



## Report for Council – October 13, 2015

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### **Planning & Development Department Action Items:**

#### **Office & Industrial Incentive for Grote Company**

The goal of providing an Office & Industrial Incentive is to encourage private investment and job creation opportunities within the commercial corridors of the City of Gahanna. The Department of Planning & Development (Department) is requesting that City Council authorize the Mayor to enter into an Office & Industrial (O&I) Incentive Agreement for Grote Company.

#### **Project Summary & Justification**

In the late 1960s, Jim Grote, founder of Donatos Pizza, created the Peppamatic, the world's first automated pepperoni slicer/applicator. The Peppamatic's unique ability to cut labor cost, while increasing productivity and efficiency, inspired Mr. Grote to found the Grote Company. Since 1972, Grote Company has established itself as the world leader in slicer/applicator innovation and technology and continues to revolutionize the way food processors and manufacturers slice, stack, portion, count and arrange virtually all types of food products. Grote currently has 100 employees within The Industrial Zone of Gahanna.

The Grote Company recently acquired a company called Pizzamatic. This company is a food processing equipment manufacturer located in South Holland, Illinois. The Grote Company has an option to maintain the production facility in Illinois or to move the production lines to their Gahanna facility. In order to help secure the expansion project within the City of Gahanna, the Department is requesting to provide an O&I Incentive for the project. In addition, the state of Ohio is proposing to provide a Job Creation Tax Credit for the project.

#### **Budget Impact**

The Grote Company is proposing to create 13 new full-time positions at their Gahanna facility. These positions will have an annual salary of \$53,846. The project will require \$100,000 in building modifications and an additional \$750,000 for machinery and equipment. A financial incentive is a major factor in the Grote Company deciding to move forward with this project in Gahanna.

The Department is proposing to provide a 5 year 35% O&I Incentive on the new jobs stemming from the project. The Incentive Advisory Board will be meeting on Tuesday, October 13<sup>th</sup> and will be voting on whether to recommend that City Council provide the Grote Company with this financial incentive.

The total estimated incentive payment to the Grote Company would be \$18,375 over five years. The net income tax revenue to the City from the new jobs would be \$86,625 over 10 years. A detailed project summary is attached.

## **Planning & Development Department Updates:**

### **American Cities of the Future Awards**

Every year fDi Intelligence publishes a report called American Cities of the Future. fDi Intelligence is a division of the Financial Times and is a globally recognized source of information on foreign direct investment and investment promotion. As you may recall, Gahanna was recently recognized as the 9<sup>th</sup> Best Micro City within North America in terms of its Economic Potential and Human Capital/Lifestyle.



On Monday, October 5, Economic Development Manager Emanuel Torres accepted the awards on behalf of the City at the International Economic Development Council (IEDC) 2015 Annual Conference in Anchorage, AK. We invite you to stop by the Planning & Development Department where the awards will be proudly displayed.

### **Planning Commission Update**

On September 30, 2015, Planning Commission recommended approval of the following item:

#### 505 Morrison Road (Steve Kirk, applicant)

- Certificate of Appropriateness to allow a tasting room for Kindred Artisan Ales

### **Upcoming Meetings & Events:**

- Olde Gahanna Community Partnership: A General Meeting will be held on Wednesday, August 12, 8:15am, at the Olde Gahanna Sanctuary, 82 N. High Street.
- Gahanna Community Improvement Corporation: A Board Meeting will be held on Tuesday, August 18, 7:30am, at Gahanna City Hall, 200 S. Hamilton Road.

- *Gahanna Area Chamber of Commerce: The October Empowering Women Breakfast will be held on Thursday, October 22, 7:30am – 9:00am, at the Mount Carmel East Hospital Siegel Center, 6001 E. Broad Street, Columbus. The topic will be Understanding & Owning Your Power and the guest speaker will be Yvette McGee Brown. The cost is \$10 for members and \$13 for guests. Register online at [www.gahannaareachamber.com](http://www.gahannaareachamber.com) or RSVP to Becky Whittington at (614) 471-0451 or [becky@gahannaareachamber.com](mailto:becky@gahannaareachamber.com).*