



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 2025-50: Shelby Gravel (Res. 20-17 and Res. 20-18)

Summary:

1. On November 16th, 2020, the Franklin Common Council passed Resolution No. 2020-17 and Resolution 202-18, approving a 10-year tax abatement on \$2,400,000 in real property with a 2% Economic Development Fee and a 6-year tax abatement on \$6,470,000 in personal property with a 5% Economic Development Fee, for Shelby Gravel located at Commerce Drive and Graham Road.

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

	Estimated on SB-1	Actual in 2024	Difference
Employees Retained	21	21	0
Salaries	\$1,048,320	\$1,863,183	\$814,863
New Employees	3	2	-1
Salaries	\$149,760	\$177,446	\$27,686
Total Employees	24	23	-1
Total Salaries	\$1,198,080	\$2,040,629	\$842,549
Average Hourly Salaries	\$24.00	\$42.66	+18.66
Real Property Improvements	\$2,400,000	\$3,022,610	\$622,610
Personal Property Improvements	\$6,470,000	\$7,701,163	\$1,231,163

3. Shelby Gravel had stated on their SB-1 form that construction would begin in 2021. The facility was completed in 2022. In 2022 they were down 1 one employee. In 2023 they were up by one with wages well above the estimate. In 2024 they are up by 2 employees with wages double the anticipated amount listed on the SB-1.

4. Investment was completed in 2022 and they are above their investment for real property by \$622,610 and personal property by \$1,231,163

5. The real property tax abatement is scheduled to expire in tax year 2031 payable 2032. The final compliance review will take place in 2031.

6. The personal property tax abatement is scheduled to expire in tax year 2027 payable in 2028. The final compliance review will take place in 2027.

Staff Recommendation: Approval



February 5, 2025

Shelby Materials
157 East Rampart Rd.
P.O. Box 242
Shelbyville, IN 46176
317-398-4485
317-398-2727 FAX

Mrs. Dana Monson, Community Development Specialist
Department of Community Development
70 East Monroe Street
Franklin, IN 46131

Re: Tax Abatement Compliance for Shelby Gravel, Inc.

Dear Mrs. Monson:

Enclosed please find the form CF-1 (Compliance with Statement of Benefits) regarding compliance with real and personal property tax abatements which were granted to Shelby Gravel, Inc. in 2020 under Franklin Common Council Resolutions Numbers 20-17 and 20-18.

As can be seen from reviewing the documents attached, our company has completed the building of the ready-mix concrete plant and the adjacent office and garage. Overall Shelby Materials invested almost 8 million dollars in personal property along with almost 3 million dollars in real property improvements. Our ability to provide ready mix concrete to the Franklin and Johnson County markets has been greatly improved since the addition of our new facility in 2022 with 2023 being our busiest year ever in that market.

Throughout the course of the year our workforce number changes. We had 23 employees who were consistent throughout the entire year with their gross wages averaging \$88,723. We also had 4 additional employees who were either part time or only employed for small times during the year where the employment didn't work out. Their **combined** gross wages totaled \$74,722. Typically we ramp up our hiring in early spring and hope to add several employees to the Franklin location.

Please review all of the enclosed documents and if you have any questions or concerns regarding this matter, please feel free to contact me as set out below.

Sincerely,

Aaron Haehl
Chief Financial Officer
Shelby Gravel, Inc. dba Shelby Materials

Concrete

- Franklin 317-738-3445
- Shelbyville 317-398-4485
- Rushville 765-932-3292
- Columbus 812-372-5553
- Seymour 812-522-6221
- Nashville 812-988-6206
- Indianapolis 317-782-3200
- Brownsburg 317-216-7555
- Westfield 317-804-8100
- Pendleton 317-827-0090

Aggregates

- Edinburgh 812-526-2731
- Franklin 812-526-2731
- Shelbyville 765-763-7670
- Rushville 765-763-7670

Trucking

- 317-398-4485



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

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).

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(j))
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).

SECTION 1		TAXPAYER INFORMATION	
Name of Taxpayer Shelby Gravel, Inc doing business as Shelby Materials		County Johnson	
Address of Taxpayer (number and street, city, state, and ZIP code) PO Box 280 Shelbyville, IN 46176		DLGF Taxing District Number	
Name of Contact Person Aaron Haehl	Telephone Number (317) 392-5502	Email Address ahaehl@shelbymaterials.com	
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of Designating Body City of Franklin Common Council	Resolution Number 20-17	Estimated Start Date (month, day, year) 3/1/2021	
Location of Property 1961 North Graham Road, Franklin, IN 46131		Actual Start Date (month, day, year) 3/1/2021	
Description of Real Property Improvements This project consisted of paving the lot, adding a building with offices and multiple garage bays, adding an enclosed ready mix plant and associated machinery, installing necessary drainage, enclosing the property with fencing and landscaping.		Estimated Completion Date (month, day, year) 12/1/2021	
		Actual Completion Date (month, day, year) 2/28/2022	
SECTION 3		EMPLOYEES AND SALARIES	
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current Number of Employees	21	23	
Salaries	55,000	88,723	
Number of Employees Retained	21	21	
Salaries	55,000	88,723	
Number of Additional Employees	3	2	
Salaries	55,000	88,723	
SECTION 4		COST AND VALUES	
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	
Values Before Project	\$	\$ 239,800	
Plus: Values of Proposed Project	\$ 2,400,000	\$	
Less: Values of Any Property Being Replaced	\$	\$	
Net Values Upon Completion of Project	\$ 2,400,000	\$	
ACTUAL	COST	ASSESSED VALUE	
Values Before Project	\$	\$	
Plus: Values of Proposed Project	\$ 2,915,963	\$	
Less: Values of Any Property Being Replaced	\$	\$	
Net Values Upon Completion of Project	\$ 2,915,963	\$ 2,283,200	
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			
SECTION 6		TAXPAYER CERTIFICATION	
I hereby certify that the representations in this statement are true			
Signature of Authorized Representative 		Title Chief Financial Officer	Date Signed (month, day, year) 2-5-2025

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 City of Franklin Common Council	
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 City of Franklin Common Council	
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.			



*Attachment to form CF-1
Comments Concerning Investment, Job Creation and Retention Schedules*

Shelby Materials
157 East Rampart Rd.
P.O. Box 242
Shelbyville, IN 46176
317-398-4485
317-398-2727 FAX

Shelby Materials continues to want to add employees. Our stated goal was 24 employees total from our starting point of 21. Currently we have added a net 2 employees for a total of 23 but we anticipate adding several more employees in the spring to reach or surpass our goal of 24.

Concrete

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