



Legislation Details (With Text)

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Title: To authorize the Director of the Department of Development to enter into a Columbus Downtown Office Incentive Agreement with Lextant Corporation as provided in Columbus City Council Resolution 0088X-2007, adopted June 4, 2007.

Sponsors:

Indexes:

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Attachments: 1. ORD0649-2015 Lextant CDOI - Fact Sheet, 2. ORD0649-2015 Lextant CDOI - Project Site Map

Date	Ver.	Action By	Action	Result
4/2/2015	1	ACTING CITY CLERK	Attest	
4/1/2015	1	MAYOR	Signed	
3/30/2015	1	COUNCIL PRESIDENT	Signed	
3/30/2015	1	Columbus City Council	Approved	Pass
3/23/2015	1	Columbus City Council	Read for the First Time	

BACKGROUND: The Columbus Department of Development is proposing to enter into a Columbus Downtown Office Incentive with Lextant Corporation.

Founded in 1998 by Chris Rockwell, President, Lextant Corporation is a research and design consulting services firm dedicated to informing and inspiring design through a deep understanding of people, their experiences and their aspirations. Lextant Corporation is a pioneer in its field, utilizing generative, participatory research methods for uncovering latent needs, wants and emotions that bring more meaningful products and services to market. The company services Fortune 500 companies in the U.S. and across the globe. Lextant Corporation was named to the 2012 Fast 50 List of the fastest-growing private companies in Central Ohio by Columbus Business First.

Lextant Corporation is proposing to expand its corporate headquarters by investing approximately \$865,000 in leasehold improvements, machinery, equipment, stand-alone computers, furniture and fixtures, into a newly constructed Class A office space consisting of roughly 13,000 square feet located in the Columbus Downtown Business District. In addition, the company will create 40 new full-time permanent positions with an annual payroll of approximately \$2.72 million and retain 45 full-time jobs with an annual payroll of approximately \$3.47 million, to meet its increased consumer demands. Lextant Corporation would qualify for the Columbus Downtown Office Incentive in an amount equal to fifty percent (50%) of the payroll taxes paid on the new employees or approximately \$170,000 over a term up to five (5) years. The Development Department recommends granting the Columbus Downtown Office Incentive to Lextant Corporation.

FISCAL IMPACT: No funding is required for this legislation.

To authorize the Director of the Department of Development to enter into a Columbus Downtown Office Incentive

Agreement with Lextant Corporation as provided in Columbus City Council Resolution 0088X-2007, adopted June 4, 2007.

WHEREAS, the City desires to increase employment opportunities and encourage establishment of new jobs in the City in order to improve the overall economic climate of the City and its citizens; and

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 Lextant Corporation; and

WHEREAS, Lextant Corporation is proposing to expand and relocated its corporate headquarters into the Downtown Business District by entering into a lease agreement on a newly constructed Class A office space consisting of approximately 13,000 square feet located at 250 S. High Street; and

WHEREAS, Lextant Corporation plans to invest approximately \$865,000 in leasehold improvements, machinery, equipment, stand-alone computers, furniture and fixtures, retain 45 full-time jobs, and create 40 new full-time permanent positions with an estimated annual payroll of approximately \$2.72 million generating approximately \$68,000 annually in new City of Columbus income tax revenue; **NOW, THEREFORE**,

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

SECTION 1. That Columbus City Council hereby authorizes the Director of the Department of Development to enter into a Columbus Downtown Office Incentive Agreement with Lextant Corporation, pursuant to Columbus City Council Resolution 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) years on the estimated job creation of 40 new full-time permanent positions to be located at 250 S. High Street Columbus, Ohio 43215.

SECTION 2. Each year of the term of the agreement with Lextant Corporation 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 Office Incentive Agreement is signed by Lextant Corporation within 90 days of passage of this ordinance, or this ordinance and the credit herein shall be null and void.

SECTION 4. That the City Council hereby extends authority to the Director of the Department of Development to amend the Lextant Corporation City of Columbus Downtown Office 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.