



CITY OF FRANKLIN

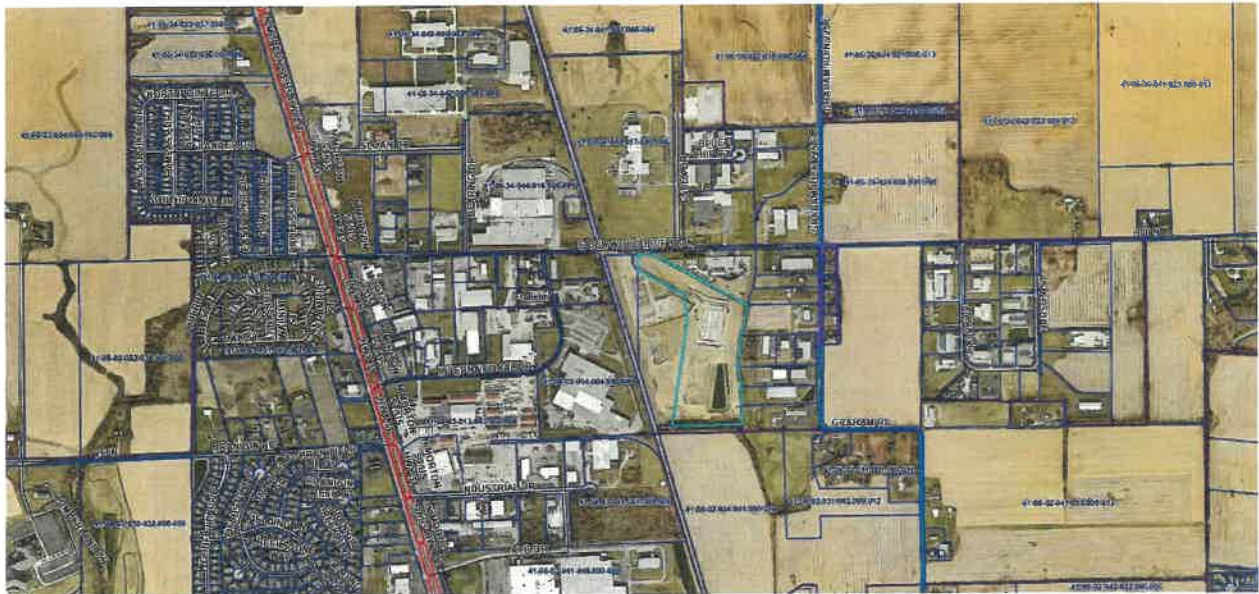
DEPARTMENT OF COMMUNITY DEVELOPMENT

Staff Report

To: Economic Development Commission Members
From: Dana Monson, Community Development Specialist
Date: April 11, 2023
Re: Case EDC 2023-04– Laugle Properties and Dualtech RE and PP

Case EDC 2023-04 – Laugle Properties and Dualtech: A request for a 10-year tax abatement on \$4,403,000 in real property investment and a 10-year tax abatement for \$5,267,635 in personal property investment as part of expansion of their facility. The company is moving to a larger, new building and adding new equipment.

Location: 2035 Earlywood Drive, Franklin, IN. 46131 41-08-02-022-022.000-009



Summary:

1. Characteristics of this location:

This location is part of the Patriot Defense Park, with Patriot Products building the facility on the west side of the property adjacent to the railroad tracks, a second facility built to the east of this for Jack Laugle, and this third building under request locating south of the second facility. The total acreage is 20 for the Laugle portion.

2. Characteristics of this petitioner:

See the full description provided in the application, which is attached.

3. Characteristics of this project:

Laugle Properties will be building a 70,000 sf facility for DualTech, which has outgrown their current location on Blue Chip Drive in Franklin. Dualtech will be making the new equipment investment. A full detail of the project is provided in the application.

4. Economic Revitalization Area (ERA):

The property is not located in a current ERA, so one will have to be established.

5. ERA and Tax Abatements Findings (Real Property):

Indiana Code Section 6-1.1-12.1-3 states that the following findings must be made when considering an ERA designation and the granting of a tax abatement for real property:

- a. Whether the estimate of the value of the development or rehabilitation is reasonable for projects of that nature;
- 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 proposed redevelopment or rehabilitation;
- 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 proposed redevelopment or rehabilitation;
- d. Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed redevelopment or rehabilitation; and
- e. Whether the totality of the benefits is sufficient to justify the tax abatement.

6. ERA and 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 installation 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.

7. 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 current Franklin company 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 11 new jobs as well as retain the current number of 50 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 2023 was \$21.75. The average hourly wage in Johnson County for Low/moderate wage is \$14.85 per hour. Dualtech will pay an average of \$26.50 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. The company is not willing to participate in the economic development fee program.
- 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.

8. 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).

9. Requested Effective Year:

The petitioner has requested that, if approved, the tax abatement 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 7 years for real and a tax abatement of 5 years for personal property for this project based on the investment amount and the retention of a current Franklin employer.



CITY OF FRANKLIN

Community Development DEPARTMENT

Tax Abatement Application

Organization/Corporation Requesting Tax Abatement

Organization/Corporation Name: Dualtech, Inc.

Primary Contact Name: Dustin D. Huddleston, attorney for applicant

Contact Address: 98 West Jefferson Street

City: Franklin State: Indiana Zip: 46131

Phone Number: (317)736-5121

Email: Dustin@Huddlestonlaw.com

Three possible dates before the EDC A site visit may be conducted at any time. Please give at least one meeting to conduct a site visit : day's notice before visit

Name of Owner: Laugle Properties, LLC owns the real estate. Dualtech, Inc. operates business.

