

METROPOLITAN DEVELOPMENT COMMISSION OF

MARION COUNTY, INDIANA

FINAL ECONOMIC REVITALIZATION AREA RESOLUTION

RESOLUTION NO. 2023-A-043

REAL PROPERTY TAX ABATEMENT

CTC02, LLC

910 South Post Road a/k/a 820 South Post Road – Lot 3

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, November 15, 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-027**, 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 designation terminates two (2) years after the date a final resolution is adopted; however, relative to redevelopment or rehabilitation completed before the end of the two (2) 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 not less than five (5) and up to seven (7) 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 development of a building not greater than 69,000 square feet of leasable area.

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 attachment to this Resolution annually for at least eleven (11) years. The dates of the initial eleven (11) surveys shall be on or about the following dates: 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033 and 2034.
8. The Subject Real Estate and Project areas are approved for an abatement period of **up to seven (7) years**.
9. 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%

10. 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 29th day
of November , 2023.

/s/Toae Kim
Toae Kim
Deputy Chief Counsel

PROJECT SUMMARY
REAL PROPERTY TAX ABATEMENT
CTC02, LLC

Project Address: 910 South Post Road a/k/a 820 South Post Road – Lot 3

Current Zoning:.....I-2

Qualified Jobs Created: 14

Qualified Jobs Retained:None.

Estimated Cost of Proposed Project: \$3,284,205.00

STAFF ANALYSIS

Commercial Team Construction LLC, through its single-purpose entity, CTC02 LLC, has proposed to invest \$3,284,205 to develop an approximately 69,000-square foot speculative building for lease to one or more industrial users. The addition of such a facility will provide opportunities for smaller regional firms to relocate to, and expand within, Marion County.

CTC02 LLC has committed to a minimum of 14 net new jobs in the industrial building, at a minimum wage of \$18.00/hr. The petitioner's Inclusivity Plan will dedicate five percent of the estimated abatement value toward employment and training through the Modern Apprenticeship program. Petitioner has also agreed through its Inclusivity Plan to provide a youth apprenticeship, partnering with EmployIndy to select a candidate from Warren Central High School's Modern Apprenticeship Program. This program will be a three-year commitment beginning Junior year of high school.

The proposed CTC02 LLC tax abatement includes an enhanced incentive for the project if 51% of the gross leasable area of the facility is occupied by one or more tenants that align with the City's Target & Opportunity Industries. This would help promote industry clustering, job access and opportunities to the surrounding community's workforce.

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

TOTALITY OF BENEFITS

PETITIONER:

CTC02, LLC

INVESTMENT:

Staff estimates that the proposed investment of \$3,284,205.00 should result in an increase to the tax base of approximately \$2,475,000.00 of assessed value. Staff estimates that over the initial five (5) year real property tax abatement period the petitioner will realize savings of approximately \$207,380.25 (a 60.7% savings). During the abatement period, the petitioner is expected to pay an estimated \$134,518.89 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 \$18,956.09 annually (pay2023 taxes). After the tax abatement expires, the petitioner can be expected to pay an estimated \$207,380.25 in real property taxes annually on the new improvements, in addition to the annual taxes attributable to the current value of the land.

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 \$69,126.75, in addition to the tax savings realized during the initial abatement term. The petitioner would also pay an additional \$67,632.90 in real property taxes during the enhanced abatement term.

EMPLOYMENT:

The petitioner estimates that this project will create a minimum of sixteen (14) 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 Warren 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: CTC02, LLC

Subject Real Estate: 910 South Post Road
a/k/a 820 South Post Road – Lot 3

Warren Township Parcel Number: 7034604 and a portion of 7006155

PROJECT DESCRIPTION

Commercial Team Construction is a limited liability company based in Indianapolis, Indiana that specializes in industrial real estate development. It was founded in 2003 and has a unique approach to development focusing on Team Focused Contracting. This approach aims to provide clients with a single point of contact throughout the building process from design models and site selection methods to overall project management. CTC02 LLC, a single-point purpose entity, was created by Commercial Team Construction LLC to construct and manage a 68,250-square foot speculative industrial facility at 910 South Post Road. CTC02 LLC has committed to invest \$3,284,205 in the construction of this project.

