

IDI stays active in North Mississippi with McKesson leases, spec construction

Oct 12, 2020, 2:37pm CDT

Constructing a new warehouse for Hamilton Beach in Byhalia may be the largest project IDI Logistics has underway in the Memphis region, but it's certainly not the only one.

The Atlanta-based industrial real estate firm recently leased two, 300,000-square-foot spaces in its Crossroads Business Center to McKesson Corp.

And, by the end of October, IDI is set to finish a 330,000-square-foot speculative warehouse and start construction on an 860,000-square-foot one — both in its Olive Branch Logistics Center — according to Jon Harmon, the company's vice president of asset management.

Harmon said IDI is high on the new logistics center in part because it's getting harder for developers to find industrial land in DeSoto County — meaning the supply of warehouse space there will tighten.

The McKesson leases come after the pharmaceuticals company — No. 8 on the 2020 *Fortune* 500 — laid off 79 Memphis employees in March. The company employs about 800 people in the area, spokesman Sunny Rodriguez told the *MBJ* on Aug. 18.



COURTESY IDI LOGISTICS

IDI Logistics' 350,000-square-foot Stateline G facility in Southaven.

Rodriguez did not immediately respond to requests for comment for this article about the new leases.

The massive firm received a 12-year PILOT (payment-in-lieu-of-taxes) from the Economic Development Growth Engine (EDGE) for Memphis & Shelby County in 2009, which was amended in 2017 after the company fell short of its initial job and investment promises.

In November 2019, McKesson was approved for an \$830,000 FastTrack Job Economic Development Grant from the State of Tennessee to expand one of its Memphis facilities. The expansion plans called for a capital investment of \$18.5 million and the addition of 83 new jobs over a five-year period.

Jacob Steimer

Lead Reporter

Memphis Business Journal