Parent Company (If Applicable): _____

Primary Contact for Yearly Compliance Reports

Name: Sandy Laugle

Title: Secretary

Address: 4145 Whitetail Woods

City: Bargersville State: Indiana Zip: 46106

Phone Number: (317) 738-5966

Email: sandy@innovative-castings.com

Description of Project

Project Location/Address: 2035 Earlywood Drive, Franklin, IN 46131

Parcel Number: 41-08-02-022-002.000-009

Brief Description of Project: Please see attached.

Current Assessed Value (AV) of the Property:

- | | |
|--------------|--------------------|
| 1. Land | <u>\$34,400.00</u> |
| 2. Building | <u>-0-</u> |
| 3. Inventory | <u>-0-</u> |
| 4. Equipment | <u>-0-</u> |

Have building permits been applied for (if applicable): Yes ☒ No

Has equipment been installed (if applicable): Yes ☒ No

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 if requested | <input type="checkbox"/> Company Investment Timetable |
| <input type="checkbox"/> Job and Wage Description Information Sheet | <input type="checkbox"/> Compliance Affidavit |

Type of Abatement RequestedReal Property ☐Personal Property ☒Length of Abatement Requested: 10 YearsProject Size (square feet): 70,000Size of Site (acres): 20.1900

Type of Building:

Multiple Tenants (leased)

Single Tenant (leased)

Owner Occupied

Corporate Headquarters

Capital Investment

1. Real property capital investment only:

Estimated at \$4,403,000.00 (Laugle Properties, LLC)

2. Personal property capital investment only:

Estimated at \$5,267,635.00 (Dualtech, Inc.)

3. Total capital investment for proposed project:

Estimated at \$9,670,635.00**Jobs Created and/or Retained**

1. Estimated number of full time jobs created by the proposed project:

eleven (11)

2. Estimated number of full time jobs retained as a direct result of the proposed project:

fifty (50)

3. Total number of full time jobs upon project completion:

sixty-one (61)**Wages Created and Retained**

1. Average hourly wage rate for new jobs (w/o benefits)

\$27.00

2. Average hourly wage rate for jobs retained (w/o benefits)

\$26.00

***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.

Please see attached.

Company InformationHow long has the company been in existence? April 17, 2002Current address of company headquarters and duration at that address: Since December 2008

Dualtech, Inc., has been at 351 Blue Chip Court, Franklin, Indiana. Its prior location was 400 Blue Chip Court in Franklin.

Approximate percentage of employees at current location who live in the City of Franklin and/or Johnson County: approximately 14%Have you ever received tax abatement at your current location? Yes NoIf yes, when and for what term? see attachedWhat specifically has the company done to give back to the community: see attached

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)? _____

Tax Abatement Application – continuation

Brief Description of the Project

Jack and Sandy Laugle are the shareholders of Innovative Casting Technologies, Inc. ("ICT") which was formed in 1998. ICT's principal office has always been in Franklin. ICT produces cope and drag tooling, core boxes, patterns, and models. ICT is a supplier of machined components to some of the world's largest companies. In the past, ICT shipped the molds that it manufactured to another manufacturer/foundry outside of Franklin for casting.

Dualtech, Inc., ("Dualtech") was incorporated in 2002. It was created to operate a new foundry and cast ICT's metal parts. Jack and Sandy Laugle are its shareholders. Its principal office has always been in Franklin. Dualtech's facility features a testing lab with a Brinell tester, spectrometer, micro structures and tensile tester, and a classroom overlooking the casting operation.

Laugle Properties, LLC was formed in 2006. Jack and Sandy Laugle are its members. Laugle Properties, LLC owns and leases real estate to ICT and Dualtech. Laugle owns Lots 1, 2, 5, 6, 7, and 8 in Blue Chip Industrial Park. An aerial map of these lots is attached as **Exhibit A** with the lots owned by Laugle Properties, LLC highlighted in yellow. Laugle Properties, LLC also owns the 8.932-acre parcel south of Blue Chip Industrial Park commonly known as 1200 Earlywood Drive. ICT recently expanded into the building on 1200 Earlywood Drive.

Like ICT, Dualtech's business has experienced significant growth, and the company needs another facility for another foundry. Therefore, Laugle Properties, LLC and Dualtech are engaged in this expansion project for which they seek real property and personal property tax abatements. Laugle Properties, LLC will invest approximately \$4,403,000.00 to construct a new facility that is more than 70,000 square feet in size on property located on the south side of Earlywood Drive. A map showing the new site is attached as **Exhibit B**. The new building will house a new foundry and machine equipment, along with 3,500 square feet of office space. Dualtech will invest approximately \$5,267,635.00 for the most up to date foundry equipment in the nation.

Dualtech currently employs fifty (50) employees. It expects to hire an additional eleven (11) employees as a result of this expansion project. Hiring is expected to begin at the end of 2023, so that Dualtech can train the new employees in its current facility. The new employees will then move to the new facility.

