



City of Columbus

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

Legislation Text

File #: 1144-2007, **Version:** 1

Background: The need exists to amend the Large Employment Office Incentive Agreement (the "Agreement") between the City of Columbus and Grange Mutual Casualty Company ("Grange"), which Agreement was originally executed on November 22, 2005. Ordinance No. 1752-2005 authorized the Director of the Department of Development to enter into the Agreement with Grange.

As provided in the Agreement, Grange planned to redevelop its existing facilities, construct a new 200,000 square foot office building, and construct a new parking garage, on its existing campus. In the Agreement, the City granted to Grange a Large Employment Office Incentive equal to 50% of the Columbus income tax withheld from new employees for a period of eight years, commencing in 2009. Because (i) the scope of the existing campus project as described in the Agreement has changed, and (ii) Grange now proposes to construct a new parking garage structure with 1,050 spaces and approximately 15,000 square feet of office space on newly acquired property across Sycamore Street from Grange's existing campus, it is necessary to amend the Agreement.

The revised existing campus project and the additional parking garage/office space project will, together, allow Grange to create approximately 800 new jobs over a twenty-year period and retain approximately 775 existing jobs.

Fiscal Impact: No funding is required for this legislation.

An ordinance to authorize and direct the Director of the Department of Development to enter into a first amendment to Large Employment Office Incentive Agreement with Grange Mutual Casualty Company.

WHEREAS, on November 22, 2005, the City of Columbus (the "City") and Grange Mutual Casualty Company ("Grange") executed a City of Columbus Large Employment Office Incentive Agreement (the "Agreement") pursuant to which the City granted to Grange a financial incentive equal to 50% of the withholding tax (the "Incentive") paid by new employees hired or relocated in connection with an expansion and redevelopment project (the "Existing Campus Project") beginning on January 1, 2009 and continuing for eight (8) years; and

WHEREAS, pursuant to the Agreement, the Existing Campus Project was to include an expansion of Grange's current facilities, the construction of an office building of approximately 200,000 square feet, the construction of a parking garage of approximately 1,000 spaces and related improvements; and

WHEREAS, subsequent to the execution of the Agreement, Grange revised the scope of the Existing Campus Project, which now will not include a parking garage, and determined that it would construct a new parking garage structure to contain 1,050 spaces and approximately 15,000 square feet of office space (collectively, the "Garage Project") at a cost of between \$21,500,000 and \$23,500,000 on property located across Sycamore Street from Grange's existing campus, provided appropriate economic development incentives are available; and

WHEREAS, the City and Grange both desire to execute an amendment to the Agreement (the "First Amendment") to clarify that the Incentive shall apply to new employees hired at both the site of the Existing Campus Project and the site of the Garage Project; **NOW, THEREFORE**,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

Section 1. The Director of the Department of Development, or any other authorized City official, are hereby authorized to execute on behalf of the City the First Amendment reflecting the changes discussed in the recitals to this Ordinance. The First Amendment shall be in such form as is acceptable to such officials, approved by the City Attorney, and not substantially inconsistent with the terms of this Ordinance.

Section 2. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.