Legislation Text

File #: 1257-2016, **Version:** 1

BACKGROUND: The Columbus Department of Development is proposing to enter into a Jobs Growth Incentive Agreement with Rocket Code LLC equal to twenty-five percent (25%) of the amount of personal income tax withheld on new employees to Columbus for a term of up to five (5) years.

Rocket Code LLC (Rocket Code) builds and delivers e-commerce solutions (branding and strategy, interface designs, analytics measuring customer service conversion experience/ratings) that fuel revenue and profit growth for best-in-class-brands. The company focuses on improving a business's e-commerce presence through custom and turnkey solutions and proprietary applications. Rocket Code builds solutions in an effort to take its clients' revenue and profit growth to the next level. Rocket Code's clients have included Klarna, Qalo, nickelodeon, and Chubbies shorts.

Rocket Code is proposing to expand its Columbus operations after having entered into a lease agreement for approximately 3,500 square feet of commercial office space at 350 E. First Ave. Columbus, OH 43215. Rocket Code will invest approximately $60,000 towards leasehold improvements and furniture and fixture acquisitions, retain and relocate 12 full-time positions with an associated annual payroll of approximately $780,000, and create approximately 25 new full-time permanent positions with an estimated annual payroll of approximately $1,500,000.

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 Rocket Code LLC equal to twenty-five percent (25%) of the amount of personal income tax withheld on new employees to Columbus for a term of up to five (5) years in consideration of investing approximately $60,000.00 related to leasehold improvements and furniture and fixture acquisitions, retaining and relocating 12 full-time permanent positions, and creating 25 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 Jobs Growth Incentive application from Rocket Code LLC; and

WHEREAS, Rocket Code LLC will expand operations at 350 E. First Ave., Columbus, Ohio 43215; and

WHEREAS, Rocket Code LLC will invest approximately $60,000 towards leasehold improvements and furniture and fixture acquisitions, retain and relocate 12 full-time positions with an associated annual payroll of approximately $780,000, and create approximately 25 new full-time permanent positions with an estimated annual payroll of approximately $1,500,000; and

WHEREAS, Rocket Code LLC has indicated that a Jobs Growth Incentive is crucial to its decisions to expand their operation within the City of Columbus; and

WHEREAS, the City of Columbus desires to facilitate the future growth of Rocket Code LLC at the project sites by providing a Jobs Growth Incentive; **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 Rocket Code LLC equal to twenty-five percent (25%) of the amount of personal income tax withheld on new employees to Columbus for a term of up to five (5) years.

SECTION 2. That each year of the term of the agreement with Rocket Code 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 Jobs Growth Incentive Agreement is signed by Rocket Code LLC within 90 days of passage of this ordinance, or this ordinance and the credit herein shall be null and void.

SECTION 4. That this Council hereby extends authority to the Director of the Department of Development to amend the Rocket Code LLC 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.