



MEMO

TO: Whitestown Town Council
Whitestown Redevelopment Commission

FROM: Molly Whitehead, Boone EDC
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DATE: June 27, 2024

RE: Safavieh Incentive Request

Safavieh, a homegoods company with a distribution facility in Whitestown, is considering an expansion. As such, they are requesting your approval of a real property tax abatement for a second facility located at 500 South and Perry Worth Road, an Ambrose development named the Indianapolis Logistics Park NW. Safavieh will own this 600,000 SF facility. Please note this will be an additional facility for the company, as they will maintain operations at 575 South and Albert S. White Drive, a building which they also own. Safavieh anticipates hiring an additional 60 employees at an average wage of \$22/hour.

Based upon this information and comparable projects, we would recommend your consideration of the following:

5-year real property tax abatement with a 20% stepdown, estimated to save the company \$1.95 million:

- Year 1: 100%
- Year 2: 80%
- Year 3: 60%
- Year 4: 40%
- Year 5: 20%

These estimates are based off of an investment of \$45 million with an assessed value of \$24 million.

We anticipate the following benefits to Whitestown and Boone County over a X-year period:

- Real property tax levy: \$4.5 million
- Local income tax: \$138,000

If you have any questions, please reach out.