



CITY OF FRANKLIN

DEPARTMENT OF COMMUNITY DEVELOPMENT

Staff Report

To: Economic Development Commission Members
From: Dana Monson, Community Development Specialist
Date: January 11, 2022
Re: Case EDC 2022-01– Overton Industries/Tube Forming Systems

Case EDC 2022-01 – Tube Forming Systems: A request for a 5-year tax abatement on \$247,068.00 in personal property investment as part of the growth of their company. The company is adding a new beamer laser marker.

Location: 2155 McClain Drive, Franklin, IN. 46131 41-07-18-013-002.004-018



Summary:

- Characteristics of this location:
Existing location -2155 McClain D.
- Characteristics of this petitioner:
Overton & Sons Tool & Die Company, Inc. was incorporated in 1968 by Ruby Overton. After working for Gentry Carbide Tool & Die in Indianapolis for 8 years, Gentry Company was acquired by Talon Corporation. With the buyers not being interested in the portion of the business in which Ruby worked, he brought some customers with him to his upstart business. With the calling card of Overton & Sons being primarily carbide material, close tolerance, detail-oriented work, Ruby set the foundation for his three sons to build upon.

After nearly 20 years of business, Ruby passed away suddenly in August of 1986, leaving his three sons to be business owners overnight. Ron, Steve, and Rick Overton each sought out a position in the business that suited their strongest traits. Ron, being the oldest, assumed CEO responsibilities as well as being the driving force behind the sales and marketing efforts. Steve, with a business degree from the University of Evansville, assumed the CFO duties and managed the finances of the business. Rick, with a well-rounded shop experience, became the President of the Tool & Die Company and managed the day-to-day operations of manufacturing. Each has continued a legacy that was created through Ruby's hard work and dedication to developing a manufacturing company that employees have a sense of pride to work for. A true family business.

After starting out in a small 600 SF building in a residential neighborhood in Mooresville in 1968, Ruby moved the business in 1973 to a newly developed business park south of Mooresville. Eventually the shop would grow to a size large enough where it was deemed necessary to divide the business into multiple divisions. In 1992 and 1994, Overton Mold and then Overton Roll were added as divisions to the original Tool & Die Division. With these additions, an additional manufacturing space was needed to house the growing divisions. In 1993, Overton Mold and eventually Overton Roll found their home next door to the Tool & Die facility in a newly constructed 11,200 SF building that the Mold Division still calls home today. Continuing to grow, another division was added in 1997 to create a home for the multitude of carbide work that was being done in the Tool & Die Division as well as the Roll Division. With many of the carbide customers being in along I-65 south of Indianapolis, the decision was made to build the new facility in Franklin, IN. This new division was comprised of much of the carbide detail work from the Tool and Die division as well as what was Overton Roll. The new division was called Overton Carbide Tool & Engineering. After nearly 20 years and multiple expansions, the division is now called Overton Industries – Tube Forming Systems.

3. Characteristics of this project: The company is purchasing a new Beamer Laser Marker with Rotary Attachment and will add one new job. The total investment is \$247,068.00.
4. Economic Revitalization Area (ERA):
The property is located in a current ERA designated with resolution 2012-18.
5. ERA & Tax Abatements Findings (Personal Property):
Indiana Code Section 6-1.1-12.1-4.5 states that the following findings must be made when considering an ERA designation and the granting of tax abatement for personal property:
 - a. Whether the estimate of the cost of new manufacturing equipment is reasonable for equipment of that type;
 - b. Whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the instillation of new manufacturing equipment;
 - c. Whether the estimate of annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment;
 - d. Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the installation of the new manufacturing equipment; and

- e. Whether the totality of the benefits is sufficient to justify the tax abatement.

