

CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission

From: Dana Monson, Community Development Specialist

Date: April 8, 2025

Re: Case C 2025-16: IBC Advanced Alloys 21-05

Summary:

1. On January 26^{th,} 2021, the Franklin Common Council passed Resolution No. 2021-05, approving a 7-year tax abatement with a 5% economic development fee on personal property for IBC Advanced Alloys, located at 400 Arvin Road.

2. Actual and estimated benefits, as projected for 2024:

	Estimated on SB-1	Actual in 2024	Difference
Employees Retained	35	35	0
Salaries	\$28.83/hr	\$36.03	+\$7.20
New Employees	25	3	-22
Salaries	\$27.19/hr	\$30.41	+3.22
Total Employees	60	38	-22
Average Hourly Salaries	\$28.14/hr	\$36.03	+\$7.20
Personal Property Improvements	\$5,822,081	\$6,506,210	\$684,129

- 1. The company did create 5 new jobs in 2021, however, they lost 4 retained employees through attrition. Wages are up for retained employees, however, the new were hired at lower than expected as their skills were lower. Wages will rise as employees are trained. The company did replace the four lost and hired 5 new ones in 2022, however, they are below their wage estimate by \$2.73, primarily due to skill level at the initial hire. In 2023 they hired an additional 2 new employees, bringing the total to 8. Wages also rose for all employees. They continue to project hiring 5 per year until the full 25 have been hired. The company is down by 22 for 2024 but wages are up significantly.
- 2. Personal property improvements are above by \$684,129 from the SB-1 estimate.
- 3. The tax abatement for IBC Advanced Alloys is scheduled to expire in tax year 2029 payable in 2030. The final compliance review will take place in 2029.

Staff Recommendation: Approval



Nonferrous Division 401 E Arvin Road Franklin, IN 46131 317-738-2558 • Fax 317-738-2685

February 21, 2025

Mrs. Dana Monson, Community Development Specialist Dept. of Community Development 70 E. Monroe Street Franklin, IN 46131

Re: Tax Abatement Compliance for IBC Advanced Alloys

Dear Mrs. Monson:

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 IBC Advanced Alloys in 2021 under Franklin Common Council Resolution No. 2021-05.

As can be seen from reviewing the enclosed documents, our company has been highly successful in (1) making all of the capital investments that had been projected for the past year. Because I just took over this process, I do not know the number of employees that had been proposed in the Statement of Benefits (Form SB-1) which was approved through resolution 2021-05. I can say that we did have a reduction of employees this past year. Over the last couple of years we have had an increase of the number of employees who worked in the foundry and the saw department, but overall our sales have not supported any other increases in employees.

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,

Terena White, CFO IBC Advanced Alloys

Inena White

Enclosures



401 Arvin Road Franklin, IN 46131

Phone: 317-738-2558 Fax: 317-738-2685

Dana Monson, Community Development Specialist Franklin Economic Development Department 70 E. Monroe Street Franklin, IN 46131

Re: Expansion Investment Schedule and Job Creation or Retention Schedule

Dear Economic Development Commission Members:

As you can see from our reports, we were very successful in the capital spending portion of the abatement.

While looking at our employment requirements, we would like to note that at the end of 2023, we were within 4 employees of our projection.

There are a few reasons that we have not been able to stay on our projection timeline to date in 2024. Due to economic market conditions softening in calendar year 2024 we had a reduction in force through attrition of nine employees. We also closed our facility in Massachusetts, which eliminated four shared services positions in Franklin.

Through those events we were still able to add four employees in 2024. Since December, we have hired an additional 3 employees and are continuing to seek qualified individuals for certain open positions.

Since we are presently addressing these concerns and hope to have these issues finally resolved in the very near future, it is our desire and request that the City of Franklin will look favorably upon our activities and grant us an extension of time to be in full compliance with our tax abatement commitments. We project that we will be able to hire 6 additional employees each year over the next 4 years.

Respectfully, Jerena White

Terena White

Chief Financial Officer & Corporate Secretary

IBC Advanced Alloys Inc.

twhite@IBCAdvancedAlloys.com

(317)739-0412

COMPLIANCE WITH STATEMENT OF BENEFITS PERSONAL PROPERTY

PRIVACY NOTICE
This form contains confidential
information pursuant to
IC 6-1.1-35-9 and IC 6-1.1-12.1-5.6.

