



Metropolitan Development Commission: Hearing Notice

Meeting Details:

Notice is hereby given of a public hearing to be held in person, on Wednesday, March 16, 2022 at 1:00 p.m. in the Beurt SerVaas Public Assembly Room on the Second Floor of the City-County Building, 200 East Washington Street, Indianapolis, Indiana.

Date: March 16, 2022 **Time:** 1:00 P.M.

Business and Policy Resolutions:

Adoption of Meeting Minutes: March 2, 2022

Bid Opening: City Market East

ECONOMIC DEVELOPMENT/INCENTIVES:

RESOLUTION NO. 2022-E-011 Establishes the Shortee's Real Street Economic Development Area and designates the Area as an allocation area for purposes of allocating and distributing property taxes pursuant to Section 26 of the Redevelopment Act.

RESOLUTION NO. 2022-E-012 Authorizes DMD to expend five hundred thousand dollars (\$500,000.00) for design services for the Elevator Hill/Market Street development and for such costs to be paid from the Consolidated Redevelopment Allocation Fund.

RESOLUTION NO. 2022-A-009 (For Public Hearing) Authorizes a final economic revitalization area for Molto Properties, LLC, located at 5405 Stanley Rd., Council District #20, Decatur Township. (Recommends approval of up to seven (7) years real property tax abatement).

Zoning Petitions:

See *Staff Report* posted [here](#) on our website.

RESOLUTION NO. 2022-E-011
DECLARATORY RESOLUTION OF THE
METROPOLITAN DEVELOPMENT COMMISSION OF
MARION COUNTY, INDIANA, CREATING
THE SHORTEE'S REAL STREET ECONOMIC DEVELOPMENT
AND ALLOCATION AREAS

WHEREAS, the Metropolitan Development Commission of Marion County, Indiana, acting as the Redevelopment Commission of the City of Indianapolis, Indiana (“Commission”), has investigated, studied and surveyed economic development within the consolidated city boundaries of the City of Indianapolis and County of Marion, Indiana (“City”); and

WHEREAS, the Commission has selected an economic development area to be developed under IC 36-7-15.1, as amended (“Act”); and

WHEREAS, the Commission has prepared an economic development plan (“Plan”) for the selected economic development area, which Plan is attached to and incorporated by reference in this resolution; and

WHEREAS, the Commission has caused to be prepared:

- (1) A map and plat showing: the boundaries of the area in which property would be acquired for, or otherwise affected by, the establishment of an economic development area; the location of various parcels of property, streets, alleys, and other features affecting the acquisition, clearance, remediation, replatting, replanning, rezoning, or redevelopment of the area, and any parcels of property to be excluded from the acquisition or otherwise excluded from the effects of the establishment of the economic development area; the parts of the area acquired, if any, that are to be devoted to public ways, levees, sewerage, parks playgrounds, and other public purposes under the Plan; and
- (2) List of the various parcels of property that may be affected, including the parcels of the project not in the economic development area, as well as the parcel for the new road and the parcels from the current road being abandoned, other than by acquisition, by the establishment of the plan; and
- (3) An estimate of the cost of acquisition, redevelopment and economic development.

WHEREAS, the Commission has caused to be prepared a factual report (“Report”) in support of the findings contained in this resolution, which Report is attached to and incorporated by reference in this resolution;

WHEREAS, the Plan and supporting data were reviewed and considered by the Commission at this meeting;

WHEREAS, Sections 29 and 30 of the Act permit the creation of “economic development areas” and provides all of the rights, powers, privileges and immunities that may be exercised by this Commission in a redevelopment area or urban renewal area may be exercised in an economic development area, subject to the conditions set forth in the Act; and

WHEREAS, Section 26 of the Act permits the creation of “allocation areas” to provide for the allocation and distribution of property taxes for the purposes and in the manner provided in said section.

NOW, THEREFORE, BE IT RESOLVED by the Metropolitan Development Commission of Marion County, Indiana, governing body of the City of Indianapolis Redevelopment District, as follows:

Section 1. The Commission has selected as an economic development area an area within the redevelopment district of the City, which area the Commission hereby designates as the “Shortee’s Real Street Economic Development Area” (“Area”), and which Area is described in Exhibit A hereto and incorporated herein by reference.

