



Legislation Text

File #: 1039-2022, **Version:** 1

BACKGROUND: The need exists to enter into an Enterprise Zone Agreement with Alum Creek One, LLC dba Fed One Dublin LLC and Specialized Bicycle Components, 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.

Alum Creek One, LLC dba Fed One Dublin LLC is a partnership that is comprised of members of Fed One Dublin LLC ("Fed One") who will serve as the sponsor entity that invests directly in and oversees the development of the project. Fed One is a full service General Contractor and Real Estate Developer serving the business community since 1993 focusing on industrial, and retail projects. Over the last 20 years, Fed One has constructed nearly 13 million square feet of industrial space. Examples of projects include Eastgate Business Center in Gahanna, OH and Meritex in Columbus, OH. Formed in 1974, Specialized Bicycle Components, Inc. ("Specialized Bicycles"), is a company that designs, manufactures, and markets bicycles, electric bicycles, bicycle components and apparel.

Alum Creek One, LLC dba Fed One Dublin LLC proposes to invest a total project cost of approximately \$28,000,000 in real property improvements to construct an approximately 461,700 square-foot Class A industrial facility at 3330 Alum Creek Drive, Columbus, Ohio 43207, parcel number 530-156581 (the "Project Site"). Specialized Bicycles will lease the new industrial facility from Alum Creek One, LLC dba Fed One Dublin LLC to expand and relocate its operation from Groveport, Ohio, create 10 net new full-time permanent positions with an estimated annual payroll of approximately \$400,000, and the retention of 56 full-time positions with an annual payroll of approximately \$2,200,016 at the proposed Project Site.

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

The Groveport Madison School District and Eastland Fairfield Joint Vocational School District have 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 the Department of Development to enter into an Enterprise Zone Agreement with Alum Creek One, LLC dba Fed One Dublin LLC and Specialized Bicycle Components, Inc. 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 \$28,000,000.00 in real property improvements, creation of 10 net new full-time permanent positions with an estimated annual payroll of approximately \$400,000.00, and retention of 56 full-time positions with an annual payroll of approximately \$2,200,016.00. **(AMENDED BY ORDINANCE 0508-2023) BA**

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; 0032-2012 in 2012; 1442-2020 in 2020 and 0279-2021 in 2021; 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 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, April 3, 2012, September 18, 2020 and most recently May 20, 2021 as an “urban jobs and enterprise zone” under Chapter 5709 of the Ohio Revised Code; and

WHEREAS, Alum Creek One, LLC dba Fed One Dublin LLC is a partnership that is comprised of members of Fed One Dublin LLC (“Fed One”) who will serve as the sponsor entity that invests directly in and oversees the development of the project. Fed One is a full service General Contractor and Real Estate Developer serving the business community since 1993 focusing on industrial, and retail projects. Over the last 20 years, Fed One has constructed nearly 13 million square feet of industrial space. Examples of projects include Eastgate Business Center in Gahanna, OH and Meritex in Columbus, OH. Formed in 1974, Specialized Bicycle Components, Inc. (“Specialized Bicycles”), is a company that designs, manufactures, and markets bicycles, electric bicycles, bicycle components and apparel; and

WHEREAS, Alum Creek One, LLC dba Fed One Dublin LLC proposes to invest a total project cost of approximately \$28,000,000 in real property improvements to construct an approximately 461,700 square-foot Class A industrial facility at 3330 Alum Creek Drive, Columbus, Ohio 43207, parcel number 530-156581 (the “**Project Site**”); and

WHEREAS, Specialized Bicycles will lease the new industrial facility from Alum Creek One, LLC dba Fed One Dublin LLC to expand and relocate its operation from Groveport, Ohio, create 10 net new full-time permanent positions with an estimated annual payroll of approximately \$400,000, and retain 56 full-time positions with an annual payroll of approximately \$2,200,016 at the proposed **Project Site**; and

WHEREAS, the City is encouraging this project because of plans to construct a Class A industrial facility in the Southeast corridor of the city; 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 in to such a binding formal agreement in order to foster economic growth for the preservation of public health, peace, property and safety; and **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 Alum Creek One, LLC dba Fed One Dublin LLC and Specialized Bicycle Components, Inc. 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 Alum Creek One, LLC dba Fed One Dublin LLC and Specialized Bicycle Components, Inc. 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 \$28,000,000 in real property improvements at 3330 Alum Creek Drive, Columbus, Ohio 43207, parcel number 530-156581, and the creation of 10 net new full-time permanent positions with an estimated annual payroll of approximately \$400,000 and retain 56 full-time positions with an annual payroll of approximately \$2,200,016.

SECTION 3. That the City of Columbus Enterprise Zone Agreement is signed by Alum Creek One, LLC dba Fed One Dublin LLC and Specialized Bicycle Components, Inc. 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.