

CITY OF FRANKLIN, INDIANA

RESOLUTION NUMBER 2022-01

**A RESOLUTION GRANTING TAX ABATEMENT
FOR OVERTON INDUSTRIES/TUBE FORMING SYSTEMS**

WHEREAS, the Indiana General Assembly has enacted a statute, IC 6-1.1-12.1 (the “Act”) authorizing certain tax deductions of property taxes (as defined in the Act) attributable to redevelopment or rehabilitation activities in economic development areas; and

WHEREAS, *Overton Industries/Tube Forming Systems* (the “Applicant”) has submitted a Statement of Benefits and made application for Personal Property Tax Abatement pursuant to the Act; and

WHEREAS, the Franklin Economic Development Commission has on January 11, 2022, held a public meeting and considered the tax abatement request of *Overton Industries/Tube Forming Systems* (2155 McClain Drive) in a manner consistent with the applicable section of the Indiana Code;

WHEREAS, the Franklin Economic Development Commission has reviewed the findings required by IC 6-1.1-12.1-4.5 and does not recommend that *Overton Industries/Tube Forming Systems* receive a five (5) year schedule tax abatement **with a 5% Economic Development Fee**, on personal property for the real estate described as “Exhibit A” and described in the tax abatement request as the Commission did not find that the totality of the investment justified the abatement ;

WHEREAS, a copy of the Statement of Benefits recommended for approval by the Franklin Economic Development Commission is attached hereto as “Exhibit B;”

WHEREAS, the said real estate as described in “Exhibit A” is located in an existing Economic Revitalization Area as approved by the City of Franklin Common Council with City Council Resolution Number 2012-18;

WHEREAS, the Common Council has received and reviewed “Exhibit B” with all attachments, and that such attachments are made a part hereof and incorporated herein, all which together contain the necessary statements of benefits and description of the project, along with the recommendation of the Economic Development Commission for tax abatement for personal property; and

WHEREAS, the Common Council has given careful consideration to the materials submitted but does not affirm the findings of the Franklin Economic Development Commission relative to the requirements of IC 6-1.1-12.1-3 and IC 6-1.1-12.1-4.5, and specifically including the following findings as to personal property:

- 1) The estimate of the cost of new equipment is reasonable for equipment of that type;
- 2) 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 installation of the new manufacturing equipment;
- 3) The estimate of the 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 equipment;

- 4) Other benefits about which information was requested are benefits that can be reasonably expected to result from the installation of the new equipment;
- 5) The totality of the benefits to the company and the city is sufficient to justify the tax abatement.

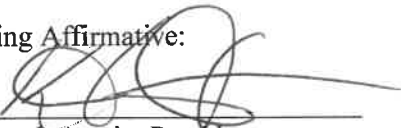
NOW THEREFORE BE IT RESOLVED THAT:

- 1) The abatement of personal property tax shall extend for a period of 3 years pursuant to the deduction schedule set forth in Exhibit C.
- 2) *Overton Industries/Tube Forming Systems* shall be required to provide the City of Franklin with information showing the extent to which there has been compliance with the statement of benefits submitted in their request for tax abatement within sixty (60) days after the end of each year in which the deduction is applicable, as required by IC 6-1.1-12.1-5.1.
- 3) A copy of this resolution and a description of the affected area will be available and can be inspected in the office of the Johnson County Assessor and the City Clerk/Treasurer.

APPROVED by the Common Council of the City of Franklin, Johnson County, Indiana, this 20th day of January, 2022.

City of Franklin, Indiana, By its Common Council:

Voting Affirmative:


Kenneth Austin, President

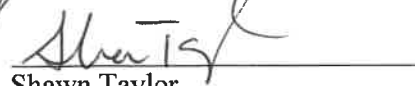
Absent
Melissa Jones


Irene Nally

Absent.
Robert D. Heuchan


Anne McGuinness


Joshua Prine


Shawn Taylor

Voting Opposed:

Kenneth Austin, President

Melissa Jones

Irene Nally

Robert D. Heuchan

Anne McGuinness

Joshua Prine

Shawn Taylor

Attest:



Jayne Rhoades
City Clerk-Treasurer

Presented by me to the Mayor of the City of Franklin for his approval or veto pursuant to Indiana Code § 36-4-6-15, 16, this 19 day of January, 2022 at 6:30 o'clock a.m./p.m.



Jayne Rhoades,
City Clerk-Treasurer

This resolution having been passed by the legislative body and presented to me [Approved by me and duly adopted, pursuant to Indiana Code § 36-4-6-16(a)(1)] [Vetoed, pursuant to Indiana Code § 36-4-6-16(a)(2)], this 19 day of January, 2022 at 6:30 o'clock a.m./p.m.



Stephen Barnett
Mayor

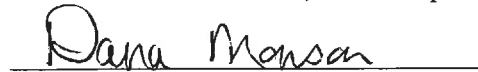
Attest:



Jayne Rhoades,
City Clerk-Treasurer

Prepared by: Dana Monson, Community Development Specialist

"I affirm, under the penalties for perjury, that I have taken reasonable care to redact each social security number in this document, unless required by law."



Dana Monson
Community Development Specialist

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 51784 (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) 2155 McClain Drive Franklin, IN 46131		Telephone number (317) 831-4542							
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT							
Name of designating body The City of Franklin Common Council		Resolution number (s)							
Location of property 2155 McClain Drive Franklin, IN 46131		County Johnson	DLGF taxing district number 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 36	Salaries 2,010,340	Number retained 36	Salaries 2,010,340	Number additional 1	Salaries 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 Scott Buie		Title CEO							

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 ** | |

I. Did the designating body adopt an alternative deduction schedule per IC 6-1.1-12.1-17? ☐ Yes ☐ No
If yes, attach a copy of the alternative deduction schedule to this form.

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

EXHIBIT C

Personal Property Schedule

Resolution 2022-01

Overton Industries/Tube Forming Systems

Personal Property

Year	Abatement
1	100%
2	80%
3	60%
4	40%
5	20%

Year	Abatement
1	100%
2	66%
3	33%