Section 2. The Commission created the Plan and finds that the Plan for the Area:

- (A) Assists in the promotion of significant opportunities for the gainful employment of the citizens of the City;
- (B) Assists in the attraction of major new business enterprises to the City;
- (C) Benefits the public health, safety, morals and welfare of the citizens of the City;
- (D) Increases the economic well-being of the City and the State of Indiana; or
- (E) Serves to protect and increase property values in the City and the State of Indiana.

Section 3. The Commission finds that the Plan cannot be achieved by regulatory processes or by the ordinary operation of private enterprise without resort to the powers allowed the Commission under the Act because of:

- (A) The lack of local public improvement necessary to achieve the level of quality of development described in the Plan;
- (B) Existence of improvements or conditions that lower the value of the land below that of nearby land;
- (C) Multiple ownership of land; or

- (D) Other similar conditions, specifically, challenges resulting from existing private party easements and other land conditions.

Section 4. The Commission finds that the accomplishment of the Plan will be of public utility and benefit as measured by:

- (A) The attraction of construction and retention of permanent jobs;
- (B) An increase in the property tax base;
- (C) Improved diversity of the economic base; or
- (D) Other similar benefits, specifically, accomplishment of the Plan will serve as a basis for making future public improvements.

Section 5. The Plan for the Area attached hereto as Exhibit B, conforms to the comprehensive plan of development for the consolidated city..

Section 6. The current estimated costs to the Commission of implementing the Plan will not exceed \$8,000,000.

Section 7. The Commission finds that no residents of the Area will be displaced by any project resulting from the Plan and, therefore, the Commission finds that it does not need to give consideration to transitional and permanent provisions for adequate housing for the residents.

Section 8. In support of the findings and determinations set forth in Section 1 through 7 above, the Commission hereby adopts the specific findings set forth in the Plan.

Section 9. The Commission does not at this time propose to acquire any specific parcel of land or interests in land within the boundaries of the Area. If at any time the Commission proposed to acquire specific parcels of land, the required procedures for amending the Plan under the Act will be followed, including notice by publication and to affected property owners and a public hearing.

Section 10. The entire Area described in Exhibit A is hereby designated as an “allocation area” pursuant to Section 26 of the Act to be known as the “Shortee’s Real Street Allocation Area” (herein, the “Shortee’s Real Street Allocation Area”) for purposes of the allocation and distribution of property taxes for the purposes and in the manner provided by Section 26 of the Act. Any taxes imposed under IC 6-1.1 on real property subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the Shortee’s Real Street Allocation Area shall be allocated and distributed in accordance with Section 26 of the Act as follows:

Except as otherwise provided in Section 26, the proceeds of taxes attributable to the lesser of the assessed value of the property for the assessment date with respect to which the allocation and distribution is made, or the base assessed value, shall be

allocated to and when collected paid into the funds of the respective taxing units. Except as otherwise provided in said Section 26, property tax proceeds in excess of those described in the previous sentence shall be allocated to the redevelopment district and when collected paid into an allocation fund for the Shortee's Real Street Allocation Area hereby designated as the "Shortee's Real Street Allocation Fund" and may be used by the redevelopment district to do one or more of the things specified in Section 26(b)(3) of the Act, as the same may be amended from time to time. Said allocation fund may not be used for operating expenses of this Commission. Except as otherwise provided in the Act, before June 15 of each year, the Commission shall take the actions set forth in Section 26(b)(4) of the Act.

Section 11. The base assessment date of the Shortee's Real Street Allocation Area shall be January 1, 2022.

Section 12. The provisions of this resolution shall be subject in all respects to the Act and any amendments hereto and the allocation provision herein relating to the Shortee's Real Street Allocation Area shall expire on the date that is twenty-five (25) years after the date on which the first obligation is incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues derived in the Shortee's Real Street Allocation Area. The Commission shall notify the Indiana Department of Local Government Finance of the designation of the Area as an allocation area.

