Legislation Details (With Text)

File #:	1790-2019 **Version:** 1		
Type:	Ordinance	**Status:**	Passed
File created:	6/21/2019	**In control:**	Economic Development Committee
On agenda:	7/22/2019	**Final action:**	7/25/2019
Title:	To authorize the Director of the Department of Development to enter into an Enterprise Zone Agreement with Hildreth Properties, Inc. and Research Alloys Company, Inc. for a tax abatement of fifty percent (50%) for a period of ten (10) consecutive years in consideration of a total proposed capital investment of approximately $4,276,000.00, including $2,215,000.00 in real property improvements and the retention of 12 full-time employees with an annual payroll of approximately $630,640.00 and creation of 6 net new full-time permanent positions with an estimated annual payroll of approximately $224,400.00.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. ORD1790-2019 Research Alloys - Fact Sheet, 2. ORD1790-2019 Research Alloys - Site Map		

Date	Ver.	Action By	Action	Result
7/25/2019	1	CITY CLERK	Attest	
7/24/2019	1	MAYOR	Signed	
7/22/2019	1	COUNCIL PRESIDENT	Signed	
7/22/2019	1	COUNCIL PRESIDENT	Signed	
7/22/2019	1	Columbus City Council	Approved	Pass
7/15/2019	1	Columbus City Council	Read for the First Time	

BACKGROUND: The need exists to enter into an Enterprise Zone Agreement with Hildreth Properties, Inc. and Research Alloys Company, Inc. 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.

Research Alloys Company, Inc. ("Research Alloys") is a family owned metal recycling company incorporated in 1978. Its main function is to buy metal from industrial companies and the general public to sell to mills, foundries, and brokers. The mills, foundries, and brokers then have the metal melted down into new production materials. Research Alloy's current small location in Grandview has limited their ability to handle their work in a fully covered facility out of the weather. The new high bay operation will provide an environmentally friendly solution avoiding storm water run-off and ground contamination and allow Research Alloys to hire for their skill based job openings in the Hilltop Neighborhood. Research Alloys is proud of efficient service, industry expertise, competitive pricing, and creative problem solving for its customers metal recycling needs.

Hildreth Properties, Inc. (property owner) and Research Alloys Company, Inc. jointly propose to invest a total cost of approximately $4,276,000, including $2,215,000 in real property improvements to construct a new headquarters and processing facility consisting of approximately 45,000 sq. ft. +/- at 220 N. Algonquin Avenue, Columbus, Ohio, parcel number 010-003930 ("Project Site"). Research Alloys Company, Inc. will be the employer of record, and Hildreth Properties, Inc. will build and relocate its corporate headquarters and processing facility from 799 W. Goodale Boulevard, Grandview Heights, Ohio 43212 to the proposed project site. Additionally, Research Alloys Company, Inc. will relocate and retain 12 full-time employees with an annual payroll of approximately $630,640 and create 6 net new full-time

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permanent positions with an estimated annual payroll of approximately $224,400.

The Department of Development recommends a 50%/10-year Enterprise Zone tax abatement on real property improvements.

The Columbus City School District has been advised of this project. This legislation is presented as 30-day legislation.

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 Hildreth Properties, Inc. and Research Alloys Company, Inc. for a tax abatement of fifty percent (50%) for a period of ten (10) consecutive years in consideration of a total proposed capital investment of approximately $4,276,000.00, including $2,215,000.00 in real property improvements and the retention of 12 full-time employees with an annual payroll of approximately $630,640.00 and creation of 6 net new full-time permanent positions with an estimated annual payroll of approximately $224,400.00.

WHEREAS, the Columbus City Council authorized the designation of the Central 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, 2690-92 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, Hildreth Properties, Inc. and Research Alloys Company, Inc. are a family owned metal recycling company incorporated in 1978; and

WHEREAS, Hildreth Properties, Inc. proposes to invest a total cost of approximately $4,276,000, including $2,215,000 in real property improvements to construct a new headquarters and processing facility consisting of approximately 45,000 sq. ft. +/- at 220 N. Algonquin Avenue, Columbus, Ohio, parcel number 010-003930 (“Project Site”).

WHEREAS, Research Alloys Company, Inc anticipates that the development of the proposed project will lead to the retention of 12 full-time employees with an annual payroll of approximately $630,640 and creation of 6 net new full-time permanent positions with an estimated annual payroll of approximately $224,400 at the proposed Project Site; and

WHEREAS, the City is encouraging this project because of plans to invest in a new headquarters and processing facility; and

WHEREAS, the City desires to increase employment opportunities and encourage the creation of new jobs in the City in order to improve the overall economic climate of the City and its citizens; and

WHEREAS, the City desires to enter in such a binding formal agreement in order to foster economic growth for the preservation of public health, peace, property and safety; and **NOW, THEREFORE:**

BE IT ORDAINED BY THE COUNCIL 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

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Hildreth Properties, Inc. and Research Alloys Company, Inc. to move forward with the proposed project.

Section 2. That the Director of the Department of Development is hereby authorized to enter into an Enterprise Zone Agreement with Hildreth Properties, Inc. and Research Alloys Company, Inc. to provide therewith an exemption of fifty percent (50%) on real property improvements for a term of ten (10) consecutive taxable years in association with the project's proposed total investment of approximately $4,276,000, including $2,215,000 in real property improvements and retention of 12 full-time employees with an annual payroll of approximately $630,640 and creation of 6 net new full-time permanent positions with an estimated annual payroll of approximately $224,400.

Section 3. That the City of Columbus Enterprise Zone Agreement is signed by Hildreth Properties, Inc. and Research Alloys Company, Inc. 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.

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