

BEFORE THE COMMON COUNCIL  
OF THE CITY OF LEBANON, INDIANA

IN THE MATTER OF PROJECT LEAP )  
PHASE II VOLUNTARY )  
ANNEXATION )

Docket No. 22-72

**Development Proposal/Concept Plan for the Project LEAP – West District**

**Background**

The Indiana Economic Development Corporation (IEDC) was officially established in February 2005 to replace the former Department of Commerce. It represents the state in the identification and promotion of potential economic development sites. In doing so, it also works with local economic development organizations and public officials in securing approvals for developments which will bring better jobs, economic investment, a more diversified and strengthened tax base and many other advantages that come from quality development.

In order to respond quickly to the needs of businesses, the IEDC operates like a business. The IEDC is governed by a board of directors, currently chaired by Governor Eric Holcomb. The IEDC is committed to attracting and supporting new business investment, creating new and better jobs for Hoosiers, and furthering Indiana’s legacy as one of the top states in the nation for business.

Over the last several months, and after discussions with industry leaders, the IEDC identified an area in Boone County as a strategic location for growth and the potential establishment of a large-scale research and innovation park. The area is mostly rural and is located between Indianapolis and Purdue University in West Lafayette and bisected by Interstate 65. If developed, the area will allow the state to better compete globally for high-wage jobs and careers in high-tech industries. This strategic area is identified as the “LEAP Lebanon and Research District” with “LEAP” being short for “Limitless Exploration/Advanced Pace.”

To advance this strategic initiative (the “Project”), the IEDC has recently secured rights to purchase over 7,000 acres in Boone County (the “LEAP Property”).<sup>1</sup> IEDC is in the process of collaborating with local stakeholders to develop an innovation district to support and attract advanced manufacturing; research and development; life, biological and agricultural sciences; technology; aerospace; and microelectronics industries (collectively “Innovation Users”).

### **Project LEAP – Phase I**

As part of the first phase of the Project, on May 31, 2022, thirty-two (32) distinct landowners (“Petitioners”) owning approximately 1,400 acres of land (the “Phase I Territory”) under contract with IEDC, submitted to the City of Lebanon (City) a formal petition, assigned Docket No. 22-44, requesting the Territory be annexed into the City of Lebanon and assigned a zoning classification of General Industrial (ID).

The Phase I Territory was annexed into the City, with an effective date of August 16, 2022, and the Phase I Territory was assigned the ID zoning classification.

As a result of the Project’s efforts, approximately 600 acres of the Phase I Territory is anticipated to be developed by Eli Lilly and Company (“Lilly”) for an API synthesis plant and a cell and gene therapy manufacturing development facility. The combined capital investment for these facilities is anticipated to exceed \$2 Billion. Work on this development will begin in early 2023.

The City has already received favorable publicity regarding the Lilly development and its accompanying high-wage jobs. It is anticipated that the favorable publicity associated with Project LEAP will continue, as Lilly, a leader at Indiana’s scientific forefront, has chosen to invest in the LEAP District. Indeed, as discussed below, the IEDC has continued to receive significant interest from the exact types of Innovation Users that are being targeted. As development in Project LEAP continues to come to fruition, IEDC anticipates local communities and businesses to expand and flourish as more Innovation Users invest in the Project.

### **Project LEAP – Phase II**

On the heels of the early success achieved in Phase I, work on *Phase II* of the LEAP Project has been initiated. On October 31, 2022, forty-three (43) distinct landowners

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<sup>1</sup> The IEDC is utilizing an Indiana limited liability company named “IIP, LLC” to facilitate these transactions. The IEDC is the sole member of IIP, LLC.

("Petitioners") owning approximately 5,225 acres of land (the "Phase II Territory") under contract with IEDC, submitted to the City a formal petition, assigned Docket No. 22-72, requesting the Phase II Territory (like the Phase I Territory) be annexed into the City of Lebanon. For illustrative purposes, a general depiction of the proposed Phase II Territory is attached as **Exhibit A**.

