



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Tax Abatement Policy & Procedures

In order to better serve all applicants requesting tax abatement and to provide for a consistent format in addressing tax abatement requests, the City of Franklin has established the following guidelines and procedures. These guidelines are meant to be used as both a starting point and standard format for general questions relating to tax abatement request. These guidelines are not intended to be all-inclusive. Based on the merits of each individual request, the Economic Development Commission and Common Council may deviate from established policies at their discretion.

Economic Revitalization or Development Target Area Determination:

Before any tax abatement may be granted, the Common Council, upon a recommendation by the Economic Development Commission, must designate the site an economic revitalization area or an economic development target area. In doing so, all of the statutory requirements defining an economic revitalization area or an economic development target area which are outlined in Section 6-1.1-12.1-1 and Section 6-1.1-12.1-7 of the Indiana Code, and all subsequent amendments thereof, must be met. Moreover, said designation shall be based on quantitative, tangible characteristics of the respective site.

As part of the application process, the applicant shall prepare and provide documentation which outlines in *very specific terms and illustrations* how, in accordance with the definition of an economic revitalization area or an economic development target area, the project qualifies for the designation (if the area is not already designated). This documentation shall, in turn, be reviewed and verified by the economic development staff, with a written report outlining this verification being provided to the Economic Development Commission and Common Council as part of the application process.

Time Period of Designation:

If the respective site qualifies as an economic revitalization area, the time period for said designation shall generally not exceed the length of time of the tax abatement period.

Criteria for Tax Abatement Approvals:

The applicant must submit documentation which outlines in *very specific terms* why, without a tax abatement being granted, the company cannot expand or locate in Franklin.

Similar to the requirement shown above for an economic revitalization area designation, this documentation supporting the reasons why a tax abatement is needed in order for a company to either expand or locate in Franklin shall also be reviewed and verified by the economic development staff, with a written report outlining this verification being provided to the Economic Development Commission and Common Council as part of the application process.

Specific criteria shall be used when considering tax abatement applications. These criteria shall include the following elements: (1) the diversification of the local occupational mixture; (2) the diversification of the local manufacturing mixture; (3) the creation or retention of jobs with salaries exceeding the local average for similar employment; (4) the reuse or expansion of an existing facility (use of a brownfield

site); (5) the potential for future expansion and investment at the subject property or adjacent properties; and (6) conformance with the City of Franklin Comprehensive Plan.

The criteria are to be used as a reference only. Each tax abatement application must be assessed and approved based upon the benefits the company will bring to the City. Decisions concerning the approval of any tax abatement period shall be based upon the benefits the company will bring to the City.

Requests for tax abatement are *not* required to address all of these criteria. Generally, certain criteria may be combined into scenarios which could merit a tax abatement. For example, a new company locating in Franklin may qualify for tax abatement by satisfying criteria 2, 3, and 6. Also, an existing company may qualify for a tax abatement by satisfying criteria 3, 4, 5, and 6.

Criteria 1 . . . Diversification of Local Occupations

The U.S. Bureau of the Census categorizes local residents by their occupations. All workers are divided into: (1) managerial and professional specialty; (2) technical, sales, and administrative support; (3) service; (4) farming, forestry, and fishing; (5) precision production, craft, and repair; and (6) operator, fabricator, and laborer occupations. The diversification of local occupations is encouraged. Consideration will be given to the ways in which a tax abatement applicant will diversify local occupational mix. Current data on the local occupation mix shall be collected by the staff and provided to the Economic Development Commission and City Council for consideration.

Criteria 2 . . . Diversification of Local Manufacturing Employment

The U.S. Bureau of the Census categorizes local workers by the industrial sector (manufacturing, retail sales, construction, etc.) in which they are employed and then further identifies categories within each sector. For example, there are 20 types of manufacturing recognized by the Census Bureau. Consideration will be given to the ways in which a tax abatement applicant will diversify the local manufacturing employment. Current data on the local manufacturing employment shall be collected by the staff and provided to the Economic Development Commission and City Council for consideration.

