



Legislation Text

File #: 1623-2008, **Version:** 1

BACKGROUND: The need exists to enter into an Enterprise Zone Agreement with 1 Spring, LLC and a Jobs Growth Incentive with Barrio, Ltd. 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.

1 Spring, LLC will be the developer of this project. Barrio, Ltd. (Barrio) will be an upscale casual restaurant featuring tapas (small plates) located at the corner of Spring and High in the "Mile on High District". Barrio will be the first of its kind in Columbus, a true Tapas bar and lounge featuring authentic dishes from all over South America and Spain with a seating capacity of 200 patrons. The restaurant will be open 7 days a week with brunch, lunch and dinner. The front two-thirds of the building will include two floors of full service dining, bar and lounge. The back one-third will be an authentic tapas bar. Sidewalk dining will be accommodated on both High and Spring Streets. The mezzanine area will include private dining terraces and be available for private events.

Spring 1, LLC and Barrio, Ltd. are requesting an Enterprise Zone abatement and a Jobs Growth Incentive from the City of Columbus to assist in the development of this project.

The Department of Development recommends a 75%/10 year tax abatement with 1 Spring, LLC on real property improvements and a Jobs Growth Incentive with Barrio, Ltd equal to 25% of new employees city income tax withholding in consideration of a proposed \$305,000 investment in real property improvements and the creation of 15 full-time permanent jobs. The proposal is consistent with Columbus Tax Incentive Policy under Central City projects.

Emergency action is requested of City Council in order to facilitate a project start date.

The Columbus Public School District has 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 1 Spring, LLC for a tax abatement of seventy-five percent (75%) for a period of ten (10) years and a Jobs Growth Incentive Agreement with Barrio, Ltd. equal to 25% of new employees city income tax withholding in consideration of a proposed \$305,000 investment in real property improvements and the creation of 15 (fifteen) full-time permanent jobs; and to declare an emergency.

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 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, 1 Spring, LLC plans to invest \$305,000 to renovate the 6,500 square foot abandoned and vacant building at Spring & High Streets, previously occupied by Wendy's Restaurant to accommodate renovation and job creation; and

WHEREAS, Barrio, Ltd. agrees to create 15 (fifteen) new full time permanent jobs; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to enter into agreements with 1 Spring, LLC and Barrio, Ltd. in order to facilitate a project start date, all for the preservation of the public health, peace, property and safety, **NOW, THEREFORE**,

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

Section 1. That the Director of Development is hereby authorized to enter into an Enterprise Zone Agreement with 1 Spring, LLC and to provide therewith an exemption of seventy-five percent (75%) on real property improvements for a term of ten (10) taxable years and a Jobs Growth Incentive with Barrio, Ltd. for an amount equal to 25% of the new employees city withholding tax with the proposed \$305,000 investment and job creation.

Section 2. All tax incentive agreements will be signed by 1 Spring, LLC and Barrio Ltd. within ninety (90) days of passage of this ordinance, or this ordinance and the abatements and credits authorized herein are null and void.

Section 3. That for reasons stated in the preamble hereto, which is hereby made a part hereof, the ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after passage if the Mayor neither approves nor vetoes the same.