



Legislation Details (With Text)

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Title: To authorize the Director of Development to dissolve the Jobs Growth Incentive Agreement with JD Equipment, Inc.; to direct the Director of the Department of Development to notify as necessary the local and state tax authorities; and to declare an emergency.

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Date	Ver.	Action By	Action	Result
11/23/2011	1	CITY CLERK	Attest	
11/22/2011	1	MAYOR	Signed	
11/21/2011	1	COUNCIL PRESIDENT	Signed	
11/21/2011	1	Columbus City Council	Approved	Pass

BACKGROUND: Columbus City Council, by Ordinance 1209-2008, passed July 14, 2008, authorized the City to enter into a Jobs Growth Incentive Agreement (the Agreement) with JD Equipment, Inc. (Enterprise) for twenty-five percent (25%) for a period of five (5) years in consideration of a \$3.8 million investment to purchase, renovate and equip a facility and for the relocation and retention of 17 full-time permanent jobs and the creation of 23 full-time permanent jobs related to property at 2745 Business Park Drive within the City of Columbus. The Agreement was made and entered into to be effective October 20, 2008.

As per the most recent reporting period ending December 31, 2010, Enterprise had not yet begun construction and no new jobs had been created. Enterprise has related through written communication with the City that market conditions have resulted in the inability to initiate construction and begin new employment at this facility as per the Agreement and at that this time Enterprise has no immediate plans to do so. As the Agreement is now out of compliance both the City and Enterprise have agreed to dissolve the Agreement.

This legislation is presented as an emergency measure.

FISCAL IMPACT: No funding is required for this legislation.

To authorize the Director of Development to dissolve the Jobs Growth Incentive Agreement with JD Equipment, Inc.; to direct the Director of the Department of Development to notify as necessary the local and state tax authorities; and to declare an emergency.

WHEREAS, the Columbus City Council approved the Jobs Growth Incentive Agreement with JD Equipment, Inc.

(Agreement) on July 14, 2008 by Ordinance No. 1209-08 and entered into effective October 20, 2008; and

WHEREAS, the Agreement grants JD Equipment, Inc. a 25%/5-Year Jobs Growth Incentive; and

WHEREAS, the Agreement requires JD Equipment, Inc. to invest \$3.8 million in real property, improvements, machinery and equipment and to relocate and retain 17 full-time permanent jobs and create 23 new full-time permanent jobs at an expanded facility at 2745 Business Park Drive; and

WHEREAS, an analysis of the Report Year 2010 Annual Report submitted to the City by Enterprise during the most recent reporting cycle indicated that the project had not yet begun in that property acquisition and improvements had not been started and completed within the parameters of the Jobs Growth Incentive Agreement and no new jobs had been created; and

WHEREAS, JD Equipment, Inc., by written communication, has reported that the company never pursued the option of moving the business to Columbus due to changes in the economic conditions; and

WHEREAS, the project is now out of compliance with the Agreement and as the City and Enterprise have discussed the situation, Enterprise has indicated that due to market conditions it has no immediate plans to bring the project into compliance and both the City and Enterprise desire 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 amendment to be dissolved, 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 JD Equipment, Inc. Jobs Growth Incentive Agreement as of December 31, 2010, with 2010 being the final reporting year.

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.