



Legislation Details (With Text)

File #: 1516-2013 **Version:** 1

Type: Ordinance **Status:** Passed

File created: 6/13/2013 **In control:** Development Committee

On agenda: 7/1/2013 **Final action:** 7/3/2013

Title: To authorize the Director of Development to enter into a Jobs Growth Incentive Agreement with Core Molding Technologies, Inc. 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 the company's investment of not less than \$5,000,000.00 related to the acquisition of new machinery and equipment, the retention of 234 existing positions and the creation of 85 new full-time permanent positions.

Sponsors:

Indexes:

Code sections:

Attachments: 1. ORD1516-2013 Core Molding Technologies Inc - Fact Sheet, 2. ORD1516-2013 Core Molding Technologies Inc - Site Map

Date	Ver.	Action By	Action	Result
7/3/2013	1	CITY CLERK	Attest	
7/2/2013	1	MAYOR	Signed	
7/1/2013	1	COUNCIL PRESIDENT	Signed	
7/1/2013	1	Columbus City Council	Approved	Pass
6/24/2013	1	Columbus City Council	Read for the First Time	

BACKGROUND: The Columbus Department of Development is proposing to enter into a Jobs Growth Incentive Agreement with Core Molding Technologies, Inc. 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.

Core Molding Technologies, Inc., a manufacturer of sheet molding compound and a molder of fiberglass reinforced plastics, is a publicly-traded company headquartered in Columbus, Ohio. Core Molding Technologies, Inc. serves a variety of markets, including medium and heavy-duty trucks, automotive, marine, agriculture and other commercial areas. The company maintains over 1 million square feet of manufacturing space and operates a substantial portion of the large compression molding press capacity in North America with production facilities in Batavia and Columbus, Ohio, Gaffney, South Carolina and Matamoros, Mexico.

Core Molding Technologies, Inc. is proposing an investment of \$5,000,000 related to the acquisition of new machinery and equipment for their current 332,000 square foot site located at 800 Manor Park Drive (Parcel Number 570-105330). The company is also considering an existing operation in Gaffney, South Carolina for this expansion. Core Molding Technologies, Inc. will retain 234 employees and create 85 new full-time permanent positions.

FISCAL IMPACT: No funding is required for this legislation.

To authorize the Director of Development to enter into a Jobs Growth Incentive Agreement with Core Molding Technologies, Inc. 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 the company's investment of not less than \$5,000,000.00 related to the acquisition of

new machinery and equipment, the retention of 234 existing positions and the creation of 85 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 Core Molding Technologies, Inc.; and

WHEREAS, Core Molding Technologies, Inc. will expand their operation at their existing site located at 800 Manor Park Drive; and

WHEREAS, Core Molding Technologies, Inc. has indicated that a Jobs Growth Incentive is crucial to its decision to expand its operational capacity; and

WHEREAS, the City of Columbus desires to facilitate Core Molding Technologies, Inc.'s future growth at the project site by providing a Jobs Growth Incentive; and

WHEREAS, in consideration of Core Molding Technologies, Inc.'s proposed investment of \$5,000,000, the retention of 234 existing positions with an annual payroll of approximately \$11,200,000, and the creation of 85 new full-time positions with an associated annual payroll of approximately \$2.371 million; 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 equal to twenty-five percent (25%) of the amount of new income tax withheld on employees for a term of five (5) years with Core Molding Technologies, Inc.

Section 2. Each year of the term of the agreement with Core Molding Technologies, Inc., 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 Core Molding Technologies, Inc. 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 Core Molding Technologies, Inc. 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.