6. City of Franklin "Tax Abatement Policy" criteria:

The "Tax Abatement Policy" section of the *City of Franklin Community Investment Incentives Summary* states that the Economic Development Commission shall use certain criteria when considering a request for tax abatement. A comparison of those criteria and this request follows:

- a. *Diversification of Local Occupations:* This project will retain a company that is currently located in Franklin and the jobs that are located at the current plant. While this does not increase the diversification, it does maintain the current level of diverse jobs in the city.
- b. *Diversification of Local Employment:* The project will add 1 new job as well as retain the current number of employees. This location will also enable the company to increase production, which could positively impact the number of new jobs at a later date.
- c. *Increase in Local Salaries:* The average wage for all industries in Johnson County for 2020 was \$19.30. The average hourly wage in Johnson County for Low/moderate wage is \$12.95 per hour. Overton will pay an average of \$23.50 per hour, above the county average wage.
- d. *Sustainable Land Use:* This project conforms with the intended use of this property.
- e. *Future Community Investment:* The applicant should share with the EDC their plans for future community investment and they have indicated they are agreeable to the Economic Development Fee of 5% for personal.
- f. *Conformance with the Comprehensive Plan:* The Comprehensive Plan - Future Land Use Plan identifies this property as Industrial General. Industrial General zoning permits the following uses: Industrial Uses • agricultural products terminal • dry cleaners (commercial) • food & beverage production • general industrial production • light industrial assembly & distribution • light industrial processing and distribution • power generation facility (commercial) • research and development facility • truck freight terminal • warehouse & distribution facility

The intended use conforms with the comprehensive plan.

7. Tax Abatement Duration:

The *City of Franklin Community Investment Incentives Summary* provides that longer periods of abatement on real and personal property may be considered for requests of an exceptional nature. The Summary states that development examples of an exceptional nature include projects which:

- a. Create a new plant or product line for an existing manufacturer;
- b. Creates substantial employment opportunities with higher than average wages;
- c. Increase substantially property values and the city tax base with minimal impact to city services (police & fire protection, schools, utilities, infrastructure, etc.); and

- d. Utilize existing public infrastructure (sanitary & storm sewer, roads & streets, drainage facilities, and other utilities).

8. Requested Effective Year:

The petitioner has requested that, if approved, the tax abatement should be for the first year taxes are assessed at an increased assessment rate.

Staff Comments:

The Mayor's Office has indicated they are supportive of a tax abatement of 3 years for personal property for this project based on the investment amount, the additional job and the retention of a current Franklin employer.

Overton Industries

December 17, 2021

City of Franklin
Attn: Dana Monson
70 E. Monroe Street
Franklin, IN 46131

Dear Ms. Monson,

Enclosed you will find our Form SB-1 for Personal Property. We are purchasing a new Beamer Laser Marker with Rotary Attachment, a HAAS VF-4SS VMS, and a HAAS VF-2SS VMC, and we are requesting an abatement.

Thank you for your consideration.


Scott Buie: CEO



CITY OF FRANKLIN

Community Development DEPARTMENT

Tax Abatement Application

Organization/Corporation	Requesting	Tax	Abatement
<u>Tube Forming Systems, Inc.</u>	<u>Overton Industries</u>	Organization/Corporation Name:	
Name: <u>Scott Buie</u>		Primary	Contact
Contact Address: <u>2155 McClain Drive</u>			
City: <u>Franklin</u>	State: <u>IN</u>	Zip: <u>46131</u>	
Phone Number: <u>317-736-7700</u>			
Email: <u>Sbuie@overtonind.com</u>			
Three possible dates before the EDC meeting to conduct a site visit: <u>12/28/21 or 12/29/21 or 1/4/22 or 1/7/22</u>			
Name of Owner: <u>Steve Overton, Ron Overton, and Rick Overton</u>			
Parent Company (If Applicable): <u>Overton Industries, Inc.</u>			

Primary	Contact	for	Yearly	Compliance	Reports
	<u>Scott Buie</u>				Name: _____
	<u>CEO</u>				Title: _____
	<u>2155 McClain Drive</u>				Address: _____
	<u>Franklin</u>	State: <u>IN</u>			City: _____
	Phone Number: <u>317-736-7700</u>				Zip: <u>46131</u>
	Email: <u>Sbuie@overtonind.com</u>				

Description	of	Project
Project Location/Address: <u>2155 McClain Drive, Franklin, IN 46131</u>		
Parcel Number: <u>41-99-13-018-915.000-018</u>		
Brief Description of Project:		
<u>Purchase of Beamer Laser Marker 104-FB23 with Rotary Attachment</u>		
<u>Purchase of HAAS VF-4SS Vertical Machining Center</u>		
<u>Purchase of HAAS VF-2SS Vertical Machining Center</u>		

Current Assessed Value (AV) of the Property:

