



Legislation Text

File #: 0443-2020, **Version:** 1

BACKGROUND: The Columbus Department of Development is proposing a Downtown Office Incentive Agreement with Northwest Bank.

Founded in 1896, and headquartered in Warren, Pennsylvania, Northwest Bank (“**Northwest**”) is a full service financial institution offering a complete line of business and personal banking products, employee benefits, and wealth management services, as well as fulfillment of business and personal insurance needs. Northwest operates 172 full-service community banking offices in Pennsylvania, New York, and Northeast Ohio but has been expanding further into the Midwest. The proposed Columbus site will be dedicated to commercial loan production in the Columbus area which will be a new market for the company.

Northwest is proposing to invest a total project cost of approximately \$50,000, which includes \$15,000 in technology and \$35,000 in furniture and fixtures to renovate an approximately 3,183 square-foot office space at 401 N. Front St., Columbus, Ohio 43215, parcel number 010-250648 (“**Project Site**”), to accommodate its increased sales growth and to meet its consumer demands. The company will create 10 net new full-time permanent positions with an annual payroll of \$1,385,000 and retain 1 full-time permanent position with an annual payroll of \$310,000 at the **Project Site**.

Northwest Bank is requesting a Downtown Office Incentive for a period of up to 50%/5-year from the City of Columbus to assist in the location of a corporate office.

This legislation is presented as 30-day legislation.

FISCAL IMPACT:

No funding is required for this legislation

To authorize the Director of the Department of Development to enter into a Downtown Office Incentive Agreement with Northwest Bank.

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 Northwest Bank; and

WHEREAS, founded in 1896, Northwest Bank (“**Northwest**”) is a full service financial institution offering a complete line of business and personal banking products, employee benefits, and wealth management services, as well as fulfillment of business and personal insurance needs that operates 172 full-service community banking offices in Pennsylvania, New York, and Northeast Ohio; and

WHEREAS, Northwest Bank is proposing to invest a total project cost of approximately \$50,000 which includes \$15,000 in technology and \$35,000 in furniture and fixtures to establish a new 3,183 square-foot regional commercial loan production office at 401 N. Front St., Columbus, Ohio 43215, (the “Project Site”), in the Central Business District; and

WHEREAS, with this expansion, Northwest Bank will create 10 net new full-time permanent positions with an annual

payroll of approximately \$1,385,000 and retain 1 full-time permanent position with an annual payroll of \$310,000 at the **Project Site**.

WHEREAS, Northwest Bank has indicated that a Downtown Office Incentive is crucial to its decision to move forward with the location of corporate office operations within the City; and

WHEREAS, the City desires to enter into such a binding formal agreement in order to foster economic growth for the preservation of public health, peace, property and safety; and **NOW, THEREFORE:**

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

SECTION 1. Columbus City Council authorizes the Director of the Department of Development to enter into a Columbus Downtown Office Incentive Agreement with Northwest Bank, pursuant to the Columbus City Council Resolution Number 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 up to five (5) consecutive on the estimated job creation of 10 net new full-time permanent positions with an annual payroll of approximately \$1,385,000 and retention of 1 full-time permanent position with an annual payroll of \$310,000 to occupy approximately 3,183 sq. ft. in a building in the Central Business District at 401 N. Front Street (the "Project Site").

SECTION 2. Each year of the term of the agreement with Northwest Bank 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 3. That the City of Columbus Downtown Incentive Agreement is signed by 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 Northwest Bank City of Columbus Downtown Office Incentive Agreement for certain modifications being specifically limited to reduction 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.