

City hopes to spur more development at AmeriPlex

Indianapolis has entered into a partnership with Holladay Properties in which the developer will construct nine distribution-type buildings at its AmeriPlex Business Park on the city's west side in exchange for tax incentives.

Mayor Greg Ballard made the announcement this morning at a Greater Indianapolis Progress Committee board meeting at WellPoint Inc.'s downtown headquarters. The agreement should help the city court companies seeking large warehouse and distribution space, Ballard said.

Companies in the logistics, advanced manufacturing and clean-energy industries will be specifically targeted. South Bend-based Holladay can develop the buildings on a speculative or build-to-suit basis, ideally over the next five years. The size of the buildings has not been determined.

The city will have a small ownership stake in the buildings in exchange for 10-year property tax abatements that Holladay Properties will receive and pass onto tenants. The amount of incentives is contingent on the investment, but could total millions of dollars, the mayor said. The developer will be financially responsible if it fails to meet the conditions of the incentives.

"Our hope is that the city will never have to collect a check from Holladay Properties," Ballard said.

The city's Metropolitan Development Commission is expected to grant the abatements within the week.

Holladay will pursue LEED, or Leadership in Energy and Environmental Design, certification for the buildings, which could help Indianapolis compete with neighboring counties for warehouse tenants.

Over the past 15 years, large industrial parks have popped up in Boone, Hancock and Hendricks counties, luring major companies. In Boone County's AllPoints at Anson distribution park near Whitestown, Medco Health Solutions and Amazon.com are expected to ultimately employ 3,000 people.

"These are good companies that bypassed Indianapolis, probably for multiple reasons," Deputy Mayor Nick Weber said.

The 1,500-acre AmeriPlex Business Park is located southwest of Indianapolis International Airport and has 6 million square feet of rentable space, ranking it as the area's fifth-largest industrial park.

The park's existing buildings are 98-percent occupied. Tenants include the massive PepsiCo Distribution Center and Purdue Research Park. Purdue signed its first tenant to a 55,000-square-foot accelerator facility, the first phase of the project, in January.

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