



Legislation Text

File #: 1868-2008, Version: 1

BACKGROUND: The need exist to amend Ordinance 1212-2007. This ordinance was approved by Columbus City Council on July 23, 2007. The ordinance authorized the Director of the Department of Development to enter into a Rickenbacker Community Reinvestment Area Agreement with Whirlpool Corporation, Penske and RREEF for 50%/15 years and a Jobs Creation Tax Credit Agreement of 65%/7 years with Whirlpool and Penske. An amendment is now needed to remove Penske from the Community Reinvestment Area Agreement and the Jobs Creation Tax Credit Agreement and substitute Kenco Logistic Services, LLC (Kenco). Kenco, a third party logistics company, provides logistic services for many fortune 500 companies. The company will assist Whirlpool with the creation of 301 new jobs. Whirlpool desires to consolidate two regional distribution centers and create a new 1,560,000 square feet facility in the Rickenbacker CRA. The new Regional Distribution Center will be one of ten centers located throughout the United States. Whirlpool plans to invest a total of \$162.8 million in the new facility. This investment includes \$57.7 million in new construction. The company also plans to create 301 jobs with an estimated payroll of \$8,772,284.

FISCAL IMPACT: No funding is required for this legislation.

To amend Ordinance 1212-2007, passed by Columbus City Council on July 23, 2007, for the purpose of removing Penske as a party to both a Rickenbacker Community Reinvestment Area Agreement and a Jobs Creation Tax Credit Agreement and correctly substituting Kenco Logistic Services, LLC. **(AMENDED BY ORD. 1558-2014 PASSED 7/14/2014)**

WHEREAS, Columbus City Council passed Ordinance Number 1212-2007 on July 23, 2007; and

WHEREAS, the Ordinance authorized the Director of Development to enter into a Rickenbacker Community Reinvestment Area Agreement with Whirlpool Corporation, Penske and RREEF for 50%/15 years contingent upon certification by the Director of the State of Ohio Department of Development of the Rickenbacker Community Reinvestment Area and to enter into an Agreement for a Jobs Creation Tax Credit of 65%/7 years with Whirlpool and Penske; and

WHEREAS, Whirlpool desires to consolidate two regional distribution centers and create a new 1,560,000 square feet facility in the Rickenbacker CRA; and

WHEREAS, Whirlpool plans to invest \$162.8 million and create 301 full time permanent jobs and; and

WHEREAS, Kenco Logistic Services, LLC will assist Whirlpool with the creation of 301 new jobs; and

WHEREAS, the legislation should be amended to eliminate Penske and to include Kenco Logistic Services, LLC to assist with the creation of 301 new jobs; and

WHEREAS, the City desires to amend the ordinance and to enter into such a binding formal agreement in order to foster economic growth; **NOW THEREFORE,**

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

Section 1. That Ordinance 1212-2007, passed by Columbus City Council on July 23, 2007, is hereby amended by removing Penske as a party to the Rickenbacker Community Reinvestment Area Agreement and a Jobs Creation Tax Credit Agreement and correctly substituting Kenco Logistic Services, LLC, to assist Whirlpool in the creation of 301 new jobs.

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