Criteria 3 . . . Increase in Local Salaries

Consideration will be given to whether or not the tax abatement applicant will exceed the average wages being paid locally for similar types of employment. For example, the wages offered by a proposed manufacturer of transportation equipment will be compared with the current average wages paid by existing local producers of transportation equipment. Current data on the local wages shall be collected by the staff and provided to the Economic Development Commission and City Council for consideration.

Criteria 4 . . . Sustainable Land Use

Consideration will be given to the way in which tax abatement applicants will make use of property and structures within the community. The reuse of brownfield sites – those which include existing structures in need of upgrading or reuse, or those which have been otherwise damaged by previous development – is encouraged.

Criteria 5 . . . Future Community Investment

Consideration will be given to the ways in which the tax abatement applicant will facilitate future investment either at a specific site or in a specific portion of the community. For example: (1) an applicant may have long-term plans for expansion locally; (2) the development of a specific property with the assistance of tax abatement may lead to improvements in area traffic flow, drainage, or other infrastructure; or (3) the introduction of certain types of business may also result in additional investment in the community by complementary businesses.

Criteria 6 . . . Conformance with the Comprehensive Plan

Consideration will be given to the ways in which the tax abatement applicant will conform to the land use recommendations and community goals outlined in the City of Franklin Comprehensive Plan.

Speculative Construction:

Tax abatement shall be considered for speculative manufacturing, warehousing, and distribution facilities. Real property tax abatement on speculative projects shall be granted for time periods up to 10 years. Applications for personal property tax abatement from the future tenants of the structures will be considered as potential tenants become known.

Applications of an Exceptional Nature:

Should an economic development opportunity occur that is of an exceptional nature, longer periods of abatement on buildings and equipment may be considered. Development examples of an exceptional nature include projects which:

- (1) Create a new plant or product line for an existing manufacturer;
- (2) Create substantial employment opportunities with higher than average wages;
- (3) Increase substantially property values and the city tax base with minimal impact to city services (police & fire protection, schools, utilities, infrastructure, etc.).
- (4) Utilize existing public infrastructure (sanitary & storm sewer, roads & streets, drainage facilities, and other utilities) and minimize impact to city services.

Tax Abatement Procedure:

- (1) The Franklin Economic Development Commission (EDC) has been authorized by the City of Franklin to be the designating body of the City which (a) determines whether or not a specific geographic area meets all of the conditions of an "Economic Revitalization Area" or an "Economic Development Target Area"; and (b) makes a recommendation concerning that determination and tax abatement to the Franklin City Council. Requests for tax abatement must be received by the Community Development Department by the application deadline specified on the meeting calendar. The applicant must complete the tax abatement application form as well as the required attachments.
- (5) At least three (3) members of the EDC may conduct an on-site inspection of the subject property prior to the EDC meeting.

- (6) The EDC will hold a meeting to make a determination as to whether the subject property qualifies as an “Economic Revitalization Area” or an “Economic Development Target Area” and discuss a recommendation to the Common Council on tax abatement. The applicant must be present at the scheduled EDC meeting and must be prepared to present the application and answer any questions from the EDC members and staff.
- (7) The staff of the Department of Planning & Economic Development will prepare a tax abatement resolution documenting the recommendations of the EDC. The resolution and supporting information will be distributed to City Council members by the staff.
- (8) The City Council will hold a meeting for initial discussion and first reading on the Tax Abatement Resolution. The applicant must be present at this meeting to make a presentation and answer any questions. At this meeting the Council will take action on the request.
- (9) The clerk-treasurer will advertise for the public hearing on the Tax Abatement Resolution.
- (10) The City Council will hold a public hearing for public comments and Second Reading on the Tax Abatement Resolution. At this meeting the Council will either affirm, rescind, or modify the vote taken at the first meeting. Again, the applicant must be present at this meeting to make a presentation and answer any questions.
- (11) Tax Abatements must be approved and filed with the Assessor by March 1st in order for them to be effective that year. For example, an abatement approved by City Council on February 25th, 2009 and filed with the Assessor’s Office on February 26th, 2009 is effective for tax year 2009 payable 2010. An abatement approved by City Council on March 15th, 2009 and filed with the Assessor’s Office on March 16th, 2009 is effective 2010 payable 2011.

