



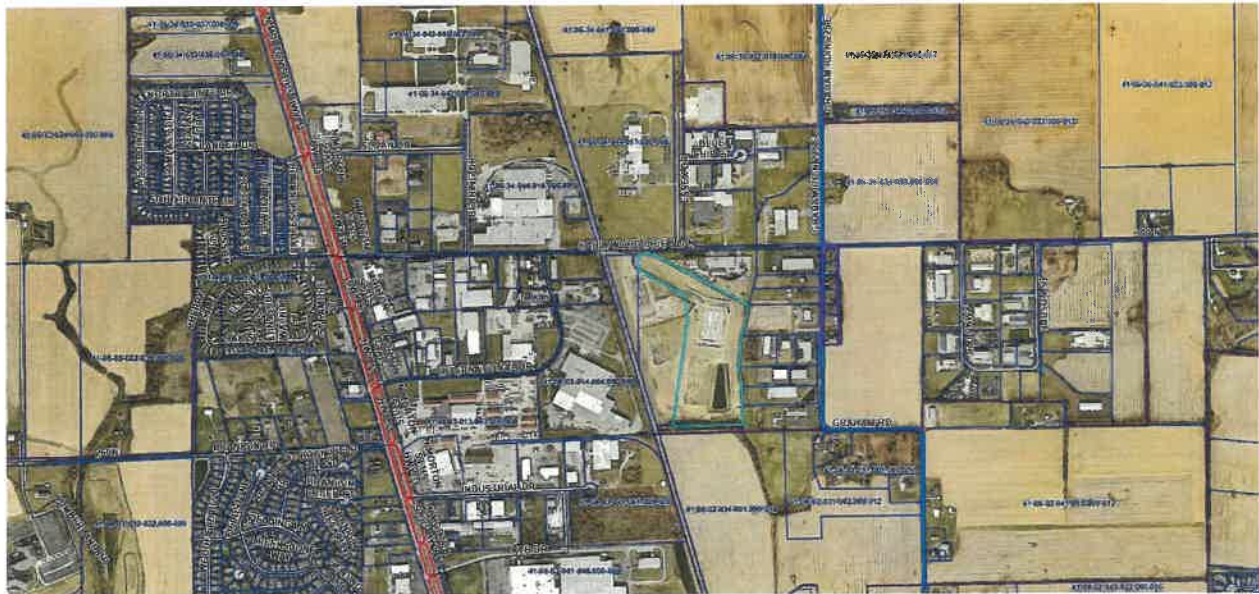
CITY OF FRANKLIN
DEPARTMENT OF COMMUNITY DEVELOPMENT

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: Laugle Properties, LLC

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

Parent Company (If Applicable): _____

Primary Contact for Yearly Compliance Reports

Name: Sandy Laugle

Title: Member

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 \$34,400.00

2. Building -0-

3. Inventory -0-

4. Equipment -0-

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 Years

Project Size (square feet): 70,000

Size 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 Information

How long has the company been in existence? February 9, 2006

Current address of company headquarters and duration at that address: Since 2021 at 4145 Whitetail Woods Dr., Bargersville, IN. Prior office addresses were 450 Blue Chip Court and 401 Blue Chip Court, Franklin, IN

In 2019, the principal address was 3719 E 700 N. Whiteland, IN 46184

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 No

If yes, when and for what term? see attached

What 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.

