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Why this Indianapolis developer is betting \$175 million on Bullitt County

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Indianapolis-based Browning Investments has spent most of its roughly 40 years in business doing office, industrial and other real estate developments in central Indiana, but the company has ventured out of its backyard in a way that could drop a few jaws.

The company is planting its flag in Kentucky in the form of a \$175 million Bullitt County industrial business park that will exceed 4 million square feet. The development is known as Velocity 65 Trade Center and will be built over several years, driven by market conditions.

Browning broke ground Monday afternoon on Velocity 1, the first of six or more industrial buildings planned as part of the huge development near Cedar Grove Business Park in Shepherdsville.

The facility will include about 721,000 square feet of bulk warehouse space on more than 40 acres along Buffalo Run Road. The \$30 million speculative building will include tilted concrete walls, LED lighting and an energy-efficient roofing system that reflects heat, and it will have hundreds of parking spaces with ample docking and trailer staging space for a tenant.

The business park sits on close to 300 acres Browning has been accumulating from multiple owners off Cedar Grove Road and Alpha Way — a new roadway being constructed to provide better traffic flow for Shepherdsville's burgeoning business parks.

Alpha Way is being constructed by the city of Shepherdsville at a cost of more than \$4 million and should be completed by year's end, said John Snider, executive director of the Bullitt County Economic Development Authority.

Leasing on the business park is led by Louisville-based Cushman & Wakefield Commercial Kentucky Inc. Phil Charmoli, a senior industrial real estate adviser with Commercial Kentucky, said the building will be finished by the second quarter of 2017, when he hopes to have a tenant in place.

According to a flier distributed during the groundbreaking, the project is proposed with six buildings ranging from 310,000 square feet all the way up to 1.3 million square feet. Four of the proposed buildings would exceed 700,000 square feet.



MARTY FINLEY

Indianapolis-based Browning Investments held a groundbreaking ceremony in Shepherdsville for the first of several buildings in its new four million-square-foot business park.

John Hirschman, Browning president and CEO, said the site will provide flexibility, as some of the buildings may be constructed at different sizes or configurations based on the needs of tenants. For instance, Hirschman pointed out that two planned buildings of more than 700,000 square feet could be combined into one development of 1.5 million if a large tenant demanded it.

Likewise, the Velocity 1 building could be tailored to one large tenant or multiple smaller tenants. Company officials also said they are looking to attract e-commerce companies that could benefit from the site's proximity to Interstate 65 and United Parcel Service Inc. (NYSE: UPS) operations in Louisville, including the Centennial Hub ground-sorting facility and the Worldport air-sorting hub at the Louisville International Airport.

Hirschman said those logistics services are integral for clients who need to make late shipments with quick delivery options.

But he said Browning also was willing to venture outside of its comfort zone because of the pro-business environment in Bullitt County, which he said promotes a strong workforce and strong rental growth. And he commended local government and business leaders who have been welcoming and supportive.

"We're here because you're here," he said.

Velocity 65 is expected to create thousands of new jobs and millions in new tax revenue for the county and the state.

Browning's large investment will eventually benefit from better interstate connectivity. Not only is Alpha Way going to offer new access into the park, but the state and federal government are partnering to spend more than \$20 million on improvements to Shepherdsville's interstate 65 traffic flow, including a new interchange. Snider said he hopes work will start on the new interchange by 2018.

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