

METROPOLITAN DEVELOPMENT COMMISSION OF

MARION COUNTY, INDIANA

FINAL ECONOMIC REVITALIZATION AREA RESOLUTION

RESOLUTION NO. 2023-A-026

REAL PROPERTY TAX ABATEMENT

GP-CM County Line Partners, LLC

8615, 8640, 8721, 8814, 8816, 8840, 8914 & 8950 South Arlington Avenue and
5600 (aka 5624), 5740 & 6000 East County Line Road

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 and annual abatement schedule during the term of the abatement for such property, and to limit the dollar amount of the deduction that will be allowed with respect to a Project, 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 empowers the Commission, at the time an Economic Revitalization Area is designated, to limit the dollar amount of the deduction that will be allowed with respect to a project; 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, the Applicant has requested the Subject Real Estate be designated as an Economic Revitalization Area for the purpose of achieving property tax savings in connection with the Project set forth in the attachment to this Resolution and occurring on the Subject Real Estate; and

WHEREAS, during a preliminary hearing at 1:00 p.m. on Wednesday, June 21, 2023, the Commission received evidence about whether the Subject Real Estate should be designated as an Economic Revitalization Area and recommended the appropriate length of the abatement period for such Area, and

the Commission adopted **Preliminary Resolution No. 2023-A-022**, preliminarily designating the Subject Real Estate as an Economic Revitalization Area for an abatement period of up to seven (7) years (“Preliminary Resolution”); and

WHEREAS, pursuant to Commission Resolution No. 01-A-041, 2001, the Applicant and the City have entered into a Memorandum of Agreement which shall be utilized to measure compliance with the proposed Project described in the attachment to this Resolution; and

WHEREAS, proper legal notices were published indicating the adoption of such Preliminary Resolution and stating when and where such final public hearing would be held.

NOW, THEREFORE, IT IS RESOLVED:

1. The Commission now amends, confirms, adopts and approves such Preliminary Resolution and thereby finds and establishes the area as an Economic Revitalization Area subject to the conditions that designation as an Economic Revitalization Area allows the abatement of property taxes only relative to the Project and the effectiveness of the designation can be terminated by action of the Commission if:
 - A. The Applicant is unable to secure approval of the necessary variance or rezoning petition to provide for the proposed development.
 - B. Construction on the Subject Real Estate is not in substantial conformance with the Project description contained in the final resolutions as supplemented by information in the application, site plan and elevations; or
 - C. 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.
2. The Economic Revitalization Area (ERA) designation terminates December 31, 2030; however, relative to redevelopment or rehabilitation completed before the end of the ERA period, this termination does not limit the period of time the Applicant or successor owner is entitled to receive a partial abatement of property taxes to a period of not less than five (5) and up to seven (7) years.
3. This Economic Revitalization Area designation is limited to allowing the partial abatement of property taxes attributable to redevelopment or rehabilitation activities: **This designation does not allow abatement of property taxes for installation of new manufacturing equipment under I.C. 6-1.1-12.1-4.5.** Pursuant to IC 6-1.1-12.1-2 (i), the Commission hereby limits the dollar amount of the deduction that will be allowed, with respect to redevelopment in the ERA, to those respective tax savings attributable to the development of an industrial park of up to 1,900,000 gross square feet of leasable area. The designation does not allow for abatement of property taxes attributable to non-industrial uses on the Subject Real Estate, with the exception of accessory retail uses within primarily industrial buildings, which shall be eligible for abatement.
4. The Commission has determined that the Project can be reasonably expected to yield the benefits identified in the attached "statement of benefits" and the "statement of benefits" is sufficient to justify the partial abatement of property taxes requested, based on the following findings:
 - A. The estimate of the value of the proposed Project is reasonable for projects of that nature.