1. Land _____
2. Building 2,110,000
3. Inventory 400,000
4. Equipment 2,150,000

Have building permits been applied for (if applicable):

Yes

No

Has equipment been installed (if applicable):

☒ Yes

☐ No

NOT APPLICABLE

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: 5 Years

Project Size (square feet): 100

Size of Site (acres): N/A

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:

0
\$247,068.00
\$247,068.00

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:

1
36
37

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)

23.50
28.93

***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?

53 yrs

Current address of company headquarters and duration at that address:

1250 Old State Rd

47 South, Mooresville, IN 46158

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

70%

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

If yes, when and for what term?

multiple, 5 to 10 year

What specifically has the company done

to give back to the community:

Support of local Non-Profit Organization, Heavy involvement in CA Career Center, Mooresville HS & Area 31 Career Center

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)?

5%

**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: 333514 & 333513
- (2) The total number of jobs current at the site: 36, the number of those jobs that will be retained as a direct result of the proposed investment 36, and the number of new jobs which will be created as a direct result of the proposed investment 1.
- (3) The total number of full-time employees at the site: 36.
- (4) The total number of temporary and/or contract employees currently at the site: 4.
- (5) The average hourly wages for the new jobs: \$23.50/hr
- (6) Will the new jobs being created begin as temporary and/or contract employees? No
If yes, please provide an explanation of the typical transition process to full time:
POSITIONS CREATED AS A RESULT OF THIS INVESTMENT WILL BE
FULL-TIME PERMANENT POSITION.

- (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.: 1 Average Hourly Wage: \$23.50/hr
- (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.

SEE ATTACHED SUMMARY OF BENEFITS.

08/01/20 through
7/31/2021

Summary of Benefits for Overton Industries International

To receive these benefits, you must work a minimum of 30 hours per week, to be considered full time.

All Insurance becomes effective on the 1st of the month after 60 days of continuous employment. All Insurance benefits and rates are renewable annually, in July of every year with an effective date of Aug. 1st. All other benefits become effective after 90 days of continuous employment for all full time status employee's.

It is a policy of Overton Industries, if your spouse is employed and their employment offers health coverage, they will not be eligible for coverage with Overton Industries. Dependents will be covered under the plan that is most advantageous to the family.

Health Insurance I.) GA (Group Administrators) 2 deductibles \$4,000.00 and \$6,000.00

		Until 12:00 midnight July 31st, 2021		
Types of Coverage		Employee Cost of Coverage		Maximum out of Pocket
Deductibles		\$4,000.00	\$6,000.00	\$7,350.00 for both deductibles
Coverage for Employee only:		\$ 51.22	\$ 40.58	\$4000.00 + Co insurance of \$3,350.00
Coverage for Employee and Spouse		\$ 107.08	\$ 89.31	\$6000.00 + Co insurance of \$1,350.00
Coverage for Employee and Children		\$ 92.02	\$ 74.62	
Coverage for Full Family		\$ 140.66	\$ 113.45	
		NOTE: Overton Industries will pick up the last \$850.00 of your out of pocket expense once you have met the full Maximum out of pocket \$7,350.00		

Provider Network is: Cigna Health Network

Utilizing the CIGNA HEALTH NETWORK

Deductible for Single is \$4,000.00 per calendar year, in network, starting in January of every year. Cigna

Deductible for Family is \$8000.00 per calendar year, in network, starting in January of every year. Cigna

Any non-network claims, the deductible will double. (a 4,000.00 to 8,000.00, a 6,000.00 to 12,000.00)

TELADOC Teladoc services are now available for our employees and their families. Once you become eligible for health insurance, you may enroll in the telemed services. This saves you an office call visit, and possibly an emergency room visit.

Medical & Dependent Care Savings Account VI.) Unreimbursed Medical Savings Account. Limit of \$2,650.00 per year. Inquire at H.R. Office. Dependent Care Savings Account. Limit of \$5,000.00 per year for married persons and \$2,500.00 per year for Singles. This money goes into an account until you incur medical expenses. And it is deducted tax free. This is a use it or lose it benefit. Which means; if you set aside \$1040.00 per year to be put into the medical account, and you only can come up with \$940.00 in expenses for the plan year, you will lose the remaining \$100.00 that you put into the account. The same works with the Dependent Care Savings Account. For more information please see your H.R. office.

