AGENDA RESERVATION REQUEST

CITY OF FRANKLIN COMMON COUNCIL

Please type or print

Date Submitted:	February 14, 2023	Meeting Date:	February 22, 2023

Contact Information:

Requested by: Dana Monson

On Behalf of Organization or Individual: | EDC

Telephone: 317-736-3631

Email address: dmonson@franklin.in.gov

Mailing Address: 70 E. Monroe St., Franklin, IN 46131

Describe Request:

Yearly Tax Abatement Compliance Reports for Approval

List Supporting Documentation Provided:

Memo

C 2023-14: Heartland Machine CF-1 Compliance Report

C 2023-40: Shelby Gravel CF-1 RE Compliance Report

C 2023-41: Shelby Gravel CF-1 PP Compliance Report

Who will present the request?

Name: Dana Monson Telephone: 317-736-3631

The Franklin City Council meets on the 1st and 3rd Monday of each month at 6:00 p.m. in the Council Chambers of City Hall located at 70 E. Monroe Street. In order for an individual and/or agency to be considered for new business on the agenda, this reservation form and supporting documents must be received in the Mayor's office no later than 12:00 p.m. on the Wednesday before the meeting.

Memo

To: City Council Members

CC: Mayor, Clerk-Treasurer, City Attorney

From: Dana Monson, Community Development Specialist

Date: February 22, 2023

Subject: EDC – Tax Abatement Compliance

The Economic Development Commission found the following tax abatement compliance reports to be in substantial compliance and forwarded them to the City Council with favorable recommendations at their February 14, 2023 meeting:

C 2023-14: Heartland Machine
C 2023-40: Shelby Gravel RE
C 2023-41: Shelby Gravel PP

Compliance documentation is attached for each case. Please contact me directly at 346-1254 or dmonson@franklin.in.gov if you have any questions regarding this information.

Memorandum

To: City of Franklin Economic Development Commission

From: Dana Monson, Community Development Specialist

Date: February 14, 2023

Re: Case C 2023-14: Heartland Machine & Engineering, LLC

Summary:

1. On March 18th, 2013, the Franklin Common Council passed Resolution No. 2013-11, approving a 10-year tax abatement on real property with a 2% Economic Development Fee for Heartland Machine & Engineering, located at 2848 N. Graham Road.

2. Actual and estimated benefits, as projected for 2022:

	Estimated on SB-1	Actual in 2022	Difference
Employees Retained	18	18	0
Salaries	\$1,080,144.00	\$1,414,780	\$334,636.00
New Employees	7	2	-5
Salaries	\$364,000	\$78,400.00	-\$285,600.00
Total Employees	25	20	-5
Total Salaries	\$1,444,144	\$1,493,180	\$49,036.00
Average Hourly Salaries	\$27.77	\$35.89	\$8.12
Real Property Improvements	\$800,000	\$1,102,251	\$302,251

- 3. Heartland Machine & Engineer planned to construct this building in 2013. It was not finished in 2013, but it was finished in 2014. They have exceeded their estimated real property improvement value by \$302,251.
- 4. In 2020 Heartland Machine was up two employees from the estimate on the SB-1 form; and the average hourly salary is \$3.30 higher than the SB-1 estimate. In 2021 the company was below employment numbers by 5 but up by \$8.12/hour in wages. 2022 remained unchanged from the previous year in terms of employment and wages.
- 5. The real property tax abatement for Heartland Machine & Engineering, LLC, is scheduled to expire in tax year 2025 payable 2026. The final compliance review will take place in 2025.

Staff Recommendation: Approval



January 26, 2023

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

RE: Tax Abatement Compliance for Heartland Machine & Engineering LLC

Dear Mrs. Monson:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements which were granted to Heartland Machine & Engineering LLC (HME) in 2013 under Franklin Common Council Resolution No. 13-11.

Our company has been successful in creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1). While the original proposal was to hire seven more employees, due to the current workforce and the company growth, we have only added 2 jobs. However, we did manage to retain the original 18. Even though we were not able to hire the additional, we did increase wages and provided benefits for all of our current employees.

