



## Legislation Details (With Text)

**File #:** 0661-2022      **Version:** 1

**Type:** Ordinance      **Status:** Passed

**File created:** 2/25/2022      **In control:** Economic Development Committee

**On agenda:** 3/28/2022      **Final action:** 3/30/2022

**Title:** To authorize the Director of the Department of Development to enter into an Enterprise Zone Agreement with Tucker Bear Capital, LLC and America’s Floor Source, LLC for a tax abatement of seventy-five percent (75%) for a period of ten (10) consecutive years in consideration of a total proposed capital investment of approximately \$15.4 million, which includes \$15 million in real property improvements, creation of one twenty (20) net new full-time permanent positions with an estimated new annual payroll of approximately \$812,960.00 and the retention of 169 full-time jobs.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. 0661-2022 Tucker Bear Capital (AFS) - Project Site Map, 2. 0661-2022 Tucker Bear Capital (AFS) - EZ Fact Sheet

| Date      | Ver. | Action By             | Action                  | Result |
|-----------|------|-----------------------|-------------------------|--------|
| 3/30/2022 | 1    | CITY CLERK            | Attest                  |        |
| 3/29/2022 | 1    | MAYOR                 | Signed                  |        |
| 3/28/2022 | 1    | COUNCIL PRESIDENT     | Signed                  |        |
| 3/28/2022 | 1    | Columbus City Council | Approved                | Pass   |
| 3/21/2022 | 1    | Columbus City Council | Read for the First Time |        |

**BACKGROUND:** The need exists to enter into an Enterprise Zone Agreement with Tucker Bear Capital, LLC and America’s Floor Source, LLC. The Ohio Enterprise Zone law O.R.C. Section 5709.62(C) requires the City to enter into a Council-approved agreement between the City and participating companies.

Tucker Bear Capital, LLC is a real estate holding company owned by Jason Goldberg, the founder and owner of America’s Floor Source, LLC, a flooring company serving the builder property management, wholesale, retail and commercial market industries. America’s Floor Source, LLC was established in 2000 and has helped select and install a wide variety of flooring types that include carpet, hardwood, vinyl, LVT, tile, bamboo and cork for thousands of customers from homebuilders, homeowners, building superintendents, property managers, landlords, business owners, remodelers, etc.

Tucker Bear Capital, LLC proposes to invest a total project cost of approximately \$15.4 million, which includes \$15.0 million in new construction, \$200,000 in machinery and equipment, and \$200,000 in furniture and fixtures to construct a new 265,000 square-foot office warehouse facility. The proposed new facility will be constructed on approximately 28.35 acres of undeveloped land on parcel number 010-212112 (2145 Stelzer Road, Columbus, Ohio 43219), parcel numbers 445-284360, 445-284361, 445-284362, 445-284363 and 445-284359 (2101 Stelzer Road), along with five other contiguous parcels that were recently annexed into city, parcel numbers 195-305595, 195-305596, 195-305597, 195-305598 and 195-305594 (collectively, and hereinafter referred to as the “**Project Site**”). America’s Floor Source, LLC will lease the new office warehouse facility from Tucker Bear Capital, LLC to consolidate three locations into one facility and expand its corporate headquarters, create 20 net new full-time permanent positions with an estimated annual payroll of approximately \$812,960 and retain 169 full-time jobs with an annual estimated payroll of approximately \$9.04 million.

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 Columbus City School District, Gahanna Jefferson City School District and Eastland-Fairfield Career & Technical Schools have 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 Tucker Bear Capital, LLC and America's Floor Source, LLC for a tax abatement of seventy-five percent (75%) for a period of ten (10) consecutive years in consideration of a total proposed capital investment of approximately \$15.4 million, which includes \$15 million in real property improvements, creation of one twenty (20) net new full-time permanent positions with an estimated new annual payroll of approximately \$812,960.00 and the retention of 169 full-time jobs.

**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; and 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 on May 20, 2021 as an "urban jobs and enterprise zone" under Chapter 5709 of the Ohio Revised Code; and

**WHEREAS**, Tucker Bear Capital, LLC is a real estate holding company owned by Jason Goldberg, the founder and owner of America's Floor Source, LLC; and

**WHEREAS**, America's Floor Source, LLC is a flooring company serving the builder property management, wholesale, retail and commercial market industries. America's Floor Source, LLC was established in 2000 and has helped select and install a wide variety of flooring types that include carpet, hardwood, vinyl, LVT, tile, bamboo and cork for thousands of customers from homebuilders, homeowners, building superintendents, property managers, landlords, business owners, remodelers, etc.; and

**WHEREAS**, Tucker Bear Capital, LLC proposes to invest a total project cost of approximately \$15.4 million, which includes \$15.0 million in new construction, \$200,000 in machinery and equipment, and \$200,000 in furniture and fixtures to construct a new 265,000 square-foot office warehouse facility. The proposed new facility will be constructed on approximately 28.35 acres of undeveloped land on parcel number 010-212112 (2145 Stelzer Road, Columbus, Ohio 43219), parcel numbers 445-284360, 445-284361, 445-284362, 445-284363 and 445-284359 (2101 Stelzer Road), along with five other contiguous parcels that were recently annexed into city, parcel numbers 195-305595, 195-305596, 195-305597, 195-305598 and 195-305594 (collectively, and hereinafter referred to as the "**Project Site**"); and

**WHEREAS**, America's Floor Source, LLC will lease the new office warehouse facility from Tucker Bear Capital, LLC to consolidate three locations into one facility and expand its corporate headquarters, create 20 net new full-time permanent positions with an estimated annual payroll of approximately \$812,960 and retain 169 full-time jobs with an annual estimated payroll of approximately \$9.04 million at the proposed Project Site; and

**WHEREAS**, Tucker Bear Capital, LLC will acquire, construct and own property, while America's Floor Source, LLC will be the tenant and employer of record, and enter into a long-term lease agreement with Tucker Bear Capital, LLC; 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 develop a vacant lot parcel in the Northeast quadrant of the City near Citygate into an income producing property; and

**WHEREAS**, the City desires to increase employment opportunities and encourage the creation of new jobs in the City in order to improve the overall economic climate of the City and its citizens; 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; **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 this tax incentive is a critical factor in the decision by Tucker Bear Capital, LLC and America's Floor Source, LLC to move forward with the proposed 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 Tucker Bear Capital, LLC and America's Floor Source, 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 investment of approximately \$15,000,000 in real property improvements on approximately 28.35 acres of undeveloped land on parcel number 010-212112 (2145 Stelzer Road, Columbus, Ohio 43219), parcel numbers 445-284360, 445-284361, 445-284362, 445-284363 and 445-284359 (2101 Stelzer Road), along with five other contiguous parcels that were recently annexed into city, parcel numbers 195-305595, 195-305596, 195-305597, 195-305598 and 195-3055944889 Trabue Road, Columbus, Ohio 43228, parcel number 560-154558, the creation of twenty (20) net new full-time permanent positions with an estimated new annual payroll of approximately \$812,960 and the retention of 169 full-time jobs with an annual payroll of approximately \$9.04 million.

**SECTION 4.** That the City of Columbus Enterprise Zone Agreement is signed by Tucker Bear Capital, LLC and America's Floor Source, 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.