FOR	MC	F-1	1	PF	3

20___ Pay 20___

State Form 51765 (R7 / 12-22)

Prescribed by the Department of Local Government Finance

INSTRUCTIONS:

- 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 January 1 and May 15, unless a filing extension under IC 6-1.1-3.7 has been granted. A person who obtains a filing extension must file between January 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 form (CF-1).

SECTION 1	JE 7°71 3	TAXPAY	ER INFORM	MATION	116	75 35			SER SE
Name of Taxpayer							County		
Nonferrous Products Inc							John	SON ixing District Num	h
Address of Taxpayer (number and street, city, state 401 Arvin Road Franklin, IN 4							41-0		bei
Name of Contact Person	0131		Telep	none Numbe	er		Email Ad		
Terena White				7)739-		2	twhite	@ibcadvance	dalloys.com
SECTION 2	LOC	ATION AND E				TY		14	
Name of Designating Body			100000000000000000000000000000000000000	ution Numbe	er .			d State Date (moi	nth, day, year)
City of Franklin Location of Property			202	1-00			G-14-7-7-2-1	lart Date (month,	dav. vear)
401 Arvin Road Franklin, IN 4	6131							5/2021	
Description of new manufacturing equipment, new new looistical distribution equipment to be acquired	research and de	evelopment equi	pment, new in	formation te	сплою	gy equipment, o		Completion Date (month, day, year)
Expansion of current Franklin	Indiana f	acilities.					Actual C	ompletion Date (m 2024	onth, day, year)
	F S IL E N		EES AND SA	N ARIES	100	13 -13	0/30/	2024	
SECTION 3 EMPLOYEES AND S	AI ARIES	EMITLOIT	LO AND SA	The Manual Control of the Control of	STIMA	TED ON SB-		ACT	UAL
Current Number of Employees	, in title		35					35	And the second s
Salaries \$28.83							\$36.03		
Number of Employees Retained 35							35		
Salaries				3.83				\$36.03	
Number of Additional Employees			25					3	
Salaries				7.19				\$30.41	
SECTION 4 COST AND VALUES									
		CTURING PMENT		EARCH & ENTEQUE	MENT		DISTRIBUTIO PMENT	XSTRIBUTION IT EQUIPMENT	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	COST	ASSE:		COST	ASSESSE VALUE	COST	ASSESSED VALUE
Values Before Project	\$ 4497081	\$ 1321570	\$	\$		\$ 9000	\$	\$	\$
Plus: Values of Proposed Project	\$ 1325000	\$ 1325000	\$	\$		\$	\$	\$ 485000	\$ 485000
Less: Values of Any Property Being Replaced	\$	\$	\$	\$		\$	\$	\$	\$
Net Values Upon Completion of Project	\$ 5822081	\$ 2646570	\$	3		\$ 9000	5	\$ 485000	\$ 485000
ACTUAL	COST	ASSESSED VALUE	COST	ASSE		COST	ASSESSE VALUE	1 (00.0964)	ASSESSED VALUE
Values Before Project	\$ 4497081	\$ 1321570	\$	\$		\$ 9000	\$	\$	\$
Plus: Values of Proposed Project	\$ 2096107	\$ 2096107	\$	\$		\$	\$	\$ 538196	\$ 538196
Less: Values of Any Property Being Replaced	\$	\$	\$	\$		\$	\$	\$	\$
Net Values Upon Completion of Project	\$ 6593188	\$ 3417677	\$	\$		\$ 9000	\$	\$ 538196	\$ 538196
NOTE: The COST of the property is confidenti					_				
		D AND OTHE	R BENEFIT	'S PROMI					2143
WASTE CONVERTE	D AND OTHE	R BENEFITS			_	ESTIMATED	ON SB-1		UAL
Amount of Solid Waste Converted					0			0	
Amount of Hazardous Waste Converted					0			0	
Other Benefits:									
SECTION 6			YER CERTI	FICATION		H WE'L	Sep. 37	1941	VER U
I hereby certify that the representations in Signature of Authorized Representative	this statemer	nt are true.	1					Date Signed (mo	mth date com-1
			Title					I I CARLO SECURIOR FROM	und day wall

OPTIONAL: FOR USE BY A DESIGNATING BODY WHO ELECTS TO REVIEW THE COMPLIANCE WITH STATEMENT OF BENEFITS (FORM CF-1)

INSTRUCTIONS: (IC 6-1.1-12.1-5.9)

