



Legislation Details (With Text)

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File created: 4/10/2009 **In control:** Development Committee

On agenda: 5/4/2009 **Final action:** 5/6/2009

Title: To authorize the Director of the Department of Development to enter into an 8-year, 65% Job Creation Tax Credit agreement with Clear Saleing, Inc.

Sponsors:

Indexes:

Code sections:

Attachments: 1. ORD0583-2009 Clear Saleing Inc. JCTC Fact Sheet.pdf, 2. ORD0583-2009 Clear Saling Inc.'s Project Site Map.pdf

Date	Ver.	Action By	Action	Result
5/6/2009	1	MAYOR	Signed	
5/6/2009	1	CITY CLERK	Attest	
5/4/2009	1	Columbus City Council	Approved	Pass
5/4/2009	1	COUNCIL PRESIDENT	Signed	
4/20/2009	1	Columbus City Council	Read for the First Time	
4/10/2009	1	Dev Drafter	Sent for Approval	
4/10/2009	1	DEVELOPMENT DIRECTOR	Reviewed and Approved	
4/10/2009	1	Dev Drafter	Sent for Approval	
4/10/2009	1	CITY ATTORNEY	Reviewed and Approved	
4/10/2009	1	Dev Drafter	Sent to Clerk's Office for Council	

BACKGROUND: The need exists to enter into an 8-year, 65%, Job Creation Tax Credit Agreement with Clear Saleing, Inc. (Clear Saleing). The Ohio Tax Credit Legislation (Section 718.15 of the Ohio Revised Code) authorizing such City agreements became effective January 14, 1993, and requires the City to enter a Council-approved agreement between the City and a participating company.

The proposed project involves an expansion of Clear Saleing's presence in the City through an approximately \$640,000 investment in capitalized software development costs at its current facility located at 1177 Olentangy River Road, with the understanding that the company's long term plans include a potential expansion into a different, larger space within the City during the term of the agreement.

Contingent on the City granting a Job Creation Tax Credit, Clear Saleing will retain 14 full-time positions, create approximately 60 new permanent full-time jobs with an annual payroll of \$4.5 million and increase job opportunities and strengthen the economy of the City.

Founded in 2006, Clear Saleing is a leading technology provider to the online advertising market. Through its patent-pending technology and portfolio management platform, Clear Saleing provides Internet retailers and direct marketers with one of the only accurate ways to measure, compare and optimize profit across their online advertising portfolio. Clear Saleing's customers include American Greetings, Brulant, Safe Auto, Stanley Steemer and Nationwide.

Clear Saleing also is considering the New York, New Jersey, and Connecticut areas on the basis of access to customers, complementary business and talent pool, as potential sites for this expansion.

FISCAL IMPACT: No funding is required for this legislation.

To authorize the Director of the Department of Development to enter into an 8-year, 65% Job Creation Tax Credit agreement with Clear Saleing, Inc.

WHEREAS, pursuant to Section 122.17 of the Ohio Revised Code, the State of Ohio is authorized to establish the Tax Credit Authority and to execute agreement with taxpayers of the State for the purpose of granting taxpayers a job creation tax credit (the "State Credit") to be applied against their corporation franchise tax and commercial activity tax liability, which tax credits are provided to create new jobs in the State; and

WHEREAS, pursuant to Section 718.15 of the Ohio Revised Code (the "City Act"), the City is authorized to grant local income tax credits (the "Local Credit") to taxpayers who have received State Credits, which Local Credits are applied against the taxpayer's City income tax liability; and

WHEREAS, contingent on the City granting a Job Creation Tax Credit, Clear Saleing, Inc. ("Clear Saleing") plans to invest approximately \$640,000 in software development costs at its current facility in the City (the "Project"), which will allow Clear Saleing to retain 14 full-time positions, create approximately 60 new permanent full-time jobs with an annual payroll of \$4.5 million and increase job opportunities and strengthen the economy of the City; and

WHEREAS, on February 23, 2009, the Ohio Tax Credit Authority approved a 45%/6 year State Credit for the Project; and

WHEREAS, the City Act requires the City to enter into a formal and binding agreement in order to provide a Local Credit to Clear Saleing; and

WHEREAS, receiving the State Credit and the Local Credit is a critical factor in Clear Saleing's decision to go forward with the Project in the City; and **NOW THEREFORE**,

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

Section 1. That the City hereby finds and determines that (1) the Project will create jobs in the State and City; (2) the Project is economically sound and will benefit the people of the State and City by increasing opportunities for employment and strengthening the economy of the State and City; and (3) receiving the aforementioned tax credits is a critical factor in Clear Saleing's decision to go forward with the Project.

Section 2. That the City Council hereby finds and determines that the Project meets all the requirements of the City Act.

Section 3. That the Director of the Department of Development is hereby authorized and directed to enter into and execute an 8-year, 65%, City Job Creation Tax Credit Agreement with Clear Saleing, Inc.

Section 4. That the City Job Creation Tax Credit Agreement must be signed by Clear Saleing, Inc. within 30 days of receiving the Agreement for signature, or this Ordinance and the Local Credit provided herein shall be null and void.

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