



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: Economic Development Commission
From: Dana Monson
Date: May 13, 2025
Re: EDC 2025-02: Pure Development – Request for Waiver of Non-Compliance

On August 2, 2021, the Franklin Common Council passed Resolution No. 2021-28, approving a 10-year tax abatement on real property with a 2% economic development fee for The Peterson Group to construct a 540,000 speculative building located at 2280 McClain Drive. Peterson began the build and sold the building to Pure Development soon after partial completion.

Pure Development completed the building and completed the compliance form due to the EDC in April 2023. This was found in substantial compliance and approved by the city council. The assessor did a partial assessment of the building and sent a Form 11 to the company on April 17, 2022. When this form was received, Pure was undergoing a staffing change, and the director who was originally tasked with moving this process forward left the firm, and no one at the firm was tasked with supervising any emails coming in. The assessor's office also sends Form 11 to the Community Development Department, which then sends an email to the company with the instructions for filing Form 322, which triggers the abatement. That email was sent to the former director's email, and no one received it. On July 27, 2023, the Community Development Department was notified that the 322 had not been filed by the required June 15, 2023, deadline and therefore Pure Development would not receive their first-year abatement for the 2023 pay 2024 tax year. Ms. Monson immediately contacted Pure Development and discovered the change of personnel issue, then was able to locate the appropriate person and explain the situation.

The company came before the city on September 12, 2023, and the commission voted to approve a waiver of noncompliance. The city council approved the waiver on September 18, 2023.

On April 14, 2025, Ms. Monson was contacted by Jesse Sadoway from Pure Development stating that the abatement was not applied for the 2024 pay 2025 tax bill. Upon investigation, Ms. Monson determined that the company had received a second Form 11 in June of 2024 and did not file the required Form 322. Ms. Monson had been notified by the county in January 2025 that this form had not been filed. Ms. Monson then emailed the contact on file to state they needed to request the waiver of noncompliance immediately,

in order to have the abatement applied for the second portion of the assessed value. There was no communication from the company at that time until Mr. Sadoway contacted the department.

This abatement is for 10 years, and is being run on two “tracks”. Essentially, the first partial assessment, assessed in 2023, of \$13,254,100 received a waiver of noncompliance, and the abatement started for the 2023 pay 2024 tax year. That portion will continue for a full 10 years, and is in its second year for the 2024 pay 2025 tax year.

The second portion that was assessed in 2024 should have started its first year of abatement in the 2024 pay 2025 tax year. This is the portion that is out of compliance, and is the portion the company is requesting a waiver for. Since, the amount has already been calculated and is due May 10, the company is expected to pay the full, unabated amount for this spring installment, which is \$251,468.78, This total includes the amount due for the first assessed value track, stated above, as well as the tax due for land, which is not abated.

After speaking with the auditor’s office, the city has two options. The first is to grant a waiver of noncompliance for this second track of the abatement. The auditor will then recalculate the bill to determine what the actual amount owed by the company would be. Their payment would then be applied to their tax bill, and the fall installment would be reduced by the amount overpaid by the company in the spring installment. If there is still a credit balance, that amount would be applied to the amount due in the spring installment in 2026, for the 2025 pay 2026 tax year. This property is located in a TIF, so according to Peters Franklin Accountants, this only affects the TIF. The base assessment will be paid out to the other taxing units just as a typical TIF application works, then any credit would reduce the amount received by the TIF for the spring 2026 installment.

The second option is to deny the waiver for the 2025 pay 2026 tax year, and the company would pay the amount that has been calculated. Then the company can file the Form 322 this year, and the abatement would then start in its second year, with the 2025 pay 2026 tax year. They would lose the first year of the abatement, but the remaining 9 years would proceed as normal.

For your reference, a letter requesting the waiver of non-compliance, Form 322, and Form 11 are attached. The tax sheet from the county showing the two tracks is also attached. If you have any questions regarding this request, please contact me directly at 346-1254.



Jesse Sadowy
1351 Roosevelt Ave. Suite 100
Indianapolis, IN 46202
317.525.8893

4/15/2024

To:

City of Franklin
Johnson County, Indiana
Johnson County West Annex
86 West Court Street
Franklin, Indiana 46131
Attention: Auditor's Office

Re: Request for Waiver of Non-Compliance – Form 322 Filing for 2280 McClain Drive, Franklin, IN 46131

To Whom It May Concern,

We are writing to respectfully request a waiver of non-compliance related to the late filing of Form 322 for our property located at 2280 McClain Drive, Franklin, IN 46131. On August 4, 2021, we were granted a 10-year tax abatement to support our efforts in attracting quality businesses to the City of Franklin. The approved amount for the abatement was \$26,663,000.

