



Legislation Text

File #: 2355-2013, Version: 1

BACKGROUND: Columbus City Council, by Ordinance 0570-2011, passed April 25, 2011, authorized the City of Columbus (City) to enter into an Enterprise Zone Agreement (Agreement) with NWD Investments, LLC and Columbia Gas of Ohio, Inc. for a tax abatement of seventy-five percent (75%) for a period of ten (10) years in consideration of a \$51,000,000 investment in real property improvements and the retention of 650 full-time employees with an annual payroll of approximately \$60,000,000 related to the construction of two new Class A office buildings consisting of approximately 275,000 combined square feet on parcel number 010-247724, located at 240-290 Nationwide Boulevard in Columbus Ohio and within the City of Columbus Enterprise Zone. The Agreement was made and entered into effective December 8, 2011 (EZA #023-11-02).

In a letter to the City from Nationwide Realty Investors, Ltd., dated July 24, 2013, it was confirmed that NWD Investments, LLC had transferred its real estate ownership interest in the project to NWD 240 Nationwide, LLC, a wholly-owned subsidiary of NWD Investments, LLC with the transfer having occurred on March 22, 2013.

This legislation is to authorize the Director of Development to amend the Agreement for the first time to remove NWD Investments, LLC as party to the Agreement and to be replaced with NWD 240 Nationwide, LLC as party to the Agreement.

This legislation is being presented as an emergency measure in order for this amendment to be legislated in as expedient manner as possible so that this amendment to the Agreement can be executed prior to the start of the 2013 annual reporting cycle.

FISCAL IMPACT: No funding is required for this legislation.

To authorize the Director of Development to amend the Enterprise Zone Agreement with NWD Investments, LLC and Columbia Gas of Ohio, Inc., to remove NWD Investments, LLC as a party to the Agreement and to be replaced by NWD 240 Nationwide, LLC as party to the Agreement; and to declare an emergency.

WHEREAS, the City of Columbus entered into an Enterprise Zone Agreement (Agreement) with NWD Investments, LLC and Columbia Gas of Ohio, Inc., approved by Columbus City Council on April 25, 2011 by Ordinance 0570-2011 with this Agreement made and entered into effective December 8, 2011; and

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

WHEREAS, the incentive was granted in consideration of a \$51,000,000 investment in real property improvements and the retention of 650 full-time employees with an annual payroll of approximately \$60,000,000 related to the construction of two new Class A office buildings consisting of approximately 275,000 combined square feet on parcel number 010-247724, located at 240-290 Nationwide Boulevard in Columbus Ohio and within the City of Columbus Enterprise Zone; and

WHEREAS, a letter to the City from Nationwide Realty Investors, Ltd., dated July 24, 2013 confirmed that NWD Investments, LLC had transferred its real estate ownership interest in the project to NWD 240 Nationwide, LLC, a wholly-owned subsidiary of NWD Investments, LLC with the transfer having occurred on March 22, 2013; and

WHEREAS, an amendment is needed to remove NWD Investments, LLC as party to the Agreement to be replaced with NWD 240 Nationwide, LLC as party to the Agreement; and

WHEREAS, an emergency exists in the usual daily operation of the Columbus Department of Development in that it is immediately necessary to seek an amendment to the Agreement with NWD Investments, LLC and Columbia Gas of Ohio, Inc. for the purpose of removing NWD Investments, LLC as party to the Agreement to be replaced by NWD 240 Nationwide, LLC as party to the Agreement; 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 the Director of Development is hereby authorized to amend the Enterprise Zone Agreement with NWD Investments, LLC and Columbia Gas of Ohio, Inc., to remove NWD Investments, LLC as Enterprise and party to the Agreement to be replaced by NWD 240 Nationwide, LLC as Enterprise and party to the Agreement.

Section 2. That this First Amendment to the City of Columbus Enterprise Zone Agreement be signed by NWD 240 Nationwide, LLC and Columbia Gas of Ohio, Inc. within ninety (90) days of passage of this ordinance, or this ordinance and the incentive authorized herein shall be 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.