



Legislation Text

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AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE A COMMUNITY REINVESTMENT INCENTIVE AGREEMENT WITH JE GROTE COMPANY, INC. TO FACILITATE RENOVATION OF AN EXISTING INDUSTRIAL BUILDING LOCATED AT 1160 GAHANNA PARKWAY, PART OF COMMUNITY REINVESTMENT AREA #3

WHEREAS, the Department of Economic Development requests that this Council authorize the Mayor to enter into a Community Reinvestment Area (CRA) Agreement with JE Grote Company, Inc. to facilitate the renovation of an existing industrial building located within the City of Gahanna Community Reinvestment Area #3; and

WHEREAS, the JE Grote Company, Inc. plans to invest \$4.5 Million to modernize the existing 61,000 square foot manufacturing and office building at 1160 Gahanna Parkway, and an additional \$800,000 in new fixtures, furniture, and equipment; and

WHEREAS, the JE Grote Company, Inc. would, as a result of the modernization project, retain 107 employees (\$10,249,059 total payroll and \$256,226 in income taxes to the City), and expand to 120 employees by the end of the third year after improvements, generating an estimated \$1,829,675 in new payroll; and

WHEREAS, the proposed CRA Agreement is for a term of 15 years, with 50 percent tax abatement value; and

WHEREAS, the proposed CRA Agreement does not abate the current value of the property (\$2,808,100 present value with \$94,975 generated annually) but abates the future value of the property once it is improved.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GAHANNA, COUNTY OF FRANKLIN, STATE OF OHIO:

Section 1. That the Mayor is authorized to execute a Community Reinvestment Area Agreement with JE Grote Company, Inc., primary offices located at 1160 Gahanna Parkway, Gahanna, OH 43230;

said Agreement attached hereto as EXHIBIT A and made a part herein.

Section 2. That this Ordinance shall be in full force and effect after passage by this Council and 30 days after date of signature of approval by the Mayor.