



## Legislation Text

File #: 2691-2019, Version: 1

**BACKGROUND:** Columbus City Council (“**COUNCIL**”), by Ordinance No. 1917-2017, passed July 31, 2017, authorized the City of Columbus (“**CITY**”) to enter into an Enterprise Zone Agreement (the “**AGREEMENT**”) with The Zimmerman Companies, LLC and 1201 Dublin Road, LLC (collectively, and hereinafter also referred to as “**ENTERPRISE**”), for a tax abatement of seventy-five percent (75%) for a period of ten (10) consecutive years in consideration of the **ENTERPRISE**’s total proposed capital investment of approximately \$5.278 million, which included \$3.85 million in acquisition cost, \$1.068 million in real property improvements, and \$360,000 in furniture and fixtures to redevelop a vacant commercial office facility at 1201 Dublin Road, Columbus, Ohio, parcel number 010-104463-00. Additionally, the **ENTERPRISE** agreed to retain six (6) full-time jobs with an annual payroll of approximately \$332,700 and has committed to create six (6) net new full-time permanent positions with an annual payroll of approximately \$260,000, within the City of Columbus Central Enterprise Zone. The **AGREEMENT** was made and entered into effective October 4, 2017 with the abatement currently effective from 2019-2028 applied to parcel number 010-104463-00.

In a letter from the **ENTERPRISE** dated August 20, 2019, received by the **CITY** and through ensuing correspondence, the **ENTERPRISE** indicated that the aforementioned project was restructured and realigned with a new corporate strategy. As a result of this restructuring, the **ENTERPRISE** confirmed that Versa, LLC will be an additional employer of record, and some of the retained and the newly created jobs will be associated with this new entity. The **ENTERPRISE** has requested from the **CITY** to add Versa, LLC as an additional entity to the **AGREEMENT**. As such, an amendment to the **AGREEMENT** is now needed to add Versa, LLC as an additional entity to the **AGREEMENT**.

This legislation is requested to be considered as an emergency in order to authorize the Director of the Department of Development to amend the **AGREEMENT** for the first time to add Versa, LLC as an additional entity and party to the **AGREEMENT**, whereby Versa, LLC will assume the terms and commitments of the **AGREEMENT** and for this amendment to be legislated in as expedient a manner as possible so as to allow for the inclusion of the employees located at the additional entity for the reporting and compliance purposes.

### **FISCAL IMPACT:**

No funding is required for this legislation.

To authorize the Director of the Department of Development to amend the Enterprise Zone Agreement with The Zimmerman Company, LLC and 1201 Dublin Road LLC to add Versa, LLC as an additional entity and party to the agreement; and to declare an emergency.

**WHEREAS**, the City of Columbus (“**CITY**”) entered into an Enterprise Zone Agreement (the “**AGREEMENT**”) with The Zimmerman Company, LLC and 1201 Dublin Road, LLC approved by Columbus City Council (“**COUNCIL**”) on July 31, 2017 by Ordinance No. 1917-2017 with this **AGREEMENT** made and entered into effective October 4, 2017; and

**WHEREAS**, the **AGREEMENT** granted a 75%/10-Year tax abatement on real property improvements; and

**WHEREAS**, in the **AGREEMENT**, **ENTERPRISE** committed to invest total capital expenditures of approximately \$5.278 million, which included \$3.85 million in acquisition cost, \$1.068 million in real property improvements, and \$360,000 in furniture and fixtures to redevelop a vacant commercial office facility at 1201 Dublin Road, Columbus, Ohio, parcel number 010-104463-00; and

**WHEREAS**, in a letter from the **ENTERPRISE** dated August 20, 2019, received by the **CITY** and through ensuing correspondence, the **ENTERPRISE** indicated that the aforementioned project was restructured and realigned with a new corporate strategy. As a result of this restructuring, the **ENTERPRISE** confirmed that Versa, LLC will be an additional employer of record, and some of the retained and the newly created full-time permanent positions will be associated with this new entity; and

**WHEREAS**, an amendment to the **AGREEMENT** is now needed to add Versa, LLC as an additional entity to the **AGREEMENT**; and

**WHEREAS**, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to seek an amendment to the **AGREEMENT** with The Zimmerman Companies, LLC and 1201 Dublin Road, LLC for the purpose of adding Versa, LLC as an additional entity and party to the **AGREEMENT**; thereby preserving the public health, peace, property and safety.

**NOW, THEREFORE**

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

**Section 1.** That the Director of the Department of Development is hereby authorized to amend the Enterprise Zone Agreement with The Zimmerman Companies, LLC and 1201 Dublin Road, LLC, to add Versa, LLC as an additional entity and party to the **AGREEMENT**, whereby Versa, LLC will assume the terms and commitments of the **AGREEMENT**.

**Section 2.** That the **FIRST AMENDMENT** to the City of Columbus Enterprise Zone Agreement be signed by The Zimmerman Companies, LLC, 1201 Dublin Road, LLC, and Versa, LLC within ninety (90) days of passage of this ordinance, or this ordinance and the incentive authorized herein shall be 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.