



CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission

From: Rhoni Oliver, Community Development Specialist

Date: March 7, 2018

Re: Case C 2018-28: Laugle Properties

Summary:

1. On April 28th, 2008, the Franklin Common Council passed Resolution No. 2008-06, approving a 10-year tax abatement on real property for Laugle Properties, located at 351 Blue Chip Court.
2. Actual and estimated benefits, as projected for 2017:

	Estimated on SB-1	Actual in 2017	Difference
Employees Retained	17	16	-1
Salaries	\$551,760	\$641,523	\$89,763
New Employees	2	15	13
Salaries	\$64,480	\$1,405,485	\$1,341,005
Total Employees	19	31	12
Total Salaries	\$616,240	\$2,047,008	\$1,430,768
Average Hourly Salaries	\$15.59	\$31.75	\$16.15
Real Property Improvements	\$804,500	\$900,000	\$95,500

3. Dualtech was located across the street at 400 Blue Chip Court. There was a fire on February 3, 2008 at this location which destroyed all of Dualtech's equipment and damaged the building. Dualtech relocated to 351 Blue Chip Court. Laugle Properties is the owner of 351 Blue Chip Court and Dualtech leases the real estate from them.
4. They have exceeded their estimate provided on the SB-1 Form for real property.
5. They exceed the overall number of employees as well as average hourly salaries.
6. The real property tax abatement is scheduled to expire in tax year 2019 payable 2020. The final compliance review will take place in 2020.

Staff Recommendation:

Approval

Laugle Properties, LLC
3719 E 700 N.
Whiteland, IN 46184
317-738-5966

February 24, 2018

Rhoni Oliver
Dept. of Planning and Economic Dev.
70 E. Monroe St.
Franklin, IN 46131

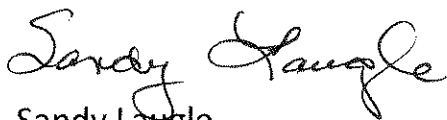
RE: Tax Abatement Compliance for Laugle Properties, LLC

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with real property tax abatements; which were granted to Laugle Properties, LLC in 2008 under Franklin Common Council Resolution No. 08-06.

As can be seen from reviewing the enclosed documents, our company has been highly successful in (a) making all of the capital investments which had been projected for the initial year, and (b) creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved on April 30, 2009.

Please review all of the enclosed documents, and if you have any questions or concerns regarding this matter, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Sandy Laugle". The signature is written in a cursive, flowing style.

Sandy Laugle
Laugle Properties, LLC

Enclosures

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

State Form 51766 (R2 / 1-07)

Prescribed by the Department of Local Government Finance

20 17 PAY 20 18

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).

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☒ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Eligible vacant building (IC 6-1.1-12.1-4.8)

INSTRUCTIONS:

1. This form does not apply to property located in a residentially distressed area. (IC 6-1.1-12.1-2 (b))
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 (SB-1 / Real Property).
3. This form must accompany the initial deduction application that is filed with the County Auditor.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must file an updated form with the County Auditor and the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.1)
5. The updated form must be filed annually by May 15, or by the due date for the real property owner's personal property return that is filed in the township where the project is located, whichever is later. (IC 6-1.1-12.1-5.1 (b))
6. With the approval of the Designating Body, compliance information for multiple projects may be consolidated on one (1) compliance form (CF-1 / Real Property).

SECTION 1 TAXPAYER INFORMATION			
Name of taxpayer Laugle Properties, LLC- Jack and Sandy Laugle			
Address of taxpayer (number and street, city, state, and ZIP code) 3719 E 700 N, Whiteland, IN 46184			
Name of contact person Jack or Sandy Laugle		Telephone number (317) 738-5966	
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY			
Name of designating body City of Franklin Common Council		Resolution number 08-06	
Location of property 351 Blue Chip Court, Franklin	County Johnson	DLGF taxing district number 031	
Description of real property improvements:		Estimated starting date (month, day, year) 04/01/2008	
		Estimated completion date (month, day, year) 07/01/2008	
SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		17	31
Salaries		551,700.00	2,047,008.00
Number of employees retained		17	16
Salaries		551,760.00	641,523.00
Number of additional employees		2	15
Salaries		64,480.00	1,405,485.00
SECTION 4 COST AND VALUES			
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	
Values before project		100,000.00	
Plus: Values of proposed project		804,500.00	
Less: Values of any property being replaced			
Net values upon completion of project		904,500.00	
ACTUAL		COST	
Values before project		100,000.00	
Plus: Values of proposed project		900,000.00	
Less: Values of any property being replaced			
Net values upon completion of project		1,000,000.00	
ASSESSED VALUE		ASSESSED VALUE	
Values before project		67,500.00	
Plus: Values of proposed project			
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 Sandy Laugle		Title Member	Date signed (month, day, year) 02/24/2018

