



Legislation Details (With Text)

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Title: To authorize the Director of the Development Department to amend the Enterprise Zone Agreement with MND LLC and Moody Nolan Ltd. to add two tenants to the Agreement, to extend the time period for the job creation, to reduce the job creation commitment to 20 jobs and to increase the job retention commitment to 180 jobs; and to declare an emergency.

Sponsors:

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Attachments:

Date	Ver.	Action By	Action	Result
10/26/2005	1	ACTING CITY CLERK	Attest	
10/25/2005	1	MAYOR	Signed	
10/24/2005	1	Columbus City Council	Approved	Pass
10/24/2005	1	COUNCIL PRESIDENT	Signed	
10/11/2005	1	Dev Drafter	Sent to Clerk's Office for Council	
10/7/2005	1	Dev Drafter	Sent for Approval	
10/7/2005	1	DEVELOPMENT DIRECTOR	Reviewed and Approved	
10/7/2005	1	Dev Drafter	Sent for Approval	
10/7/2005	1	CITY ATTORNEY	Reviewed and Approved	

BACKGROUND: This legislation authorizes the Director of Development to amend the City's Enterprise Zone Agreement (EZA) with MND LLC ("MND") and Moody Nolan Ltd. ("Moody Nolan"). The EZA was approved by City Council in July 2001 and signed in December 2001. The enterprises committed to invest \$5 million in the construction of a new facility at 300 Spruce Street that Moody Nolan would occupy as its headquarters and to invest \$1.875 million in new personal property. Moody Nolan agreed to retain 114 existing jobs and to create 30 new jobs by December 2004. The enterprises have exceeded the real property investment goal but have invested only approximately \$600,000 in personal property and as of December 2004, Moody Nolan had retained only 111 jobs and had not created any new jobs. However, unused space in the facility has been leased to three tenants, two of which are willing to be added to the EZA. The Columbus Tax Incentive Review Council recommended on August 16, 2005, to amend the EZA to add the two tenants, to count the tenant jobs and personal property investment towards the EZA goals, to extend the time deadline for the job creation to June 30, 2006, to decrease the job creation commitment to 20 jobs and to increase the job retention commitment to 180 jobs. Most of the jobs of the two new tenants have been relocated from sites elsewhere within Columbus and thus would be counted as retained jobs.

FISCAL IMPACT: No funding is required for this legislation.

To authorize the Director of the Development Department to amend the Enterprise Zone Agreement with MND LLC and Moody Nolan Ltd. to add two tenants to the Agreement, to extend the time period for the job creation, to reduce the job creation commitment

to 20 jobs and to increase the job retention commitment to 180 jobs; and to declare an emergency.

WHEREAS, the Columbus City Council approved an Enterprise Zone Agreement with MND LLC ("MND") and Moody Nolan Ltd. ("Moody Nolan") on July 23, 2001 by Ordinance No. 180-01; and

WHEREAS, the City entered into an Enterprise Zone Agreement with MND LLC and Moody Nolan on December 14, 2001 (the "EZA"), in which the City granted a 50%/8-year abatement on real property improvements, and MND LLC and Moody Nolan together committed to invest \$5 million to construct a new headquarters facility for Moody Nolan at 300 Spruce Street in Columbus and to invest \$1.875 million in new personal property, and Moody Nolan committed to create 30 new jobs within three years of entering into the EZA and to retain 114 existing jobs; and

WHEREAS, as of December 31, 2004, MND LLC and Moody Nolan had exceeded the real property investment commitment (\$8.3 million invested) but were short on the personal property investment commitment (a little over \$600,000 invested); and

WHEREAS, as of December 31, 2004, Moody Nolan had not created any of the 30 new jobs it had committed to and was three (3) jobs short of the job retention goal; and

WHEREAS, the adverse conditions for Moody Nolan's business sector since 2001 have understandably limited the company's capacity to create new jobs; and

WHEREAS, MND LLC and Moody Nolan have arranged for three tenants to occupy some unused space at the 300 Spruce Street facility, of which two of the tenants, Wiles, Boyle, Burkholder & Bringardner LLP and Saltz Shamis & Goldfarb CPA's, employ a total of 92 persons and are willing to enter into the EZA; and

WHEREAS, the Columbus Tax Incentive Review Council (the "TIRC") on August 16, 2005 recommended to amend the EZA to add the tenants Wiles, Boyle, Burkholder & Bringardner LLP and Saltz Shamis & Goldfarb CPA's, to allow the jobs and personal property of these tenants to be counted in satisfying the EZA commitments, to change the job creation commitment to 20 jobs (was originally 30 jobs), to extend the job creation deadline to June 30, 2006 (was originally December 14, 2004) and to change the job retention commitment to 180 jobs (was originally 114 jobs); and

WHEREAS, the City desires to amend the EZA following the TIRC's recommendations; 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 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. The Director of Development is hereby authorized to amend the City's Enterprise Zone Agreement with MND LLC and Moody Nolan Ltd. to add the two tenants Wiles, Boyle, Burkholder & Bringardner LLP and Saltz Shamis & Goldfarb CPA's, to allow the jobs and personal property of these two tenants to be counted towards satisfying the Enterprise Zone Agreement commitments, to change the job creation commitment to 20 jobs, to extend the job creation deadline to June 30, 2006 and to change the job retention commitment to 180 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.