



Legislation Details (With Text)

File #: 1399-2013 **Version:** 1
Type: Ordinance **Status:** Passed
File created: 6/3/2013 **In control:** Development Committee
On agenda: 6/24/2013 **Final action:** 6/27/2013

Title: To authorize the Director of Development to enter into an Enterprise Zone Agreement with CCS Realty Co. and Cloverleaf Cold Storage Co. for a tax abatement of seventy-five percent (75%) for a period of ten (10) years in consideration of a proposed total investment of approximately \$4,800,000.00 which includes \$3,000,000.00 in real property improvements and the creation of two new full-time permanent positions.

Sponsors:

Indexes:

Code sections:

Attachments: 1. ORD1399-2013 Cloverleaf EZA - Fact Sheet, 2. ORD1399-2013 Cloverleaf Cold Storage Co - Site Map

Date	Ver.	Action By	Action	Result
6/27/2013	1	CITY CLERK	Attest	
6/25/2013	1	MAYOR	Signed	
6/24/2013	1	COUNCIL PRESIDENT	Signed	
6/24/2013	1	Columbus City Council	Approved	Pass
6/17/2013	1	Columbus City Council	Read for the First Time	

BACKGROUND: The need exists to enter into an Enterprise Zone Agreement with CCS Realty Co. and Cloverleaf Cold Storage Company. 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.

Cloverleaf Cold Storage Co., (an Ohio corporation) is one of the largest privately held public refrigerated warehouses in the United States. The company provides refrigerated and dry warehouse services to the food industry. Cloverleaf Cold Storage Co. is headquartered in Sioux City, Iowa with operations in Minnesota, Missouri, North Carolina, Ohio, South Carolina and Virginia. The company has been an innovator in the industry building the first rack-supported freezer in the United States and building the first large-scale urethane panel warehouse. Cloverleaf Cold Storage Co.'s services include: freezer, cooler and dry storage, import export services, rail service, enclosed and refrigerated truck and rail dock, internet accessible inventory and access, USDA approved warehouses, and U.S. customs container freight stations. CCS Realty Co. is Cloverleaf Cold Storage Co.'s real estate holding company and will be the owner of the said property.

Cloverleaf Cold Storage Co. is proposing to expand its Columbus facility by adding approximately 60,000 square feet of additional freezer space and a refrigerated loading dock onto its 142,000 square foot operation located at 2350 New World Drive. CCS Realty Co. will invest approximately \$3,000,000 in real property improvements while Cloverleaf Cold Storage Co. will invest approximately \$1,800,000 in machinery and equipment and create two new full-time permanent positions associated with this project.

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

The Groveport Madison Local School District and the Eastland Fairfield Career Center and Technical School have 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 CCS Realty Co. and Cloverleaf Cold Storage Co. for a tax abatement of seventy-five percent (75%) for a period of ten (10) years in consideration of a proposed total investment of approximately \$4,800,000.00 which includes \$3,000,000.00 in real property improvements and the creation of two new full-time permanent positions.

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; 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 and most recently on April 3, 2012 as an "urban jobs and enterprise zone" under Chapter 5709 of the Ohio Revised Code; and

WHEREAS, CCS Realty Co. and Cloverleaf Cold Storage Co. are proposing to expand its Columbus facility by adding approximately 60,000 square feet of additional freezer space and a refrigerated loading dock onto its existing operation; and

WHEREAS, CCS Realty Co. will invest approximately \$3 million in real property improvements, while Cloverleaf Cold Storage Co. will invest approximately \$1.8 million in machinery and equipment, and create two new full-time permanent positions over a three-year period following construction completion with an estimated annual payroll of approximately \$49,920 on Parcel Number 530-234154, further known as 2350 New World Drive, Columbus Ohio 43207; and

WHEREAS, CCS Realty Co. will invest in the real property improvements and own said property, while Cloverleaf Cold Storage Co. will be the tenant and enter into a lease agreement with CCS Realty Co.; and

WHEREAS, the City is encouraging this project because of plans to expand a commercial property in the city; and

WHEREAS, the City desires to enter into 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 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 CCS Realty Co. and Cloverleaf Cold Storage Co. 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 CCS Realty Co. and Cloverleaf Cold Storage Co. 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

total proposed investment of approximately \$4.8 million, which includes \$3 million in real property improvements, machinery and equipment acquisition.

Section 4. That the City of Columbus Enterprise Zone Agreement is signed by CCS Realty Co. and Cloverleaf Cold Storage Co. 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.