



Legislation Details (With Text)

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Title: To dissolve the Downtown Office Incentive Agreement between the City of Columbus and Duncan Simonette, Inc.; and to declare an emergency.

Sponsors:

Indexes:

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Date	Ver.	Action By	Action	Result
12/11/2013	1	CITY CLERK	Attest	
12/11/2013	1	ACTING MAYOR	Signed	
12/9/2013	1	COUNCIL PRESIDENT	Signed	
12/9/2013	1	Columbus City Council	Approved	Pass

BACKGROUND: The City of Columbus (the “City”) entered into a Downtown Office Incentive Agreement (hereinafter “Agreement”) with Duncan Simonette, Inc. effective August 1, 2011. Columbus City Council approved the Agreement by Ordinance 0572-2011, approved April 25, 2011 and granted a tax incentive based on an amount equal to 50% of the withholding tax paid by the new employees (as that term was defined in Section 5 of the Agreement) located at the downtown project site, to commence January 1, 2012 and for a period of five (5) consecutive taxable years thereafter based on \$400,000 in leasehold improvements and personal property investment, the relocation/retention of 5 full-time positions and the creation of 13 new full-time positions under a 7-year lease of 7,000 square feet of vacant office space at 155 E. Broad Street, Suite 2200 (the “Project Site”) within the Downtown District of the City of Columbus.

Annual Reporting documents for Report Year 2012 were sent to Duncan Simonette, Inc. on February 1, 2013 and completed reporting materials were received by the City on March 29, 2013. Payment for Report Year 2012 was authorized to be made through Ordinance 1616-2013, approved on July 15, 2013 with the invoice for payment submitted to the Fiscal Section within the Office of the Director of the Department of Development on July 24, 2013. A check in the amount of \$1,354.52, dated September 9, 2013, was sent to Duncan Simonette, Inc. at the Project Site but was returned as undeliverable, with the indication that Duncan Simonette, Inc. had moved to a new location, namely 600 S. High St., Suite 100, which is outside of the Downtown District. It was confirmed by staff that the company was no longer in business at the Project Site and that they had moved outside the Downtown District. Attempts to reach Duncan Simonette, Inc. were unsuccessful. Based on this, the decision was made to cancel payment for Report Year 2012 and to dissolve the Agreement. This legislation is to dissolve the Agreement between the City of Columbus and Duncan Simonette, Inc.

This legislation is presented as an emergency measure in order for this dissolution to be legislated prior to the beginning of the Reporting Year 2013 Downtown Office Incentive reporting period to eliminate any need for annual reporting documentation.

FISCAL IMPACT: No funding is required for this legislation.

To dissolve the Downtown Office Incentive Agreement between the City of Columbus and Duncan Simonette, Inc.; and to declare an emergency.

WHEREAS, Columbus City Council approved a Downtown Office Incentive Agreement (“Agreement”) with Duncan Simonette, Inc. by Ordinance 0572-2011 on April 25, 2011; and

WHEREAS, the Agreement granted a tax incentive based on an amount equal to 50% of the new Columbus withholding tax paid by New Employees, as that term was defined in Section 5 of the Agreement, to commence January 1, 2012 and for a period of five (5) consecutive taxable years thereafter; and

WHEREAS, in the Agreement, International Diversified Funding, Inc., committed to invest \$400,000 in leasehold improvements and personal property, relocate and retain 5 full-time positions and create 13 new full-time positions under a 7-year lease of 7,000 square feet of vacant office space at 155 E. Broad Street, Suite 2200 (the “Project Site”) within the Downtown District of the City of Columbus; and

WHEREAS, Annual Reporting documents for Report Year 2012 were sent to Duncan Simonette, Inc. on February 1, 2013 and completed reporting materials were received by the City on March 29, 2013; and

WHEREAS, payment for Report Year 2012 was authorized to be made through Ordinance 1616-2013, approved on July 15, 2013 with the invoice for payment submitted to the Fiscal Division of the Department of Development on July 24, 2013; and

WHEREAS, a check in the amount of \$1,354.52, dated September 9, 2013, was sent to Duncan Simonette, Inc. at the Project Site but was returned as undeliverable, with the indication that Duncan Simonette, Inc. had moved to a new location, namely 600 S. High St., Suite 100, which is outside of the Downtown District; and

WHEREAS, attempts to reach Duncan Simonette, Inc. were unsuccessful and the decision was made to cancel payment for Report Year 2012 and to dissolve 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 on this agreement in order for this dissolution to be legislated prior to the beginning of the Reporting Year 2013 Downtown Office Incentive reporting period to eliminate any need for annual reporting documentation, 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 Columbus City Council hereby dissolves the Duncan Simonette, Inc. Downtown Office Incentive Agreement effective January 1, 2012 thereby disallowing any benefit from the incentive.

Section 2. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.