



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: Economic Development Commission

From: Dana Monson

Date: September 12, 2023

Re: EDC 2023-05: Pure Development – Request for Waiver of Non-Compliance

On August 2, 2021, The Franklin Common Council passed Resolution No. 2021-28, approving a 10-year tax abatement on real property with a 2% economic development fee for The Peterson Group to construct a 450,000 speculative building located at 2280 McClain Drive. Peterson began the build and sold the building to Pure Development soon after partial completion.

Pure Development completed the building and completed the compliance form due to the EDC in April 2023. This was found in substantial compliance and approved by the city council. The assessor did a full assessment of the building and sent a Form 11 to the company April 17, 2022. When this form was received, Pure was undergoing a staffing change and the director who was originally tasked with moving this process forward, left the firm and no one at the firm was tasked with supervising any emails coming in. The assessor's office also sends Form 11 to the Community Development Department which then sends an email to the company with the instructions for filing Form 322 which triggers the abatement. That email was sent to the former director's email and no one received it. On July 27, 2023, the Community Development Department was notified that the 322 had not been filed by the required June 15, 2023 deadline and therefore Pure Development would not receive their first year abatement for 2023 pay 2024 tax year. Ms. Monson immediately contacted Pure Development and discovered the change of personnel issue then was able to locate the appropriate person and explain the situation.

The company has the opportunity to file Form 322 late, with a waiver of non-compliance given from the city of Franklin permitting the late filing. If the company files this now and receives this waiver, the abatement will begin with the 2023 pay 2024 year as scheduled and no repayments of taxes will be required of the city.

For your reference, a letter requesting the waiver of non-compliance, Form 322 and Form 11 are attached. If you have any questions regarding this request, please contact me directly at 346-1254.



August 14, 2023

City of Franklin
Johnson County, Indiana
Johnson County West Annex
86 West Court Street
Franklin, Indiana 46131
Attn: Auditor's Office

To Whom it may Concern:

Pure Franklin, LLC, an Indiana limited liability company and an affiliate of Pure Development, Inc., an Indiana corporation (collectively, "Pure"), is the owner of certain land and improvements located at 2280 McClain Drive, Franklin, Indiana 46131, in Johnson County, Needham Township, Indiana consisting of a Class A Industrial Building to be used for distribution/warehousing purposes (the "Property"). It is in reference to the Property that I am writing this letter.

Pure applied for ten (10) year tax abatement status for the Property, which was originally approved on August 2, 2021 pursuant to Resolution number 2021-ERA, 2021-28 Tax Abatement. It was brought to our attention recently that Pure neglected to file the requisite Form 322 with the county prior to the June 15, 2023 deadline to continue moving the Property through the county's tax abatement process.

On behalf of Pure, please accept my sincere apologies for this oversight. Pure's Director of Finance, David Dunbar, was originally tasked with moving the Property through the tax abatement process and was the primary point of contact with the county. Unfortunately, Mr. Dunbar left his employment with Pure effective as of May 1, 2023. While Pure strived to transition all David's pending projects seamlessly to our new Director of Finance, Tyler Neese, we have now identified that certain items went unaddressed, including the tax abatement documentation for the Property. To avoid any further miscommunications or missed deadlines on our end, we have implemented a new procedure within the company to ensure that any email correspondence intended for Mr. Dunbar is now received and reviewed by multiple people at Pure. We are confident this will fix the problem.

Please consider this letter Pure's formal application for a Waiver of Noncompliance from the city of Franklin and our request that the ten (10) year tax abatement be reinstated for the Property. We have enclosed completed form 322 for your review and consideration. Please do not hesitate to reach out to me at 317-775-3510 or ebrier@puredevelopment.com with any additional questions you have, or if there is any additional information you require. We sincerely appreciate your time and attention to this matter.

Sincerely,

Elizabeth Brier
General Counsel
Pure Development, Inc.

