



Legislation Text

File #: 2075-2013, **Version:** 1

BACKGROUND: The Columbus Department of Development is proposing to enter into a Jobs Growth Incentive Agreement with Loeb Electric and Loeb Lighting Services (collectively to be referred to hereinafter as “Loeb Electric”) equal to twenty-five percent (25%) of the amount of personal income tax withheld on new employees for a term of five (5) years. Loeb Electric will make an investment of approximately \$3,100,000, which includes acquisition and real property improvement, and relocate 136 full-time positions, which will be new to the City of Columbus.

Loeb Electric is a family-owned electrical company founded by Arthur Loeb in 1912. The company serves the retail, warehouse, restaurant, office and industrial sectors. It offers ballasts, batteries, conduit fittings, fans, transformers, smoke detectors, wiring devices, timers, lamp changers, fuses, fasteners, and telecommunication devices. Loeb Electric additionally offers products from manufacturers, such as McGill, Holophane, Lightolier, Lithonia, Metalux, Progress, Hubbell, Kenall, GCE, Leviton, Wiremold, Edwards, Maple Chase, Acme, Cutler-Hammer, Buchanan, Gardner Bender and Thomas & Betts. Loeb Lighting Services is a wholly-owned subsidiary of Loeb Electric.

Loeb Electric is proposing to relocate its corporate headquarters from Grandview Heights to the City of Columbus by acquiring a vacant commercial property further known as 1800 E. Fifth Avenue (formally Columbus Wood Products), to consolidate its two operations and improve efficiencies.

FISCAL IMPACT: No funding is required for this legislation.

To authorize the Director of Development to enter into a Jobs Growth Incentive Agreement with Loeb Electric and Loeb Lighting Services 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 approximately \$3,100,000, and the relocation of 136 full-time jobs, which will be new to the City of Columbus.

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 Loeb Electric and Loeb Lighting Services; and

WHEREAS, Loeb Electric and Loeb Lighting Services are proposing to relocate its corporate headquarters and operation center from Grandview Heights to the City of Columbus on property further known as 1800 E. Fifth Avenue (formally Columbus Wood Product); and

WHEREAS, Loeb Electric and Loeb Lighting Services has indicated that a Jobs Growth Incentive is crucial to its decision to relocate the aforementioned corporate headquarters in Columbus; and

WHEREAS, the City of Columbus desires to facilitate Loeb Electric and Loeb Lighting Services’s future growth at the project site; and

WHEREAS, in consideration of Loeb Electric and Loeb Lighting Services’s proposed investment of \$3,100,000, and the relocation of 136 full-time jobs, which will be new to Columbus; and **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 Loeb Electric and Loeb Lighting Services 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 Loeb Electric and Loeb Lighting Services 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 Loeb Electric and Loeb Lighting Services 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 the Department of Development to amend the Loeb Electric and Loeb Lighting Service City of Columbus Jobs Growth 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 the Department 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.