



Legislation Details (With Text)

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Type: Ordinance **Status:** Second Reading

File created: 6/24/2024 **In control:** Economic Development & Small and Minority Business Committee

On agenda: 7/15/2024 **Final action:**

Title: To dissolve the Enterprise Zone Agreements with SFG Columbus Parsons LLC Building 1, Building 2, and Building 3 and to direct the Director of the Department of Development to notify as necessary, the local and state tax authorities.

Sponsors:

Indexes:

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Attachments:

Date	Ver.	Action By	Action	Result
7/15/2024	1	Columbus City Council		

BACKGROUND: Columbus City Council (“**COUNCIL**”), by Ordinance No’s. 2017-2022, 2067-2022, and 2064-2022 passed July 25, 2022, authorized the City of Columbus (“**CITY**”) to enter into three (3) separate Enterprise Zone Agreements (collectively, the “**AGREEMENTS**”) with SFG Columbus Parsons LLC BLDG#1, BLDG#2, and BLDG#3 (collectively, and hereinafter referred to as “**ENTERPRISE**”) for tax abatements of seventy-five percent (75%) for a period of ten (10) years in consideration of a combined total investment of approximately \$88,000,000.00 in real property improvements to construct three (3) separate Class A proactive industrial facilities totaling approximately 859,240 square feet on a vacant land parcel consisting of approximately 77 +/- acres at 2215-2295 Parsons Avenue, Columbus, Ohio 43207, parcel number 010-103971 (the “**PROJECT SITE**”). Additionally, the **ENTERPRISE** collectively committed to create one-hundred eight (108) net new full-time permanent positions with an estimated annual payroll totaling approximately \$3,369,600.00 at the **PROJECT SITE**, and to preserve or create employment opportunities within the Columbus Enterprise Zone, (hereinafter referred to as the “**PROJECT**”). The **AGREEMENTS** were made and entered into effective September 6, 2022 (EZA #’s 023-22-23, 023-22-24, and 023-22-25).

In a letter received by the **CITY** from the **ENTERPRISE**, dated April 8, 2024, and through ensuing correspondence, the **ENTERPRISE** requested that the City of Columbus dissolve their current **AGREEMENTS** with SFG Columbus Parsons LLC BLDG#1, BLDG#2, and BLDG#3. The **ENTERPRISE** will pursue the Southside Investment District Community Reinvestment Area (“**CRA**”) tax abatement to continue to assist in the development of the aforementioned **PROJECT** and voluntarily wishes to terminate the **AGREEMENTS** in pursuit of the Southside Investment District **CRA**. As such, the need exists to dissolve the **AGREEMENTS**.

This legislation is to authorize the Director of the Department of Development to dissolve the **AGREEMENTS** between the **CITY** and the **ENTERPRISE**.

FISCAL IMPACT: No funding is required for this legislation.

To dissolve the Enterprise Zone Agreements with SFG Columbus Parsons LLC Building 1, Building 2, and Building 3 and to direct the Director of the Department of Development to notify as necessary, the local and state tax authorities.

WHEREAS, the City of Columbus (“**CITY**”) entered into the Enterprise Zone Agreements (collectively, the “**AGREEMENTS**”) with SFG Columbus Parsons LLC for BLDG#1, BLDG#2, and BLDG#3 (collectively, and hereinafter referred to as “**ENTERPRISE**”), approved by Columbus City Council (“**COUNCIL**”), on July 25, 2022, by Ordinance No’s. 2017-2022, 2067-2022, and 2064-2022 with these **AGREEMENTS** made and entered into effective September 6, 2022; and

WHEREAS, the **AGREEMENTS** granted 75%/10-Year abatement on real property improvements; and

WHEREAS, the incentive was granted in consideration of a combined total investment of approximately \$88,000,000.00 in real property improvements to construct three (3) separate Class A proactive industrial facilities totaling approximately 859,240 square feet on a vacant land parcel consisting of approximately 77 +/- acres at 2215-2295 Parsons Avenue, Columbus, Ohio 43207, parcel number 010-103971 (the “**PROJECT SITE**”) in Columbus Ohio, within the Columbus City School District and within the Columbus Enterprise Zone; and

WHEREAS, the **ENTERPRISE** collectively committed to create one-hundred eight (108) net new full-time permanent positions with an estimated annual payroll totaling approximately \$3,369,600.00 at the **PROJECT SITE**; and

WHEREAS, in a letter received by the **CITY** from the **ENTERPRISE**, dated April 8, 2024, and through ensuing correspondence, the **ENTERPRISE** requested that the City of Columbus dissolve their current **AGREEMENTS** with SFG Columbus Parsons LLC BLDG#1, BLDG#2, and BLDG#3. The **ENTERPRISE** will pursue the Southside Investment District Community Reinvestment Area (“**CRA**”) tax abatement to continue to assist in the development of the aforementioned **PROJECT** and voluntarily wishes to terminate the **AGREEMENTS** in pursuit of the Southside Investment District CRA. As such, the need exists to dissolve the **AGREEMENTS**; and

WHEREAS, this legislation is to be legislated in the most expedient manner as possible so that this dissolution of the **AGREEMENTS** can be reported to the necessary local and state agencies prior to the end of calendar year 2024, and to preserve the public health, property, safety and welfare; and **NOW THEREFORE**,

BE IT ORDAINED BY THE COUNCIL OF COLUMBUS

SECTION 1. That Columbus City Council hereby dissolves the SFG Columbus Parsons LLC (BLDG#1, BLDG#2, BLDG#3) Enterprise Zone Agreements (EZA #'s 023-22-23, 023-22-24, and 023-22-25), which was to apply a 75%/10-year real property tax abatement to the value of real property improvements made to the parcel number 010-103971, within the Columbus Enterprise Zone.

SECTION 2. That the Director of the Department of Development is hereby directed to notify the necessary local and state agencies that the Enterprise Zone Agreements between the **CITY** and the aforementioned **ENTERPRISE** have been terminated.

SECTION 3. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.