

**FACT SHEET**  
**Pizzuti Short North Office LLC**  
**September, 2012**

**I. STATEMENT OF PURPOSE – Enterprise Zone**

The Department of Development recommends an Enterprise Zone Tax Abatement of Seventy-Five Percent (75%) for a period of ten (10) years on real property improvements including new building construction and the renovation and repurposing of a historical site and creating new employment in the City of Columbus.

**II. PROJECT HISTORY**

Development of Pizzuti Short North Office, LLC (dba The Joseph) began over 4 years ago with the vision of bringing a boutique hotel experience to the Columbus region. Over the course of the project’s development additional property became available adjacent to the original project site. This land was acquired and the site design refocused to install a one of a kind mixed-use development in the district.

As part of the design Pizzuti has proposed the construction of a speculative 60,000 ft<sup>2</sup> facility housing 55,000 ft<sup>2</sup> of Class A office and 5,000 ft<sup>2</sup> of retail space. Project costs are estimated to be \$11.6 million including \$8.9 million in new building construction and \$2.7 million in leasehold improvements. A total of 217 new employees are anticipated to fill the space with the potential to generate \$13.3 million in annual payroll.

Pizzuti Short North Office LLC is requesting an Enterprise Zone Tax Abatement of 75% for ten (10) years to assist in the development of this project.

**III. PROJECT INVESTMENT**

<b>BUILDING CONSTRUCTION</b>	\$8,913,000
<b>LEASEHOLD IMPROVEMENT</b>	\$2,750,000
<b>TOTAL INVESTMENT</b>	\$11,663,000

**IV. DECISION & TIMING**

The new building construction project is expected to begin November, 2012 with a scheduled time of completion for June, 2014, contingent upon Columbus City Council approval of the recommended tax incentive.

## V. EMPLOYMENT

The project will create 217 new full-time permanent positions with an annual payroll of \$13.3 million.

<b>Position</b>	<b>New Jobs</b>	<b>Hourly Rate</b>	<b>Average Annual Pay</b>	<b>Total Estimated Salary</b>
Business Services	217	\$29.67	\$61,720	\$13,393,240
Total	217	\$29.67	\$61,720	\$13,393,240

The project is located in the 600 block of North High Street (parcel number 010-002258) and is accessible by public transportation (COTA).

## VI. REQUESTED PUBLIC PARTICIPATION

The Department of Development recommends a 75%/10-year Enterprise Zone Abatement on real property improvements for the purpose of new building construction and leasehold improvements at the North High Street location.

## VII. WORKFORCE DEVELOPMENT

Employers granted a tax incentive will meet with the Central Ohio Workforce Investment Corporation (COWIC) to develop a relationship to assure continuing employment opportunities for Columbus residents who are unemployed or underemployed. The company must meet with COWIC within 90 days of passage of the legislation.

## VIII. NEW TAX IMPACT: 10-YEAR SUMMARY

<b>Unabated Revenue</b>	<b>Average Annual</b>	<b>10-year Summary</b>
A. Real Property Tax Revenue	\$320,542	\$3,205,417
B. New City Income Tax Revenue	\$334,831	\$3,348,310
C. Total Unabated Tax Revenue	\$655,373	\$6,553,727
<b>Abatement Impact</b>	<b>Average Annual</b>	<b>10-year Summary</b>
D. Total Proposed Tax Abatement 75%/10-yr on Real Property	\$240,407	\$2,404,070
E. Total Revenue Net of Tax Abatement (i.e., C-D)	\$414,966	\$4,149,657
<b>School District Impact Columbus-Columbus City School District</b>	<b>Average Annual</b>	<b>10-year Summary</b>
F. Existing School District Revenue from Real Property at site	\$7,044	\$70,440
G. New Revenue as a Result of the Proposed Project	\$55,954	\$559,540
H. Total School District Revenue	\$62,998	\$629,980

## IX. TAX BENEFIT

The recommended 75%/10-year Enterprise Zone Abatement could yield a tax savings of approximately \$2.4 million to Pizzuti Short North Office LLC for the ten (10) year term of the abatement. The Columbus City Schools will receive an additional \$559,540 over the term of the abatement, as a result of the project.

## X. AREA IMPACT/GREEN INITIATIVES

Pizzuti Short North Office LLC will manage construction waste through recycling and waste haul off practices consistent with LEED standards. Additionally, the company will install high efficiency HVAC equipment throughout the property and seek LEED certification for the building core and shell.