



## 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 2025-26: Nitrex (Res. 11-02)

#### Summary:

- On June 6<sup>th</sup>, 2011, the Franklin Common Council passed Resolution No. 2011-02, a 10-year tax abatement on \$2,913,050 in personal property with a 5% Economic Development Fee for Nitrex, located at 300 Blue Chip Court. In 2013, through Resolution No. 2013-16, the Franklin Common Council amended the personal property tax abatement to \$6,300,000 in personal property and extended the completion date through the end of 2014 for the project.
- Actual and estimated benefits, as projected for 2024:

	Estimated on SB-1	Actual in 2024	Difference
Employees Retained	25	20	-05
Salaries	\$881,567	\$1,082,058	+\$200,491
New Employees	12	0	-12
Salaries	\$341,974	\$0	-\$341,974
Total Employees	37	20	-17
Total Salaries	\$1,223,541.00	\$1,082,058	-\$141,483
Average Hourly Salaries	\$15.89	\$26.01	+\$10.12
Personal Property Improvements	\$6,300,000	\$8,253,343	\$1,953,343

- This company exceeded the total number of employees estimated on their SB-1 Form for the first time in 2014, they had 39 employees. As noted in the cover letter from Nitrex President Chris Morawski, they suffered a decline in job creation during 2015, due to a major downturn in manufacturing. They have cautiously begun to hire employees again in 2016. The average hourly wage for the remaining employees has increased from \$15.79 in 2014 to \$16.70 in 2015. In 2016 the total number of employees was 25. In 2017 Nitrex employed 34 at an average hourly wage of \$17.30, both exceed SB-1 estimates. In 2018 Nitrex employed 36 at an average hourly salary of \$17.12, exceeding SB-1 estimates. In 2019 the company is down 3 from last year with a total of 33. In 2020 the employee count was further reduced to 27, however, wages have risen. In 2021 the company increased employment to 31 and is continuing to actively hire. Wages are up significantly. In 2022 the company retained 29 positions which is below the SB-1, however, the wages are up. In 2023 the company is down to 26 employees, but wages are up. IN 2024 the company continued to reduce the number of employees, but wages are higher.
- Their original abatement application indicated that they would not purchase any equipment in 2011 but they purchased \$241,525. They estimated purchasing \$1,499,050 in 2012 but they

purchased \$1,120,036. \$1,414,000 was purchased in 2013 for a total of \$2,913,050. Their amended application gave them an additional year to purchase additional equipment. They were successful in purchasing \$3,393,300 of equipment in 2014. They do not plan on purchasing any additional equipment through this tax abatement. As of 2017, the actual personal property investment is \$8,253,343, which is above SB-1 estimates.

5. Their personal property tax abatement (Nitrex) is scheduled to expire in tax year 2025 payable in 2026. Their final compliance review will take place in 2025.

**Staff Recommendation:** Approval



# NITREX

Nitrex Corporate Office  
3130 S. Durango Dr. Ste 425 Las Vegas, NV 89117  
Tel: 702.399.1554 Email: alexandra.ilardo@nitrex.com

Plant 350 BLUE CHIP COURT, FRANKLIN, IN 46131  
TEL; 317-346-7700 • FAX; 317-346-7704

February 28, 2025

Ms. Dana Monson  
Community Development Specialist  
Dept. of Planning & Economic Development  
70 E. Monroe Street  
Franklin, IN 46131

Ref.: (1) 2016 Tax Abatement Compliance Packet for Nitrex Inc.

(2) Resolutions 2011-02, 2011-03 and 2013-16.

Dear Ms. Monson,

Enclosed please find Form CF-1/PP (Compliance with Statement of Benefits) regarding compliance with the personal property tax abatements which were granted to Nitrex Inc. pursuant to our application made in May 2011, and further expanded pursuant to our amended application in May 2013. As can be seen from reviewing the enclosed documents, in the context of the revised application, our company:

- a) having reached the originally planned investment nine years ago, subject to the referenced abatement, has had no change within the scope of that project during the past twelve months.
- b) has generated a small amount of job creation in the past twelve months and decreased its employee count from 26 to 20 individuals, with a corresponding decrease in total payroll.

If you have any questions or concerns regarding this matter, please feel free to contact Alex Ilardo at 725.235.7358 direct line.

