



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 2012-37: CLF Cooper Franklin

Summary:

1. On July 21st, 2008, the Franklin Common Council passed Resolution No. 2008-17, approving a 10-year tax abatement on personal and real property for CCD I-65 LLC (Cooper Tire) located at 500 Bartram Parkway.
2. Actual and estimated benefits, as projected for 2011:

	Estimated on SB-1	Actual in 2011	Difference
New Employees	60	39	-21
Salaries	\$2,311,920	\$1,083,068	-\$1,228,852
Average Hourly Wage	\$18.53	\$13.35	-\$5.17
Personal Property Improvements	\$3,000,000	\$3,766,665	\$766,665

3. The company has exceeded the estimated personal property investment indicated on their SB-1 Form.
4. Cooper Tires explains in the attached letter dated February 14, 2012 why they have not, and do not plan to employ 60 people. This issue was addressed in person with them last year through the Economic Development Commission and City Council.
5. The tax abatement is scheduled to expire in tax year 2018 payable 2019. The final compliance review will take place in 2019.

Staff Recommendation:

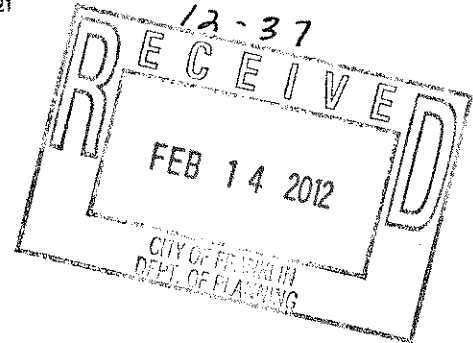
Approval



COOPER TIRE & RUBBER COMPANY
701 Lima Avenue • Findlay, OH 45840 • 419.423.1321

February 14, 2012

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



Re: Tax Abatement Compliance for Cooper Tire & Rubber Company

Dear Mrs. Linke:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the personal property tax abatements which were granted to Cooper Tire & Rubber Company in 2008 under Franklin Common Council Resolution No. 08-17.

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 for this project. The number of employees hired is lower than the original plan due to the employees bringing more efficiency to our operation than Cooper originally planned and as a result we need fewer employees to operate this warehouse.

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

Sincerely,

Jeffrey D. Lenhart
Manager, State & Local Tax

Enclosures

**COMPLIANCE WITH STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51785 (R / 1-08)

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 Cooper Tire & Rubber Company								
Address of taxpayer (number and street, city, state, and ZIP code) 701 Lima Avenue, Findlay, OH 45840								
Name of contact person Jeffrey D. Lonhart		Telephone number (419) 424-7311						
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY						
Name of designating body Franklin Common Council		Resolution number 08-17						
Location of property 500 Bartram Parkway, Franklin, IN 46131		County Johnson	DLGF taxing district number 41018					
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. Racking systems for the storage of tires, automated picking system, dock equipment and improvements, tenant improvements, guard shack and general office property		Estimated starting date (month, day, year) 05/01/2009 Estimated completion date (month, day, year) 05/31/2021						
SECTION 3		EMPLOYEES AND SALARIES						
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL					
Current number of employees								
Salaries								
Number of employees retained								
Salaries								
Number of additional employees		60.00	39					
Salaries		2,311,920.00	1,083,068.00					
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								
Plus: Values of proposed project					3,000,000.00			
Less: Values of any property being replaced								
Net values upon completion of project					3,000,000.00			
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project								
Plus: Values of proposed project					3,766,665.00			
Less: Values of any property being replaced								
Net values upon completion of project					3,766,665.00			
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 		Title Vice President	Date signed (month, day, year) 02/14/2012					

