

## AGENDA RESERVATION REQUEST

### CITY OF FRANKLIN COMMON COUNCIL

Please type or print

<b>Date Submitted:</b>	February 8, 2022	<b>Meeting Date:</b>	February 22, 2022
<b>Contact Information:</b>			
<b>Requested by:</b>	Dana Monson		
<b>On Behalf of Organization or Individual:</b>		EDC	
<b>Telephone:</b>	317-736-3631		
<b>Email address:</b>	dmonson@franklin.in.gov		
<b>Mailing Address:</b>	70 E. Monroe St., Franklin, IN 46131		
<b>Describe Request:</b>			
Yearly Tax Abatement Compliance Reports for Approval			
<b>List Supporting Documentation Provided:</b>			
Memo			
C 2022-01: Aisin Industries			
C 2022-02: Franklin Tech Park			
C 2022-11: Essex Furukawa			
C 2022-14: Blue Chip Enterprises			
C 2022-15: Heartland Machine/One Amigo Realty			
<b>Who will present the request?</b>			
<b>Name:</b>	Dana Monson	<b>Telephone:</b>	317-736-3631

*The Franklin City Council meets on the 1st and 3rd Monday of each month at 6:00 p.m. in the Council Chambers of City Hall located at 70 E. Monroe Street. In order for an individual and/or agency to be considered for new business on the agenda, this reservation form and supporting documents must be received in the Mayor's office no later than 12:00 p.m. on the Wednesday before the meeting.*



## CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

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### Memo

**To:** City Council Members  
**CC:** Mayor, Clerk-Treasurer, City Attorney  
**From:** Dana Monson, Community Development Specialist  
**Date:** February 22, 2022  
**Subject:** EDC – Tax Abatement Compliance

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The Economic Development Commission found the following tax abatement compliance reports to be in substantial compliance and forwarded them to the City Council with favorable recommendations at their February 8, 2022 meeting:

- C 2022-01: Aisin Industries
- C 2022-02: Franklin Tech Park
- C 2022-11: Essex Furukawa
- C 2022-14: Blue Chip Enterprises
- C 2022-15: Heartland Machine/One Amigo Realty

Compliance documentation is attached for each case. Please contact me directly at 346-1254 or [dmonson@franklin.in.gov](mailto:dmonson@franklin.in.gov) if you have any questions regarding this information.



# 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 <b>Aisin World Corp. of America</b>						County <b>Johnson</b>			
Address of taxpayer (number and street, city, state, and ZIP code) <b>1665 E. 4th Street, Seymour, IN 47274</b>						DLGF taxing district number			
Name of contact person <b>Harry F. McNaught</b>						Telephone number <b>(317) 439-4577</b>			
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY									
Name of designating body <b>City of Franklin Common Council</b>					Resolution number <b>21-10</b>		Estimated start date (month, day, year) <b>January 31, 2022</b>		
Location of property <b>187 Bartram Parkway, Franklin, IN 46131</b>							Actual start date (month, day, year) <b>Not completed</b>		
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. <b>Forklifts, reach trucks, shelving racks, repack equipment and conveyance, auto stretch wrap machine and compressor, IT hardware (PCs, printers, scanners)</b>							Estimated completion date (month, day, year) <b>July 31, 2022</b>		
							Actual completion date (month, day, year) <b>Not completed</b>		
SECTION 3 EMPLOYEES AND SALARIES									
EMPLOYEES AND SALARIES						AS ESTIMATED ON SB-1		ACTUAL	
Current number of employees						48		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	
<b>NOTE: The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6(c).</b>									
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>		



# 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 2022-02: Franklin Tech Park Res. 21-09

### Summary:

1. On March 1, 2021, the Franklin Common Council passed Resolution No. 2021-9 approving a 10-year tax abatement on \$7,100,000 in real property with a 2% Economic Development Fee, for Franklin Tech Park located at 187 Bartram Parkway. This facility is occupied by Aisin Industries
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
Real Property Improvements	\$7,100,000	\$0	-\$7,100,000

3. Franklin Tech Park 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 real property will be completed by the end of March 2022.
5. The real 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 REAL ESTATE IMPROVEMENTS

State Form 51768 (R5 / 12-21)

Prescribed by the Department of Local Government Finance

20\_\_ PAY 20\_\_

FORM CF-1 / Real Property

## PRIVACY NOTICE

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 8-1.1-12.1-5.3 (k) and (l).