Section 13. All of the rights, powers, privileges, and immunities that may be exercised by the Commission in a redevelopment area or urban renewal area may be exercised by the Commission in the Area, subject to the limitations in IC 36-7-15.1-30.

Section 14. The Commission shall cause to be prepared a statement disclosing the impact of the Shortee's Real Street Allocation Area, including the following:

- (A) The estimated economic benefit and costs incurred by the Shortee's Real Street Allocation Area, as measured by increased employment and anticipated growth of real property, personal property and inventory assessed values; and
- (B) The anticipated impact on tax revenues of each taxing unit that is either wholly or partly located within the Shortee's Real Street Allocation Area. A copy of this statement shall be forwarded to each such taxing unit with a copy of the notice required under Section 10 of the Act at least ten (10) days before the date of the public hearing described in Section 14 of this resolution.

Section 15. This resolution and the Plan shall be submitted to the City-County Council of the City of Indianapolis and of Marion County, Indiana (the "City-County Council") for its approval of the Plan and the establishment of the Shortee's Real Street Allocation Area as provided in the Act.

Section 16. The Commission hereby directs the presiding officer of the Commission, after receipt of approval by the City-County Council, to publish notice of the adoption and substance of this resolution in accordance with Indiana Code 5-3-1-4 and to file notice with the office of the Commission, board of zoning appeals, works board, park board, and any other departments, bodies or officers of the City having to do with planning, zoning variances, land use or the issuance of building permits. The notice must state that maps and plats have been prepared and can be inspected at the office of the City's department of redevelopment and must establish a date when the Commission will receive and hear remonstrances and objections from persons interested in or affected by the proceedings pertaining to the proposed project and will determine the public utility and benefit of the proposed project.

Section 17. The Commission further directs the presiding officer to submit this resolution to the City-County Council for its approval of the establishment of the Area.

Section 18. This resolution shall be effective as of its date of adoption.

ADOPTED AND APPROVED at a meeting of the Metropolitan Development Commission of Marion County, Indiana, held on March 16, 2022, 1:00 p.m. at the City-County Building, 2nd floor, Public Assembly Room (Room 230), Indianapolis, Indiana.

METROPOLITAN DEVELOPMENT COMMISSION OF
MARION COUNTY, INDIANA, acting as the
Redevelopment Commission of the City of Indianapolis,
Indiana

_____, President


_____, Secretary

Approved for Legal Adequacy:

Office of Corporation Counsel

By: Thomas Moore

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law.



Scott A. Krapf
Frost Brown Todd LLC

This Resolution prepared by Scott A. Krapf, Frost Brown Todd LLC, 201 N. Illinois Street, Suite 1900, Indianapolis, Indiana 46244-0961.

EXHIBIT A

**MAP OF SHORTEE'S REAL STREET ECONOMIC DEVELOPMENT AREA AND
ALLOCATION AREA**

Address: 1775 Real Street, Indianapolis, IN 46240

Local Parcel #: 8005118

State Parcel #: 49-03-13-126-001.000-800

EXHIBIT B

METROPOLITAN DEVELOPMENT COMMISSION OF MARION COUNTY, INDIANA ECONOMIC DEVELOPMENT PLAN FOR THE SHORTEE'S REAL STREET ECONOMIC DEVELOPMENT AREA

Purpose and Introduction.

The Metropolitan Development Commission of Marion County, Indiana, acting as the Redevelopment Commission of the City of Indianapolis, Indiana (the "Commission") proposes to designate and declare an economic development area within the City of Indianapolis, Indiana (the "City") to be known as the Shortee's Real Street Economic Development Area (the "Area"). This document is the plan for the Area (the "Plan"), provided that this Plan may be amended in the future as provided in Indiana Code 36-7-15.1, as amended from time to time (the "Act"), and in this Plan.

Pursuant to the Act, the Plan must be approved by the Commission and the City-County Council of the City of Indianapolis and of Marion County, Indiana (the "City-County Council"). Upon such approvals, the Commission will hold a public hearing on the Plan as required under Section 10 of the Act, before confirming (or modifying and confirming) the designation of the Area and the approval of the Plan.

