



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

ECONOMIC DEVELOPMENT COMMISSION

September 12, 2023

Members Present:

Josh DeArmitt	President
Shawn Taylor	Vice President
Lee Hodgen	Member
Lisa Jones	Member

Others Present:

Dana Monson	Community Development Specialist
Ellen Fredbeck Ramirez	Legal Counsel

Call to Order:

Josh DeArmitt called the meeting to order at 8:00 a.m.

Roll Call & Determination of a Quorum

Approval of Minutes

May 9, 2023, Meeting Minutes – Lee Hodgen made a motion for approval of the minutes. Shawn Taylor seconded. Passed unanimously, 4-0.

Old Business

New Business

EDC_2023-05: Pure Development Waiver of Non-Compliance Request – Dana Monson reviewed the abatement history of this location and company. The county issued Pure Development a partial assessment. Pure received their second Form 11 and assessment on April 17, 2022. At this same time, Pure's business manager left the company. Form 322 required filing to start the abatement was not filed by the June 15 deadline. On July 27 the county informed Ms. Monson of this, so the partial assessment abatement for 2023 pay 2024 would not be able to be given.

Adam Seger, principal at Pure Development, presented their apologies for the mishap. Internal policies have been put in place to cover the vacancy left by their business manager. They still believe in the project and its warranting of the abatement, attracting users to the building and the city of Franklin.

Ms. Monson explained that should the commission choose to provide the waiver, it will go before the City Council. If the council approves, it will permit the county to move ahead with this year's abatement. If the commission denies the waiver, this first year's abatement on the partial assessment will not be applied for the 2023 pay 2024 year. Next year when Pure does their compliance, it will begin in its second year, the 2024 pay 2025 year. Mr. Taylor sought confirmation that the building is not currently occupied. Mr. Seger confirmed that it is not. Mr. DeArmitt believed the situation to be a simple clerical error and expressed support for granting the waiver.

Mr. Taylor made a motion to approve the waiver. Lisa Jones seconded. Passed unanimously, 4-0. The City Council meeting is Monday at 6 p.m.

EDC_2023-06: Legacy Investing Waiver of Non-Compliance Request – Ms. Monson gave the background. Last year they appeared due to the sale of the building from CORE Five to Legacy occurred almost simultaneously with their first Form 11 being sent showing the building was assessed and requiring the 322 to be filed. Last year it was not filed on time as each company thought the other was taking care of the filing. The full and final assessment was made this year and the county informed that the 322 was again not received. Legacy maintained the 322 was sent in. Both the county and city have no record of it.

Nate Brooks explained that the form was received and completed and the original mailed. Legacy is still tracking it and researching why it was not delivered. They have since sent Ms. Monson the updated 322. They have retained a firm to oversee these processes going forward. Mr. Taylor sought confirmation that it was lost in the mail and the second year in a row it wasn't filed. Ms. Monson confirmed. Mr. DeArmitt noted the abatement schedule on the form was not completed. Ms. Monson instructed this will need to be corrected. If the commission does not choose to approve the waiver, the abatement for this portion will not begin this year. They can file it in the spring with their compliance and could start the following year. They would lose year one of this portion, and it would start in year two. Mr. DeArmitt was inclined to grant the waiver with the hope that it would be worked out for the future.

Mr. Taylor made a motion to approve the waiver. Mr. Hodgen seconded. Passed unanimously, 4-0.

EDC_2023_08: Rapid Prototyping and Engineering Tax Abatement Request – Ms. Monson gave background on Rapid Prototyping and Engineering. They have grown to the point of needing more space.

Will Harvey with business partner Kasey Myers presented their project. They gave a background on their business and the need for more space. The front portion of the 12,000-square-foot building is leased to Mentors Network which is an adult day care. Rapid Prototyping is using the rear 7500 square feet of the building as storage. Their plan is to make the south building to lease by adding on to the north building. They have a potential tenant that is a soccer training business. The 8,400 square feet addition and additional asphalt would be for Rapid Prototyping's business with the creation of a sports training field in the southwest corner of the property. An indoor turf field would be installed. It would be subleased to other community sports businesses. Ms. Monson said they do not plan on adding additional employees but will retain their current full number of employees. They estimated an investment of \$900,000 and requested a seven-year abatement. Staff recommended a five-year abatement. Mr. Taylor asked if they owned both buildings, and they affirmed they did. The additional space will allow them to market for more work and expand the company further. Mr. DeArmitt asked if they would anticipate hiring more employees in the future. Mr. Harvey expected to have future hires but didn't want to overpromise. They currently have 20 employees and are two short of where they need to be. They have been recruiting for the past couple of years. Mr. DeArmitt observed that they do have other abatements that have been found in compliance annually. Their jobs are high-paying, and they are amenable to the two percent EDC fee. The mayor was noted to be in support of the five-year abatement. Mr. Taylor expressed support for a five-year abatement in light of no additional employees. Mr. DeArmitt concurred.

Mr. Hodgen made a motion to approve a five-year abatement with the economic development fees. Mr. Taylor seconded. Passed unanimously, 4-0.

Mr. Taylor made a motion that the findings of fact have been met. Ms. Jones seconded. Passed unanimously, 4-0.

EDC_2023-07: NSK Corporation Tax Abatement Request – Ms. Monson presented background. They have plans for more equipment. There is no real property involved. They are spending \$14,900,000 on personal property. They requested a 10-year abatement and are amenable to the two percent economic development fees. There are no jobs with this request. Carol Henderson with DeLoite gave an initial explanation and introduced Senior Production Manager Anthony Foster from NSK. They are retaining their employees while at the same time making significant modifications to update their facility. Mr. Foster gave a detailed explanation of their plans and cited their community involvement. They have 229 full-time employees and are not planning to add jobs. They will retain current employees. They are amenable to the economic development fee. They have several previous abatements and have always been in compliance. Staff recommended a five-year abatement due to the lack of jobs. The mayor supports the project. Mr. DeArmitt asked if the equipment was all new to the state of Indiana. Mr. Foster confirmed. Mr. Taylor asked when production would be up and running. Mr. Foster responded to quarter two in 2025. Mr. DeArmitt observed this project request to be evidence of their commitment to the community and their continuing desire to be here. Mr. Taylor asked about the length of their past abatements. Ms. Monson and Mr. DeArmitt stated all were 10-year abatements. They have also always done the economic development fee. Ms. Jones asked if there was an employee commitment on past abatements. Ms. Monson reported all but one had an employee commitment. Mr. Foster cited a current two percent turnover rate. Mr. DeArmitt reminded of the EDC's desire to not penalize a commitment for becoming more efficient. The number of years is strictly an EDC decision. Mr. DeArmitt supported a seven- or 10-year abatement. Mr. Taylor supported a seven-year without any jobs.

Mr. Taylor made a motion that findings for personal property had been met. Ms. Jones seconded. Passed unanimously, 4-0.

Mr. Hodgen made a motion for a seven-year abatement with the five percent economic development fee. Mr. Taylor seconded. Passed unanimously, 4-0.

Other Business

Rosie Chambers from the Franklin Chamber of Commerce presented their use of the awarded \$30,000. They give 13 small business grants to Franklin businesses.

Due to member absences, there will not be a quorum for the October meeting, so the next meeting will be in November.

Adjournment

There being no further business, a motion for adjournment was made and passed unanimously, 5-0.

Respectfully submitted this 10th day of October 2023,

Joshua DeArmitt, President

Eric Leugers, Secretary