

CITY OF FRANKLIN, INDIANA

RESOLUTION NUMBER 2023-20

**A RESOLUTION GRANTING TAX ABATEMENT
FOR MITSUBISHI TURBO ENGINE AMERICA**

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

WHEREAS, Mitsubishi Turbo Engine America (the “Applicant”) has submitted a Statement of Benefits and made application for Personal Property Tax Abatement pursuant to the Act; and

WHEREAS, the Franklin Economic Development Commission has on November 14, 2023, held a public meeting and considered the tax abatement request of Mitsubishi Turbo Engine America (1200 N Mitsubishi Parkway) in a manner consistent with the applicable section of the Indiana Code and;

WHEREAS, the Franklin Economic Development Commission has reviewed the findings required by IC 6-1.1-12.1-4.5 and recommends that Mitsubishi Turbo Engine America receive a three (3) year tax abatement **with a 5% Economic Development Fee**, on personal property for the real estate described as “Exhibit A” and described in the tax abatement request and ;

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

WHEREAS, the said real estate as described in “Exhibit A” is located in an existing Economic Revitalization Area as approved by the City of Franklin Common Council with City Council Resolution Number 2008-08 and;

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

WHEREAS, the Common Council has given careful consideration to the materials submitted and affirms the findings of the Franklin Economic Development Commission relative to the requirements of IC 6-1.1-12.1-3 and IC 6-1.1-12.1-4.5, and specifically including the following findings as to personal property:

- 1) The estimate of the cost of new equipment is reasonable for equipment of that type;
- 2) The estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment;
- 3) The estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new equipment;

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

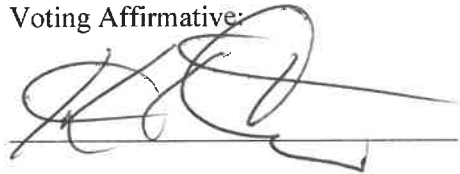
NOW THEREFORE BE IT RESOLVED THAT:

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

APPROVED by the Common Council of the City of Franklin, Johnson County, Indiana, this ~~20th~~ ^{20th} day of ~~November~~ ^{December}, 2023. 441

City of Franklin, Indiana, By its Common Council:

Voting Affirmative:



Kenneth Austin, President

Voting Opposed:

Kenneth Austin, President

Absent

Jennifer Price

Jennifer Price



Irene Nally

Irene Nally

Absent

Robert D. Heuchan

Robert D. Heuchan

Anne McGuinness

Anne McGuinness

Anne McGuinness

Joshua Prine

Joshua Prine

Joshua Prine

Shawn Taylor

Shawn Taylor

Shawn Taylor

Attest:

Jayne Rhoades

Jayne Rhoades
City Clerk-Treasurer

Presented by me to the Mayor of the City of Franklin for his approval or veto pursuant to Indiana Code §
36-4-6-15, 16, this 4 day of December, 2023 at 6:15 o'clock a.m./p.m.

Jayne Rhoades

Jayne Rhoades,

City Clerk-Treasurer

This resolution having been passed by the legislative body and presented to me [Approved by me and duly adopted, pursuant to Indiana Code § 36-4-6-16(a)(1)] [Vetoed, pursuant to Indiana Code § 36-4-6-16(a)(2)], this 4 day of December, 2023 at 6:15 o'clock a.m./p.m.



Stephen Barnett
Mayor

Attest:



Jayne Rhoades,
City Clerk-Treasurer

Prepared by: Dana Monson, Community Development Specialist

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



Dana Monson
Community Development Specialist

MHI OPTION REAL ESTATE

EXHIBIT A

Legal Description

A part of the West half of the Northeast quarter of Section 18, Township 12 North, Range 5 East of the Second Principal Meridian, Needham Township, Johnson County, Indiana, described as follows:

Beginning at the Northeast corner of the said half quarter section; thence Southerly on and along the East line of the said half quarter section, a distance of 1660 feet; thence Westerly on a line parallel with the North line of the said half quarter section, a distance of 737 feet, more or less, to a point on the Easterly right-of-way line of Interstate 65; thence Northwesterly on and along said right-of-way line, a distance of 1695 feet, more or less, to a point on the North line of the said half quarter section; thence Easterly on and along said North line a distance of 1075 feet, more or less, to the Place of Beginning, containing 34.5 acres, more or less, subject to all legal rights-of-way and easements.

