



CITY OF FRANKLIN

DEPARTMENT OF PLANNING & ECONOMIC DEVELOPMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Director of Planning & Economic Development
Date: March 8, 2012
Re: Case C 2012-12: Holbrook Manufacturing, Inc.

Summary:

1. On February 25th, 2008, the Franklin Common Council passed Resolution No. 2007-14, approving a 7-year tax abatement on personal property for Holbrook Manufacturing at 291 Province Street.
2. Actual and estimated benefits, as projected for 2011:

	Estimated on SB-1	Actual in 2011	Difference
Employees Retained	40	31	-9
Salaries	\$ 1,899,280	\$ 1,655,407	\$ (243,873)
Average Hourly Salaries	\$ 22.83	\$ 25.67	\$ 2.85
Personal Property Improvements	\$ 750,000	\$ 710,970	\$ (39,030)

3. Holbrook Manufacturing came very close to meeting their proposed capital investment in their first year of their tax abatement. They also proposed a total of 40 jobs and had created 36 by the end of 2008. In 2009 the cut back their total workforce to 33 employees. In 2010 they had 34 employees. As you can see, this year they have 31 employees.
4. The company did not meet their average hourly salary as estimated on their SB-1 form last year. The average hourly salary reported in 2010 was \$20.84 per hour. This year they exceed their average hourly salary.
5. The personal property tax abatement is scheduled to expire in tax year 2014 payable 2015. The final compliance review will take place in 2015.

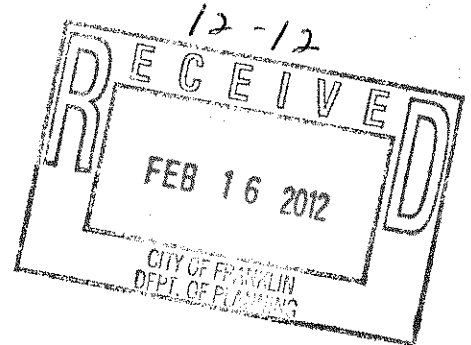
Staff Recommendation:

Approval – See letter from Avis Holbrook dated February 16, 2012 as well as additional equipment which received no abatement that was purchased in 2011 on Page 3.

HOLBROOK MANUFACTURING, INC.
SHEET METAL FABRICATORS

291 PROVINCE STREET • P.O. BOX NO. 95 • FRANKLIN, INDIANA 46131

PHONE (317) 736-9387 • FAX (317) 736-4395



February 16, 2012

Mrs. Krista Linke, Director
Dept. of Planning & Economic Development
70 E. Monroe Street
Franklin, IN 46131

Re: Tax Abatement Compliance for Holbrook Manufacturing Inc.

Dear Mrs. Linke:

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 Holbrook Manufacturing Inc. in 2008 under Franklin Common Council Resolution number 07-12, 07-13, 07-14.

As can be seen from reviewing the enclosed documents, our company has been highly successful in making all of the capital investments which had been projected, and complement of jobs over the past couple of years during an economic downturn. Although there has been a decrease in orders and financial circumstances, the company has maintained its workforce and invested in minor amounts of additional equipment.

Please review all of the enclosed documents and if you have any questions or concerns, please feel free to contact me at (317) 736-9387.

Sincerely,

Avis M. Holbrook
President

Encl.

Holbrook Manufacturing Inc.
2011 Equipment Purchases

Haas Machining Center	5/4/2011	\$ 126,466.00
Sullair Air Compressor	8/8/2011	\$ 9,444.00
		\$ 135,910.00

**COMPLIANCE WITH STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51765 (R / 1-06)

Prescribed by the Department of Local Government Finance

FORM CF-1 / PP

- INSTRUCTIONS:**
1. Property owners whose Statement of Benefits was approved must file this form with the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
 2. This form must be filed with the Form 103-ERA Schedule of Deduction from Assessed Value between March 1, and May 15, of each year, unless a filing extension under IC 6-1.1-3.7 has been granted. A person who obtains a filing extension must file between March 1, and the extended due date of each year.
 3. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance (CF-1).

SECTION 1		TAXPAYER INFORMATION		
Name of taxpayer Holbrook Manufacturing Inc.				
Address of taxpayer (number and street, city, state, and ZIP code) 291 Province St., P. O. Box 95, Franklin, IN 46131				
Name of contact person Avis (Bob) Holbrook		Telephone number (317) 736-9387		
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY		
Name of designating body Franklin City Council		Resolution number 07-12, 07-13, 07-14		
Location of property 291 Province Street		County Johnson	DLGF taxing district number 41009	
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired.		Estimated starting date (month, day, year) Estimated completion date (month, day, year)		
SECTION 3		EMPLOYEES AND SALARIES		
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL	
Current number of employees		40	31	
Salaries		1,899,280	1,655,407	
Number of employees retained		40	31	
Salaries		1,899,280	1,655,407	
Number of additional employees		0	0	
Salaries		0	0	
SECTION 4		COST AND VALUES		
	MANUFACTURING EQUIPMENT	R & D EQUIPMENT	LOGIST DIST EQUIPMENT	IT EQUIPMENT
AS ESTIMATED ON SB-1	COST ASSESSED VALUE	COST ASSESSED VALUE	COST ASSESSED VALUE	COST ASSESSED VALUE
Values before project	1,682,742 483,820			
Plus: Values of proposed project	750,000 300,000			
Less: Values of any property being replaced				
Net values upon completion of project	2,362,742 783,820			
ACTUAL	COST ASSESSED VALUE	COST ASSESSED VALUE	COST ASSESSED VALUE	COST ASSESSED VALUE
Values before project	2,362,742 783,820			
Plus: Values of proposed project	710,970			
Less: Values of any property being replaced				
Net values upon completion of project				
NOTE: The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6 (d).				
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER		
WASTE CONVERTED AND OTHER BENEFITS		AS ESTIMATED ON SB-1	ACTUAL	
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 Avis M. Holbrook		Title President	Date signed (month, day, year) Feb. 16, 2012	