



Legislation Text

File #: 2060-2007, **Version:** 1

BACKGROUND: The need exists to enter into an Enterprise Zone Agreement with R.W. Setterlin Building Company. The Ohio Enterprise Zone law O.R.C. Section 5709.62 (3) requires the City to enter into a Council-approved agreement between the City and participating companies.

R.W. Setterlin Building Company is a family owned commercial construction company that provides outstanding construction services throughout central and southeastern Ohio. The tradition began in 1935, when Robert W. Setterlin Sr. founded Robert W. Setterlin & Sons.

R.W. Setterlin specializes in tenant specification and shell construction for office and retail facilities. Setterlin will work within the project budget, schedule, and existing operations in a manner that will minimize any inconveniences for its customers. Setterlin offers economical solutions for building distribution and warehousing facilities. Setterlin qualifications span from pre-cast concrete to pre-engineered metal buildings.

R.W. Setterlin Building Company is proposing to build and relocate its corporate headquarters from 4678 Larwell Drive Columbus, OH to 560 Harmon Avenue renovating an existing building on a two (2) story slab grade encompassing approximately 13,000 square feet. The new headquarters is considered a green project and LEED certification will be submitted for approval.

The project will include an investment of \$1.2 million in real property improvements, the retention of 20 full-time permanent jobs and a LEED certification.

The Department of Development recommends a 75%/10 year Enterprise Zone tax abatement on real property improvements. The proposal is consistent with the Columbus Tax Incentive Policy under Edge City projects.

Emergency action is requested to accommodate a scheduled project start.

The Columbus Public Schools has been advised of this project.

FISCAL IMPACT: No funding is required for this legislation.

To authorize the Director of Development to enter into an Enterprise Zone Agreement with R.W. Setterlin Building Company for a tax abatement of seventy-five percent (75%) for a period of ten (10) years in consideration of a proposed \$1.2 million investment in real property improvements, the retention of 20 (twenty) full-time permanent positions and a LEED certification; 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 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, R.W. Setterlin Building Company plans to invest a total of \$1.6 million including \$1.2 million in real property improvements on parcel# 010-267124 and renovate an existing building encompassing approximately 13,000 square feet with a LEED certification; and

WHEREAS, R.W. Setterlin Building Company will retain 20 (twenty) full-time permanent positions; and

WHEREAS, the City is encouraging this project because of plans to become LEED certified; and

WHEREAS, if the building does not attain LEED Certification by March 2009, the incentive shall be reduced to fifty percent (50%) for a period of six (6) years; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to enter into an Enterprise Zone Agreement with R.W. Setterlin Building Company to accommodate a scheduled project start, all 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 Development is hereby authorized to enter into an Enterprise Zone Agreement with R.W. Setterlin Building Company and to provide therewith an exemption of seventy-five percent (75%) on real property improvements for a term of ten (10) taxable years in association with the project's proposed \$1.6 million investment and job retention.

Section 2. That the City of Columbus Enterprise Zone Agreement is signed by R.W. Setterlin Building Company within ninety (90) days of passage of this ordinance, or this ordinance and the abatements and credits 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.