



City of Columbus

Office of City Clerk
90 West Broad Street
Columbus OH 43215-9015
columbuscitycouncil.org

Legislation Text

File #: 1750-2013, **Version:** 1

BACKGROUND: The Department of Development is proposing to enter into a Columbus Downtown Office Incentive Agreement with Pillar Technology Group, Inc. Pillar Technology Group, Inc. is a software development and strategic business consulting company that creates innovative software solutions for companies across the United States. The company was founded in 1996 by Gary Gentry, current Chairman of the Board, in Ann Arbor, Michigan. The company maintains multiple operations in several states including; California, Colorado, Georgia, Iowa, Michigan, Nebraska and Ohio. The company has developed a unique approach to development in that the company focuses on how to improve the operation of a client's business, then designs a software solution around those recommendations. With this concept, Pillar Technology Group, Inc. has created its own approach to agile software development called Speed to Value (S2V) that shorten the time in which Pillar's solutions show a positive return for its customers.

Pillar Technology Group, Inc. is proposing to expand its Columbus operation by investing approximately \$600,000 which includes leasehold improvements, furniture and fixtures, to expand its office space from 5,000 square feet to 8,000 square feet, enter into a long-term lease agreement, retain 56 full-time jobs and create 40 full-time permanent positions with annual payroll of approximately \$3,000,000. Pillar Technology Group, Inc. qualifies for the Columbus Downtown Office Incentive in an amount equal to fifty percent (50%) of the payroll taxes paid on the new positions or approximately \$187,500.00 over a term up to five (5) years. The Development Department recommends granting the Columbus Downtown Office Incentive Program to Pillar Technology Group, Inc.

FISCAL IMPACT: No funding is required for this legislation.

To authorize the Director of the Department of Development to enter into a Columbus Downtown Office Incentive Agreement with Pillar Technology Group, Inc. as provided in Columbus City Council Resolution Number 0088X-2007, adopted June 4, 2007. **(AMENDED BY ORD. 2293-2013 PASSED 10/7/2013); (AMENDED BY ORD. 2581-2013 PASSED 1/11/2013)**

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

WHEREAS, Resolution 0088X-2007, adopted June 4, 2007, authorized the Department of Development to continue the Columbus Downtown Office Incentive program as amended; and

WHEREAS, the Department of Development received a completed application for the Columbus Downtown Office Incentive Program from Pillar Technology Group, Inc.; and

WHEREAS, Pillar Technology Group, Inc. is proposing to expand its Columbus downtown operation by entering into a long-term lease agreement on its current office space, going from 5,000 square feet to 8,000 square feet, adding an additional 3,000 square feet of office space; and

WHEREAS, Pillar Technology Group, Inc. plans to invest approximately \$600,000 in leasehold improvements, which includes furniture and fixtures, retain 56 full-time jobs and create 40 new full-time permanent positions at 580 N. Fourth

Street, Columbus, Ohio 43215, with an estimated annual payroll of \$3,000,000, generating approximately \$75,000 annually in new City of Columbus income tax revenue; **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 Columbus Downtown Office Incentive Agreement with Pillar Technology Group, Inc., pursuant to Columbus City Council Resolution Number 0088X-2007, for an annual cash payment equal to fifty percent (50%) of the amount of City withholding tax withheld on new employees for a term up to five (5) years on the estimated job creation of 40 new full-time permanent positions located at 580 N. Fourth Street, Columbus, Ohio 43215.

Section 2. Each year of the term of the agreement with Pillar Technology Group, Inc. that a payment is due, the City's obligation to pay the incentive is expressly contingent upon the passing 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 Downtown Office Incentive Agreement is signed by Pillar Technology Group, Inc. within 90 days of passage of this ordinance, or this ordinance and the credit herein shall be null and void.

Section 4. The City Council hereby extends authority to the Director of Development to amend the Pillar Technology Group, Inc. City of Columbus Downtown Office Incentive Agreement for non-substantive modifications to the agreement requested in writing by the company and or the City and deemed appropriate by the Director of Development with these non-substantive 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. All other requested amendments must be approved by City Council.

Section 5. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.