



Legislation Details (With Text)

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Title: To authorize the Director of Development to enter into an agreement with Bardwil Industries, Inc. for a Jobs Creation Tax Credit of sixty percent (60%) for a period of five (5) years; and to declare an emergency. (AMENDED BY ORD. 1518-2009 PASSED 11/23/2009)

Sponsors:

Indexes:

Code sections:

Attachments: 1. 1208-2008 attachment.pdf

Date	Ver.	Action By	Action	Result
7/17/2008	1	CITY CLERK	Attest	
7/15/2008	1	MAYOR	Signed	
7/14/2008	1	Columbus City Council	Approved	Pass
7/14/2008	1	COUNCIL PRESIDENT	Signed	
7/2/2008	1	Dev Drafter	Sent for Approval	
7/2/2008	1	DEVELOPMENT DIRECTOR	Reviewed and Approved	
7/2/2008	1	Dev Drafter	Sent for Approval	
7/2/2008	1	CITY ATTORNEY	Reviewed and Approved	
7/2/2008	1	Dev Drafter	Sent to Clerk's Office for Council	

BACKGROUND: The need exists to enter into a Jobs Creation Tax Credit Agreement with Bardwil Industries, Inc. The Ohio Tax Credit Legislation (Section 718.15 of the Ohio Revised Code) authorizing such agreements became effective January 14, 1993 and requires the City to enter a Council-approved agreement between the City and a participating company. The Department of Development is proposing to enter into a 5-year, 60%, Jobs Creation Tax Credit Agreement with Bardwil Industries, Inc.

Contingent on the City granting a Jobs Creation Tax Credit, Bardwil Industries, Inc. will relocate its distribution center from Jersey City, New Jersey to Columbus, Ohio and create 60 new permanent full-time positions, which will be new to Columbus, with an annual payroll of \$1.5 million, invest \$8.5 million in inventory, invest \$1 million in machinery and equipment, invest \$30k in furniture and fixture and increase job opportunities and strengthen the economy of the city.

Bardwil Industries, Inc. manufactures and distributes table linen as well as kitchen textile. The company was established in the early 1900's by Elias Bardwil. Bardwil Industries, Inc. is the largest and broadest based table linen in the United States importing an assortment of product from various nations: India, China, Taiwan and Spain. The company day-to-day operation is headquartered in New York City and its leader George Bardwil is the Chief Financial Officer, the son of Elias. The company is proposing to relocate its distribution center to Columbus because of the labor pool available as well as the access to the highway transportation system coupled with the convenient location in terms of the overall US landscape in relation to its customer base.

Emergency action is requested in order to allow Bardwil Industries, Inc. to begin investing and creating jobs as quickly as possible.

The State has approved a Jobs Creation Tax Credit of 45% for 5 years and a \$20k grant for Bardwil Industries, Inc.

FISCAL IMPACT: No funding is required for this legislation.

To authorize the Director of Development to enter into an agreement with Bardwil Industries, Inc. for a Jobs Creation Tax Credit of sixty percent (60%) for a period of five (5) years; and to declare an emergency. **(AMENDED BY ORD. 1518-2009 PASSED 11/23/2009)**

WHEREAS, pursuant to Section 122.17 of the Ohio Revised Code, the State of Ohio is authorized to establish the Tax Credit Authority and to execute agreements with taxpayers of the State of Ohio for the purpose of granting these tax payers job creation tax credits against their corporate franchise tax or income tax, which tax credits are provided to create new jobs in the State of Ohio; and

WHEREAS, the Ohio Department of Development has offered a 45%/5-year Jobs Creation Tax Credit for Bardwil Industries, Inc.; and

WHEREAS, pursuant to Section 718.15 of the Ohio Revised Code (the "City Act") a municipal corporation is authorized to grant local income tax credits to taxpayers who have received tax credits from the State; and

WHEREAS, contingent on the City granting a Jobs Creation Tax Credit, Bardwil Industries, Inc. will relocate its distribution center from Jersey City, New Jersey to Columbus, Ohio and create 60 new permanent full-time positions, which will be new to Columbus, with an annual payroll of \$1.5 million, invest \$8.5 million in inventory, invest \$1 million in machinery and equipment, invest \$30k in furniture and fixture and increase job opportunities and strengthen the economy of the city; and

WHEREAS, receiving these tax credits from the State and the City is a critical factor in Bardwil Industries, Inc.'s decision to go forward with the project in Columbus; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to enter into an agreement with Bardwil Industries, Inc. in order to allow Bardwil Industries, Inc. to begin investing and creating jobs as quickly as possible, all for the preservation of public health, peace, property and safety; **NOW THEREFORE**,

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

Section 1. That the City hereby finds and determines that the project will (1) create jobs in the State and City; (2) the project is economically sound and will benefit the people of the State and City by increasing opportunities for employment and strengthening the economy of the State and City; and (3) receiving the aforementioned tax credits is a critical factor in the decision by Bardwil Industries, Inc. to go forward with the project.

Section 2. That the City Council hereby finds and determines that the project meets all the requirements of the City Act.

Section 3. That the Director of the Department of Development is hereby authorized and directed to enter into and execute an 5-year, 60%, Jobs Creation Tax Credit Agreement with Bardwil Industries, Inc.

Section 4. That the City of Columbus Jobs Creation Tax Credit Agreement is signed by Bardwil Industries, Inc. within 90 days of passage of this ordinance, or this ordinance and the credit herein shall be null and void.

Section 5. That for reasons stated in the preamble hereto, which is hereby made a part hereof, the ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after the passage if the Mayor neither approves nor vetoes the same.