Life Insurance II.) Through MetLife, Overton Industries Int'l. paying 100% of its cost. Employee coverage 20,000.00, Spouse is \$5,000.00, dependents is \$2,000.00.

Overton Industries | 2155 McClain Drive | Franklin, IN 46131 | 317.736.7700

Page 2

Dental Insurance **III.) Optional Benefit,** with Guardian Life, 100% paid for by the Employee. Guardian Life has a \$50 deductible. (2) Cleanings per year, 1 every 6 months.

<i>Types of Coverage</i>	<i>Employee Cost of Coverage</i>
Coverage for Employee only:	\$ 7.93 Weekly
Coverage for Employee & Spouse	\$ 16.66 Weekly
Coverage for Employee & Child'ren	\$ 19.16 Weekly
Coverage for Employee & Family	\$ 29.98 Weekly

Vision **IV.** Vision is offered through Guardian Life Insurance. Employee coverage-\$1.89, Employee & Spouse-\$3.79, Employee & Children-\$3.21, and Family\$-5.29 per week. Please see full benefit description for complete coverage on Vision.

Disability S.T.D. **IV.)** Overton's will handle our **Short Term Disability**. This is a paid benefit, provided by Overton Industries, to all full time status employees. Pays \$200.00 max. per week for 26 weeks.
L.T.D. **Long Term Disability** is an optional benefit and is paid for by the employee. Cost is \$2.31 per week, takes effect after the Short Term Disability expires. Pays \$2,000.00 max. per month until retirement age.

AFLAC **V.) Supplemental Insurance Coverage.** An optional benefit, covers Cancer, Accident, Hospital Stays and Life Insurance. Provided by AFLAC

ALL OF THE ABOVE ARE PRE-TAX PREMIUMS BENEFITS. THIS MEANS, ANY DOLLARS SPENT ON THE ABOVE PRODUCTS ARE NOT TAXED BY THE IRS OR SOCIAL SECURITY.

Vacations 1. One (1) week after one (1) full year of continuous employment.
2. Two (2) weeks after two (2) full years of continuous employment.
3. Three (3) weeks after seven (7) full years of continuous employment.
NO VACATIONS OR VACATION PAY SHALL BE SCHEDULED IN THE MONTH OF DECEMBER !!
Vacations are figured on a anniversary date schedule, with no accruals.

Holidays Holidays are paid at straight time pay for (9) holidays per year as follows.(8) Hours for Memorial Day, 4th of July, Labor Day, Thanksgiving, Friday after Thanksgiving, Christmas and New Years Day. (4) Hours for Christmas Eve and New Years Eve. All VETERANS are honored with Veterans day, Nov. 11th each year for a holiday.

Personal Days (2) Two unpaid personal days are granted per year. They do not affect overtime or absenteeism. These days are granted on a January to December schedule. You must work (1) full year to be eligible for personal days. Exempt employees will be allowed to utilize (2) days per year for personal business, however, when requesting a personal day, please note it will not be a paid day off. Personal Days may not be used in conjunction with a holiday

Page 3

401K	Our 401K Plan is through Principal, administered by Edward Jones. To be eligible for the 401K Plan you must have worked a minimum of 6 months prior to any January 1st or July 1st of any year and be 20 years of age. Overton Industries matches 20% of every dollar you invest up to a total of 8% of your earnings.
Bereavement	Up to (3) days for the immediate family, (1) day for Grand parents. Please note: This is not an automatic benefit. The death and arrangements must have occurred during your scheduled work week, in order for you to receive pay.
Education	Overton Industries has a REIMBURSEMENT policy for tuition, based on your grade for Job Related training. An "A" we pay 90% of Tuition, a "B" 80% of Tuition and a "C" 70% of Tuition. For "D", "F" or a withdrawal Overton Industries pays nothing.
Employee Personal Tool Purchases	After 90 days of continuous employment, you will be eligible to purchase personal tooling to be used to do your job. Overton Industries will offer a 5% discount and pay up to \$10.00 on the freight. You may not order more than \$400.00 at any one time. You must be able to pay with in 26 weeks, with a minimum payment of \$10.00 per week.
Direct Deposit	Overton Industries, as a condition of employment, does utilize direct deposit for distributing pay checks. Upon being hired as an employee, you will need to complete the direct deposit form.
Work Week	Our Pay week starts on Monday and runs through the next Sunday. Pay days are on Fridays, Paid weekly
Lunch	Our lunch break is a half of an hour long, starting at 12:00 noon to 12:30 PM for day shift. Everyone is required to take a 30 minute lunch if working more than 7 hours per day.
Break	Night shift will need to speak with the night shift supervisor for the lunch schedule.
Reporting Absences	All absences shall be reported to your group leader, by you, no later than 12:00 noon, or before your scheduled lunch break. Three (3) days non-report may be an automatic termination on your part.
Cell Phones	Cell phone use is to be kept to a minimum. Abusers will be delt with on an individual bases.
Smoke Free Facility	Overton Industries, all divisions, are tobacco free facilities. Please no tabacco on company premises.

