



# City of Columbus

Office of City Clerk  
90 West Broad Street  
Columbus OH 43215-9015  
columbuscitycouncil.org

## Legislation Text

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**File #: 0069-2008, Version: 1**

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**BACKGROUND:** The need exists to enter into an Enterprise Zone Agreement with Capital City Group, Inc. (Capital City). 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.

Capital City Crane Rental originated in 1993 and is now one of the leading providers of crane rentals and field services throughout the Midwest. Capital Field Services was formed in 2000 after noticing a need for quality precast and steel erection services in the Ohio region. In 2007 Capital City Crane Rental and Capital Field Services were merged to become Capital City Group, Inc. Following the merger, Eastman Steel Erection was acquired and folded into the group as well.

Due to the recent merger and acquisition the company is faced with a need to expand and cannot do so at their current 6,400 square foot facility on 5-acres at 808 Frank Road in Columbus. The company has entertained offers from other municipalities in the Central Ohio area but would prefer to relocate to a new Columbus location. Capital City is proposing to invest \$2,500,000 in a new 25,146 square foot facility on a 9.48 acre site on Performance Parkway (parcel numbers 010-112491 and 010-233210) in Columbus. Should this project move forward, the City of Columbus would retain 147 full-time permanent jobs and a payroll of \$8,500,000. But for this incentive this project will not take place in Columbus.

The Department of Development recommends a 75%/10 year Enterprise Zone tax abatement on real property improvements under the City's Enterprise Zone Program.

Emergency action is requested in order to allow Capital City to begin investing and creating jobs as quickly as possible.

The Columbus City School District has been advised of this project.

**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 Capital City Group, Inc., for a real estate tax abatement of 75% for a period of ten years; 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 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 and most recently on August 19, 2003 as an "urban jobs and enterprise zone" under Chapter 5709 of the Ohio Revised Code; and

**WHEREAS**, Capital City Group, Inc., agrees to invest approximately \$2,500,000 in real property improvements within the City; and

**WHEREAS**, by their investment in the construction of this new facility, Capital City Group, Inc. agrees to retain 147 full-time permanent jobs; and

**WHEREAS**, Capital City Group, Inc., has indicated that tax incentives are crucial to its decision to locate the aforementioned expansion at the Columbus site; and

**WHEREAS**, it is required by law to enter into a formal, binding agreement in order to provide an Enterprise Zone incentive in the State and City; and

**WHEREAS**, the City desires to enter into such agreement with Capital City Group, Inc. to foster economic growth; and

**WHEREAS**, an emergency exists in the usual daily operations of the Department of Development in that it is immediately necessary to enter into an agreement with Capital City Group, Inc. to provide for Capital City Group, Inc. the ability to move forward with their project to allow for the project's real property improvements to begin in January 2008, and for the preservation of 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 the Department of Development is hereby authorized to enter into an Enterprise Zone Agreement with Capital City Group, Inc., and to provide therewith an exemption of seventy-five percent (75%) on real property improvements for a term of ten (10) tax years in consideration of their investment of \$2,500,000 and job retention.

**Section 2.** That the City of Columbus Enterprise Zone Agreement be signed by Capital City Group, Inc. within ninety (90) days of passage of this ordinance, or this ordinance and the abatements 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 the passage if the Mayor neither approves nor vetoes the same.