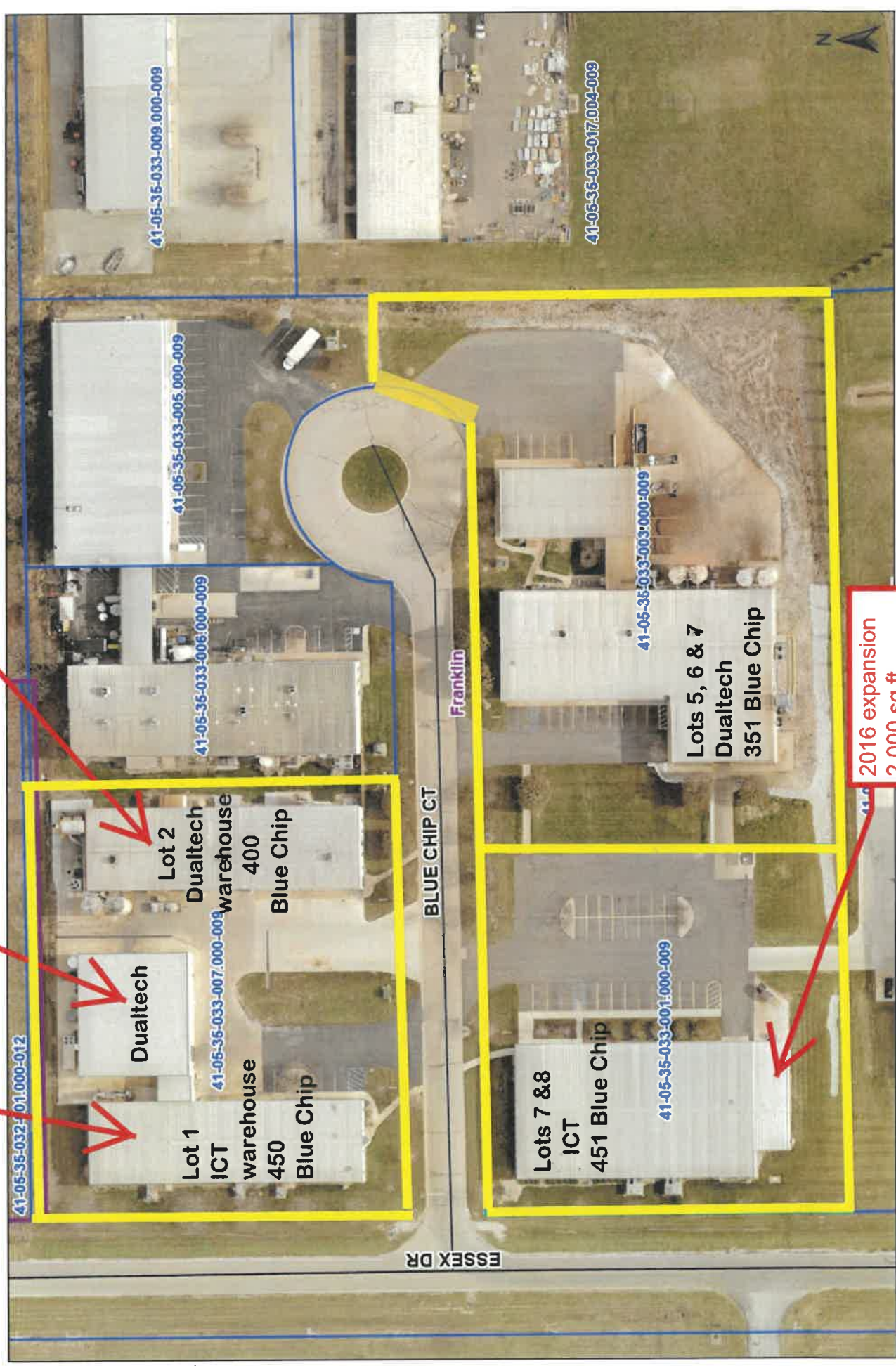
- (3) Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed installation of new manufacturing equipment, new farm equipment, new research and development equipment, new logistical 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