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

		CNC Operator	Total
2022	Year of Abatement		
	1st Quarter	1	37
	2nd Quarter	0	37
	3rd Quarter	0	37
	4th Quarter	0	37
2023	1st Year of Abatement		
	1st Quarter	0	37
	2nd Quarter	0	37
	3rd Quarter	0	37
	4th Quarter	0	37
2024	2nd Year of Abatement		
	1st Quarter	0	37
	2nd Quarter	0	37
	3rd Quarter	0	37
	4th Quarter	0	37
2025	3rd Year of Abatement		
	1st Quarter	0	37
	2nd Quarter	0	37
	3rd Quarter	0	37
	4th Quarter	0	37
2026	4th Year of Abatement		
	1st Quarter	0	37
	2nd Quarter	0	37
	3rd Quarter	0	37
	4th Quarter	0	37
2027	5th Year of Abatement		
	1st Quarter	0	37
	2nd Quarter	0	37
	3rd Quarter	0	37
	4th Quarter	0	37
Total		1	37

COMPANY INVESTMENT TIMETABLE

		HAAS VF4	HAAS VF2	BEAMER	Total
2022	Year of Abatement				
	1st Quarter	112,000	85,000	50,000	247,000
	2nd Quarter	0	0	0	0
	3rd Quarter	0	0	0	0
	4th Quarter	0	0	0	0
2023	1st Year of Abatement				
	1st Quarter	0	0	0	0
	2nd Quarter	0	0	0	0
	3rd Quarter	0	0	0	0
	4th Quarter	0	0	0	0
2024	2nd Year of Abatement				
	1st Quarter	0	0	0	0
	2nd Quarter	0	0	0	0
	3rd Quarter	0	0	0	0
	4th Quarter	0	0	0	0
2025	3rd Year of Abatement				
	1st Quarter	0	0	0	0
	2nd Quarter	0	0	0	0
	3rd Quarter	0	0	0	0
	4th Quarter	0	0	0	0
2026	4th Year of Abatement				
	1st Quarter	0	0	0	0
	2nd Quarter	0	0	0	0
	3rd Quarter	0	0	0	0
	4th Quarter	0	0	0	0
2027	5th Year of Abatement				
	1st Quarter	0	0	0	0
	2nd Quarter	0	0	0	0
	3rd Quarter	0	0	0	0
	4th Quarter	0	0	0	0
	Total	112,000	85,000	50,000	247,000

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

I, Scott Buie (representative) on behalf of Tube Forming Systems (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 HAAS VF-4SS / HAAS VF-2SS / Beam (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, Tube Forming Systems (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.

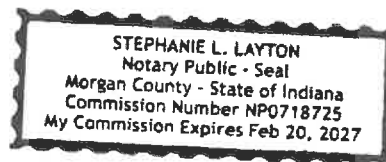
[Signature]
Petitioner

12-17-21
Date

STATE OF Indiana

SS:

COUNTY OF Morgan



Subscribed and sworn to before me on this 17 Day of December, 2021.

