



City of Columbus

Office of City Clerk
90 West Broad Street
Columbus OH 43215-9015
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Legislation Text

File #: 1181-2016, **Version:** 1

BACKGROUND: The need exists to enter into an Enterprise Zone Agreement with Ball Metal Food Container, LLC. 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.

Ball Metal Food Container, LLC is a subsidiary of the Ball Corporation, which is headquartered in Broomfield, Colorado. Ball Corporation and its consolidated subsidiaries, are the world's leading suppliers of metal packaging to the beverage, food, personal care and household industries, aerospace and other technology industries servicing both the commercial and governmental sectors. The company produces two-piece and three-piece steel food containers and can ends for packaging vegetables, fruits, soups, meat, seafood, nutritional products, pet food and various other products. Ball Metal was founded in 1880 by brothers Frank and Edmund Ball, who borrowed \$200 for their uncle, George Harvey Ball (the founder and first president of Keuka College, a small liberal arts college in New York). Soon after, the three other brothers (William, Lucius and George) joined the company. In earlier years, the company was known for its production of glass jars, lids and related products used for home canning. Today, the company employs about 15,000 people worldwide with 35 locations in North America, 17 locations in Europe, 8 locations in Asia and 7 locations in South America.

Ball Metal Food Container, LLC is proposing to invest a total cost of approximately \$15 million, which includes \$7 million in real property improvements, to expand its existing 352,611 square foot manufacturing facility by 80,000 square feet at 2690 Charter Street. With this expansion, Ball Metal Food Container, LLC will insert three new manufacturing lines to cut and coat steel coils for food and aerosol cans, and manufacture can ends. In addition, the company will create 50 new full-time permanent positions with an estimated annual payroll of approximately \$2.5 million and retain 146 full-time jobs with an annual payroll of approximately \$10.8 million.

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

The Hilliard City Schools District and Tolles Career and Technical Center have 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 Ball Metal Food Container, LLC for a tax abatement of seventy-five percent (75%) for a period of ten (10) years in consideration of a proposed total investment of \$15 million, which includes \$7 million in real property improvements, and the creation of 50 new full-time permanent positions.

WHEREAS, this Council authorized the designation of the Central Enterprise Zone by legislation, Ordinance 779-85, dated April 22, 1985; and subsequently amended the Zone by Ordinances 2722-85 in 1986; 2080-89 in 1989; 1949-92, 2690-02 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, Ball Metal Food Container, LLC is proposing to invest a total cost of approximately \$15 million, which includes \$7 million in real property improvements, to expand its existing 352,611 square foot manufacturing facility by 80,000 square feet with the insertion of three new manufacturing lines to cut and coat steel coils for food and aerosol cans at 2690 Charter Street on Parcel Number 010-009149; and

WHEREAS, Ball Metal Food Container, LLC will create 50 new full-time permanent positions with an estimated annual payroll of approximately \$2.5 million and retain 146 full-time jobs with an annual payroll of approximately \$10.8 million; and

WHEREAS, the City desires to enter in such a binding formal agreement in order to foster economic growth; **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 the economic climate of the municipal corporation and receiving this tax incentive is a critical factor in the decision by Ball Metal Food Container, LLC to go forward with the project development.

SECTION 2. That the Director of the Department of Development is hereby authorized and directed to enter into an Enterprise Zone Agreement with Ball Metal Food Container, LLC to provide therewith an exemption of seventy-five percent (75%) on real property improvements for a term of ten (10) taxable consecutive years in association with the project’s proposed investment of approximately \$15 million, which includes \$7 million in real property improvements, the creation of 50 full-time permanent positions with an estimated annual payroll of approximately \$2.5 million and the retention of 146 full-time jobs with an annual payroll of approximately \$10.8 million.

SECTION 3. That the City of Columbus Enterprise Zone Agreement is signed by Ball Metal Food Container, 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.