41-05-35-0327-01.000-012

Lot 1
ICT warehouse
450
Blue Chip

Dualtech

Lot 2
Dualtech warehouse
400
Blue Chip

41-05-35-033-007.000-009

41-05-35-033-006.000-009

41-05-35-033-005.000-009

41-05-35-033-009.000-009

41-05-35-033-017.004-009

BLUE CHIP CT

Franklin

ESSEX DR

41-05-35-033-003.000-009

Lots 5, 6 & 7
Dualtech
351 Blue Chip

Lots 7 & 8
ICT
451 Blue Chip

41-05-35-033-001.000-009

2016 expansion
2,000 sq ft

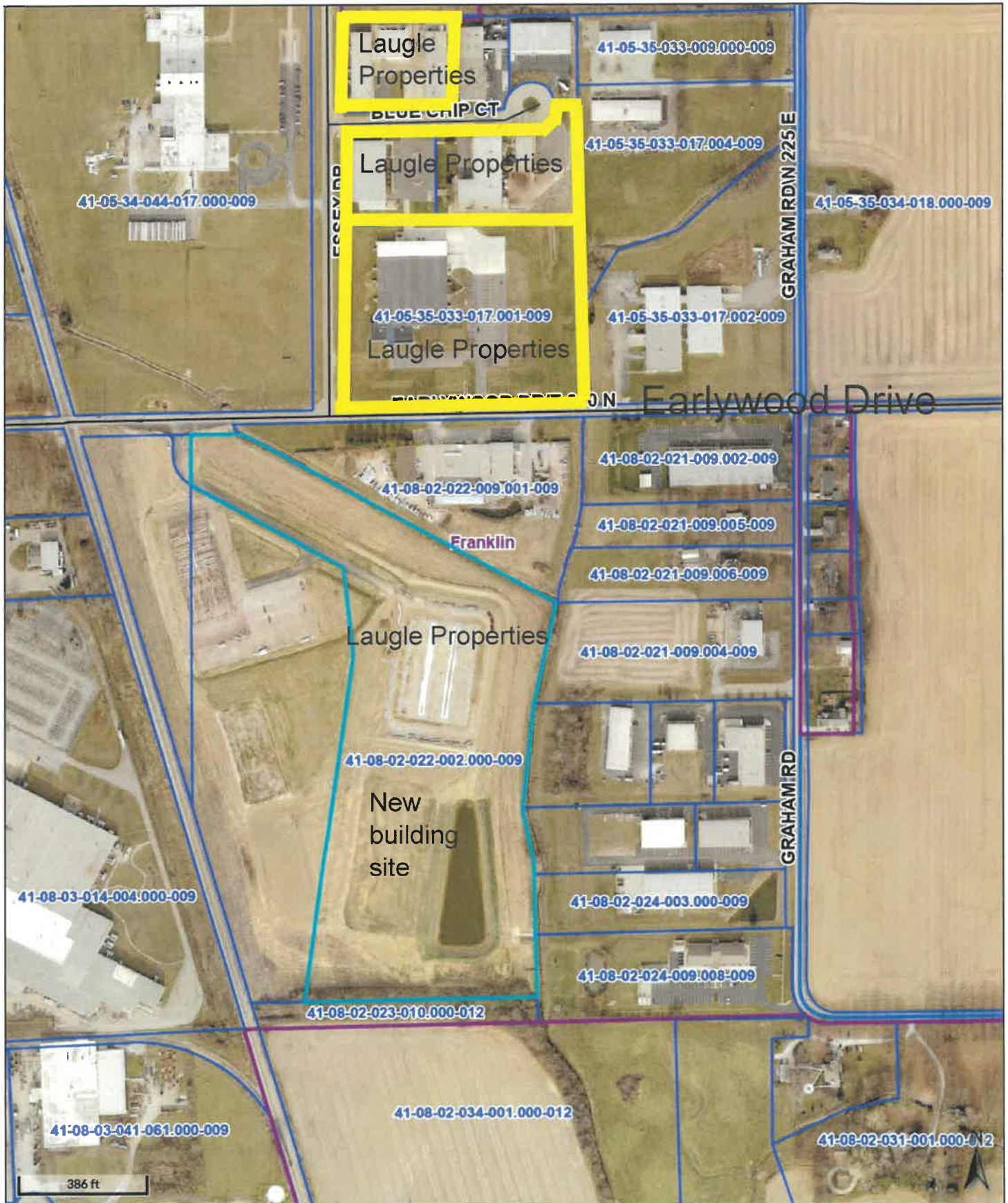
Properties outlined in yellow are owned by Laugle Properties, LLC.



BeaconTM

Johnson County, IN

EXHIBIT B





STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R7 / 1-21)

Prescribed by the Department of Local Government Finance

20 24 PAY 20 25

FORM SB-1 / Real Property

PRIVACY NOTICE

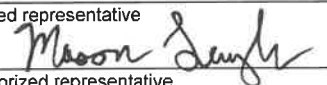
Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

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)
☐ Residentially distressed area (IC 6-1.1-12.1-4.1)

INSTRUCTIONS:

