



Community Development

MEMORANDUM

TO: Common Council
FROM: Robin S. Hilber
RE: Tax Abatement Request for NTN Driveshaft, Inc
DATE: October 8, 2018

Good morning, Councilors. We have received a request from **NTN Driveshaft, Inc** for an \$8,000,000 real property tax abatement and an \$82,000,000 personal property tax abatement. The real property investment of \$8,000,000 will update the 60,000 square ft facility and increase forging and production capacity by 20,000 square ft to 80,000 total sq ft. With expanded facility capacity, a significant personal property investment of \$82,000,000 will be made in order to accommodate the installation of new manufacturing equipment. This is in a previously designated Economic Revitalization Area.

NTN Driveshaft is a global manufacturing and has considered other worldwide locations for expansion. With favorable tax treatment, they intend to expand locally and retain 1,575 jobs as well as adding 74 jobs, with an expected average wage of \$17.30/hour, by the end of calendar year 2020. In addition, NTN currently employs 106 temporary employees.

Please review the attached application and plan to take action on this request at the next Council meeting on **Tuesday, October 16, 2018**. Should you have any questions, please feel free to call me at (812) 376-2520.

Best Regards,

A handwritten signature in black ink that reads 'Robin S. Hilber'.

Robin S. Hilber

Attachments

cc: Mayor Jim Lienhoop
Mary K. Ferdon, Executive Director of Administration and Community Development
Alan Whitted, City Attorney
Jason Hester, President, Greater Columbus Economic Development Corporation



NTN DRIVESHAFT, INC.

8251 S. INTERNATIONAL DRIVE
COLUMBUS, IN 47201
TELEPHONE (812) 342-7000
FACSIMILE (812) 342-1155

September 14, 2018

The Honorable James D. Lienhoop
Office of the Mayor
123 Washington Street
Columbus, IN 47201

RE: Tax Abatement for Real and Personal Property
NTN Driveshaft, Inc.
8251 S. International Drive – Columbus, IN 47201

Dear Mayor Lienhoop:

NTN Driveshaft, Inc. (“NTN”), a manufacturer of driveshaft components, is considering an expansion of its facilities located at 8251 S. International Drive – Columbus, IN 47201. The expansion would located forging capacity at the plant, along with bringing some additional production capacity. NTN’s facility would be expanded by 20,000 square feet – and 60,000 square feet of existing square feet would be updated – in order to accommodate the installation of new manufacturing equipment. NTN’s plans include the investment of \$8,000,000 in real property improvement and \$82,000,000 in new equipment.

As a result of this expansion, 1,575 jobs will be retained, and 74 jobs will be added by December 31, 2020 with an expected average wage of \$17.30/hour. In addition to these jobs, NTN also employs 106 temporary employees.

If not previously designated as such, NTN is requesting designation of its property located at 8251 S. International Drive as an economic revitalization area. With the ERA designation in place, NTN is requesting a ten-year tax abatement on both building improvements (real property) and the purchase of new manufacturing equipment (personal property).

Attached hereto are the following: (1) Application for Tax Abatement, including an application attachment, (2) Statement of Benefits (SB-1) forms (both Real and Personal), and (3) Aerial view of the project site.

We request that you place this item on the Council Agenda at the earliest convenient date. If you have any questions, please do not hesitate to contact me.

Sincerely,

Barry Parkhurst
Vice President of Administration

Encs.

Cc: Ms. Mary Ferdon, Director of Community Development
Mr. Alan Whitted, City Attorney
Mr. Jason Hester, Executive Director, Columbus Economic Development Board