



Legislation Text

File #: 0750-2021, **Version:** 1

BACKGROUND: The Columbus Department of Development is proposing to enter into a dual-rate Jobs Growth Incentive Agreement with Goosehead Insurance Agency, 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 six (6) consecutive years.

Founded in 2003, Goosehead Insurance Agency, LLC ("Goosehead") is a rapidly growing independent insurance agency, reinventing the traditional approach to distributing personal lines policies throughout the United States. Their differentiated business model and innovative technology platform, have enabled them to deliver insurance customers a superior experience. The Company is experiencing rapid business growth for its personal lines of insurance across the U.S., and the project involves the creation of a national sales center that will secure and serve customer needs using an advanced proprietary technology platform. The project will be dedicated to commercial loan production in new markets for the company.

Goosehead is proposing to invest approximately \$180,000 in machinery and equipment, \$825,000 in leasehold improvements and \$330,000 in furniture and fixtures to expand operations at 4131 Worth Avenue, Columbus, Ohio 43219, parcel number 010-298178. Additionally, Goosehead will create 60 new full-time permanent positions with a cumulative estimated annual payroll of approximately \$4,600,000 to support its growth. Goosehead 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 Goosehead Insurance Agency, LLC for a term of up to six (6) consecutive years in consideration of the company's proposed capital investment of \$1,335,000.00 and creation of 60 net new full-time permanent positions with an estimated annual payroll of approximately \$4,600,000.00.

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 Goosehead Insurance Agency, LLC; and

WHEREAS, Goosehead Insurance Agency, LLC proposes to expand operations by investing a total project cost of approximately \$1,335,000 in capital investments. With this project, the company plans to lease approximately 15,000 sq. ft. at 4131 Worth Avenue, Columbus, Ohio 43219, parcel number 010-298178 to support these operations; and

WHEREAS, Goosehead Insurance Agency, LLC will create 60 net new full-time permanent positions with an estimated associated annual payroll of approximately \$4,600,000 at the proposed project site; and

WHEREAS, Goosehead Insurance Agency, 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 Goosehead Insurance Agency, LLC at the

project site by providing a Jobs Growth Incentive; **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 Goosehead Insurance Agency, 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 six (6) consecutive years.
- SECTION 2.** Should Goosehead Insurance Agency, 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 Goosehead Insurance Agency, 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 be signed by Goosehead Insurance Agency, 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 Goosehead Insurance Agency, 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 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 6.** That this ordinance shall take effect and be in force from and after the earliest period allowed by law.