

METROPOLITAN DEVELOPMENT COMMISSION OF

MARION COUNTY, INDIANA

FINAL ECONOMIC REVITALIZATION AREA RESOLUTION

RESOLUTION NO. 2025-A-022

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 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 4, 2025**, 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. 2025-A-021**, preliminarily designating the Subject Real Estate as an Economic Revitalization Area for an abatement period of up to ten (10) years

(“Preliminary Resolution”); and it fixed 1:00 p.m. on Wednesday, **June 18, 2025**, for the public hearing of remonstrances and objections from persons interested in whether the Subject Real Estate should be designated as an Economic Revitalization Area; and

WHEREAS, a copy of such Preliminary Resolution was properly filed with the Marion County Assessor and proper legal notices were published indicating the adoption and substance of such Preliminary Resolution and stating when and where such final hearing would be held; and

WHEREAS, pursuant to Commission Resolution No. 01-A-041, 2001, the Applicant and 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, at such final Hearing, evidence and testimony, and Factual Assertions 1 through 6 stated on the attachment to the Preliminary Resolution were considered by the Commission.

NOW, THEREFORE, IT IS RESOLVED:

1. The Commission now confirms, adopts, amends, 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 designation terminates three (3) years after the date a final resolution is adopted (hereinafter the “ERA”) designation terminates **December 31, 2028**; however, relative to redevelopment or rehabilitation completed before the end of the ERA (3) year 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 less than **ten (10) years**.
3. In the event the investment period, as identified on the Statement of Benefits form, covers more than one assessment cycle, it is the intention of the Commission that Marion County Auditor shall treat each year of partial assessment as the first year of the abatement deduction schedule outlined in this abatement resolution. Each new increment of assessment that occurs during the approved investment period will trigger its own deduction schedule, ensuring that the Applicant is eligible to receive the full, intended abatement savings associated with its forecasted investment, provided that the Applicant timely files with Marion County a separate deduction application (State Forms CF-1 and 322/RE) for each new increment of assessment for which it seeks an abatement deduction.

4. 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 redevelopment of the Subject Real Estate, as described in this Resolution and as depicted in the Site Plan and Conceptual Elevations attached hereto.
5. 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.
6. 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.
7. The Commission directs the Department of Metropolitan Development to survey the Project described in the agreement to this Resolution annually for at least ten (10) years. The dates of the initial twelve (12) surveys shall be on or about the following dates: 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, and 2039.
8. The Subject Real Estate and Project area are approved for an abatement period of **ten (10) years**.
9. The real property tax abatement shall utilize the following abatement schedule:

REAL PROPERTY TAX ABATEMENT

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%

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

[Reminder left intentionally blank; Signatures to follow]

METROPOLITAN DEVELOPMENT COMMISSION

John J. Dillon III, President

Date

Approved as to Legal Form
and Adequacy this 10th day
of June 2025.

Sheila Kinney

Sheila Kinney,
Assistant Corporation Counsel

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 a 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 a 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.

PROJECT SUMMARY

FACTUAL INFORMATION

<u>Applicant:</u>	Holladay Property Services Midwest, Inc.
<u>Subject Real Estate:</u>	55 Monument Circle a/k/a 5 E Market Street & 49 Monument Circle
<u>Center Township Parcel Number:</u>	1020240 and 1088934

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.

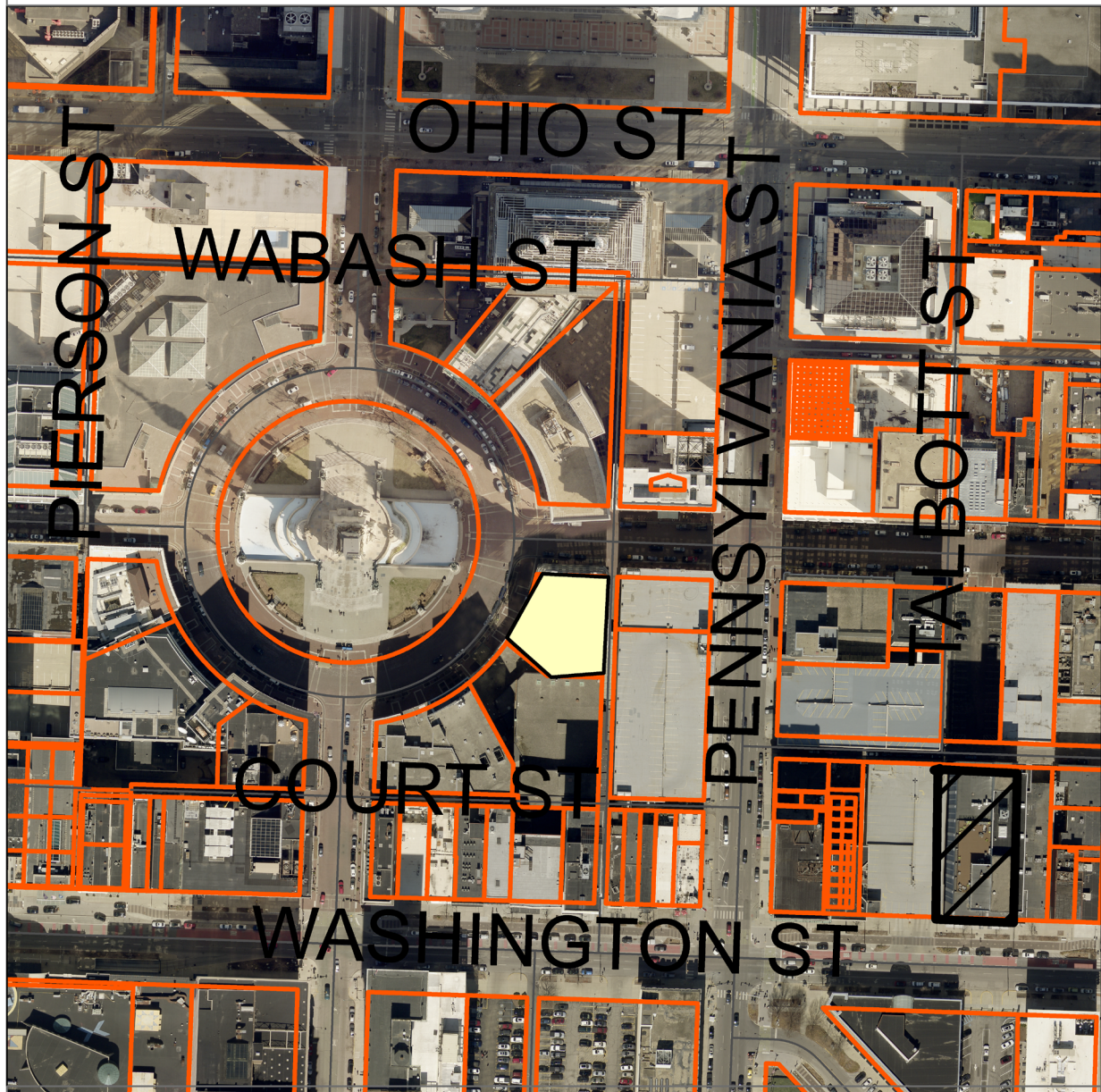
Floors 1 through 3, along with all existing tenants, will remain unchanged, maintaining the building's current street-level activity. Floors 4 through 14 will be converted into modern hotel accommodations, featuring a jump lobby and a rooftop terrace on the 11th floor to enhance the guest experience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

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

<u>New Jobs Created:</u>	45 at \$20.00/hr.
<u>Jobs Retained:</u>	None.
<u>Estimated Cost of Project:</u>	\$40,000,000.00

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

