



CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission
From: Dana Monson, Community Development Specialist
Date: March 12, 2024
Re: Case C 2024-15: GMI Corporation 22-21

Summary:

1. On October 3rd, 2022 the Franklin Common Council passed Resolution No. 2022-21, approving a 5-year tax abatement on personal property with a 5% Economic Development Fee to GMI Corporation located at 700 International Drive.
2. Did not receive any employment information for 2023

	Estimated on SB-1	Actual in 2022	Difference
Current Employees	91	91	0
Salaries	\$26.00	\$27.76	\$1.76
New Employees	6	0	-6
Salaries	\$18.00	0	-\$18.00
Personal Property Improvements	\$2,700,000	\$1,800,000	-\$900,000

3. The company is canceling this project due to a dispute with the manufacturer of the equipment. The company is filing a lawsuit to recoup its investment in the project. They have requested that we rescind this abatement as the equipment is no longer viable.

Staff Recommendation: Not in compliance, follow the request to rescind the abatement.



GMI Corporation

The City of Franklin Economic Development Commission

C/O Dana Monson

To whom it may concern:

I would like to formally notify you that GMI would like to rescind our tax abatement revolving around the purchase of the Hydromat. Hydromat has informed us they have been unsuccessful in meeting the production standards to allow GMI to purchase this equipment. We are currently in legal proceedings to recoup our deposits and unfortunately this project is not viable anymore. GMI hopes to find a similar manufacturer but at this point there is no plan for it to happen in the coming year. Thank you for your time.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeffrey W Osler', written in a cursive style.

Jeffrey W Osler

Director of Finance

GMI Corporation

317-668-4231