- B. The estimate of the number of individuals who will be employed or whose employment will be retained can reasonably be expected to result from the proposed Project.
 - C. The estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can reasonably be expected to result from the proposed Project.
 - D. Other benefits about which information was requested are benefits which can reasonably be expected to result from the proposed Project.
 - E. The "Totality of Benefits" is sufficient to justify the deduction.
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, Workforce Support Commitments and investment figures contained in the applicant's approved Final Economic Revitalization Area Resolution, the Memorandum of Agreement executed by and between the applicant and the City, and/or the statement of benefits form. The Commission may reduce the dollar amount, or rescind the deduction in its entirety, and/or require repayment of all or a portion of the deductions received by the applicant for failure to achieve the benefits identified in the Memorandum of Agreement and/or "statement of benefits", or for failure to respond to the mandatory survey.
 6. The Commission directs the Department of Metropolitan Development to survey the Project described in the attachment to this Resolution annually for at least sixteen (16) years. The dates of the initial sixteen (16) surveys shall be on or about the following dates: 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037 2038 and 2039.
 7. The Subject Real Estate and Project areas are approved for an abatement period of **up to seven (7) years**.
 8. The real property tax abatement shall utilize the following abatement schedules:

REAL PROPERTY TAX ABATEMENT

(Schedule if conditions are not met for "Enhanced Abatement," pursuant to MOA)

YEAR OF DEDUCTION	PERCENTAGE
1 st	100%
2 nd	80%
3 rd	60%
4 th	40%
5 th	20%

REAL PROPERTY OPPORTUNITY BUSINESS ENHANCED TAX ABATEMENT

(Must be invoked by third year of deduction)

YEAR OF DEDUCTION	PERCENTAGE
1 st	100%
2 nd	80%
3 rd	60%
4 th	55%
5 th	45%
6 th	35%
7 th	25%

9. A copy of this Resolution shall be filed with the Marion County Auditor.

METROPOLITAN DEVELOPMENT COMMISSION

John J. Dillon III, President

Date _____

Approved as to Legal Form
and Adequacy this 27th day
of June, 2023.

/s/Toae Kim
Toae Kim
Deputy Chief Counsel

PROJECT SUMMARY
REAL PROPERTY TAX ABATEMENT
GP-CM COUNTY LINE PARTNERS, LLC

Project Address: 8615, 8640, 8721, 8814, 8816, 8840, 8914 & 8950 South Arlington Avenue
and 5600 (aka 5624), 5740 and 6000 East County Line Road

Current Zoning: C-S

Qualified Jobs Created: 369

Qualified Jobs Retained: None.

Estimated Cost of Proposed Project: \$126,360,000.00

STAFF ANALYSIS

GP-CM County Line Partners, LLC has proposed to invest \$126.36MM to develop an approximately 1,900,000-square foot industrial park, to be comprised of five individual buildings. GP-CM has committed to a minimum of 369 net new jobs in the industrial park, at a minimum wage of \$18.00/hr. If GP-CM is able to secure “Opportunity Industry” tenants for the project, the proposed abatement would provide for two additional years of real property tax deductions for each building so occupied.

The petitioner’s Inclusivity Plan will dedicate five percent of the estimated abatement value toward eliminating barriers to job access. The Plan includes a multi-modal trail along County Line Road that would connect to a robust pedestrian network within the industrial park. Additionally, the park will feature a signalized, pedestrian crosswalk on Arlington Avenue, and GP-CM will construct missing sidewalk segments along Arlington Avenue.

The City is also considering the designation of the area as an Economic Development Area and Allocation Area. This would allow the City to capture the unabated portion of the increased property taxes resulting from this project to finance needed public infrastructure improvements, such as widening portions of Arlington Avenue and improving the Arlington & County Line Road intersection to facilitate increased industrial and pedestrian traffic.

The applicant is requesting tax abatement to assist in off-setting the high costs of investment associated with this proposed project. The granting of property tax abatement will assist in making this project more economically feasible by phasing in the increased tax liability resulting from the investments. In staff’s opinion, a project such as this would not be economically feasible without incentives. Staff believes that the use of tax abatement is an appropriate tool to assist with this project and support continued development within Marion County. For these reasons, staff believes tax abatement to be an appropriate tool for development.

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 up to seven (7) years real property tax abatement.

