



Legislation Details (With Text)

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Title: To amend Ordinance 1803-2016, passed on July 18, 2016, to add Big Lots Stores, Inc., Big Lots F&S, Inc., and Big Lots eCommerce LLC to the Agreement and extend the signature deadline of the approved Job Creation Tax Credit Agreement; and to declare an emergency.

Sponsors:

Indexes:

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Attachments:

Date	Ver.	Action By	Action	Result
12/7/2016	1	CITY CLERK	Attest	
12/7/2016	1	MAYOR	Signed	
12/5/2016	1	COUNCIL PRESIDENT	Signed	
12/5/2016	1	Columbus City Council	Approved	Pass

BACKGROUND: Columbus City Council (COUNCIL), by Ordinance No. 1803-2016, passed July 18, 2016, authorized the City of Columbus (CITY) to enter into a Job Creation Tax Credit Agreement (the AGREEMENT) with Big Lots, Inc. (the GRANTEE) equal to fifty percent (50%) of the amount of new employee city income tax withholdings for a term of six (6) years in consideration of the retention of 1,107 full-time permanent positions with an associated annual payroll of \$79,500,000 and the creation of 25 new full-time permanent positions with an associated annual payroll of \$962,500 at two project sites - the company's current headquarters and distribution center located at 300 Phillipi Road Columbus, Ohio 43228 and approximately 25 acres located at the southwest quadrant of State Route 161 and Hamilton Road on parcel no. 010-221377 (Hamilton Quarter project site) which will be the future headquarters location.

The need exists to amend Ordinance No. 1803-2016 to add the following affiliates of Big Lots, Inc. as grantees to the AGREEMENT: Big Lots Stores, Inc., Big Lots F&S, Inc., and Big Lots eCommerce LLC. These entities to be added are also responsible for the investment, job retention, and job creation commitments as outlined in the authorizing Ordinance. Therefore, Big Lots, Inc., Big Lots Stores, Inc., Big Lots F&S, Inc., and Big Lots eCommerce LLC (henceforth, all four entities will collectively be referred to hereinafter as "BIG LOTS GROUP"), shall collectively become the GRANTEE on the AGREEMENT.

Furthermore, the AGREEMENT was not signed by the GRANTEE before the signature deadline identified in the Ordinance, in part due to the need to identify the newly added entities identified herein. In subsequent correspondence, the GRANTEE has affirmed its intention to fulfil the commitments outlined in the AGREEMENT, contingent upon the availability of the previously authorized Job Creation Tax Credit.

Therefore, this legislation seeks to add Big Lots Stores, Inc., Big Lots F&S, Inc., and Big Lots eCommerce LLC to the AGREEMENT and extend the signature deadline of the approved Job Creation Tax Credit Agreement from 90 days after passage of Ordinance Number 1803-2016 to 90 days after passage of this ordinance. This legislation is being presented as an emergency measure so that the AGREEMENT can be executed promptly.

FISCAL IMPACT: No funding is required for this legislation.

To amend Ordinance 1803-2016, passed on July 18, 2016, to add Big Lots Stores, Inc., Big Lots F&S, Inc., and Big Lots eCommerce LLC to the Agreement and extend the signature deadline of the approved Job Creation Tax Credit Agreement; and to declare an emergency.

WHEREAS, Columbus City Council, by Ordinance No. 1803-2016, passed July 18, 2016, authorized the City of Columbus to enter into a Job Creation Tax Credit Agreement with Big Lots, Inc. equal to fifty percent (50%) of the amount of new employee city income tax withholdings for a term of six (6) years; and

WHEREAS, contingent on the City granting a Job Creation Tax Credit, Big Lots, Inc. has affirmed it will retain and relocate 750 full-time permanent positions with an associated annual payroll of \$65,000,000 from their current headquarters located at 300 Phillipi Road Columbus, Ohio 43228 to the Hamilton Quarter project site and create 5 new full-time permanent positions at this new corporate campus with an associated new annual payroll of approximately \$362,500; thereby increasing job opportunities and strengthening the economy of the City; and

WHEREAS, contingent on the City granting a Job Creation Tax Credit, Big Lots, Inc. has affirmed it will retain 357 existing full-time permanent distribution center positions with an associated annual payroll of \$14,500,000 and create 20 new full-time permanent positions with an associated new annual payroll of approximately \$600,000 at the existing distribution center project site which is to remain at 300 Phillipi Road; thereby increasing job opportunities and strengthening the economy of the City; and

WHEREAS, the GRANTEE and the Department of Development have determined that three additional entities, Big Lots Stores, Inc., Big Lots F&S, Inc., and Big Lots eCommerce LLC, will be responsible, in part, for the investment, job retention, and job creation commitments as outlined in the authorizing Ordinance and subsequent AGREEMENT; and

WHEREAS, the Job Creation Tax Credit Agreement was not signed by the GRANTEE before the signature deadline identified in Ordinance No. 1803-2016, in part due to the need to identify the newly added entities identified herein; 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, the City desires to enter into such a binding formal agreement in order to foster economic growth for the preservation of the public health, property, safety and welfare; and

WHEREAS, an emergency exists in the usual daily operation of the Columbus Department of Development, in that it is immediately necessary to seek an amendment to Ordinance No. 1803-2016 which passed July 18, 2016 and authorized the City of Columbus to enter into a Job Creation Tax Credit Agreement with Big Lots, Inc. equal to fifty percent (50%) of the amount of new employee city income tax withholdings for a term of six (6) years for the purposes of (i) adding Big Lots Stores, Inc., Big Lots F&S, Inc., and Big Lots eCommerce LLC to the AGREEMENT and (ii) extending the signature deadline of the approved AGREEMENT from 90 days after passage of Ordinance Number 1803-2016 to 90 days after passage of this ordinance; thereby preserving the public health, property, safety and welfare; **NOW THEREFORE**,

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

Section 1. That Ordinance Number 1803-2016 is hereby amended to add Big Lots Stores, Inc., Big Lots F&S, Inc., and Big Lots eCommerce LLC to the approved Job Creation Tax Credit Agreement and extend the signature deadline of the approved Job Creation Tax Credit Agreement from 90 days after passage of Ordinance Number 1803-2016 to 90 days after passage of this ordinance.

Section 2. That the City of Columbus Job Creation Tax Credit Agreement shall be signed by Big Lots, Inc., Big Lots Stores, Inc., Big Lots F&S, Inc., and Big Lots eCommerce LLC within ninety (90) days of passage of this ordinance or this ordinance and the abatement authorized herein shall be null and void.

Section 3. That for the reasons stated in the preamble hereto, which is made a part hereof, this Ordinance is declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor, or ten (10) days after passage if the Mayor neither approves nor vetoes this Ordinance.