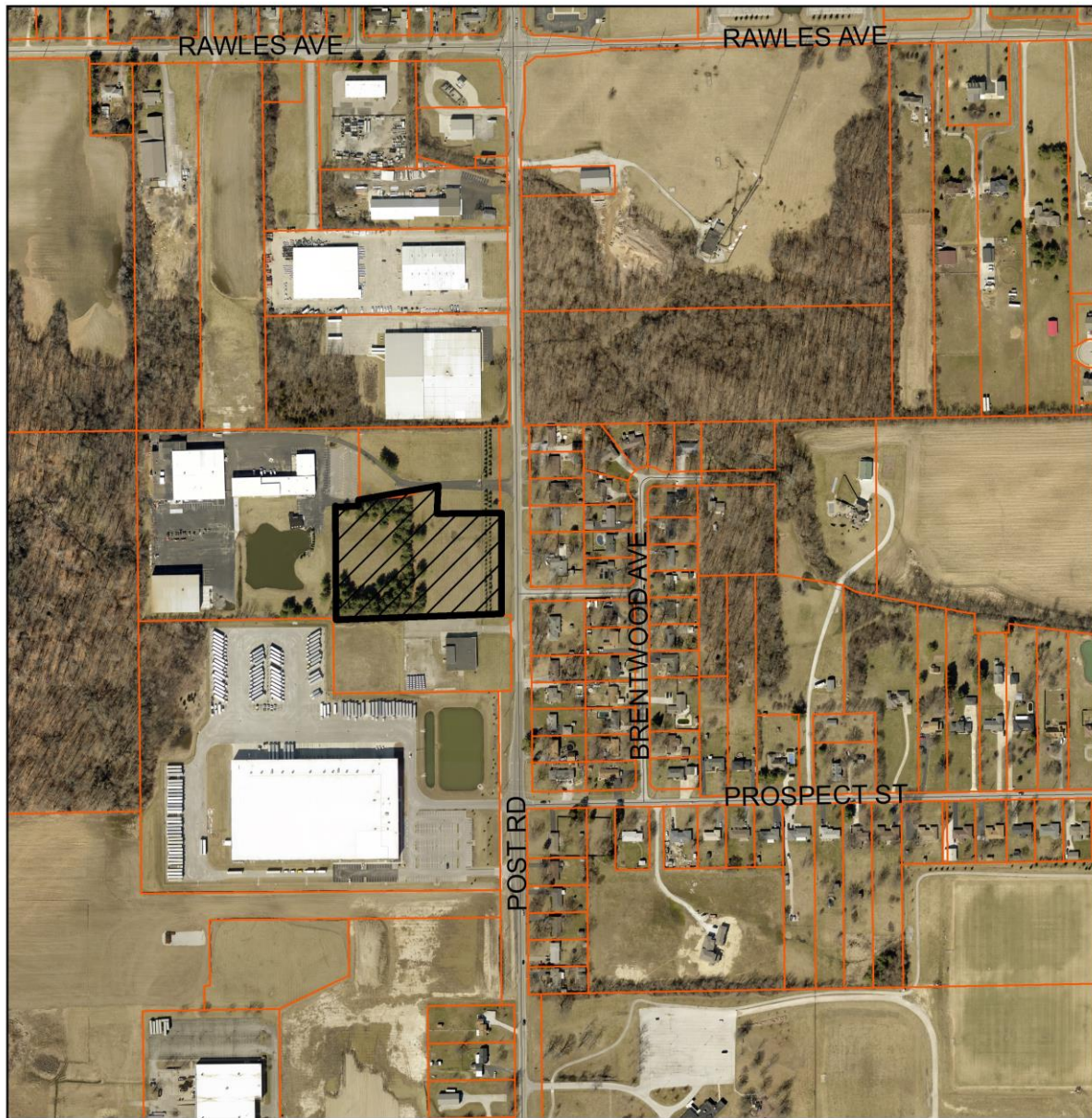
As part of the development agreement, CTC02 LLC has committed to create not less than 14 new full-time positions at a minimum wage of \$18.00 per hour. The developer has also agreed to target identified Opportunity Industries as tenants for the project. Opportunity Industries are defined as those business sector that provide opportunities for worker advancement without requiring a bachelor's degree. For each building, if the effort to attract an Opportunity Industry tenant is success, two additional years of real property tax abatement would be authorized.

