



## Legislation Text

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**File #:** 1700-2019, **Version:** 1

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**BACKGROUND:** The Columbus Department of Development is proposing to enter into a Columbus Downtown Office Incentive Agreement with Everstream Solutions, LLC ("**Everstream Solutions**").

Everstream Solutions provides fiber based Ethernet, Internet, and data center solutions to businesses throughout Northeast Ohio. It also offers cloud backup and recovery, dark fiber/wave, and engineering and construction services. Everstream Solutions was founded in 2014 and is based in Cleveland, Ohio. The company's engineers monitor, manage and maintain visibility and control over Everstream Solutions's 100% owned and operated fiber network from their 24/7 Network Operations Centers in Cleveland, Ohio and Lansing, Michigan. The company has 10,000 plus miles of fiber throughout the Midwest in five states: Illinois, Indiana, Michigan, Ohio and Wisconsin. Everstream Solutions, a for-profit company, was acquired in early 2018 by a group of venture capital investors. Previously, the company was a subsidiary of OneCommunity, a nonprofit organization based in Cleveland, Ohio, that works to expand high-speed broadband access and adoption to strengthen Northeast Ohio.

Everstream Solutions is proposing to invest a total project cost of approximately \$100,000, which includes \$50,000 in leasehold improvements, and \$50,000 in furniture and fixtures to establish a new help desk/service operations center. The company proposes to enter into new lease agreement on a vacant office space that consists of approximately 7,390 square feet located at 240 N. 5<sup>th</sup> Street, Columbus, Ohio 43215 (the "**Project Site**"), within the Central Business District. Additionally, Everstream Solutions will create 40 net new full-time permanent positions with an annual payroll of approximately \$3,000,000 at the proposed **Project Site**.

Everstream Solutions, LLC is requesting a Downtown Office 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 Downtown Office Incentive Agreement with Everstream Solutions, LLC.

**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 Number 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 Columbus Downtown Office Incentive program from Everstream Solutions; and,

**WHEREAS**, Everstream Solutions is proposing to invest a total project cost of approximately \$100,000, which includes \$50,000 in leasehold improvements, and \$50,000 in furniture and fixtures to establish a new help desk/service operation center by entering into a new lease agreement on a vacant office space that consists of approximately 7,390 square feet located at 240 N 5<sup>th</sup> Street, Columbus, Ohio 43215, (the "**Project Site**"), in the Central Business District; and

**WHEREAS**, with this expansion, Everstream Solutions will create 40 net new full-time permanent positions with a cumulative estimated annual payroll of approximately \$3,000,000 at the proposed **Project Site**; and

**WHEREAS**, Everstream Solutions has indicated that a Downtown Office Incentive is crucial to its decision to move forward with the expansion of its corporate HQ within the City; and

**WHEREAS**, the City of Columbus desires to facilitate the future growth of Everstream Solutions at the **Project Site** by providing a Downtown Office Incentive; and **NOW THEREFORE**,

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

**SECTION 1.** City Council authorizes the Director of the Department of Development to enter into a Columbus Downtown Office Incentive Agreement with Everstream Solutions, LLC pursuant to Columbus City Council Resolution Number 0088X-2007, for an annual cash payment equal to fifty percent (50%) of the amount of City withholding tax withheld on new employees for a term up to five (5) consecutive years on the estimated job creation of 40 net new full-time permanent positions with an annual payroll of approximately \$3,000,000 to be located at 240 N. 5<sup>th</sup> Street, Columbus, Ohio 43215.

**SECTION 2.** Each year of the term of the agreement with Everstream Solutions, LLC 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 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 the Department of Development to amend the Everstream Solutions, LLC City of Columbus Downtown Office 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 certain 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.