



Legislation Text

File #: 0410-2022, **Version:** 1

BACKGROUND: The need exists to enter into an Enterprise Zone Agreement with West 70 Logistics Land, LLC. The Ohio Enterprise Zone law Section 5709.62(C) of the Ohio Revised Code requires the City to enter into Council-approved agreements between the City and participating companies.

West 70 Logistics Land, LLC is real estate holding company that is a subsidiary of TPA Ventures, LLC. TPA Ventures, LLC is a national real estate development company based in Atlanta, Georgia that has successfully acquired, developed and sold over \$20 billion in investments. They frequently partner with other operators in an investment or joint venture structure and have a history of over 250 proactive, build-to-suit and re-development projects to date.

West 70 Logistics Land, LLC is proposing to redevelop an obsolete industrial site at 800 Hilliard Rome Road with a total of 1,850,000 square feet of proactive industrial development. For Building #1 of this new development, West 70 Logistics Land, LLC proposes to invest a total project cost of approximately \$52,000,000.00, which includes \$46,500,000 in real property improvements, \$1,500,000 machinery and equipment, \$500,000 in furniture and fixtures, and \$3,500,000 in leasehold improvements to construct an approximately 400,000 to 600,000 square-foot proactive Class A industrial facility at 800 Hilliard Rome Road, Columbus, Ohio 43228, parcel numbers 246-303775 and 246-303777 (the “**Project Site**”). The company anticipates that the development of the proposed project will lead to the creation of 63 net new full-time permanent positions with an estimated new annual payroll of approximately \$2,680,000 at the Project Site, and since it is a proactive industrial development project, may lead to the retention or relocation of an unknown number of positions from within the City of Columbus or surrounding communities.

The Department of Development recommends 75%/10-year Enterprise Zone tax abatement on real property improvements.

Contingent upon the successful expansion of the City of Columbus Enterprise Zone (Zone 023), which would include the proposed parcels comprising the **Project Site**, the Department of Development recommends a 75%/10-year Enterprise Zone tax abatement on real property improvements.

The South-Western City School District has been advised of this project. This legislation is presented as 30-day legislation.

FISCAL IMPACT:

No funding is required for this legislation

To authorize the Director of the Department of Development to enter into an Enterprise Zone Agreement with West 70 Logistics Land, LLC for a tax abatement of seventy-five percent (75%) for a period of ten (10) consecutive years in consideration of the company’s proposed capital investment of \$46,500,000.00 in real property improvements and the creation of 63 net new full-time permanent positions with an estimated annual payroll of approximately \$2,680,000.00.

WHEREAS, the Columbus City Council authorized the designation of the Central Enterprise Zone by legislation, Ordinance Number 779-85, dated April 22, 1985; and subsequently amended the Zone by Ordinance Nos. 2722-85 in 1986; 2080-89 in 1989; 1949-92, 2690-92 and 2249-92 in 1992; 1079-94 and 1228-94 in 1994; 2196-95 and 2817-95 in 1995; 0533-99 in 1999; 1785-00 in 2000; 1464-02 in 2002; 0225-03 in 2003; 0032-2012 in 2012; 1442-2020 in 2020 and 0279-2021 in 2021; and

WHEREAS, the Director of the Development Department of the State of Ohio determined that the Columbus Enterprise Zone as amended by the aforementioned Ordinances continued to contain the characteristics set forth in Section 5709.61 (A) of the Ohio Revised Code and recertified said Zone in 1986, December 20, 1989, September 28, 1992, October 22, 1992, December 17, 1992, May 31, 1994, June 24, 1994, June 16, 1995, October 5, 1995, December 19, 1995, April 1, 1999, September 25, 2000, January 27, 2003, August 19, 2003, April 3, 2012, September 18, 2020 and most recently May 20, 2021 as an “urban jobs and enterprise zone” under Chapter 5709 of the Ohio Revised Code; and

WHEREAS, West 70 Logistics Land, LLC is real estate holding company that is a subsidiary of TPA Ventures, LLC. TPA Ventures, LLC is a national real estate development company based in Atlanta, Georgia that has successfully acquired, developed and sold over \$20 billion in investments. They frequently partner with other operators in an investment or joint venture structure and have a history of over 250 proactive, build-to-suit and re-development projects to date; and

WHEREAS, West 70 Logistics Land, LLC is proposing to redevelop an obsolete industrial site of 800 Hilliard Rome Road with a total of 1,850,000 square feet speculative industrial development. For Building #1 of this new development, West 70 Logistics Land, LLC proposes to invest a total project cost of approximately \$52,000,000 which includes \$46,500,000 in real property improvements, \$1,500,000 machinery and equipment, \$500,000 in furniture and fixtures, and \$3,500,000 in leasehold improvements to construct an approximately 400,000 to 600,000 square-foot Class A proactive industrial facility at 800 Hilliard Rome Road, Columbus, Ohio 43228, parcel numbers 246-303775 and 246-303777 (the “**Project Site**”).

WHEREAS West 70 Logistics Land, LLC anticipates that the development of the aforementioned project will lead to the relocation of an unknown number of positions from within the City of Columbus and the creation of 63 net new full-time permanent positions with an estimated new annual payroll of approximately \$2,680,000 at the **Project Site**; and

WHEREAS, authorization by Council of the agreement will be contingent upon the successful expansion of the City of Columbus Enterprise Zone (Zone 023), which would include the proposed parcels comprising the **Project Site**; and

WHEREAS, the City is encouraging this project because of plans to construct a proactive Class A industrial facilities west of the central city; and

WHEREAS, the City desires to enter in to such a binding formal agreement in order to foster economic growth for the preservation of public health, peace, property and safety; **NOW, THEREFORE:**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Council of Columbus finds that the enterprise submitting this proposal is qualified by financial responsibility and business experience to create and preserve employment opportunities in the zone and improve the economic climate of the municipal corporation.

SECTION 2. That City hereby finds and determines that the project will (1) create jobs in the State and City (2) the project is economically sound and will benefit the people of the State and City by increasing opportunities for employment and strengthening the economy of the State and City; and (3) receiving the aforementioned tax abatement is a critical factor in the decision by representatives for West 70 Logistics Land, LLC to go forward with the project.

SECTION 3. Contingent upon the successful expansion of the City of Columbus Enterprise Zone (Zone 023), which would include the proposed parcels comprising the Project Site, that the Director of the Department of Development is hereby authorized and directed to enter into an Enterprise Zone Agreement with West 70 Logistics Land, LLC to provide therewith an exemption of seventy-five percent (75%) on real property improvements for a term of ten (10) consecutive taxable years in association with the project’s proposed

total investment for Building #1 of approximately \$52,000,000 which includes \$46,500,000 million in real property improvements at 800 Hilliard Rome Road, Columbus, Ohio 43228, parcel numbers 246-303775 and 246-303777 and the creation of 63 net new full-time permanent positions with an estimated annual payroll of approximately \$2,680,000.

SECTION 4. That the City of Columbus Enterprise Zone Agreement is signed by West 70 Logistics Land, LLC within two hundred seventy (270) days of passage of this ordinance, or this ordinance and the abatements and credit authorized herein are null and void.

SECTION 5. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.