My Commission Expires: Feb. 20, 2027

[Signature]
Notary Public

EXHIBIT A

LEGAL DESCRIPTION

A part of West Half of the Northeast Quarter of Section 18, Township 12 North, Range 5 East, Johnson County, Indiana, more commonly described as follows:

Commencing at the Northwest corner of the East Half of said Northeast Quarter, thence South 00 degrees 02 minutes 39 seconds West 1689.36 feet to the Point of Beginning; thence continuing South 00 degrees 02 minutes 39 seconds West a distance of 1022.15 feet to the Southeast corner of the West Half of said Quarter Section; thence North 89 degrees 32 minutes 07 seconds West 488.13 feet to the East right-of-way of Interstate #65; thence along said right-of-way North 17 degrees 18 minutes 15 seconds West a distance of 284.03 feet; thence continuing on and along said East right-of-way North 11 degrees 35 minutes 37 seconds West 771.06 feet; thence South 89 degrees 32 minutes 07 seconds East 728.38 feet to the Point of Beginning, containing 14.5429 acres, more or less, subject to all legal rights-of-way and easements of record.



STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R4 / 11-15)

Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

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.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the installation of qualifying abatable equipment for which the person desires to claim a deduction.
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 or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between January 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 January 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. For a Form SB-1/PP that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/PP that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. (IC 6-1.1-12.1-17)

SECTION 1		TAXPAYER INFORMATION						
Name of taxpayer	Tube Forming Systems, Inc.		Name of contact person	Scott Buie				
Address of taxpayer (number and street, city, state, and ZIP code)		Telephone number						
2155 McClain Drive Franklin, IN 46131		(317) 831-4542						
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT						
Name of designating body		Resolution number (s)						
The City of Franklin Common Council								
Location of property		County	DLGF taxing district number					
2155 McClain Drive Franklin, IN 46131		Johnson	Franklin					
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.) Beamer Laser Marker 104-FB23 w/ Rotary Attachment HAAS VF-4SS Vertical Machining Center HAAS VF-2SS Vertical Machining Center		ESTIMATED						
		START DATE	COMPLETION DATE					
		Manufacturing Equipment	02/01/2022 02/10/2022					
		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			
36	2,010,340	36	2,010,340	1	49,000			
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	247,068							
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		Date signed (month, day, year)						
		12-17-21						
Printed name of authorized representative		Title						
Scott Buie		CEO						

Indiana Tax Abatement Results

- Johnson County, Franklin City - Needham Twp
- Tax Rate (2021): 3.3758
- Project Name: Overton

Personal Property: \$247,068.00

		With Abatement			Without Abatement			Estimated Tax Abatement Savings
	Abatement Percentage	Property Taxes	Circuit Breaker Tax Credit	Net Property Taxes	Property Taxes	Circuit Breaker Tax Credit	Net Property Taxes	
Year 1	100%	\$0.00	\$0.00	\$0.00	\$3,336.00	(\$371.18)	\$2,964.82	\$2,964.82
Year 2	66%	\$1,588.00	\$0.00	\$1,588.00	\$4,671.00	(\$520.26)	\$4,150.74	\$2,562.74
Year 3	33%	\$2,347.00	\$0.00	\$2,347.00	\$3,503.00	(\$389.94)	\$3,113.06	\$766.06
Totals		\$3,935.00	\$0.00	\$3,935.00	\$11,510.00	(\$1,281.38)	\$10,228.62	\$6,293.62

Indiana Tax Abatement Results

- Johnson County, Franklin City - Needham Twp
- Tax Rate (2021): 3.3758
- Project Name: Overton

Personal Property: \$247,068.00

	Abatement Percentage	With Abatement			Without Abatement			Estimated Tax Abatement Savings
		Property Taxes	Circuit Breaker Tax Credit	Net Property Taxes	Property Taxes	Circuit Breaker Tax Credit	Net Property Taxes	
Year 1	100%	\$0.00	\$0.00	\$0.00	\$3,336.00	(\$371.18)	\$2,964.82	\$2,964.82
Year 2	80%	\$934.00	\$0.00	\$934.00	\$4,671.00	(\$520.26)	\$4,150.74	\$3,216.74
Year 3	60%	\$1,401.00	\$0.00	\$1,401.00	\$3,503.00	(\$389.94)	\$3,113.06	\$1,712.06
Year 4	40%	\$1,601.00	\$0.00	\$1,601.00	\$2,669.00	(\$297.15)	\$2,371.85	\$770.85
Year 5	20%	\$2,002.00	\$0.00	\$2,002.00	\$2,502.00	(\$278.39)	\$2,223.61	\$221.61
Totals		\$5,938.00	\$0.00	\$5,938.00	\$16,681.00	(\$1,856.92)	\$14,824.08	\$8,886.08