

# Project Overview: Vail Farm Industrial

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## McCordsville, Indiana

Prepared by:

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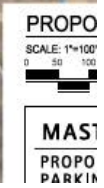
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# Al. Neyer

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- Employee owned real estate development and design-build firm, specializing in build-to-suit and speculative commercial projects including industrial facilities, office, and medical buildings, multi-unit residential, as well as urban mixed-use developments
- Differentiator is fostering a 3-point team in each market to support decision making
  - *Business Development, Design-Build, Real Estate Development*
- Offices located in Cincinnati, Pittsburgh, Nashville, and Raleigh
- Serve a local, regional, and national client base
- Long-standing history – 127 years strong
  - Established in 1894 and employee-owned since 2014
- **\$1.2 billion** total project cost delivered or currently under construction since 2015
- **8.2 million square feet** currently under construction across 4 markets

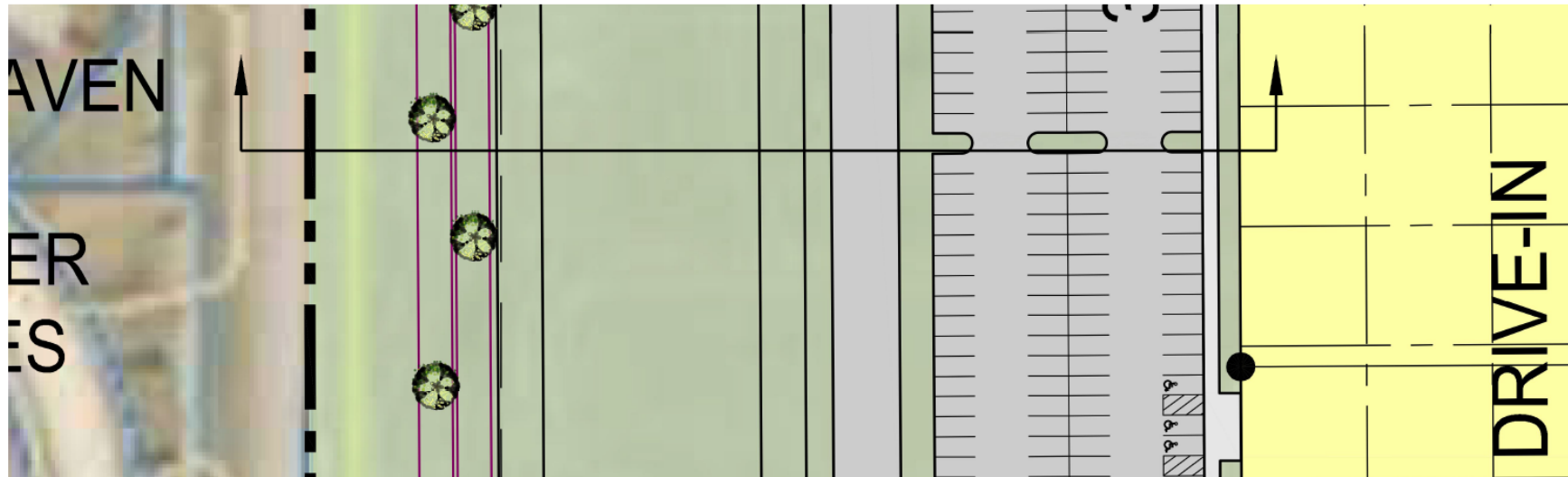
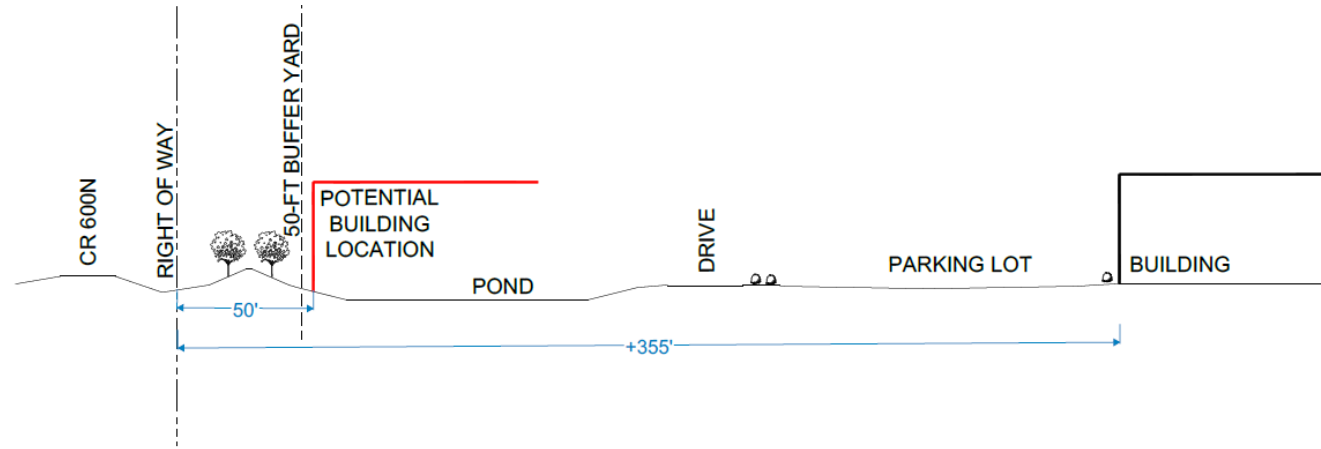