Enclosure



APPLICATION FOR DEDUCTION FROM ASSESSED VALUATION OF STRUCTURES IN ECONOMIC REVITALIZATION AREAS (ERA)

State Form 18379 (R14 / 6-16)

Prescribed by the Department of Local Government Finance

20 23 PAY 20 24

FORM 322 / RE

INSTRUCTIONS:

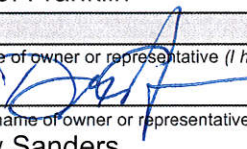
1. This form is to be filed in person or by mail with the County Auditor of the county in which the property is located.
2. To obtain this deduction, a Form 322 / RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation (or new assessment) is made, or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. If the property owner misses the May 10 deadline in the initial year of assessment, he can apply between January 1 and May 10 of a subsequent year for the remainder of the abatement term. (See also IC 6-1.1-12.1-11.3 concerning the failure to file a timely application.)
3. A copy of the Form 11, the approved Form SB-1 / Real Property, the resolution adopted by the designating body, and the Form CF-1 / Real Property must be attached to this application.
4. The Form CF-1 / Real Property must be updated annually and provided to the County Auditor and the designating body for each assessment year in which the deduction is applicable.
5. Please see IC 6-1.1-12.1 for further instructions.
6. Taxpayer completes Sections I, II and III below.
7. If property located in an economic revitalization area is also located in an allocation area as defined in IC 36-7-14-39 or IC 36-7-15.1-26, an application for the property tax deduction may not be approved unless the Commission that designated the allocation area adopts a resolution approving the application (IC 6-1.1-12.1-2(k)).
8. Except for deductions related to redevelopment or rehabilitation of real property in a county containing a consolidated city, a deduction for the redevelopment or rehabilitation of real property may not be approved for the following facilities (IC 6-1.1-12.1-3):
 - a. Private or commercial golf course
 - b. Country club
 - c. Massage parlor
 - d. Tennis club
 - e. Skating facility, including roller skating, skateboarding or ice skating
 - f. Racquet sport facility (including handball or racquet ball court)
 - g. Hot tub facility
 - h. Suntan facility
 - i. Racetrack
 - j. Any facility, the primary purpose of which is (a) retail food and beverage service; (b) automobile sales or service; or (c) other retail; (unless the facility is located in an economic development-target area established under IC 6-1.1-12.1-7).
 - k. Residential, unless the facility is a multi-family facility that contains at least 20% of the units available for use by low and moderate income individuals, or unless the facility is located in an economic development target area established under IC 6-1.1-12.1-7, or the area is designated as a residentially distressed area which is required to meet conditions as cited in IC 6-1.1-12.1-2(c)(1 & 2).
 - l. Package liquor store [see IC 6-1.1-12.1-3(e)(12)]

SECTION I - DESCRIPTION OF PROPERTY

The owner hereby applies to the County Auditor for a deduction pursuant to IC 6-1.1-12.1-5 beginning with the assessment date January 1, 20 23.

County Johnson	Township Needham TWP	DLGF taxing district number 018	Key number
Name of owner Pure Franklin, LLC		Legal description from Form 11 PT E 1/2 NE 1/4 S18 T12 R5	
Property address (number and street, city, state, and ZIP code) 2280 McClain Drive, Franklin, IN, 46131			Date of Form 11 (month, day, year) 4/17/23
Type of structure Class A Industrial Building			Use of structure Distribution/Warehouse
Governing body that approved ERA designation City of Franklin		Date ERA designation approved (month, day, year) 8/2/21	Resolution number 2021-27 ERA, 2021-28 Tax Abatement

SECTION II - VERIFICATION OF OWNER OR REPRESENTATIVE

Signature of owner or representative (I hereby certify that the representations on this application are true.) 		Date signed (month, day, year) 8/3/23
Printed name of owner or representative Drew Sanders	Address (number and street, city, state, and ZIP code) 815 E. 65th St., Suite 200	

SECTION III - STRUCTURES

AUDITOR'S USE

A. Rehabilitation structure	1. Assessed valuation AFTER rehabilitation	\$	
	2. Assessed valuation BEFORE rehabilitation	\$	
	3. Difference in assessed valuation (Line 1 minus Line 2)	\$	
	4. Assessed valuation eligible for deduction (for the increase in A/V from the rehabilitation, not including the increase in A/V from the reassessment of the entire structure)	\$	
B. New structure	1. Assessed valuation	\$	16,656,400.00
	2. Assessed valuation eligible for deduction	\$	16,656,400.00

SECTION IV - VERIFICATION OF ASSESSING OFFICIAL

I verify that the above described structure was assessed and the owner was notified on _____, with the effective date of the assessment being January 1, 20 _____, and that the assessed valuations in Section III are correct.

