



Legislation Details (With Text)

File #: 1353-2015 **Version:** 1

Type: Ordinance **Status:** Passed

File created: 5/14/2015 **In control:** Development Committee

On agenda: 6/8/2015 **Final action:** 6/9/2015

Title: To authorize the Director of the Department of Development to enter into a Job Creation Tax Credit Agreement of sixty percent (60%) for a period of six (6) years with Coulter Ventures, LLC dba Rogue Fitness in consideration of the company's proposed investment of approximately \$36.45 million and the creation of 90 new full-time permanent positions.

Sponsors:

Indexes:

Code sections:

Attachments: 1. ORD1353-2015 Rogue Fitness - JCTC Fact Sheet, 2. ORD1353-2015 Rogue Fitness - JCTC Project Site Map

Date	Ver.	Action By	Action	Result
6/9/2015	1	MAYOR	Signed	
6/9/2015	1	CITY CLERK	Attest	
6/8/2015	1	COUNCIL PRESIDENT	Signed	
6/8/2015	1	Columbus City Council	Approved	
6/1/2015	1	Columbus City Council	Read for the First Time	

BACKGROUND: The need exists to enter into a Job Creation Tax Credit Agreement with Coulter Ventures, LLC dba Rogue Fitness ("Rogue"). 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.

Rogue is a national leader in the manufacture and distribution of high quality strength and conditioning equipment, including weightlifting bars, plates, racks and other related equipment. The company was originally started in 2007 in a garage in Toledo, Ohio by the current owner Bill Henniger. Rogue quickly grew into a 5,000 square foot facility adjacent to an existing business that Mr. Henniger operated at the time in Columbus. The rapid growth has continued each year, as Rogue expanded its product offerings and brought more manufacturing processes in-house. Rogue has quickly grown from one employee to over 300 plus employees. A lot of Rogue's growth was originally and continues to be from the popularity of Crossfit, to which it is the leading provider of equipment, but also comes from personal gyms to professional sports teams.

Coulter Properties LLC (the real estate holding company for Rogue) is proposing to acquire a vacant land parcel (the former Timken site, located on the corner of 5th and Cleveland Avenues) to construct a new corporate headquarters for all of Rogue's North American operation. The new facility will include office space for administration as well as house the manufacturing and distribution of the company's operation. The company will consolidate its current operation from three separate buildings into one facility consisting of approximately 600,000 square feet +/- on 30 +/- acres of vacant land. Rogue will create 90 new full-time permanent positions with an estimated annual payroll of approximately \$3.9 million, and retain and relocate 337 full-time jobs with an annual payroll of approximately \$15.63 million, from its current locations of 1080 Steelwood Road, 3950 Venture Court and 2775-2777 Westbelt Drive, into the newly proposed site at 1047 Cleveland Avenue.

FISCAL IMPACT: No funding is required for this legislation.

To authorize the Director of the Department of Development to enter into a Job Creation Tax Credit Agreement of sixty percent (60%) for a period of six (6) years with Coulter Ventures, LLC dba Rogue Fitness in consideration of the company's proposed investment of approximately \$36.45 million and the creation of 90 new full-time permanent positions.

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, 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 to foster job creation in the City; and

WHEREAS, contingent on the City granting a Job Creation Tax Credit, Coulter Ventures, LLC dba Rogue Fitness will expand its North American Operation in the City by consolidating its current operation from three separate buildings into one facility consisting of approximately 600,000 square feet +/- on 30 +/- acres of vacant land, create 90 new full-time permanent positions with an estimated annual payroll of approximately \$3.9 million, and retain and relocate 337 full-time jobs with an annual payroll of approximately \$15.63 million; and

WHEREAS, receiving these tax credits from the City is a critical factor in Coulter Ventures, LLC dba Rogue Fitness's decision to go forward with the project in Columbus; and

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, Coulter Ventures, LLC dba Rogue Fitness has indicated that a Job Creation Tax Credit is crucial to its decision to locate the aforementioned expansion in Columbus; and

WHEREAS, the City of Columbus desires to facilitate Coulter Ventures, LLC dba Rogue Fitness's growth at the project site; **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 City; (2) the project is economically sound and will benefit the people of the 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 Coulter Ventures, LLC dba Rogue Fitness 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 a Job Creation Tax Credit of sixty percent (60%) of the amount of personal income tax withheld on new employees for a term of six (6) years with Coulter Ventures, LLC dba Rogue Fitness.

SECTION 4. That the City of Columbus Job Creation Tax Credit Agreement is signed by Coulter Ventures, LLC dba Rogue Fitness within 90 days of passage of this ordinance, or this ordinance and the credit herein shall be null and void.

SECTION 5. The City Council hereby extends authority to the Director of the Department of Development to amend Coulter Ventures, LLC dba Rogue Fitness City of Columbus Job Creation Tax Credit Agreement for certain modifications to the agreement requested in writing by the company and or the City and deemed appropriate by the Director of the Department 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 6. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.