# Legislation Details (With Text)

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| **File #:** | 1731-2019 **Version:** 1 | | |
| **Type:** | Ordinance | **Status:** | Passed |
| **File created:** | 6/18/2019 | **In control:** | Economic Development Committee |
| **On agenda:** | 7/22/2019 | **Final action:** | 7/25/2019 |

**Title:** To authorize the Director of the Department of Development to enter into an Enterprise Zone Agreement with Pinchal & Company 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 $10,190,000.00 and the creation of 4 net new full-time permanent positions with an estimated annual payroll of approximately $124,800.00.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. ORD1731-2019 Pinchal & Company - Fact Sheet EZ, 2. ORD1731-2019 Pinchal & Company - Project Site Map(2)

| Date | Ver. | Action By | Action | Result |
|---|---|---|---|---|
| 7/25/2019 | 1 | CITY CLERK | Attest | |
| 7/24/2019 | 1 | MAYOR | Signed | |
| 7/22/2019 | 1 | COUNCIL PRESIDENT | Signed | |
| 7/22/2019 | 1 | Columbus City Council | Approved | Pass |
| 7/15/2019 | 1 | Columbus City Council | Read for the First Time | |

**BACKGROUND**: The need exists to enter into an Enterprise Zone Agreement with Pinchal & Company LLC (**"Pinchal & Company"**). 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.

Pinchal & Company is a privately owned real estate investment company that focuses on development, acquisition, operation and portfolio management throughout the United States. The company has acquired more than 30 million square feet of institutional grade industrial product and often owns approximately 5 million square feet at any given time. Pinchal & Company serves a range of tenants, including Fortune 500 Companies, government agencies, and investment grade companies. Pinchal & Company was founded in 1986 and is headquartered in Houston, Texas.

Pinchal & Company is proposing to invest a total project cost of approximately $10,190,000, which includes approximately $1.16 million in acquisition cost and $9.03 million in real property improvements to construct a new speculative distribution and warehouse facility consisting of approximately 200,000 square feet on the SE corner of London Groveport Road and Shook Road, Columbus, Ohio 43137, parcel numbers 512-232659 and 512-232662 **(**the **"Project Site"**). The company anticipates that the development of the proposed project will lead to the relocation of an unknown number of positions from within the City of Columbus and the creation of 4 net new full-time permanent positions with an estimated new annual payroll of approximately $124,800 at the proposed **Project Site**.

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

Hamilton Local School District and Eastland Joint Vocational School District 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 Pinchal & Company 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 $10,190,000.00 and the creation of 4 net new full-time permanent positions with an estimated annual payroll of approximately $124,800.00.

**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 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,** Pinchal & Company is a privately owned real estate investment company that focuses on development, acquisition, operation and portfolio management throughout the United States; and

**WHEREAS**, Pinchal & Company has acquired more than 30 million square feet of institutional grade industrial product and often owns approximately 5 million square feet at any given time; and

**WHEREAS,** the company serves a range of tenants, including Fortune 500 Companies, government agencies, and investment grade companies. Pinchal & Company was founded in 1986 and is headquartered in Houston, Texas; and

**WHEREAS,** Pinchal & Company is proposing to invest a total project cost of approximately $10,190,000, which includes approximately $1.16 million in acquisition cost and approximately $9.03 million in real property improvements to construct a speculative distribution and warehouse facility consisting of approximately 200,000 sq. ft. on the SE corner of London Groveport Road and Shook Road, Columbus, Ohio 43137, parcel numbers 512-232659 and 512-232662 (the **“Project Site”**); and

**WHEREAS,** Pinchal & Company anticipates that the development of the aforementioned project will lead to the relocation of an unknown number of positions from within the City of Columbus and the creation of 4 net new full-time permanent positions with an estimated new annual payroll of approximately $124,800 at the proposed **Project Site**; and

**WHEREAS**, the City is encouraging this project because of plans to construct a new distribution and office warehouse facility in the Southeast corridor of the City; 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; and **NOW, THEREFORE:**

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

Section 1. That this Council hereby finds and determines that the enterprise submitting the proposal is qualified by financial responsibility and business experience to create and preserve employment opportunities in the zone and improve


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the economic climate of the municipal corporation and receiving this tax incentive is a critical factor in the decision by Pinchal & Company LLC to move forward with the proposed project.

Section 2. That the Director of the Department of Development is hereby authorized and directed to enter into an Enterprise Zone Agreement with Pinchal & Company 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 total investment of approximately $10.19 million, which include approximately $9.03 million in real property improvements, and the creation of 4 net new full-time permanent positions with an estimated annual payroll of approximately $124,800.

Section 3. That the City of Columbus Enterprise Zone Agreement is signed by Pinchal & Company LLC within ninety (90) days of passage of this ordinance, or this ordinance and the abatements and credit authorized herein are null and void.

Section 4. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.



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