



Legislation Details (With Text)

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Title: To authorize the Director of the Department of Development to amend the Job Creation Tax Credit Agreement with Time Warner Entertainment Company, L.P. to replace Time Warner Entertainment Company L.P. with Time Warner Cable Midwest LLC as party to the Agreement; and to declare an emergency.

Sponsors:

Indexes:

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Attachments:

Date	Ver.	Action By	Action	Result
6/12/2013	1	CITY CLERK	Attest	
6/11/2013	1	MAYOR	Signed	
6/10/2013	1	COUNCIL PRESIDENT	Signed	
6/10/2013	1	Columbus City Council	Approved	Pass

BACKGROUND: Columbus City Council, by Ordinance 1492-2005, passed September 21, 2005, authorized the City to enter into a Job Creation Tax Credit Agreement (the Agreement) with Time Warner Cable, Inc. for a tax credit of sixty-five percent (65%) for a period of ten (10) years in association with the creation of 203 new full-time jobs. (It should be noted that this same legislation also authorized the City to enter into an Enterprise Zone Agreement with Gowdy Partners LLC for a tax abatement of seventy-five percent (75%) for a period of ten (10) years in consideration of a total investment of approximately \$27,500,000, the retention of 450 full-time permanent jobs and the creation of 153 new full-time jobs. The project involved the construction of a 140,000 square foot facility to accommodate the relocation and expansion of Time Warner Cable, Inc. with the project site being 1015 Olentangy River Road, Columbus, OH 43212 on parcel 010-280574 in association with the same project and a future Enterprise Zone Agreement with Gowdy Partners II LLC on a separate project.) The Agreement was made and entered into to be effective July 5, 2006 by and between the City and Time Warner Entertainment Company, L.P. with the term to commence January 2007 and to continue for ten (10) consecutive taxable years thereafter.

In a letter dated May 3, 2013, Time Warner Cable indicated that on September 30, 2012 an internal reorganization was completed to simplify their organizational structure with the result being that Time Warner Cable Midwest LLC is the newly created entity that currently operates in Columbus, Ohio. This same letter requested that Time Warner Cable Midwest LLC replace the current entity - Time Warner Entertainment Company, L.P. - on the Agreement.

This legislation seeks to replace Time Warner Entertainment Company L.P. with Time Warner Cable Midwest LLC as party to the Agreement.

The terms of the Job Creation Tax Credit Agreement are not modified by this amendment and it is expected to run through 2016.

This legislation is presented as an emergency measure in order for this amendment to be legislated in as expedient manner

as possible so that this amendment to the Agreement can be executed allowing Time Warner Cable Midwest LLC to make application for the tax credit without undue delay.

FISCAL IMPACT: No funding is required for this legislation.

To authorize the Director of the Department of Development to amend the Job Creation Tax Credit Agreement with Time Warner Entertainment Company, L.P. to replace Time Warner Entertainment Company L.P. with Time Warner Cable Midwest LLC as party to the Agreement; and to declare an emergency.

WHEREAS, the Columbus City Council approved the Job Creation Tax Credit Agreement with Time Warner Cable, Inc. (the Agreement) on September 21, 2005 by Ordinance 1492-2005 but the Agreement was entered into effective July 5, 2006 by and between the City of Columbus and Time Warner Entertainment Company, L.P.; and

WHEREAS, the Agreement currently grants Time Warner Entertainment Company, L.P. a 65%/10-year Job Creation Tax Credit in association with the creation of 153 new full-time jobs; and

WHEREAS, in a letter dated May 3, 2013, Time Warner Cable indicated that on September 30, 2012 an internal reorganization was completed to simplify their organizational structure with the result being that Time Warner Cable Midwest LLC is the newly created entity that currently operates in Columbus, Ohio; and

WHEREAS, in this same letter Time Warner Cable requested that Time Warner Cable Midwest LLC replace Time Warner Entertainment Company, L.P. on the Agreement; and

WHEREAS, as Time Warner Entertainment Company, L.P. has been fully compliant with the terms of the Agreement, the City desires to authorize the Director of Development to amend the Agreement to replace Time Warner Entertainment Company L.P. with Time Warner Cable Midwest LLC as party to the Agreement; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development, in that it is immediately necessary to take action so that this amendment to the Agreement may be executed allowing Time Warner Cable Midwest LLC to make application for the tax credit without undue delay, and to preserve the public health, property, safety and welfare; **NOW, THEREFORE**,

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

Section 1. That the Director of Development is hereby authorized to amend the Job Creation Tax Credit Agreement to replace Time Warner Entertainment Company L.P. with Time Warner Cable Midwest LLC as party to the Agreement.

Section 2. For the reasons stated in the preamble hereto, which is made a part hereof, this Ordinance is declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor, or ten (10) days after passage if the Mayor neither approves nor vetoes this Ordinance.