- 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** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction.
- The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
- To obtain a deduction, a Form 322/RE must be filed with the county auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between January 1 and May 10 of a subsequent year.
- A property owner who files for the deduction must provide the county auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
- For a Form SB-1/Real Property 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/Real Property 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 Laugle Properties, LLC					
Address of taxpayer (number and street, city, state, and ZIP code) 4145 Whitetail Woods Drive, Bargersville, IN 46106					
Name of contact person Dustin D. Huddleston, attorney		Telephone number (317) 736-5121		E-mail address Dustin@Huddlestonlaw.com	
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT			
Name of designating body Franklin Common Council		Resolution number			
Location of property 2035 Earlywood Drive, Franklin, IN		County Johnson		DLGF taxing district number 009	
Description of real property improvements, redevelopment, or rehabilitation (<i>use additional sheets if necessary</i>) Approximately 70,000 square foot building, concrete pad and stoops, blacktop parking lot, and sidewalks.				Estimated start date (month, day, year) 08/01/2023	
				Estimated completion date (month, day, year) 03/31/2024	
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT			
Current Number 50.00	Salaries \$2,704,000.00	Number Retained 50.00	Salaries \$2,704,000.00	Number Additional 11.00	Salaries \$617,760.00
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT			
		REAL ESTATE IMPROVEMENTS			
		COST		ASSESSED VALUE	
Current values		0.00		0.00	
Plus estimated values of proposed project		4,403,000.00		5,700,000.00	
Less values of any property being replaced		0.00			
Net estimated values upon completion of project		4,403,000.00		5,700,000.00	
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 proposed tenant, 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 				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 find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

- 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. Redevelopment or rehabilitation of real estate improvements ☐ Yes ☐ No
 2. Residentially distressed areas ☐ Yes ☐ No
- C. The amount of the deduction applicable is limited to \$ _____.
- D. Other limitations or conditions (*specify*) _____
- E. Number of years allowed: ☐ Year 1 ☐ Year 2 ☐ Year 3 ☐ Year 4 ☐ Year 5 (* *see below*)
☐ Year 6 ☐ Year 7 ☐ Year 8 ☐ Year 9 ☐ Year 10
- F. 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.

We have also 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 (<i>signature and title of authorized member of designating body</i>)	Telephone number ()	Date signed (<i>month, day, year</i>)
Printed name of authorized member of designating body	Name of designating body	
Attested by (<i>signature and title of attester</i>)	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.

- A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4.1 remain in effect. The deduction period may not exceed five (5) years. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. Except as provided in IC 6-1.1-12.1-18, the deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)
- B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. (See IC 6-1.1-12.1-17 below.)

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.

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, Burgersville, IN 46100

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.

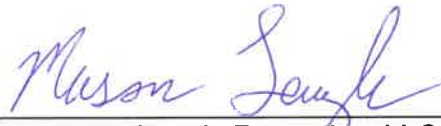
Dualtech, Inc., has filed an application for tax abatement concerning the equipment.

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

I, Mason Laugle, on behalf of Laugle Properties, LLC, 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 Laugle Properties, LLC, 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, Laugle Properties, LLC, 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.



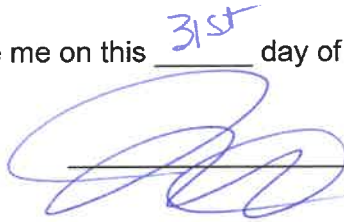
Petitioner, Laugle Properties, LLC, by
Mason Laugle, Authorized Representative

March 31st, 2023
Dated

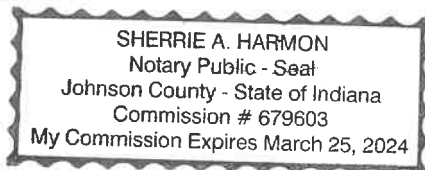
STATE OF INDIANA)
) SS:
COUNTY OF JOHNSON)

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

Indiana Tax Abatement Results

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

Real Property: \$ 4,403,000.00

	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	\$146,008.00	(\$13,918.00)	\$132,090.00	\$132,090.00
Year 2	80%	\$ 29,202.00	\$0.00	\$29,202.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$102,888.00
Year 3	60%	\$ 58,403.00	\$0.00	\$58,403.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$73,687.00
Year 4	40%	\$ 87,605.00	\$0.00	\$87,605.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$44,485.00
Year 5	20%	116,806.00	\$0.00	\$116,806.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$15,284.00
Totals		\$292,016.00	\$0.00	\$292,016.00	\$730,040.00	(\$69,590.00)	\$660,450.00	\$368,434.00