## 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 16, 2022, 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 6-1.1-12.1-5.3(j))
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 <b>Franklin Tech Park Associates, LLC</b>	County <b>Johnson</b>
Address of taxpayer (number and street, city, state, and ZIP code) <b>320 N. Meridian Street, Suite 700, Indianapolis, IN 46204</b>	DLGF taxing district number
Name of contact person <b>Harry F. McNaught</b>	Telephone number <b>( 317 ) 439-4577</b>
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body <b>City of Franklin Common Council</b>	Resolution number <b>21-09</b>
Location of property <b>187 Bartram Parkway, Franklin, IN 46131</b>	Estimated start date (month, day, year) <b>April 10, 2021</b>
Description of real property improvements <b>153,000 sf expansion of Aisin Logistics Center including the addition of new office areas, conference room and restrooms in the expansion.</b>	Actual start date (month, day, year) <b>Not completed</b>
	Estimated completion date (month, day, year) <b>March 20, 2022</b>
	Actual completion date (month, day, year) <b>Not completed</b>
SECTION 3 EMPLOYEES AND SALARIES	
EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1
Current number of employees	49
Salaries	\$17.60/hour
Number of employees retained	49
Salaries	\$17.60/hour
Number of additional employees	20
Salaries	\$15.00/hour
SECTION 4 COST AND VALUES	
COST AND VALUES	REAL ESTATE IMPROVEMENTS
AS ESTIMATED ON SB-1	COST
Values before project	\$14,200
Plus: Values of proposed project	\$7,500,000
Less: Values of any property being replaced	\$5,200,000
Net values upon completion of project	\$5,214,200
ACTUAL	COST
Values before project	Not completed
Plus: Values of proposed project	Not completed
Less: Values of any property being replaced	Not completed
Net values upon completion of project	Not completed
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	
WASTE CONVERTED AND OTHER BENEFITS	AS ESTIMATED ON SB-1
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 <b>President</b>
	Date signed (month, day, year) <b>Feb. 2, 2022</b>



# 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 2022-11: Essex Furukawa (Res. 21-14)

### Summary:

1. On April 5<sup>th</sup>, 2021, the Franklin Common Council passed Resolution No. 2021-14 approving a 7-year tax abatement on \$3,000,000 in personal property with a 5% Economic Development Fee, for Essex Furukawa located at 3200 Essex Drive.

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

	Estimated on SB-1	Actual in 2021	Difference
Employees Retained	68	44	-24
Salaries	\$4,220,569.60	\$2,419,788.80	-\$1,800,780.80
New Employees	6	12	6
Salaries	\$262,080.00	\$494,707.20	\$232,627.00
Total Employees	74	56	-18
Total Salaries	\$4,482,649.00	\$2,914,496.00	-\$1,568,153.00
Average Hourly Salaries	\$29.12	\$25.02	-\$4.10
Real Property Improvements	\$3,000,000	\$5,647,000	\$2,647,000.00

3. Essex Furukawa is down in their employment numbers by 18 and also down in salaries. They have explained that they have lost some employees but have hired new in their place, but not the full complement as indicated on their SB-1/. They are continuing to hire, but finding it difficult in the current workforce climate.

4. The real property investment is \$5,647,000, well above their estimate of \$3,000,000.

5. The real property tax abatement is scheduled to expire in tax year 2029 payable 2030. The final compliance review will take place in 2029.

**Staff Recommendation:** Approval



January 26, 2022

Mrs. Dana Monson, Community Development Specialist  
Dept. of Community Development  
70 E. Monroe Street  
Franklin, IN 46131

Re: Tax Abatement Compliance for Essex Furukawa 21-09

Dear Mrs. Monson:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements which were granted to Essex Furukawa in 2021 under Franklin Common Council Resolution No. 21-09.

As you will see on the attached document, we have not met our employment requirement. We are diligently trying to hire full-time permanent associates for our current production needs as well as those for the new production line. As the current unemployment rate in Franklin is 4%, we are finding it nearly impossible to fill our vacancies. Currently we are using temporary workers as well as overtime to meet our demands as we continue to seek qualified associates.

Please review the enclosed documents, and if you have any questions or concerns regarding this matter, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J. Cano', is written over a faint, larger blue signature that also appears to be 'J. Cano'.