Unfortunately, we have no record of receiving Form 11, which would have prompted the timely completion and submission of Form 322. During the period form 11 was mailed to us we were in the middle of a relocation, and as such believe the form was lost in the mail.

Additionally, there was a misunderstanding regarding the requirements tied to our abatement—specifically, that Form 322 needed to be filed annually. We were not aware that the city considers buildings to be completed in phases, even when construction occurs without interruption, and we had not been credited the entire amount of our abatement and assumed that would be credited per the adopted resolution. As a result, we did not anticipate that an additional Form 322 would be required for the subsequent tax year.

We understand the importance of compliance and have taken corrective measures to prevent this issue from recurring. Moving forward, we are implementing internal procedures to proactively reach out to the assessor's office prior to year-end if we have not received Form 11, to verify its issuance and ensure compliance without relying solely on mailed notifications.

With this letter, we are respectfully requesting the following:

1. That the City grants a waiver of non-compliance to allow our tax abatement to remain in place for future years as originally approved.
2. That we receive credit for the amount that we will pay toward our 2025 tax bill that would have been abated relative to resolution 2021-28. While we understand that issuing a refund may pose challenges for various city departments, we would like to request one. However, recognizing the complications associated with refund timing, we respectfully offer as an alternative that the amount paid be applied as a credit to future years' tax bills, thereby alleviating administrative burdens for the city.

We sincerely appreciate your time, understanding, and consideration of this matter. We remain committed to full compliance and continued partnership with the City of Franklin.

**NOTICE OF ASSESSMENT OF LAND AND STRUCTURES / IMPROVEMENTS**

State Form 21366 (R22 / 12-24)

Prescribed by the Department of Local Government Finance

FORM 11**THIS IS NOT A TAX BILL****APPEAL DEADLINE IS:****June 16, 2025**

MWPSAUTOSEQ***1 of 1***40768
PURE FRANKLIN LLC
815 E 65TH ST STE 200
INDIANAPOLIS IN 46220

Legal Description	Parcel or Identification Number
PT E 1/2 NE 1/4 S18 T12 R5	41-07-18-011-002.000-018
Property Address (number and street, city, state, and ZIP code)	
2280 MCCLAIN DR, FRANKLIN, IN 46131	

This notice indicates the assessed value of your property. Information on the valuation of your property and a copy of the property record card can be obtained from the assessing official at the telephone number and address below.

Notice to the taxpayer of the opportunity to appeal (IC 6-1.1-15-1.1, 1.2):

If the taxpayer does not agree with the action of the assessing official giving this notice, an appeal can be initiated to challenge that action. To file an appeal, the taxpayer must file a Form 130, Taxpayer's Notice to Initiate an Appeal, with the township assessor or county assessor in a timely manner. The time-frame to file an appeal on the assessment contained in this notice may have two different filing deadlines. These deadlines are based on the date that this notice is mailed. If this notice is mailed before May 1 of the assessment year, the filing deadline is June 15 of that year. If this notice is mailed on or after May 1 of the assessment year, the filing deadline is June 15 in the year that the tax statements are mailed. (IC 6-1.1-15-1.1) This form is available from the assessing official or at: <https://forms.in.gov/Download.aspx?id=6979>. An assessing official who receives a Form 130 must schedule a preliminary informal meeting with the taxpayer in order to resolve the appeal. The assessing official and taxpayer must exchange the information each party is relying on at the time of the preliminary informal meeting to support the party's respective position on each disputed issue concerning the appeal. If the taxpayer has reason to believe that the township assessor, county assessor, an employee of the township assessor or county assessor, or an appraiser has violated IC 6-1.1-35.7-3 or IC 6-1.1-35.7-4(a), the taxpayer may submit a written complaint to the Department of Local Government Finance under IC 6-1.1-35.7-4(b).

NOTE: Failure to file a timely Form 130 can be grounds for dismissal of this appeal.