The Commission also proposes that pursuant to the provisions of Section 26 of the Act, the Area shall constitute a tax increment financing "allocation area" for purposes of the Act. Such allocation area shall be designated as the "Shortee's Real Street Allocation Area" (hereinafter referred to as the "Allocation Area") for purposes of distribution and allocation of taxes on real property in the Allocation Area.

Project Objectives

The purposes of the Plan are to benefit the public health, safety, morals and welfare of the citizens of the City, increase the economic well-being of the City and the State of Indiana, and serve to protect and increase property values in the City and the State of Indiana. The Plan is designed to promote significant opportunities for the gainful employment of citizens of the City, attract major new business enterprises to the City, retain and expand existing significant business enterprises in the City, provide for local public improvements in the Area, retain permanent jobs, and increase the property tax base.

Description of the Area

The Area consists of and is located at 1775 Real Street in Indianapolis, Indiana. A map of the Area with a list of parcels within the Area are attached to this Plan as Exhibit A and Exhibit B, respectively.

Project Description

The project consists of the acquisition, construction and equipping of (i) approximately 34 two-story single-family homes that range from approximately 1,900 sq. ft. to 2,400 sq. ft. (the “Single-Family Homes”); (ii) approximately 44 three story townhomes with a two-car garage that are approximately 2,000 sq. ft. (the “Townhomes”); (iii) approximately 9 three-story garden style apartment buildings that have approximately 319 total units, approximately 36 tuck-under garages, approximately 55 carports/detached garages, +/- approximately 390 surface parking spaces (the “Apartments”); (iv) a club house with amenities including a pool (the “Club House”); (v) an approximately 4.35-acre park (the “Park”); (vi) an approximately +/- 2,000 Linear Foot realignment of Real Street and all related public infrastructure that is required therefore (the “Road”) and (vi) an approximately 2,500 Linear Foot multi-use trail that attaches into the Monon Trail (the “Trail”). The Road, the Park and the Trail are collectively, the “Public Improvements.” The Single-Family Homes, Townhomes, Apartments, Club House, Park, Road and Trail are collectively, the “Project.” The total cost for the Apartments, Club House, Park, Road and Trail is estimated at \$78,471,922.

Acquisition List

In connection with the accomplishment of the Plan, the Commission has no present plans to acquire any interests in real property. In the event the Commission determines to acquire interests in real property in the future, it shall follow procedures set forth in Section 12 of the Act. The Commission may not exercise the power of eminent domain in an economic development area.

Estimate of the Cost of Acquisition and Economic Development

Because the Commission does not intend to acquire property for the Project, the Commission will not incur any costs of acquisition. However, the Commission will incur certain costs in connection with the development of the Project. The estimated cost of the Apartments, Club House, Park, Road and Trail is \$78,471,922, with the Commission providing a currently estimated amount of not to exceed \$8,000,000 via bond proceeds to fund the development of the Public Improvements.

Disposal of Property

The Commission may dispose of any real property acquired in the future by sale or lease to the public pursuant to procedures set forth in Section 15 of the Act.

Statutory Findings

The Plan for the Area meets the following required findings under Section 29(b) of the Act:

1. The Plan for the Area promotes significant opportunities for the gainful employment of the citizens of the City, attracts a major new business enterprise to the City, retains or expands a significant business enterprise existing in the City, or meets other purposes of Sections 28 and 30 of the Act.

Implementing the Plan and constructing the Project will attract companies outside the City and retain growth of companies in the City, which will provide housing and recreational space, which in turn creates commercial development. Additionally, the investment creates economic development, job growth and will increase the property tax base of the City, as well as sales, individual income taxes and corporate taxes generated from the residents of the Project.

