



To: Gahanna City Council Members
Mayor Laurie Jadwin
City Attorney Raymond Mularski

From: Jennifer Syx, Interim Economic Development Director

Date: June 30, 2020

Re: Rosen USA Community Reinvestment Area Agreement (Council Report, July 6, 2020 Meeting)

ACTION ITEM(S)

ACTION ITEM #1 – Property Tax Abatement for 1195 Technology Drive

Rosen USA is a company currently located in Gahanna at 1195 Technology Drive. With headquarters in Houston, TX and a global presence, Rosen specializes in the research, development, production, servicing and operation of inspection devices for pipeline and other complex systems in the oil and gas industry.

The Company needs to expand as their current operations in Gahanna are not large enough to support their current and future work. Rosen currently is evaluating options to expand multiple operations in North America, specifically with their advanced services and R&D business lines.

This project involves the acquisition of property located adjacent to their existing facility as well as investment in improvements to their existing building. If the incentives are authorized, Rosen plans to construct a new 25,000 square foot facility and renovate their existing building.

Rosen currently employees 41 Full Time Equivalent employees. If the project before Council is approved, Rosen commits to create 70 new FTE's with an associated payroll of \$4.2 million.

Further, there is an additional phase planned to create a state of the art R&D facility on this campus, which would secure Gahanna as a strategic regional hub for Rosen's North American operations.

JobsOhio and the State of Ohio also have committed to certain incentives, including a Job Creation Tax Credit and an Economic Development Grant.

We are requesting legislation authorizing the Mayor to enter into a CRA Agreement with Oprana Inc. (Rosen USA) for a period of 15 years at 100%. Given that the City has an existing agreement



with the local school district, we do not need to obtain their approval to move forward with this agreement. The City will share 50% of its income tax with the school district during the term until such time the school district is made whole.

It is critical to move forward as soon as possible, as we are in direct competition with other states for this project and the Company has identified a deadline for making its decision on the location of this project. The State of Ohio and JobsOhio are in lock step with the City of Gahanna, as they also are planning their own July approvals to align with the Company's deadline. In order for us to provide a timely response to the Company and remain in competitive consideration for this project, we are respectfully requesting that this project be addressed through Emergency & Waiver.

Legislation Needed: Ordinance

Emergency/Waiver: **Emergency & Waiver**

Name & Address: Oprona, Inc. (ROSEN USA), 1195 Technology Drive

Already Appropriated (Amounts & Account Names/Titles): N/A

Supplemental/Transfer (Amounts & Account Names/Titles): N/A

Attachments

Oprona, Inc. CRA Application