Required Assurances to the City:

The project must be located within the corporate limits of the City and be in compliance with all City codes and ordinances, including zoning.

The applicant must disclose and/or demonstrate (1) the existence of any pending or contemplated litigation involving the City; (2) that the project is compatible with surrounding land uses, poses no environmental hazards to the community, and poses no risk to the public health, safety, and general welfare of the community; and (3) that all structural designs and/or modifications will meet barrier-free design laws in accordance with all of the requirements of the Americans with Disabilities Act. The applicant must also display the degree to which the project may decrease or alleviate any problems which may already exist on adjacent or peripheral properties. Also noted should be the degree to which the project will enhance the general area with specific site improvements and address potential problems associated with pollution, traffic circulation, etc.

Vacant Building Tax Abatement

The Vacant Building Tax Abatement Program is available for buildings that (1) are zoned commercial or industrial; (2) is unoccupied for at least one year before the owner of the building or a tenant of the owner occupies the building, as evidenced by a valid certificate of occupancy, paid utility receipts, executed lease agreements, or any other evidence of occupation that the department of local government finance required.

The deduction is 100% of the assessed value of the building for up to three years. City Council can limit the dollar amount of the deduction to less than this amount if they choose. The vacant building deduction is specifically limited to real estate improvements; therefore, personal property can also be abated.

For example, the base value of the building (assessed value when the owner first purchases the property and claims the vacant building deduction) would not be eligible for traditional abatement since there would be no increase in assessed value. City Council could grant the vacant building deduction for the existing property, and traditional tax abatement for any improvements or additions that the new owner makes, resulting in an increase in assessed value. Form 322 is required instead of a Statement of Benefits Form, along with an ERA or possibly an EDTA designation.

Additional Required Forms

Once a tax abatement has been approved by the City of Franklin, there are forms required to be filed with Johnson County in order for the deduction to be applied correctly. The applicant is responsible for filing these forms with the County Auditor, as stated on the SB-1 Forms. For a real property tax abatement, a Form 322 RE must be filed with the County Auditor's Office before May 10th in the year in which the addition to assessed valuation is made or not later than thirty days after the assessment notice is mailed to the property owner if it was mailed after April 10th. For a vacant building deduction, a Form 322/VBD must be filed before May 10th in the year in which the property owner or his tenant occupies the vacant building or not later than thirty days after the assessment notice is mailed to the property owner if it was mailed after April 10th. For a personal property deduction, a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development and/or logistical equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. These forms are attached to this packet for your convenience.

Yearly Compliance Reports

Compliance packets will be mailed to the company at the beginning of each year that the abatement is active. Form CF-1's must be returned to the Department of Community Development by the deadline indicated each year. These reports will be reviewed by the Economic Development Commission for compliance against the original investment estimated on the original tax abatement filing, along with employment numbers and salaries. The company should contact the Department of Community Development with any questions regarding how to correctly fill out the forms. If the company reports fewer number of jobs retained or created, or if the average hourly salary is less than originally estimated, the company should include a letter with their compliance form explaining why this deficiency has occurred. The company should also include an explanation letter with their compliance form if the investment has not been fully made or is behind schedule. The Economic Development Commission will make a recommendation to the City Council regarding whether or not the compliance report shall be approved. Once the compliance report is approved by the City Council, the Department of Community Development will mail copies of the approved and signed compliance forms to each company. Companies may be requested to appear at an Economic Development Commission meeting if their forms are not filled out correctly or they have not met their estimates provided at the time of application and have not included any type of explanation for the deficiency.



