



Legislation Text

File #: 0761-2012, **Version:** 1

BACKGROUND: The need exists to enter into an Enterprise Zone Agreement with SPARC Holding, LLC. 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.

SPARC Holding, LLC proposes to repurpose the vacant Cooper Stadium site at 1155 W. Mound Street into a Sports Pavilion and Automotive Research Complex (SPARC). The anchor of the site will be an automotive research and technical training facility that will become an incubator of new automotive technologies. The project will preserve the 8,000 grandstand seats and involve the construction of a paved half-mile track surface. It is expected that the site will additionally include a conference center, exhibition spaces, hotel and restaurants.

The project consists of the acquisition of a building, new construction, building improvements, furniture and fixtures. A total capital investment of \$16.4 million is proposed at the site, with \$3.4 million toward building acquisition, \$12 million toward new construction and improvements, and \$1 million for furniture and fixtures. A total of 20 new full-time positions will be created as a result of the project.

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

The Columbus City Schools has been advised of this project.

This legislation is presented as an emergency measure to take action on this agreement in order for this project to move forward with its initial permitting process in order to meet completion deadlines.

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 SPARC Holding, LLC for a tax abatement of seventy-five percent (75%) for a period of ten (10) years on real property improvements to the former Cooper Stadium site at 1155 W. Mound Street in consideration of a proposed total investment of \$16.4 million; and to declare an emergency.

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; and 0225-03 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 Code 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, SPARC Holding, LLC proposes to repurpose the vacant Cooper Stadium site at 1155 W. Mound Street into a Sports Pavilion and Automotive Research Complex (SPARC); and

WHEREAS, SPARC Holding, LLC will make a proposed total investment of \$16.4 million (\$12 million toward building construction and improvement, \$3.4 million toward building acquisition and \$1 million toward furniture and fixtures) at the project site; and

WHEREAS, SPARC Holding, LLC will create 20 full-time permanent jobs with an annual payroll of \$579,360; and

WHEREAS, Columbus City Council approval is contingent upon approval by the Ohio Department of Development of a petition for an amendment to the certification of the designated area, known as the City of Columbus Enterprise Zone Number 023, which amendment approved by Ordinance Number 0032-2012 on January 23, 2012, adds approximately 46.85 acres recently annexed into the City and known as the site of Cooper Stadium, 1155-1215 West Mound Street, Columbus, Ohio, comprised of 495-286329, being an approved combination of tax parcels 425-286326, 425-286327, 425-286328 and 425-286329, beginning with tax year 2013; and

WHEREAS, the City is encouraging this project because of plans to redevelop urban commercial property in the central city; 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 project to move forward with its initial permitting process in order to meet completion deadlines, 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 the City hereby finds and determines that the project will (1) create jobs in the State and City (2) the project is economically sound and will benefit the people of the State and City by increasing opportunities for employment and strengthening the economy of the State and City; and (3) receiving the aforementioned tax abatement is a critical factor in the decision by SPARC Holding, LLC to go forward with the project expansion.

Section 2. That the City Council hereby finds and determines that the project meets all the requirements of the City Act.

Section 3. That the Director of Development is hereby authorized and directed to enter into and execute an Enterprise Zone Agreement with SPARC Holding, Inc. 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 investment of approximately \$16.4 million, and the creation of 20 new permanent full-time positions with an annual payroll of approximately \$579,360.

Section 4. That the City of Columbus Enterprise Zone Agreement is signed by SPARC Holding, LLC within ninety (90) days of passage of this ordinance, or this ordinance and the abatements and credits authorized herein are null and void.

Section 5. Columbus City Council approval is contingent upon approval by the Ohio Department of Development of a petition for an amendment to the certification of the designated area, known as the City of Columbus Enterprise Zone Number 023, which amendment approved by Ordinance Number 0032-2012 on January 23, 2012, adds approximately 46.85 acres recently annexed into the City and known as the site of Cooper Stadium, 1155-1215 West Mound Street, Columbus, Ohio, comprised of 495-286329, being an approved combination of tax parcels 425-286326, 425-286327, 425-286328 and 425-286329, beginning with tax year 2013.

Section 6. 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.