



Legislation Text

File #: 1488-2014, **Version:** 1

BACKGROUND: The Columbus Department of Development is proposing to enter into a Jobs Growth Incentive Agreement with Universal Fabricating & Construction Services, Inc. and OneSource Employee Management, LLC equal to twenty-five percent (25%) of the amount of personal income tax withheld on new employees to Columbus for a term of five (5) years. Universal Fabricating & Construction Services, Inc. will invest a total of approximately \$215,000 related to the acquisition of machinery and equipment, retain 40 full-time permanent positions with an estimated annual payroll of approximately \$2 million, and create 30 new full-time permanent positions with an estimated new annual payroll of approximately \$1,123,000.

Founded in 1987, Universal Fabricating & Construction Services, Inc. services the industrial and construction markets. The primary lines of business are custom manufacturing, machining, and construction [management] services. Universal Fabricating & Construction Services, Inc. offers complete metal fabrications, steel processing services, mechanical repairs, and on-site construction services.

OneSource Employee Management, LLC is a professional employer organization (PEO) and provides a litany of human resource services to a variety of clients. OneSource Employee Management, LLC is, and will continue to be, the employer of record for Universal Fabricating & Construction Services, Inc.

Universal Fabricating & Construction Services, Inc. is proposing to expand operations at their current 112,400-square-foot facility located at 1241 McKinley Ave., Columbus Ohio, 43222 as a result of an investment in machinery and equipment.

FISCAL IMPACT: No funding is required for this legislation.

To authorize the Director of the Department of Development to enter into a Jobs Growth Incentive Agreement with Universal Fabricating & Construction Services, Inc. and OneSource Employee Management, LLC 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 investing approximately \$215,000.00 related to the acquisition of machinery and equipment, retaining 40 full-time permanent positions, and creating 30 new full-time permanent positions.

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 received a completed Jobs Growth Incentive Application from Universal Fabricating & Construction Services, Inc. and OneSource Employee Management, LLC; and

WHEREAS, Universal Fabricating & Construction Services, Inc. will expand operations at their current 112,400-square-foot facility located at 1241 McKinley Ave., Columbus Ohio, 43222; and

WHEREAS, Universal Fabricating & Construction Services, Inc. will invest approximately \$215,000 related to the acquisition of machinery and equipment, retain 40 full-time permanent positions with an estimated annual payroll of

approximately \$2 million, and create 30 new full-time permanent positions with an estimated new annual payroll of approximately \$1.123 million; and

WHEREAS, Universal Fabricating & Construction Services, Inc. has indicated that a Jobs Growth Incentive is crucial to its decisions to expand their operation within the City of Columbus; and

WHEREAS, the City of Columbus desires to facilitate the future growth of Universal Fabricating & Construction Services, Inc. at the project site by providing a Jobs Growth Incentive; 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 Universal Fabricating & Construction Services, Inc. and OneSource Employee Management, LLC equal to twenty-five percent (25%) of the amount of personal income tax withheld on new employees to Columbus for a term of five (5) years.

SECTION 2. Each year of the term of the agreement with Universal Fabricating & Construction Services, Inc. and OneSource Employee Management, LLC, 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 Universal Fabricating & Construction Services, Inc. and OneSource Employee Management, LLC 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 Development to amend the Universal Fabricating & Construction Services, Inc. and OneSource Employee Management, LLC 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 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.