New Jobs Created: 14 at \$18.00/hr.

Jobs Retained: None.

Estimated Cost of Project: \$3,284,205.00

CTC02, LLC
910 South Post Road - Wolters Industrial Commercial Plat - Lot 3



Legend

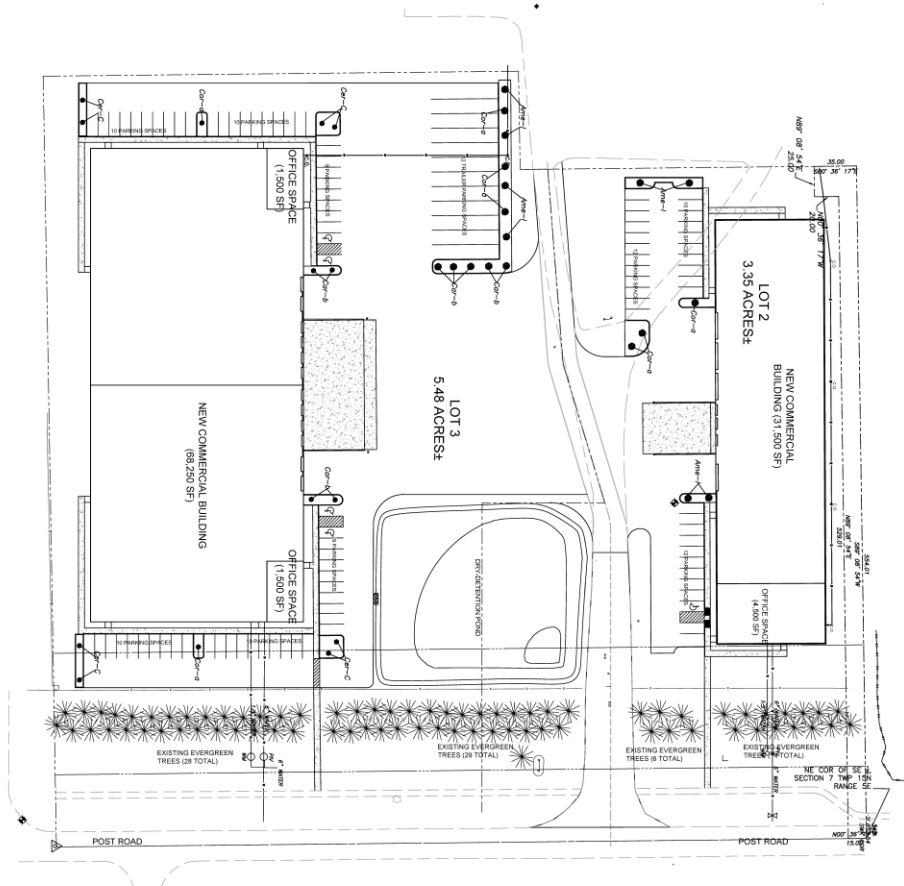
- IndyGo Transit Routes
- Parcels
- Project Site



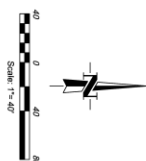
0 300 600 1,200 Feet

Produced by: DMD REED November 28, 2023

Site Plan



PLANT SCHEDULE						
Quantity	Symbol	Botanical Name	Common Name	Size	Cultivation	Notes
Trees						
8	Can-0	Commersonia albertina	Purple Dogwood	2.5"	R&B	Matured Full
8	Can-1	Albizia julibrissin	Magical Rosewood	2.5"	R&B	Matured Full
9	Can-2	Gymnocladus dioica	European Hornbeam	2.5"	R&B	Matured Full
8	Can-3	Crataegus mollis	Hawthorn	2.5"	R&B	Matured Full

[illegible]

REVISIONS		
No.	Date	Description



POST ROAD COMMERCIAL PARK NEW COMMERCIAL BUILDINGS

808 & 910 S POST RD.
INDIANAPOLIS, INDIANA

Tesco
TOTAL ENGINEERING SOLUTIONS COMPANY, LLC
9955 CROSSPOINT BLVD
INDIANAPOLIS, IN 46256
p (317) 667-0791
www.tesco-solutions.com