



Legislation Text

File #: 1713-2014, **Version:** 1

BACKGROUND: The need exists to amend Ordinance 0720-2014, which was approved by Columbus City Council on April 7, 2014. The ordinance authorized the Director of the Department of Development to enter into an Enterprise Zone Agreement with PEDC Property Management, Inc. and Midwest Motor Supply Co., dba Kimball Midwest (also referred to as the "Grantee"), for a tax abatement of seventy-five percent (75%) for a period of ten (10) years.

Prior to the execution of the agreement, in a letter from the Grantee dated May 8, 2014, it was discovered that the number of full-time permanent employees to be retained at the project site was inadvertently misidentified in the legislation as the City's definition for an existing position to be retained as a part of the project conflicts with the State of Ohio's definition related to the State of Ohio Job Creation Tax Credit. An amendment is now required to change the Grantee's job retention commitment from 307 full-time, permanent employees with an associated annual gross payroll of approximately \$18,161,000 to 286 full-time, permanent employees with an associated annual gross payroll of approximately \$18,881,000.

This legislation is presented as an emergency measure in order for this amendment to be legislated as quickly as possible so that the subsequent Agreement can be executed allowing PEDC Property Management, Inc. and Midwest Motor Supply Co., dba Kimball Midwest, to make use of the incentive without undue delay.

FISCAL IMPACT: No funding is required for this legislation.

To amend Ordinance 0720-2014, approved by Columbus City Council on April 7, 2014, for the purpose of changing the job retention commitment in the Enterprise Zone Agreement with PEDC Property Management, Inc. and Midwest Motor Supply Co., dba Kimball Midwest, from 307 full-time, permanent employees with an associated annual gross payroll of approximately \$18,161,000.00 to 286 full-time, permanent employees with an associated annual gross payroll of approximately \$18,881,000.00; and to declare an emergency. (\$18,881,000.00)

WHEREAS, the need exists to amend Ordinance 0720-2014, which was approved by Columbus City Council on April 7, 2014; and

WHEREAS, the ordinance authorized the Director of the Department of Development to enter into an Enterprise Zone Agreement with PEDC Property Management, Inc. and Midwest Motor Supply Co., dba Kimball Midwest (also referred to as the "Grantee"), for a tax abatement of seventy-five percent (75%) for a period of ten (10) years; and

WHEREAS, prior to the execution of the agreement, in a letter from the Grantee dated May 8, 2014, it was discovered that the number of full-time permanent employees to be retained at the project site was inadvertently misidentified in the legislation and an amendment is now required to change the Grantee's job retention commitment from 307 full-time, permanent employees with an associated annual gross payroll of approximately \$18,161,000 to 286 full-time, permanent employees with an associated annual gross payroll of approximately \$18,881,000; and

WHEREAS, this legislation is presented as an emergency measure in order for this amendment to be legislated as quickly as possible so that the subsequent Agreement can be executed allowing PEDC Property Management, Inc. and

Midwest Motor Supply Co., dba Kimball Midwest, to make use of the incentive without undue delay; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development, in that it is immediately necessary to seek an amendment to the Enterprise Zone Agreement with PEDC Property Management, Inc. and Midwest Motor Supply Co., dba Kimball Midwest, for the purpose of replacing the job retention commitment and associated annual gross payroll; thereby preserving the public health, property, safety and welfare; and **NOW THEREFORE**,

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

SECTION 1. That Ordinance 0720-2014 is hereby amended to change the job retention commitment in the Enterprise Zone Agreement with PEDC Property Management, Inc. and Midwest Motor Supply Co., dba Kimball Midwest from 307 full-time, permanent employees with an associated annual gross payroll of approximately \$18,161,000 to 286 full-time, permanent employees with an associated annual gross payroll of approximately \$18,881,000.

SECTION 2. That the remaining terms of the Enterprise Zone Agreement not be modified by this amendment to the Ordinance.

SECTION 3. That the Enterprise Zone Agreement is signed by PEDC Property Management, Inc. and Midwest Motor Supply Co., dba Kimball Midwest, within 90 days of passage of this ordinance, or this ordinance and the credit herein shall be null and void.

SECTION 4. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.