



CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission

From: Dana Monson, Community Development Specialist

Date: April 14, 2020

Re: C 2020-14: JM Stevens Enterprises

Summary:

1. On February 4th, 2015, the Franklin Common Council passed Resolution No. 2013-03, approving a 7-year tax abatement on real property for JM Stevens Enterprises, located at 215 Industrial Drive.
2. Actual and estimated benefits, as projected for 2018:

	Estimated on SB-1	Actual in 2019	Difference
Employees Retained	15	15	0
Salaries	\$935,353	\$935,353	\$0
New Employees	3	14	10
Salaries	\$133,120	\$1,017,003	\$883,883
Total Employees	18	29	11
Total Salaries	\$1,068,473	\$1,952,356	\$883,883
Average Hourly Salaries	\$28.54	\$32.37	\$3.83
Real Property Improvements	\$200,000	\$205,000	\$5,000

3. The abatement was granted on a 4,000 square foot addition to an existing building. The original building did not receive a tax abatement when it was built. The property is owned by JM Stevens Enterprises, LLC. Sargent Aerospace leases the property and the employment figures are for Sargent Aerospace employees.
4. The company has met their estimate provided on the SB-1 Form for real property.
5. The company reported 18 employees in 2014 with an average hourly salary of \$28.59. The total number of employees has increased in 2015, but the average hourly salary decreased to \$25.47. In 2016 the total number of employees increased to 23, and the average hourly salary increased to \$33.19. In 2017 the total number of employees increased to 31, and the total salaries and total hourly salary exceed the SB-1 estimate. In 2018 total employees and average hourly salaries exceed SB-1 estimates. In 2019 the company again exceed employee and salary estimates.
6. The real property tax abatement is scheduled to expire in tax year 2020 payable 2021. The final compliance review will take place in 2020.

Staff Recommendation: Approval



COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20 19 PAY 20 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).

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	JM Stevens Enterprises, LLC		County	Johnson
Address of taxpayer (number and street, city, state, and ZIP code)	2840 N Mitthoeffer Place #100		DLGF taxing district number	41-009
Name of contact person	Jonas M. Stevens		Telephone number	(317) 714-4848
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY		
Name of designating body	Resolution number	Estimated start date (month, day, year)		
Location of property	215 Industrial Drive - Franklin, IN 46131		Actual start date (month, day, year)	
Description of real property improvements			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			29	
Salaries			1,952,356	
Number of employees retained	15			
Salaries	935,353			
Number of additional employees	3		14	
Salaries	133,12019		1,017,003	
SECTION 4		COST AND VALUES		
COST AND VALUES		REAL ESTATE IMPROVEMENTS		
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE		
Values before project	381,600			
Plus: Values of proposed project	200,000			
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	205,000			
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)		
	Manager	3/9/20		

Dana Monson

From: Jonas Stevens <jonasstevens@me.com>
Sent: Monday, March 9, 2020 2:48 PM
To: Dana Monson
Subject: Re: 2020 tax abatement compliance for City of Franklin

Dana- We currently have the building listed for lease and are actively speaking with a few prospects to bring in a new tenant and new jobs to Franklin. The building currently is listed with Tucker Commercial Realtors and we are hoping to have it leased out within the next month or two as Sargent has just recently concluded their lease agreement at the end of March 2020.

If You have any further questions - Please let me know.

Thank You.

Jonas Stevens
JM Stevens Enterprises, LLC
317.714.4848

On Mar 9, 2020, at 2:11 PM, Dana Monson <dmonson@franklin.in.gov> wrote:

Thank you Jonas.

Would you please send a short letter to the EDC members stating what the current status of your building is? I know that Sargent Aerospace has left, but we would like to know if you are currently marketing it, if there is a potential lease, or what your plans for the building are. That will be very helpful.

Best,
Dana

From: Jonas Stevens [<mailto:jonasstevens@me.com>]
Sent: Monday, March 9, 2020 2:02 PM
To: Dana Monson <dmonson@franklin.in.gov>
Subject: 2020 tax abatement compliance for City of Franklin

Jonas Stevens
JM Stevens Enterprises, LLC
317-714-4848