



Legislation Text

File #: 1053-2024, **Version:** 1

BACKGROUND: The need exists to amend Ordinance No. 3081-2023, passed by Columbus City Council (“Council”) on December 11, 2023, which authorized the Director of the Department of Development to enter into a City of Columbus Enterprise Zone Agreement (the “**AGREEMENT**”) with Hub Investment I, LLC (the “**Enterprise**”). An amendment is now required to revise the 120-day period needed to execute the City of Columbus Enterprise Zone Agreement and to revise the description of the project site.

The ordinance authorized the Director of the Department of Development to enter into an Enterprise Zone Agreement of seventy-five percent (75%) for a period of ten (10) consecutive years in consideration of the company’s proposed total capital investment of approximately \$14,000,000.00 in real property improvements to construct a 151,250 square-foot build-to-suit Class A warehousing and distribution facility for Interstate Batteries, one of three eventual buildings in the development. Additionally, the Enterprise committed to create eighteen (18) net new full time permanent positions with an associated annual payroll of approximately \$1,088,605.00 on parcel number 010-298448 (the “**ORIGINAL PARCEL**”), located at 5225 Scarborough Boulevard, Columbus, Ohio 43232, (the “**Project Site**”).

Prior to the execution of the **AGREEMENT**, the Department of Development received notification from the **Enterprise** dated January 10, 2024 stating that the **ORIGINAL PARCEL** has been split and the **Project Site**, along with the address, changed from 5225 Scarborough Boulevard, Columbus, Ohio 43232 to 5141 Scarborough Boulevard, Columbus, Ohio 43232, parcel number 010-326632, split from the **ORIGINAL PARCEL**. Due to this change, the **Enterprise** requires additional time to finalize and execute the **AGREEMENT**. The **Enterprise** is requesting the City to reopen the window that is needed to execute the **AGREEMENT** and revise the **Project Site** to be 5141 Scarborough Boulevard, Columbus, Ohio 43232, with a parcel number of 010-326632-00 split from the **ORIGINAL PARCEL**.

FISCAL IMPACT:

No funding is required for this legislation.

To amend Ordinance No. 3081-2023, passed by Columbus City Council on December 11, 2023, for the purposes of (1) revising the 120-day period needed to execute the City of Columbus Enterprise Zone Agreement to 90 days after passage from this ordinance, and (2) to revise the description of the project site.

WHEREAS, the need exists to amend Ordinance No. 3081-2023, which was approved by Columbus City Council on December 11, 2023; and

WHEREAS, the ordinance authorized the Director of the Department of Development to enter into an Enterprise Zone Agreement (the “**AGREEMENT**”) with Hub Investment I, LLC (the “**Enterprise**”) for a tax abatement of seventy-five percent (75%) for a period of ten (10) consecutive years in consideration of the company’s proposed total capital investment of approximately \$14,000,000.00 in real property improvements to construct a 151,250 square-foot build-to-suit Class A warehousing and distribution facility on parcel number 010-298448 (the “**ORIGINAL PARCEL**”) with an address of 5225 Scarborough Boulevard, Columbus, Ohio 43232 (the “**Project Site**”); and

WHEREAS, the **Enterprise** committed to create eighteen (18) net new full-time permanent positions with an estimated

annual payroll of approximately \$1,088,605.00 at the **Project Site**; and

WHEREAS, prior to the execution of the **AGREEMENT**, the Department of Development received notification from the **Enterprise** dated January 10, 2024 stating that the **ORIGINAL PARCEL** has been split and the **Project Site**, along with the address, changed from “5225 Scarborough Boulevard, Columbus, Ohio 43232” to “5141 Scarborough Boulevard, Columbus, Ohio 43232, parcel number 010-326632”, split from the **ORIGINAL PARCEL**. Due to this change, the **Enterprise** requires additional time to finalize and execute the **AGREEMENT**. The **Enterprise** is requesting the City to reopen the window to execute the **AGREEMENT** and revise the **Project Site** to be 5141 Scarborough Boulevard, Columbus, Ohio 43232, with a parcel number of 010-326632-00 split from the **ORIGINAL PARCEL**.

WHEREAS, the need exists to amend Ordinance No. 3081-2023, approved by **COUNCIL** on December 11, 2023, to revise the description of the **Project Site** and to revise the 120-day window to execute the **AGREEMENT** to 90 days after passage from this ordinance, thereby preserving the public health, peace, property and safety; **NOW, THEREFORE**,

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

Section 1. That Section 3 of Ordinance No. 3081-2023 is hereby amended to revise the **Project Site** from 5225 Scarborough Boulevard, Columbus, Ohio 43232 to 5141 Scarborough Boulevard, Columbus, Ohio 43232, with an associated parcel number of 010-326632, split from the **ORIGINAL PARCEL**, as follows, with additions in underline and deletions in strikethrough:

SECTION 3. That, based on this determination, Columbus City Council approves and authorizes a 10-year, 75% abatement on the increase in assessed valuation of real property on the **Project Site**, contingent upon the Enterprise investing approximately \$14,000,000.00 in real property improvements to construct a new 151,250 square-foot built-to-suit Class A warehousing and distribution facility at ~~5225~~ 5141 Scarborough Boulevard, Columbus, Ohio 43232, parcel number ~~010-298448~~ 010-326632-00, and the creation of eighteen (18) net, new full-time permanent positions at the **Project Site** with an estimated annual payroll of approximately \$1,088,605.00.

Section 2. That existing Section 3 of Ordinance No. 3081-2023 is hereby repealed.

Section 3. That Section 5 of Ordinance No. 3081-2023 is hereby amended to revise the 120-day window needed to execute the City of Columbus Enterprise Zone Agreement to 90 days after the passage of this ordinance, as follows, with additions in underline and deletions in strikethrough:

SECTION 5. That the City and the Enterprise must execute the attached Enterprise Zone Agreement AGREEMENT within ~~one-hundred twenty~~ ninety (90) days of ~~this Ordinance's passage, or this Ordinance,~~ and the authorization to enter into the tax abatement agreement, is null and void ~~the passage of Ordinance No. 1053-2024.~~

Section 4. That existing Section 5 of Ordinance No. 3081-2023 is hereby repealed.

Section 5. That the City of Columbus Enterprise Zone Agreement must be signed by Hub Investment I, LLC and the City within 90 days of passage of this ordinance, or this ordinance and the credit herein shall be null and void.

Section 6. That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.