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Nationwide to move 1,400 jobs Downtown

City reverses position, will support improvements near Nationwide Realty's Grandview Yard project

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THE COLUMBUS DISPATCH

Nationwide announced a move yesterday that will give a major boost to Downtown by the end of next year, as the insurance company plans to move 1,400 jobs to Columbus from Dublin.

At the same time, the city said it will create a tax-increment-financing district to help pay for improvements near Grandview Yard, a sprawling development of retail, housing and offices being built by Nationwide Realty Investors on the site of the former Big Bear supermarket warehouse.

The first phase of the project, which includes a Hyatt Place hotel, is slated to open Sept. 1.

The move will boost Nationwide's presence Downtown to nearly 9,000 jobs.

"That's huge for the city of Columbus," Mayor Michael B. Coleman said at a news conference at the site.

Nationwide officials said the move will consolidate at one location workers now based at several sites in Dublin.



Officials announce Nationwide's plan to bring 1,400 jobs to Downtown. Standing behind Grandview Heights Mayor Ray DeGraw at the lectern are, from left, Nationwide CEO Steve Rasmussen, Columbus Mayor Michael B. Coleman and Columbus City Councilman Andrew J. Ginther.

"This is an opportunity to bring our work force together, create efficient work environments and take advantage of Downtown office space that we currently have available," Nationwide CEO Steve Rasmussen said. "Meanwhile, our investments in Grandview Yard will contribute to the economic vitality of the greater Columbus community."

"We've obviously had a longtime commitment to Downtown."

Coleman had opposed Grandview

Yard because he feared the suburban development would lure more than 1,000 jobs - and the local income taxes they generate - out of Columbus.

He laughed yesterday at the suggestion that his support came at the expense of another city that will lose jobs and income taxes to Columbus.

"These jobs are coming Downtown from Dublin without incentive," Coleman said.

However, he acknowledged that Nationwide's shift of jobs was "very

persuasive” in winning the city’s support for improvements to the Columbus streets surrounding Grandview Yard.

Improvements will be made by creating a tax-increment-financing district from 3rd Avenue north, including a portion of Olentangy River Road. A TIF is a special zone in which the taxes paid on new developments and property improvements are used to upgrade roads and other infrastructure within the zone.

City officials said the zone hasn’t been formally drawn. The improvements to the area will include widening 3rd Avenue and a railroad underpass. A dollar amount has not been set.

For almost two years, Columbus had refused to do the work that Grandview requested. Yesterday, Coleman said improvements will benefit Grandview Heights as well as Columbus and Grandview Yard developers.

“You know how much I like win-win deals,” he said.

The deal figures to be a big boost for Downtown.

“There’s a ripple effect that’s very strong when a job moves into Downtown or out of Downtown,” said Cleve Ricksecker, executive director of the Downtown Capital Crossroads Special Improvement District.

A typical worker may spend a couple of thousand dollars Downtown, and companies may need to be hired to provide additional services, he said.

Nationwide has about 5,000 workers

at offices in the Tuttle Crossing area, Dublin Deputy City Manager Dana McDaniel said. The company’s operations in Dublin date back to the mid-1990s.

“It always hurts to lose any job in your local economy,” he said. “We understand the business decision.”

When complete, the move will cost Dublin about \$900,000 a year, or 1.36 percent of its total tax revenue, according to the city. Officials said the city has ample reserves to withstand the loss.

McDaniel said Nationwide does receive tax incentives

for having operations in Dublin; the city refunds a portion of the income tax to Nationwide that it collects from Nationwide workers. A smaller work force at least would reduce the refund, he said.

The Nationwide plan is the latest in a string of announcements that have made Columbus a good spot for economic activity compared with most other big cities in the Midwest.

In recent times, the city and its partners have announced:

- The expansion of Nationwide Children’s Hospital, creating 2,000 good-paying jobs.
- The expansion of JPMorgan Chase, bringing 1,000 new jobs to Columbus.

- The Hilton Columbus Downtown convention hotel, which will create 550 jobs.
- The creation of 500 jobs with Huntington Bank, which also pledged to keep its headquarters Downtown for the next 20 years.
- A partnership with the Ohio State Medical Center, resulting in 6,000 new jobs.
- A manufacturing facility for electric-car battery maker CODA Automotive, which could create 1,325 jobs.
- The relocation of Canadian clothing company La Senza to Columbus, which will bring in 80 jobs.

Last August, voters approved raising the city’s income tax to 2.5 percent from 2 percent. The increase has provided stability for the city and allowed it to restore operations, making it more attractive for companies, Coleman said.

“My No. 1 job is to create jobs,” he said.

Nationwide is the developer of Grandview Yard. Capitol Square Ltd., the real-estate arm of The Dispatch Printing Company, publisher of *The Dispatch*, holds a 20 percent stake in the project. ■



Grandview Yard will be a mix of retail stores, housing and offices.