Real Property: \$ 4,403,000.00

	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	\$146,008.00	(\$13,918.00)	\$132,090.00	\$132,090.00
Year 2	85%	\$ 21,901.00	\$0.00	\$21,901.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$110,189.00
Year 3	71%	\$ 42,342.00	\$0.00	\$42,342.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$89,748.00
Year 4	57%	\$ 62,783.00	\$0.00	\$62,783.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$69,307.00
Year 5	43%	\$ 83,224.00	\$0.00	\$83,224.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$48,866.00
Year 6	29%	\$ 103,666.00	\$0.00	\$103,666.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$28,424.00
Year 7	14%	\$ 125,567.00	\$0.00	\$125,567.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$6,523.00
Totals		\$439,483.00	\$0.00	\$439,483.00	\$1,022,056.00	(\$97,426.00)	\$924,630.00	\$485,147.00

Real Property: \$ 4,403,000.00

	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	\$146,008.00	(\$13,918.00)	\$132,090.00	\$132,090.00
Year 2	95%	\$ 7,300.00	\$0.00	\$7,300.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$124,790.00
Year 3	80%	\$ 29,202.00	\$0.00	\$29,202.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$102,888.00
Year 4	65%	\$ 51,103.00	\$0.00	\$51,103.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$80,987.00
Year 5	50%	\$ 73,004.00	\$0.00	\$73,004.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$59,086.00
Year 6	40%	\$ 87,605.00	\$0.00	\$87,605.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$44,485.00
Year 7	30%	\$ 102,206.00	\$0.00	\$102,206.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$29,884.00
Year 8	20%	\$ 116,806.00	\$0.00	\$116,806.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$15,284.00
Year 9	10%	\$ 131,407.00	\$0.00	\$131,407.00	\$146,008.00	(\$13,918.00)	\$132,090.00	\$683.00

	With Abatement			Without Abatement			Estimated Tax Abatement Savings
	Abatement Percentage	Property Taxes	Circuit Breaker Tax Credit	Net Property Taxes	Property Taxes	Circuit Breaker Tax Credit	
Year 10	5%	138,707.00	\$ (\$6,617.00)	\$132,090.00	\$146,008.00	(\$13,918.00)	\$0.00
Totals		\$737,340.00	(\$6,617.00)	\$730,723.00	\$1,460,080.00	(\$139,180.00)	\$590,177.00

70,000 square foot building proposed
20 acres

AV	Taxes Due	Abatement %	Taxes Paid	Current Assessed Value (Farmland): 534,000
2021 Pay 2022	\$34,000	0%	\$1,127.00	\$1,127.00
2022 Pay 2023	\$4,403,000	100%	\$0.00	\$1,127.00
2023 Pay 2024	\$4,403,000	95%	\$7,300.00	\$1,127.00
2024 Pay 2025	\$4,403,000	80%	\$29,202.00	\$1,127.00
2025 Pay 2026	\$4,403,000	65%	\$51,103.00	\$1,127.00
2026 Pay 2027	\$4,403,000	50%	\$73,004.00	\$1,127.00
2027 Pay 2028	\$4,403,000	40%	\$87,605.00	\$1,127.00
2028 Pay 2029	\$4,403,000	30%	\$102,206.00	\$1,127.00
2029 Pay 2030	\$4,403,000	20%	\$116,806.00	\$1,127.00
2030 Pay 2031	\$4,403,000	10%	\$131,407.00	\$1,127.00
2031 Pay 2032	\$4,403,000	5%	\$138,707.00	\$1,127.00
			\$737,340.00	\$11,270.00
Circuit Breaker reduces	Year 11	0%	\$138,707.00	\$1,127.00
by \$6617.00	Year 12	0%	\$138,707.00	\$1,127.00
	Year 13	0%	\$138,707.00	\$1,127.00
	Year 14	0%	\$138,707.00	\$1,127.00
	Year 15	0%	\$138,707.00	\$1,127.00
	Year 16	0%	\$138,707.00	\$1,127.00
	Year 17	0%	\$138,707.00	\$1,127.00
	Year 18	0%	\$138,707.00	\$1,127.00
	Year 19	0%	\$138,707.00	\$1,127.00
	Year 20	0%	\$138,707.00	\$1,127.00
	Taxes PAID over 20 years:		\$2,124,410.00	\$22,540.00 :Taxes PAID over 20 ye without any developm
			\$2,124,410.00	
			\$22,540.00	
		Difference:	\$2,101,870.00	