As the economy comes out of the recession, there is still a goal of hiring more and continuing to grow the company.

Please do not hesitate to contact me if you have any questions or concerns regarding this matter.

Sincerely,

Sandy Bennett
Controller

Controller



COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20 22 PAY 20 23

FORM CF-1 / Real Property

PRIVACY NOTICE

The cost and any specific individual's satary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

INSTRUCTIONS:

- This form does not apply to property located in a residentially distressed area or any deduction for which the Statement of Benefits was approved before July 1, 1991.
 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).
- This form must accompany the initial deduction application (Form 322/RE) that is filed with the county auditor.
 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 6-1.1-12.1-5.1(b))
- 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 INFO	RMATION				
Name of jaxpayer			County Johnson			
Heartland Machine & Engineering LLC						
Address of taxpayer (number and street, city, state, and	d ZIP code)			DLGF taxing dist	ct number	
2848 Graham Road, Franklin, IN 46131	41-08-02-024-003.000-009					
Name of contact person				Telephone number		
Sandy Bennett				(317) 494-3864		
SECTION 2	LOCATION AND DESCRIPTION	ON OF PROPERT	NV.			
Name of designating body		Resolution number		Estimated start da	ite (month, day, year)	
The City of Franklin Common Council		13-1	1			
Location of property 2848 Graham Road, Franklin, IN 46131				Actual start date	month, day, year)	
Description of real property improvements				Estimated comple	tion date (month, day, year	
Construction of 20,000 square foot building	to support machine tool distribu	ution. The buildir	ng provides			
office space, showroom facilities and warel	nousing.			Actual completion	date (month, day, year)	
SECTION 3	EMPLOYEES AND	SALARIES				
EMPLOYE	ES AND SALARIES		AS ESTIMA	TED ON SB-1	ACTUAL	
Current number of employees				18	20	
Salaries				0,144	1,493,180	
Number of employees retained			18	18		
Salaries			1,080,144		1,414,780	
Number of additional employees				7	2	
Salaries			364	,000	78,400	
SECTION 4	COST AND VA	LUES				
COST AND VALUES		REAL ESTATE	IMPROVEM	ENTS		
AS ESTIMATED ON SB-?	COST			ASSESSED		
Values before project		63,000			92,600	
Plus: Values of proposed project		800,00			800,000	
Less: Values of any property being replaced						
Net values upon completion of project		863,000			892,600	
ACTUAL	COST			ASSESSED		
Values before project		63,000			92,600	
Plus: Values of proposed project		1,102,251	1		1,200,000	
Less: Values of any property being replaced						
Net values upon completion of project		1,162,251			1,292,600	
The state of the s	NVERTED AND OTHER BENEFIT	S PROMISED BY				
	AND OTHER BENEFITS		AS ESTIMAT	ED ON SB-1	ACTUAL	
Amount of solid waste converted						
Amount of hazardous waste converted						
Other benefits:						
		The same of the sa				
SECTION 6	TAXPAYER CERTIF			America 6		
	TAXPAYER CERTIF		are true.	Date signed (mo		

OPTIONAL. FOR USE BY A DESIGNATING BODY WHO ELECTS TO REVIEW THE COMPLIANCE WITH STATEMENT OF BENEFITS (FORM CF-1). THAT WAS APPROVED AFTER JUNE 30, 1991

INSTRUCTIONS: (IC 6-1.1-12.1-5.1 and IC 6-1.1-12.1-5.9)

- Not later than forty-five (45) days after receipt of this form, the designating body <u>may</u> determine whether or not the property owner has substantially complied with the Statement of Benefits (Form SB-1/Real Property).
- 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 and 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 malled. A copy of the notice may be sent to the county auditor and the county assessor.
- 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, then 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:		
the property owner IS in substantial corr	pliance	
the property owner IS NOT in substantia	Il compliance	
other (specify)		
easons for the determination (attach additional shee	its If necessary)	
gnature of authorized member		Date signed (month, day, year)
tested by:	Designating	horty
55.55 Sy.	5039.6079	
time has been set aside for the purpose of or	nsidering compliance. (Hearing must be he	all receive the opportunity for a hearing. The following date and lid within thirty (30) days of the date of mailing of this notice.)
The of hearing AM Date of hearing PM	(month. day, year) Location of hearing	
	HEARING RESULTS to be completed a	ffor the hearing)
☐ Ap	proved Denied ((see instruction 5 above)
asons for the determination (<i>attach additional shee</i>	s (r necessary)	
mature of authorized member		Date signed (month, day, year)
ested by:	Designating b	ody
ested by.		



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To:

City of Franklin Economic Development Commission

From:

Dana Monson, Community Development Specialist

Date:

February 14, 2023

Re:

Case C 2023-40: 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 2022:

	Estimated on SB-1	Actual in 2022	Difference
Employees Retained	21	21	0
Salaries	\$1,048,320	\$1,647,450	\$599,130
New Employees	3	2	-1
Salaries	\$149,760	\$156,900	\$7,140
Total Employees	24	23	-1
Total Salaries	\$1,198,080	\$1,804,350	\$606,270
Average Hourly Salaries	\$24.00	\$37.00	+13.00
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. Currently they are down 1 new employee but are continuing to hire. They have retained all other employees.
- 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



Concrete

Shelbyville

Rushville

Seymour

Nashville

Indianapolis

Brownsburg

Westfield

Pendleton

Edinburgh

Aggregates

Columbus

Franklin

February 7, 2023

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 over 3 million dollars in real property improvements. With our new plant in operation for 2022 we had a record year of production as Johnson County continues to see marked economic growth.

Throughout the course of the year our workforce number changes. Often people leave employment during the slower season (Dec-Feb) but our hiring picks back up during the rest of the year. For much of the year we had as many as 27 employees, exceeding our goal of 24, but as of the time of this report we currently sit at 23.

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.

812-526-2731 812-526-2731 765-763-7670

317-738-3445

317-398-4485

765-932-3292

812-372-5553

812-522-6221

812-988-6206

317-782-3200

317-216-7555

317-804-8100

317-827-0090

Franklin Shelbyville 765-763-7670 Rushville

Trucking

317-398-4485

Sincerely,

Aaron Haehl Vice President

Shelby Gravel, Inc. dba Shelby Materials

ahaehl@shelbymaterials.com

	Johnson County Property Abatement Personal Property	erty			7		Per Accountant	at .		
					7		rand	Garage/		
12/31/2022	Plant costs reclassed from Construction in Progress Account	6,680,197.00 Plant	Plant	Personal	Asset	Land	Impr	Office	Plant	Total
12/31/2022	"Computerized Batch Control Systems" from Plant Bill	(53,925.00) Plant	Plant	Personal						
12/31/2022	Garage Crane reclassed from Construction in Progress	95,554.00 Plant	Plant	Personal	1648	761,623				761,623
12/31/2022	"Computerized Batch Control Systems" from Plant Bill	53,925.00 IT Costs	IT Costs	Personal	1690	392,314				392,314
12/31/2022	Excess Concrete Reclamation System	937,227,00	Reclaimer	Personal	1756	25,774				25,774
12/31/2022	Air Compressor	5,500.00 Plant	Plant	Personal	1691		524,004			524,004
12/31/2022	Fuel Tank and Dispenser System	36,610.00 Plant	Plant	Personal	1694		938,065			938,065
12/31/2022	Depreciable Land Improvements reclassed from CIP Account	524,004.00	524,004.00 Land Improvements	Real	1708			1,534,537		1,534,537
12/31/2022	Sign	16,565.00	Land improvements	Real	1709		9,439			9,439
12/31/2022	Parking lot, road improvements	947,504.00	947,504.00 Land improvements	Real	1022		16,565			16,565
12/31/2022	Office & Garage	1,534,537.00 Office	Office	Real	1676				6,568,111	6,568,111
		10,777,698.00			1692				86,626	86,626
					1705				8,928	8,928
					1710				112,086	112,086
					1716				5,500	5,500
	Total				1717				36,510	36,610
Personal	7,755,088.00				1755				937,227	937,227
Real	3,022,610.00					1,179,711	1,488,073	1,534,537	7 7,755,088	11,957,409
	10,777,698.00						1,488,073.00			
	Total									
Plant	6,763,936.00									
Reclaimer	937,227.00									
IT Costs	53,925.00									
Land Improvements	1,488,073.00									
Office	1,534,537.00									
	00'869'111'698'00									
	Job Creation & Retention Schedule									Control of the contro
Employees										
Actual on 11/1/2020	21.00									
Current 2/5/2023	23.00									
Proposed by 12/1/2021	24.00									
Difference between SB-1 and Current	2.00									
Employees as of:	Existing Employees	Hired During Quarter	Termed During Quarter Total	ar Total						
3/31/2022	21.00	3.00	1.00	23.00						
6/30/2022	21.00	7.00								
9/30/2022	21.00	3.00								
12/31/2022	21.00		4.00	00 23.00						



Concrete 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

317-804-8100

317-827-0090

Aggregates

WestfieldPendleton

Trucking

317-398-4485

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

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 are looking to add even more employees well beyond our goal of 24 due the significantly increased demand for concrete in the Johnson County market. During our busy months (summer and fall), we had up to 27 total employees. We continue to want to add employees especially as we move into the warmer months of the year.

COMPLIANCE WITH STATEMENT OF BENEFITS **REAL ESTATE IMPROVEMENTS**

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20 23 PAY 20 24

FORM CF-1 / Real Property

PRIVACY NOTICE

The cost and any specific individual's salary information is confidential; the balance of the filling is public record per IC 6-1.1-12.1-5.1 (c) and (d).

INSTRUCTIONS:

- 1. This form does not apply to property located in a residentially distressed area or any deduction for which the Statement of Benefits was approved before July 1, 1991.
- Statement or benefits was approved before July 1, 1991.

 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).

 This form must accompany the initial deduction application (Form 322/RE) that is filed with the county auditor.

 This form must also be updated each year in which the deduction is applicable, it is filed with the county auditor.
- This form must also be updated each year in which the deduction is applicable. It is filled with the county about and the designating body before May 15, or by the due date of the real property owner's personal property return that is filled in the township where the property is located. (IC 6-1.1-12.1-5.1(b))
 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 INFO	ORMATION		7305		
Name of taxpayer				County	ahaaa.	
Shelby Gravel, Inc dba					ohnson	
Address of taxpayer (number and street, city, state, and ZIP of	code)			DLGF taxing distric	l number	
PO Box 280, Shelbyville, IN 46176				-		
Name of contact person				Telephone number		
Aaron Haehl				(317) 392	2-5502	
SECTION 2	LOCATION AND DESCRIPT	TION OF PROPERT	Y			
Name of designating body		Resolution number			e (month, day, year)	
City of Franklin Common Council		20-17	7	3	/1/2021	
Location of property				Actual start date (n		
1961 N. Graham Rd, Franklin, IN 46131					/1/2021	
Description of real property improvements				21 200	on date (month, day, year)	
Payed lot, added office/maintenace building, ad	ided ready mix plant and a	associated machin	nery and	13	2/1/2022	
enclosed it with a building. Enclosed the prope	rty with a fence. Performe	ed necessary drai:	nage		date (month, day, year)	
improvements on property and adjoining proper	ty and added necessary s	sewer and landsca	aping.	2/	28/2022	
SECTION 3	EMPLOYEES AND	D SALARIES				
	AND SALARIES		AS ESTIMA	TED ON SB-1	ACTUAL	
Current number of employees	_	1	23			
Salaries		000	78450			
Number of employees retained				:1	21	
Salaries				000	78450	
Number of additional employees				3	2	
Salaries			55	000	78450	
SECTION 4	COST AND V	VALUES				
COST AND VALUES		REAL ESTAT	E IMPROVEM	ENTS		
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		3,022,610				
Less: Values of any property being replaced						
Net values upon completion of project		3,022,610			2,561,400	
SECTION 5 WASTE CONV	ERTED AND OTHER BENE	FITS PROMISED B	Y THE TAXPA	YER		
WASTE CONVERTED AN				TED ON SB-1	ACTUAL	
Amount of solid waste converted						
Amount of hazardous waste converted						
Other benefits:						
SECTION 6	TAXPAYER CER		PINES >	1775 30 W W	and the latest to the	
/ I here	by certify that the representa		nt are true.	1		
Signature of authorized representative	Title		a ale	Date signed (me		
carry ach	C	huf Ferrancial	afficer	2-7-20.	25	
			0.0			

OPTIONAL: FOR USE BY A DESIGNATING BODY WHO ELECTS TO REVIEW THE COMPLIANCE WITH STATEMENT OF BENEFITS (FORM CF-1) THAT WAS APPROVED AFTER JUNE 30, 1991

INSTRUCTIONS: (IC 6-1.1-12.1-5.1 and IC 6-1.1-12.1-5.9)

- Not later than forty-five (45) days after receipt of this form, the designating body <u>may</u> determine whether or not the property owner has substantially complied with the Statement of Benefits (Form SB-1/Real Property).
- 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 and 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.
- 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, then 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:			
the property owne	r IS in su	bstantial compliance			
the property owne	er IS NOT	in substantial compliance			
other (specify)					
Reasons for the determinati	ion (attach	additional sheets if necessary)			
Characters of with sixed man	-shor				Date signed (month, day, year)
Signature of authorized mer	TWE				
Attested by:				Designating body	
if the property owner i	is found r	not to be in substantial compliance purpose of considering complian	e, the proper nce. (Hearin	ty owner shall receive the opportunity for grant to the held within thirty (30) days of	or a hearing. The following date and fithe date of mailing of this notice.)
Time of hearing	AM PM	Date of hearing (month, day, year)	Location of	nearing	
The second second	040	HEARING RESU	LTS (to be	completed after the hearing)	
		Approved		Denied (see instruction 5 above)	
Reasons for the determinat	ion (altach	eddillonal sheets if necessary)			
Signature of authorized me	mber				Date signed (month, day, year)
Attested by:				Designating body	
		APPEA	AL RIGHTS	[IC 6-1.1-12.1-5.9(e)]	
A property owner who	ose dedu Court tog	ction is denied by the designating ether with a bond conditioned to	body may a	appeal the designating body's decision osts of the appeal is de	by filing a complaint in the office of the termined against the property owner.



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission

From: Dana Monson, Community Development Specialist

Date: February 14, 2023

Re: Case C 2023-40: 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.

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- 3. Shelby Gravel had stated on their SB-1 form that construction would begin in 2021. The facility was completed in 2022. Currently they are down 1 new employee but are continuing to hire. They have retained all other employees.
- 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 7, 2023

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 over 3 million dollars in real property improvements. With our new plant in operation for 2022 we had a record year of production as Johnson County continues to see marked economic growth.

Throughout the course of the year our workforce number changes. Often people leave employment during the slower season (Dec-Feb) but our hiring picks back up during the rest of the year. For much of the year we had as many as 27 employees, exceeding our goal of 24, but as of the time of this report we currently sit at 23.

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 Vice President

Shelby Gravel, Inc. dba Shelby Materials

ahaehl@shelbymaterials.com

...

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

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

	Johnson County Property Abatement Personal Property	perty					Per Accountant	_		
								Garage/		
12/31/2022	Plant costs reclassed from Construction in Progress Account	6,680,197.00 Plant	Plant	Personal	Asset	Land	lmpr C	Office	Plant	Total
12/31/2022	"Computerized Batch Control Systems" from Plant Bill	(53,925.00) Plant	Plant	Personal						
12/31/2022	Garage Grane reclassed from Construction in Progress	95,554.00 Plent	Plant	Parsonal	1648	761,623				761,623
12/31/2022	"Computerized Batch Control Systems" from Plant Bill	53,925.00 IT Costs	IT Costs	Personal	1690	392,314				392,314
12/31/2022	Excess Concrete Reclamation System	937,227.00 Reclaimer	Reclaimer	Personal	1756	25,774				25,774
12/31/2022	Air Compressor	5,500.00 Plant	Plant	Personal	1691		524,004			524,004
12/31/2022	Fuel Tank and Dispenser System	36,610.00 Plant	Plant	Personal	1694		590'886			938,065
12/31/2022	Depreciable Land Improvements reclassed from CIP Account	524,004.00	524,004.00 Land Improvements	Real	1708			1,534,537		1,534,537
12/31/2022	Sign	16,565.00	16,565.00 Land Improvements	Real	1709		9,439			9,439
12/31/2022	Parking lot, road improvements	947,504.00	947,504,00 Land Improvements	Real	1022		16,565			16,565
12/31/2022	Office & Garage	1,534,537.00	Office	Real	1676				6,568,111	6,568,111
		10,777,698.00			1692				86,626	86,626
					1705				8,928	826'8
					1710				112,086	112,086
					1716				5,500	5,500
	Total				1717				36,610	36,610
Personal	7,755,088,00				1755				722,759	722,759
Real	3,022,610,00					1,179,711	1,488,073	1,534,537	7,755,088	11,957,409
	10,777,698.00						1,488,073.00	****		
	Total						đ			
Plant	6,763,936,00									
Reclaimer	937,227,00									
IT Costs	59,925.00									
Land Improvements	1,488,073.00									
Office	1,534,537.00									
	10,777,698.00									
	Job Creation & Retention Schedule									
Employees	Maria California de Calabra de Ca									
Actual on 11/1/2020	21.00									
Current 2/5/2023	23.00									
Proposed by 12/1/2021	24.00									
Difference between SB-1 and Current	200									
Employees as of:	Existing Employees	Hired During Quarter	Termed During Quarter Total	er Total						
3/31/2022	21.00	3,00		1.00 23.00						
6/30/2022	21.00	7.00		3.00 27.00						
9/30/2022	21,00	3,00		27.00						
12/31/2022	21.00		4	4.00 23.00						



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

Aggregates

Pendleton

Edinburgh
 Franklin
 Shelbyville
 Rushville
 765-763-7670
 Rushville

317-827-0090

Trucking

317-398-4485

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

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 are looking to add even more employees well beyond our goal of 24 due the significantly increased demand for concrete in the Johnson County market. During our busy months (summer and fall), we had up to 27 total employees. We continue to want to add employees especially as we move into the warmer months of the year.

COMPLIANCE WITH STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51765 (R4 / 11-16)

Prescribed by the Department of Local Government Finance

FORM CF-1/PP

PRIVACY NOTICE
This form contains information confidential pursuant to IC 6-1.1-35-9 and IC 6-1.1-12.1-5.6

- INSTRUCTIONS: 1. Properly 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 8-1.1-12.1-5.6)

 2. This form must be filed with the Form 103-ERA Schedule of Deduction from Assessed Value between January 1 and May 15 of each year, unless a filing extension under IC 6-1.1-3.7 has been granted. A person who obtains a filing extension must file between January 1 and the extended due date of each year.