PREVIOUS ASSESSMENT		NEW ASSESSMENT EFFECTIVE JANUARY 1, 2025	
LAND	2,827,400	LAND	2,827,400
STRUCTURES	27,043,500	STRUCTURES	36,366,900
TOTAL	29,870,900	TOTAL	39,194,300

Reason for Revision of Assessment: *Annual Adjustment*

- As required by law, your assessment is evaluated and adjusted each year to reflect market value. The 2025 assessed value is based on sales that occurred in 2024.

* If the change in assessment is due to a new home, a taxpayer should be aware that there are many property tax benefits or deductions available. Please see INDIANA PROPERTY TAX BENEFITS (State Form 51781) available on the DLGF website: www.in.gov/dlgf. Other non-residential construction may be eligible for deductions - see Forms 322/RE and Form 322/VBD.

County	Township	Date of Notice (month, day, year)
Johnson	Needham Township	4/30/2025
Assessing Official	Telephone Number	
MIKE WATKINS	(317) 346-4701	
Address (number and street, city, state, and ZIP code)		
86 W. COURT ST., FRANKLIN, IN 46131		



APPLICATION FOR DEDUCTION FROM ASSESSED VALUATION OF STRUCTURES IN ECONOMIC REVITALIZATION AREAS (ERA)

State Form 19379 (R14 / 6-16)

Prescribed by the Department of Local Government Finance

20 24 PAY 20 25

FORM 322 / RE

INSTRUCTIONS:

1. This form is to be filed in person or by mail with the County Auditor of the county in which the property is located.
2. To obtain this 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 (or new assessment) 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. If the property owner misses the May 10 deadline in the initial year of assessment, he can apply between January 1 and May 10 of a subsequent year for the remainder of the abatement term. (See also IC 6-1.1-12.1-11.3 concerning the failure to file a timely application.)
3. A copy of the Form 11, the approved Form SB-1 / Real Property, the resolution adopted by the designating body, and the Form CF-1 / Real Property must be attached to this application.
4. The Form CF-1 / Real Property must be updated annually and provided to the County Auditor and the designating body for each assessment year in which the deduction is applicable.
5. Please see IC 6-1.1-12.1 for further instructions.
6. Taxpayer completes Sections I, II and III below.
7. If property located in an economic revitalization area is also located in an allocation area as defined in IC 36-7-14-39 or IC 36-7-15.1-26, an application for the property tax deduction may not be approved unless the Commission that designated the allocation area adopts a resolution approving the application (IC 6-1.1-12.1-2(k)).
8. Except for deductions related to redevelopment or rehabilitation of real property in a county containing a consolidated city, a deduction for the redevelopment or rehabilitation of real property may not be approved for the following facilities (IC 6-1.1-12.1-3):
 - a. Private or commercial golf course
 - b. Country club
 - c. Massage parlor
 - d. Tennis club
 - e. Skating facility, including roller skating, skateboarding or ice skating
 - f. Racquet sport facility (including handball or racquet ball court)
 - g. Hot tub facility
 - h. Sunbath facility
 - i. Racetrack
 - j. Any facility, the primary purpose of which is (a) retail food and beverage service; (b) automobile sales or service, or (c) other retail; (unless the facility is located in an economic development-target area established under IC 6-1.1-12.1-7).
 - k. Residential, unless the facility is a multi-family facility that contains at least 20% of the units available for use by low and moderate income individuals, or unless the facility is located in an economic development target area established under IC 6-1.1-12.1-7, or the area is designated as a residentially distressed area which is required to meet conditions as cited in IC 6-1.1-12.1-2(c)(1 & 2).
 - l. Package liquor store [see IC 6-1.1-12.1-3(e)(12)]

SECTION I - DESCRIPTION OF PROPERTY

The owner hereby applies to the County Auditor for a deduction pursuant to IC 6-1.1-12.1-5 beginning with the assessment date January 1, 20 ____.			
County Johnson	Township Needham TWP	DLGF taxing district number 018	Key number
Name of owner Pure Franklin, LLC.		Legal description from Form 11 PT E 1/2 NE 1/4 S18 T12 R5	
Property address (number and street, city, state, and ZIP code) 2280 McClain Drive, Franklin, IN 46131			Date of Form 11 (month, day, year) 4/30/2025
Type of structure Class A Industrial Building			Use of structure Distribution/Warehouse
Governing body that approved ERA designation City of Franklin		Date ERA designation approved (month, day, year) 8/2/21	Resolution number 2021-27 ERA, 2021-28 Tax Abatement

