



Legislation Text

File #: 3051-2021, Version: 2

BACKGROUND: The Columbus Department of Development is proposing to enter into a two-part Jobs Growth Incentive Agreement with The Ohio State University, an Ohio public institution of higher education, and/or other OSU affiliated entities (collectively “GRANTEE”) related to a project (the “PROJECT”) to be undertaken at two specifically defined project sites, one being the JGI COLUMBUS SITE for GRANTEE jobs created throughout the City of Columbus and the other being the JGI SITE for non-GRANTEE jobs created by tenant companies locating within an area to be known as the Innovation District in an amount equal to (i) forty percent (40%) of the City of Columbus income tax withheld on the Columbus payroll of New GRANTEE Employees at the JGI COLUMBUS SITE and (ii) forty percent (40%) of the City of Columbus income tax withheld on the Columbus payroll of those new tenant employees of tenant companies leasing space within the structures to be constructed, or caused to be constructed, by the GRANTEE at the JGI SITE, for a term of up to twenty-five (25) years.

The GRANTEE is planning on developing the PROJECT over a twenty to thirty year period and upon the completion and full build out of the PROJECT, the GRANTEE ~~has committed to create~~ **expects to create** or cause to be created up to 12,000 jobs with an estimated payroll of up to \$950 million annually. The GRANTEE is also committed to growing STEAMM (Science, Technology, Engineering, Art, Mathematics and Medicine) talent in the City of Columbus. The GRANTEE, in collaboration with the Columbus City School District and Columbus State Community College, are committing to engage K-12 students in learning about exciting STEAMM careers, garnering educational support to reach STEAMM career goals, thrive in STEAMM fields and increase competitiveness for higher education opportunities.

In developing the PROJECT, the GRANTEE desires to invest **or cause to be invested** approximately three to four billion dollars in order to create an innovation program area which would include (1) new infrastructure, (2) 1,500 to 2,000 residential units, (3) 100,000 to 200,000 square feet of retail, (4) a 180 to 220-bed hotel, (5) up to 500,000 square feet of medical and (6) four to six million square feet of labs and offices, all to be developed within the boundaries roughly defined as between Kenny Road and State Route 315 to the east, North Star Road to the west, Lane Avenue to the north, and the southern boundary of the parcels south of Kinnear Road, within the City, between Kenny Road and North Star Road but shown and defined by the site map (the aforementioned “INNOVATION DISTRICT”).

The GRANTEE is requesting a two-part Jobs Growth Incentive from the City of Columbus to assist with this project and other capital investments to be made in the University’s facilities throughout the City. 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 a two-part, city-wide Jobs Growth Incentive Agreement with The Ohio State University and/or other OSU affiliated entities (collectively “GRANTEE”) for a term of up to twenty-five (25) consecutive years in consideration of the creation of up to 12,000 net new full-time permanent positions with an estimated annual payroll of approximately \$950 million to be created or having been caused to be created by the GRANTEE.

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 Department of Development received a completed Jobs Growth Incentive Application from the

GRANTEE, and

WHEREAS, the GRANTEE proposes to (1) create new jobs throughout the City of Columbus and (2) create jobs, or cause jobs to be created, by tenant companies locating within the INNOVATION DISTRICT to support the growth of STEAMM (Science, Technology, Engineering, Art, Mathematics and Medicine) talent in the City of Columbus; and

WHEREAS, the GRANTEE ~~will create up to~~ **expects to create or cause to be created up to** 12,000 net new full-time permanent positions with an estimated associated annual payroll of approximately \$950 million at the Project Sites; and

WHEREAS, the GRANTEE has indicated that a two-part, city-wide Jobs Growth Incentive is crucial to its decision to expand operations within the City of Columbus; and

WHEREAS, the GRANTEE has agreed that the Agreement referred to in Section 1 of this Ordinance will include provisions for compliance with Columbus City Code Chapter 377 (Wage Theft) mutually agreed upon by the GRANTEE and the City; and

WHEREAS, the City of Columbus desires to facilitate the future growth of the GRANTEE at the Project Sites by providing a two-part, city-wide Jobs Growth Incentive; and **NOW THEREFORE**,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Director of the Department of Development is hereby authorized to enter into a two-part, city-wide Jobs Growth Incentive Agreement with The Ohio State University and/or other OSU affiliated entities to provide an incentive equal to (i) forty percent (40%) of the City of Columbus income tax withheld on the Columbus payroll of new employees of The Ohio State University and/or other OSU affiliated entities throughout the City of Columbus (the JGI COLUMBUS SITE) and (ii) forty percent (40%) of the City of Columbus income tax withheld on the Columbus payroll of those new tenant employees of tenant companies leasing space within the structures to be constructed, or caused to be constructed by The Ohio State University and/or other OSU affiliated entities within the Innovation District (the JGI SITE), for a term of up to twenty-five (25) years.

SECTION 2. Each year of the term of the agreement with The Ohio State University and/or other OSU affiliated entities, the obligation of the City to pay the incentive is expressly contingent upon the passage of an ordinance appropriating and authorizing the expenditure of monies sufficient to make such payment and the certification of the City Auditor pursuant to Section 159 of the Columbus City Charter.

SECTION 3. That the City of Columbus Jobs Growth Incentive Agreement is signed by The Ohio State University within 120 days of passage of this ordinance, or this ordinance and the credit herein shall be null and void.

SECTION 4. The City Council hereby extends authority to the Director of the Department of Development to amend the City of Columbus Jobs Growth Incentive Agreement with The Ohio State University and/or other OSU affiliated entities for certain modifications to the agreement requested in writing by the ~~company~~ **GRANTEE** and or the City and deemed appropriate by the Director of Development with these certain modifications being specifically limited to reductions in length of term, or adding or deleting business entities associated with the employment commitments related to this incentive. All other requested amendments must be approved by City Council.

SECTION-6 5. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.