Based on the most recent Project information available, the currently estimated future Assessed Value of the Project, provided by BC Real Street Partners, LLC (the “Developer”), the developer of the Project, is \$39,730,707. The currently estimated annual gross tax revenue, calculated based on the future Assessed Value and estimated net property tax rates is approximately \$1,042,216 as calculated by Crowe LLP, as municipal advisers to the City. The currently estimated annual tax increment revenues, calculated based on the future incremental Assessed Value and estimated net property tax rates is approximately \$788,970 as calculated by Crowe LLP, as municipal advisers to the City.

The number of estimated total jobs is 308 (8 permanent and 300 temporary) created during the term of the Project, including construction jobs.

2. The Plan for the Area cannot be achieved by regulatory processes or by the ordinary operation of private enterprise without resort to the powers allowed under Sections 28 and 30 of the Act because of a lack of local public improvements, the existence of improvements or conditions that lower the value of the land below that of nearby land, multiple ownership of land, or other similar conditions.

The use of tax increment financing from the Allocation Area is necessary to construct the Public Improvements. The Public Improvements could not occur without the availability of tax increment revenues.

3. The public health and welfare of the citizens of the City will be benefited by accomplishment of the Plan for the Area.

Implementing the Plan and constructing the Project will provide housing and recreational space, which in turn creates commercial development, and will increase the tax base of the City. But for such development, the Area would continue to have a more limited beneficial use and depressed assessed value and therefore provide less opportunity to create economic development and job growth.

4. The accomplishment of the Plan for the Area will be a public utility and benefit as measured by the attraction or retention of permanent jobs, an increase in the

property tax base, improved diversity of the economic base, or other similar public benefits.

As noted above, the Project will provide housing and recreational space in the City, which in turn creates commercial development and will increase the tax base of the City. The Plan will improve the diversity of the economic base of the City and spur development in the Area.

5. The Plan for the Area conforms to the comprehensive plan of development for the consolidated city.

Financing of the Project

It will be necessary to issue bonds to provide funds for financing costs and the construction of the Public Improvements in the Area. The Commission intends to pledge incremental ad valorem property taxes allocated under Indiana Code 36-7-15.1-26 to support the issuance of bonds, which may be issued by the City upon recommendation by the Indianapolis Economic Development Commission (the "EDC") pursuant to Indiana Code 36-7-11.9 and Indiana Code 36-7-12. The bond issue will be purchased or guaranteed the Developer (or an affiliate thereof) who will receive payments over the term of the bond derived from the pledge of incremental ad valorem property taxes of the allocation area, but which amount shall not be in excess of 80% of such incremental property taxes. The benefit of utilizing this bond structure is that the City is largely removed from the financial risk associated with this development and gets additional park and trail land and road improvements made earlier than the City could otherwise make them.

The amount of these bonds may not exceed the total, as estimated by the Developer, of all expenses reasonably incurred in connection with the Public Improvements, including:

- (1) The total cost of all land, rights-of-way, and other property to be acquired and developed;
- (2) All reasonable and necessary architectural, engineering, construction, equipment, legal, financing, accounting, advertising, bond discount and supervisory expenses related to the acquisition and development of the Public Improvements or the issuance of bonds;
- (3) Interest on the bonds and a debt service reserve for the bonds to the extent that the Commission determines that a reserve is reasonably required; and
- (4) Expenses that the Commission is required or permitted to pay under Indiana Code 36-7-15.1.

In the issuance of bonds, the Commission will comply with Indiana Code 36-7-15.1.

Amendment of the Plan

This Plan may be amended by following the procedures described in Indiana Code 36-715.1-8 of the Act.

