



Legislation Text

File #: 1502-2021, **Version:** 1

BACKGROUND: The City of Columbus (**CITY**) entered into a Downtown Office Incentive Agreement (**AGREEMENT**) with Northwest Bank (**GRANTEE**) effective June 30, 2020. Columbus City Council (**COUNCIL**) approved the **AGREEMENT** by Ordinance No. 0443-2020, passed on March 2, 2020, and granted a financial incentive based on an amount equal to fifty percent (50%) of new employee withholding tax paid at the project site, to commence on January 1, 2021 for a period of five (5) consecutive taxable years based on an investment of approximately \$50,000 to expand operations at 401 N. Front Street, Columbus Ohio 43215 (**PROJECT SITE**). Additionally, the **GRANTEE** was to create 10 new full-time permanent positions with a cumulative estimated annual payroll of approximately \$1,385,000 and retain 1 full-time permanent position with an annual payroll of \$310,000 at the **PROJECT SITE**.

In a letter from the **GRANTEE** dated January 7, 2021, the **GRANTEE** requested the **CITY** dissolve the Downtown Office Incentive Agreement and consolidate the commitments with the existing Jobs Growth Incentive Agreement. This legislation is to dissolve the Downtown Office Incentive **AGREEMENT** between the City of Columbus and Northwest Bank. No incentive benefits have been made to the **GRANTEE** under this incentive.

This legislation is presented as an emergency measure in order for this dissolution to be legislated in the most expedient manner possible so that the commitments under this **AGREEMENT** can be consolidated with the existing Jobs Growth Incentive Agreement.

FISCAL IMPACT: No funding is required for this legislation.

To dissolve the Downtown Office Incentive Agreement between the City of Columbus and Northwest Bank, and to declare an emergency.

WHEREAS, Columbus City Council approved a Downtown Office Incentive Agreement (**AGREEMENT**) with Northwest Bank (**GRANTEE**) by Ordinance No. 0443-2020 on March 2, 2020 with the **AGREEMENT** having been made and entered into effective June 30, 2020; and

WHEREAS, the **AGREEMENT** granted a financial incentive based on an amount equal to fifty percent (50%) of new employee withholding tax paid at the project site, to commence on January 1, 2021 for a period of five (5) consecutive taxable years thereafter; and

WHEREAS, in the **AGREEMENT,** **GRANTEE** committed to create 10 full-time permanent positions, retain 1 full-time permanent position and invest approximately \$50,000 to expand operations at 401 N. Front Street, Columbus Ohio 43215 (**PROJECT SITE**); and

WHEREAS, in a letter from **GRANTEE** dated January 7, 2021, the **GRANTEE** requested the **CITY** dissolve the Downtown Office Incentive Agreement and consolidate the commitments with the existing Jobs Growth Incentive Agreement. This legislation is to dissolve the Downtown Office Incentive **AGREEMENT** between the City of Columbus and Northwest Bank; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to dissolve the **AGREEMENT** so the commitments under this **AGREEMENT** can be consolidated with the existing Jobs Growth Incentive Agreement, and to preserve the public health, property, safety and welfare;

NOW, THEREFORE

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

SECTION 1. That Columbus City Council hereby dissolves the Northwest Bank Downtown Office Incentive Agreement (authorized by Ordinance Number 0443-2020; passed on March 2, 2020; made and entered into effective June 30, 2020) as of January 1, 2021.

SECTION 2. That the Director of Development is hereby directed to notify the necessary local and state agencies of any changes to the Northwest Bank Downtown Office Incentive Agreement.

SECTION 3. That, for the reasons stated in the preamble hereto, which is made a part hereof, this Ordinance is declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor, or ten (10) days after passage if the Mayor neither approves nor vetoes this Ordinance.