



Legislation Details (With Text)

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Title: To authorize the Director of the Department of Development to enter into a Columbus Downtown Office Incentive Program agreement with The Motorist Insurance Group as provide in Columbus City Council Resolution 075X-2004, adopted March 29, 2004.

Sponsors:

Indexes:

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Attachments:

Date	Ver.	Action By	Action	Result
11/9/2005	1	CITY CLERK	Attest	
11/8/2005	1	MAYOR	Signed	
11/7/2005	1	Columbus City Council	Approved	Pass
11/7/2005	1	COUNCIL PRESIDENT	Signed	
10/24/2005	1	Columbus City Council	Read for the First Time	
10/14/2005	1	Dev Drafter	Sent for Approval	
10/14/2005	1	CITY ATTORNEY	Reviewed and Approved	
10/14/2005	1	Dev Drafter	Sent to Clerk's Office for Council	
10/13/2005	1	Dev Drafter	Sent for Approval	
10/13/2005	1	DEVELOPMENT DIRECTOR	Reviewed and Approved	

BACKGROUND:

The City of Columbus currently has an excessive amount of vacant office space in our downtown market. This high vacancy rate is having a negative impact on all business activity downtown and throughout the city. The Motorist Insurance Group, an insurance industry leader located in downtown Columbus, is currently exploring expansion options. Motorist anticipates the creation of 22 new positions due to business growth. Motorist currently employees 570 people at the downtown location with a total payroll of \$30,131,102. The additional 22 employees would increase payroll by \$917,300 generating an estimated \$18,346 annually in City income tax revenue. Based on this estimate, Motorist would qualify for the Columbus Downtown Office Incentive of an amount equal to 50% of the payroll taxes paid or \$9,173 for one year. The Downtown Development Office recommends granting the Downtown Office Incentive Program to The Motorist Insurance Group.

FISCAL IMPACT:

No funding is required for this legislation.

To authorize the Director of the Department of Development to enter into a Columbus Downtown Office Incentive Program agreement with The Motorist Insurance Group as provide in Columbus City Council Resolution 075X-2004, adopted March 29, 2004.

WHEREAS, the City desires to increase employment opportunities and encourage establishment of new jobs in the City in order to improve the overall economic climate of the City and its citizens; and

WHEREAS, Resolution 075X-2004, adopted March 29, 2004, authorized the Department of Development to establish the Columbus Downtown Office Incentive program; and

WHEREAS, the Department of Development has received a completed application for the Columbus Downtown Office Incentive Program from The Motorist Insurance Group; and

WHEREAS, The Motorist Insurance Group estimates that it will create 22 new jobs at 471 East Broad Street, Columbus, Ohio with a projected payroll of \$917,300 generating City of Columbus income tax revenue of \$18,346 annually; **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 Columbus Downtown Office Incentive Program agreement with The Motorist Insurance Group, pursuant to Columbus City Council Resolution 075X-2004, for an annual cash payment equal to 50% of the total income tax withholding for the new positions located in downtown Columbus for a term of one (1) year based on the estimated addition of 22 jobs at 471 East Broad Street, Columbus, Ohio.
- Section 2.** This employment at Motorist Insurance Group is the result of creating 22 new jobs to the Downtown as defined in Columbus City Code Title 33 Section 3359.03 downtown district boundary.
- Section 3.** As provided in the program guidelines the expansion is greater than 10 persons thus qualifying for the 1-year term for retention and expansion of employment Downtown. The term is for calendar year 2005 with the incentive payment made at the end of the year based on actual employment figures for 2005.
- Section 4.** Each year of the term of the agreement with Motorist Insurance Group that a payment is due, the City's obligation to pay the incentive is expressly contingent upon the passing 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 5.** That this ordinance shall take effect and be in force from and after the earliest period allowed by law.