



## Legislation Details (With Text)

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**Type:** Ordinance      **Status:** Passed

**File created:** 10/9/2007      **In control:** Development Committee

**On agenda:** 11/12/2007      **Final action:** 11/15/2007

**Title:** To authorize the Director of the Department of Development to amend the Enterprise Zone Agreement with Columbus Paperbox to remove any and all language related to the retention of part-time jobs; and to declare an emergency.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
11/15/2007	1	CITY CLERK	Attest	
11/13/2007	1	MAYOR	Signed	
11/12/2007	1	Columbus City Council	Approved	Pass
11/12/2007	1	Columbus City Council	Approved	Pass
11/12/2007	1	COUNCIL PRESIDENT	Signed	
11/5/2007	1	Columbus City Council	Taken from the Table	Pass
11/5/2007	1	Columbus City Council	Tabled to Certain Date	Pass
10/22/2007	1	Columbus City Council	Tabled to Certain Date	Pass
10/10/2007	1	Dev Drafter	Sent for Approval	
10/10/2007	1	CITY ATTORNEY	Reviewed and Approved	
10/10/2007	1	Dev Drafter	Sent to Clerk's Office for Council	
10/9/2007	1	Dev Drafter	Sent for Approval	
10/9/2007	1	DEVELOPMENT DIRECTOR	Reviewed and Approved	

**BACKGROUND:** The 2007 Columbus Tax Incentive Review Council (TIRC) reviewed the Columbus Paperbox Enterprise Zone project on August 21, 2007, and recommended that the City should consider modifying the requirement for the retention of the part-time jobs by either eliminating the requirement or converting it to full-time equivalency. As the City does not regularly recognize part-time jobs to meet the terms of either job retention or creation, this legislation authorizes the Director of Development to amend the existing Columbus Paperbox Enterprise Zone Agreement (EZA) to eliminate the requirement for the retention of the part-time jobs.

Columbus City Council approved the EZA by Ord. No. 1372-02, adopted September 23, 2002. The project entailed the relocation of all of the business assets and employees of Columbus Paperbox from 344 West Town Street in Columbus, to a newly constructed facility of approximately 50,000 square feet in size at West Edge Business Park on Harmon Avenue, also in Columbus. West Edge Business Park is on the former site of Sullivant Gardens. The relocation was encouraged by the City, as the former West Town Street location is now part of COSI. The EZA granted a 75% real property tax abatement for a term of 10 years (2004-2013), a 75% personal property tax abatement for personal property acquired and installed prior to December 2005 on personal property investment of up to \$4.4 million, new construction investment of \$3 million, and the retention of 30 permanent full-time and 3 permanent part-time jobs.

At the time of the relocation from W. Town Street to the West Edge Business Park, the company had 30 full-time and 3 part-time employees and all of these employees were to be relocated to the new site. Reported retained full-time jobs year-end 2003 was 29 retained jobs, year-end 2004 was 27 retained jobs, and year-end 2005 was 26 retained jobs. At that time the 2006 TIRC recommended that in addition to continuing the project that the company meet with the Central Ohio Workforce Investment Corporation (COWIC) to discuss the company's labor needs. COWIC is currently reviewing positions and assisting the company in the development of job descriptions so as to aid in future hiring. It was reported to the 2007 TIRC that the project again had 26 permanent full-time jobs in December 2006, four less than the retention goal (87% attainment). As the city does not recognize part-time positions as contributing to job compliance it is recommended that the agreement be amended to remove any references to part-time positions thereby affording the company the opportunity to concentrate on the creation of full-time jobs. The present legislation will amend the EZA with realistic terms that will afford the project a good chance to be viewed as compliant in future reviews.

This legislation is presented as an emergency measure in order to meet the deadline under state law for City Council to vote on TIRC recommendations.

**FISCAL IMPACT:** No funding is required for this legislation.

To authorize the Director of the Department of Development to amend the Enterprise Zone Agreement with Columbus Paperbox to remove any and all language related to the retention of part-time jobs; and to declare an emergency.

**WHEREAS,** the Columbus City Council approved the Enterprise Zone Agreement with Columbus Paperbox on September 23, 2002 by Ordinance No1372-02; and

**WHEREAS,** the Enterprise Zone Agreement with Columbus Paperbox (the "EZA") requires Columbus Paperbox to invest \$3 million in new construction investment, \$4.4 million in personal property investment and retain 30 full-time and 3 part-time permanent jobs; and

**WHEREAS,** the project has met the real and property investment goals, is working with COWIC to fulfill their full-time permanent job requirements but has not met the part-time job level required by the EZA; and

**WHEREAS,** the Tax Incentive Review Council (TIRC) met on August 21, 2007 and recommended that the City should consider modifying the requirement for the retention of the part-time jobs by either eliminating the requirement or converting it to full-time equivalency; and

**WHEREAS,** the original legislation called for the retention of 30-full-time jobs but the agreement made mention of the retention of 3 part-time jobs, and

**WHEREAS,** the determination has been made that the original intent of the project regarding employment was to retain 30 full-time jobs only, with no provision for part-time jobs; and

**WHEREAS,** an emergency exists in the usual daily operation of the Department of Development, in that it is immediately necessary to take action on the TIRC's recommendations to comply with the sixty (60) day deadline for City Council action imposed by imposed by R.C. Section 5709.85 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 the Department of Development is hereby authorized to amend the Columbus Paperbox Enterprise Zone Agreement (EZA) to eliminate the requirement for the retention of the part-time jobs.

**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.

