



Legislation Details (With Text)

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Type: Ordinance **Status:** Passed

File created: 5/31/2016 **In control:** Economic Development Committee

On agenda: 6/27/2016 **Final action:** 7/1/2016

Title: To authorize the Director of the Department of Development to enter into a Jobs Growth Incentive Agreement with The Sophic Group, Inc. dba Improving Enterprises, Inc. equal to twenty-five percent (25%) of the amount of new income tax withheld on employees for a term up to five (5) years in consideration of the company's proposed investment of \$65,000 and the creation of 30 new full-time permanent positions.

Sponsors:

Indexes:

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Attachments: 1. ORD1499-2016 Improving Enterprises, Inc. JGI Fact Sheet, 2. ORD1499-2016 Improving Enterprises JGI Map

Date	Ver.	Action By	Action	Result
7/1/2016	1	CITY CLERK	Attest	
6/30/2016	1	MAYOR	Signed	
6/27/2016	1	COUNCIL PRESIDENT	Signed	
6/27/2016	1	Columbus City Council	Approved	Pass
6/20/2016	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 The Sophic Group, Inc. dba Improving Enterprises, Inc. (Improving Enterprises, Inc.) equal to twenty-five percent (25%) of the amount of personal income tax withheld on new employees for a term up to five (5) years for the purposes of job creation and employment opportunities for the citizens of Columbus.

Improving Enterprises, Inc. is a complete IT services firm, offering training, consulting, recruiting and project services to its customers in the United States and Canada. The company began as Blue Ocean Group, Inc., but merged in January 2007, to become Improving Enterprises, Inc. In December 2010, Improving Enterprises, Inc. acquired a Columbus-based company, The Sophic Group, Inc. This expanded the company's reach into the Midwest combining the established training, consulting, and project management capabilities of each to maximize the benefits of their existing and future clients. Improving Enterprises, Inc. is based in Dallas, Texas with operations in Calgary, Canada, College Station, Texas, Columbus, Ohio, Houston, Texas and Minneapolis, Minnesota.

Improving Enterprises, Inc. is proposing to invest approximately \$65,000, which includes machinery, equipment, stand-alone computers, furniture and fixtures to expand its Midwest office. With this expansion, the company plans to launch a fully integrated Financial Services division as well as hire additional support staff to accommodate the company's growth. Improving Enterprises, Inc. will enter into a new lease agreement on their existing office space consisting of approximately 6,000 square feet (with an option to add additional square-footage) at One Easton Oval, Suite 175 Columbus, Ohio 43219, retain 24 existing full-time jobs with an annual payroll of approximately \$2.21 million and create 30 new full-time permanent positions with an new associated annual payroll of approximately \$2.36 million, which will be new to Columbus and the region.

Improving Enterprises, Inc. is requesting a Jobs Growth Incentive from the City of Columbus to assist in the expansion of this project. 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 Jobs Growth Incentive Agreement with The Sophic Group, Inc. dba Improving Enterprises, Inc. equal to twenty-five percent (25%) of the amount of new income tax withheld on employees for a term up to five (5) years in consideration of the company's proposed investment of \$65,000 and the creation of 30 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 Improving Enterprises, Inc.; and

WHEREAS, Improving Enterprises, Inc. is proposing to invest approximately \$65,000 in machinery, equipment, stand-alone computer, furniture and fixtures to expand its Midwest office by launching a fully integrated Financial Services division as well as hire additional support staff to accommodate the company's growth; and

WHEREAS, Improving Enterprises, Inc. will enter into a new lease agreement on their existing office space consisting of approximately 6,000 sq. ft. (with an option to add additional square-footage) at One Easton Oval, Suite 175 Columbus, Ohio 43219, create 30 new full-time permanent positions with an estimated annual payroll of approximately \$2.36 million and retain 24 existing jobs with an estimated annual payroll of approximately \$2.21 million; and

WHEREAS, Improving Enterprises, Inc. has indicated that a Jobs Growth Incentive is crucial to its decision to expand the aforementioned operation in Columbus; and

WHEREAS, the City of Columbus desires to facilitate Improving Enterprises, Inc.'s future growth at the project site;
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 with The Sophic Group, Inc. dba Improving Enterprises, Inc. equal to twenty-five percent (25%) of the amount of new income tax withheld on employees for a term up to five (5) years.

SECTION 2. Each year of the term of the agreement with The Sophic Group, Inc. dba Improving Enterprises, 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 The Sophic Group, Inc. dba Improving Enterprises, 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 the Department of Development to amend The Sophic Group, Inc. dba Improving Enterprises, Inc.'s City of Columbus Jobs Growth Incentive Agreement for certain modifications to the agreement requested in writing by the company and or the City and deemed appropriate by the

Director 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 5. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.