



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission

From: Dana Monson, Community Development Specialist

Date: February 8, 2022

Re: Case C 2022-01: Aisin Industries Res. 21-10

Summary:

1. On March 1, 2021, the Franklin Common Council passed Resolution No. 2021-10 approving a 10-year tax abatement on \$735,000 in personal property with a 5% Economic Development Fee, for Aisin Industries located at 187 Bartram Parkway.

2. Actual and estimated benefits, as projected for 2021:

	Estimated on SB-1	Actual in 2021	Difference
Employees Retained	49	49	0
Salaries	\$1,793,792	\$1,793,792	\$0
New Employees	20	0	-20
Salaries	\$624,000	-624,000	-\$624,000
Total Employees	69	49	-20
Total Salaries	\$1,793,792	\$1,793,792	-\$624,000
Average Hourly Salaries	\$17.60	\$17.60	-\$15.00
Personal Property Improvements	\$6,470,000	\$0	-\$6,470,000

3. Aisin had stated on their SB-1 form that construction would begin in 2021. The company did start construction on the expansion and is on schedule to be completed by March 2022. The company is on track to purchase the new equipment by July 2022 and hire the new 20 employees.

4. The personal property will be purchased and installed as construction is completed.

5. The personal property tax abatement is scheduled to expire in tax year 2032 payable in 2033. The final compliance review will take place in 2032.

Staff Recommendation: Approval



COMPLIANCE WITH STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51765 (R6 / 12-21)

Prescribed by the Department of Local Government Finance

PRIVACY NOTICE
This form contains confidential
information pursuant to
IC 6-1.1-35-9 and IC 6-1.1-12.1-5.6.

FORM CF-1 / PP

January 1, 2022

- 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 January 1 and May 16, 2022, unless a filing extension under IC 6-1.1-3.7 has been granted. A person who obtains a filing extension must file between January 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 Aisin World Corp. of America		County Johnson						
Address of taxpayer (number and street, city, state, and ZIP code) 1665 E. 4th Street, Seymour, IN 47274		DLGF taxing district number						
Name of contact person Harry F. McNaught		Telephone number (317) 439-4577						
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY						
Name of designating body City of Franklin Common Council		Resolution number 21-10	Estimated start date (month, day, year) January 31, 2022					
Location of property 187 Bartram Parkway, Franklin, IN 46131		Actual start date (month, day, year) Not completed						
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. Forklifts, reach trucks, shelving racks, repack equipment and conveyance, auto stretch wrap machine and compressor, IT hardware (PCs, printers, scanners)		Estimated completion date (month, day, year) July 31, 2022						
		Actual completion date (month, day, year) Not completed						
SECTION 3		EMPLOYEES AND SALARIES						
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL					
Current number of employees		49	Not completed					
Salaries		\$17.60	Not completed					
Number of employees retained		49	Not completed					
Salaries		\$17.60	Not completed					
Number of additional employees		20	Not completed					
Salaries		\$15.00	Not completed					
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								
Plus: Values of proposed project					\$710,000		\$25,000	
Less: Values of any property being replaced								
Net values upon completion of project					\$710,000		\$25,000	
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project								
Plus: Values of proposed project					Not completed		Not completed	
Less: Values of any property being replaced								
Net values upon completion of project					Not completed		Not completed	
NOTE: The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6(c).								
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 <i>Harry F. McNaught</i>		Title <i>President</i>	Date signed (month, day, year) <i>Feb 2, 2022</i>					

**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 6-1.1-12.1-5.3 and IC 6-1.1-12.1-5.9)

1. Not later than 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 (Form SB-1/Real Property).
2. 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, including the date, time, and place of a hearing to be conducted by the designating body. The date of this hearing may not be more than thirty (30) days after the date this notice is mailed. A copy of the notice may be sent to the county auditor and the county assessor.
3. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable efforts to substantially comply with the Statement of Benefits (Form SB-1/Real Property), and whether any failure to substantially comply was caused by factors beyond the control of the property owner.
4. If the designating body determines that the property owner has **NOT** made reasonable efforts to comply, the designating body shall adopt a resolution terminating the property owner's deduction. If the designating body adopts such a resolution, the deduction does not apply to the next installment of property taxes owed by the property owner or to any subsequent installment of property taxes. The designating body shall immediately mail a certified copy of the resolution to: (1) the property owner; (2) the county auditor; and (3) the county 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. (Hearing must be held within thirty (30) days of the date of mailing of this notice.)

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 4 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.