



Legislation Details (With Text)

File #: 2631-2016 **Version:** 1

Type: Ordinance **Status:** Passed

File created: 10/12/2016 **In control:** Economic Development Committee

On agenda: 11/21/2016 **Final action:** 11/23/2016

Title: To authorize the Director of the Department of Development to enter into a Job Creation Tax Credit Incentive Agreement with Plaskolite, LLC equal to fifty-five percent (55%) of the amount of new income tax withheld on employees for a term of up to six (6) years in consideration of the company's proposed investment of \$2,000,000.00 and the creation of 30 new full-time permanent positions.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 380 Map - Plaskolite LLC, 2. 380 Fact Sheet - Plaskolite Inc

Date	Ver.	Action By	Action	Result
11/23/2016	1	ACTING CITY CLERK	Attest	
11/23/2016	1	MAYOR	Signed	
11/21/2016	1	COUNCIL PRESIDENT	Signed	
11/21/2016	1	Columbus City Council	Approved	Pass
11/7/2016	1	Columbus City Council	Read for the First Time	

BACKGROUND: The Columbus Department of Development is proposing to enter into a Job Creation Tax Credit Incentive Agreement with Plaskolite, LLC equal to fifty-five percent (55%) of the amount of personal income tax withheld on new employees to Columbus for a term of up to six (6) years.

Plaskolite, LLC (Plaskolite) is the world's leading manufacturer of acrylic sheet, acrylic resin, ABS, PETG, acrylic mirror sheet and performance enhancing hard coatings. The Columbus-based headquarters operates facilities in Columbus and Zanesville, Ohio; Texas; Compton, Calif.; Olive Branch, Mississippi.; and Monterrey, Mexico and Holland. Plaskolite, LLC also holds a joint venture in Malatya, Turkey.

Plaskolite, LLC is proposing to expand their corporate headquarters and back office operations to an office space located in downtown Columbus at 400 West Nationwide Boulevard for a lease term of ten (10) years and an option for two (2) additional five-year (5) lease renewals. Plaskolite, LLC is also proposing to invest approximately \$2,000,000 in leasehold improvements, which includes improvements to the existing building and the addition of computers, furniture and fixtures. This project is expected to involve the relocation of 57 full-time permanent positions from Plaskolite, LLC's existing Joyce Avenue facility with an annual payroll of approximately \$10,114,830. Additionally, the company will create approximately 30 net new full-time permanent positions within three years of the relocation to the Project Site with an annual payroll of approximately \$2,551,000. Plaskolite, LLC will retain 211 full-time permanent positions at its existing Columbus plant on Joyce Avenue.

Plaskolite, LLC is requesting a fifty-five (55) percent, six (6)-year Job Creation Tax Credit from the City of Columbus to assist in the expansion of its corporate headquarters.

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 Incentive Agreement with Plaskolite, LLC equal to fifty-five percent (55%) of the amount of new income tax withheld on employees for a term of up to six (6) years in consideration of the company's proposed investment of \$2,000,000.00 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 for its citizens; and

WHEREAS, the Department of Development received a completed Job Creation Tax Credit Incentive application from Plaskolite, LLC; and

WHEREAS, Plaskolite, LLC is proposing to invest approximately \$2,000,000 in leasehold improvements, which include improvements to the existing building and the addition of computers, furniture and fixtures to expand its Columbus operations by entering into a long-term lease agreement on approximately 29,035 square feet of vacant commercial office space at 400 West Nationwide Boulevard, Columbus Ohio; and

WHEREAS, Plaskolite, LLC will retain 57 full-time permanent positions with an associated annual payroll of approximately \$10,114,830 and create approximately 30 new full-time permanent positions with an estimated new annual payroll of approximately \$2,551,000; and

WHEREAS, Plaskolite, LLC has indicated that a Job Creation Tax Credit Incentive is crucial to its decision to expand their operation within the City of Columbus; and

WHEREAS, the City of Columbus desires to facilitate the future growth of Plaskolite, LLC at the project site by providing a Job Creation Tax Credit Incentive; 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 Job Creation Tax Credit Incentive Agreement with Plaskolite, LLC equal to fifty-five percent (55%) of the amount of personal income tax withheld on new employees to Columbus for a term of up to six (6) years.

SECTION 2. Each year of the term of the agreement with Plaskolite, LLC 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 Job Creation Tax Credit Agreement is signed by Plaskolite, LLC 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 Plaskolite, LLC 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 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.

