



Legislation Text

File #: 3270-2018, **Version:** 1

BACKGROUND: The Columbus Department of Development is proposing to enter into a Downtown Office Incentive Agreement with Rise Brands Inc.

Headquartered in Columbus, Rise Brands Inc. ("Rise Brands") manages and operates two unique retail concepts - Pins, which offers duckpin bowling, and 16-Bit, an arcade-styled bar. At the time of application, Rise Brands had six locations and anticipated having 10 total locations by the end of calendar year 2018 with potential dual concepts (both Pins & 16-bit in a single development) to be located in Nashville and Dublin. In calendar year 2019, the company has plans to open six more locations, all outside of Ohio. The company's goal is to grow to 20 establishments by 2020 and is currently scouting new locations, most outside of Ohio.

Rise Brands intends to lease, renovate, equip, and occupy an approximately 13,000-square-foot vacant building located at 134 E. Long Street, Columbus, Ohio 43215 ("Project Site") near their current office operations located at 123 Chestnut Street, Columbus, Ohio 43215. The relocation of operations to a larger office space will allow for the expansion of the company's management and operations team at a unified headquarters.

The owner of the Project Site, Schottenstein Property Group, is expected to invest approximately \$1,380,610 to ready the building for occupancy, which includes substantial investments related to the building envelope (roof, windows, entryways, etc.). Rise Brands anticipates investing approximately \$2,000,000 - of which approximately \$1,900,000 will be related to real property improvements - to renovate and equip the Project Site. Rise Brands anticipates retaining and relocating 15 existing full-time permanent positions with an associated annual payroll of approximately \$1,322,265 to the Project Site from their current office operations and expects to create approximately 37 net new full-time permanent positions with an associated new annual payroll of approximately \$2,590,000.

Rise Brands Inc. is requesting a Downtown Office Incentive from the City of Columbus to assist in the relocation and expansion of operations in Columbus.

FISCAL IMPACT: No funding is required for this legislation

To authorize the Director of the Department of Development to enter into a Downtown Office Incentive Agreement with Rise Brands Inc.

WHEREAS, the City desires to increase employment opportunities and encourage establishment of new jobs in the City in order to improve the overall economic climate of the City and its citizens; and

WHEREAS, Resolution 0088X-2007, adopted June 4, 2007, authorized the Department of Development to establish the Columbus Downtown Office Incentive Program as amended; and

WHEREAS, the Department of Development has received a completed application for the Downtown Office Incentive from Rise Brands Inc.; and

WHEREAS, Rise Brands Inc. intends to lease, renovate, equip, and occupy an approximately 13,000-square-foot vacant building located at 134 E. Long Street, Columbus, Ohio 43215; and

WHEREAS, Rise Brands Inc. intends to invest approximately \$2,000,000 related to renovating and equipping the Project Site, anticipates retaining and relocating 15 existing full-time permanent positions with an associated annual payroll of

approximately \$1,322,265, and expects to create approximately 37 net new full-time permanent positions with an associated annual payroll of approximately \$2,590,000; **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 Downtown Office Incentive Agreement, pursuant to Columbus City Council Resolution 0088X-2007, with Rise Brands Inc. for an annual cash payment equal to fifty percent (50%) of the amount of City withholding tax withheld on new employees for a term of up to five (5) consecutive years on the estimated job creation of 37 new full-time permanent positions to be located at 134 E. Long Street, Columbus, Ohio 43215.

SECTION 2. Each year of the term of the agreement with Rise Brands Inc. that a payment is due, the City's obligation to pay the incentive is expressly contingent upon the passing 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 Downtown Office Incentive Agreement is signed by Rise Brands Inc. within 90 days of passage of this ordinance, or this ordinance and the credit herein shall be null and void.

SECTION 4. That the Director of the Department of Development is hereby authorized to amend the Downtown Office Incentive Agreement with Rise Brands Inc. 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.