Please explain why the abatement incentive is necessary to the project:

The project will take approximately two (2) years to complete and become operational. Laugle Properties, LLC plans to begin construction on the building in August of 2023. The building should be completed by the end of March 2024. Installation of the new foundry and other equipment should begin in April 2024 with an estimated completion date of November 2024. With the significant investment in the building (estimated at \$4,403,000.00), the investment in the new, modern, equipment (estimated at \$5,267,635.00), and the hiring and training of new employees, it will take several years before the expansion project generates a profit.

During these lean early years after the building is constructed and the new equipment is installed, the tax abatement will allow Dualtech to continue operating on a strong financial footing.

Laugle Properties, LLC real estate tax burden is indirectly passed to its tenant, Dualtech. As Dualtech gradually starts generating profit at the new facility, its share of property taxes will gradually increase over the abatement period.

Laugle Properties, LLC and Dualtech each request an abatement over ten (10) years based upon the following abatement schedule:

Year 1	100%
Year 2	95%
Year 3	80%
Year 4	65%
Year 5	50%
Year 6	40%
Year 7	30%
Year 8	20%
Year 9	10%
Year 10	5%

The tax savings will allow Laugle Properties, LLC and Dualtech to recoup a portion of the investments that will be made in 2023 and 2024 over the ten (10) year abatement period. The abatement for real estate taxes and personal property taxes should begin the first year that taxes are assessed with the increased assessment that result from the project.

Laugle Properties, LLC has developed various parcels of real estate in Franklin for ICT and Dualtech. Dualtech has made significant investments in equipment for its facilities. The tax abatement will facilitate further investments in Franklin. Past investments that have been made by Laugle Properties, LLC, ICT, and Dualtech without tax abatements include the following:

- In 2004- 2006, Laugle Properties, LLC expanded the building on Lot 1 by 4,500 square feet.
- In 2006, a 3,000 square foot addition was added to the building on Lot 2.
- In 2013, Dualtech purchased a sand reclamation system for \$635,000.00.
- In 2016, Laugle Properties, LLC expanded the building on Lot 8 by 2,000 square feet at a cost of about \$190,000.00.
- In 2018, a 7,680 square foot addition to the building on Lot 1 was completed at a cost of almost \$488,000.00. As part of the 2018 expansion project, Lot 1 was combined with Lot 2 in April 2018.
- During the 2018 expansion for the second foundry, Dualtech purchased \$3.5 million in equipment for the foundry on Lot 1.
- In 2018, Dualtech purchased a heat treat system for \$400,000.00.

- In 2020, after ICT expanded into the building at 1200 Earlywood Drive, \$3.5 million was spent to rehabilitate the building. ICT spent \$1.4 million to purchase equipment in 2021 and \$1.4 million for equipment purchased in 2022.
- Laugle Properties, LLC purchased the subject 20.19 acre site located at 2035 Earlywood Drive in August 2022. It constructed a storage building that cost approximately \$1.7 million. No tax abatement was requested for this storage building. The new facility for Dualtech which is the subject of this tax abatement will be located on the same 20.19 acre site.
- In 2022, Dualtech purchased a box furnace for \$500,000.00.

The tax abatements that are the subject of the current request are necessary to provide needed relief after these recent investments by Laugle Properties, LLC and Dualtech. Dualtech has met demand for its foundry in the past by expanding and purchasing equipment. Fortunately demand continues to grow. Laugle Properties, LLC, and Dualtech need the real property and personal property tax abatements to continue with this next phase of expansion.

Laugle and Dualtech have proven that investment in their community creates growth and employment opportunities. Just ten (10) years ago, Dualtech had twenty-three (23) employees. The number of employees has doubled. Dualtech expects to hire another eleven (11) employees. The requested tax abatements will allow Laugle Properties, LLC to not only construct the needed facility and Dualtech to purchase the additional equipment, but they will enable Dualtech to hire the additional employees it needs to fulfil its customer's needs.

Have you ever received tax abatement at your current location? If yes, when and for what term?

Yes.

Lot 1 Blue Chip Industrial Park (formerly 450 Blue Chip Court now 400 Blue Chip Drive)

Resolution 01-01 dated January 22, 2001 and Resolution 01-04 dated February 12, 2001 were passed granting a ten (10) year real estate tax abatement to Jack and Sandy Laugle for 450 Blue Chip Court (Lot 1 in Blue Chip Industrial Park). A 7,524 square foot building was constructed.

Laugle Properties, LLC leased the building to ICT. ICT needed to expand its building facilities. ICT moved its operations from another location in Franklin to the building on Lot 1.

In 2010, ICT moved its operations to 451 Blue Chip Court. After this move, the building on Lot 1 has been used as a warehouse for ICT.

Lot 2 Blue Chip Industrial Park (400 Blue Chip Court)

Resolution 02-02 dated March 25, 2002 and Resolution 02-03 dated April 8, 2002 were passed granting Jack and Sandy Laugle and Dan and Robin Perritt a ten (10) year real estate tax abatement on real property for Lot 2 of Blue Chip Industrial Park. A 9,000 square foot building was constructed. Laugle Properties, LLC is the current owner of Lot 2.

Resolution 02-04 dated March 25, 2002 and Resolution 02-05 dated April 8, 2002 were passed granting Jack and Sandy Laugle and Dan and Robin Perritt a ten (10) year tax abatement for personal property for the equipment located on Lot 2 of Blue Chip Industrial Park. After the Council granted the tax abatement, the parties formed Dualtech to own the personal property.

