



Legislation Details (With Text)

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File created: 11/22/2016 **In control:** Economic Development Committee

On agenda: 12/12/2016 **Final action:** 12/15/2016

Title: To authorize the Director of the Department of Development to enter into an Economic Development Agreement with Huntington National Bank to facilitate the development of (±) 212,000 square feet of administrative office space and associated parking at the property located at 5555 Cleveland Avenue to be used by Huntington and promote further growth and expansion of Huntington's corporate headquarters and operational centers within the City of Columbus.

Sponsors:

Indexes:

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Attachments:

Date	Ver.	Action By	Action	Result
12/15/2016	1	CITY CLERK	Attest	
12/14/2016	1	MAYOR	Signed	
12/12/2016	1	COUNCIL PRESIDENT	Signed	
12/12/2016	1	Columbus City Council	Approved	Pass
12/5/2016	1	Columbus City Council	Read for the First Time	

Background: Huntington is proposing an expansion of its current headquarters and administrative operations in Columbus at facilities located in multiple areas across the City. Huntington will consolidate these operations in their headquarters at Broad and High Streets downtown (parcels 010-023445 and 010-036581), the current Easton Oval Operations Center (parcel 520-250985) and construct a new Operations Center located at the former Meijer's at 5555 Cleveland Avenue (parcel 010-143750). The current Huntington operations centers at 2361 Morse Road and 7575 Huntington Park Drive will be consolidated into the above locations based on business timing and need.

Huntington will invest an estimated \$19,500,000 to redevelop (±) 212,000 square feet of administrative office space at the 5555 Cleveland Ave Site; retain all current employees (the total of which will be determined based off of the businesses 2016 annual report) to the above sites and create 1000 new full-time jobs with an annual payroll of approximately \$60 million for the new jobs.

Huntington has also committed to \$300 million in new community lending in low to moderate income census tracts within the City of Columbus. This will be comprised of:

- \$175 million in small business lending in Columbus low-to-moderate income census tracts (LMIT) with focused outreach in Linden and Northland.
- \$25M in mortgage lending in all Columbus LMIT in which Huntington National Bank will pay all closing costs for these lending transactions. In addition to larger transactions, to further support neighborhood revitalization, Huntington National Bank commits to create a smaller dollar unsecured home improvement loan product with a max \$3,000 loan amount at 2.99% in all Columbus LMIT. Targeted resident outreach will focus in the in Linden and Northland neighborhoods.
- \$100 million in community development loans and investment throughout Columbus LMIT.
- \$500,000 donation that Huntington National Bank will make in collaboration with the Mayor's office and City

Council to the Linden area in a commercial revitalization small business loan fund or other programs that will benefit the Cleveland Avenue business corridor to provide lead economic development support to the City's neighborhood investment plan.

Fiscal Impact: There is no fiscal impact for this legislation. No funding is required.

To authorize the Director of the Department of Development to enter into an Economic Development Agreement with Huntington National Bank to facilitate the development of (±) 212,000 square feet of administrative office space and associated parking at the property located at 5555 Cleveland Avenue to be used by Huntington and promote further growth and expansion of Huntington's corporate headquarters and operational centers within the City of Columbus.

WHEREAS, P.W. Huntington formed and opened the first Huntington National Bank in downtown Columbus in 1866. Today, Huntington National Bank is an affiliate of Huntington Bancshares Inc. with \$101 billion of assets, a network of 1,103 branches and 1,979 ATMs across eight Midwestern states: Indiana, Kentucky, Michigan, Ohio, Pennsylvania, and West Virginia; its 2016 acquisition of FirstMerit Corporation expands its presence into Illinois and Wisconsin; and

WHEREAS, Huntington National Bank provides full-service commercial and consumer banking services, mortgage banking services, equipment leasing, investment management, trust services, brokerage services, customized insurance service program, and other financial products and services; and

EAS, Huntington National Bank proposes to invest approximately \$19.5 million, which includes \$1.5 million is acquisition cost and \$18.0 million in real property improvements, to consolidate, expand and relocate its operations center from Morse Road into a larger vacant commercial facility (the old Meijer grocery store) at 5555 Cleveland Avenue, Columbus, Ohio 43231, parcel number 010-143750. In addition, the company will consolidate its 7575 Huntington Park Drive facility into the proposed project site; and

WHEREAS, Huntington National Bank will create 1,000 new full-time permanent positions with an estimated new annual payroll of approximately \$60 million (an average annual salary of \$60,000), exclusive of benefits and retain employees, the total of which will be determined as of report year ending December 2016; and

WHEREAS, per City of Columbus policy as set forth by Columbus City Council, only new full-time permanent positions compensated at an hourly wage rate of at least \$12.00 will be eligible for City incentive support; the incentive will be applied for any new full-time employee hired as a result of the project so long as they meet the minimum hourly wage requirement during the incentive term; and

EAS, the City is encouraging this project because of plans to develop a vacant commercial facility parcel in the central city; and

EAS, the City desires to enter into such a binding formal agreement in order to foster economic growth for the reservation of public health, peace, property and safety; **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 an Economic Development Agreement on behalf of the City with Huntington National Bank to outline plans and certain commitments of the parties relating to the proposed development at 5555 Cleveland Avenue and associated job creation at their headquarters and other operations centers throughout the City of Columbus.

SECTION 2. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