Signature of assessing official	Printed name of assessing official	Date (month, day, year)
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SECTION V - FOR AREAS EXCEPT FOR A RESIDENTIALLY DISTRESSED AREA WHERE THE STATEMENT OF BENEFITS WAS APPROVED BEFORE JULY 1, 2013 - DEDUCTION SCHEDULE PER IC 6-1.1-12.1-17

YEAR OF DEDUCTION / ASSESSED VALUE / PERCENTAGE / DEDUCTION*

(1) For deductions allowed over a one (1) year period:

1 20__ pay 20__ \$_____ 100% * ____% \$_____

(2) For deductions allowed over a two (2) year period:

1 20__ pay 20__ \$_____ 100% * ____% \$_____

2 20__ pay 20__ \$_____ 50% * ____% \$_____

(3) For deductions allowed over a three (3) year period:

1 20__ pay 20__ \$_____ 100% * ____% \$_____

2 20__ pay 20__ \$_____ 66% * ____% \$_____

3 20__ pay 20__ \$_____ 33% * ____% \$_____

(4) For deductions allowed over a four (4) year period:

1 20__ pay 20__ \$_____ 100% * ____% \$_____

2 20__ pay 20__ \$_____ 75% * ____% \$_____

3 20__ pay 20__ \$_____ 50% * ____% \$_____

4 20__ pay 20__ \$_____ 25% * ____% \$_____

(5) For deductions allowed over a five (5) year period:

1 20__ pay 20__ \$_____ 100% * ____% \$_____

2 20__ pay 20__ \$_____ 80% * ____% \$_____

3 20__ pay 20__ \$_____ 60% * ____% \$_____

4 20__ pay 20__ \$_____ 40% * ____% \$_____

5 20__ pay 20__ \$_____ 20% * ____% \$_____

(6) For deductions allowed over a six (6) year period:

1 20__ pay 20__ \$_____ 100% * ____% \$_____

2 20__ pay 20__ \$_____ 85% * ____% \$_____

3 20__ pay 20__ \$_____ 66% * ____% \$_____

4 20__ pay 20__ \$_____ 50% * ____% \$_____

5 20__ pay 20__ \$_____ 34% * ____% \$_____

6 20__ pay 20__ \$_____ 17% * ____% \$_____

(7) For deductions allowed over a seven (7) year period:

1 20__ pay 20__ \$_____ 100% * ____% \$_____

2 20__ pay 20__ \$_____ 85% * ____% \$_____

3 20__ pay 20__ \$_____ 71% * ____% \$_____

4 20__ pay 20__ \$_____ 57% * ____% \$_____

5 20__ pay 20__ \$_____ 43% * ____% \$_____

6 20__ pay 20__ \$_____ 29% * ____% \$_____

7 20__ pay 20__ \$_____ 14% * ____% \$_____

YEAR OF DEDUCTION / ASSESSED VALUE / PERCENTAGE / DEDUCTION**

(8) For deductions allowed over a eight (8) year period:

1 20__ pay 20__ \$_____ 100% * ____% \$_____

2 20__ pay 20__ \$_____ 88% * ____% \$_____

3 20__ pay 20__ \$_____ 75% * ____% \$_____

4 20__ pay 20__ \$_____ 63% * ____% \$_____

5 20__ pay 20__ \$_____ 50% * ____% \$_____

6 20__ pay 20__ \$_____ 38% * ____% \$_____

7 20__ pay 20__ \$_____ 25% * ____% \$_____

8 20__ pay 20__ \$_____ 13% * ____% \$_____

(9) For deductions allowed over a nine (9) year period:

