



Legislation Text

File #: 0476-2022, **Version:** 1

BACKGROUND: The need exists to enter into an Enterprise Zone Agreement with COI Alkire Industrial, 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.

COI Alkire Industrial, LLC is a partnership that is comprised of members of VanTrust Real Estate LLC who will serve as the sponsor entity that invests directly in and oversees the development of the project. VanTrust Real Estate LLC, headquartered in Kansas City, Missouri is a full-service real estate development company offering a broad range of services including acquisition, disposition, development, and asset management. VanTrust works nationally with regional offices in Columbus, Dallas, Jacksonville, and Phoenix. COI Alkire Industrial, LLC will be the owner of the project.

The project represents a massive private investment in an area of the City lacking in Class A industrial space. Distribution and logistics are a growing industry in the region and Columbus competes with surrounding communities for investment in this sector.

COI Alkire Industrial, LLC is proposing to redevelop a property at Bolton Field with a series of buildings totaling 667,500 square feet of proactive industrial development. For Building #2 of this new development, COI Alkire Industrial, LLC proposes to invest a total project cost of approximately \$20,000,000 in real property improvements to construct a 330,000 square-foot proactive Class A industrial building at the southeast corner of the intersection of Alkire Road and Norton Road, parcel number 570-154775 (the “**Project Site**”). The company anticipates that the development of the proposed project will lead to the relocation of an unknown number of positions from within the City of Columbus or surrounding communities, and the creation of 37 net new full-time permanent positions with an estimated annual payroll of approximately \$1,154,400 at the proposed **Project Site**.

The Department of Development recommends 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 COI Alkire Industrial, LLC (Building #2) 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 \$20,000,000.00 in real property improvements and the creation of 37 net new full-time permanent positions with an estimated annual payroll of approximately \$1,154,400.00.

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 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, COI Alkire Industrial, LLC is a partnership that is comprised of members of VanTrust Real Estate LLC who will serve as the sponsor entity that invests directly in and oversees the development of the project. VanTrust Real Estate LLC, headquartered in Kansas City, Missouri is a full-service real estate development company offering a broad range of services including acquisition, disposition, development, and asset management. VanTrust works nationally with regional offices in Columbus, Dallas, Jacksonville, and Phoenix. COI Alkire Industrial, LLC will be the owner of the project; and

WHEREAS, the project represents a massive private investment in an area of the City lacking in Class A industrial space. Distribution and logistics are a growing industry in the region and Columbus competes with surrounding communities for investment in this sector; and

WHEREAS, COI Alkire Industrial, LLC is proposing to redevelop a property at Bolton Field with a series of buildings totaling 667,500 square feet of proactive industrial development. For Building #2 of this new development, COI Alkire Industrial, LLC proposes to invest a total project cost of approximately \$20,000,000 in real property improvements to construct a 330,000 square-foot proactive Class A industrial building at the southeast corner of the intersection of Alkire Road and Norton Road, parcel number 570-154775 (collective, and hereinafter referred to as the “Project Site”); and

WHEREAS, the company anticipates that the development of the proposed project will lead to the relocation of an unknown number of positions from within the City of Columbus or surrounding communities, and the creation 37 net new full-time permanent positions with an estimated annual payroll of approximately \$1,154,400 at the proposed **Project Site**; and

WHEREAS, the City is encouraging this project because of plans to construct a speculative Class A industrial facilities southwest 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; and **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 COI Alkire Industrial, LLC to go forward with the project.

SECTION 3. That the Director of the Department of Development is hereby authorized and directed to enter into an Enterprise Zone Agreement with COI Alkire Industrial, 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 of approximately \$20,000,000 in real property improvements related to Building #2 at the southeast corner of the intersection of Alkire Road

and Norton Road, parcel number 570-154775, and the creation of 37 net new full-time permanent positions with an estimated annual payroll of approximately \$1,154,400.

SECTION 4. That the City of Columbus Enterprise Zone Agreement is signed by COI Alkire Industrial, LLC within ninety (90) 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.