



Legislation Text

File #: 1190-2020, **Version:** 1

BACKGROUND: The Columbus Department of Development is proposing to enter into a dual-rate Jobs Growth Incentive Agreement with Slalom, 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.

Slalom, LLC is a modern consulting firm focused on strategy, technology, and business transformation. Slalom was formed in 1993 in Denver, Colorado. Now in over 35 markets across the US and around the world, Slalom's teams have autonomy to move fast and do what's right. They are backed by regional innovation hubs, a global culture of collaboration, and partnerships with the world's top technology providers.

Slalom, LLC is proposing to invest approximately \$120,000 in computers, \$263,000 in furniture and fixtures, and \$164,000 in leasehold improvements to establish operations at 4111 Worth Avenue, Columbus, Ohio 43219, parcel number 010-298349. With this project, the company plans to relocate 19 existing full-time permanent positions with an associated annual payroll of \$3,288,000. Additionally, Slalom, LLC will create 85 new full-time permanent positions with a cumulative estimated annual payroll of approximately \$12,157,000 to support its growth.

Slalom, LLC is requesting a dual-rate Jobs Growth Incentive from the City of Columbus to assist with this expansion 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 Slalom, LLC for a term of up to five (5) consecutive years in consideration of the company's proposed capital investment of \$547,000.00 and creation of 85 net new full-time permanent positions with an estimated annual payroll of approximately \$12,157,000.00. **(AMENDED BY ORD. 1065-2021; PASSED 5/10/2021)**

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 Slalom, LLC; and

WHEREAS, Slalom, LLC proposes to establish administrative operations by investing a total project cost of approximately \$547,000. With this project, the company plans to operate at 4111 Worth Avenue, Columbus, Ohio 43219, parcel number 010-298349 to support research operations; and

WHEREAS, Slalom, LLC will retain 19 full-time permanent positions with an associated annual payroll of \$3,288,000 and create 85 net new full-time permanent positions with an estimated associated annual payroll of approximately \$12,157,000 at the proposed project site; and

WHEREAS, Slalom, LLC has indicated that a Jobs Growth Incentive is crucial to its decision to establish administrative operations within the City of Columbus; and

WHEREAS, the City of Columbus desires to facilitate the future growth of Slalom, 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 Slalom, 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.** That, should Slalom, 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.** That, each year of the term of the agreement with Slalom, 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 shall be signed by Slalom, LLC within 90 days of passage of this ordinance, or this ordinance and the credit herein shall be null and void.
- SECTION 5.** That City Council hereby extends authority to the Director of the Department of Development to amend Slalom, 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.