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Tax Abatement Application

Organization/Corporation Requesting Tax Abatement

Organization/Corporation Name: _____
Primary Contact Name: _____
Contact Address: _____
City: _____ State: _____ Zip: _____
Phone Number: _____
Email: _____
Three possible dates before the EDC
meeting to conduct a site visit: _____
Name of Owner: _____
Parent Company (If Applicable): _____

Primary Contact for Yearly Compliance Reports

Name: _____
Title: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone Number: _____
Email: _____

Description of Project

Project Location/Address: _____
Parcel Number: _____
Brief Description of Project: _____

Current Assessed Value (AV) of the Property:

1. Land _____
2. Building _____
3. Inventory _____
4. Equipment _____

Have building permits been applied for (if applicable): Yes No
Has equipment been installed (if applicable): Yes No

Required Attachments:

- | | |
|---|--|
| <input type="checkbox"/> Completed SB-1 Form(s) | <input type="checkbox"/> Summary of Benefits (if applicable) |
| <input type="checkbox"/> Legal Description of the Property | <input type="checkbox"/> Employment Phase-In Schedule |
| <input type="checkbox"/> Company Financial Statement | <input type="checkbox"/> Company Investment Timetable |
| <input type="checkbox"/> Job and Wage Description Information Sheet | <input type="checkbox"/> Compliance Affidavit |

Type of Abatement Requested

Real Property ☐Personal Property ☐

Length of Abatement Requested: _____ Years

Project Size (square feet): _____

Size of Site (acres): _____

Type of Building:

Multiple Tenants (leased)

Single Tenant (leased)

Owner Occupied

Corporate Headquarters

Capital Investment

1. Real property capital investment only: _____

2. Personal property capital investment only: _____

3. Total capital investment for proposed project: _____

Jobs Created and/or Retained

1. Estimated number of full time jobs created by the proposed project: _____

2. Estimated number of full time jobs retained as a direct result of the proposed project: _____

3. Total number of full time jobs upon project completion: _____

Wages Created and Retained

1. Average hourly wage rate for new jobs (w/o benefits) _____

2. Average hourly wage rate for jobs retained (w/o benefits) _____

***In addition to answering these questions, please fill out the Job and Wage Description for Tax Abatement Application information sheet and submit it with the application as an attachment.

Please explain why the abatement incentive is necessary to the project: Attach additional sheets as necessary.

Company Information

How long has the company been in existence? _____

Current address of company headquarters and duration at that address: _____

Approximate percentage of employees at current location who live in the City of Franklin and/or Johnson County: _____

Have you ever received tax abatement at your current location? Yes No

If yes, when and for what term? _____

What specifically has the company done to give back to the community: _____

While acting as a strong advocate for using economic incentives to help applicants expand and/or locate in the community, the City of Franklin also strives to enrich the quality of life for its citizens. To that end, the City embraces the use of voluntary economic development fees as allowed under Indiana law (IC 6-1.1-12.1-14). These fees are directed by the City to local nonprofit organizations to bolster their economic development efforts. The fee can be applied on both real and personal property abatements. The fee is collected annually by the County Treasurer as a special assessment on the tax bill and is distributed by the City to the designated economic development nonprofit organization. Typically, 2% is charged on Real Property and 5% is charged on Personal Property. The fee is a percentage of the abatement received. For example, instead of receiving 100% abatement in the first year, the company receives a 95% abatement, with the 5% difference going to support local economic development. More information can be found on the City's website (www.franklin.in.gov) under the Economic Development tab.

Is the company agreeable to the Economic Development Fee? Yes No

If yes, at what percent(s)? _____



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R2 / 1-07)

Prescribed by the Department of Local Government Finance

20____ PAY 20____

FORM SB-1 / Real Property

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 statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitation, **BEFORE** a deduction may be approved.
3. To obtain a deduction, application Form 322 ERA/RE or Form 322 ERA/VBD, Whichever is applicable, must be filed with the County Auditor by the later of: (1) May 10; or (2) thirty (30) days after the notice of addition to assessed valuation or new assessment is mailed to the property owner at the address shown on the records of the township assessor.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must attach a Form CF-1/Real Property annually to the application to show compliance with the Statement of Benefits. [IC 6-1.1-12.1-5.1(b) and IC 6-1.1-12.1-5.3(j)]
5. The schedules established under IC 6-1.1-12.1-4(d) for rehabilitated property and under IC 6-1.1-12.1-4.8(1) for vacant buildings apply to any statement of benefits approved on or after July 1, 2000. The schedules effective prior to July 1, 2000, shall continue to apply to a statement of benefits filed before July 1, 2000.

