



Legislation Text

File #: 2189-2016, **Version:** 1

BACKGROUND: The Columbus Department of Development is proposing to enter into a Jobs Growth Incentive Agreement with U.S. Bank National Association 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.

Minneapolis-based U.S. Bancorp, with its \$428 billion in assets as of March 31, 2016, is the parent company of U.S. Bank National Association, the fifth largest commercial bank in the United States. The company operates approximately 3,133 banking offices in 25 states and 4,936 ATMs and provides a comprehensive line of banking, investment, mortgage, trust and payment services products to consumers, businesses and institutions. U.S. Bank National Association has had a national charter since 1863.

U.S. Bank National Association is proposing to invest at its existing 11,456-square-foot leased office located at 8415 Pulsar Place, Suite 450 Columbus, Ohio 42340 to further support risk assessment operations. The project involves a total investment of approximately \$265,000 related to leasehold improvements. U.S. Bank National Association does not intend to lease additional office space.

U.S. Bank National Association will retain 9 full-time permanent positions with an annual payroll of approximately \$720,000 and create 60 new full-time permanent positions with a new annual payroll of approximately \$3,700,000. The new positions primarily include finance, accounting, credit, and risk management positions.

FISCAL IMPACT: No funding is required for this legislation

To authorize the Director of Development to enter into a Jobs Growth Incentive Agreement with U.S. Bank National Association equal to twenty-five percent (25%) of the amount of new income tax withheld on employees for a term of up to five (5) years in consideration of investing approximately \$265,000.00 related to leasehold improvements, retaining 9 full-time permanent positions, and creating 60 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 and its citizens; and

WHEREAS, the Department of Development received a completed Jobs Growth Incentive Application from U.S. Bank National Association; and

WHEREAS, U.S. Bank National Association will expand operations at their existing 11,456-square-foot leased office located at 8415 Pulsar Place, Suite 450 Columbus, Ohio 42340; and

WHEREAS, U.S. Bank National Association will invest a total of approximately \$265,000 related to leasehold improvements, retain 9 full-time permanent positions with an annual payroll of approximately \$720,000, and create 60 new full-time permanent positions with a new annual payroll of approximately \$3,700,000; and

WHEREAS, U.S. Bank National Association 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 U.S. Bank National Association at the project site by providing a Jobs Growth 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 Jobs Growth Incentive Agreement with U.S. Bank National Association 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.** Each year of the term of the agreement with U.S. Bank National Association, 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 U.S. Bank National Association 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 Development to amend the U.S. Bank National Association City of Columbus Jobs Growth Incentive Agreement for non-substantive modifications to the agreement requested in writing by the company and or the City and deemed appropriate by the Director of Development with these non-substantive 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.