AND,

A part of the East half of the Northeast quarter of Section 18, Township 12 North, Range 5 East of the Second Principal Meridian, Needham Township, Johnson County, Indiana, described as follows:

Beginning at the Northwest corner of the said half quarter section; thence Southerly on and along the West line of the said half quarter section, a distance of 1660 feet; thence Easterly on a line parallel with the North line of the said half quarter section, a distance of 327.3 feet, more or less; thence Northerly on a line parallel with the West line of the said half quarter section, a distance of 1660 feet, more or less, to a point on the North line of the said half quarter section; thence Westerly on and along said North line a distance of 327.3 feet, more or less, to the Place of Beginning, containing 12.5 acres, more or less, subject to all legal rights-of-way and easements.

Total Real Property Described: 47.0 acres.

This description is not based upon a survey and has been prepared from scaled dimensions from the topographic drawing of the "Franklin Eastside Business Park" prepared by The Odle McGuire & Shook Corp. for The Crider Development Group, 1995.

 11-6-95
Jerry L. Ott, L.S.



STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R / 1-06)

Prescribed by the Department of Local Government Finance

FORM SB-1 I PP

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 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. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment, BEFORE a deduction may be approved.
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. The 103-ERA must be filed between March 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 March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001. For equipment installed prior to March 2, 2001, the schedules and statutes in effect at the time shall continue to apply. (IC 6-1.1-12.1-4.5(f) and (g))

TAXPAYER INFORMATION									
Name of taxpayer Mitsubishi Turbocharger and Engine America, Inc.									
Address of taxpayer (number and street, city, state, and ZIP code) 1200 N. Mitsubishi Parkway; Franklin, IN 46131									
Name of contact person Linda Brown				Telephone number (317) 346-5028					
LOCATION AND DESCRIPTION OF PROPOSED PROJECT									
Name of designating body Mitsubishi Turbocharger and Engine America Inc.				Resolution number (s) 23-20					
Location of property 1200 N. Mitsubishi Parkway; Franklin, IN 46131			County Johnson		DLGF taxing district number 41-018				
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) 2 production lines for 2.5L Gasoline Turbocharger.				ESTIMATED					
				START DATE		COMPLETION DATE			
				Manufacturing Equipment		12-1-23		1-31-24	
				R & D Equipment					
				Logist Dist Equipment					
IT Equipment									
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT									
Current number 77	Salaries \$5.7M	Number retained 77	Salaries \$5.7M	Number additional 22	Salaries \$322,000				
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT									
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT		
	COST		ASSESSED VALUE		COST		ASSESSED VALUE		
	Current values		\$0						
	Plus estimated values of proposed project		\$2,509,020						
	Less values of any property being replaced		\$0						
Net estimated values upon completion of project		\$2,509,020							
SECTION 5 WASTE, SOLID WASTE, AND OTHER BENEFITS PROVIDED BY THE TAXPAYER									
Estimated solid waste converted (pounds) 0			Estimated hazardous waste converted (pounds) 0						
Other benefits:									
TAXPAYER CERTIFICATION									
I hereby certify that the representations in this statement are true.									
Signature of authorized representative [Signature]			Title Plant Controller		Date signed (month, day, year) 10/18/2023				

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____

B. The type of deduction that is allowed in the designated area is limited to:

- | | |
|--|--|
| 1. Installation of new manufacturing equipment; | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes <input type="checkbox"/> No |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____

D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____

F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____

G. Other limitations or conditions (specify) _____

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction on or after July 1, 2000, is allowed for:

- | | |
|-------------------------------------|--------------------------------------|
| <input type="checkbox"/> 1 year | <input type="checkbox"/> 6 years |
| <input type="checkbox"/> 2 years | <input type="checkbox"/> 7 years |
| <input type="checkbox"/> 3 years | <input type="checkbox"/> 8 years |
| <input type="checkbox"/> 4 years | <input type="checkbox"/> 9 years |
| <input type="checkbox"/> 5 years ** | <input type="checkbox"/> 10 years ** |

** For ERA's established prior to July 1, 2000, only a 5 or 10 year schedule may be deducted.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member)

Telephone number
()

Date signed (month, day, year)

Attested by:

Designated body

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5

EXHIBIT C

Personal Property Schedule

Resolution 23-20

Mitsubishi Turbocharger and Engine America

Personal Property

Year	Abatement
1	100%
2	66%
3	33%