



City of Columbus

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Legislation Text

File #: 3221-2022, **Version:** 1

BACKGROUND: This legislation authorizes an amendment to Chapter 4565.11 of the Columbus City Codes for the purpose of changing the minimum wage from fifteen dollars (\$15.00) an hour to twenty dollars (\$20.00) an hour for all employees to which an incentive applies. Columbus City Council, per ordinance Number 3381-2018, on December 10, 2018, created the Job Creation Incentive Program Employer Minimum Wage for the purpose of reinforcing its commitment to support broad-based economic prosperity by only providing tax incentives for jobs that provide a living wage. An amendment is needed for the purpose of continuing to support broad based economic prosperity by only providing tax incentives for jobs that provide a living wage.

FISCAL IMPACT: No funding is required for this legislation.

To amend Chapter 4565.11 of the Columbus City Codes to increase the minimum wage from fifteen dollars (\$15.00) an hour to twenty dollars (\$20.00) an hour for all employees to which an incentive applies.

WHEREAS, the City of Columbus, per Ordinance Number 3381-2018, passed by Columbus City Council on December 10, 2018, created the Job Creation Incentive Program Employer Minimum Wage; and

WHEREAS, the Job Creation Incentive Program Employer Minimum Wage was fifteen dollars (\$15.00) an hour for all employees to which the incentive applies; and

WHEREAS, the City of Columbus uses tax incentives to encourage local, regional, national, and international companies to expand the number of employees they locate within the boundaries of the city; and

WHEREAS, the creation of new jobs in Columbus helps attract new residents while simultaneously expanding the tax base from which city revenue is collected, thereby enhancing the city's ability to provide services to residents; and

WHEREAS, it is in the best interest of the City of Columbus and its residents for the city to offer incentives only for jobs that pay a living wage, which allows employees to afford basic necessities such as housing, food, and transportation for themselves and their families; and

WHEREAS, the public benefit of using tax dollars to support the creation of a new job is significantly diminished if employees earn less than a living wage, making it difficult for a family to achieve financial stability; and

WHEREAS, the amended wage of twenty dollars (\$20.00) an hour instead of fifteen dollars (\$15.00) an hour, created by Ordinance Number 3381-2018, will apply only to positions that are otherwise eligible under the city's job incentive program as sought by the employer; and

WHEREAS, by amending the Job Creation Incentive Program Employer Minimum Wage to twenty dollars (\$20.00) an hour, the City of Columbus continues to reinforce its commitment to supporting broad based economic prosperity by only providing tax incentive for jobs that provide a living wage; **NOW, THEREFORE,**

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

SECTION 1. That Section 4565.11 of the Columbus City Codes is hereby amended as follows:

4565.11 - Job Creation Incentive Programs Employer Minimum Wage

(A) In order to qualify for a Jobs Growth Incentive, a Downtown Office Incentive, ~~and/or~~ a Jobs Creation Tax Credit, **and/or a subsequent program that may be created after the amending of this code section** from the department of development, a ~~recipient~~ **Grantee** of such financial incentive must pay the **net new** employees to which the incentive applies a minimum wage of no less than ~~fifteen~~ **twenty** dollars (~~\$15~~**20**.00) per hour. All agreements authorized by city council for these programs shall require continued compliance with this minimum wage requirement throughout the term of the agreement.

(1) Upon the recommendation of the director of development, this provision may be waived only by a vote of city council.

(B) Any project receiving an offer letter or executed agreement from the department of development prior to December ~~531, 2018~~ **2022** is exempted from this requirement if the agreement includes terms materially different than those required in this section.

(C) The director of development shall provide a report annually to city council on or before September 1st detailing the wages of jobs incentivized by the aforementioned programs.

(D) The Job Creation Incentive Programs Employer Minimum Wage shall be reassessed every three (3) years.

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