ASSET ID	ASSET NAME	QUANTITY	UNIT	LOCATION	STATUS	DATE	VALUE	DEPRECIATION	REMARKS
41197	NT201900 MORANE FSA	2	100 185	071	18044	01850	BOOK	60	0.00
46208	NT223850 FORKLIFT BATTERIES	2	100 185	071	18042	01850	BOOK	60	29,427.42
47783	NT241020 Experimental Racking	2	100 185	071	18042	01850	BOOK	60	6,251.76
48624	NT245550 BATTERY CHARGERS HOBAR	2	100 185	071	18042	01850	BOOK	60	22,639.06
48642	NT245420 SWEEPER/SCRUBBER	2	100 185	071	18042	01850	BOOK	60	3,411.22
51640	H285/100 POWER SWEEPER	2	100 185	071	18042	01850	BOOK	60	31,479.25
52063	H3126400 Hobart Ultra Charger	2	100 185	071	18042	01850	BOOK	60	44,735.77
52065	NT260870 625 AH Battery	2	100 185	071	18042	01850	BOOK	60	17,385.35
52066	NT260890 DEKA 48 Volt Battery	2	100 185	071	18042	01850	BOOK	60	27,174.69
52068	NT260600 Tier Rack Portable Stacking	2	100 185	071	18044	01850	BOOK	60	13,039.80
57493	NT275330 60x60x48 tier racks	2	100 185	071	18044	01850	BOOK	60	166,763.45
57482	NT275600 60x60 wood pallets	2	100 185	071	18044	01850	BOOK	60	38,668.99
57744	NT276170 Pallets	2	100 185	071	18044	01850	BOOK	60	3,579.36
57748	NT276180 Tier Racks	2	100 185	071	18044	01850	BOOK	60	78,943.32
57732	NT276240 Pallets	2	100 185	071	18044	01850	BOOK	60	5,143.39
57969	NT277500 Pallets	2	100 185	071	18044	01850	BOOK	60	135,120.20
57970	NT277510 Tier Racks	2	100 185	071	18044	01850	BOOK	60	25,958.49
57977	NT276680 File Cabinets	2	100 185	071	18041	01850	BOOK	120	3,370.67
57958	NT276650 Pallets	2	100 185	071	18044	01850	BOOK	60	197,255.27
57859	NT276640 Tier Racks	2	100 185	071	18044	01850	BOOK	60	102,546.56
58527	NT276150 Portable Steel Racking	2	100 185	071	18044	01850	BOOK	60	12,614.96
59547	H3134600 Battery Charger	2	100 185	071	18042	01850	BOOK	60	2,068.46
59537	H3135600 Battery	2	100 185	071	18042	01850	BOOK	60	3,651.39
59542	H3135100 Battery	2	100 185	071	18042	01850	BOOK	60	3,651.39
59543	H3135000 Battery	2	100 185	071	18042	01850	BOOK	60	3,651.39
59546	H3134700 Battery Charger	2	100 185	071	18042	01850	BOOK	60	2,068.46
59545	H3134800 Battery	2	100 185	071	18042	01850	BOOK	60	3,651.39
59535	H3135800 Battery	2	100 185	071	18042	01850	BOOK	60	3,651.39
59541	H3135200 Battery	2	100 185	071	18042	01850	BOOK	60	3,651.39
59548	H3134500 Battery Charger	2	100 185	071	18042	01850	BOOK	60	2,068.46
59549	H3134400 Battery	2	100 185	071	18042	01850	BOOK	60	3,651.39
59544	H3134900 Battery	2	100 185	071	18042	01850	BOOK	60	3,651.39
59539	H3135400 Battery	2	100 185	071	18042	01850	BOOK	60	3,651.39
59540	H3135300 Battery	2	100 185	071	18042	01850	BOOK	60	3,651.39
59538	H3135700 Battery	2	100 185	071	18042	01850	BOOK	60	3,651.39
59536	H3135500 Battery	2	100 185	071	18042	01850	BOOK	60	3,651.39
59534	H3135900 Battery	2	100 185	071	18042	01850	BOOK	60	3,651.39
59532	H3136100 Battery	2	100 185	071	18042	01850	BOOK	60	3,651.39
59531	H3136200 Battery	2	100 185	071	18042	01850	BOOK	60	3,651.39
59530	H3136200 Scissor Lift	2	100 185	071	18042	01850	BOOK	60	4,999.99
59533	H3136000 Battery	2	100 185	071	18042	01850	BOOK	60	3,651.39
61285	NT283060 60x60 2-Way Entry Pallets	2	100 185	071	18044	01850	BOOK	60	11,509.09
61288	NT283060 60x60x48 Center Post	2	100 185	071	18044	01850	BOOK	60	58,411.09
61289	NT283100 60x60 Wood Pallets	2	100 185	071	18044	01850	BOOK	60	47,756.33
62170	NT283630 Tier Racks	2	100 185	071	18044	01850	BOOK	60	56,576.98
62168	NT283630 78x78x48 Center Posts	2	100 185	071	18044	01850	BOOK	60	4,948.65
62165	NT283630 Pallet Racks	2	100 185	071	18044	01850	BOOK	60	43,771.72
62166	NT283630 60x60 2-Way Entry Pallet	2	100 185	071	18044	01850	BOOK	60	19,980.10
62167	NT283630 60x60 2-Way Entry Pallet	2	100 185	071	18044	01850	BOOK	60	29,101.85
62181	NT283630 Tier Racks	2	100 185	071	18044	01850	BOOK	60	51,707.72
62179	NT283630 Pallet Racks	2	100 185	071	18044	01850	BOOK	60	58,935.30
63171	H3283700 Forklift #5000	2	100 185	071	18042	01850	BOOK	60	22,147.61
64207	NT283630 Pallet Racks	2	100 185	071	18044	01850	BOOK	60	19,344.76
64213	NT283630 Pallet Racks	2	100 185	071	18044	01850	BOOK	60	18,646.09
64456	H3287300 Charger - Powerguard SCR	2	100 185	071	18042	01850	BOOK	60	1,881.52
64459	H3286400 Charger - Powerguard	2	100 185	071	18042	01850	BOOK	60	2,016.12

