



Legislation Details (With Text)

File #: 0987-2013 **Version:** 2

Type: Ordinance **Status:** Passed

File created: 4/15/2013 **In control:** Development Committee

On agenda: 5/6/2013 **Final action:** 5/7/2013

Title: To authorize the Director of Development to enter into an Enterprise Zone Agreement with Orange Barrel Media, LLC and OB Franklinton Development, LLC for a tax abatement of seventy-five percent (75%) for a period of ten (10) years in consideration of a proposed total investment of \$4,710,000, which includes \$2,200,000.00 in real property improvements and 12 new full-time permanent positions and to declare an emergency.

Sponsors:

Indexes:

Code sections:

Attachments: 1. ORD0987-2013 Orange Barrel EZA Fact Sheet, 2. ORD0987-2013 Orange Barrel - Project Site Map

Date	Ver.	Action By	Action	Result
5/7/2013	2	CITY CLERK	Attest	
5/7/2013	2	MAYOR	Signed	
5/6/2013	2	COUNCIL PRESIDENT	Signed	
5/6/2013	1	Columbus City Council	Amended to Emergency	Pass
5/6/2013	1	Columbus City Council	Approved as Amended	Pass
4/29/2013	1	Columbus City Council	Read for the First Time	

BACKGROUND: The need exists to enter into an Enterprise Zone Agreement with Orange Barrel Media, LLC and OB Franklinton Development, LLC. The Ohio Enterprise Zone law O.R.C. Section 5709.62 (3) requires the City to enter into a Council-approved agreement between the City and participating companies.

Orange Barrel Media, LLC was established in 2004 by founder and President Peter D. Scantland, an Upper Arlington native. The company owns and sells outdoor advertising in Columbus, Cleveland, Cincinnati, Boston, Washington D.C., Denver and Charlotte, North Carolina. OB Franklinton Development, LLC is Orange Barrel Media, LLC's real estate holding company.

OB Franklinton Development, LLC is proposing to acquire, renovate and redevelop a vacant industrial site into a new corporate headquarters and production shop for Orange Barrel Media, LLC to be located in the historic Franklinton area. The corporate headquarters will consist of approximately 10,000 square feet of office space and the production shop will consist of another 7,200 square feet of workable space. OB Franklinton Development, LLC will invest approximately \$4,710,000 that includes \$2,200,000 in real property improvements, acquisition costs, machinery, equipment, furniture and fixtures, while Orange Barrel Media, LLC will create 12 new full-time permanent positions with an estimated annual payroll of approximately \$1,000,000.

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

The Columbus City School District has been advised of this project.

FISCAL IMPACT: No funding is required for this legislation.

To authorize the Director of Development to enter into an Enterprise Zone Agreement with Orange Barrel Media, LLC and OB Franklinton Development, LLC for a tax abatement of seventy-five percent (75%) for a period of ten (10) years in consideration of a proposed total investment of \$4,710,000, which includes \$2,200,000.00 in real property improvements and 12 new full-time permanent positions **and to declare an emergency.**

WHEREAS, City Council subsequently amended the Columbus Enterprise Zone by Ordinance Numbers 2722-85 in 1986; 2080-89 in 1989; 1949-92, 2249-92 and 2690-92 in 1992; 1079-94 and 1228-94 in 1994; 1274-95, 2196-95 and 2817-95 in 1995; 0533-99 in 1999; 1785-00 in 2000; 1464-02 in 2002; 0225-03 in 2003; and 0032-2012 in 2012; 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 and most recently on April 3, 2012 as an “urban jobs and enterprise zone” under Chapter 5709 of the Ohio Revised Code; and

WHEREAS, OB Franklinton Development, LLC is proposing to acquire, renovate and redevelop an old vacant industrial site into a new corporate headquarters and production shop for Orange Barrel Media, LLC to be located in the historic Franklinton area. The corporate headquarters will consist of approximately 10,000 square feet office space and the production shop will consist of another 7,200 square feet of workable space; and

WHEREAS, OB Franklinton Development, LLC will invest approximately \$4,710,000, that includes \$2,200,000 in real property improvements, acquisition costs, machinery, equipment, furniture and fixtures, while Orange Barrel Media, LLC will create 12 new full-time permanent positions within the City of Columbus over a three-year period following construction completion with an estimated annual payroll of approximately \$1,000,000 on Parcel Number 010-041738, further known as 251 N. Hartford Avenue; and

WHEREAS, OB Franklinton Development, LLC will acquire, invest, renovate, redevelop and own property, while Orange Barrel Media, LLC will be the tenant and enter into a long-term lease agreement with OB Franklinton Development, LLC; and

WHEREAS, the City is encouraging this project because of plans to redevelop an urban commercial property in the central city; and

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

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to pass this ordinance as an emergency measure because of the need to accommodate their development schedule for the Franklinton project; **NOW THEREFORE,**

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

Section 1. 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 and tax credit is a

critical factor in the decision by Orange Barrel Media, LLC and OB Franklinton Development, LLC to go forward with the project expansion.

Section 2. That the City Council hereby finds and determines that the project meets all the requirements of the City Act.

Section 3. That the Director of Development is hereby authorized and directed to enter into and execute an Enterprise Zone Agreement with Orange Barrel Media, LLC and OB Franklinton Development, LLC to provide therewith an exemption of seventy-five percent (75%) on real property improvements for a term of ten (10) taxable years in association with the project's proposed total investment of approximately \$4,710,000, which includes \$2,200,000 in real property improvements, acquisition costs, machinery, equipment, furniture and fixtures.

Section 4. That the City of Columbus Enterprise Zone Agreement is signed by Orange Barrel Media, LLC and OB Franklinton Development, LLC within ninety (90) days of passage of this ordinance, or this ordinance and the abatements and credits 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.~~ **That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approvals by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.**