Jerry Cano, Plant Operations Manager  
Essex Furukawa

Enclosures



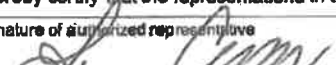
**COMPLIANCE WITH STATEMENT OF BENEFITS  
PERSONAL PROPERTY**

State Form 51785 (R / 1-08)

Prescribed by the Department of Local Government Finance

**FORM CF-1 / PP**

- INSTRUCTIONS:**
1. Property owners whose Statement of Benefits was approved must file this form with the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
  2. This form must be filed with the Form 103-ERA Schedule of Deduction from Assessed Value between March 1, and May 15, of each year, unless a filing extension under IC 6-1.1-3.7 has been granted. A person who obtains a filing extension must file between March 1, and the extended due date of each year.
  3. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance (CF-1).

SECTION 1		TAXPAYER INFORMATION						
Name of taxpayer <b>Essex Furukawa Magent Wire USA, LLC</b>								
Address of taxpayer (number and street, city, state, and ZIP code) <b>3200 Essex Drive</b>								
Name of contact person <b>Jerry Cano</b>		Telephone number <b>(317) 738-7712</b>						
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY						
Name of designating body <b>The City of Franklin Common Council</b>		Resolution number <b>21-09</b>						
Location of property <b>3200 Essex Drive</b>	County <b>Johnson</b>	DLGF taxing district number						
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. <b>Conversion of warehouse space into a new production area with equipment for automotive market.</b>		Estimated starting date (month, day, year) <b>05/01/2019</b>						
		Estimated completion date (month, day, year) <b>05/01/2021</b>						
SECTION 3		EMPLOYEES AND SALARIES						
<b>EMPLOYEES AND SALARIES</b>		<b>AS ESTIMATED ON SB-1</b>	<b>ACTUAL</b>					
Current number of employees		68.00	58					
Salaries		29.84	26.58					
Number of employees retained		68.00	44					
Salaries		29.84	26.44					
Number of additional employees		8.00	12					
Salaries		21.00	19.82					
SECTION 4		COST AND VALUES						
	<b>MANUFACTURING EQUIPMENT</b>	<b>R &amp; D EQUIPMENT</b>	<b>LOGIST DIST EQUIPMENT</b>	<b>IT EQUIPMENT</b>				
<b>AS ESTIMATED ON SB-1</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>
Values before project	9,000,000.00							
Plus: Values of proposed project	3,000,000.00							
Less: Values of any property being replaced	0.00							
Net values upon completion of project	12,000,000.00							
<b>ACTUAL</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>
Values before project	9,000,000.00							
Plus: Values of proposed project	5,647,000.00							
Less: Values of any property being replaced	0.00							
Net values upon completion of project	14,647,000.00							
<b>NOTE:</b> The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6 (d).								
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER						
<b>WASTE CONVERTED AND OTHER BENEFITS</b>		<b>AS ESTIMATED ON SB-1</b>	<b>ACTUAL</b>					
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 <b>Plant Manager</b>	Date signed (month, day, year) <b>01/26/2022</b>					



# 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 2022-14: Blue Chip Enterprises (Formerly GROK Enterprises) (Res. 11-02)

### Summary:

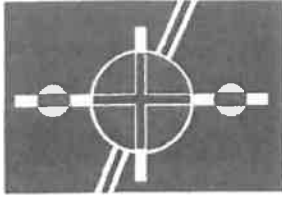
1. On June 6<sup>th</sup>, 2011, the Franklin Common Council passed Resolution No. 2011-02, approving a 10-year tax abatement on real property with a 2% Economic Development Fee and a 10-year tax abatement on \$2,913,050 in personal property with a 5% Economic Development Fee for GROK Enterprises, LLC (Real Property) and Nitrex, Inc. (Personal Property), located 300 Blue Chip Court. In 2013, through Resolution No. 2013-16, the Franklin Common Council amended the personal property tax abatement to \$6,300,000 in personal property and extended the completion date through the end of 2014 for the project.
2. Actual and estimated benefits, as projected for 2021:

