



Isotope maker plans \$40M project in Noblesville

Andrea Muirragui Davis May 28, 2014

Radiopharmaceuticals maker Zevacor Molecular plans to open a \$40 million isotope-production facility in Noblesville, creating nearly 50 good-paying jobs within five years.

Noblesville will provide an estimated \$1.9 million—about 85 percent of the new property taxes the project should produce—in equipment and other necessities, according to a development deal the Common Council unanimously approved Tuesday.

The agreement also calls for Zevacor to get a 95-percent abatement on personal property taxes for 10 years.

If the company fails to deliver on its promises, so-called clawback provisions allow the city to recoup its investment, municipal attorney Mike Howard told the council.

Zevacor, which has eight employees and an office in Fishers, is a for-profit subsidiary of Decatur, Ill.-based not-for-profit Illinois Health & Science—also the parent of Decatur Memorial Hospital. It operates hospital cyclotrons and nuclear pharmacies in several states, said Kenneth Smithmier, Illinois Health's president and CEO.

The 70-million-electron-volt cyclotron now being built in Belgium is the first of that size to be used primarily for commercial purposes, he said. The others are used mostly for research.

Officials evaluated several potential sites nationwide including Los Alamos, N.M., Smithmier said, but chose Noblesville because of its central location and proximity to the major FedEx hub in Indianapolis.

Isotopes have a limited shelf life, he said, so time is of the essence. "Logistics made a big difference."

Illinois Health & Science plans to spend more than \$7 million to acquire and renovate a vacant 71,000-square-foot building at 14395 Bergen Blvd., which it will lease to Zevacor. A concrete-walled vault to be erected inside the building will house the \$30 million particle accelerator, expected to arrive in fall 2015.

Production should begin by early 2017.

Zevacor said it would have a total of 25 employees—and a total payroll of \$2.5 million—by the end of next year. It promised to more than double its staff by the end of 2018.

The company has cash on hand to pay for the project, Smithmier said, including the \$10 million or so it already has spent.

“We have no outside investors and we’re not seeking any,” he said.

That’s one big difference between Zevacor and Positron Corp., which [planned a similar facility](#) in Noblesville three years ago but couldn’t line up the necessary backing.

City officials are optimistic about Zevacor’s prospects—and what its success might mean for Noblesville.

“We think this is a catalyst for future growth,” said Economic Development Director Judi Johnson, citing the potential for related development nearby.

Indiana Economic Development Corp. also has offered tax credits and training funds, Smithmier said.