

CLAYTON — The City Council approved Monday morning, Dec. 7, selling 163 acres to Caterpillar Logistics Services for \$2,079,000 for a 1.5 million square-foot distribution center that will bring 500 to 600 new jobs to the region.

Caterpillar confirmed the deal with a press release Monday.

It would be "fully operational" by 2011, according to a company news release.

Caterpillar would not comment on Friday for a story about the center, which is part of its North American Cat Parts distribution network. The company is a wholly-owned subsidiary of heavy equipment manufacturer Caterpillar Inc.

The more than one million square foot facility will be called the Clayton Distribution Center and be located in Clayton's Commerce Park. It "will provide inbound receiving capability close to suppliers and align outbound shipments for improved delivery to dealers and customers," according to the company.

"We are very excited to welcome Caterpillar to the Clayton community," said Clayton Mayor Joyce Deitering. "Clayton is fortunate to be part of a region that has quality employees and is well-suited for logistics and distribution companies."

"This is far and away the largest investment in our community ever," Deitering said.

The company will invest \$65 million in the project: \$50 million for the building and \$15 million in equipment.

The company will occupy the entire 143 acres of the city's Commerce Park on Hoke Road. The council also approved the purchase of 20 acres from the Miami Valley Career Technology Center for \$500,000 to complete the needed acreage.

As part of an enterprise zone agreement, the city will extend a 15-year, 100 percent tax abatement to the company on all real property improvements. Another part of the agreement gives the Northmont School District 50 percent of the increase in the city's income tax from the project. The school district depends on property taxes for its local funding.

"The school district will be made whole," said Gwen Eberly, the city's economic development director. Eberly estimated the city would reap around \$210,000 annually in income tax from the company's employees.

Eberly said the company would begin construction early next year with completion in the first quarter of 2011. According to the agreement, the company promises full employment within three years. Eberly estimated payroll at full employment would be around \$14.4 million annually.

According to Eberly, the city was working with the Montgomery County Jobs Center on a hiring timeline. Those interested should contact the Job Center or go to [www.jointeamcaterpillar.com](http://www.jointeamcaterpillar.com) for details.

The city will donate the 163 acres as long as the company continues operation through at least 11 years. If the company closes the operations during the first seven years, it will be liable for the full purchase price; in the eighth year, it would be liable for 75 percent of the price; the ninth year, 50 percent; and the 10th year, 25 percent.

The council also approved an ED/GE grant from Montgomery County for \$700,000 to upgrade Hoke Road to add extra lanes from Ohio 49 south to the Commerce Park.

City officials praised the regional cooperation in landing a major employer during these economic hard times. The state, the county and the Dayton Development Coalition all were major partners, Deitering said.