Resolution 08-07 dated April 28, 2008 was passed granting Jack and Sandra Laugle a ten (10) year tax abatement on Lot 2 so that the fire-damaged building could be rehabilitated/renovated. The 12,000 square foot facility was rehabilitated/repared for use as a warehouse.

Lot 6 Blue Chip Industrial Park (351 Blue Chip Court)

On February 3, 2008, a fire at Dualtech's former location on Lot 2 destroyed all of Dualtech's equipment and damaged the building where it conducted business. Tax abatements were granted so that Dualtech could continue its business.

Resolution 08-06 dated April 28, 2008 was passed granting Laugle Properties, LLC a ten (10) year tax abatement on real property for Lot 6, so that Dualtech could relocate its business from the fire-damaged building on Lot 2 to a new building on Lot 6. A new 20,000 square foot manufacturing facility was constructed for the tenant, Dualtech.

Resolution 08-03 dated April 28, 2008 was passed granting Dualtech a seven (7) year tax abatement on personal property. Dualtech purchased new manufacturing and research and development equipment after the fire in order to stay in business. The new equipment was installed in the new building constructed on Lot 6.

Lots 7 and 8 Blue Chip Industrial Park (401 and 451 Blue Chip Court)

Resolution 05-14 dated May 23, 2005 was passed granting McWilliams Realty, LLC a ten (10) year tax abatement on real property for Lots 7 and 8. A new 17,500 square foot building was to be constructed. The building was constructed in 2006. The first year of the abatement would have been for taxes assessed March 1, 2006 pay 2007.

On November 18, 2009, Laugle Properties, LLC purchased 451 Blue Chip Court from McWilliams Realty, LLC and applied for the deduction tax abatement. ICT moved its operations to 451 Blue Chip in early 2010. As the new owner of the real estate, Laugle Properties, LLC claimed the deduction for the remaining period of the abatement that McWilliams Realty, LLC had requested, pursuant to I.C. 6-1.1-12.1-5(g).

What specifically has the company done to give back to the community?

Laugle Properties, LLC is an Indiana limited liability company with Jack and Sandy Laugle as its members. Dualtech is an s-corporation with Jack and Sandy Laugle as its shareholders. The income of these entities flows through to Jack and Sandy Laugle.

Jack and Sandy Laugle support many organizations in the community, including the Johnson County Hospital Foundation. They have supported food pantries, Kic-It, Franklin and Clark-Pleasant Community schools, police department, fire department, and many youth sports teams. They are establishing a family endowment fund through the Johnson County Community Foundation.

Instead of paying the voluntary economic development fee, Laugle Properties, LLC and Dualtech prefer that Jack and Sandy Laugle continue to contribute directly to the organizations in the community as they have in the past.

Economic Revitalization Designation

The project is located in an area that should be designated as an economic revitalization area under I.C. 6-1.1-12.1-1(1). It is within Franklin's corporate limits and it has become undesirable for, or impossible of, normal development and occupancy because of a lack of development.

The proposed project is located in an allocation area, Earlywood Drive-Patriot Products/Laugle Allocation Area.

On November 1, 2021, the Common Council designated the property located at 2165 Earlywood Drive, an economic revitalization area for OrthoAmerica & PRJ Property Group (EDC 2021-09). That property is just east of the subject property.

Pursuant to I.C. 6-1.1-12.1-3(b), the following statutory findings are satisfied by Laugle Properties, LLC's request for a tax abatement on real property:

- (1) Whether the estimate of the value of the redevelopment or rehabilitation, or new agricultural improvement is reasonable for projects of that nature.
- (2) 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 proposed described redevelopment or rehabilitation, or new agricultural improvement.
- (3) Whether 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 proposed described redevelopment or rehabilitation, or new agricultural improvement.
- (4) Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described redevelopment or rehabilitation, or new agricultural improvement.
- (5) Whether the totality of benefits is sufficient to justify the deduction.

Pursuant to I.C. 6-1.1-12.1-4.5, the following statutory findings are satisfied by Dualtech's request for a tax abatement on the new manufacturing equipment:

- (1) Whether the estimate of the cost of the new manufacturing equipment, new farm equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is reasonable for equipment of that type.

(2) With respect to:

- a. new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products; and
- b. new farm equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment;

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 installation of the new manufacturing equipment, new farm equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

- (3) Whether 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 proposed installation of new manufacturing equipment, new farm equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.
- (4) With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, whether the estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful products can be reasonably expected to result from the installation of the new manufacturing equipment.
- (5) Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed installation of new manufacturing equipment, new farm equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.
- (6) Whether the totality of benefits is sufficient to justify the deduction.

