



Legislation Text

File #: 2252-2017, **Version:** 1

BACKGROUND: The need exists to enter into an Enterprise Zone Agreement with 93 OHRPT, LLC, Ronald Benderson 1995 Trust and Benderson 85-1 Trust dba Benderson Development Company. The Ohio Enterprise Zone law (Section 5709.62(C) of the Ohio Revised Code) requires the City to enter into a Council-approved agreement between the City and participating companies.

93 OHRPT, LLC, Ronald Benderson 1995 Trust and Benderson 85-1 Trust are real estate holding companies owned by the Benderson family and part of Benderson Development Company. Established by Nathan Benderson in the fall of 1949, and operational for more than 60 years, Benderson Development Company is one of the largest privately held real estate companies in North America. The company owns and manages over 700 properties encompassing over 40 million square feet in 38 states. The diverse Benderson Development Company portfolio includes retail, office, industrial, hotel, residential and land holdings.

Benderson Development Company proposes to construct two separate speculative Class A light industrial/flex facilities including one at 148,750 square feet and another at 119,000 square feet for a total of approximately 267,750 square feet. The buildings will be suitable for a single tenant or multiple tenants in each facility at 6380 - 6492 and 6530 Tussing Road Columbus, Ohio 43068, parcel numbers 010-200001, 010-007362 and 010-238624, inside the Consumer Square East Business Park.

A total capital investment of \$8,032,500 is proposed at the site for new building construction. The developer anticipates that the construction of this facility will lead to the relocation of an unknown number of positions from within the City of Columbus and the creation of 20 new full-time permanent positions with an estimated new annual payroll of approximately \$700,000.

The Department of Development recommends an Enterprise Zone Tax Abatement of seventy-five percent (75%) for a period of ten (10) consecutive years on real property improvements. This legislation is presented as 30 day legislation.

The Columbus City School's Board of Education has been advised of this project.

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 93 OHRPT, LLC, Ronald Benderson 1995 Trust and Benderson 85-1 Trust dba Benderson Development Company for a tax abatement of seventy-five percent (75%) for a period of ten (10) consecutive years on real property improvements in consideration of a proposed capital investment of approximately \$8,032,500.00 for new building construction.

WHEREAS, the Columbus City Council has established the Southeast Enterprise Zone pursuant to Section 5709.61 to 5709.632 of the Ohio Revised Code ("O.R.C.") which has been certified by the Director of the Department of Development of the State of Ohio as required by the O.R.C.; and

WHEREAS, by City Council Ordinance No. 0428-03 passed March 31, 2003 the City designated the area the Southeast Enterprise Zone as an "MSA principal city non-distressed based jobs and enterprise zone" pursuant to Chapter 5709.61 (A) of the Ohio Revised Code and declared that incentives for business offered by such zones will enhance efforts to promote the viable and diverse economic activity necessary for rejuvenation of the zone; and

WHEREAS, effective August 26, 2003 the Director of Development of the State of Ohio determined that the aforementioned area designated in said Ordinance No. 428-03 contains the characteristics set forth in Section 5709.61(A)

of the Ohio Revised Code, and certified said area (the "Columbus Southeast Enterprise Zone") as an "MSA principal city non-distressed based jobs and enterprise zone" (limited authority) under Chapter 5709 of the Ohio Revised Code; and

WHEREAS, the Benderson Development Company was established by Nathan Benderson in the fall of 1949, and operational for more than 60 years, Benderson Development Company is one of the largest privately held real estate companies in North America. The company owns and manages over 700 properties encompassing over 40 million square feet in 38 states. The diverse Benderson Development Company portfolio includes retail, office, industrial, hotel, residential and land holdings; and

WHEREAS, 93 OHRPT, LLC, Ronald Benders 1995 Trust and Benderson 85-1 Trust are real estate holding companies owned by the Benderson family and part of Benderson Development Company; and

WHEREAS, Benderson Development Company proposes to construct two separate speculative Class A light industrial/flex facilities including one at 148,750 square feet and another at 119,000 square feet for a total of approximately 267,750 square feet at 6380 - 6492 and 6530 Tussing Road, Columbus, Ohio (parcel numbers: 010-200001, 010-007362 and 010-238624); and

WHEREAS, Benderson Development Company will make a proposed capital investment of \$8,032,500 for new building construction at the project site; and

WHEREAS, Benderson Development Company will create 20 new full-time permanent positions with an estimated new annual payroll of approximately \$700,000; and

WHEREAS, the City is encouraging this project because of plans to construct two new Class A industrial/flex buildings and the redevelopment of a vacant commercial property; 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 OHRPT, LLC, Ronald Benderson 1995 Trust and Benderson 85-1 Trust dba Benderson Development Company to go forward with the project expansion.

Section 2. That the Director of the Department of Development is hereby authorized and directed to enter into and execute an Enterprise Zone Agreement with OHRPT, LLC, Ronald Benderson 1995 Trust and Benderson 85-1 Trust dba Benderson Development Company 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 \$8,032,500 toward new building construction and the creation of 20 new full-time permanent positions with an estimated new annual payroll of approximately \$700,000.

Section 3. That the City of Columbus Enterprise Zone Agreement is signed by 93 OHRPT, LLC, Ronald Benderson 1995 Trust and Benderson 85-1 Trust dba Benderson Development Company 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.