



## Legislation Text

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**File #:** 2933-2017, **Version:** 1

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**BACKGROUND:** The Columbus Department of Development is proposing to enter into a dual-rate Jobs Growth Incentive Agreement with Blue & Co., LLC in an amount equal to (i) twenty-five percent (25%) of the City of Columbus income tax withheld on the Columbus payroll of new employees and (ii) thirty percent (30%) of the City of Columbus income tax withheld on the Columbus payroll of new employees, who are also City of Columbus residents at the end of each calendar year, for a term of up to five (5) consecutive years.

Blue & Co., LLC is one of the 55 largest public accounting firms in the United States. The company provides assurance, tax, and consulting services to their clients. Blue & Co. was founded in Indianapolis, Indiana in 1970 by four Indiana University graduates. After operating under different combinations of the foursome's last names, they decided to use the name of the partner with the shortest name, Ron Blue. Today, Blue & Co. has 13 offices in four states (Indiana, Kentucky, Ohio and Texas) and over 450 professionals. Though they service all industries and niches (Construction, Manufacturing, Distribution, Agribusiness, Financial Services and Not-for-Profit), the company's primary area of focus is working with companies in the Healthcare industry, which accounts for fifty percent of their revenue.

Blue & Co., LLC is proposing to invest approximately \$275,000 in furniture and fixtures to relocate and expand its Columbus operations facility. With this expansion, the company plans to increase the size of its workforce servicing the State of Ohio and take on new clients. Blue & Co. will enter into a lease agreement on a vacant commercial office space consisting of approximately 16,300 square feet +/- at 9200 Worthington Road, retain the 25 full-time jobs with an annual payroll of approximately \$2.28 million and create 15 new full-time permanent positions with a cumulative estimated annual payroll of approximately \$977,571. All positions would be relocated to the new proposed project site from their current location, 8800 Lyra Drive, Suite 450, Columbus, OH 43240.

Blue & Co., LLC is requesting a dual-rate Jobs Growth Incentive from the City of Columbus to assist in the expansion of this project. This legislation is presented as 30 day legislation.

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

To authorize the Director of the Department of Development to enter into a dual-rate Jobs Growth Incentive Agreement with Blue & Co., LLC for a term of up to five (5) consecutive years in consideration of the company's proposed capital investment of \$275,000.00, the retention of 25 jobs and the creation of 15 new full-time permanent positions with an estimated annual payroll of approximately \$977,571.00.

**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 Blue & Co., LLC; and

**WHEREAS**, Blue & Co., LLC proposes to expand and relocate its Columbus operations facility by entering into a lease agreement on a vacant commercial office space consisting of approximately 16,300 sq. ft. +/- at 9200 Worthington Road, Westerville, Ohio 43082; and

**WHEREAS**, Blue & Co., LLC is proposing to invest a total project cost of approximately \$275,000 related to the acquisition of furniture and fixtures, retain 25 full-time jobs with an annual payroll of approximately \$2.28 million and create 15 new full-time permanent positions within a five (5) year timeframe with an estimated associated annual payroll

of approximately \$977,571; and

**WHEREAS**, Blue & Co., LLC has indicated that a Jobs Growth Incentive is crucial to its decisions to expand its corporate headquarters and operation facility within the City of Columbus; and

**WHEREAS**, the City of Columbus desires to facilitate the future growth of Blue & Co., LLC 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 dual-rate Jobs Growth Incentive Agreement with Blue & Co., LLC equal to (i) twenty-five percent (25%) of the City of Columbus income tax withheld on the Columbus payroll of new employees and (ii) thirty percent (30%) of the City of Columbus income tax withheld on the Columbus payroll of new employees, who are also City of Columbus residents at the end of each calendar year, for a term of up to five (5) consecutive years.
- SECTION 2.** Should Blue & Co., LLC not be able to sufficiently document residency for an employee associated with this project during a calendar year of the term of the agreement, the default rate of the Jobs Growth Incentive to be applied that calendar year for that new employee shall be twenty-five percent (25%).
- SECTION 3.** Each year of the term of the agreement with Blue & Co., 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 4.** That the City of Columbus Jobs Growth Incentive Agreement is signed by Blue & Co., LLC within 90 days of passage of this ordinance, or this ordinance and the credit herein shall be null and void.
- SECTION 5.** The City Council hereby extends authority to the Director of the Department of Development to amend the Blue & Co., LLC's 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 6.** That this ordinance shall take effect and be in force from and after the earliest period allowed by law.