- Within forty-five (45) days after receipt of this form, the designating body may determine whether or not the property owner has substantially complied with the Statement of Benefits.
- If the property owner is found NOT to be in substantial compliance, the designating body shall send the property owner written notice. The notice must
 include the reasons for the determination, including the date, time, and place of a hearing to be conducted by the designating body. If a notice is mailed to a
 property owner, a copy of the written notice will be sent to the county assessor and the county auditor.
- Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made a reasonable effort to substantially comply with the Statement of Benefits and whether any failure to substantially comply was caused by factors beyond the control of the property owner.
- 4. If the designating body determines that the property owner has NOT made a reasonable effort to comply, the designating body shall adopt a resolution terminating the deduction. The designating body shall immediately mail a certified copy of the resolution to: (1) the property owner, (2) the county auditor, and (3) the county assessor.

We h	ave reviewed the CF-1 and find that:								
	The property owner IS in substantial compliance								
	The property owner IS NOT in substantial compliance								
	Other (specify)								
Reaso	ns for the Determination (attach additional sheets if necessary)								
Signat	ure of Authorized Member				Date Signed (month, day, year)				
Atlesto	ort Pav	Designa	ating Body						
If the	property owner is found not to be in substantial compliance, the proper has been set aside for the purpose of considering compliance.	ty owner	shall receive the o	pportunity for	a hearing. The following date and				
Time o	Hearing AM Date of Hearing (month, day, yo	ear)	Location of Hearing						
PM									
HEARING RESULTS (to be completed after the hearing)									
☐ Approved ☐ Denied (see Instruction 5 above)									
Reasons for the Determination (attach additional sheets if necessary)									
Signal	ure of Authorized Member				Date Signed (month, day, year)				
Attest	ed By	Design	ating Body						
	APPEAL RIGHTS	[IC 6-1.1	-12.1-5.9(e)]						
A pro	perty owner whose deduction is denied by the designating body may appeal the d	esignating	body's decision by filinetermined analyst the	ng a complaint	in the office of the clerk of the Circuit				

IBC Advanced Alloys

401 Arvin Road

Franklin, IN 46131

Attachment to Form CF-1 (Compliance with Statement of Benefits):

Job Creation Schedule by Quarter

Difference Between	Actual and Proposed	Number of	Employees	C- -
Actual Total	Number of Actua	Employees	12/31/24 as of 12/31/24	.2 -7
mployees Added	(by Quarter)		9/30/24	7
Actual Number of Employees Added	Number of Employees Added During Year (by Quarter)		6/30/24	7-
	employees Ad	_	3/31/24	7
Proposed Total	Number of F	by 12/31/24	(From SB-1)	(h
Actual Number	of Employees	as of 12/31/24		34

IBC Advanced Alloys 401 Arvin Road Franklin, IN 46131

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

	Actual Amount of Investment as of 12/31/24	Proposed Amount on Total Investment by 12/31/24	it of	Actual A Added E	smoun Juring	Actual Amount of Investment Added During Year (by Quarter)	nent (uarter)	_			Acti Amc Inve	Actual Total Amount of Investment	Difference Between Actual and Proposed Amount of
		(From SB-1)	3/31/24	124	6/30/24	24	9/3(9/30/24	12/31/24	1/24	as c	as of 12/31/24	Investment
Buildings and improvements:	0	0	↔	0	↔	0	₩.	0	↔	0	↔	0	0
Machinery and Equipment:	\$ 4,609,379	\$ 3,350,000	\$	76,627	& ↔	398,661	↔	6,413	€9	40,524	↔	522,225	\$1,259,379
Totals:	\$ 4,609,379	\$ 3,350,000	\$ 2	76,627	<i>₩</i>	398,661	↔	6,413	€	40,524	↔	522,225	\$1,259,379

IBC Advanced Alloys

401 Arvin Road

Franklin, IN 46131

Attachment to Form CF-1 (Compliance with Statement of Benefits):

Job Creation Schedule by Quarter

Difference Between	Actual and Proposed	Number of	Employees	<i>د</i> ۰۰
Actual Total	Number of Actu	Employees	12/31/24 as of 12/31/24	-1 35
Actual Number of Employees Added	ar (by Quarter)		9/30/24	ι÷
Actual Number of	Number of Employees Added During Year (by Quarter)		6/30/24	-5
	of Employees	/24	-1) 3/31/24	4
Proposed Total	Number	by 12/31/24	(From SB-1)	<i>ر</i> ٠٠
Actual Number	of Employees	as of 12/31/24		35