

METROPOLITAN DEVELOPMENT COMMISSION OF

MARION COUNTY, INDIANA

PRELIMINARY ECONOMIC REVITALIZATION AREA RESOLUTION

Resolution No. 2023-A-020

REAL PROPERTY TAX ABATEMENT

Sentry Ventures LLC and Sentry BioPharma Services, Inc.

4605 Decatur Boulevard and 4410 Kollman 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 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, May 3, 2023, 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 five (5) 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 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 an abatement of property taxes to a period of less than five (5) years.
4. This Economic Revitalization Area (ERA) 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.** 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 renovation and redevelopment of an existing building not greater than 84,000 square feet of leasable area, and the construction of a 55,000 square foot addition, as reflected in the Site Plan on file.
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 7, 2023, 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 five (5) years and establish an abatement schedule.

7. A copy of this Resolution shall be filed with the Marion County Assessor.

METROPOLITAN DEVELOPMENT COMMISSION

John J. Dillon III, President

Bruce Schumacher, Secretary

Date

Approved as to Legal Form
and Adequacy this 25th day
of April, 2023

/s/Toae Kim_____
Toae Kim,
Deputy Chief Counsel

ATTACHMENT TO
METROPOLITAN DEVELOPMENT COMMISSION RESOLUTION
REAL PROPERTY TAX ABATEMENT

FACTUAL INFORMATION

Applicant: Sentry Ventures LLC and
Sentry BioPharma Services, Inc.

Subject Real Estate: 4605 Decatur Boulevard and 4410 Kollman Road

Decatur Township Parcel Numbers: 2011651 & 2001370

PROJECT DESCRIPTION

Sentry Ventures, LLC and Sentry BioPharma Services, Inc. (collectively, “Sentry”) are affiliated companies operating in the cold chain storage, FDA-compliant labeling and packaging and distribution sectors of the life sciences industry. Sentry was founded in 2004 in Indianapolis and is currently headquartered at the subject site, an 80,732-square foot office and cold storage warehouse facility, located in the Ameriplex industrial park.

Sentry has proposed a real property investment of \$12,100,000 to construct a 55,000-square foot addition to its existing facility to support expanded operations, resulting in approximately 135,000 total square feet of area for operations and cold storage. The proposed investment and increased building area will accommodate an expansion of the Sentry workforce, with the retention of 36 existing positions and the creation of 20 net new positions by 2028.

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. Located outside of a previously established allocation area as defined in I.C. 36-7-15.1-26, or
- B. x Located in an allocation area, but has been determined by the Commission to be acceptable for real property tax abatement.

PROPOSED ABATEMENT SCHEDULE
SENTRY VENTURES LLC AND SENTRY BIOPHARMA SERVICES, INC.
REAL PROPERTY TAX ABATEMENT

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

STAFF ANALYSIS
REAL PROPERTY TAX ABATEMENT

Area Surrounding Subject Real Estate: The site is located in the Ameriplex industrial park, just south of I-70 and the Airport.

Current Zoning: C-S

Qualified New Jobs Created:..... 20

Qualified Jobs Retained:..... 36

Estimated Cost of proposed project: \$12,100,000.00 (Real Property)

STAFF ANALYSIS

Sentry Ventures, LLC and Sentry BioPharma Services, Inc. (collectively, “Sentry”) are affiliated companies operating in the cold chain storage, FDA-compliant labeling and packaging and distribution sectors of the life sciences industry. The company was founded in 2004 in Indianapolis and currently headquartered at an 80,732-square foot Decatur Boulevard facility, with clients in over 40 countries.

Sentry is considering a \$12,100,000 real property investment to construct a 55,000-square foot addition to its existing facility, which would provide them approximately 135,000 total square feet of operations and cold storage. This expansion project follows an approximate \$9MM, 30,000-square foot warehouse expansion of the facility in 2019. The proposed investment and increased building area will accommodate an expansion of the Sentry workforce, with the retention of 36 existing positions and the creation of 20 net new positions by 2028.