This Development Proposal/Concept Plan information is being submitted for review by City officials in considering the annexation and assignment of appropriate zoning classifications for different sections of the Phase II Territory.

### **Development Proposal/Concept Plan Information Regarding the LEAP Project in General, and the Phase II Territory in Particular**

The Comprehensive Plan serves as a non-binding guide to aid local officials in adopting zoning ordinances and considering future changes in land use. The drafters of the Comprehensive Plan recognized the importance and value of new growth and development expected along the Interstate 65 corridor. But they should not be faulted for not anticipating the actual location of this Project. As expressly stated, the "[Comprehensive] Plan does not contain the actual decisions that the Plan Commission or City Council should make regarding development and redevelopment; however, it does provide guidance of the community's collective vision for future growth and change in the City and should be interpreted as such."

One of the stated objectives of the Comprehensive Plan is for the City to "grow and attract a diverse mixture of businesses and develop a highly skilled, well-educated, and creative workforce to foster employment opportunities for residents and improve the economic vitality of the city." The Innovation Users contemplated to occupy the LEAP Property will bring a uniquely skilled work force to the community, earning wages and salaries that far exceed the wage levels historically common to the area.

The LEAP Project's location has already given impetus for the construction of a new I-65 interchange near County Road 300 North, and it has triggered other road improvement work, which will expand both opportunities for the area, improving traffic flows, and adding an attractive new gateway into the City, all of which have long been important and consensus local objectives.

Another objective of the Comprehensive Plan is to ensure that opportunities for diverse commercial and industrial business development exist by advertising available sites and long-range planning efforts. This Project is a product of exactly these sorts of efforts – the identification of properties that collectively can be used to establish a special and

unique site that is attractive to those Innovation Users. These companies will make a substantial investment in new and extended municipal infrastructure and modern plant and equipment, which is essential to these Innovation Users.

The employees of these Innovation Users will come from current residents of the community seeking the better compensation and benefits afforded. Innovation Users will also attract new residents who will relocate to this community, resulting in the development of new housing options, a more vibrant commercial and retail base and enhancements to existing recreational, religious, educational, and cultural offerings.

The extension of, and enhancements to, existing municipal and county infrastructure will also benefit current and future residents and business in the area. Long-needed road and drainage improvements in the area and the expansion of sewer and water capacity will become available to large unincorporated areas of the county. The enhancement of existing water and wastewater treatment systems will serve both existing City residents and those of the Project. The LEAP Project will also bring fiber optic cable to the area, including nearby residents.

In turn, LEAP Project's activities will also facilitate the type of additional growth to the north and west of the City that previously has not been practical.

As discussed above, the Phase II Annexation Area, like the Phase I Annexation Area, is planned to be the home of technology-based, large-scale research, development, and manufacturing facilities (and compatible supporting uses for those facilities). Such facilities and operations are inherently consistent with the city's General Industrial (ID) use zoning category. The attractiveness of the LEAP District to these types of facilities is not speculative. Over the last several months, the IEDC has been engaged with, and had detailed discussions with, several major Innovative Users with respect to planning, siting, engineering, construction, and facility layout for areas in the Phase II Territory.

A representative example of an Innovation User's planned operations in the overall Project Area involves Eli Lilly and Company (Lilly), a publicly traded, Indiana-based pharmaceutical company. Lilly recently announced its plans to acquire approximately 600 acres of LEAP Property for the purpose of developing, constructing and operating a research and manufacturing campus containing multiple buildings and substantial greenspace ("Lilly Campus"). This is the type of "Campus" that could be constructed and operated anywhere in the Phase I or Phase II Territories.

As with Lilly, given the nature of the innovative manufacturing operations and the Innovation Users' expected desire for municipal infrastructure and services, the

expected development, construction and operation of a Lilly-type campus (and similar Innovative Uses) is dependent upon the Phase II Territory located to the *south* of the City Trail being annexed into the City and assigned a General Industrial zoning classification (just like the Phase I Territory). See parcels depicted in pink on **Exhibit A**.