TOTALITY OF BENEFITS

PETITIONER:

GP-CM County Line Partners, LLC

INVESTMENT:

Staff estimates that the proposed investment of \$126,360,000.00 should result in an increase to the tax base of approximately \$88,019,833.00 of assessed value. Staff estimates that over the five (5) year real property tax abatement period the petitioner will realize savings of approximately \$7,461,666.73 (a 62.1% savings). During the abatement period, the petitioner is expected to pay an estimated \$4,556,244.32 in real property taxes relative to the new investment. This is in addition to the current real estate taxes being paid on the undeveloped property in the amount of \$29,764.36 annually (pay 2023 taxes), which represents the taxes on agricultural ground. After the tax abatement expires, the petitioner can be expected to pay an estimated \$2,458,356.21 in real property taxes annually on the new improvements, in addition to current taxes.

OPPORTUNITY INDUSTRY INCENTIVE:

The petitioner has agreed to target Opportunity Industries in their marketing effort to lease or sell the developed property. If petitioner successful in leasing at least 51% of the gross leasable area of the building to such an industry, then the petitioner will be entitled to an alternate deduction schedule, including two (2) more years of deduction on the building(s) thus occupied. Staff estimates that if the building qualifies for the enhanced real property tax abatement, the petitioner will realize an additional tax savings of approximately \$1,935,457.23, in addition to the tax savings realized during the initial abatement term. The petitioner would also pay an additional \$2,871,707.19 in real property taxes during the enhanced abatement term.

EMPLOYMENT:

The petitioner estimates that this project will create a minimum of three-hundred and sixty-nine (369) positions at a minimum wage of not less than \$18.00/hr. Staff finds these figures to be reasonable for a project of this nature.

OTHER BENEFITS:

Staff believes this project is significant for Franklin 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.

PROJECT SUMMARY

Applicant: GP-CM County Line Partners, LLC

Subject Real Estate: 8615, 8640, 8721, 8814, 8816, 8840, 8914 &
8950 South Arlington Avenue and
5600 (aka 5624), 5740 and 6000 East County Line Road

Franklin Township Parcel Numbers: 3006603, 3027790, 3005440, 3001148, 3005015,
3008410, 3004675, 3004674, 3001702, 3024587 and
3001775

PROJECT DESCRIPTION

GP-CM County Line Partners, LLC (“GP-CM”) is a real estate development partnership between local development firms Gershman Partners and CitiMark Inc. GP-CM is proposing to develop approximately 170 acres of primarily agricultural land at the northeast and northwest corners of the intersection of Arlington Avenue and County Line Road into a modern industrial park. GP-CM has proposed that the park will be developed in phases, with the final phase being completed by 2030. The completed park would be comprised of approximately 1,900,000 square feet across five freestanding industrial buildings. The five proposed buildings would be the following approximate sizes: Building 1 - 344,100 sqft; Building 2 - 324,00 sqft.; Building 3 - 573,192 sqft.; Building 4 - 101,640 sqft.; and Building 5 - 553,660 sqft., each of which will be leased in whole or likely demised for lease to smaller tenants. The Park would also include 6.4 acres at the northeast corner of County Line Road and Arlington Avenue that would be reserved for commercial use, and not subject to the proposed tax abatement. The total real estate investment by GP-CM in the proposed industrial facilities is estimated at \$126,360,000.00, in addition to aquation costs, park and area infrastructure and the proposed retail corner.

As part of the development agreement and based on the size and nature of the proposed buildings, GP-CM has committed to creating at least 369 new full-time positions at a minimum wage of \$18.00 per hour. GP-CM has also agreed to target identified Opportunity Industries as tenants for the project. Opportunity Industries are defined as those business sector that provide opportunities for worker advancement without requiring a bachelor’s degree. If the effort to lease 51% of the building to Opportunity Industry tenants is success, two additional years of real property tax abatement would be authorized.

New Jobs Created: 369 at \$18.00/hr.



Jobs Retained: None.

Estimated Cost of Project: \$126,360,000.00

GP-CM County Line Partners, LLC
8615 - 8950 South Arlington Avenue and 5600 - 6000 East County Line Road



Legend

-  Parcels
-  Project Site



0 462.5 925 1,850 Feet

Produced by: DMD REED June 12, 2023

Conceptual Site Plan