64230	H3282000	Powerline Battery	2	100	185	071	18042	01850	BOOK	60	0	7/15/2003	3,869.48	0.00	3,869.48	0.00
65419	NT2833001	Tier Racks	2	100	185	071	18044	01850	BOOK	60	0	10/15/2003	78,786.02	0.00	78,786.02	0.00
65408	NT2833001	Tier Racks	2	100	185	071	18044	01850	BOOK	60	0	10/15/2003	28,934.58	0.00	28,934.58	0.00
65702	NT2833001	Tier Racks	2	100	185	071	18044	01850	BOOK	60	0	11/15/2003	4,171.80	0.00	4,171.80	0.00
65964	H3290000	Automated External Defibrillator	2	100	185	071	18041	01850	BOOK	60	0	2/15/2004	0.01	0.00	0.00	0.01
67902	NT2998300	Pallets	2	100	185	071	18044	01850	BOOK	60	0	6/15/2004	26,761.38	0.00	26,761.38	0.00
67907	NT2988300	Pallets	2	100	185	071	18044	01850	BOOK	60	0	6/15/2004	71,081.06	0.00	71,081.06	0.00
67892	H3293600	500# Electric Forklift	2	100	185	071	18042	01850	BOOK	60	0	6/15/2004	21,337.05	0.00	21,337.05	0.00
71407	NT3096200	Pallets	2	100	185	071	18044	01850	BOOK	60	0	7/15/2005	12,864.57	0.00	12,864.57	0.00
71403	NT3096200	Pallets	2	100	185	071	18044	01850	BOOK	60	0	7/15/2005	3,628.47	0.00	3,628.47	0.00
71577	H3587100	Printer, site	2	100	185	071	18082	01850	BOOK	60	18.5	7/15/2005	6,760.00	0.00	6,760.00	0.00
71955	NT3103800	DEKA BATTERIES	2	100	185	071	18041	01850	BOOK	60	0	9/15/2005	34,427.30	0.00	34,427.30	0.00
71957	H3379100	TOYOTA FORKLIFT	2	100	185	071	18042	01850	BOOK	60	0	11/15/2005	62,303.45	0.00	62,303.45	0.00
72811	NT3127100	Tier Racks & Wooden Pallets	2	100	185	071	18044	01850	BOOK	60	0	11/15/2005	255,164.14	0.00	255,164.14	0.00
72913	NT3126800	Tier Racks & Wooden Pallets	2	100	185	071	18044	01850	BOOK	60	0	5/15/2006	92,223.90	0.00	92,223.90	0.00
74805	NT3166600	60 X 60 PASSENGER PALLETS	2	100	185	071	18044	01850	BOOK	60	0	5/15/2006	54,797.61	0.00	54,797.61	0.00
74806	NT3166200	60 X 60 PASSENGER PALLETS	2	100	185	071	18044	01850	BOOK	60	0	9/15/2006	20,734.28	0.00	20,734.28	0.00
76220	NT3216400	60X60X48 CENTER POST	2	100	185	071	18044	01850	BOOK	60	0	9/15/2006	95,544.81	0.00	95,544.81	0.00
76237	NT3216400	PASSENGER TIER RACKS	2	100	185	071	18044	01850	BOOK	60	0	9/15/2006	30,481.65	0.00	30,481.65	0.00
76238	NT3216400	TRUCK TIER RACKS	2	100	185	071	18044	01850	BOOK	60	0	9/15/2006	44,692.55	0.00	44,692.55	0.00
76239	NT3216400	60X60X48 CENTER POST	2	100	185	071	18044	01850	BOOK	60	0	9/15/2006	6,875.78	0.00	6,875.78	0.00
76218	NT3216400	60X60 PALLETS	2	100	185	071	18044	01850	BOOK	60	0	9/15/2006	31,508.88	0.00	31,508.88	0.00
76235	NT3128900	60X60 PASSENGER TIRE PALL	2	100	185	071	18044	01850	BOOK	60	0	9/15/2006	7,369.56	0.00	7,369.56	0.00
76236	NT3128900	78X78 PASSENGER TIRE PALL	2	100	185	071	18044	01850	BOOK	60	0	9/15/2006	1,044.02	0.00	1,044.02	0.00
77349	NT3166600	60 X 60 PASSENGER PALLETS	2	100	185	071	18044	01850	BOOK	60	2.5	3/15/2007	497.61	99.53	476.88	20.73
