

**METROPOLITAN DEVELOPMENT COMMISSION OF**

**MARION COUNTY, INDIANA**

**FINAL ECONOMIC REVITALIZATION AREA RESOLUTION**

**RESOLUTION NO. 2025-A-006**

**REAL PROPERTY TAX ABATEMENT**

**Dallara USA Holdings, Inc.**

1201 Main Street

**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 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, February 5, 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-003, ("Preliminary Resolution")** preliminarily designating the Subject Real Estate as an Economic Revitalization Area for an abatement period of six (6) years ("Preliminary Resolution"); 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 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 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 designation terminates five (5) years after the date a final resolution is adopted; however, relative to redevelopment or rehabilitation completed before the end of the five (5) 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 **six (6) 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 and rehabilitation activities occurring in the ERA, to those respective tax savings attributable to the expansion of the current headquarters of not greater than 35,000 square feet of leasable area.
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 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 eight (8) years. The dates of the eight (8) surveys shall be *on or about* the following years: 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032.
  7. The Subject Real Estate and Project area are approved for an abatement period of **six (6) years**.
  8. The six (6) year real property tax abatement shall utilize the following abatement schedule:

YEAR OF DEDUCTION	PERCENTAGE
1 <sup>st</sup>	100%
2 <sup>nd</sup>	85%
3 <sup>rd</sup>	66%
4 <sup>th</sup>	50%
5 <sup>th</sup>	34%
6 <sup>th</sup>	17%

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

METROPOLITAN DEVELOPMENT COMMISSION

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John J. Dillon III, President

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Date

Approved as to Legal Form and  
Adequacy this 12th day of February,  
2025.

*Sheila Kinney* 2/12/2025  

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Sheila Kinney,  
Assistant Corporation Counsel

**STAFF ANALYSIS**  
**REAL PROPERTY TAX ABATEMENT**

Area Surrounding Subject Real Estate: The site is located in Wayne Township in the town of Speedway, 1/3 of a mile SW of the Indianapolis Motor Speedway and 5 miles from downtown Indianapolis.

Current Zoning:.....SZ1 and SZ2

New Jobs Created: .....50

Jobs Retained: .....47

Estimated Cost of proposed project: \$5,000,000.00

**STAFF ANALYSIS**

Dallara USA Holdings, Inc. has announced plans to invest over \$15 million exclusively in its Speedway Indiana location to expand its current Headquarters. This significant investment is expected to impact the Motorsports, Automotive, and Aerospace & Defense (AS&D) industries within the state. The company will focus on developing specialized engineering services and manufacturing parts for NASCAR, INDYCAR, INDY NXT, and IMSA series, as well as serving major OEMs in the AS&D sectors. The project aims to bring advanced composite carbon fiber manufacturing technologies, increase machining and post-processing capacity, and improve workforce efficiency. A key goal of the initiative is to attract more manufacturing and high-level engineering services from out-of-state and international markets to the Indiana facility. The current and proposed facilities are located within a redevelopment area TIF district established by the Town of Speedway.

The investment includes \$5 million on real property for the expansion of Dallara’s existing facility in Speedway and \$11.7 million in personal property, state-of-the-art equipment. This growth will also support a partnership with Purdue Motorsports, which will move into Dallara’s building on Main Street. In addition to these advancements, Dallara USA has established a new company, Dallara AK E-Sports, in 2024. This venture will strengthen connections with academic institutions and the global software and electronics industries, further broadening the company’s reach and capabilities.

The project will retain forty-seven (47) current jobs with an average wage of \$34.44/hr. and create fifty (50) new positions with an average wage of \$41.55/hr. by December 31, 2028. These figures exclude benefits, and only positions earning more than \$18 per hour are included. Dallara’s investment underscores its commitment to advancing technology and fostering economic growth in Indiana. Dallara is committed to investing 5% of its tax savings toward workforce support programs.

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 the petitioner 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 the tax abatement incentive. 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 six (6) years real property tax abatement.

## **TOTALITY OF BENEFITS**

### **PETITIONER:**

Dallara USA Holdings, Inc.

### **INVESTMENT:**

Staff estimates that the proposed investment of \$5,000,000.00 should result in an increase to the tax base of approximately \$3,750,000.00 of assessed value. Staff estimates that over the initial six (6) year real property tax abatement period the petitioner will realize savings of approximately \$132,000.00 (an 23% savings). During the abatement period, the petitioner is expected to pay an estimated \$442,656.00 in real property taxes relative to the new investment. This is in addition to the current taxes being paid on the undeveloped property in the approximate amount of \$95,776.00 annually (2024 taxes). After the tax abatement expires, the petitioner can be expected to pay an estimated \$154,052.00 in real property taxes annually on the new improvements, in addition to the annual taxes attributable to the current value of the land, based on tax value assessed in 2024.

### **EMPLOYMENT:**

The petitioner estimates that this project will retain forty- seven (47) jobs at an average wage of \$34.44/hr. and create a minimum of fifty (50) new positions at an average wage of not less than \$41.55/hr. by December 31, 2028. The average wage excludes benefits and only jobs above \$18/hr. are included in these numbers. Staff finds these figures to be reasonable for a project of this nature.

