



City of Columbus

Office of City Clerk
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Legislation Text

File #: 0851-2012, **Version:** 1

BACKGROUND: The Columbus Department of Development is proposing to enter into a Jobs Growth Incentive Agreement with Closed Loop Refining and Recovery, Inc. (Closed Loop) equal to twenty-five percent (25%) of the amount of personal income tax withheld on new employees for a term of five (5) years. Closed Loop will make a fixed-asset investment of approximately \$2 million, including \$100,000 in renovations and lease-hold improvements, \$1.91 million in new machinery and equipment, \$10,000 in furniture and fixtures, and create 55 new full-time permanent positions with an annual payroll of approximately \$1.47 million.

Closed Loop is a private company headquartered in Phoenix Arizona. The company was formed in April 2010 by Brent Benham, President and Chief Financial Officer. Closed Loop's primary service is to process old Cathode Ray Tube (CRT) monitors where lead (Pb) is extracted from funnel glass through its proprietary technology. Recycling old CRTs poses a serious problem for the environment due primarily to high levels of lead (Pb) content. Lead is a hazardous waste that if treated improperly may result in groundwater contamination and employee health and safety issues. The company opened its first recycling facility in Phoenix Arizona that is set-up to recycle 3,000 tons of waste materials per month. Closed Loop's future expansion plans include opening recycling facilities in the Mid-Western, North-Eastern and South-Eastern areas of the United States. The company is compliant with the Environmental Protection Agency.

Closed Loop is proposing to open a recycling facility in the City of Columbus. The company will enter into a 7-year lease agreement on a vacant commercial building located at 1675 Watkins Road consisting of approximately 275,000 square feet to operate its recycling facility and meet its increased growth and consumer demand.

FISCAL IMPACT: No funding is required for this legislation.

To authorize the Director of the Department of Development to enter into a Jobs Growth Incentive Agreement with Closed Loop Refining and Recovery, Inc. equal to twenty-five percent (25%) of the amount of new income tax withheld on employees for a term of five (5) years in consideration of the company's proposed investment of \$2.0 million and the creation of 55 new permanent full-time positions.

WHEREAS, the City desires to increase employment opportunities and encourage the creation of new jobs in the City in order to improve the overall economic climate of the City and its citizens; and

WHEREAS, the Department of Development has received a completed Jobs Growth Incentive Application from Closed Loop Refining and Recovery, Inc.; and

WHEREAS, Closed Loop will enter into 7-year lease agreement on a vacant commercial building located at 1675 Watkins Road to expand and establish a new recycling facility; and

WHEREAS, Closed Loop has indicated that a Jobs Growth Incentive is crucial to its decision to locate the aforementioned recycling facility in Columbus; and

WHEREAS, the City of Columbus desires to facilitate Closed Loop's future growth at the project site; and

WHEREAS, in consideration of Closed Loop's proposed investment of \$2.0 million and the proposed creation of 55 new full-time permanent positions; **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 enter into a Jobs Growth Incentive Agreement with Closed Loop Refining and Recovery, Inc. equal to twenty-five percent (25%) of the amount of new income tax withheld on employees for a term of five (5) years.

Section 2. Each year of the term of the agreement with Closed Loop Refining and Recovery, Inc. the City's obligation to pay the incentive is expressly contingent upon the passage of an ordinance appropriating and authorizing the expenditure of monies sufficient to make such payment and the certification of the City Auditor pursuant to Section 159 of the Columbus City Charter.

Section 3. That the City of Columbus Jobs Growth Incentive Agreement is signed by Closed Loop Refining and Recovery, Inc. within 90 days of passage of this ordinance, or this ordinance and the credit herein shall be null and void.

Section 4. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.