



## Legislation Text

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**File #:** 0089-2017, **Version:** 2

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**BACKGROUND:** The need exists to enter into an Enterprise Zone Agreement with Jana Holdings, LLC and Acorn Distributors, Inc. The Ohio Enterprise Zone law (Section 5709.62(C) of the Ohio Revised Code) requires the City to enter into Council-approved agreements between the City and participating companies.

Jana Holdings, LLC is a real estate holding company owned by Al Wachter, Vice President of Acorn Distributors, Inc., a wholesale distributor of janitorial and food service supplies and equipment.

Founded more than 40 years ago by Al Wachter, Acorn Distributors, Inc. has grown from a small restaurant supply house into a multi-million dollar distributor of disposable paper and plastic, janitorial supplies and equipment, chemicals and foodservice supply products. In 2005, Jennifer Rosenberg, became President and second generation owner of Acorn Distributors, Inc. The company maintained its family owned business status and gained its WBE certification in 2007.

Acorn Distributors, Inc. will retain 42 full-time permanent positions at the project site with an associated annual payroll of approximately \$2.1 million and create 12 new full-time permanent positions with an associated new annual payroll of approximately \$540,000. The project involves a total investment of approximately \$4.8 million, which includes \$4.5 million in new construction and the balance related to the acquisition of machinery, equipment, stand-alone computers, furniture and fixtures.

The Department of Development recommends an Enterprise Zone property tax abatement of seventy-five percent (75%) for a period of ten (10) years on real property improvements for the purpose of constructing a new 100,000 square-foot office and warehouse distribution facility on Crosswind Drive, Columbus, Ohio, Ohio 43228, parcel number ~~570-229192-00~~ **570-210752-00**.

The Southwestern 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 Development to enter into an Enterprise Zone Agreement with Jana Holdings, LLC and Acorn Distributors, Inc. for a property tax abatement of seventy-five percent (75%) for a period of ten (10) years in consideration of a proposed total investment of approximately \$4.8 million, the retention of 42 full-time permanent positions, and the creation of 12 new full-time permanent positions.

**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 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, 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**, Jana Holdings, LLC proposes to construct a new 100,000 square-foot office and warehouse distribution facility located at Crosswind Drive Columbus, Ohio 43228 (parcel number: ~~570-229192-00~~ **570-210752-00**), which Acorn Distributors, Inc. will occupy; and

**WHEREAS**, Acorn Distributors, Inc. proposes to create 12 new full-time permanent positions with an estimated annual payroll of approximately \$540,000 and retain 42 full-time jobs with an annual estimated payroll of approximately \$2.1 million; and

**WHEREAS**, Jana Holdings, LLC and Acorn Distributors, Inc. will invest a total of approximately \$4.5 million in real property improvements related to new building construction; and

**WHEREAS**, contingent on the City granting an Enterprise Zone property tax abatement, Acorn Distributors, Inc. will retain 42 full-time permanent positions at the project site with an associated annual payroll of approximately \$2.1 million and will create 12 new full-time permanent positions with an associated new annual payroll of approximately \$540,000; thereby increasing job opportunities and strengthening the economy of the City; and

**WHEREAS**, Jana Holdings, LLC and Acorn Distributors, Inc. have each indicated that receiving this tax incentive from the City is crucial to their decision to advance the aforementioned expansion in Columbus; 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 into such a binding formal agreement in order to foster economic growth for the preservation of the public health, property, safety and welfare; **NOW THEREFORE**,

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

**SECTION 1.** That 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 Jana Holdings, LLC and Acorn Distributors, Inc. to expand by constructing a Crosswind Drive facility.

**ON 2.** That the Director of Development is hereby authorized and directed to enter into and execute an Enterprise Zone Agreement with Jana Holdings, LLC and Acorn Distributors, 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 total investment of approximately \$4.8 million, which includes \$4.5 million in real property improvement and the balance related to the acquisition of machinery, equipment, stand-alone computers and furniture and fixtures, the retention of 42 full-time permanent positions with an associated annual payroll of approximately \$2.1 million, and the creation of 12 new full-time permanent positions with an associated new annual payroll of approximately \$540,000 at Crosswind Drive Columbus, Ohio 43228 (parcel number: ~~570-229192-00~~ **570-210752-00**).

**SECTION 3.** That the City of Columbus Enterprise Zone Agreement shall be signed by Jana Holdings, LLC and Acorn Distributors, Inc. within ninety (90) days of passage of this ordinance or this ordinance and the abatement authorized herein shall be null and void.

**SECTION 4.** That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

