



Legislation Text

File #: 1987-2021, **Version:** 1

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

FlightSafety International Inc. (“FSI”), founded in 1951, is one of the world’s leading aviation training companies, training more than 75,000 pilots, technicians and other aviation professions each year via a worldwide network of 40 learning centers. The company also manufactures and operates advanced technology flight simulators. This project would relocate the Berkshire Hathaway company’s headquarters operations from New York to Columbus.

FSI proposes to invest total project costs of approximately \$900,000 in furniture and fixtures to relocate their headquarters operations to the existing training facility located at 4010 Bridgeway Avenue, Columbus, Ohio 43219, parcel number 010-293794 (“Project Site”). The company will create 113 net new full-time permanent positions with an annual payroll of \$10,130,000 and retain 32 full-time permanent positions with an annual payroll of \$6,784,416 at the Project Site.

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 Flight Safety International Inc. for a term of up to five (5) consecutive years in consideration of the company’s proposed capital investment of \$900,000.00 and creation of 113 net new full-time permanent positions with an estimated annual payroll of approximately \$10,130,000.00.

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 FlightSafety International Inc.; and

WHEREAS, FlightSafety International Inc. proposes to invest total project cost of approximately \$900,000 in furniture and fixtures to relocate their headquarters operations to the existing training facility located at 4010 Bridgeway Avenue, Columbus, Ohio 43219, parcel number 010-293794; and

WHEREAS, FlightSafety International Inc. will create 113 net new full-time permanent positions with an estimated associated annual payroll of approximately \$10,130,000 and retain 32 full-time permanent positions with an associated annual payroll of approximately \$6,784,416 at the proposed project site; and

WHEREAS, FlightSafety International Inc. has indicated that a Jobs Growth Incentive is crucial to its decision to relocate headquarters operations within the City of Columbus; and

WHEREAS, the City of Columbus desires to facilitate the future growth of FlightSafety International Inc. 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 FlightSafety International Inc. 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.** Should FlightSafety International Inc. 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 FlightSafety International Inc. 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 is signed by FlightSafety International Inc. 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 FlightSafety International Inc.'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.