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- Consideration of a speculative development (approximately 1,008,000 SF) along W 600 N
- Total anticipated real estate investment – **\$60,210,000**
- Project site(s) are not currently located within town boundaries
- Annexation is beneficial to the Town of McCordsville for the following reasons:
  - Allows for **control** over the design + development of this parcel(s)
  - **Aurora Way** gets developed
    - **Future commercial development** in this area of Town and
    - Provides the most **protection for Town residents**, keeping truck traffic OFF of 600 N
  - Adds an estimated **\$38M+ in AV** to tax rolls

# Project Overview

- Annexation is a possibility, but there are costs associated with the process and subsequent obligations (i.e. zoning, design standards, etc.) that otherwise would not be required if remaining in the County
  - The breakdown of these additional expenditures are:

Additional Expenses Related to Annexation	Amount
Acquisition of adjacent 3 AC parcel - accommodates internal drive + accomplish minimal size for building, keeps trucks off 600N	\$408,850
Aurora Way – 1/3 of the estimated cost to buildout Aurora Way (ANL Estimate = \$1,019,601)	\$339,900
Value of land to be dedicated to Aurora ROW - inclusive of environmental consultant, delineation + permit application	\$145,090
Consulting + Administrative costs to pursue annexation	\$100,000
<b>TOTAL</b>	<b>\$993,840</b>

# Project Overview

- **Current property tax liability** for these sites are approximately **\$5,917/year**
  - Based on project specs and with proposed abatement, these projects will generate an estimated **\$5,686,600** in real property taxes
  - Once all **abatements burn-off**, estimated annual real property taxes are **\$1,253,770/year**
- Abatement is a phase-in and savings will be passed onto future tenants
- Proposed schedule for real property tax phase-in: Year 1: 100%; Years 2-3: 95%; Year 4: 90%; Year 5: 85%; Year 6: 50%; Year 7: 40%; Year 8: 30%; Year 9: 20%; Year 10: 10%
- Alternate abatement schedule would provide an estimated incentive of \$620K above a traditional schedule
- Assuming proposed alternate schedule, over 10 years, estimated real property taxes abated and paid are:

	Real Property Taxes
Paid	\$5,686,600
Abated	\$6,851,100



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- Additional considerations to be requested include:
  - Required set-back variance
    - *Variance for the required set-back on side yards from 50' town requirement to 25' (county's requirement)*
  - Town of McCordsville Fee Waivers (*estimated value \$50,000*)
    - *i.e. Planning + Zoning Fees, Building Permit Fees, and Road Impact Fee*
  - Confirmation of Commitment
    - *Request of confirmation the Town will not impose any additional improvement requirements requiring acquisition of private easement or the purchase of adjacent property*

# Request for Partnership

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- This evening, we are respectfully requesting **support for annexation of this parcel into the Town limits of McCordsville** and asks for your consideration of the following factors:
  - Development of Aurora Way, including donation of right-of-way – adding an internal drive to this broader area of development, providing ultimate control to the Town to limiting truck traffic along this segment of 600N, and accommodating auto-only access from 600N
  - Control over design and access to facility – otherwise controlled by the County
  - Adding an estimated \$38M+ in AV to the tax rolls

# Conclusion

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QUESTIONS?