78977	NT3290100	Pallets	2	100	185	071	18044	01850	BOOK	60	8.5	9/15/2007	8,651.86	1,730.38	7,426.20	1,225.68
78978	NT3290100	Tier Racks	2	100	185	071	18044	01850	BOOK	60	8.5	9/15/2007	28,838.93	5,787.79	24,753.42	4,085.51
78994	NT3300700	Tier Racks 78 x 78 Truck	2	100	185	071	18044	01850	BOOK	60	8.5	9/15/2007	180,844.60	36,168.92	155,224.55	25,619.65
81287	H2845138	Indy Wheel Terminals CK61	2	100	185	071	18044	01850	BOOK	60	14.5	3/15/2008	28,364.86	5,670.97	21,502.43	6,862.43
81683	NT3337100	Wooden Passenger Tire Pallets	2	100	185	071	18082	07800	BOOK	60	27.5	4/15/2008	68,180.48	13,636.10	36,931.10	31,249.38
81684	NT3337100	Passenger Steel Frames	2	100	185	071	18044	01850	BOOK	60	32.5	9/15/2008	133,086.23	26,619.24	61,002.44	72,083.79
82232	H29980-28	Battery Charger 48V	2	100	185	071	18042	01850	BOOK	60	38.5	4/15/2010	36,140.00	7,226.00	12,347.83	23,792.17
82233	H29980-28	Double Stack Ext Battery Charg	2	100	185	071	18042	01850	BOOK	60	39.5	4/15/2010	140,520.03	28,104.00	48,011.01	92,509.02
82234	NT3352000	Truck & Pass Tire Fixed Rackin	2	100	185	071	18044	01850	BOOK	84	63.5	4/15/2010	58,759.74	6,394.26	14,340.18	44,419.56
82235	NT3352000	Office Furn & Picnic Tables	2	100	185	071	18081	01850	BOOK	120	99.5	4/15/2010	49,749.70	4,974.97	8,496.91	41,252.79
82228	H2997900	Battery Mgt System & Racks	2	100	185	071	18042	01850	BOOK	60	39.5	4/15/2010	11,200.00	2,240.00	3,826.67	7,373.33
82229	NT3352000	Acid Spill Kit & Backup Roller	2	100	185	071	18042	01850	BOOK	60	39.5	4/15/2010	5,285.00	1,057.00	1,805.71	3,479.29
82221	NT3352000	Facility Construction Mgt Fee	2	100	185	071	18021	01850	BOOK	300	279.5	4/15/2010	8,888.46	355.46	607.24	8,279.22
82223	NT3352000	Purch & Install Exterior Sign	2	100	185	071	18021	01850	BOOK	300	279.5	4/15/2010	40,842.79	1,625.71	2,777.25	37,865.54
82224	NT3352000	Hanging Aisle Signage	2	100	185	071	18021	01850	BOOK	300	279.5	4/15/2010	43,029.69	1,721.18	2,940.37	40,089.32
82227	H29977-28	Golf Carts	2	100	185	071	18042	01850	BOOK	36	15.5	4/15/2010	10,566.25	3,522.08	6,016.89	4,549.36
82230	NT3352000	Spare Side Extractor	2	100	185	071	18042	01850	BOOK	36	15.5	4/15/2010	5,312.95	1,770.89	8,025.43	2,287.52
82231	NT3352000	Power Distribution Panels	2	100	185	071	18042	01850	BOOK	60	39.5	4/15/2010	10,200.00	2,040.00	3,485.00	6,715.00
82222	NT3352000	Internal Downspouts & Flagpole	2	100	185	071	18042	01850	BOOK	60	39.5	4/15/2010	30,800.00	6,160.00	10,523.33	20,276.67
83632	NT3337100	Wooden Passenger Tire Pallets	2	100	185	071	18021	01850	BOOK	300	279.5	4/15/2010	5,419.43	216.78	370.33	5,048.10
83633	NT3337100	Passenger Steel Frames	2	100	185	071	18044	01850	BOOK	60	58.5	9/15/2011	42,309.04	2,468.03	2,468.03	39,841.01
83634	NT3337100	Passenger Steel Frames	2	100	185	071	18044	01850	BOOK	84	80.5	9/15/2011	32,673.20	1,361.36	1,361.36	31,311.82
													3,766,664.62			