**OPTIONAL: FOR USE BY A DESIGNATING BODY WHO ELECTS TO REVIEW THE COMPLIANCE WITH STATEMENT OF BENEFITS (FORM CF-1)
THAT WAS APPROVED AFTER JUNE 30, 1991**

INSTRUCTIONS: (IC 6-1.1-12-5.1)

1. This page does not apply to a Statement of Benefits filed before July 1, 1991; that deduction may not be terminated for a failure to comply with the Statement of Benefits.
2. Within forty-five (45) days after receipt of this form, the designating body may determine whether or not the property owner has substantially complied with the Statement of Benefits.
3. If the property owner is found **NOT** to be in substantial compliance, the designating body shall send the property owner written notice. The notice must include the reasons for the determination and the date, time and place of a hearing to be conducted by the designating body. A copy of the notice will be sent to the County Auditor.
4. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable effort to substantially comply with the Statement of Benefits.
5. If the designating body determines that the property owner has **NOT** made reasonable effort to comply, then the designating body shall adopt a resolution terminating the deduction. The designating body shall immediately mail a certified copy of the resolution to: (1) the property owner and (2) the County Auditor.

We have reviewed the CF-1 and find that:

- ☐ the property owner **IS** in substantial compliance
- ☐ the property owner **IS NOT** in substantial compliance
- ☐ other (specify) _____

Reasons for the determination (attach additional sheets if necessary)

Signature of authorized member

Date signed (month, day, year)

Attested by:

Designating body

If the property owner is found not to be in substantial compliance, the property owner shall receive the opportunity for a hearing. The following date and time has been set aside for the purpose of considering compliance.

Time of hearing

☐ AM
☐ PM

Date of hearing (month, day, year)

Location of hearing

HEARING RESULTS (to be completed after the hearing)

☐ Approved ☐ Denied (see instruction 5 above)

Reasons for the determination (attach additional sheets if necessary)

Signature of authorized member

Date signed (month, day, year)

Attested by:

Designating body

APPEAL RIGHTS [IC 6-1.1-12.1-5.9(e)]

A property owner whose deduction is denied by the designating body may appeal the designating body's decision by filing a complaint in the office of the Circuit or Superior Court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner.

Dualtech, Inc.
JOB CREATION/ RETENTION TABLE

	Year	Prof/Mangerial	Secretary	Lab Tech.	Machine Operators	Total	Proposed Salary
Proposed	1	2	1	1	13	17	\$551,760.00
Actual	1	2	1	2	11	16	\$641,523.00
Proposed	2	2	1	1	15	19	\$616,240.00
Actual	2	2	1	2	17	22	\$895,071.00
Proposed	3	2	1	1	15	19	\$616,240.00
Actual	3	2	2	2	22	28	\$1,305,481.00
Proposed	4	2	1	1	15	19	\$616,240.00
Actual	4	2	2	2	15	21	\$1,410,350.84
Proposed	5	2	1	1	15	19	\$616,240.00
Actual	5	2	1	2	18	23	\$1,124,261.09
Proposed	6	2	1	1	15	19	\$616,240.00
Actual	6	2	1	2	19	24	\$1,571,878.00
Proposed	7	2	1	1	15	19	\$616,240.00
Actual	7	2	1	2	18	23	\$1,564,941.00
Proposed	8	2	1	1	15	19	\$616,240.00
Actual	8	2	1	2	19	24	\$1,711,594.00
Proposed	9	2	1	1	15	19	\$616,240.00
Actual	9	2	1	2	26	31	\$2,047,008.00

Dualtech, Inc.
 351 Blue Chip Court
 P.O. Box 476
 Franklin, IN 46131

Attachment to Form CF-1 (Compliance with Statement of Benefits)
 Job Creation Schedule by Quarter

Actual Number Of Employees As of 12/31/16	Proposed Total Number of employees by 12/31/16 (From SB-1)	Actual Number of Employees During Year (by Quarter)	Actual Number of Employees Added During Year (by Quarter)	Actual Total Number of Employees as of 12/31/17	Difference between Actual and Proposed Number of Employees
24	19	3/31/17 +1 6/30/17 0 9/30/17 +4 12/30/17 +2		31	+12