EXHIBIT A

2004-2006 expansion area

2018 expansion

2006 addition
3,000 sq ft



2016 expansion
2,000 sq ft

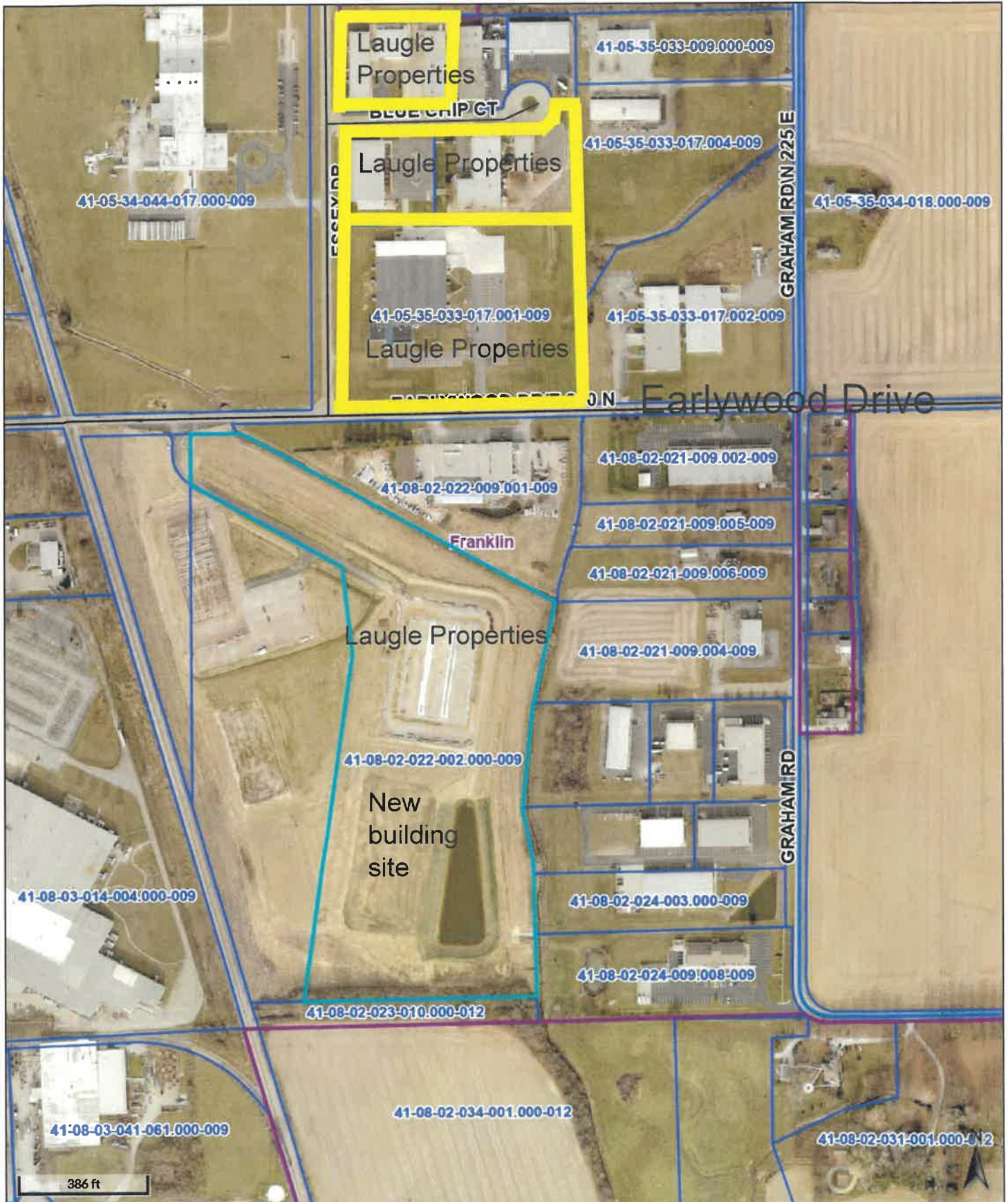
Properties outlined in yellow are owned by Laugle Properties, LLC.



Beacon™

Johnson County, IN

EXHIBIT B





STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R5 / 1-21)

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 Dualtech, Inc.		Name of contact person Dustin D. Huddleston, attorney						
Address of taxpayer (number and street, city, state, and ZIP code) 351 Blue Chip Court, Franklin, IN 46131		Telephone number (317) 738-5966						
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT						
Name of designating body Franklin Common Council		Resolution number (s)						
Location of property 2035 Earlywood Drive, Franklin, IN		County Johnson	DLGF taxing district number 009					
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.) See attached.		ESTIMATED						
		START DATE	COMPLETION DATE					
		Manufacturing Equipment	04/01/2024	11/30/2024				
		R & D Equipment						
		Logist Dist Equipment						
IT Equipment								
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT						
Current Number 50	Salaries 2,704,000	Number Retained 50	Salaries 2,704,000	Number Additional 11	Salaries 617,760			
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	0	0						
Plus estimated values of proposed project	5,267,635	2,107,054						
Less values of any property being replaced	0	0						
Net estimated values upon completion of project	5,267,635	2,107,054						
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER						
Estimated solid waste converted (pounds) _____		Estimated hazardous waste converted (pounds) _____						
Other benefits: Much of the raw product, iron, and aluminum used by Dualtech, Inc., is reclaimed. Almost one hundred percent (100%) of the sand is reclaimed. No sand leaves the foundry for landfill.								
SECTION 6		TAXPAYER CERTIFICATION						
I hereby certify that the representations in this statement are true.								
Signature of authorized representative <i>Mason Laugle</i>		Date signed (month, day, year) 03/31/2023						
Printed name of authorized representative Mason Laugle		Title Authorized Representative						

