



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 2, 2013
Re: Case C 2013-31: Tippmann Realty Partners (700 Bartram Parkway: **Phases 1-3**)

Summary:

- On July 26, 2004, the Franklin Common Council passed Resolution No. 2004-06, approving a 10-year real property tax abatement for the construction of a new facility located at 700 Bartram Parkway (Interstate Warehousing Phase 1). On June 2nd, 2008, the Franklin Common Council passed Resolution No. 2008-13 to clarify Resolution No. 2004-06, approving a 10-year real property tax abatement for each of three phases of construction. Each of the three phases is a separate 10 year tax abatement. Each construction phase of the facility will entail a minimum building area of 140,000 square feet and will employ a minimum 25 workers. The abatement was approved for 700 Bartram Parkway (Interstate Warehousing).
- Actual and estimated benefits, as projected for 2012:

	Estimated on SB-1	Actual in 2012	Difference
New Employees	100	166	66
Salaries	\$3,500,000	\$6,357,211	\$2,857,211
Average Hourly Salaries	\$16.83	\$18.41	\$1.58
Phase 1: Real Property Improvements	\$10,500,000	\$11,600,453	\$1,100,453
Phase 2: Real Property Improvements	\$10,500,000	\$13,800,355	\$3,300,355
Phase 3: Real Property Improvements	\$10,500,000	\$11,600,453	\$1,100,453

- When the original tax abatement application was made in 2004, three phases were planned. Each phase had 25 jobs with \$875,000 total salaries. Each phase was estimated to cost \$10,500,000 to construct.
- The company did not break out the employment numbers by phase; they gave a total for all four phases that are complete.
- They have exceeded their estimate for the number of employees hired.
- The company has exceeded the average hourly wage indicated on the SB-1 Form.
- The company has exceeded their estimate provided on the SB-1 Form for real property.
- The abatements for Tippmann Realty Partners are scheduled to start expiring in tax year 2015 payable 2016. The final compliance review will take place in 2020.

Staff Recommendation: Approval

Corporate Office

9009 Coldwater Road
Fort Wayne, IN 46825
(260) 490-3000
FAX: (260) 490-1362

Interstate Warehousing
Tippmann Properties
Tippmann Construction

February 4, 2013

Krista Linke, AICP
City of Franklin
70 E. Monroe Street
Franklin, IN 46131

*Re: Tax Abatement Compliance for
Tippmann Realty Partners Ph 1*

Dear Krista:

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 TRP in 2004 under Franklin Common Council Resolution No. 04-6.

As can be seen from reviewing the enclosed documents, our company has been highly successful in (a) making all of the capital investments which had been projected for the past year, and (b) creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved July 2004.

Please review all of the enclosed documents, and if you have any questions or concerns regarding this matter, please feel free to contact me at 260-469-5458.

Sincerely,



Jeff Hastings, CFO
Tippmann Realty Partners

Enclosures

How to Fill Out a CF-1 Form: REAL Property

1. Type, handwritten, or fill out the form online and print off. The online form can be found at:
www.franklin.in.gov/planning - go to the Economic Development Commission - then go to Forms & Applications.
2. At a minimum, fill in all of the yellow highlighted fields below:



COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R2 / 1-07)

Prescribed by the Department of Local Government Finance

20 PAY 20

FORM CF-1 / Real Property

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).

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☐ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Eligible vacant building (IC 6-1.1-12.1-4.8)

INSTRUCTIONS:

1. This form does not apply to property located in a residentially distressed area. (IC 6-1.1-12.1-2 (b))
2. Property owners must file this form with the County Auditor and the Designating Body for their review regarding the compliance of the project with the Statement of Benefits (SB-1 / Real Property).
3. This form must accompany the initial deduction application that is filed with the County Auditor.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must file an updated form with the County Auditor and the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.1)
5. The updated form must be filed annually by May 15, or by the due date for the real property owner's personal property return that is filed in the township where the project is located, whichever is later. (IC 6-1.1-12.1-5.1 (b))
6. With the approval of the Designating Body, compliance information for multiple projects may be consolidated on one (1) compliance form (CF-1 / Real Property).

SECTION 1 TAXPAYER INFORMATION			
Name of taxpayer Tippmann Realty Partners			
Address of taxpayer (number and street, city, state, and ZIP code) 9009 Coldwater Rd. Fort Wayne, IN 46825			
Name of contact person Jess Hastings		Telephone number 260-469-5458	
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY			
Name of designating body Common Council City of Franklin, IN		Resolution number 09-06 / 08-13	
Location of property 700 Bartram Parkway		County Johnson	
Description of real property improvements: Phase 1		DLGF taxing district number 50	
		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		25	166
Salaries		\$ 875,000	\$ 6,557,211
Number of employees retained			
Salaries			
Number of additional employees			
Salaries			
SECTION 4 COST AND VALUES			
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE
Values before project			
Plus: Values of proposed project		\$ 10,500,000	
Less: Values of any property being replaced			
Net values upon completion of project			
ACTUAL		COST	ASSESSED VALUE
Values before project			
Plus: Values of proposed project		\$ 11,600,453	
Less: Values of any property being replaced			
Net values upon completion of project			
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 Jess Hastings		Title CFO	Date signed (month, day, year) 2-4-13

OVER

Corporate Office

9009 Coldwater Road
Fort Wayne, IN 46825
(260) 490-3000
FAX: (260) 490-1362

February 4, 2013

Interstate Warehousing
Tippmann Properties
Tippmann Construction

Krista Linke, AICP
City of Franklin
44 North Jackson Street
Franklin, IN 46131

*Re: Tax Abatement Compliance for
Tippmann Realty Partners Phase 2*

Dear Krista:

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 TRP in 2004 under Franklin Common Council Resolution No. 08-13.

