



Legislation Details (With Text)

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Title: To dissolve the Enterprise Zone Agreement with Tower 10, LLC, and to direct the Director of the Department of Development to notify as necessary the local and state tax authorities; and to declare an emergency.

Sponsors:

Indexes:

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Attachments:

Date	Ver.	Action By	Action	Result
10/11/2018	1	ACTING CITY CLERK	Attest	
10/10/2018	1	MAYOR	Signed	
10/8/2018	1	COUNCIL PRESIDENT	Signed	
10/8/2018	1	Columbus City Council	Approved	Pass

BACKGROUND: Columbus City Council (COUNCIL), by Ordinance No. 1482-2012, passed July 16, 2012, authorized the City of Columbus (CITY) to enter into an Enterprise Zone Agreement (the AGREEMENT) with Tower 10, LLC (hereinafter “ENTERPRISE”) for a tax abatement of seventy-five percent (75%) for a period of ten (10) years in consideration of a proposed investment of approximately \$19.9 million in real property improvements (the “PROJECT”), the retention of 3 existing full-time jobs and the creation of 4 new permanent full-time positions with an annual payroll of approximately \$125,000 related to the commercial redevelopment portion of the LeVeque Tower, that portion being 310,500 square feet of the 421,281 total square foot structure on Parcel Number 010-016539 at 50 West Broad Street, Columbus, OH 43215 (the Project Site), in Columbus, Ohio, within the City of Columbus Enterprise Zone (Zone #023) and within the Columbus City School District. The AGREEMENT was made and entered into to be effective October 16, 2012 (EZA #023-12-08); the PROJECT was expected to begin September 2012, all real property improvements were expected to be completed by October 2016 with the term of the abatement not to commence after 2017 nor extend beyond 2026.

In a letter to the CITY dated September 7, 2018, ENTERPRISE indicated that the PROJECT as described in the AGREEMENT had been completed and that ENTERPRISE would “be receiving abatements under the City’s Downtown CRA program.” It should be noted that no DTE-24 has been filed and ENTERPRISE has received no forgone tax benefit under the terms of the AGREEMENT. With the PROJECT receiving benefit under the terms of the Columbus Downtown Community Reinvestment Area there is a need to DISSOLVE this AGREEMENT between the CITY and ENTERPRISE.

This legislation is presented as an emergency measure in order for this dissolution to be legislated in the most expedient manner as possible so that this dissolution of this AGREEMENT can be reported to the necessary local and state agencies prior to the end of calendar year 2018.

FISCAL IMPACT: No funding is required for this legislation.

To dissolve the Enterprise Zone Agreement with Tower 10, LLC, and to direct the Director of the Department of

Development to notify as necessary the local and state tax authorities; and to declare an emergency.

WHEREAS, the Columbus City Council (COUNCIL) approved the Enterprise Zone Agreement with Tower 10, LLC (the AGREEMENT) on July 16, 2012 by Ordinance No. 1482-2012 and entered into effective October 16, 2012 (EZA #023-12-08); and

WHEREAS, the AGREEMENT granted ENTERPRISE a 75%/10-Year abatement on real property improvements wherein ENTERPRISE committed to invest \$19.9 million in real property improvements (the “PROJECT”), retain 3 full-time jobs and create 4 new permanent full-time positions with an annual payroll of approximately \$125,000 related to the commercial redevelopment portion of the LeVeque Tower, that portion being 310,500 of the 421,281 total square foot structure on Parcel Number 010-016539 at 50 West Broad Street, Columbus, OH 43215 (the Project Site), in Columbus, Ohio, within the City of Columbus Enterprise Zone (Zone #023) and within the Columbus City School District; and

WHEREAS, the PROJECT was expected to begin September 2012, all real property improvements were expected to be completed by October 2016 with the term of the abatement not to commence after 2017 nor extend beyond 2026; and

WHEREAS, in a letter to the CITY dated September 7, 2018, ENTERPRISE indicated that the PROJECT as described in the AGREEMENT had been completed and that ENTERPRISE would “be receiving abatements under the City’s Downtown CRA program;” and

WHEREAS, with the PROJECT receiving benefit under the terms of the Columbus Downtown Community Reinvestment Area there is a need to DISSOLVE this AGREEMENT between the CITY and ENTERPRISE; and

WHEREAS, it should be noted that no DTE-24 has been filed and ENTERPRISE has received no forgone tax benefit under the terms of the AGREEMENT; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development, in that it is immediately necessary to take action on this agreement in order for this dissolution to be legislated in the most expedient manner as possible so that this dissolution of the AGREEMENT can be reported to the necessary local and state agencies prior to the end of calendar year 2018, and to preserve the public health, property, safety and welfare;

NOW, THEREFORE

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

SECTION 1. That Columbus City Council hereby dissolves the Tower 10, LLC Enterprise Zone Agreement as of December 31, 2018, which was to apply a 75%/10-year real property tax abatement to parcel number 010-016539 within the City of Columbus Enterprise Zone, noting that no DTE-24 has been filed and that no forgone tax benefit under the terms of the AGREEMENT has been received.

SECTION 2. That the Director of Development is hereby directed to notify the necessary local and state agencies of any changes to the Tower 10, LLC Enterprise Zone Agreement.

SECTION 3. That for the reasons stated in the preamble hereto, which is made a part hereof, this Ordinance is 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 (10) days after passage if the Mayor neither approves nor vetoes this Ordinance.