

METROPOLITAN DEVELOPMENT COMMISSION OF

MARION COUNTY, INDIANA

FINAL ECONOMIC REVITALIZATION AREA RESOLUTION

RESOLUTION NO. 2023-A-023

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 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, May 3, 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-020**, preliminarily designating the

Subject Real Estate as an Economic Revitalization Area for an abatement period of five (5) years ("Preliminary Resolution"); and

WHEREAS, pursuant to IC 6-1.1-12.1-2(k), a statement of benefits for property located within an allocation area, as defined by IC 36-7-15.1-26, may not be approved unless the City-County Council of Indianapolis and Marion County, Indiana (hereinafter referred to as "City-County Council") adopts a resolution approving the Statement of Benefits; and

WHEREAS, the City-County Council, on June 5, 2023, adopted a resolution approving the Applicant's Statement of Benefits; 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 five (5) 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.**

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 nine (9) years. The dates of the initial nine (9) surveys shall be on or about the following dates: 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031 and 2032.
7. The Subject Real Estate and Project areas are approved for an abatement period of **five (5) years**.
8. The real property tax abatement shall utilize the following abatement schedules:

REAL PROPERTY TAX ABATEMENT

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

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

METROPOLITAN DEVELOPMENT COMMISSION

John J. Dillon III, President

Bruce Schumacher, Vice Secretary

Date

Approved as to Legal Form
and Adequacy this 24th day
of May, 2023.

/s/Toae Kim
Toae Kim,
Deputy Chief Counsel

PROJECT SUMMARY
REAL PROPERTY TAX ABATEMENT
SENTRY VENTURES LLC AND SENTRY BIOPHARMA SERVICES, INC.

Project Address:4605 Decatur Boulevard and 4410 Kollman Road

Current Zoning:.....C-S

Qualified Jobs Created:20

Qualified Jobs Retained:36

Estimated Cost of Proposed Project: \$12,100,000.00

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 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 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 real estate taxes being paid on the undeveloped property 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 annual taxes attributable to value of the land as industrial ground.

EMPLOYMENT:

The petitioner estimates that this project will retain thirty-six (36) position at an average wage of \$34.68/hr. and will create a minimum of 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.

PROJECT SUMMARY

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

Subject Real Estate: 4605 Decatur Boulevard and 4410 Kollman Road

Decatur Township Parcel Number: 2011651 & 2001370

PROJECT DESCRIPTION

Sentry Ventures, LLC and Sentry BioPharama 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.

New Jobs Created: 20 at \$25.00/hr.

Jobs Retained: 36 at \$34.68/hr.

Estimated Cost of Project: \$12,000,000.00

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



Legend

- IndyGo Transit Routes
- Parcels
- Project Site



0 370 740 1,480 Feet

Produced by: DMD REED April 20, 2023