Sincerely,



Alexandra Ilardo  
Controller

**COMPLIANCE WITH STATEMENT OF BENEFITS  
PERSONAL PROPERTY**

State Form 51765 (R7 / 11-22)

Prescribed by the Department of Local Government Finance

**PRIVACY NOTICE**  
This form contains confidential  
information pursuant to  
IC 6-1.1-35-9 and IC 6-1.1-12.1-5-6**FORM CF-1 / PP**

20\_\_ Pay 20\_\_

**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 100-ERA Schedule of Deduction from Assessed Value between January 1 and May 15, unless a filing extension under IC 6-1.1-37 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 TAXPAYER INFORMATION								
Name of Taxpayer <b>NITREX INC</b>					County <b>JOHNSON</b>			
Address of Taxpayer (number and street, city, state, and ZIP code) <b>350 BLUE CHIP COURT FRANKLIN IN 46131 MAILING ADDRESS 3130 S E</b>					OLCF Tracing District Number			
Name of Contact Person <b>ALEXANDRA ILARDO</b>			Telephone Number <b>(702) 399.1554</b>		Email Address <b>ALEXANDRA.ILARDO@NITREX.COM</b>			
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY								
Name of Designating Body <b>FRANKLIN CITY COUNCIL</b>			Resolution Number <b>2011-02 &amp; 2013-16</b>		Estimated State Date (month, day, year) <b>07/01/2011</b>			
Location of Property <b>PT OF 2100 - 2100 EARLYWOOD</b>					Actual Start Date (month, day, year)			
Description of new manufacturing equipment, new research and development equipment, new information technology equipment, or new logistical distribution equipment to be acquired					Estimated Completion Date (month, day, year) <b>12/31/2014</b>			
					Actual Completion Date (month, day, year)			
SECTION 3 EMPLOYEES AND SALARIES								
<b>EMPLOYEES AND SALARIES</b>			<b>AS ESTIMATED ON SB-1</b>			<b>ACTUAL</b>		
Current Number of Employees			25			20		
Salaries			881,567.00			1,082,058		
Number of Employees Retained			25			1		
Salaries			881,567.00			45,926		
Number of Additional Employees			12			18		
Salaries			341,974.00			1,036,131		
SECTION 4 COST AND VALUES								
	MANUFACTURING EQUIPMENT		RESEARCH & DEVELOPMENT EQUIPMENT		LOGISTICAL DISTRIBUTION EQUIPMENT		IT EQUIPMENT	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values Before Project	\$ 1,786,050	\$ 595,353	\$	\$	\$	\$	\$	\$
Plus: Values of Proposed Project	\$ 6,300,000	\$ 2,100,000	\$	\$	\$	\$	\$	\$
Less: Values of Any Property Being Replaced	\$ 3,650.00	\$ 1,200	\$	\$	\$	\$	\$	\$
Net Values Upon Completion of Project	\$ 8,032,400	\$ 2,694,153	\$	\$	\$	\$	\$	\$
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values Before Project	\$ 1,786,058.00	\$ 595,363.00	\$	\$	\$	\$	\$	\$
Plus: Values of Proposed Project	\$ 6,293,883.00	\$ 2,084,448.00	\$	\$	\$	\$	\$	\$
Less: Values of Any Property Being Replaced	\$ 98,227.00	\$ 38,310.00	\$	\$	\$	\$	\$	\$
Net Values Upon Completion of Project	\$ 7,981,175.00	\$ 2,641,491.00	\$	\$	\$	\$	\$	\$
NOTE: The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6(c).								
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER								
<b>WASTE CONVERTED AND OTHER BENEFITS</b>			<b>AS ESTIMATED ON SB-1</b>			<b>ACTUAL</b>		
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 <b>Controller</b>			Date Signed (month, day, year) <b>Feb 28, 2025</b>		

**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)**

1. 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.
2. 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.
3. 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 have reviewed the CF-1 and find that:

- ☐ The property owner **IS** in substantial compliance
- ☐ The property owner **IS NOT** in substantial compliance
- ☐ Other (specify): \_\_\_\_\_

Reasons for the Determination (attach additional sheets if necessary)

Signature of Authorized Member

Date Signed (month, day, year)

Attested By

Designating Body

If the property owner is found not to be in substantial compliance, the property owner shall receive the opportunity for a hearing. The following date and time has been set aside for the purpose of considering compliance:

Time of hearing

☐

AM

☐

PM

Date of hearing (month, day, year)

Location of hearing

**HEARING RESULTS (to be completed after the hearing)**

☐ Approved

☐ Denied (see instruction 5 above)

Reasons for the Determination (attach additional sheets if necessary)

Signature of Authorized Member

Date Signed (month, day, year)

Attested By

Designating Body

**APPEAL RIGHTS (IC 6-1.1-12.1-5.9(a))**

A property owner whose deduction is denied by the designating body may appeal the designating body's decision by filing a complaint in the office of the clerk of the Circuit or Superior Court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner.