

METROPOLITAN DEVELOPMENT COMMISSION OF

MARION COUNTY, INDIANA

PRELIMINARY ECONOMIC REVITALIZATION AREA RESOLUTION

Resolution No. 2025-A-021

REAL PROPERTY TAX ABATEMENT

Holladay Property Services Midwest, Inc.

55 Monument Circle *a/k/a* 5 E Market Street & 49 Monument Circle

WHEREAS, I.C. 6-1.1-12.1 allows a partial abatement of property taxes attributable to "redevelopment or rehabilitation" activities (hereinafter "Project") in "Economic Revitalization Areas"; and

WHEREAS, I.C. 6-1.1-12.1 empowers the Metropolitan Development Commission (hereinafter "Commission") to designate Economic Revitalization Areas and determine the length of the abatement period, the annual abatement schedule during the term of the abatement and the abatement deduction limit for such property by following a procedure involving adoption of a preliminary resolution, provision of public notice, conducting of a public hearing, and adoption of a resolution confirming the preliminary resolution or a modified version of the preliminary resolution; and

WHEREAS, the Commission has established in Resolution No. 01-A-041, 2001, certain standards and procedures for the designation of Economic Revitalization Areas for the partial abatement of property taxes attributable to redevelopment or rehabilitation activities; and

WHEREAS, I.C. 6-1.1-12.1 requires an applicant for Economic Revitalization Area designation to provide a statement of benefits and requires the Commission, before it makes a decision to designate such an area as an Economic Revitalization Area, to determine that the Project can be reasonably expected to yield the benefits identified in the statement of benefits and determine that the totality of benefits arising from the Project is sufficient to justify Economic Revitalization Area designation; and

WHEREAS, a business (hereinafter "Applicant") named in the attachment to this Resolution, which is incorporated herein by reference, has an ownership interest in the geographical area (hereinafter "Subject Real Estate") described in such attachment; and

WHEREAS, during a hearing at 1:00 p.m. on Wednesday, **June 4, 2025**, the Commission received evidence about whether the Subject Real Estate should be designated as an Economic Revitalization Area, and sufficient evidence was provided which established Assertion 1 and some evidence was provided which tended to establish Assertions 2, 3, 4, 5, and 6 stated on the attachment to this Resolution.

NOW, THEREFORE, BE IT RESOLVED:

1. The Subject Real Estate is preliminarily designated as an Economic Revitalization Area for an abatement period of ten (10) years with a proposed abatement schedule as shown on the attachment to this Preliminary Resolution. Final designation as an Economic Revitalization Area does not occur unless a resolution confirming this Preliminary Resolution is adopted in accordance with the governing statute.

2. Designation as an Economic Revitalization Area allows abatement of property taxes, for the period indicated, only relative to the Project and **the effectiveness of the designation can be terminated by action of the Commission if:**
 - A. Construction on the Subject Real Estate is not in substantial conformance with the Project description contained in a final resolution as supplemented by information in the application, site plans, and elevations; or
 - B. Construction of the Project is not initiated within one (1) year of the date a final resolution designating the Subject Real Estate as an Economic Revitalization Area is adopted.
3. The Economic Revitalization Area (hereinafter the “ERA”) designation terminates three (3) years after the date a final resolution is adopted however, relative to redevelopment or rehabilitation completed before the ERA period, this termination does not limit the period of time the Applicant or successor owner is entitled to receive an abatement of property taxes to a period of not less than ten (10) years.
4. This Economic Revitalization Area designation is limited to allowing the abatement of property taxes attributable to redevelopment or rehabilitation activities: **This designation does not allow abatement of property taxes for new manufacturing equipment pursuant to I.C. 6-1.1-12.1-4.5.**
5. Under the authority of I.C. 6-1.1-12.1, the Commission directs the Department of Metropolitan Development to survey projects receiving Economic Revitalization Area designation for compliance with job creation/retention figures, salaries associated with these figures and investment figures contained in the Applicant's approved statement of benefits form. The annual date of survey shall be contained in a final resolution designating the property as an Economic Revitalization Area.
6. The Commission fixes 1:00 p.m. on Wednesday, **June 18, 2025**, in the Public Assembly Room of the City-County Building for the public hearing of remonstrances and objections from persons interested in the Project and directs the publication of notice of public hearing in accordance with the governing statute. At this hearing, the Commission will take action relative to this Preliminary Resolution and determine whether the Subject Real Estate should be designated as an Economic Revitalization Area, fix the length of the abatement period at ten (10) years, and establish an abatement schedule.
7. A copy of this Resolution shall be filed with the Marion County Assessor.

METROPOLITAN DEVELOPMENT COMMISSION

John Dillon III, President

Date

Approved as to Legal Form
and Adequacy this 27th day of
May 2025.

Sheila Kinney

Sheila Kinney, Asst. Corp. Counsel
Office of Corporation Counsel

ATTACHMENT TO
METROPOLITAN DEVELOPMENT COMMISSION RESOLUTION
REAL PROPERTY TAX ABATEMENT

FACTUAL INFORMATION

Applicant: Holladay Property Services Midwest, Inc.

Subject Real Estate: 55 Monument Circle a/k/a 5 E Market Street &
49 Monument Circle

Center Township Parcel Number: 1020240 and 088934

PROJECT DESCRIPTION

Holladay Property Services Midwest, Inc. is investing \$40 million in the conversion and redevelopment of the historic Circle Tower Building in downtown Indianapolis. The project will transform the existing office space into a 175-room AC by Marriott hotel, preserving the building's architectural character while bringing new vitality to the area.

Floors 1 through 3, along with all existing tenants, will remain unchanged, maintaining the building's current street-level activity. Floors 4 through 14 will be converted into modern hotel accommodations, featuring a jump lobby and a rooftop terrace on the 11th floor to enhance the guest experience and provide unique views of the city.

This development is expected to create 45 full-time jobs, offering an minimum wage of \$20.00 per hour, contributing to both the city's hospitality sector and local employment opportunities.

FACTUAL ASSERTIONS

1. The Subject Real Estate:
 - A. ☐ Is in a planned area which has a tax abatement policy as a part of its plan, or
 - B. ☐ is in a planned area which has a tax abatement policy as part of its plan, but such plan does not contain a recommendation for Economic Revitalization Area designation and the recommended length of abatement, or
 - C. ☒ is not located in a planned area with a tax abatement policy.
2. ☒ The Subject Real Estate and the surrounding area are undesirable for normal development.

3. The project is allowed by zoning restrictions applicable to the subject real estate, or the necessary variance, rezoning or approval petitions are on file at the time of this application, and have final approval prior to a final hearing on this resolution.
- A. x Current zoning allows project.
- B. Appropriate petition is on file.
- C. Final approval for variance, rezoning or approval petition has been granted.
4. A. x The application for Economic Revitalization Area designation was filed before a building permit was obtained or construction work was initiated on the property, or
- B. substantial evidence has been provided supporting that work was started under the following appropriate exception:
5. A. x The subject real estate is governed by Metropolitan Development Commission Resolution No. 01-A-041, 2001 Real Property Tax Abatement Policy for Commercial Projects, which allows up to ten years of abatement for qualifying development, or
- B. The project is eligible to receive ten (10) years tax abatement due to the following recognized exceptional circumstances which justify the longer deduction period:
6. The Subject Real Estate is:
- A. x Located outside of a previously established allocation area as defined in I.C. 36-7-15.1-26, or
- B. located in an allocation area, but Applicant's statement of benefits has been submitted to the legislative body for its approval as required by I.C.6-1.1-12.1-2(k)

PROPOSED ABATEMENT SCHEDULE
REAL PROPERTY TAX ABATEMENT
Holladay Property Services Midwest, Inc. – Circle Tower Project

YEAR OF DEDUCTION	PERCENTAGE
1 st	80%
2 nd	80%
3 rd	80%
4 th	80%
5 th	80%
6 th	80%
7 th	80%
8 th	80%
9 th	80%
10 th	80%

STAFF ANALYSIS
REAL PROPERTY TAX ABATEMENT

Area Surrounding Subject Real Estate: The site is located on the Southeast corner of Market Street on Monument Circle.

Current Zoning: CBD-1

New Jobs Created: 45 full-time positions at \$20.00/hr.

Jobs Retained: None.

Estimated Cost of proposed project: \$40,000,000.00

STAFF ANALYSIS

Holladay Properties, founded in 1952 in South Bend, Indiana, began as a small development firm and has grown into a full-scale, fully integrated real estate company. Known for its expertise in land development, design/build services, and property management, Holladay has become a prominent player in the Midwest real estate market, with a particularly strong presence in Indianapolis. Over the years, the company has delivered a wide range of projects—from commercial and industrial developments to residential communities—leaving a lasting impact on the regional landscape.

Among its most recent initiatives is a \$21.4 million investment to convert the former Angi office building, a 236,288-square-foot property located at 130 East Washington Street, into a modern residential development. This project reflects Holladay’s ongoing commitment to urban revitalization and adaptive reuse in downtown Indianapolis.

In another major effort, Holladay Property Services Midwest, Inc. is leading a \$40 million redevelopment of the historic Circle Tower Building in the heart of downtown. This project will transform the existing office space into a 175-room AC by Marriott hotel, while preserving the building’s distinctive architectural features. The redevelopment plan keeps floors one through three, along with all existing tenants, unchanged to maintain the street-level activity currently in place. Floors four through fourteen will be converted into contemporary hotel accommodations, with a jump lobby and rooftop terrace on the eleventh floor offering elevated guest experiences and panoramic views of the city.

This transformation is expected to create 45 full-time jobs, each offering an minimum wage of \$20.00 per hour, supporting growth in Indianapolis’s hospitality sector and expanding local employment opportunities. In support of the city’s inclusivity goals, Holladay will also contribute a \$50,000 donation to the Monument Circle Public Space Activation Initiative annually for the term of the abatement.

Staff believes this project does comply with the requirements of Metropolitan Development Commission Resolution No. 01-A-041, 2001 concerning the granting of property tax abatement.

RECOMMENDATION: Staff recommends approval of ten (10) years real property tax abatement.

TOTALITY OF BENEFITS

PETITIONER: Holladay Property Services Midwest, Inc.

