



CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission
From: Dana Monson, Community Development Specialist
Date: March 11, 2025
Re: Case C 2025-21: Laugle Properties 23-10

Summary:

1. On November 15, 2023, the Franklin Common Council passed Resolution No. 2023-10 approving a 10-year tax abatement on \$4,403,000 in real property, for Laugle Properties located at 2075 Earlywood Drive.

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

	Estimated on SB-1	Actual in 2024	Difference
Employees Retained	50	50	0
Salaries	\$2,704,000	\$4,593,950	+1,889,950
New Employees	11	14	+3
Salaries	\$617,760	\$1,286,306	+\$668,546
Total Employees	61	64	+3
Total Salaries	\$3,321,760	\$5,880,308	+\$2,558,54
Average Hourly Salaries	\$26.29	\$44.17	+\$17.88
Real Property Improvements	\$4,403,000	\$8,521,728	+\$4,118,728

3. Dualtech and facility owner Laugle Properties had stated on their SB-1 form that construction would begin in 2023. The company did start construction on the new building with an estimated completion date of November 2024. The facility is now complete and operational

4. The personal property continues to be installed as the facility is ready and employees are being hired now to train on the new equipment. In 2024 employment and wage are both up

5. The real property tax abatement is scheduled to expire in tax year 2034 payable in 2035. The final compliance review will take place in 2034.

Staff Recommendation: Approval

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February 18, 2025

HAND DELIVERED

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

**Re: Tax Abatement Compliance for Laugle Properties, LLC
Franklin Common Council Resolution No. 2023-10.**

Dear Mrs. Monson:

Enclosed please find the following regarding compliance with the real property tax abatement which was granted to Laugle Properties in 2023 under Franklin Common Council Resolution No. 2023-10:

1. Compliance with Statement of Benefits Real Estate Improvements (Form CF-1 / Real Property)
2. Expansion Investment Schedule
3. Job Creation or Retention Schedule

When the tax abatement was granted, the deed to the real estate named the grantee as Laugle Properties, but the actual owner was Laugle Properties, LLC. The owner filed a Deed to correct the name on the deed.

The new foundry has recently been assigned a new address of 2075 Earlywood Drive. When the application for tax abatement was filed in March 2023, the property had an address of 2035 Earlywood Drive.

As can be seen from reviewing the enclosed documents, Laugle Properties, LLC made almost double the amount of capital investments that had been proposed in the Statement of Benefits. The building's construction had an estimated completion date of March 31, 2024. Though the new foundry was actually completed in August 2024, the tenant, Dualtech, Inc., installed its new equipment in the new foundry more than two (2) months before the estimated installation date. (See Tax Abatement Compliance for Dualtech, Inc., Franklin Common Council Resolution No. 2023-11).

The jobs that had been proposed by Laugle Properties, LLC in its Statement of Benefits were realized when Laugle Properties, LLC completed the building's construction and the new equipment was installed by Dualtech, Inc.

Please note that the salaries for the 50 current/retained employees reported on the Statement of Benefits of \$2,704,000 was calculated as follows:

Average hourly wage \$26.00 x 40 hours per week = \$1,040 per week
(without benefits)

\$1,040 per week x 52 weeks = \$54,080 per year

\$54,080 per year x 50 employees = \$2,704,000 (without benefits).

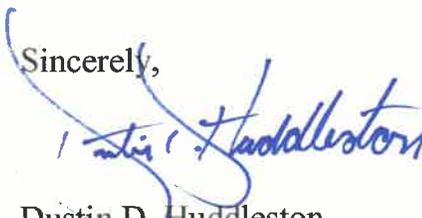
Dualtech's actual payroll for 2022 was \$4,691,061. Dualtech's actual 2024 payroll for its 64 employees totaled \$5,880,308.00. The 2024 payroll exceeds the amount estimated for the 50 retained employees and 11 additional employees shown on the Statement of Benefits (\$2,704,000 + \$617,760 = \$3,321,760). Dualtech has proven that it creates and retains good paying jobs for its employees.

When Laugle filed its application for tax abatement, it did not break down the investment per quarter, but it proposed the amount of investment that would be made during the first year. On the enclosed expansion investment schedule, Laugle reported the investment that it made during the period January 1, 2024 to September 30, 2024. If the City of Franklin would like a more detailed breakdown as to when the different improvements were made on the real estate, please let me know.

The abatement of real property taxes was granted for a period of ten (10) years which will begin when Laugle Properties, LLC files its certified deduction application under I.C. 6-1.1-12.1-5(a) with the county auditor. The certified deduction application must be filed before May 10 of the year in which the addition to assessed valuation is made. If notice of the addition to assessed valuation or new assessment for any year is not given by April 10 of that year, the deduction application may be filed no later than thirty (30) days after the date such a notice is mailed to the property owner.

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,



Dustin D. Huddleston
Attorney for Laugle Properties, LLC

Enclosures



COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R6 / 4-23)

Prescribed by the Department of Local Government Finance

20 25 PAY 20 26

FORM CF-1 / Real Property

INSTRUCTIONS:

1. 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 (Form SB-1/Real Property).
2. This form must accompany the initial deduction application (Form 322/RE) that is filed with the county auditor.
3. This form must also be updated each year in which the deduction is applicable. It is filed with the county auditor and the designating body before May 15 or by the due date of the real property owner's personal property return that is filed in the township where the property is located. (IC 6-1.1-12.1-5.3(i))
4. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance form (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 6-1.1-12.1-5.3 (k) and (l).