| SECTION 1 TAXPAYER INFORMATION | | | | | |
|--|----------|-------------------------|--|--|--------------------------------|
| Name of taxpayer | | | | | |
| Address of taxpayer (number and street, city, state, and ZIP code) | | | | | |
| Name of contact person | | Telephone number () | | E-mail address | |
| SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT | | | | | |
| Name of designating body | | | | Resolution number | |
| Location of property | | County | | DLGF taxing district number | |
| Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) | | | | Estimated start date (month, day, year) | |
| | | | | Estimated completion date (month, day, year) | |
| SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT | | | | | |
| Current number | Salaries | Number retained | Salaries | Number additional | Salaries |
| SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT | | | | | |
| NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential. | | | REAL ESTATE IMPROVEMENTS | | |
| | | | COST | | ASSESSED VALUE |
| Current values | | | | | |
| Plus estimated values of proposed project | | | | | |
| Less values of any property being replaced | | | | | |
| Net estimated values upon completion of project | | | | | |
| SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER | | | | | |
| Estimated solid waste converted (pounds) _____ | | | Estimated hazardous waste converted (pounds) _____ | | |
| 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) |

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, 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 | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Residentially distressed areas | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Occupancy of a vacant building | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
- C. The amount of the deduction applicable is limited to \$ _____.
- D. Other limitations or conditions (*specify*) _____
- E. The deduction is allowed for _____ years* (*see below*).

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 (<i>signature and title of authorized member of designating body</i>) | Telephone number () | Date signed (<i>month, day, year</i>) |
| Attested by (<i>signature and title of attester</i>) | Designated body | |

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.12-12.1-4.

- A. For residentially distressed areas, the deduction period may not exceed five (5) years.
- B. For redevelopment and rehabilitation or real estate improvements:
1. If the Economic Revitalization Area was designated prior to July 1, 2000, the deduction period is limited to three (3), six (6), or ten (10) years.
 2. If the Economic Revitalization Area was designated after June 20, 2000, the deduction period may not exceed ten (10) years.
- C. For vacant buildings, the deduction period may not exceed two (2) years.



STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R / 1-06)

Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

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 statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, **BEFORE** a deduction may be approved
3. To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001. For equipment installed prior to March 2, 2001, the schedules and statutes in effect at the time shall continue to apply. (IC 6-1.1-12.1-4.5(f) and (g))

| SECTION 1 TAXPAYER INFORMATION | | | | | | | | | | | |
|--|--|----------|-------------------------|-----------------|-----------------|--|-----------------------|--------------------------------|--------------|-----------------|--|
| Name of taxpayer | | | | | | | | | | | |
| Address of taxpayer (number and street, city, state, and ZIP code) | | | | | | | | | | | |
| Name of contact person | | | | | | Telephone number () | | | | | |
| SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT | | | | | | | | | | | |
| Name of designating body | | | | | | Resolution number (s) | | | | | |
| Location of property | | | | County | | DLGF taxing district number | | | | | |
| Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (use additional sheets if necessary) | | | | | | ESTIMATED | | | | | |
| | | | | | | | | START DATE | | COMPLETION DATE | |
| | | | | | | Manufacturing Equipment | | | | | |
| | | | | | | R & D Equipment | | | | | |
| | | | | | | Logist Dist Equipment | | | | | |
| IT Equipment | | | | | | | | | | | |
| SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT | | | | | | | | | | | |
| Current number | | Salaries | | Number retained | | Salaries | | Number additional | | Salaries | |
| SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT | | | | | | | | | | | |
| NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential. | | | MANUFACTURING EQUIPMENT | | R & D EQUIPMENT | | LOGIST DIST EQUIPMENT | | IT EQUIPMENT | | |
| | | | COST | ASSESSED VALUE | COST | ASSESSED VALUE | COST | ASSESSED VALUE | COST | ASSESSED VALUE | |
| Current values | | | | | | | | | | | |
| Plus estimated values of proposed project | | | | | | | | | | | |
| Less values of any property being replaced | | | | | | | | | | | |
| Net estimated values upon completion of project | | | | | | | | | | | |
| SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER | | | | | | | | | | | |
| Estimated solid waste converted (pounds) _____ | | | | | | Estimated hazardous waste converted (pounds) _____ | | | | | |
| 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) | | | |