1 20__ pay 20__ \$_____ 100% * ____% \$_____

2 20__ pay 20__ \$_____ 88% * ____% \$_____

3 20__ pay 20__ \$_____ 77% * ____% \$_____

4 20__ pay 20__ \$_____ 66% * ____% \$_____

5 20__ pay 20__ \$_____ 55% * ____% \$_____

6 20__ pay 20__ \$_____ 44% * ____% \$_____

7 20__ pay 20__ \$_____ 33% * ____% \$_____

8 20__ pay 20__ \$_____ 22% * ____% \$_____

9 20__ pay 20__ \$_____ 11% * ____% \$_____

(10) For deductions allowed over a ten (10) year period:

1 20~~23~~ pay 20~~24~~ \$_____ 100% * x % \$_____

2 20~~24~~ pay 20~~25~~ \$_____ 95% * x % \$_____

3 20~~25~~ pay 20~~26~~ \$_____ 80% * x % \$_____

4 20~~26~~ pay 20~~27~~ \$_____ 65% * x % \$_____

5 20~~27~~ pay 20~~28~~ \$_____ 50% * x % \$_____

6 20~~28~~ pay 20~~29~~ \$_____ 40% * x % \$_____

7 20~~29~~ pay 20~~30~~ \$_____ 30% * x % \$_____

8 20~~30~~ pay 20~~31~~ \$_____ 20% * x % \$_____

9 20~~31~~ pay 20~~32~~ \$_____ 10% * x % \$_____

10 20~~32~~ pay 20~~33~~ \$_____ 5% * x % \$_____

NOTE: The deduction percentages shown in this section apply to a statement of benefits approved before July 1, 2013 that did not have an alternative deduction schedule adopted by the designating body. All other abatements shall use the percentages reflected in the abatement schedule adopted by the designating body per IC 6-1.1-12.1-17.

* The amount of the deduction shall be adjusted annually to reflect changes to the assessed valuation resulting from a reassessment or an appeal of the assessment per IC 6-1.1-12.1-4(b).

SECTION VI - FOR A RESIDENTIALLY DISTRESSED AREA WHERE THE STATEMENT OF BENEFITS WAS APPROVED BEFORE JULY 1, 2013 DEDUCTION SCHEDULE PER IC 6-1.1-12.1-17

TYPE OF DWELLING	DEDUCTION IS THE LESSER OF: [IC 6-1.1-12.1-4.1(b)]	DEDUCTION IS ALLOWED FOR A FIVE (5) YEAR PERIOD THAT INCLUDES YEARS:
<input type="checkbox"/> One (1) family dwelling	Assessed value (after rehabilitation or redevelopment) \$_____ or \$74,880 AV	_____ pay _____ through _____ pay _____
<input type="checkbox"/> Two (2) family dwelling	Assessed value (after rehabilitation or redevelopment) \$_____ or \$106,080 AV	_____ pay _____ through _____ pay _____
<input type="checkbox"/> Three (3) unit multifamily dwelling	Assessed value (after rehabilitation or redevelopment) \$_____ or \$156,000 AV	_____ pay _____ through _____ pay _____
<input type="checkbox"/> Four (4) unit multifamily dwelling	Assessed value (after rehabilitation or redevelopment) \$_____ or \$199,680 AV	_____ pay _____ through _____ pay _____

Assessed value limits for taxes due and payable prior to January 1, 2005 were \$36,000, \$51,000, \$75,000, and \$96,000 for one to four family dwellings, respectively.

SECTION VII - APPROVAL OF COUNTY AUDITOR (COMPLETE ONLY IF APPROVED)

This application is approved in the amounts shown above.