SECTION 1 TAXPAYER INFORMATION		
Name of Taxpayer Laugle Properties, LLC	Parcel No. 41-08-02-022-002.000-009	County Johnson
Address of Taxpayer (number and street, city, state, and ZIP code) 4145 Whitetail Woods Drive, Bargersville, IN 46106		DLGF Taxing District Number 009
Name of Contact Person Dustin D. Huddleston, attorney	Telephone Number (317) 736-5121	Email Address Dustin@Huddlestonlaw.com
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY		
Name of Designating Body City of Franklin Common Council	Resolution Number 2023-10	Estimated Start Date (month, day, year) 08/01/2023
Location of Property 2075 Earlywood Drive, Franklin, IN 46131		Actual Start Date (month, day, year) 10/23/23
Description of Real Property Improvements Approximately 70,000 square foot building, concrete pad and stoops, blacktop parking lot, and sidewalks.		Estimated Completion Date (month, day, year) 03/31/2024
		Actual Completion Date (month, day, year) 08/23/24
SECTION 3 EMPLOYEES AND SALARIES		
EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current Number of Employees	50	64
Salaries	\$2,704,000	\$5,880,308
Number of Employees Retained	50	50
Salaries	\$2,704,000	\$5,165,270
Number of Additional Employees	11	14
Salaries	\$ 617,760	\$ 715,038
SECTION 4 COST AND VALUES		
COST AND VALUES	REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE
Values Before Project	\$ 0	\$ 0
Plus: Values of Proposed Project	\$ 4,403,000	\$ 5,700,000
Less: Values of Any Property Being Replaced	\$ 0	\$
Net Values Upon Completion of Project	\$ 4,403,000	\$ 5,700,000
ACTUAL	COST	ASSESSED VALUE
Values Before Project	\$ 0	\$ 0
Plus: Values of Proposed Project	\$ 8,521,728	\$ not available - Form 11 has not been received
Less: Values of Any Property Being Replaced	\$ 0	\$ 0
Net Values Upon Completion of Project	\$ 8,521,728	\$ not available - Form 11 has not been received
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: Much of the raw product, iron, and aluminum is reclaimed. Almost 100% of the sand is reclaimed. No sand leaves the facility for landfill.		
SECTION 6 TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of Authorized Representative <i>Sandy Laugle</i>	Title Member	Date Signed (month, day, year) 2-5-25

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

INSTRUCTIONS: (IC 6-1.1-12.1-5.3 and IC 6-1.1-12.1-5.9)

1. Not later than 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 (Form SB-1/Real Property).
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. The date of this hearing may not be more than thirty (30) days after the date this notice is mailed. A copy of the notice may be sent to the county auditor and the county assessor.
3. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable efforts to substantially comply with the Statement of Benefits (Form SB-1/Real Property), 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 reasonable efforts to comply, the designating body shall adopt a resolution terminating the property owner's deduction. If the designating body adopts such a resolution, the deduction does not apply to the next installment of property taxes owed by the property owner or to any subsequent installment of property taxes. 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:			
<input type="checkbox"/>	The Property Owner IS in Substantial Compliance		
<input type="checkbox"/>	The Property Owner IS NOT in Substantial Compliance		
<input type="checkbox"/>	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. (Hearing must be held within thirty (30) days of the date of mailing of this notice.)			
Time of Hearing	<input type="checkbox"/> AM <input type="checkbox"/> PM	Date of Hearing (month, day, year)	Location of Hearing

HEARING RESULTS (to be completed after the hearing)				
<input type="checkbox"/>	Approved		<input type="checkbox"/>	Denied (see Instruction 4 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(e)]	
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.	

Expansion Investment Schedule

Laugle Properties, LLC
 2075 Earlywood Drive
 Franklin, IN 46131

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

	Actual Amount of Investments as of 12/31/23	Proposed Amount of Total Investment by 12/31/24 (From SB-1)	Actual amount of investment added 1/1/2024 to 9/30/24	Actual amount of investment added during quarter 12/31/24	Actual Total Amount of Investment as of 12/31/24	Difference between amount of actual and proposed amount of investment
Buildings and Improvements: Laugle Properties, LLC	\$2,687,997 to general contractor + \$186,115 to electrician = \$2,874,112	\$4,403,000	\$5,647,616	\$0	\$8,521,728	\$4,118,728 more than proposed

Job Creation or Retention Schedule

Laugle Properties, LLC
 2075 Earlywood Drive
 Franklin, IN 46131

Dualtech, Inc.
 2075 Earlywood Drive
 Franklin, IN 46131

*Attachment to Form CF-1 (Compliance with Statement of Benefits):
 Job Creation Schedule by Quarter*

Actual Number of Employees as of 12/31/23	Proposed Total Number of Employees by 12/31/24 (From SB-1)	Actual Number of Employees Added During Year (by Quarter)	Actual Total Number of Employees as of 12/31/24	Difference Between Actual and Proposed Number of Employees
55	61	3/31/24: 1 6/30/24: 0 9/30/24: 5 12/31/24: 3	64	3 more employees than proposed

In the application, Laugle Properties, LLC and Dualtech filed an Employment Phase-In Schedule Job Creation/Retention table showing that Dualtech anticipated hiring six (6) employees in 2023 and five (5) employees in 2024 for a total of eleven (11) new employees.

The SB-1s reflect the total number of employees to be hired as a result of the project.