



Legislation Text

File #: 2602-2023, **Version:** 1

BACKGROUND: The Columbus Department of Development is proposing to enter into a dual-rate Jobs Growth Incentive Agreement with Wells Fargo Bank, N.A. in an amount equal to (i) twenty-five percent (25%) of the City of Columbus income tax withheld on the Columbus payroll of new employees and (ii) thirty percent (30%) of the City of Columbus income tax withheld on the Columbus payroll of new employees, who are also City of Columbus residents at the end of each calendar year, both for a term up to five (5) consecutive years.

Henry Wells and William G. Fargo and other investors founded Wells Fargo Bank, N.A. (“Wells Fargo”) on March 18, 1852. Headquartered in San Francisco, California, the company built an innovative start-up to help customers build businesses and manage money in a rapidly changing world, and to handle the banking and express business prompted by the California Gold Rush. The two partners used their hands-on experience making deliveries of money and valuables by steamboat and stagecoach to develop a network of offices from California to New York and around the world. Across time, and in every generation, Wells Fargo has continued helping customers go further by providing innovative financial services to help them get ahead. Through expansion and acquisitions, Wells Fargo has since grown into one of the nation’s leading financial services companies providing banking, insurance, trust and investments, mortgage banking, investment banking, retail banking, brokerage services and consumer and commercial finance.

Wells Fargo is proposing to invest a total project cost of approximately \$3,250,000.00, which includes \$1,250,000.00 in machinery and equipment, and \$2,000,000.00 in furniture and fixtures to establish a new Technology Center. With this investment, the company proposes to enter into a lease agreement on a vacant commercial office facility consisting of approximately 67,816 square feet at 3075 Loyalty Circle, Columbus, Ohio 43219, parcel numbers 010-294812 and 010-295705 (the “**Project Site**”). The proposed project will allow Wells Fargo to expand into the Columbus region by creating 350 net new full-time permanent positions with a cumulative associated estimated annual payroll of approximately \$43,750,000.00 at the proposed **Project Site**.

This legislation is presented as 30-day legislation.

FISCAL IMPACT: No funding is required for this legislation

To authorize the Director of the Department of Development to enter into a dual-rate Jobs Growth Incentive Agreement with Wells Fargo Bank, N.A. for a term of up to five (5) consecutive years in consideration of the company’s proposed total capital investment of \$3,250,000.00 and the creation of 350 net new full-time permanent positions with an estimated annual payroll of approximately \$43,750,000.00.

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 received a completed Jobs Growth Incentive Application from Wells Fargo Bank, N.A.; and

WHEREAS, Henry Wells and William G. Fargo and other investors founded Wells Fargo Bank, N.A. (“Wells Fargo”) on March 18, 1852. Headquartered in San Francisco, California, the company built an innovative start-up to help customers build businesses and manage money in a rapidly changing world, and to handle the banking and express business prompted by the California Gold Rush. Through expansion and acquisitions, Wells Fargo has since grown into one of the nation’s leading financial services companies providing banking, insurance, trust and investments, mortgage banking, investment banking, retail banking, brokerage services and consumer and commercial finance; and

WHEREAS, Wells Fargo proposes to invest a total project cost of approximately \$3,250,000.00, which includes \$1,250,000.00 in machinery and equipment, and \$2,000,000.00 in furniture and fixtures to establish a new Technology Center at Easton Town Center. The company proposes to enter into a lease agreement on a vacant commercial space consisting of approximately 67,816 square feet at 3075 Loyalty Circle, Columbus, Ohio 43219, parcel numbers 010-294812 and 010-295705 (the “**Project Site**”); and

WHEREAS, Wells Fargo proposes to create 350 net new full-time permanent positions with an estimated associated annual payroll of approximately \$43,750,000.00 at the proposed **Project Site**; and

WHEREAS, Wells Fargo has indicated that a Jobs Growth Incentive is crucial to its decision to establish Technology Center operations within the City of Columbus; and

WHEREAS, the City of Columbus desires to facilitate the future growth of Wells Fargo at the proposed **Project Site** by providing a Jobs Growth Incentive; **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 dual-rate Jobs Growth Incentive Agreement with Wells Fargo Bank, N.A. equal to (i) twenty-five percent (25%) of the City of Columbus income tax withheld on the Columbus payroll of new employees and (ii) thirty percent (30%) of the City of Columbus income tax withheld on the Columbus payroll of new employees, who are also City of Columbus residents at the end of each calendar year, both for a term up to five (5) consecutive years.

SECTION 2. That, should Wells Fargo Bank, N.A. not be able to sufficiently document residency for an employee associated with this project during a calendar year of the term of the agreement, the default rate of the Jobs Growth Incentive to be applied that calendar year for that new employee shall be twenty-five percent (25%).

SECTION 3. That, each year of the term of the agreement with Wells Fargo Bank, N.A. 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 4. That the City of Columbus Jobs Growth Incentive Agreement is signed by Wells Fargo Bank N.A. within 90 days of passage of this ordinance, or this ordinance and the credit herein shall be null and void.

SECTION 5. That the Columbus City Council hereby extends authority to the Director of the Department of Development to amend Wells Fargo Bank, N.A.’s City of Columbus Jobs Growth Incentive Agreement for certain modifications to the agreement requested in writing by the company and or the City and deemed appropriate by the Director of the Department of Development with these certain modifications being specifically limited to reductions in length of term, methods of calculating the incentive, or adding or deleting business entities associated with the employment commitments related to this incentive. Columbus City Council must approve all other requested amendments.

SECTION 6. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.