



City of Columbus

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

Legislation Text

File #: 0445-2005, Version: 1

BACKGROUND:

The City of Columbus currently has an excessive amount of vacant office space in our downtown market. This high vacancy rate is having a negative impact on all business activity downtown and throughout the city. FirstMerit Bank is currently exploring downtown Columbus as a potential site for the relocation of their regional office. FirstMerit Bank is a \$10.5 billion bank holding company headquartered in Akron, Ohio. They anticipate employing 25 people downtown as a result of this relocation. This new job creation is estimated to generate \$1,300,000 of payroll and \$26,000 annually in City income tax revenue. Based on this estimate, they would qualify for the Columbus Downtown Office Incentive of an amount equal to 50% of the payroll taxes paid or \$13,000 each year for three (3) years. The Downtown Development Office recommends granting the Columbus Downtown Office Incentive program to FirstMerit Bank.

FISCAL IMPACT:

No funding is required for this legislation.

To authorize the Director of Development to enter into a Columbus Downtown Office Incentive Program agreement with FirstMerit Bank as provide in Columbus City Council Resolution 075X-2004 adopted March 29, 2004.

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 075X-2004, adopted March 29, 2004, authorizing the Department of Development to establish the Columbus Downtown Office Incentive program as amended; and

WHEREAS, The Department of Development has received a completed application for the Columbus Downtown Office Incentive program from FirstMerit Bank; and

WHEREAS, FirstMerit Bank estimates they will create 25 new jobs at the Bicentennial Plaza Building at 250 West Civic Center Drive, with a projected payroll of \$1,300,000 generating estimated City of Columbus income tax revenue of \$26,000 annually; **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 Program agreement with FirstMerit Bank, pursuant to Columbus City Council Resolution 075X-2004, for an annual cash payment equal to 50% of the total income tax withholding for the new positions located in downtown Columbus for a term of three (3) years based on the estimated addition of 25 new jobs at 250 West Civic Center Drive.

Section 2. This employment at FirstMerit Bank is the result of creating 25 new jobs in the Downtown as defined in Columbus City Code Title 33 Section 3359.03 downtown district boundary.

Section 3. As provided in the program guidelines the five year lease at 250 West Civic Center Drive qualifies FirstMerit Bank for a three (3) year incentive term. The term beginning in calendar year 2006, with the incentive payment made in the first quarter of the following year based on actual City of Columbus income tax withholding paid by employees for the preceding year.

Section 4. Each year of the term of the agreement with FirstMerit Bank 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 5. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.