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 _____.

B . The type of deduction that is allowed in the designated area is limited to:

- | | |
|--|--|
| 1. Installation of new manufacturing equipment; | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes <input type="checkbox"/> No |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____.

D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.

E . The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____.

F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____.

G. Other limitations or conditions (*specify*) _____

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 on or after July 1, 2000, is allowed for:

- | | | |
|-------------------------------------|--------------------------------------|--|
| <input type="checkbox"/> 1 year | <input type="checkbox"/> 6 years | ** For ERA's established prior to July 1, 2000, <u>only</u> a 5 or 10 year schedule may be deducted. |
| <input type="checkbox"/> 2 years | <input type="checkbox"/> 7 years | |
| <input type="checkbox"/> 3 years | <input type="checkbox"/> 8 years | |
| <input type="checkbox"/> 4 years | <input type="checkbox"/> 9 years | |
| <input type="checkbox"/> 5 years ** | <input type="checkbox"/> 10 years ** | |

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: (*signature and title of authorized member*)

Telephone number
()

Date signed (*month, day, year*)

Attested by:

Designated body

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5



STATEMENT OF BENEFITS VACANT BUILDING DEDUCTION

State Form 55182 (R / 2-14)

Prescribed by the Department of Local Government Finance

20__ PAY 20__

FORM SB-1 / VBD

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 as an "eligible vacant building" as defined by IC 6-1.1-12.1-1(17).

INSTRUCTIONS:

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise, this statement must be submitted to the designating body BEFORE the occupation of the eligible vacant building for which the person wishes to claim a deduction.
2. To obtain a vacant building deduction, a Form 322/VBD must be filed with the county auditor before May 10 in the year in which the property owner or his tenant occupies the vacant building or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. If the property owner misses the May 10 deadline in the initial year of occupation, he can apply between March 1 and May 10 of a subsequent year.
3. A property owner who files the Form 322/VBD must provide the county auditor and the designating body with a Form CF-1/VBD to show compliance with the approved Form SB-1/VBD. The Form CF-1/VBD must also be updated each year in which the deduction is applicable.

| SECTION 1 TAXPAYER INFORMATION | | | | | |
|---|----------|--------------------------|----------|---|--------------------------------|
| Name of taxpayer | | | | | |
| Address of taxpayer (number and street, city, state, and ZIP code) | | | | | |
| Name of contact person | | Telephone number () | | E-mail address | |
| SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT | | | | | |
| Name of designating body | | | | Resolution number | |
| Location of property | | County | | DLGF taxing district number | |
| Description of eligible vacant building that the property owner or tenant will occupy (use additional sheets if necessary). | | | | Estimated occupancy date (month, day, year) | |
| | | | | Estimated date placed-in-use (month, day, year) | |
| SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS A RESULT OF PROPOSED PROJECT | | | | | |
| Current number | Salaries | Number retained | Salaries | Number additional | Salaries |
| SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT | | | | | |
| | | REAL ESTATE IMPROVEMENTS | | | |
| | | COST | | ASSESSED VALUE | |
| Current values | | | | | |
| Plus estimated values of proposed project | | | | | |
| Less values of any property being replaced | | | | | |
| Net estimated values upon completion of project | | | | | |
| SECTION 5 EFFORTS TO SELL OR LEASE VACANT BUILDING | | | | | |
| Described efforts by the owner or previous owner to sell, lease, or rent the building during period of vacancy: | | | | | |
| Show amount for which the building was offered for sale, lease, or rent during period of vacancy. | | | | | |
| List any other benefits resulting from the occupancy of the eligible vacant building. | | | | | |
| 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) |