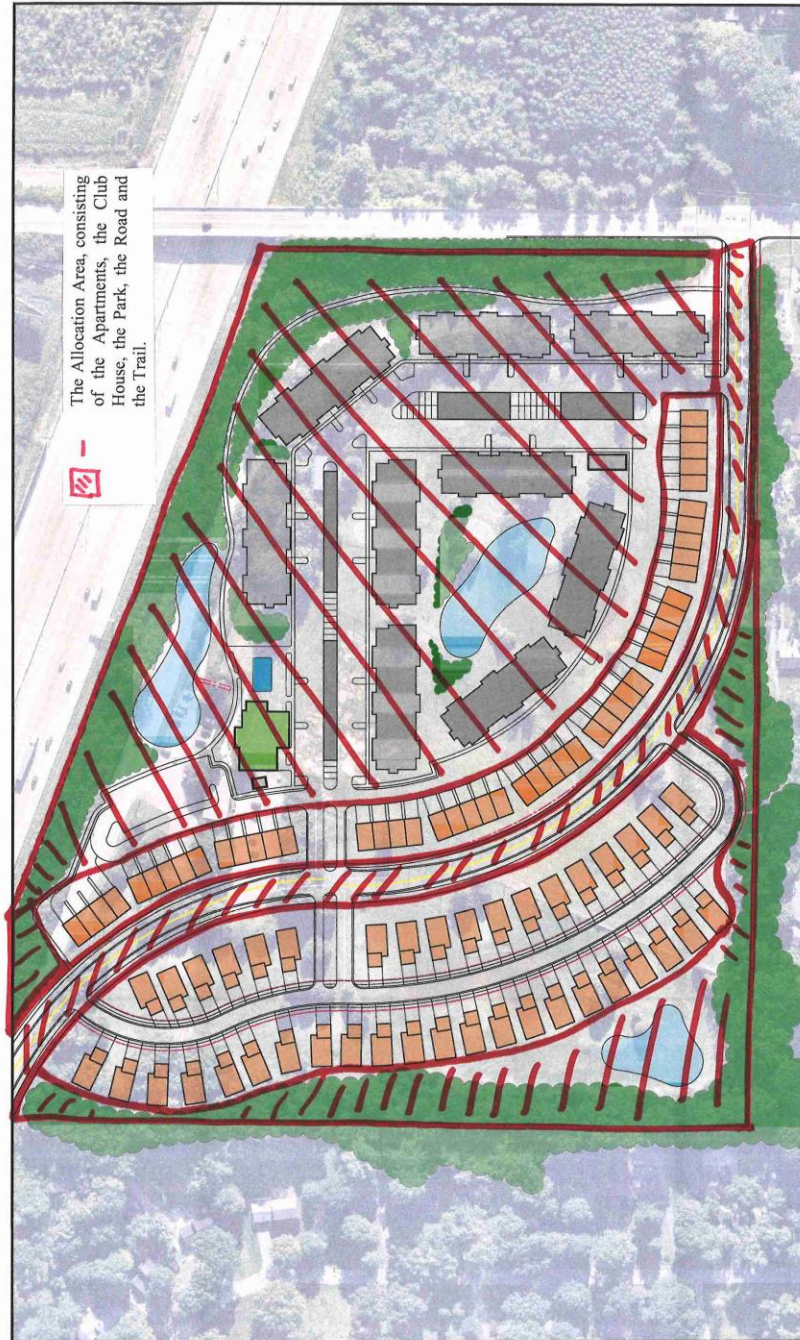
EXHIBIT A

MAP OF AREA

Address: 1775 Real Street, Indianapolis, IN 46240

Local Parcel #: 8005118

State Parcel #: 49-03-13-126-001.000-800



SHORTTEES
INDIANAPOLIS, IN
OCTOBER 5, 2021
SCALE: 1"=120'-0"



CONCEPTUAL DESIGN
CONFIDENTIAL. CONCEPTUAL. SUBJECT TO CHANGE. FOR ILLUSTRATION PURPOSES ONLY



EXHIBIT B

PARCEL LISTING WITHIN THE AREA

Property Address	Tax Par. ID
1775 Real Street, Indianapolis, IN 46240	Local Parcel #: 8005118 State Parcel #: 49-03-13-126-001.000-800

Elevator Hill/Market Street
CHA Consulting, Inc.
Professional Services

**METROPOLITAN DEVELOPMENT COMMISSION
MARION COUNTY, INDIANA
RESOLUTION No. 2022-E-012
APPROPRIATING EXPENDITURE OF TAX INCREMENT
FINANCE REVENUE FUNDS**