SECTION II - VERIFICATION OF OWNER OR REPRESENTATIVE

Signature of owner or representative (I hereby certify that the representations on this application are true.)		Date signed (month, day, year) 4/30/2025
Printed name of owner or representative Jesse Sadowy	Address (number and street, city, state, and ZIP code) 1351 Roosevelt Ave. Ste. 100 Indianapolis, IN 46202	

SECTION III - STRUCTURES

AUDITOR'S USE

A. Rehabilitation structure	1. Assessed valuation AFTER rehabilitation	\$	
	2. Assessed valuation BEFORE rehabilitation	\$	
	3. Difference in assessed valuation (Line 1 minus Line 2)	\$	
	4. Assessed valuation eligible for deduction (for the increase in AV from the rehabilitation, not including the increase in AV from the reassessment of the entire structure)	\$	
B. New structure	1. Assessed valuation	\$	13,789,400.00
	2. Assessed valuation eligible for deduction	\$	13,789,400.00

SECTION IV - VERIFICATION OF ASSESSING OFFICIAL

I verify that the above described structure was assessed and the owner was notified on 4/30/24 , with the effective date of the assessment being January 1, 20 24 , and that the assessed valuations in Section III are correct.		
Signature of assessing official Mike Watkins	Printed name of assessing official Mike Watkins	Date (month, day, year) 4/23/25

FILED

APR 22 2025

Elizabeth A. Gray
JOHNSON CO. AUDITOR

SECTION V - FOR AREAS EXCEPT FOR A RESIDENTIALLY DISTRESSED AREA WHERE THE STATEMENT OF BENEFITS WAS APPROVED BEFORE JULY 1, 2013 - DEDUCTION SCHEDULE PER IC 6-1.1-12.1-17

YEAR OF DEDUCTION / ASSESSED VALUE / PERCENTAGE / DEDUCTION*	YEAR OF DEDUCTION / ASSESSED VALUE / PERCENTAGE / DEDUCTION**	
(1) For deductions allowed over a one (1) year period:		
1 20__ pay 20__ \$ _____ 100% * ____% \$ _____	1 20__ pay 20__ \$ _____ 100% * ____% \$ _____	
(2) For deductions allowed over a two (2) year period:		
1 20__ pay 20__ \$ _____ 100% * ____% \$ _____	2 20__ pay 20__ \$ _____ 88% * ____% \$ _____	
2 20__ pay 20__ \$ _____ 50% * ____% \$ _____	3 20__ pay 20__ \$ _____ 75% * ____% \$ _____	
(3) For deductions allowed over a three (3) year period:		
1 20__ pay 20__ \$ _____ 100% * ____% \$ _____	4 20__ pay 20__ \$ _____ 63% * ____% \$ _____	
2 20__ pay 20__ \$ _____ 66% * ____% \$ _____	5 20__ pay 20__ \$ _____ 50% * ____% \$ _____	
3 20__ pay 20__ \$ _____ 33% * ____% \$ _____	6 20__ pay 20__ \$ _____ 38% * ____% \$ _____	
(4) For deductions allowed over a four (4) year period:		
1 20__ pay 20__ \$ _____ 100% * ____% \$ _____	7 20__ pay 20__ \$ _____ 25% * ____% \$ _____	
2 20__ pay 20__ \$ _____ 75% * ____% \$ _____	8 20__ pay 20__ \$ _____ 13% * ____% \$ _____	
3 20__ pay 20__ \$ _____ 50% * ____% \$ _____	(9) For deductions allowed over a nine (9) year period:	
4 20__ pay 20__ \$ _____ 25% * ____% \$ _____	1 20__ pay 20__ \$ _____ 100% * ____% \$ _____	
(5) For deductions allowed over a five (5) year period:		
1 20__ pay 20__ \$ _____ 100% * ____% \$ _____	2 20__ pay 20__ \$ _____ 88% * ____% \$ _____	
2 20__ pay 20__ \$ _____ 80% * ____% \$ _____	3 20__ pay 20__ \$ _____ 77% * ____% \$ _____	
3 20__ pay 20__ \$ _____ 60% * ____% \$ _____	4 20__ pay 20__ \$ _____ 66% * ____% \$ _____	
4 20__ pay 20__ \$ _____ 40% * ____% \$ _____	5 20__ pay 20__ \$ _____ 55% * ____% \$ _____	
5 20__ pay 20__ \$ _____ 20% * ____% \$ _____	6 20__ pay 20__ \$ _____ 44% * ____% \$ _____	
(6) For deductions allowed over a six (6) year period:		
1 20__ pay 20__ \$ _____ 100% * ____% \$ _____	7 20__ pay 20__ \$ _____ 33% * ____% \$ _____	
2 20__ pay 20__ \$ _____ 85% * ____% \$ _____	8 20__ pay 20__ \$ _____ 22% * ____% \$ _____	
3 20__ pay 20__ \$ _____ 66% * ____% \$ _____	9 20__ pay 20__ \$ _____ 11% * ____% \$ _____	
4 20__ pay 20__ \$ _____ 50% * ____% \$ _____	(10) For deductions allowed over a ten (10) year period:	
5 20__ pay 20__ \$ _____ 34% * ____% \$ _____	1 20__ pay 20__ \$ _____ 100% * ____% \$ _____	
6 20__ pay 20__ \$ _____ 17% * ____% \$ _____	2 20__ pay 20__ \$ _____ 95% * ____% \$ _____	
(7) For deductions allowed over a seven (7) year period:		
1 20__ pay 20__ \$ _____ 100% * ____% \$ _____	3 20__ pay 20__ \$ _____ 80% * ____% \$ _____	
2 20__ pay 20__ \$ _____ 85% * ____% \$ _____	4 20__ pay 20__ \$ _____ 65% * ____% \$ _____	
3 20__ pay 20__ \$ _____ 71% * ____% \$ _____	5 20__ pay 20__ \$ _____ 50% * ____% \$ _____	
4 20__ pay 20__ \$ _____ 57% * ____% \$ _____	6 20__ pay 20__ \$ _____ 40% * ____% \$ _____	
5 20__ pay 20__ \$ _____ 43% * ____% \$ _____	7 20__ pay 20__ \$ _____ 30% * ____% \$ _____	
6 20__ pay 20__ \$ _____ 29% * ____% \$ _____	8 20__ pay 20__ \$ _____ 20% * ____% \$ _____	
7 20__ pay 20__ \$ _____ 14% * ____% \$ _____	9 20__ pay 20__ \$ _____ 10% * ____% \$ _____	
	10 20__ pay 20__ \$ _____ 5% * ____% \$ _____	
<p>NOTE: The deduction percentages shown in this section apply to a statement of benefits approved before July 1, 2013 that did not have an alternative deduction schedule adopted by the designating body. All other abatements shall use the percentages reflected in the abatement schedule adopted by the designating body per IC 6-1.1-12.1-17.</p> <p>* The amount of the deduction shall be adjusted annually to reflect changes to the assessed valuation resulting from a reassessment or an appeal of the assessment per IC 6-1.1-12.1-4(b).</p>		