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 _____. *NOTE: This question addresses whether the resolution contains an expiration date for the designated area.*
- B. The type of deduction that is allowed in the designated area is limited to:
1. Installation of new manufacturing equipment; ☐ Yes ☐ No ☐ Enhanced Abatement per IC 6-1.1-12.1-18
 2. Installation of new research and development equipment; ☐ Yes ☐ No *Check box if an enhanced abatement was*
 3. Installation of new logistical distribution equipment. ☐ Yes ☐ No *approved for one or more of these types.*
 4. Installation of new information technology equipment; ☐ Yes ☐ No
- C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)
- D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)
- E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)
- F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)
- 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 is allowed for:
- ☐ Year 1 ☐ Year 2 ☐ Year 3 ☐ Year 4 ☐ Year 5 ☐ Enhanced Abatement per IC 6-1.1-12.1-18
- ☐ Year 6 ☐ Year 7 ☐ Year 8 ☐ Year 9 ☐ Year 10 *Number of years approved: _____*
- (Enter one to twenty (1-20) years; may not exceed twenty (20) years.)*
- I. For a Statement of Benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17? ☐ Yes ☐ No
- If yes, attach a copy of the abatement schedule to this form.
- If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

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 by: (signature and title of authorized member of designating body)	Telephone number ()	Date signed (month, day, year)
Printed name of authorized member of designating body	Name of designating body	
Attested by: (signature and title of attester)	Printed name of attester	

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

IC 6-1.1-12.1-17

Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
- (2) The number of new full-time equivalent jobs created.
- (3) The average wage of the new employees compared to the state minimum wage.
- (4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. Except as provided in IC 6-1.1-12.1-18, an abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

CONFIDENTIAL PER I.C. 6-1.1-12.1-5.1(d)(2) and I.C. 6-1.1-12.1-5.6(c)(2)

Lab Equipment	Quoted Price
Leco Spectrometer	\$92,737.00
Leco Carbon / Sulfer	\$56,090.00
Buehler Polisher	\$15,134.00
T and A Mech Tester	\$103,358.00
Z-Check BHN Tester	\$22,181.00
Nikon Microscope	\$19,098.00
Hem Saw Test Bar	\$26,895.00
Haas Lathe	\$60,000.00
Muffle Furnace	\$2,105.00
Ro-Tap and Screens	\$3,622.00
Burr King Belt Sander	\$5,000.00
Bridgeport / Drill Press	\$3,000.00

Total Lab **\$409,220.00**

Alum Grinding / Pouring

2 Belt Grinders	\$10,000.00
2 Grinding Stations	\$26,000.00
Dust Collector	
2 Thermtronix Furnaces	\$185,000.00
Rats Porosity Tester	\$4,000.00
Specific Gravity Tester	\$7,000.00
Degassing Unit	\$8,000.00
Jib Crane	\$9,700.00

Total Aluminum **\$249,700.00**

Shake Out / Cut Off

Gorbel Crane	\$60,000.00
Hem Chop Saw	\$6,000.00
Aluminum Table Saw	\$100,000.00
Table Blaster	\$90,000.00
2 SDAM Shakeout Units	\$218,000.00

Total Shake Out / C Off **\$474,000.00**

Misc Machines

Skid Steer	\$60,000.00
Boom Lift	\$40,000.00
2 fork trucks (rotating)	\$100,000.00

Total Misc **\$200,000.00**

Dualtech 3 Grand Total

\$5,267,634.76 for equipment

Iron Pouring	Quoted Price
3 Tundish Ladles	\$40,396.58
2 Gray Ladles	\$20,665.18
Floor Scale	\$2,125.00
Jib Crane	\$9,700.00
4 Ton Bridge Crane	\$276,629.00
Inductotherm Furnace	\$505,000.00
2 Pyrometers	\$5,190.00
Heat Baskets	
Torch and Stand	
Deck Weights	

Iron Pouring Total **\$859,705.76**

Molding / Cores

Gorbel Crane	\$50,000.00
3 M100 mixers	\$165,000.00
3 Sand Silos and Stands	\$45,000.00
5 dumpsters	\$12,500.00
100 4 x 4 Steel Skids	\$200,000.00
Closing Crane	\$50,000.00
DoAll 5Hp Sleeve Saw	\$20,100.00
HQA Dust Collector	\$200,000.00
2X Sand Tanks	\$180,000.00
M500 Mixer	\$110,000.00
Carousel	\$100,000.00
Compaction Table	\$32,000.00
Rollover	\$450,000.00
Mold Handler	\$33,000.00
Silo With Stand	\$35,000.00
30' 3.5' Wide Rollers	\$15,409.00
armour paint gun	\$6,650.00

Total Molding / Cores **\$1,698,009.00**

Sand Transport

Thermfire Reclamation	\$975,000.00
2 Air Compressors	\$130,000.00
4X Transporters	\$212,000.00
5 O Surge Hopper	\$10,000.00
2 Bucket Elevators	\$50,000.00

Total Sand Transport **\$1,377,000.00**

Laugle Properties, LLC

Building

Elite Buidlings	\$3,850,000.00
Lighting	\$51,000.00
Electric Panels	\$190,000.00
Conduit / Wire / Install	\$300,000.00
Wall fans (4)	\$12,000.00

Total Building **\$4,403,000.00**

Lab Equipment**Quoted Price**

Leco Spectrometer
Leco Carbon / Sulfur
Buehler Polisher
T and A Mech Tester
Z-Check BHN Tester
Nikon Microscope
Hem Saw Test Bar
Haas Lathe
Muffle Furnace
Ro-Tap and Screens
Burr King Belt Sander
Bridgeport / Drill Press

Total Lab**Alum Grinding / Pouring**

2 Belt Grinders
2 Grinding Stations
Dust Collector
2 Thermtronix Furnaces
Rats Porosity Tester
Specific Gravity Tester
Degassing Unit
Jib Crane

