



Legislation Details (With Text)

File #: 0668-2011 **Version:** 1
Type: Ordinance **Status:** Passed
File created: 4/20/2011 **In control:** Development Committee
On agenda: 5/9/2011 **Final action:** 5/12/2011

Title: To authorize the Director of the Department of Development to enter into an Enterprise Zone Agreement with Carr Supply, Inc. for a tax abatement of sixty five percent (65%) for a period of seven (7) years on real property improvements in consideration of a proposed investment of \$2.3 million, the creation of seven (7) new permanent full-time positions and the retention of fifty one (51) permanent full time jobs.

Sponsors:

Indexes:

Code sections:

Attachments: 1. ORD0668-2011 Carr Supply - Fact Sheet.pdf, 2. ORD0668-2011 Carr Supply - Site Map.pdf

| Date | Ver. | Action By | Action | Result |
|-----------|------|-----------------------|------------------------------------|--------|
| 5/12/2011 | 1 | CITY CLERK | Attest | |
| 5/11/2011 | 1 | MAYOR | Signed | |
| 5/9/2011 | 1 | Columbus City Council | Approved | Pass |
| 5/9/2011 | 1 | COUNCIL PRESIDENT | Signed | |
| 5/2/2011 | 1 | Columbus City Council | Read for the First Time | |
| 4/21/2011 | 1 | CITY ATTORNEY | Reviewed and Approved | |
| 4/21/2011 | 1 | Dev Drafter | Sent to Clerk's Office for Council | |
| 4/20/2011 | 1 | Dev Drafter | Sent for Approval | |
| 4/20/2011 | 1 | DEVELOPMENT DIRECTOR | Reviewed and Approved | |
| 4/20/2011 | 1 | Dev Drafter | Sent for Approval | |

BACKGROUND: The need exists to enter into an Enterprise Zone Agreement with Carr Supply, Inc. 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.

Carr Supply, Inc., a manufacturing company, was founded in 1917 by Charles Carr. The business, formally known as CE Carr, manufactured live stock water equipment. At that time it was located on North 3rd Street. It later moved in the mid 1930's to 49 East Naghten (now Nationwide Blvd.). At that time the business started distributing plumbing supplies. In 1874 Carr Supply, Inc. began distribution of HVAC supplies and equipment. The company now has 8 locations throughout Central Ohio with its primary distribution facility located at 1415 Old Leonard Avenue.

Carr Supply, Inc. plans to expand their existing warehouse to accommodate growth. The project will include an investment of \$2.3 million, the creation 7 new full-time permanent jobs and the retention of 51 permanent full-time jobs.

The Department of Development recommends a 65%/7-year Enterprise Zone tax abatement on real property improvements. This proposal is consistent with the Columbus Tax Incentive Policy under Central City projects.

The Columbus City Schools have been advised of this project.

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 Carr Supply, Inc. for a tax abatement of sixty five percent (65%) for a period of seven (7) years on real property improvements in consideration of a proposed investment of \$2.3 million, the creation of seven (7) new permanent full-time positions and the retention of fifty one (51) permanent full time jobs.

WHEREAS, the Columbus City Council authorized the designation of the 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, 2609-92 and 2249-92 in 1992; 1079-94 and 1228-94 in 1994; 2196-95 and 2817-95 in 1995; 533-99 in 1999; 1785-00 in 2000; 1464-02 in 2002; and 225-03 in 2003; 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 and most recently on August 19, 2003 as an "urban jobs and enterprise zone" under Chapter 5709 of the Ohio Revised Code; and

WHEREAS, Carr Supply, Inc. plans to invest approximately \$1.4 million in real property improvements, and \$870,000 in personal property; and

WHEREAS, Carr Supply, Inc. will create seven (7) new permanent full-time positions with a payroll of \$210,160; and

WHEREAS, Carr Supply, Inc. will retain 51 full-time positions with an annual payroll of approximately \$2.4 million; and

WHEREAS, the City is encouraging this project because of plans to redevelop 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; **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 and retain 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 Carr Supply, Inc. 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 Carr Supply, Inc. to provide therewith an exemption of sixty-five percent (65%) on real property improvements for a term of seven (7) taxable years in association with the project's proposed investment of approximately \$2.3 million, the creation of seven (7) new full-time permanent positions with an annual payroll of \$210,160 and retention of 51 full-time employees with an annual payroll of approximately \$2.4 million.

Section 4. That the City of Columbus Enterprise Zone Agreement is signed by Carr Supply, Inc. 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.