitted:	05/09/17	Meeting Date:	05/15/17
Contact Information:			
Requested by:	Rhoni Oliver		
On Behalf of Organization or Individual: Economic Development Commission			
Telephone:	317-736-3631		
Email address:	roliver@franklin.in.gov		
Mailing Address:	70 E. Monroe St., Franklin, IN 46131		
Describe Request:			
Yearly Tax Abatement Compliance Reports			
List Supporting Documentation Provided:			
C 2017-46: Tippmann Realty Partners		(Phases 1-3) Res. 08-13	
C 2017-47: Tippmann Realty Partners		(Phases 4-6) Res. 08-13	
Who will present the request?			
Name:	Rhoni Oliver	Telephone:	317-736-3631



CITY OF FRANKLIN

Community Development Department

Memo

To: City Council Members
CC: Mayor, Clerk-Treasurer, City Attorney
From: Rhoni Oliver, Community Development Specialist
Date: May 9, 2017
Subject: EDC – Tax Abatement Compliance

The Economic Development Commission found the following tax abatement compliance reports to be in substantial compliance and forwarded them to the City Council with favorable recommendations at their May 9, 2017 meeting:

- C 2017-46: Tippmann Realty Partners, LLP (Phases 1-3) – Res. 08-13
- C2017-47: Tippmann Realty Partners, LLP (Phases 4-6) – Res. 08-13

Compliance documentation is attached for each case. Please contact me directly at 346-1254 if you have any questions regarding any of this information.



CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission
From: Rhoni Oliver, Community Development Specialist
Date: May 5, 2017
Re: Case C 2017-46: Tippmann Realty Partners (700 Bartram Parkway: **Phases 1-3**)

Summary:

- On July 26, 2004, the Franklin Common Council passed Resolution No. 2004-06, approving a 10-year real property tax abatement for the construction of a new facility located at 700 Bartram Parkway (Interstate Warehousing Phase 1). On June 2nd, 2008, the Franklin Common Council passed Resolution No. 2008-13 to clarify Resolution No. 2004-06, approving a 10-year real property tax abatement for each of three phases of construction. Each of the three phases is a separate 10 year tax abatement. Each construction phase of the facility will entail a minimum building area of 140,000 square feet and will employ a minimum 25 workers. The abatement was approved for 700 Bartram Parkway (Interstate Warehousing).
- Actual and estimated benefits, as projected for 2016:

	Estimated on SB-1	Actual in 2016	Difference
New Employees	100	311	211
Salaries	\$3,500,000	\$13,798,513	\$10,298,513
Average Hourly Salaries	\$16.83	\$21.33	\$4.50
Phase 1: Real Property Improvements	\$10,500,000	\$16,361,586	\$5,861,586
Phase 2: Real Property Improvements	\$10,500,000	\$13,800,355	\$3,300,355
Phase 3: Real Property Improvements	\$10,500,000	\$11,600,453	\$1,100,453

- When the original tax abatement application was made in 2004, three phases were planned. Each phase had 25 jobs with \$875,000 total salaries. Each phase was estimated to cost \$10,500,000 to construct.
- They've also received abatements for phases 4-6. The company did not break out the employment numbers by phase; they gave a total for all four phases that are complete.
- They have exceeded their estimate for the number of employees hired.
- The company has exceeded the average hourly wage indicated on the SB-1 Form.
- The company has exceeded their estimate provided on the SB-1 Form for real property.
- The abatements for Tippmann Realty Partners are scheduled to start expiring in tax year 2015 payable 2016. The final compliance review will take place in 2020.

Staff Recommendation: Approval

Corporate Office

9009 Coldwater Road
Fort Wayne, IN 46825
(260) 490-3000
FAX: (260) 490-1362

April 21, 2017

Interstate Warehousing
Tippmann Properties
Tippmann Construction

City of Franklin

Attn: Krista Linke

70 East Monroe Street

Franklin, IN 46131

RE: Tax Abatement Compliance Packet for Tippmann Realty Partners Phase 2 & 3

Dear Ms. Linke,

Enclosed, please find Forms CF-1/RE and CF-1/PP (Compliance with Statement of Benefits) regarding compliance with the real property and personal property tax abatements which were granted to Tippmann Realty Partners under Franklin Common Council Resolution number 08-13.

