



## Legislation Text

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**File #:** 2012-2020, **Version:** 1

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**BACKGROUND:** The need exists to enter into an Enterprise Zone Agreement with HQ Office I LLC. 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.

Established in December 2019, the primary business of HQ Office I LLC is the ownership of real estate used for office. HQ Office I LLC, a wholly owned subsidiary of Columbus-based developer Hamilton Crossing LLC, proposes to construct a 141,000-square-foot speculative Class A office building at 4960 E. Dublin Granville Road, Columbus, Ohio 43081.

HQ Office I LLC proposes to invest a total project cost of approximately \$19,200,000 in real property improvements to construct an approximately 141,000 square-foot speculative Class A office building at 4960 E. Dublin Granville Road, Columbus, Ohio 43081, parcel number 010-221377 ("**Project Site**"). Additionally, the company will create 15 net new full-time permanent positions with an estimated annual payroll of approximately \$750,000 at the proposed **Project Site**.

The Department of Development recommends 75%/10-year Enterprise Zone tax abatement on real property improvements.

The City of Columbus School District 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 HQ Office I LLC for a tax abatement of seventy-five percent (75%) for a period of ten (10) consecutive years in consideration of the company's proposed capital investment of \$19,200,000.00 in real property improvements, and the creation of 15 new full-time permanent positions.

**WHEREAS**, by City Council Ordinance No. 0427-03 passed March 31, 2003, the City designated the area known as the Columbus North Enterprise Zone as an "MSA principal city non-distressed based jobs and enterprise zone" pursuant to Chapter 5709 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 January 8, 2004, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Ordinance No. 0427-03 contains the characteristics set forth in Section 5709.61 (A) of the Ohio Revised Code, and certified said area (the "Columbus North 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** Established in December 2019, the primary business of HQ Office I LLC is the ownership of real estate used for office. HQ Office I LLC, a wholly owned subsidiary of Columbus-based developer Hamilton Crossing LLC, proposes to construct a 141,000-square-foot speculative Class A office building at 4960 E. Dublin Granville Road, Columbus, Ohio 43081.

**WHEREAS**, HQ Office I LLC proposes to invest a total project cost of approximately \$19,200,000 in real property

improvements to construct an approximately 141,000 square-foot speculative Class A office building at 4960 E. Dublin Granville Road, Columbus, Ohio 43081, parcel number 010-221377 ("**Project Site**"); and

**WHEREAS**, HQ Office I LLC will create 15 net new full-time permanent positions with an estimated annual payroll of approximately \$750,000 at the proposed **Project Site**; and

**WHEREAS**, the City is encouraging this project because of plans to increase the Class A office inventory in the far northeast corridor of City; and

**WHEREAS**, the City desires to enter in to such a binding formal agreement in order to foster economic growth 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 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 representatives for HQ Office I LLC to go forward with the project.

**SECTION 2.** That the Director of the Department of Development is hereby authorized and directed to enter into an Enterprise Zone Agreement with HQ Office I LLC to provide therewith an exemption of seventy-five percent (75%) on real property improvements for a term of ten (10) consecutive taxable years in association with the project's proposed total investment of approximately \$19,200,000 million, which includes \$19,200,000 million in real property improvements at 4960 E. Dublin Granville Road, Columbus, Ohio 43081, parcel number 010-221377, and the creation of 15 net new full-time permanent positions with an estimated annual payroll of approximately \$750,000.

**SECTION 3.** That the City of Columbus Enterprise Zone Agreement is signed by HQ Office I LLC 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.