



# CITY OF FRANKLIN

Community Development Department

## Memorandum

**To:** City of Franklin Economic Development Commission

**From:** Rhoni Oliver, Community Development Specialist

**Date:** April 5, 2019

**Re:** Case C 2019-15: Faulkenberg Printing

### Summary:

- On October 20<sup>th</sup>, 2014, the Franklin Common Council passed Resolution No. 2014-13, approving a 3-year tax abatement on real property with a 2% economic development fee and a 5-year tax abatement on personal property with a 5% economic development fee for Faulkenberg Printing at 1670 Amy Lane.
- Actual and estimated benefits, as projected for 2018:

	Estimated on SB-1	Actual in 2018	Difference
Employees Retained	10	10	0
Salaries	\$333,333	\$552,976	\$219,643
New Employees	5	4	(1)
Salaries	\$166,667	\$113,391	-\$53,276
Total Employees	15	14	(1)
Total Salaries	\$500,000	\$666,368	\$166,368
Average Hourly Salaries	\$16.03	\$22.88	\$6.86
Personal Property Improvements	\$400,000	\$467,000	\$67,000
Real Property Improvements	\$170,000	\$210,000	\$40,000

- The company has met their projected real and personal property investments.
- The number of jobs created is one less than estimated.
- In 2018 the average hourly salary is \$6.86 higher than the SB-1 estimate.
- The real property tax abatement is scheduled to expire in tax year 2017 payable 2018. The final compliance review will take place in 2019.
- The personal property tax abatement is scheduled to expire in 2019 payable 2020. The final compliance review will take place in 2021.

**Staff Recommendation:** Approval



**PRINTING COMPANY, INC.**

*Complete Printing & Mailing Services*

1670 Amy Lane • Franklin, Indiana 46131

(317) 638-1359

[www.faulkenberg.net](http://www.faulkenberg.net)

March 12, 2019

City of Franklin  
Attn: Rhoni Oliver  
70 East Monroe St.  
Franklin, IN 46131

Re: 2018 Tax Abatement Compliance Packet for Faulkenberg Printing Co., Inc.

Dear Ms. Oliver,

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 Faulkenberg Printing Co., Inc. in 2014 under Franklin Common Council Resolution number 05-10.

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 (Form SB-1) which was approved on Nov. 21, 2014.

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 (317) 638-1359.

Sincerely,

James Faulkenberg  
President  
Faulkenberg Printing Co., Inc.

**COMPLIANCE WITH STATEMENT OF BENEFITS  
PERSONAL PROPERTY**

State Form 51765 (R / 1-06)

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 Faulkenberg Printing Co., Inc.			
Address of taxpayer (number and street, city, state, and ZIP code) 1670 Amy Lane Franklin, IN 46131			
Name of contact person James Faulkenberg		Telephone number (317) 638-1359	
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body The City of Franklin Common Council		Resolution number 14-13	
Location of property 1670 Amy Lane		County Johnson	DLGF taxing district number 41018
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired.		Estimated starting date (month, day, year)	
		Estimated completion date (month, day, year)	

SECTION 3				EMPLOYEES AND SALARIES	
				AS ESTIMATED ON SB-1	ACTUAL
EMPLOYEES AND SALARIES					
Current number of employees				15.00	14
Salaries				500,000.00	666,367.53
Number of employees retained				10.00	10
Salaries					552,976.22
Number of additional employees				4.00	4
Salaries					113,391.32

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			120,000.00							
Plus: Values of proposed project			400,000.00							
Less: Values of any property being replaced										
Net values upon completion of project			520,000.00							
ACTUAL			COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project			120,000.00							
Plus: Values of proposed project			467,000.00							
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).

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 President	Date signed (month, day, year) 03/12/2019	

**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 6-1.1-12-5.9)

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. If a notice is mailed to a property owner, a copy of the written notice will be sent to the Township Assessor and 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; (2) the County Auditor; and (3) the Township Assessor.

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.

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

State Form 51766 (R2 / 1-07)

Prescribed by the Department of Local Government Finance

20\_\_ PAY 20\_\_

**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).

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Name of contact person James Faulkenberg		Telephone number (317) 638-1359	
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body The City of Franklin Common Council		Resolution number 14-13	
Location of property 1670 Amy Lane		County Johnson	DLGF taxing district number 41018
Description of real property improvements:		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		15	14
Salaries		500,000.00	666,367.53
Number of employees retained		10	10
Salaries			552,976.22
Number of additional employees			4
Salaries			113,391.31
SECTION 4		COST AND VALUES	
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE
Values before project		590,000.00	590,000.00
Plus: Values of proposed project		170,000.00	
Less: Values of any property being replaced			
Net values upon completion of project		760,000.00	
ACTUAL		COST	ASSESSED VALUE
Values before project		590,000.00	590,000.00
Plus: Values of proposed project			
Less: Values of any property being replaced			
Net values upon completion of project			800,000.00
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 President	Date signed (month, day, year) 03/12/2019



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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
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Reasons for the determination (attach additional sheets if necessary)

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