As can be seen from reviewing the enclosed documents, our company has been successful in

- (a) Making all of the capital investment which had been projected for the past year, and
- (b) Creating the full complement of jobs which had been proposed in the Statement of Benefits (FormSB-1) which was approved May 2012

Please review all of the enclosed documents and if you have any questions or concerns regarding this matter, please feel free to contact me at (260) 469-5460.

Sincerely,


Tammy Cover

Corporate Controller

Tippmann Realty Partners

Enclosures



COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20 16 PAY 20 17

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	Tippmann Realty Partners		County	Johnson
Address of taxpayer (number and street, city, state, and ZIP code)	9009 Coldwater Rd, Fort Wayne IN 46825		DLGF taxing district number	50
Name of contact person	Tammu Cover		Telephone number	(260) 469-5460

SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY		
Name of designating body	City of Franklin Common Council	Resolution number	08-13	
Location of property	900 Bartram Pkwy		Estimated start date (month, day, year)	
Description of real property improvements	Phase 2-3		Actual start date (month, day, year)	
			Estimated completion date (month, day, year)	
			Actual completion date (month, day, year)	

SECTION 3		EMPLOYEES AND SALARIES	
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees			311
Salaries			13,798,513
Number of employees retained			
Salaries			
Number of additional employees	100		
Salaries	3,500,000		

SECTION 4		COST AND VALUES	
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	
Values before project			
Plus: Values of proposed project	10,500,000		
Less: Values of any property being replaced			
Net values upon completion of project			
ACTUAL	COST	ASSESSED VALUE	
Values before project			
Plus: Values of proposed project	13,800,355 Ph 2		
Less: Values of any property being replaced	11,600,453 Ph 3		
Net values upon completion of project	24,400,808 Total		

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	Title	Date signed (month, day, year)	
Tammu Cover	Controller	4/21/17	



CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission
From: Rhoni Oliver, Community Development Specialist
Date: May 5, 2017
Re: Case C 2017-47: Tippmann Realty Partners (700 Bartram Parkway-**Phases 4-6**)

Summary:

- On November 21st, 2011, the Franklin Common Council passed Resolution No. 2011-08, approving a 10-year real property tax abatement and a 7-year personal property tax abatement for each of three phases, Phases 4-6. Each of the three phases is a separate 10 year real property tax abatement and 7 year personal property tax abatement. Each construction phase of the facility will entail a minimum building area of 140,000 square feet and will employ a minimum 25 workers. The abatement was approved for 700 Bartram Parkway (Interstate Warehousing).
- Actual and estimated benefits, as projected for 2016:

	Estimated on SB-1	Actual in 2016	Difference
New Employees	100	311	211
Salaries	\$3,500,000	\$13,798,513	\$10,298,513
Average Hourly Salaries	\$16.83	\$21.33	\$4.50
Phase 4 & 5: Personal Property Improvements	\$1,000,000	\$5,661,444	\$4,661,444
Phase 4 & 5: Real Property Improvements	\$21,000,000	\$24,653,436	\$3,653,436

- The company did not break out the employment numbers by phase; they gave a total for all five phases that are complete.
- The company has exceeded their estimate for the number of employees hired.
- The company has exceeded the average hourly wage indicated on the SB-1 Form.
- The company has exceeded their estimate provided on the SB-1 for personal property.
- The company has exceeded their estimate provided on the SB-1 Form for real property.
- The abatement for Tippmann Realty Partners is scheduled to expire in tax year 2019 payable 2020. The final compliance review will take place in 2020.