The company’s Inclusivity Plan will dedicate five percent of the estimated abatement value toward eliminating barriers to job access. The Plan includes infrastructure improvements to the general area of the Project Site, which will primarily consist of new public sidewalks on Decatur Boulevard, southwest of the Subject Site. These new sidewalks will facilitate transit use within the industrial park by completing missing sidewalk segments enroute to IndyGo transit service.

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 five (5) years real property tax abatement.

TOTALITY OF BENEFITS

PETITIONER:

Sentry Ventures LLC and Sentry BioPharma Services, Inc.

INVESTMENT:

Staff estimates that the proposed investment of \$12,100,000.00 should result in an increase to the tax base of approximately \$9,075,000.00 of assessed value. Staff estimates that over the five (5) year real property tax abatement period the petitioner will realize savings of approximately \$938,059.51 (a 63.9% savings). During the abatement period, the petitioner is expected to pay an estimated \$530,865.12 in real property taxes relative to the new investment. This is in addition to the current taxes being paid on the properties in the amount of \$153,988.45 annually (pay 2023 taxes). After the tax abatement expires, the petitioner can be expected to pay an estimated \$447,791.58 in real property taxes annually on the new improvements, in addition to the annual taxes attributable to the value of existing improvements.

QUALIFIED EMPLOYMENT:

The petitioner estimates that this project will retain thirty-six (36) positions at an average wage of \$34.68/hr. and will create twenty (20) positions at an average wage of \$25.00/hr. Staff finds these figures to be reasonable for a project of this nature.

OTHER BENEFITS:

Staff believes this project is significant for Decatur 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:

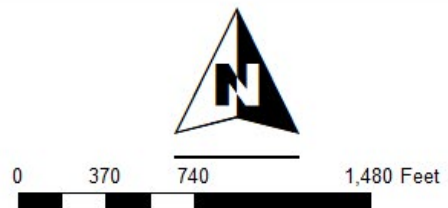
Staff believes the "Totality of Benefits" arising from the project are sufficient to justify the granting of the tax abatement.

Sentry Ventures LLC and Sentry BioPharma Services, Inc.
4605 Decatur Boulevard and 4410 Kollman Road



Legend

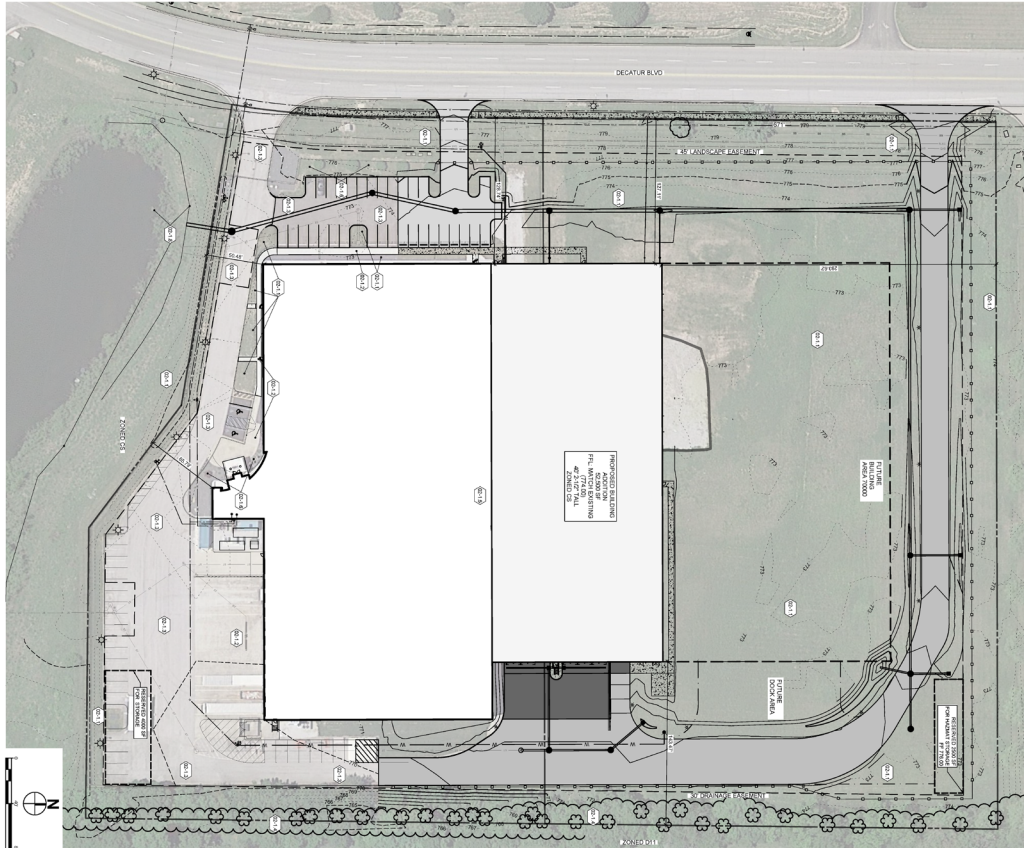
- IndyGo Transit Routes
- Parcels
- ▨ Project Site