WHEREAS, by authority of and pursuant to I.C. 36-7-15.1 (the "Redevelopment Act"), the Department of Metropolitan Development ("DMD") engages in redevelopment activities and the Metropolitan Development Commission of Marion County, Indiana ("MDC") serves as the Redevelopment Commission of the Consolidated City Indianapolis, Indiana ("City"); and

WHEREAS, in that capacity, the MDC serves as the governing body of the City Redevelopment District ("District"); and

WHEREAS, the Redevelopment Act permits the MDC to designate allocation areas in the District for the purposes of capturing and allocating property taxes commonly known as tax increment finance revenues ("TIF Revenues"); and

WHEREAS, the MDC previously established the Consolidated Redevelopment Project Area ("**Project Area**,") has designated the Project Area as an allocation area ("Consolidated Redevelopment **Allocation Area**") for the purpose of capturing TIF Revenues, and has created an allocation fund ("Consolidated Redevelopment **Allocation Fund**") for the Project Area into which the TIF Revenues are deposited and has approved a Consolidated Redevelopment Project Area Plan ("**Plan**"); and

WHEREAS, the MDC has the power to reimburse the City for local public improvements within the Project Area; and

WHEREAS, work is required for design of improvements related to the Elevator Hill/Market Street development ("Work"); and

WHEREAS, under an existing contract (#18803) with the City's Department of Public Works ("**DPW**"), CHA Consulting, Inc (CHA) will provide the design services necessary for the Work; and

WHEREAS, DMD desires that the MDC authorize the use of unobligated funds to reimburse DPW for such design services required for the project in an amount not to exceed \$500,000.00;

NOW, THEREFORE, BE IT RESOLVED by the Metropolitan Development Commission of Marion County, Indiana acting as the Redevelopment Commission of the City of Indianapolis, Indiana, as follows:

1. The MDC hereby authorizes an expenditure of unobligated funds on deposit in the above Consolidated Redevelopment Allocation Fund to reimburse the City for the cost of necessary design services for the above-described Work related to the Elevator Hill/Market Street development in an amount not to exceed \$500,000.00.
2. The City Controller is hereby authorized to disburse the moneys from the Consolidated Redevelopment Allocation Fund for the activities described above. The Mayor and Controller of the City, the officers of the MDC and the Director of the DMD are hereby authorized and directed to take such further actions and execute such documents as they deem necessary or advisable to effectuate the authorizations set forth in this Resolution and all actions heretofore taken by any such official toward the completion thereof are hereby ratified, confirmed and approved.
3. This Resolution shall take effect immediately upon adoption by the MDC.

ADOPTED AND APPROVED at a meeting of the Metropolitan Development Commission of Marion County, Indiana, held on March 16, 2022, and recorded as a public meeting.

Approved as to legal form and adequacy:

By: Sheila Elliott Kinney sek

Sheila Elliott Kinney, Asst. Corp. Counsel

Date: March 9, 2022

Metropolitan Development Commission:

By: _____

John J. Dillon III, President

Date: _____

Approved as to the availability of funding:

Ken Clark, City Controller

METROPOLITAN DEVELOPMENT COMMISSION OF

MARION COUNTY, INDIANA

FINAL ECONOMIC REVITALIZATION AREA RESOLUTION

RESOLUTION NO. 2022-A-009

REAL PROPERTY TAX ABATEMENT

Stanley Epler LLC
(subsidiary of Molto Properties LLC, affiliate of Molto Property Fund IV LLC)
5405 (aka 5501) Stanley 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 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 2, 2022, 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. 2022-A-002**, 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 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 March 7, 2022, 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, 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 less than five (5) and up to seven (7) years.
3. This Economic Revitalization Area (ERA) 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 of approximately 125,000 square feet in total 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, 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: 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, and 2031.
7. The Subject Real Estate and Project areas are approved for an abatement period of **up to seven (7) years**.
8. 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%

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

METROPOLITAN DEVELOPMENT COMMISSION

John J. Dillon III, President

Lena Hackett, Secretary

Date

Approved as to Legal Form
and Adequacy this 23rd __ day
of February, 2022.