Total Aluminum**Shake Out / Cut Off**

Gorbel Crane
Hem Chop Saw
Aluminum Table Saw
Table Blaster
2 SDAM Shakeout Units

Total Shake Out / C Off**Misc Machines**

Skid Steer
Boom Lift
2 fork trucks (rotating)

Total Misc**Dualtech 3 Grand Total****\$5,267,634.76 for equipment****Iron Pouring****Quoted Price**

3 Tundish Ladles
2 Gray Ladles
Floor Scale
Jib Crane
4 Ton Bridge Crane
Inductotherm Furnace
2 Pyrometers
Heat Baskets
Torch and Stand
Deck Weights

Iron Pouring Total**Molding / Cores**

Gorbel Crane
3 M100 mixers
3 Sand Silos and Stands
5 dumpsters
100 4 x 4 Steel Skids
Closing Crane
DoAll 5Hp Sleeve Saw
HQA Dust Collector
2X Sand Tanks
M500 Mixer
Carousel
Compaction Table
Rollover
Mold Handler
Silo With Stand
30' 3.5' Wide Rollers
armour paint gun

Total Molding / Cores**Sand Transport**

Thermfire Reclamation
2 Air Compressors
4X Transporters
S O Surge Hopper
2 Bucket Elevators

Total Sand Transport**Laugle Properties, LLC****Building**

Elite Buidlings
Lighting
Electric Panels
Conduit / Wire / Install
Wall fans (4)

Total Building**\$4,403,000.00**

Duly Entered For Taxation
Subject To Final Acceptance
For Transfer Aug 01 2022
Pamela J. Burton
AUDITOR JOHNSON COUNTY, IND.

WARRANTY DEED

22-80315

THIS INDENTURE WITNESSETH, That Franklin Tech Park Ventures, LLC (Grantor) of Johnson County, in the State of Indiana, CONVEY(S) AND WARRANT(S) to Laugle Properties (Grantee) of Johnson County, in the State of Indiana, for the sum of One and no/100 Dollars (\$1.00) and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the following described real Estate in Johnson County, State of Indiana:

Lot Numbered 2 in Patriot Defense Research Park a subdivision to the City of Franklin as recorded in Plat Cabinet E, page 572A-C and Instrument Number 22-015414 in the Office of the Recorder of Johnson County, Indiana.

Parcel #: 41-08-02-022-009.000-009

Property Address: 2035 Earlywood Dr, Franklin IN 46131

Grantees Mailing Address: 4145 Whitetail Woods, Bingersville, TN 36100

Send tax notices to Grantee at above address unless otherwise indicated below:
Subject to any and all easements, agreements and restrictions of record.

IN WITNESS WHEREOF, Grantor has executed this deed this 29th day of July, 2022.

Grantor:

Franklin Tech Park Ventures, LLC

Jerry Lee Johnson, President

STATE OF INDIANA

} SS:

ACKNOWLEDGMENT

COUNTY OF JOHNSON

Before me, a Notary Public in and for said County and State, personally appeared **Jerry Lee Johnson, President of Franklin Tech Park Ventures, LLC**, who acknowledge the execution of the foregoing Warranty Deed, and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this 29th day of July, 2022

My Commission expires:

Resident of _____ County, Indiana

Signature: [Signature]

Printed: _____

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. Larry J. Gesse, Attorney.

This instrument prepared by Larry J. Gesse, Attorney at Law.

Return deed to: 40 East Jefferson Street, Franklin, IN 46131



Sales Disclosure Approved
Johnson County Assessor

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: 331511

(2) The total number of jobs current at the site: fifty (50)*, the number of those jobs that will be retained as a direct result of the proposed investment fifty (50)*, and the number of new jobs which will be created as a direct result of the proposed investment: eleven (11).

(3) The total number of full-time employees at the site: fifty (50)*

(4) The total number of temporary and/or contract employees currently at the site: -0-

(5) The average hourly wages for the new jobs: Twenty-Seven Dollars (\$27.00)

(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:

(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: \$28 - \$30.00

(d) Precision Production/Craft/Repair Occ.: ____ Average Hourly Wage: \$26 - \$27.00

(e) Operators/Fabricators/Laborers: ____ Average Hourly Wage: \$26 - \$27.00

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.

- Employees receive quarterly bonuses.
- Dualtech matches four percent (4%) of employee contributions to 401(k).
- Dualtech provides health insurance.

*Dualtech has fifty (50) employees at its current site which is located in Blue Chip Industrial Park, north of the proposed new facility to be constructed south of Earlywood Drive. The average hourly wage of these fifty (50) employees is Twenty-Six Dollars (\$26.00) per hour.

EMPLOYMENT PHASE-IN SCHEDULE JOB CREATION/RETENTION TIMETABLE (Dualtech, Inc.)

Dualtech, Inc., intends to retain all fifty (50) of its current employees. The table below reflects the job creation timetable and is based upon Year 1 being 2023. The employees in Year 1 will begin training in Dualtech's current facility and then move to the new facility when it is completed.

