



## Legislation Text

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**File #:** 3177-2016, **Version:** 2

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**BACKGROUND:** The need exists to amend the Columbus Downtown Office Incentive Agreement with ODW Logistics, Inc., (hereinafter "GRANTEE"). Ordinance No. 1335-2016, approved by Columbus City Council on June 20, 2016, granted the benefits of the Columbus Downtown Office Incentive Program in an amount equal to fifty percent (50%) of the City of Columbus income tax withheld on the payroll for the new employees added to the City of Columbus project site, 400 W. Nationwide Blvd., Suite 200, Columbus, Ohio 43215 ("PROJECT SITE"), for five (5) years in support of the GRANTEE'S commitment to relocate headquarters operations from 1580 Williams Road, Columbus, Ohio 43207, retain and relocate 62 full-time, permanent positions with an associated annual payroll of approximately \$5,555,754, create 25 new full-time permanent positions with an associated new annual payroll of approximately \$2,015,000, and invest approximately \$1,838,000 related to improvements to an existing building, furniture, fixtures, and computers.

In a letter from ODW Logistics, Inc. dated September 8, 2016, the City of Columbus was notified that the number of full-time permanent employees to be relocated to the PROJECT SITE has changed. As ODW Logistics, Inc. staff began to plan for the relocation of operations from 1580 Williams Road, Columbus, Ohio 43207 to the newly-renovated office space in the Buggyworks office project located at 400 W. Nationwide Blvd., Suite 200, it became apparent that ~~six (6)~~ **eight (8)** of the employees originally identified for relocation are better served by remaining at the 1580 Williams Road site and the company has therefore decided not to relocate them. The ~~six~~ **eight** employees not transitioning to the new headquarters will be retained by ODW Logistics, Inc. at the company's current warehouse campus located at 1580 Williams Road.

An amendment is now required to reduce the GRANTEE's job retention commitment from 62 full-time, permanent positions with an associated annual payroll of approximately \$5,555,754 to 54 full-time, permanent positions with an associated annual payroll of approximately \$5,048,000.

This legislation is presented as an emergency measure in order for this amendment to be legislated as quickly as possible so that the subsequent First Amendment to the Agreement can be executed, allowing ODW Logistics, Inc. to remain compliant with the terms of the Agreement.

**FISCAL IMPACT:** No funding is required for this legislation.

To authorize the Director of Development to amend the Columbus Downtown Office Incentive Agreement with ODW Logistics, Inc. the job retention commitment from 62 full-time, permanent positions with an associated annual payroll of approximately \$5,555,754.00 to 54 full-time, permanent positions with an associated annual payroll of approximately \$5,048,000.00; and to declare an emergency.

**WHEREAS**, on June 20, 2016, Columbus City Council passed Ordinance No. 1335-2016 which granted a Columbus Downtown Office Incentive in an amount equal to fifty percent (50%) of the City of Columbus income tax withheld on the payroll for the new employees added to the City of Columbus project site, 400 W. Nationwide Blvd., Suite 200, Columbus, Ohio 43215 ("PROJECT SITE"), for five (5) years to ODW Logistics, Inc.; and

**WHEREAS**, in a letter from the GRANTEE dated September 8, 2016, the City of Columbus was notified that the number of full-time permanent employees to be relocated to the PROJECT SITE has changed as it became apparent that ~~six (6)~~ **eight (8)** of the employees originally identified for relocation are better served by remaining at 1580 Williams Road site and the company has therefore decided not to relocate them; and

**WHEREAS**, the ~~six~~ **eight** employees not transitioning to the new headquarters will be retained by ODW Logistics, Inc. at the

company's current warehouse campus located at 1580 Williams Road; and

**WHEREAS**, the need exists to amend the Columbus Downtown Office Incentive Agreement with ODW Logistics, Inc. for the purpose of reducing the GRANTEE'S job retention commitment from 62 full-time, permanent positions with an associated annual payroll of approximately \$5,555,754 to 54 full-time, permanent positions with an associated annual payroll of approximately \$5,048,000; 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 the Columbus Downtown Office Incentive Agreement with ODW Logistics, Inc., for the purpose of reducing the job retention commitment and associated annual payroll; thereby preserving the public health, property, safety and welfare; **NOW THEREFORE**,

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

- ON 1.** That the Columbus Downtown Office Incentive Agreement with ODW Logistics, Inc. is hereby authorized to be amended to reduce the GRANTEE's job retention commitment from 62 full-time, permanent positions with an associated annual payroll of approximately \$5,555,754 to 54 full-time, permanent positions with an associated annual payroll of approximately \$5,048,000.
- ON 2.** That the remaining terms of the Columbus Downtown Office Incentive Agreement not be modified by this amendment.
- ON 3.** That the amendment to the Columbus Downtown Office Incentive Agreement shall be signed by ODW Logistics, Inc. within ninety (90) days of passage of this ordinance or this ordinance and the incentive referenced herein shall be null and void.

**SECTION 4.** 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.