Produced by: DMD REED April 20, 2023

Site Plan

Drawing file: C:\Users\mtobias\AppData\Local\Temp\AcPublish_33952\22018.dwg Date: 14 Nov 2022 - 9:31am



EXISTING LEGEND

- SITE LEGEND**
- | | |
|----------------------------------|--|
| EX WATER MAIN | |
| EX HOT HYDRANT | |
| EX WATER VALVE | |
| EX MAINS REPAIR AND BARGE | |
| EX SLOPE REPAIR OR CHANGING TILE | |
| EX FLOORING | |
| EX FLOORING LINE | |
| EX ELECTRICAL, LIGHT BARK | |
| EX UNDER GROUND ELECTRICAL | |
| EX LIGHT POLE | |
| EX GROUND WOOD CONTROL | |
| EX GROUND ATTACHMENT CONTROL | |
| EX FENCE | |
| EX TREE LINE | |

SITE LEGEND

- | | | |
|--|--|--|
| | | PROPERTY LINE |
| | | EASEMENT LINE |
| | | FIRE DEPARTMENT CONNECTION |
| | | FIRE HYDRANT |
| | | SITE LIGHT CONCRETE BASE |
| | | CIRCULATION AREA |
| | | SO CONCRETE STOOP OR SIDEWALK
REINVENT SPRAID |
| | | GRASS |
| | | NO ASPHALT PAVEMENT |
| | | SO ASPHALT PAVEMENT |
| | | NO CONCRETE PAVEMENT |

GENERAL NOTES

1. LOCATION AND ACCESSIBILITY OF THE CONSTRUCTION SITE PRIOR TO BEGINNING CONSTRUCTION
2. EXISTING UTILITY LINES SHOWN ON AN APPROXIMATE LOCATION. CONSTRUCTION TO OBTAIN FIELD INFORMATION
3. ALL EROSION CONTROL MEASURES TO BE IN PLACE PRIOR TO THE START OF CONSTRUCTION
4. NOTIFY THE ENGINEER IN THE EVENT OF DISCOVERY OF UNDESIRABLE CONDITIONS
5. NO KNOWN CEMETERIES OR BURIAL SITES ARE LOCATED WITHIN THE SITE
6. NO ADDITIONAL STOPS ARE TO BE A PART OF THE PROJECT

KEY NOTES

- | | |
|-----|--|
| 021 | EXISTING OPEN SPACE / GRASS AREA |
| 022 | EXISTING CONCRETE PAVEMENT |
| 023 | EXISTING PAVEMENT (ASPHALT / GRANITE) |
| 024 | EXISTING WOODEN AREA |
| 025 | EXISTING BUILDING |
| 026 | EXISTING LANDSCAPE AREA |
| 027 | EXISTING DETENTION OR RETENTION POND |
| 028 | EXISTING STAIR / RAMP / STRUCTURAL PLANS FOR DETAILS |



PROJEC
SENTRY BIOPHARMA

WAREHOUSE
ADDITION

INDIANAPOLIS, IN

SHEET TITLE
OVERALL SITE
PLAN

ACTIVITY NUMBER 22018 DRAWN BY MST
SHEET NUMBER C100