	PROFESSIONAL/ MANAGERIAL/ SPECIALTY	TECHNICAL/ SALES/ ADMIN. SUPPORT	SERVICE	PRECISION PRODUCTION/ CRAFT/REPAIR	OPERATORS/ FABRICATORS/ LABORERS	TOTAL BY YEAR
Year 1 1 st Qtr						
Year 1 2 nd Qtr						
Year 1 3 rd Qtr					3	
Year 1 4 th Qtr					3	6
Year 2 1 st Qtr						
Year 2 2 nd Qtr						
Year 2 3 rd Qtr			1	2	2	5
Year 2 4 th Qtr						
Years 3-10						
TOTAL BY TYPE			1	2	8	

Company Investment Time-Table

YEAR OF ABATEMENT	BUILDING*	EQUIPMENT*	TOTAL
1	\$4,403,000.00	\$5,267,635.00	\$9,670,635.00
2	0	0	\$ 0.00
3	0	0	\$ 0.00
4	0	0	\$ 0.00
5	0	0	\$ 0.00
6	0	0	\$ 0.00
7	0	0	\$ 0.00
8	0	0	\$ 0.00
9	0	0	\$ 0.00
10	0	0	\$ 0.00
TOTAL	\$4,403,000.00	\$5,267,635.00	\$9,670,635.00

* The building will be constructed by the owner of the real estate, Laugle Properties, LLC. The estimated start date is August 1, 2023 and the estimated completion date is March 31, 2024. With the assessment date being January 1, Laugle Properties, LLC does not know whether it will receive a Form 11 notifying it that the assessment has increased due to the partial completion of the building as of the January 1, 2024 assessment date.

After the new building is completed, Dualtech, Inc., will move in and conduct business at the new building.

Laugle Properties, LLC has filed an application for tax abatement concerning the real estate.

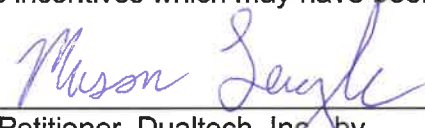
Dualtech, Inc., has filed an application for tax abatement concerning the equipment.

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

I, Mason Laugle, on behalf of Dualtech, Inc., 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 Dualtech, Inc., 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 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, Dualtech, Inc., 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.



Petitioner, Dualtech, Inc., by
Mason Laugle, authorized representative

March 31st, 2023

Dated

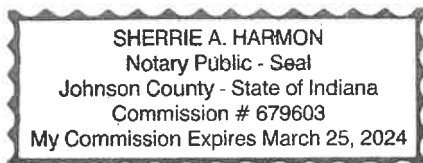
STATE OF INDIANA)
) SS:
COUNTY OF JOHNSON)

Subscribed and sworn to before me on this 31st day of March, 2023.

My Commission Expires:



Notary Public
Residing in Johnson County, Indiana



Indiana Tax Abatement Results

- Johnson County, Franklin City - Franklin Twp
- Tax Rate (2022): 3.3161
- Project Name: Laugle

Personal Property: \$ 5,267,635.00

	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	\$69,872.00	(\$6,660.38)	\$63,211.62	\$63,211.62
Year 2	66%	\$33,259.00	\$0.00	\$33,259.00	\$97,821.00	(\$9,324.73)	\$88,496.27	\$55,237.27
Year 3	33%	\$49,155.00	\$0.00	\$49,155.00	\$73,366.00	(\$6,993.80)	\$66,372.20	\$17,217.20
Totals		\$82,414.00	\$0.00	\$82,414.00	\$241,059.00	(\$22,978.91)	\$218,080.09	\$135,666.09

Personal Property: \$ 5,267,635.00

	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	\$69,872.00	(\$6,660.38)	\$63,211.62	\$63,211.62
Year 2	80%	\$19,564.00	\$0.00	\$19,564.00	\$97,821.00	(\$9,324.73)	\$88,496.27	\$68,932.27
Year 3	60%	\$29,346.00	\$0.00	\$29,346.00	\$73,366.00	(\$6,993.80)	\$66,372.20	\$37,026.20
Year 4	40%	\$33,539.00	\$0.00	\$33,539.00	\$55,898.00	(\$5,328.70)	\$50,569.30	\$17,030.30
Year 5	20%	\$41,923.00	\$0.00	\$41,923.00	\$52,404.00	(\$4,995.29)	\$47,408.71	\$5,485.71
Totals		\$124,372.00	\$0.00	\$124,372.00	\$349,361.00	(\$33,302.90)	\$316,058.10	\$191,686.10

Personal Property: \$ 5,267,635.00

	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	\$69,872.00	(\$6,660.38)	\$63,211.62	\$63,211.62
Year 2	85%	\$14,673.00	\$0.00	\$14,673.00	\$97,821.00	(\$9,324.73)	\$88,496.27	\$73,823.27
Year 3	71%	\$21,276.00	\$0.00	\$21,276.00	\$73,366.00	(\$6,993.80)	\$66,372.20	\$45,096.20
Year 4	57%	\$24,036.00	\$0.00	\$24,036.00	\$55,898.00	(\$5,328.70)	\$50,569.30	\$26,533.30
Year 5	43%	\$29,870.00	\$0.00	\$29,870.00	\$52,404.00	(\$4,995.29)	\$47,408.71	\$17,538.71
Year 6	29%	\$37,207.00	\$0.00	\$37,207.00	\$52,404.00	(\$4,995.29)	\$47,408.71	\$10,201.71
Year 7	14%	\$45,067.00	\$0.00	\$45,067.00	\$52,404.00	(\$4,995.29)	\$47,408.71	\$2,341.71
Totals		\$172,129.00	\$0.00	\$172,129.00	\$454,169.00	(\$43,293.47)	\$410,875.53	\$238,746.53