	Estimated on SB-1	Actual in 2021	Difference
Employees Retained	25	25	0
Salaries	\$881,567	\$982,280	\$100,713
New Employees	12	2	-10
Salaries	\$341,974	\$78,472	-\$333,552
Total Employees	37	27	10
Total Salaries	\$1,223,541	\$1,059,365	-\$164,176
Average Hourly Salaries	\$15.89	\$18.89	\$3.00
Real Property Improvements	\$850,000	\$915,000	\$65,000

3. This company exceeded the total number of employees estimated on their SB-1 Form for the first time in 2014, they had 39 employees. As noted in the cover letter from Nitrex President Chris Morawski, they suffered a decline in job creation during 2015, due to a major downturn in manufacturing. They have cautiously begun to hire employees again in 2016. The average hourly wage for the remaining employees has increased from \$15.79 in 2014 to \$16.70 in 2015. In 2016 the total number of employees was 25, which is 12 lower than SB-1 estimates. In 2017 Nitrex employed 34 at an average hourly wage of \$17.30, both exceed SB-1 estimates. In 2018 Nitrex nearly doubled the estimated number of employees and hourly salaries. In 2019 the company had a reduction in employees, yes is still above the SB-1 estimate. In 2020 there was yet another reduction in employees due to Covid suspending some contracts. Their pay rate is still increasing however and they do anticipate that if the market rebounds their business will as well. Please see the Nitrex report for the 2021 employment numbers.
4. The real property investment is \$915,000, which is \$65,000 over SB-1 estimate.

5. The real property tax abatement (GROK) is scheduled to expire in tax year 2021 payable 2022.  
The final compliance review will take place in 2022. This is the last year for the abatement.

**Staff Recommendation:** Approval



## BLUE CHIP ENTERPRISES, LLC

SAN DIEGO OFFICE:  
300 CARLSBAD VILLAGE DR  
SUITE 108A, PMB 186  
CARLSBAD, CA 92008

OFFICE: 760-609-4645  
MOBILE: 760-604-5049  
E-mail: bluechipenterprisesllc@gmail.com

January 16, 2022

Dana Monson, Community Development Specialist  
Franklin Economic Development Department  
70 E. Monroe Street  
Franklin, IN 4613

Re: Tax Abatement Compliance, GROK Enterprises, LLC for 300 Blue Chip Court - Nitrex  
Building Council Resolution 11-02

Dear Ms. Monson,

Enclosed please find Form CF-1 RE (Compliance with Statement of Benefits) regarding compliance for the real property tax abatements which were granted to GROK ENTERPRISES, LLC.

As can be seen from a review of the enclosed document, the new building continues to be rented by Nitrex-Indiana Operations who will be filing their own separate CF-1 which reflects their continued growth and their projected capital investment..

Please review the enclosed documents and if you have any questions or concerns regarding this matter, please feel free to contact me.

Best regards,

Thomas Rose  
President, Blue Chip Enterprises, LLC

Enclosures:  
FRM CF-1 for 2020  
Expansion Investment Schedule - Real Property  
Building/Construction and Occupancy Status Report

CONSTRUCTION AND OCCUPANCY STATUS REPORT 2021  
BLUE CHIP ENTERPRISES, LLC

NITREX-INDIANA OPERATIONS  
300-350 BLUE CHIP COURT, FRANKLIN, IN 46131

Construction of the new building began in 2011 and was completed for occupancy in July 2012. In August of 2012, Nitrex employees began the task of moving and installing the heat treating furnaces, outfitting the offices and moving the metallurgical lab. The office work and metallurgical lab was completed by Dec 2012. In addition, Nitrex-Indiana continues to provide heat treating services to Cummins Engine, Eaton Aerospace, Illinois Tool Works, Timron Gear and several other major customers.

Nitrex-Indiana has installed new Gas Nitride Vacuum carburizing equipment and continues to install additional processing capabilities.

Nitrex-Indiana continues to occupy 100% of both buildings located at 300 & 350 Blue Chip Court.