The Lebanon Unified Development Ordinance (“UDO”) expressly recognizes that the General Industrial (ID) zoning district “is to accommodate a variety of industrial uses in locations and under conditions that minimize land use conflicts” and is designed for “areas with good access to major thoroughfares and where large shipping truck traffic does not disrupt local streets.” UDO Sec. 4.16 A, p. 74.

There is not an immediately anticipated future use of the parcels in the Territory located to the *north* of the existing City Trail (depicted in blue on **Exhibit A**). Therefore, Petitioners request that these parcels and the City Trail be initially assigned the City’s default zoning classification of single family residential (SF). Petitioners note that these parcels will likely be the subject of a rezoning request and/or a Planned Unit Development once anticipated and future uses of these parcels located to the north of the City Trail are better defined.

### **Proposed Voluntary Use Limitations for the Phase II Territory to be Assigned the Zoning Classification of General Industrial**

As noted above, IEDC plans that the Phase II Territory’s use consist of technology-based, large-scale and high-tech research, development, and manufacturing facilities and other complementary and/or supporting uses. Therefore, the IEDC commits that (just like for the Lilly project), it will voluntarily request that the following otherwise permitted or conditional uses be prohibited in the portion of the Phase II Territory requested to be zoned as General Industrial:

- Landfill operations and commercial recycling centers or transfer stations
- Commercial truck and freight terminals
- Truck stops and travel centers
- Commercial Kennels
- Commercial large-scale/industrial composting
- Petroleum refineries
- Steel mills and similar heavy-manufacturing plants
- Self-storage facilities
- Semi-tractor / trailer storage not affiliated with an on-site User’s operations
- Airports and airstrips
- Truck sales and service center

- Concrete and asphalt production facilities
- Junk or scrap metal yard
- Inoperable vehicle storage
- Mineral extraction
- Explosives manufacturing and storage

Of course, the relevant municipal authorities would have to review site and other plans, and issue necessary permits for anything built within the Phase II Territory. The IEDC is not requesting the City to cede this authority, but merely to approve a zoning structure that would help manifest the plans outlined above.

### **Anticipated City and Boone County Actions to Consider the Enactment of a LEAP Development Plan District and Subsequent Planned Use Development Ordinance for the LEAP District**

The IEDC is aware that the Board of Commissioners of Boone County (the “County”) and the City Council (“Council”) are in the process of considering whether to adopt a substantively identical “LEAP Development Plan District” zoning classification for the Territory (or parts thereof). The IEDC will be participating in that process and intends to consider comments from all stakeholders in that process. Should, *prior to* the Council’s final adoption of this requested Phase II annexation ordinance, both the County and the Council adopt a substantively identical “LEAP Development Plan District” zoning classification for the Territory (or parts thereof) in a form that will allow the proposed development of the Territory on terms acceptable to the IEDC, Petitioners will agree to support the assignment of such alternative zoning classification for the Territory (or parts thereof) that would be subject to the LEAP Development Plan District zoning classification.

Alternatively, should the County and Council’s adoption of a LEAP Development Plan District zoning classification in a form approved by the IEDC occur *after* the Council’s adoption of this Phase II annexation ordinance, Petitioners or, as applicable, the IEDC (as a successor owner of parcels in the Territory) will support the amendment of the zoning classifications of the parcels in the Territory to such alternative zoning classification. The IEDC also notes that the Phase II Territory (or portions thereof) will likely be the subject of a Planned Unit Development ordinance once anticipated and future uses of these parcels are better defined. Consequently, the requirements of such a PUD are ultimately anticipated to control the use of the Phase II Territory. Until that occurs, the above-referenced zoning is requested.

## Next Steps/Questions

The IEDC intends to work efficiently, collaboratively and in good faith with City and county officials and other stakeholders to effectuate all annexation, zoning and related approvals to support the above-referenced planned development and use of the Phase II Territory.

Toward that end, the IEDC has designated David Rosenberg, the IEDC's Executive Vice President, as its authorized representative to answer any questions and provide any additional information concerning this matter.

Respectfully submitted,

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