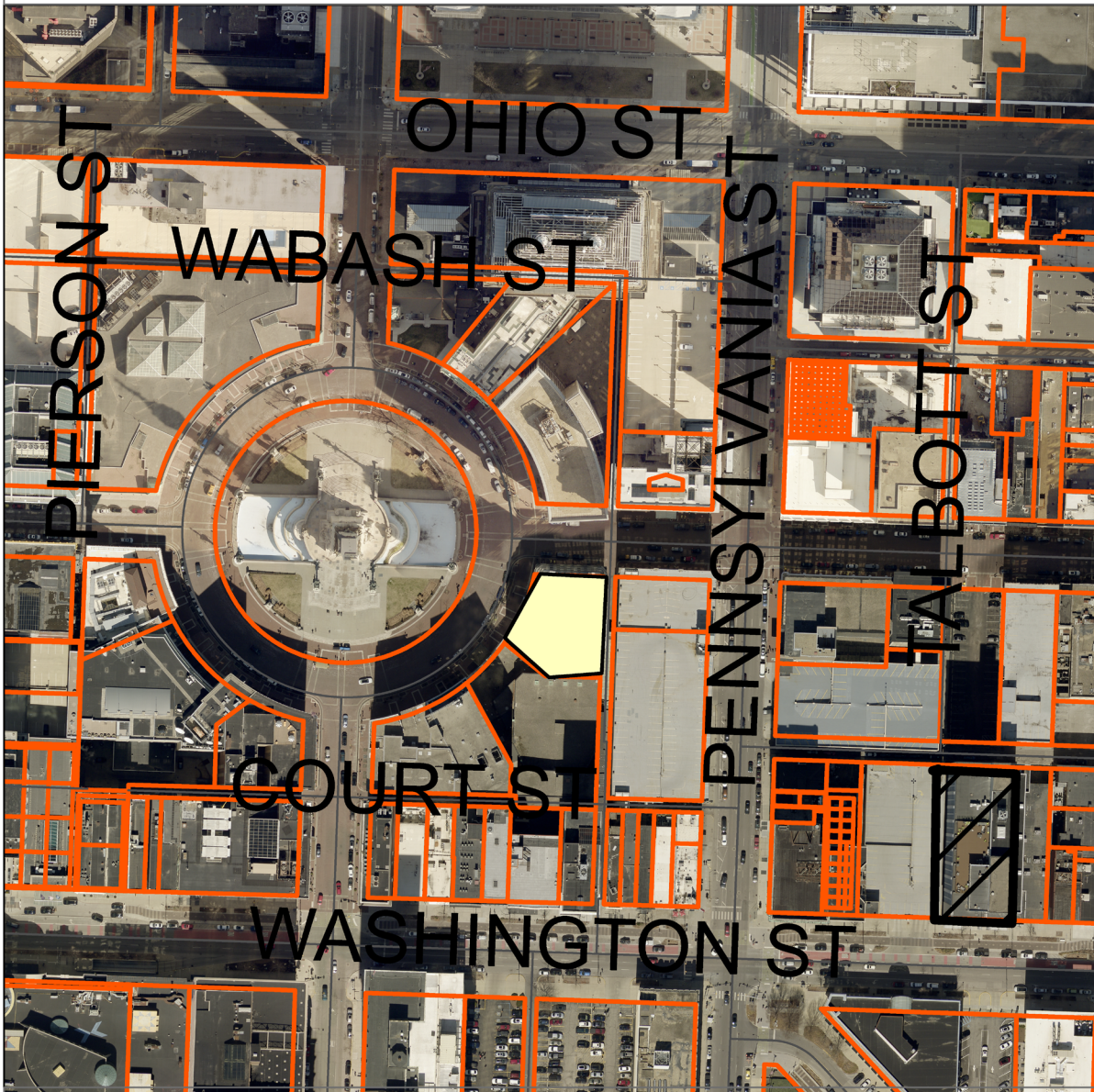
INVESTMENT: Staff estimates that the proposed investment of \$40,000,000.00 should result in an increase to the tax base of approximately \$41,508,600.00 of assessed value. Staff estimates that over the ten (10) year real property tax abatement period the petitioner will realize savings of \$6,825,210.00 (an 83.5% savings). During the abatement period, the petitioner is expected to pay an estimated \$223,345.15 in real property taxes on the project. This is in addition to the current taxes being paid on the property in the amount of \$4,738,255.79 annually (pay 2025 taxes). After the tax abatement expires, the petitioner can be expected to pay an estimated \$1,156,346.58 in real property taxes annually on the new improvements, in addition to the annual taxes attributable to the current value of the property.

EMPLOYMENT: The petitioner estimates that this project will create at least forty-five (45) positions at an minimum wage of \$20.00 per hour. Staff finds these figures to be reasonable for a project of this nature.

OTHER BENEFITS: Staff believes this project is significant for Center Township in terms of new taxes and potential job creation and retention. Furthermore, staff believes the petitioner's project will lead to continued future investment and development in Marion County.

STAFF COMMENT: Staff believes the "Totality of Benefits" arising from the project are sufficient to justify the granting of the tax abatement.

Circle Tower Project
Holiday Property Services Midwest, Inc.
55 Monument Circle, Indianapolis IN 46204



 Project Site



Produced by: DMD - Battle04/2025



0 100 200 400 Feet