



# CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

## Memorandum

**To:** City of Franklin Economic Development Commission  
**From:** Dana Monson, Community Development Specialist  
**Date:** April 11, 2023  
**Re:** Case C 2023-36: Pure Development 21-28

### Summary:

1. On August 2<sup>nd</sup>, 2021 the Franklin Common Council passed Resolution No. 2021-28, approving a 10-year tax abatement on real property for Peterson Group, located at 120 Jim Black Road. The property has since been sold to Pure Development.
2. Actual and estimated benefits, as projected for 2022:

	Estimated on SB-1	Actual in 2022	Difference
Total Employees	0	0	0
Salaries	\$0	\$0	\$0
Average Hourly Salaries	\$0.00	\$0.00	\$0.00
Real Property Improvements	\$22,500,000	\$29,435,888	\$6,935,888

3. The company has exceeded their investment by over 6 million dollars. .
4. The property is in the process of being leased to a company to be announced in the next few months.
5. The real property tax abatement is scheduled to expire in tax year 2033 payable 2034. The final compliance review will take place in 2033.

**Staff Recommendation:** Approval

**Cover Letter**

Pure Franklin, LLC  
815 E 65<sup>th</sup> Street, Suite 200  
Indianapolis, IN 46220

March 22, 2023

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

Re: Tax Abatement Compliance for Pure Franklin, LLC (Resolution #2021-06)

Dear Mrs. Monson:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements which were granted to the subject property in 2021 under Franklin Common Council Resolution No. 2021-06. The initial abatement was granted to Peterson Property Group under a "to-be formed entity." That new entity name is Pure Franklin, LLC.

As can be seen from reviewing the enclosed documents, the property which received the tax abatement has completed its initial construction phase. The 539,668 square foot industrial facility commenced construction in May of 2022 and received its Temporary Certificate of Occupancy on 12/09/2022. As an incentive to move forward with the project, the Developer received a tax abatement for the project under the resolution number 2021-26.

As of today, the site and shell of the project have been completed in their entirety. In addition, the Developer opted to include (via a Change Order with the General Contractor) an office within the warehouse facility that is approximately 3,500 square feet. The Developer is hoping these improvements improve both the terms and speed at which a future lease is signed. In addition to the spec office, the Developer is holding back funds to make certain Tenant Improvements that will be required by the Tenant once a Lease is signed at some point in the future.

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

Sincerely,

David Dunbar, Director  
Pure Franklin, LLC



# COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20\_\_ PAY 20\_\_

FORM CF-1 / Real Property

## PRIVACY NOTICE

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

### INSTRUCTIONS:

1. This form does not apply to property located in a residentially distressed area or any deduction for which the Statement of Benefits was approved before July 1, 1991.
2. Property owners must file this form with the county auditor and the designating body for their review regarding the compliance of the project with the Statement of Benefits (Form SB-1/Real Property).
3. This form must accompany the initial deduction application (Form 322/RE) that is filed with the county auditor.
4. This form must also be updated each year in which the deduction is applicable. It is filed with the county auditor and the designating body before May 15, or by the due date of the real property owner's personal property return that is filed in the township where the property is located. (IC 6-1.1-12.1-5.1(b))
5. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance form (Form CF-1/Real Property).

SECTION 1		TAXPAYER INFORMATION	
Name of taxpayer	Pure Franklin, LLC	County	Marion
Address of taxpayer (number and street, city, state, and ZIP code)	815 E 65th Street, Suite 200	DLGF taxing district number	
Name of contact person	Adam Seger	Telephone number	( 317 ) 797-1600

SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body	The City of Franklin Common Council	Resolution number	2021-26-28
Location of property	2280 McClain Drive, Franklin, IN 46131	Estimated start date (month, day, year)	March 1, 2022
Description of real property improvements	Building shell along with 3,463 sf of office improvements have been completed. Owner is now waiting to sign a Lease with a Tenant to build out any additional Tenant Improvements.	Actual start date (month, day, year)	April 25, 2022
		Estimated completion date (month, day, year)	September 30, 2023
		Actual completion date (month, day, year)	

SECTION 3		EMPLOYEES AND SALARIES	
		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees			
Salaries			
Number of employees retained			
Salaries			
Number of additional employees			
Salaries			

SECTION 4		COST AND VALUES	
		COST	ASSESSED VALUE
AS ESTIMATED ON SB-1			
Values before project		4,163,000	
Plus: Values of proposed project		22,500,000	
Less: Values of any property being replaced			
Net values upon completion of project			
ACTUAL		COST	ASSESSED VALUE
Values before project		6,073,550	
Plus: Values of proposed project		29,435,888	
Less: Values of any property being replaced		0	
Net values upon completion of project		35,509,438	

SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	
		AS ESTIMATED ON SB-1	ACTUAL
WASTE CONVERTED AND OTHER BENEFITS			
Amount of solid waste converted			
Amount of hazardous waste converted			
Other benefits:			

SECTION 6		TAXPAYER CERTIFICATION	
		I hereby certify that the representations in this statement are true.	
Signature of authorized representative		Title	Date signed (month, day, year)
		Authorized Signatory	March 22, 2023

OPTIONAL: FOR USE BY A DESIGNATING BODY WHO ELECTS TO REVIEW THE COMPLIANCE WITH STATEMENT OF BENEFITS (FORM CF-1)  
THAT WAS APPROVED AFTER JUNE 30, 1991

INSTRUCTIONS: (IC 6-1.1-12.1-5.1 and IC 6-1.1-12.1-5.9)

1. Not later than forty-five (45) days after receipt of this form, the designating body may determine whether or not the property owner has substantially complied with the Statement of Benefits (Form SB-1/Real Property).
2. If the property owner is found **NOT** to be in substantial compliance, the designating body shall send the property owner written notice. The notice must include the reasons for the determination and the date, time and place of a hearing to be conducted by the designating body. The date of this hearing may not be more than thirty (30) days after the date this notice is mailed. A copy of the notice may be sent to the county auditor and the county assessor.
3. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable efforts to substantially comply with the Statement of Benefits (Form SB-1/Real Property) and whether any failure to substantially comply was caused by factors beyond the control of the property owner.
4. If the designating body determines that the property owner has **NOT** made reasonable efforts to comply, then the designating body shall adopt a resolution terminating the property owner's deduction. If the designating body adopts such a resolution, the deduction does not apply to the next installment of property taxes owed by the property owner or to any subsequent installment of property taxes. The designating body shall immediately mail a certified copy of the resolution to: (1) the property owner; (2) the county auditor; and (3) the county assessor.

We have reviewed the CF-1 and find that:

- ☐ the property owner **IS** in substantial compliance
- ☐ the property owner **IS NOT** in substantial compliance
- ☐ other (specify) \_\_\_\_\_

Reasons for the determination (attach additional sheets if necessary)

Signature of authorized member

Date signed (month, day, year)

Attested by:

Designating body

If the property owner is found not to be in substantial compliance, the property owner shall receive the opportunity for a hearing. The following date and time has been set aside for the purpose of considering compliance. (Hearing must be held within thirty (30) days of the date of mailing of this notice.)

Time of hearing

☐ AM  
☐ PM

Date of hearing (month, day, year)

Location of hearing

**HEARING RESULTS (to be completed after the hearing)**

☐ Approved

☐ Denied (see instruction 5 above)

Reasons for the determination (attach additional sheets if necessary)

Signature of authorized member

Date signed (month, day, year)

Attested by:

Designating body

**APPEAL RIGHTS [IC 6-1.1-12.1-5.9(e)]**

A property owner whose deduction is denied by the designating body may appeal the designating body's decision by filing a complaint in the office of the Circuit or Superior Court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner.

## CONSTRUCTION AND OCCUPANCY STATUS REPORT

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**Pure Franklin, LLC**

The subject property has been completed per the original plans and specs. Also included as part of this submission is the final photo report we received from our General Contractor (The Peterson Company) in December 2022.

## PERSONAL PROPERTY LISTING

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**Pure Franklin, LLC**

This report is not applicable for the subject tax abatement.

## FORM CF-1

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**Pure Franklin, LLC**

Included in separate PDF.

## EXPANSION INVESTMENT SCHEDULE

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**Pure Franklin, LLC**

Please see below.

## JOB CREATION OR RETENTION SCHEDULE

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**Pure Franklin, LLC**

This report is not applicable for the subject tax abatement as the jobs section was not completed on the initial SB-1.

## DEFICIENCY STATEMENT

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**Pure Franklin, LLC**

Not applicable.

**Expansion Investment Schedule**

Pure Franklin, LLC  
815 E 65<sup>th</sup> Street, Suite 200  
Indianapolis, IN 46220

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

	Actual Amount of Investment as of 12/31/21	Proposed Amount of Total Uninvestment by 12/31/22 (Form SB-1)	Actual Amount of Investment	Actual Total Added During Year (by quarter)				Difference Between Amount Actual and Proposed
				3/31/2022	6/30/2022	9/30/2022	12/31/22	
<b>Buildings and Improvements:</b>	\$0	\$26,663,000	\$35,509,438	\$0	\$11,065,944	\$16,880,900	\$7,562,594	\$8,846,438
<b>Machinery and Equipment:</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Totals:</b>	\$0	\$26,663,000	\$35,509,438	\$0	\$11,065,944	\$16,880,900	\$7,562,594	\$8,846,438