



Legislation Text

File #: 1307-2015, **Version:** 1

BACKGROUND: The Columbus Department of Development is proposing to enter into a Jobs Growth Incentive Agreement with BriskHeat Corporation equal to twenty-five percent (25%) of the amount of personal income tax withheld on new employees for a term up to five (5) years for the purposes of job creation and retention of an emerging business.

BriskHeat Corporation is a global manufacturer of electrical surface heaters, insulators, and temperature controls. The company was founded in 1949 by retired Two Star Major General Earnest Briscoe. Since 1949, the company has provided flexible heating solutions used for freeze protection, condensation, preventions, flow/viscosity control, vacuum bake-out, heating tape, silicone rubber blanket heaters, drum heaters, tote tank/IBC heaters, temperature controllers, vacuum curing tables and hot bonders. BriskHeat Corporation's primary manufacturing facilities and headquarters are located in Columbus, Ohio with sales offices in Taiwan, Shenzhen, Hong Kong, Germany and France as well as a manufacturing facility in Vietnam.

BriskHeat Corporation is proposing to invest approximately \$2.25 million in leasehold improvements, which includes machinery and equipment, to consolidate their operations that are currently located in five separate buildings at three different locations. The purpose of this move is to consolidate all of its operations into one facility, which will improve the company's efficiency and provide additional space for expansion. BriskHeat Corporation will enter into a lease agreement on a facility comprised of approximately 98,000 square feet at 4800 Hilton Corporate Drive, retain and relocate 265 full-time jobs with an annual payroll of approximately \$9.18 million and create 26 full-time permanent positions with an annual payroll of approximately \$941,000. Also, the company will create an additional 77 full-time permanent positions with an annual salary of \$19,365 for a total annual payroll of approximately \$1.49 million. These particular jobs will be eligible for the incentive once the minimum hourly wage rate of \$12.00 is reached.

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 BriskHeat Corporation equal to twenty-five percent (25%) of the amount of new income tax withheld on employees for a term up to five (5) years in consideration of the company's proposed investment of \$2.25 million and the creation of 26 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 has received a completed Jobs Growth Incentive Application from BriskHeat Corporation; and

WHEREAS, BriskHeat Corporation is proposing to invest approximately \$2.25 million in leasehold improvements, which includes machinery and equipment, to consolidate its operations that are currently located in five separate buildings at three different locations into one facility comprised of approximately 98,000 square feet at 4800 Hilton Corporate Drive; and

WHEREAS, BriskHeat Corporation will create 26 new full-time permanent positions with an estimated annual payroll of approximately \$941,000 million and retain 265 full-time jobs; and

WHEREAS, BriskHeat Corporation has indicated that a Jobs Growth Incentive is crucial to its decision to expand its corporate headquarters in the City of Columbus; and

WHEREAS, the City of Columbus desires to facilitate BriskHeat Corporation's future growth at the project site; 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 BriskHeat Corporation equal to twenty-five percent (25%) of the amount of new income tax withheld on employees for a term up to five (5) years.

SECTION 2. Each year of the term of the agreement with BriskHeat Corporation 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 BriskHeat Corporation 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 BriskHeat Corporation's City of Columbus Jobs Growth Incentive Agreement for certain modifications to the agreement requested in writing by the company and or the City and deemed appropriate by the Director of Development with these 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.