Signature of County Auditor	Printed name of County Auditor	Date signed (month, day, year)
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**NOTICE OF ASSESSMENT OF LAND AND STRUCTURES / IMPROVEMENTS**

State Form 21366 (R20 / 1-23)

Prescribed by the Department of Local Government Finance

FORM 11

Johnson County Assessor
86 W. Court St.
Franklin, IN 46131

PURE DEVELOPMENT INC
815 EAST 65TH STREET, #200
INDIANAPOLIS, IN 46220-5136

Legal Description PT E 1/2 NE 1/4 S18 T12 R5	Parcel or Identification Number 41-07-18-011-002.000-018
Property Address (number and street, city, state, and ZIP code) 2280 MCCLAIN DR FRANKLIN, IN 46131	

This notice indicates the assessed value of your property. Information on the valuation of your property and a copy of the property record card can be obtained from the assessing official at the telephone number and address below.

Notice to the taxpayer of the opportunity to appeal (IC 6-1.1-15-1.1, 1.2):

If the taxpayer does not agree with the action of the assessing official giving this notice, an appeal can be initiated to challenge that action. To file an appeal, the taxpayer must file a Form 130, Taxpayer's Notice to Initiate an Appeal, with the township assessor or county assessor in a timely manner. The time-frame to file an appeal on the assessment contained in this notice may have two different filing deadlines. These deadlines are based on the date that this notice is mailed. If this notice is mailed before May 1 of the assessment year, the filing deadline is June 15 of that year. If this notice is mailed on or after May 1 of the assessment year, the filing deadline is June 15 in the year that the tax statements are mailed. (IC 6-1.1-15-1.1) This form is available from the assessing official or at: <https://forms.in.gov/Download.aspx?id=6979>. An assessing official who receives a Form 130 must schedule a preliminary informal meeting with the taxpayer in order to resolve the appeal. The assessing official and taxpayer must exchange the information each party is relying on at the time of the preliminary informal meeting to support the party's respective position on each disputed issue concerning the appeal. If the taxpayer has reason to believe that the township assessor, county assessor, an employee of the township assessor or county assessor, or an appraiser has violated IC 6-1.1-35.7-3 or IC 6-1.1-35.7-4(a), the taxpayer may submit a written complaint to the Department of Local Government Finance under IC 6-1.1-35.7-4(b).

NOTE: Failure to file a timely Form 130 can be grounds for dismissal of this appeal.

PREVIOUS ASSESSMENT		NEW ASSESSMENT EFFECTIVE JANUARY 1, 20 ²³	
LAND	10800	LAND	3402300
STRUCTURES/ IMPROVEMENTS *	0	STRUCTURES/ IMPROVEMENTS *	13254100
TOTAL	10800	TOTAL	16656400
Reason for Revision of Assessment: IC 6-1.1-12.1-5 Real property application; filing requirements; change in property ownership; assessor review; county auditor; determination; appeal Sec. 5. (a) A property owner who desires to obtain the deduction provided by section 3 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. Except as otherwise provided in subsection (b) or (e), the deduction application must be filed before May 10 of the year in which the addition to assessed valuation is made. (b) If notice of the addition to assessed valuation or new assessment for any year is not given to the property owner before April 10 of that year, the deduction application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township or county assessor. (c) A property owner who desires to obtain the deduction provided by section 3 of this chapter but who has failed to file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between January 1 and May 10 of a subsequent year which shall be applicable for the year filed and the subsequent years without any additional deduction application being filed for the amounts of the deduction which would be applicable to such years pursuant to section 4 of this chapter if such a deduction application had been filed in accordance with subsection (a) or (b). (d) The township or county assessor shall include a notice of the deadlines for filing a deduction application under subsections (a) and (b) with each notice to a property owner of an addition to assessed value or of a new assessment.			
If the change in assessment is due to a new home, a taxpayer should be aware that there are many property tax benefits or deductions available. Please see INDIANA PROPERTY TAX BENEFITS (State Form 51781) available on the DLGF website: www.IN.gov/dlgr . Other non-residential construction may be eligible for deductions - see Forms 322/RE and Form 322/VBD.			
County JOHNSON		Township NEEDHAM	Date of Notice (month, day, year) 4/17/23
Assessing Official MIKE WATKINS		Telephone Number (317) 346-4701	
Address (number and street, city, state, and ZIP code) 86 W COURT ST. FRANKLIN, IN 46131			