



City of Columbus

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

Legislation Text

File #: 1566-2008, **Version:** 1

BACKGROUND: The Department of Development is proposing to enter into a Columbus Downtown Office Incentive with KLH Engineers, PSC. KLH Engineers, founded in 1955, provides mechanical, electrical, plumbing, fire protection, lighting design, communication and information technology services, and commissioning. KLH has designed more than 8,000 projects both regionally and nationally for retailers, schools, universities, healthcare providers, municipalities, financial institutions and office facilities. Recently completed projects in Columbus include Electric Corporate Headquarters (LEED Gold Certification), and Teays Valley School District (LEED Silver Certified Elementary School). The company's headquarters are located in Ft. Thomas, Kentucky with a satellite office in Dayton, Ohio. The new positions will create approximately \$840,000 in additional payroll and approximately \$16,800 annually in City income tax revenue. Based on this estimate, KLH Engineers would qualify for the Columbus Downtown Office Incentive of an amount equal to fifty percent (50%) of the payroll taxes paid on the new positions or \$8,400 each year for three (3) years. The Development Department recommends granting the Columbus Downtown Office Incentive program to KLH Engineers, PSC.

This legislation is required to be an emergency in order for KLH Engineers, PSC to begin investing and creating jobs as quickly as possible.

FISCAL IMPACT: No funding is required for this legislation.

To authorize the Director of Development to enter into a Columbus Downtown Office Incentive agreement with KLH Engineers, PSC as provide in Columbus City Council Resolution 0088X-2007, adopted June 4, 2007; and to declare an emergency.

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 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 KLH Engineers, PSC; and

WHEREAS, KLH Engineers, PSC estimates they will create 14 new positions at Two Miranova Place, Suite 280, Columbus, Ohio with a projected additional payroll of \$840,000 generating estimated City of Columbus income tax revenue of \$16,800 annually; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to enter into a Columbus Downtown Office Incentive agreement with KLH Engineers, PSC to begin investing and creating jobs as quickly as possible, all for the immediate preservation of the public health, peace, property, safety and welfare; **NOW**,

THEREFORE,

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

Section 1. Council authorizes the Director of Development to enter into a Columbus Downtown Office Incentive agreement with KLH Engineers, PSC, pursuant to Columbus City Council Resolution 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

of three (3) years on the estimated addition of 14 new positions at Two Miranova Place, Suite 280 Columbus, Ohio.

Section 2. This additional employment at KLH Engineering, PSC is the result of creating 14 new positions 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 ownership of the project site qualifies KLH Engineering, PSC for a three (3) year incentive term. The term beginning in calendar year 2009, with the incentive payment made in the second quarter of the following year based on actual City of Columbus income tax withholding paid by the new positions for the preceding year.

Section 4. Each year of the term of the agreement with KLH Engineering, PSC 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 for reasons stated in the preamble hereto, which is hereby made a part hereof, the ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after the passage if the Mayor neither approves nor vetoes the same.