With the approval of the de	signating body,	compliance int	ormation to	ir multipie projec	as may oe	consolidated on C	ne (r) comp	nance (CF-1,
SECTION 1		TAXPAYER IN	FORMATI	ON				
Name of taxpayer						County		
Shelby Gravel, Inc dba Shelby Mate	erials					Johnson		
Address of taxpayer (number and street, city, state, and it	ZIP code)					DLGF taxing distri	ci number	
PO Box 280 Shelbyville, IN 46176								
Name of contact person						Telephone numbe	r	
Aaron Haehl						(317)39	2-5500	
SECTION 2	LOCATIO	N AND DESCR	IPTION O	FPROPERTY	9, 100	THE RESERVE	I THE	1 101 1
Name of designating body	20071110			tion number		Estimated start da	te (month, da)	y, year)
City of Franklin Common Council				20-18		3	/1/2021	
Location of property						Actual start date (month, day, ye	ear)
1961 N Graham Rd, Franklin, IN 46	3131					3	/1/2021	
Description of new manufacturing equipment, or new res	earch and devel					Estimated complete	tion date (mor 2/1/2021	uth, day, year)
This project will be the site development and built	ding of offices,	maintenance f	acilities an	d a ready mix o	oncrete	Actual completion		day, year)
plant for Shelby Materials. The new plant will im-	prove efficienc	y of the operation	ons that is	not feasible at t	ne current	1.00	28/2022	
location.	-	evel evee	WPS0SP4107	(eXero				1000
SECTION 3		EMPLOYEES /	IND SALA	INIES	1 40 50	*****	4	OTILA
	ES AND SALA	RIES			AS ES	TIMATED ON SE	A I	CTUAL
Current number of employees						21	_	23
Salaries						55,000.00 78,450.00		
Number of employees retained								
Salaries						55,000.00	7/	8,450.00
Number of additional employees						3		2
Salaries						55,000.00	7.	8,450.00
SECTION 4		COST AN) VALUES			-	101	- 1
	MANUFA EQUIP		R&DE	QUIPMENT	EQU	ASSESSED	IT EQU	IPMENT ASSESSED
AS ESTIMATED ON 58-1	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	VALUE	COST	VALUE
Values before project				-		-		
Plus: Values of proposed project	6,400,000.00			+		_		
Less: Values of any property being replaced				+				
Net values upon completion of project	6,400,000.00	10050000		ACCECCEN		ASSESSED		ASSESSEC
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	VALUE	COST	VALUE
Values before project								
Plus: Values of proposed project	7,701,163,00						53,925.00	
Less: Values of any property being replaced								
Net values upon completion of project	7,701,183.00						53,925.00	
NOTE: The COST of the property is confidential		A.1 1.12 1.5 6	(c)					
THE RESERVE OF THE PARTY OF THE				DOMICED BY	LIC TAVO	VED		The second
323710113			NEFLIS P	ROMISED BY T			-	THAL
WASTE CONVERTED	O AND OTHER	RENEFITS			AS ESTIN	MATED ON SB-1	AC	TUAL
Amount of solid waste converted							_	
Amount of hazardous waste converted							+	
Other benefits:								
SECTION 6	APPLICATION.	TAXPAYER C	ERTIFICA	TION	11	10 mg 1/2	PE 13	454 13
I haveby certify that the representations in this	statement are	true.						
Signature of authorized representative		Ti	le el	• 20	520	Date signed (mo		
(large Sould		1.7	11 . 1.	reneval o	70.0	2-7-202	2	

OPTIONAL: FOR USE BY A DESIGNATING BODY WHO ELECTS TO REVIEW THE COMPLIANCE WITH STATEMENT OF BENEFITS (FORM CF-1) THAT WAS APPROVED AFTER JUNE 30, 1991.

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

- This page does not apply to a Statement of Benefits filed before July 1, 1991; that deduction may not be terminated for a failure to comply with the Statement of Benefits.
- 2. 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.
- 3. 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 and 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.
- 4. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made 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.
- If the designating body determines that the property owner has NOT made reasonable effort to comply, then 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 (altach additional sheets if necessary)			
Signature of authorized member			Date signed (month, day, year)
Attested by:		Designating body	
rational sy.			
If the property owner is found not to be in substantial comp time has been set aside for the purpose of considering con	pliance, the proper mpliance.	ty owner shall receive the opportunity for	or a hearing. The following date and
Time of hearing AM Date of hearing (month, day,)			
HEARING	RESULTS (to be	completed after the hearing)	The state of the s
☐ Approved		Denied (see instruction 5 above)	
Reasons for the determination (attach additional sheets if necessary)			
			Date signed (month, day, year)
Signature of authorized member			Date signed (morning out)
Altested by:		Designating body	
A	PPEAL RIGHTS	[IC 6-1.1-12.1-5.9(e)]	
A property owner whose deduction is denied by the desig clerk of Circuit or Superior Court together with a bond co	nating body may a	appeal the designating body's decision in costs of the appeal if the appeal is d	by filing a complaint in the office of the etermined against the property owner,