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 amount of the deduction applicable is limited to \$ _____.
- C. Other limitations or conditions (*specify*) _____
- D. 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
- E. For a statement of benefits approved after June 30, 2013, did the 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 (<i>signature and title of authorized member of designating body</i>) | Telephone number () | Date signed (<i>month, day, year</i>) |
| Printed name of authorized member of designating body | Name of designating body | |
| Attested by (<i>signature and title of attester</i>) | Printed name of attester | |

* 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 6-1.1-12.1-1(17) "Eligible vacant building" means a building that:

(A) is zoned for commercial or industrial purposes; and

(B) is unoccupied for at least one (1) year before the owner of the building or a tenant of the owner occupies the building, as evidenced by a valid certificate of occupancy, paid utility receipts, executed lease agreements, or any other evidence of occupation that the department of local government finance requires.

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.

**JOB AND WAGE DESCRIPTION
FOR TAX ABATEMENT APPLICATION**

Please provide the following job and wage earning information that is associated with this Tax Abatement Petition **(Please specify all wages in an hourly format without benefits)**:

- (1) Company NAICS code: _____.
- (2) The total number of jobs current at the site: _____, the number of those jobs that will be retained as a direct result of the proposed investment _____, and the number of new jobs which will be created as a direct result of the proposed investment _____.
- (3) The total number of full-time employees at the site: _____.
- (4) The total number of temporary and/or contract employees currently at the site: _____.
- (5) The average hourly wages for the new jobs: _____.
- (6) Will the new jobs being created begin as temporary and/or contract employees? _____
If yes, please provide an explanation of the typical transition process to full time:

- (7) Number of new and/or retained jobs in:
- (a) Managerial/Professional Specialty Occ.: ____ Average Hourly Wage: _____
- (b) Technical/Sales/Admin. Support Occ.: ____ Average Hourly Wage: _____
- (c) Service Occ.: ____ Average Hourly Wage: _____
- (d) Precision Production/Craft/Repair Occ.: ____ Average Hourly Wage: _____
- (e) Operators/Fabricators/Laborers: ____ Average Hourly Wage: _____

Note: The total number of jobs specified above should correspond with the Statement of Benefits Form SB-1.

- (8) Attach detailed information on the types of benefits offered for new employees. A description of all possible bonuses and incentives should also be given if provided.**

**EMPLOYMENT PHASE-IN SCHEDULE
SAMPLE JOB CREATION/RETENTION TIMETABLE**

| | Job Type 1 | Job Type 2 | Job Type 3 | Job Type 4 | Total |
|-------------------|------------|------------|------------|------------|-------|
| Year of Abatement | | | | | |
| 1st Quarter | | | | | |
| 2nd Quarter | | | | | |
| 3rd Quarter | | | | | |
| 4th Quarter | | | | | |
| | | | | | |
| Year of Abatement | | | | | |
| 1st Quarter | | | | | |
| 2nd Quarter | | | | | |
| 3rd Quarter | | | | | |
| 4th Quarter | | | | | |
| | | | | | |
| Year of Abatement | | | | | |
| 1st Quarter | | | | | |
| 2nd Quarter | | | | | |
| 3rd Quarter | | | | | |
| 4th Quarter | | | | | |
| TOTAL | | | | | |