As can be seen from reviewing the enclosed documents, our company has been highly successful in (a) making all of the capital investments which had been projected for the past year, and (b) creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved May 2008.

Please review all of the enclosed documents, and if you have any questions or concerns regarding this matter, please feel free to contact me at 260-469-5458.

Sincerely,



Jeff Hastings, CFO
Tippmann Realty Partners

Enclosures



COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R2 / 1-07)

Prescribed by the Department of Local Government Finance

20 ____ PAY 20 ____

FORM CF-1 / Real Property

PRIVACY NOTICE

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This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☐ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Eligible vacant building (IC 6-1.1-12.1-4.8)

INSTRUCTIONS:

1. This form does not apply to property located in a residentially distressed area. (IC 6-1.1-12.1-2 (b))
2. Property owners must file this form with the County Auditor and the Designating Body for their review regarding the compliance of the project with the Statement of Benefits (SB-1 / Real Property).
3. This form must accompany the initial deduction application that is filed with the County Auditor.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must file an updated form with the County Auditor and the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.1)
5. The updated form must be filed annually by May 15, or by the due date for the real property owner's personal property return that is filed in the township where the project is located, whichever is later. (IC 6-1.1-12.1-5.1 (b))
6. With the approval of the Designating Body, compliance information for multiple projects may be consolidated on one (1) compliance form (CF-1 / Real Property).

SECTION 1		TAXPAYER INFORMATION	
Name of taxpayer Tippmann Realty Partners			
Address of taxpayer (number and street, city, state, and ZIP code) 9009 Coldwater Rd. Fort Wayne, IN 46825			
Name of contact person John Hastings		Telephone number 260-469-5458	
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body Common Council of Franklin, IN		Resolution number 08-13	
Location of property 700 Barton Parkway		County Johson	DLGF taxing district number 50
Description of real property improvements: Phase 2		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		25	166
Salaries		\$875,000	\$6,357,211
Number of employees retained			
Salaries			
Number of additional employees			
Salaries			
SECTION 4		COST AND VALUES	
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	
Values before project			
Plus: Values of proposed project	\$16,500,000		
Less: Values of any property being replaced			
Net values upon completion of project			
ACTUAL	COST	ASSESSED VALUE	
Values before project			
Plus: Values of proposed project	\$13,800,355		
Less: Values of any property being replaced			
Net values upon completion of project			
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 [Signature]		Title CFO	Date signed (month, day, year) 2-4-13

Corporate Office

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Fort Wayne, IN 46825
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FAX: (260) 490-1362

Interstate Warehousing
Tippmann Properties
Tippmann Construction

February 4, 2013

Krista Linke, AICP
City of Franklin
44 North Jackson Street
Franklin, IN 46131

*Re: Tax Abatement Compliance for
Tippmann Realty Partners Phase 3*

Dear Krista:

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 TRP in 2004 under Franklin Common Council Resolution No. 08-13.

As can be seen from reviewing the enclosed documents, our company has been highly successful in (a) making all of the capital investments which had been projected for the past year, and (b) creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved May 2010.

Please review all of the enclosed documents, and if you have any questions or concerns regarding this matter, please feel free to contact me at 260-469-5458.

Sincerely,



Jeff Hastings, CFO
Tippmann Realty Partners

Enclosures

**COMPLIANCE WITH STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51766 (R2 / 1-07)

Prescribed by the Department of Local Government Finance

20 ____ PAY 20 ____

FORM CF-1 / Real Property**PRIVACY NOTICE**

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- ☐ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Eligible vacant building (IC 6-1.1-12.1-4.8)

INSTRUCTIONS:

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5. The updated form must be filed annually by May 15, or by the due date for the real property owner's personal property return that is filed in the township where the project is located, whichever is later. (IC 6-1.1-12.1-5.1 (b))
6. With the approval of the Designating Body, compliance information for multiple projects may be consolidated on one (1) compliance form (CF-1 / Real Property).

SECTION 1**TAXPAYER INFORMATION**

Name of taxpayer

Tippmann Realty Partners

Address of taxpayer (number and street, city, state, and ZIP code)

9009 Coldwater Rd. Fort Wayne, IN 46825

Name of contact person

John Hastings

Telephone number

260-469-5458**SECTION 2****LOCATION AND DESCRIPTION OF PROPERTY**

Name of designating body

Common Council of Franklin, IN

Resolution number

08-13

Location of property

700 Barton Parkway

County

Johnson

DLGF taxing district number

50

Description of real property improvements:

Phase 3

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		25	166
Salaries		\$875,000	\$6,357,211
Number of employees retained			
Salaries			
Number of additional employees			
Salaries			

SECTION 4**COST AND VALUES**

COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	
Values before project			
Plus: Values of proposed project	\$10,500,000		
Less: Values of any property being replaced			
Net values upon completion of project			
ACTUAL	COST	ASSESSED VALUE	
Values before project			
Plus: Values of proposed project	\$11,600,453		
Less: Values of any property being replaced			
Net values upon completion of project			

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

John Hastings

Title

CFO

Date signed (month, day, year)

2-4-13