**SECTION VI - FOR A RESIDENTIALLY DISTRESSED AREA WHERE THE STATEMENT OF BENEFITS WAS APPROVED BEFORE JULY 1, 2013
DEDUCTION SCHEDULE PER IC 6-1.1-12.1-17**

TYPE OF DWELLING	DEDUCTION IS THE LESSER OF: [IC 6-1.1-12.1-4.1(b)]	DEDUCTION IS ALLOWED FOR A FIVE (5) YEAR PERIOD THAT INCLUDES YEARS
<input type="checkbox"/> One (1) family dwelling	Assessed value (after rehabilitation or redevelopment) \$ _____ or \$74,680 AV	____ pay ____ through ____ pay ____
<input type="checkbox"/> Two (2) family dwelling	Assessed value (after rehabilitation or redevelopment) \$ _____ or \$106,080 AV	____ pay ____ through ____ pay ____
<input type="checkbox"/> Three (3) unit multifamily dwelling	Assessed value (after rehabilitation or redevelopment) \$ _____ or \$156,000 AV	____ pay ____ through ____ pay ____
<input type="checkbox"/> Four (4) unit multifamily dwelling	Assessed value (after rehabilitation or redevelopment) \$ _____ or \$199,680 AV	____ pay ____ through ____ pay ____

Assessed value limits for taxes due and payable prior to January 1, 2005 were \$36,000, \$51,000, \$75,000, and \$96,000 for one to four family dwellings, respectively

SECTION VII - APPROVAL OF COUNTY AUDITOR (COMPLETE ONLY IF APPROVED)

This application is approved in the amounts shown above.

Signature of County Auditor	Printed name of County Auditor	Date signed (month, day, year)
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