Cooper Tire & Rubber Company
701 Lima Avenue
Findlay, OH 45840

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

Proposed	Actual Amount of Investment as of 6/20/08	Proposed Amount of Total Investment by 12/31/10	Actual Amount of Investment Added During Year (by Qtr)			Actual Total Investment 12/31/11	Difference Between Actual and Proposed Investment
Machinery & Equipment	\$3,000,000	\$3,681,683	3/31/2011 \$0 6/30/2011 \$0 9/30/2011 \$74,962 12/31/2011 \$0			\$3,766,665	\$766,665

Cooper Tire & Rubber Company
 701 Lima Avenue
 Findlay, OH 45840

Attachment to Form CF-1 (Compliance with Statement of Benefits):
 Job Creation Schedule by Quarter

Actual # of Employees as of 6/30/08 (from SB-1)	Proposed # of Employees as of 12/31/10 (from SB-1)	Actual # of Employees Added During Year (by Qtr)	3/31/2010	6/30/2010	9/30/2010	12/31/2010	Actual # of Employees as of 12/31/2010	Difference Between Actual and Proposed # of Employees
60	31		0	0	0	0	26	(34)

Cooper Tire & Rubber Company
701 Lima Avenue
Findlay, OH 45840

**Attachment for Form CF-1 (Compliance with Statement of Benefits)
Comments Concerning Employees Hired**

The number of employees hired is lower than the original plan due to the employees that were originally hired brought more efficiency to our operation than Cooper originally planned and as a result we need fewer employees to operate this warehouse.

The original projected number of new hires was 60; however, due to the efficiency of the employees hired to operate the facility we have been able to operate with only 26 employees.

It is our desire and request that the City of Franklin grant our tax abatement.