SAMPLE COMPANY INVESTMENT TIMETABLE

| | Buildings | Equip. Type 1 | Equip. Type 2 | Equip. Type 3 | Total |
|-------------------|-----------|---------------|---------------|---------------|-------|
| Year of Abatement | | | | | |
| 1st Quarter | | | | | |
| 2nd Quarter | | | | | |
| 3rd Quarter | | | | | |
| 4th Quarter | | | | | |
| | | | | | |
| Year of Abatement | | | | | |
| 1st Quarter | | | | | |
| 2nd Quarter | | | | | |
| 3rd Quarter | | | | | |
| 4th Quarter | | | | | |
| | | | | | |
| Year of Abatement | | | | | |
| 1st Quarter | | | | | |
| 2nd Quarter | | | | | |
| 3rd Quarter | | | | | |
| 4th Quarter | | | | | |
| TOTAL | | | | | |

**ENVIRONMENTAL, LAND USE, AND
PERMITTING COMPLIANCE AFFIDAVIT**

I, _____, (representative) on behalf of _____
(company) represent that, except to the extent that the City of Franklin has been given written notice of
any environmental, chemical, or waste hazards or violations prior to the date of this affidavit, the
petition and project plan of _____ (company) does not contemplate,
contain, nor anticipate:

- (1) any violation(s) of City of Franklin Municipal codes and/or ordinances;
- (2) any violation(s) of applicable zoning ordinances;
- (3) any violation(s) of site plan review and/or building permit requirements;
- (4) any violation(s) of federal or state laws, including but not limited to OSHA and ADA, and all
other regulations regarding safety, land use, and access;
- (5) any violation(s) of federal or state laws, including but not limited to the creation,
maintenance, utilization, control, handling, existence, and/or disposal of hazardous waste,
chemicals, conditions, equipment, materials, entities, or components as defined under federal
and/or state law.

Further, _____ (company) states that the construction and operation of the
proposed facility will in no way result in any discharges which will result in interruptions, inconsistencies,
or failures in the operation of the Franklin Wastewater Treatment facility. The petitioner understands
that the violation of any element of this affidavit may result in the revocation of any tax abatements or
other economic incentives which may have been granted by the City of Franklin.

Petitioner

Date

STATE OF _____

SS:

COUNTY OF _____

Subscribed and sworn to before me on this ____ Day of _____, 20____.

My Commission Expires: _____

Notary Public



City of Franklin - Economic Development Commission 2020 Calendar of Meeting Dates

| EDC Meeting Date | Application Deadline | Council Council Meeting | Public Hearing (if applicable) |
|-------------------|----------------------|-------------------------|-----------------------------------|
| January 14, 2020 | January 3, 2020 | January 20, 2020 | February 3, 2020 |
| February 11, 2020 | January 31, 2020 | February 17, 2019 | March 2, 2019 |
| March 10, 2020 | February 28, 2020 | March 16, 2020 | April 6, 2020 |
| April 14, 2020 | April 3, 2020 | April 20, 2020 | May 4, 2020 |
| May 12, 2020 | May 1, 2020 | May 18, 2020 | June 1, 2020 |
| June 9, 2020 | May 29, 2020 | June 15, 2020 | July 6, 2020 |
| July 14, 2020 | July 3, 2020 | June 20, 2019 | August 3, 2020 |
| August 11, 2020 | July 31, 2020 | August 17, 2020 | September 7, 2020 |
| September 8, 2020 | August 28, 2020 | September 21, 2020 | October 5, 2020 |
| October 13, 2020 | October 2, 2020 | October 19, 2020 | November 2, 2020 |
| November 10, 2020 | October 30, 2020 | November 16, 2020 | December 7, 2020 |
| December 8, 2020 | November 25, 2020 | December 21, 2020 | January 4, 2021 |

The City of Franklin, Economic Development Commission meets at 8:00 am in the Franklin City Hall, Council Chambers, located at 70 E. Monroe Street; Franklin IN 46131.

All petitions must be filed with the Department of Community Development (70 E. Monroe Street; Franklin IN 46131) no later than 4:00 pm on the application deadline as specified above.

The Economic Development Commission may review tax abatement requests at multiple meetings for informational purposes.

Public Notification may be required for some Economic Development Commission petitions.

Contact the Department of Community Development at 877-736-3631 if you require information regarding building accessibility or reasonable accommodations.