Thomas Moore _____
Thomas Moore,
Assistant Corporation Counsel

PROJECT SUMMARY
REAL PROPERTY TAX ABATEMENT
STANLEY EPLER LLC

Project Address:5405 (aka 5501) Stanley Road

Current Zoning:.....C-S

Qualified Jobs Created:25

Qualified Jobs Retained:None.

Estimated Cost of Proposed Project: \$8,785,000 (Real Property)

STAFF ANALYSIS

Molto Properties, LLC, founded in 2008 in the Chicago region, is a privately owned industrial real estate development and investment company whose main focus is on build-to-suit and speculative development projects. Molto currently controls five million square feet of industrial space throughout the United States. Molto, through its single-purpose entity Stanley Epler LLC, and its affiliate, Molto Properties Fund IV LLC, has proposed to invest \$8,785,000 to develop an approximately 125,000-square foot building for lease or sale to industrial users and/or distribution facilities.

Molto Properties has committed to a minimum of 25 net new jobs in the industrial building, at an average wage of \$18.00/hr. Petitioner has agreed to target “Opportunity Industries” as tenants for the project. Opportunity Industries are defined as those business sectors that provide for worker advancement without requiring a bachelor’s degree. For each building, if an Opportunity Industry tenant secured, two additional years of real property tax abatement would be authorized. The petitioner’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, and a donation of the remaining funds to IndyAchieves, to support worker training and continuing education, in the minimum amount of \$43,295.64.

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

TOTALITY OF BENEFITS

PETITIONER: Stanley Epler LLC

(subsidiary of Molto Properties LLC, affiliate of Molto Property Fund IV LLC)

INVESTMENT: Staff estimates that the proposed investment of \$8,785,000.00 should result in an increase to the tax base of approximately \$6,588,750.00 of assessed value. Staff estimates that over the five (5) year real property tax abatement period the petitioner will realize savings of approximately \$649,165.64 (a 60.2% savings). During the abatement period, the petitioner is expected to pay an estimated \$429,182.13 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 amount of \$252.34 annually (pay 2021 taxes). After the tax abatement expires, the petitioner can be expected to pay an estimated \$216,032.89 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 proposed building to such an industry, then the petitioner will be entitled to an alternate deduction schedule, including two (2) more years of deduction. Staff estimates that if the proposed building qualifies for the enhanced real property tax abatement, the petitioner will realize an additional tax savings of approximately \$216,747.14, in addition to the tax savings realized during the initial abatement term. The petition would also pay an additional \$214,591.97 in real property taxes during the enhanced abatement term.

EMPLOYMENT: The petitioner estimates that this project will create a minimum of twenty-five (25) positions at an average 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 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: Stanley Epler LLC
(subsidiary of Molto Properties LLC and affiliate of Molto Properties Fund IV LLC)

Subject Real Estate: 5405 (aka 5501) Stanley Road

Decatur Township Parcel Number: 2014148

PROJECT DESCRIPTION

Molto Properties, LLC, founded in 2008 in the Chicago region, is a privately owned industrial real estate development and investment company whose main focus is on build-to-suit and speculative development projects. Molto currently controls five million square feet of industrial space throughout the United States. Molto, through its single-purpose entity, Molto Properties Fund IV LLC, is proposing to develop a 125,000-square foot flex/distribution facility at 5405 Stanley Road, an 8.174-acre parcel also known as Ameriplex Lot 32. Molto has committed to invest \$8,785,000 to construct the proposed industrial building.

As part of the development agreement, Molto has committed to create 25 new full-time positions at an average wage of \$18.00 per hour. Molto 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: 25 at \$18.00/hr.

Jobs Retained: None.

Estimated Cost of Project: \$8,785,000.00

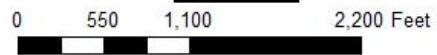
RECOMMENDATION: Staff recommends approval of up to seven (7) years real property tax abatement.

Molto Properties LLC and Molto Properties Fund IV LLC
5405 (aka 5501) Stanley Road



Legend

- IndyGo Transit Routes
- ▨ Project Site



Produced by: DMD REED January 19, 2022