Staff Recommendation: Approval

Corporate Office

9009 Coldwater Road
Fort Wayne, IN 46825
(260) 490-3000
FAX: (260) 490-1362

April 21, 2017

Interstate Warehousing
Tippmann Properties
Tippmann Construction

City of Franklin

Attn: Krista Linke

70 East Monroe Street

Franklin, IN 46131

RE: Tax Abatement Compliance Packet for Tippmann Realty Partners Phase 4-6

Dear Ms. Linke,

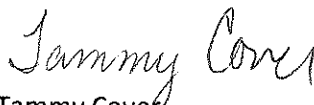
Enclosed, please find Forms CF-1/RE and CF-1/PP (Compliance with Statement of Benefits) regarding compliance with the real property and personal property tax abatements which were granted to Tippmann Realty Partners under Franklin Common Council Resolution number ~~08-13~~ ¹¹⁻⁰⁸.

As can be seen from reviewing the enclosed documents, our company has been successful in

- (a) Making all of the capital investment which had been projected for the past year, and
- (b) Creating the full complement of jobs which had been proposed in the Statement of Benefits (FormSB-1) which was approved May 2012

Please review all of the enclosed documents and if you have any questions or concerns regarding this matter, please feel free to contact me at (260) 469-5460.

Sincerely,



Tammy Cover

Corporate Controller

Tippmann Realty Partners

Enclosures



COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20 16 PAY 20 17

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	Tippmann Realty Partners		County
Address of taxpayer (number and street, city, state, and ZIP code)	9009 Coldwater Rd		DLGF taxing district number
Name of contact person	Tammu Mover		Telephone number
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body	Resolution number	Estimated start date (month, day, year)	
City of Franklin Common Council	2011-08		
Location of property	900 Bartram PKwy		Actual start date (month, day, year)
Description of real property improvements	Phase 4-6		Estimated completion date (month, day, year)
SECTION 3		EMPLOYEES AND SALARIES	
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees			311
Salaries			13,798,513
Number of employees retained			
Salaries			
Number of additional employees	100		
Salaries	3,500,000		
SECTION 4		COST AND VALUES	
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	
Values before project			
Plus: Values of proposed project	21,000,000		
Less: Values of any property being replaced			
Net values upon completion of project			
ACTUAL	COST	ASSESSED VALUE	
Values before project			
Plus: Values of proposed project	24,653,436		
Less: Values of any property being replaced			
Net values upon completion of project			
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	Title	Date signed (month, day, year)	
Tammu Comer	Controller	4/21/17	



COMPLIANCE WITH STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51765 (R2 / 5-13)

Prescribed by the Department of Local Government Finance

FORM CF-1 / PP

- INSTRUCTIONS:**
1. Property owners whose Statement of Benefits was approved must file this form with the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
 2. This form must be filed with the Form 103-ERA Schedule of Deduction from Assessed Value between March 1, and May 15, of each year, unless a filing extension under IC 6-1.1-3.7 has been granted. A person who obtains a filing extension must file between March 1, and the extended due date of each year.
 3. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance (CF-1).

SECTION 1 TAXPAYER INFORMATION									
Name of taxpayer Tippmann Realty Partners									
Address of taxpayer (number and street, city, state, and ZIP code) 9009 Colwater Rd Fort Wayne IN 46825									
Name of contact person Tammu Cover							Telephone number (260) 469-5460		
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY									
Name of designating body City of Franklin Common Council							Resolution number 2011-08		
Location of property 700 Bartram Pkwy					County Johnson		DLGF taxing district number 50		
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. Phase 4-6							Estimated starting date (month, day, year)		
							Estimated completion date (month, day, year)		
SECTION 3 EMPLOYEES AND SALARIES									
EMPLOYEES AND SALARIES						AS ESTIMATED ON SB-1		ACTUAL	
Current number of employees								311	
Salaries								13,798,513	
Number of employees retained									
Salaries									
Number of additional employees									
Salaries						3,500,000			
SECTION 4 COST AND VALUES									
	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT		
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	
Values before project									
Plus: Values of proposed project									
Less: Values of any property being replaced									
Net values upon completion of project									
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	
Values before project									
Plus: Values of proposed project	382,937		3,713,323		1,505,183				
Less: Values of any property being replaced									
Net values upon completion of project									
NOTE: The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6 (d). Total 5,601,444									
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 Tammu Cover					Title Controller		Date signed (month, day, year) 4/21/17		