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**2021 EXPANSION INVESTMENT SCHEDULE**  
**FOR**  
**BLUE CHIP ENTERPRISES, LLC**  
**NITREX-INDIANA OPERATION**

Attachment to Form CF-1 (Compliance with Statement of Benefits)  
Expansion Investment Schedule by Quarter

	Actual Amount of Investment in 2021	Proposed Amount of Investment in 2021	Actual Amount of Investment Added by Year During Quarter				Actual Total Amount of Investment as of 12/31/2020	Difference between Actual and Proposed Amount of Investment
			3/21	6/21	9/21	12/21		
Buildings and Improvements	0	0	0	0	0	0	\$915,000 (previous years)	+\$65,000 (previous year)
Machinery & Equipment	Supplied by Nitrex		Supplied by Nitrex	Supplied by Nitrex	Supplied by Nitrex	Supplied by Nitrex	Supplied by Nitrex	
Totals	Supplied by Nitrex		Supplied by Nitrex	Supplied by Nitrex	Supplied by Nitrex	Supplied by Nitrex	Supplied by Nitrex	



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

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20\_\_ PAY 20\_\_

FORM CF-1 / Real Property

**PRIVACY NOTICE**

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

**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 <b>BLUE CHIP ENTERPRISES, LLC</b>		County	<b>JOHNSON</b>
Address of taxpayer (number and street, city, state, and ZIP code) <b>300 CARLSBAD VILLAGE DRIVE, SUITE 108A, PMB 186</b>		DLGF taxing district number	<b>31</b>
Name of contact person <b>THOMAS C ROSE</b>		Telephone number ( 760 ) 604-5049	
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body <b>FRANKLIN CITY COUNCIL</b>	Resolution number <b>11-02</b>	Estimated start date (month, day, year) <b>JULY 2011</b>	
Location of property <b>300 BLUE CHIP COURT, FRANKLIN, IN 46131</b>		Actual start date (month, day, year) <b>JULY 2011</b>	
Description of real property improvements <b>BUILDING AT 300 BLUE CHIP COURT</b>		Estimated completion date (month, day, year) <b>JULY 2012</b>	
		Actual completion date (month, day, year) <b>JULY 2012</b>	
SECTION 3		EMPLOYEES AND SALARIES	
<b>EMPLOYEES AND SALARIES</b>		<b>AS ESTIMATED ON SB-1</b>	<b>ACTUAL</b>
Current number of employees			
Salaries			
Number of employees retained			
Salaries			
Number of additional employees			
Salaries			
SECTION 4		COST AND VALUES	
<b>COST AND VALUES</b>		<b>REAL ESTATE IMPROVEMENTS</b>	
<b>AS ESTIMATED ON SB-1</b>		<b>COST</b>	<b>ASSESSED VALUE</b>
Values before project		<b>0</b>	
Plus: Values of proposed project		<b>850,000</b>	
Less: Values of any property being replaced			
Net values upon completion of project		<b>850,000</b>	
<b>ACTUAL</b>		<b>COST</b>	<b>ASSESSED VALUE</b>
Values before project		<b>915,000</b>	
Plus: Values of proposed project			
Less: Values of any property being replaced			
Net values upon completion of project		<b>915,000</b>	
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	
<b>WASTE CONVERTED AND OTHER BENEFITS</b>		<b>AS ESTIMATED ON SB-1</b>	<b>ACTUAL</b>
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>Thomas C Rose</i>		Title <b>PRESIDENT</b>	Date signed (month, day, year) <b>JANUARY 16, 2022</b>



## 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 2022-15: Heartland Machine & Engineering, LLC

#### Summary:

1. On March 18<sup>th</sup>, 2013, the Franklin Common Council passed Resolution No. 2013-11, approving a 10-year tax abatement on real property with a 2% Economic Development Fee for Heartland Machine & Engineering, located at 2848 N. Graham Road.
2. Actual and estimated benefits, as projected for 2021:

	Estimated on SB-1	Actual in 2021	Difference
Employees Retained	18	18	0
Salaries	\$1,080,144.00	\$1,414,780	\$334,636.00
New Employees	7	2	-5
Salaries	\$364,000	\$78,400.00	-\$285,600.00
Total Employees	25	20	-5
Total Salaries	\$1,444,144	\$1,493,180	\$49,036.00
Average Hourly Salaries	\$27.77	\$35.89	\$8.12
Real Property Improvements	\$800,000	\$1,102,251	\$302,251

3. Heartland Machine & Engineer planned to construct this building in 2013. It was not finished in 2013, but it was finished in 2014. They have exceeded their estimated real property improvement value by \$302,251.
4. In 2020 Heartland Machine was up two employees from the estimate on the SB-1 form; and the average hourly salary is \$3.30 higher than the SB-1 estimate. In 2021 the company was below employment numbers by 5 but up by \$8.12/hour in wages.
5. The real property tax abatement for Heartland Machine & Engineering, LLC, is scheduled to expire in tax year 2025 payable 2026. The final compliance review will take place in 2025.