### **OTHER BENEFITS:**

Staff believes this project is significant for Wayne 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: Dallara USA Holdings, Inc.  
Subject Real Estate: 1201 Main Street  
Wayne Township Parcel Number: 9025164, 9025165, and 9058715

### **Project Description**

Dallara USA Holdings, Inc. has announced plans to invest over \$15 million exclusively in its Speedway Indiana location to expand its current Headquarters. This significant investment is expected to impact the Motorsports, Automotive, and Aerospace & Defense (AS&D) industries within the state. The company will focus on developing specialized engineering services and manufacturing parts for NASCAR, INDYCAR, INDY NXT, and IMSA series, as well as serving major OEMs in the AS&D sectors. The project aims to bring advanced composite carbon fiber manufacturing technologies, increase machining and post-processing capacity, and improve workforce efficiency. A key goal of the initiative is to attract more manufacturing and high-level engineering services from out-of-state and international markets to the Indiana facility. The current and proposed facilities are located within a redevelopment area TIF district established by the Town of Speedway.

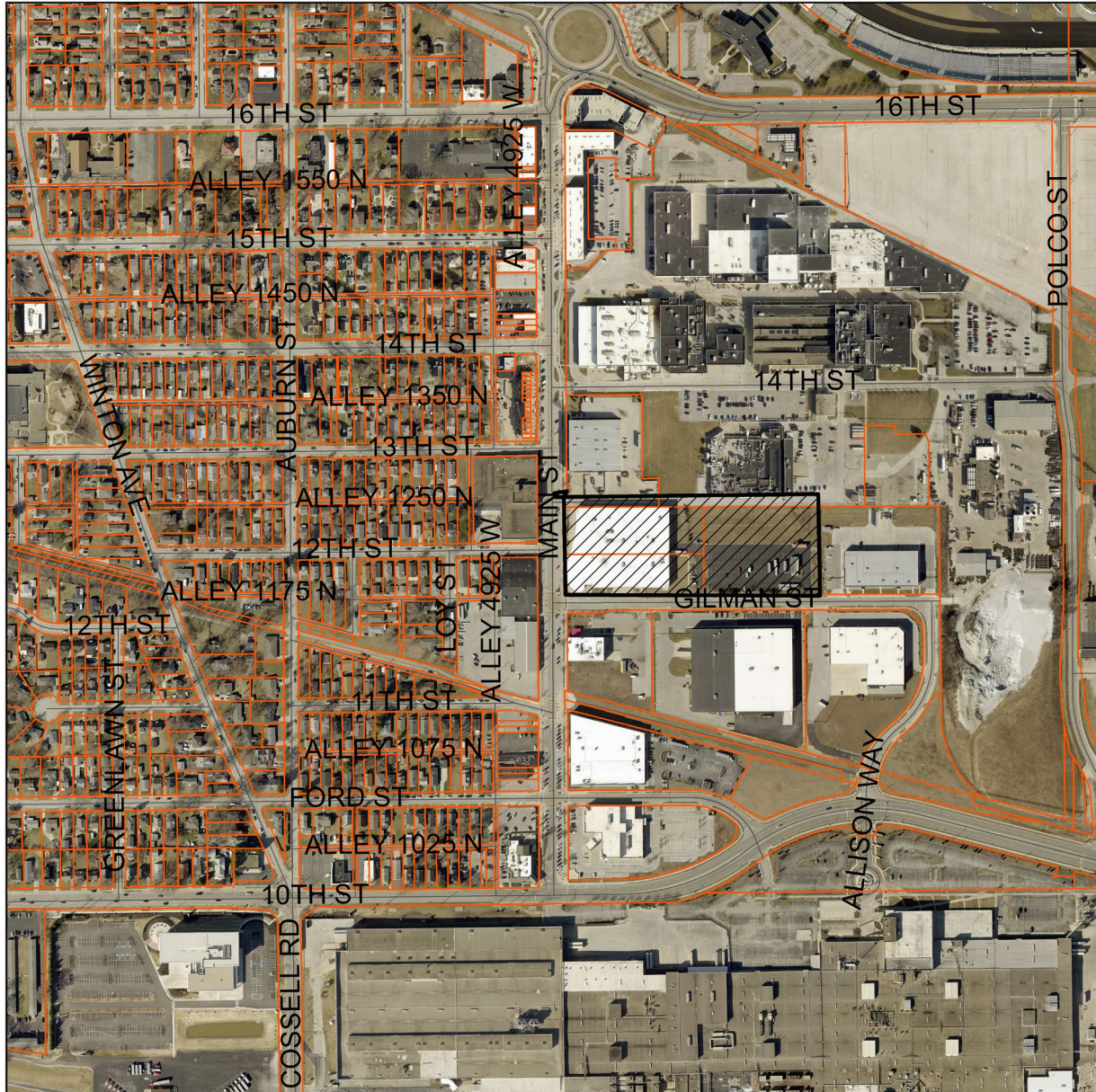
The investment includes \$5 million on real property for the expansion of Dallara's existing facility in Speedway and \$11.7 million in personal property, state-of-the-art equipment. This growth will also support a partnership with Purdue Motorsports, which will move into Dallara's building on Main Street.

New Jobs Created: 50 at \$41.55/hr.  
Jobs Retained: 47 at \$41.55/hr  
Estimated Cost of Project: \$5,000,000.00

**RECOMMENDATION:** Staff recommends approval of six (6) years real property tax abatement.

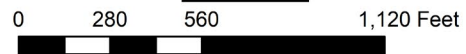


Dallara USA Holdings, Inc.  
1201 Main Street (Speedway)



**Legend**

-  Parcels
-  Project Site



Produced by: DMD - BATTLE 01/2025