**Staff Recommendation:** Approval



January 19, 2022

Mrs. Dana Monson, Comm Development Specialist  
Dept. of Comm Development  
70 E. Monroe Street  
Franklin, IN 46131

RE: Tax Abatement Compliance for Heartland Machine & Engineering LLC

Dear Mrs. Monson:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements that were granted to Heartland Machine & Engineering LLC (HME) in 2013 under Franklin Common Council Resolution No. 13-11.

Our company has been successful in creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1).

As you are aware, in 2021 we were still reeling from the economical disaster that Covid created in 2020. Even with the new strains threatening business again, we did manage to increase our sales by three million.

2022 has had a slow start, but we are anticipating this growth to continue and eventually will need to hire more employees to strengthen both our sales and service force.

Please do not hesitate to contact me if you have any questions or concerns regarding this matter.

Sincerely

A handwritten signature in cursive script, appearing to read "Sandy Bennett", is written over a horizontal line.

Sandy Bennett  
Controller



# COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R2 / 1-07)

Prescribed by the Department of Local Government Finance

20 21 PAY 20 22

FORM CF-1 / Real Property

## PRIVACY NOTICE

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☐ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)  
☐ Eligible vacant building (IC 6-1.1-12.1-4.8)

## INSTRUCTIONS:

1. This form does not apply to property located in a residentially distressed area. (IC 6-1.1-12.1-2 (b))
2. Property owners must file this form with the County Auditor and the Designating Body for their review regarding the compliance of the project with the Statement of Benefits (SB-1 / Real Property).
3. This form must accompany the initial deduction application that is filed with the County Auditor.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must file an updated form with the County Auditor and the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.1)
5. The updated form must be filed annually by May 15, or by the due date for the real property owner's personal property return that is filed in the township where the project is located, whichever is later. (IC 6-1.1-12.1-5.1 (b))
6. With the approval of the Designating Body, compliance information for multiple projects may be consolidated on one (1) compliance form (CF-1 / Real Property).

SECTION 1		TAXPAYER INFORMATION	
Name of taxpayer <b>Heartland Machine &amp; Engineering LLC</b>			
Address of taxpayer (number and street, city, state, and ZIP code) <b>2848 Graham Road, Franklin, IN 46131</b>			
Name of contact person <b>Sandy Bennett</b>		Telephone number <b>(317) 494-3864</b>	
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body <b>The City of Franklin Common Council</b>		Resolution number <b>13-11</b>	
Location of property <b>2848 Graham Road, Franklin IN 46131</b>		County <b>Johnson</b>	
Description of real property improvements: <b>Construction of 20,000 square foot building to support machine tool distribution. The building provides office space, showroom facilities and warehousing.</b>		Estimated starting date (month, day, year)  Estimated completion date (month, day, year)	
SECTION 3		EMPLOYEES AND SALARIES	
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		18	20
Salaries		1,080,144.00	1,493,180.00
Number of employees retained		18	18
Salaries		1,080,144.00	1,414,780.00
Number of additional employees		7	2
Salaries		364,000.00	78,400.00
SECTION 4		COST AND VALUES	
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE
Values before project		63,000.00	92,600.00
Plus: Values of proposed project		800,000.00	800,000.00
Less: Values of any property being replaced			
Net values upon completion of project		863,000.00	892,600.00
ACTUAL		COST	ASSESSED VALUE
Values before project		63,000.00	92,600.00
Plus: Values of proposed project		1,102,251.00	1,200,000.00
Less: Values of any property being replaced			
Net values upon completion of project		1,162,251.00	1,292,600.00
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	
WASTE CONVERTED AND OTHER BENEFITS		AS ESTIMATED ON SB-1	ACTUAL
Amount of solid waste converted			
Amount of hazardous waste converted			
Other benefits:			
SECTION 6		TAXPAYER CERTIFICATION	
I hereby certify that the representations in this statement are true.			
Signature of authorized representative <i>Sandy Bennett</i>		Title <b>Controller</b>	Date signed (month, day, year) <b>01/19/2022</b>