

**FACT SHEET
PIZZUTI LAND LLC AND
COLUMBUS-FRANKLIN COUNTY FINANCE AUTHORITY
JULY 2019**

I. STATEMENT OF PURPOSE – COMMUNITY REINVESTMENT AREA

The Department of Development recommends a Community Reinvestment Area property tax abatement of one hundred percent (100%) for a period of fifteen (15) consecutive years on real property improvements by Pizzuti Land LLC, an affiliate of The Pizzuti Companies, and the Columbus-Franklin County Finance Authority for the purpose of constructing an industrial warehouse and creating new employment opportunities.

II. PROJECT HISTORY

Pizzuti Land LLC, an affiliate of Columbus-based real estate development company, The Pizzuti Companies (“Pizzuti”), is proposing to construct a new speculative industrial warehouse facility consisting of approximately 261,402 square feet on 21.18 acres +/- located at 1675 Beggrow Street, Columbus, Ohio 43035 on parcel number 495-234526 (the “**Project Site**”).

The new warehouse will be in a premier location within the Rickenbacker Community Reinvestment Area (“Rickenbacker CRA”) and the Rickenbacker Inland Port and is part of a three-building development plan which can support up to 1.5 million square feet of development. Rickenbacker West features large, rail-served cross-dock facilities and is located in an industrial corridor adjacent to Norfolk Southern’s Rickenbacker Intermodal Terminal.

Pizzuti Land LLC expects to invest a total of approximately \$16,514,749 million in order to construct the industrial warehouse facility and has estimated that the new warehouse will support the creation of 10 net new full-time permanent positions within the City of Columbus with an associated new annual payroll of approximately \$312,000 by the end of the third full year of operation. As this is a speculative development, the exact number of full-time permanent positions expected to be relocated to the **Project Site** is unknown.

The **Project Site** will ultimately be developed by Pizzuti with intentions to enter into a capital lease financing structure with the Columbus-Franklin County Finance Authority (“the Authority”). The Authority will obtain its interest in the property pursuant to a ground lease, will own the facility, and will lease the facility to the newly-formed entity affiliated with Pizzuti under a triple net lease.

Pizzuti Land LLC and the Columbus-Franklin County Finance Authority are requesting a Community Reinvestment Area property tax abatement of one hundred percent (100%) for a period of fifteen (15) consecutive years on real property improvements to assist in the development of this project.

III. PROJECT INVESTMENT

INVESTMENT TYPE	PROPOSED VALUE
New construction	\$16,514,749
TOTAL INVESTMENT	\$16,514,749

IV. DECISION & TIMING

Real property improvements are expected to begin as soon as August 2019 with a scheduled time of completion of March 2020, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

Pizzuti Land LLC has estimated that the new warehouses will support the creation of 10 net new full-time permanent positions within the City of Columbus with an associated new annual payroll of approximately \$312,000 by the end of the third full year of operation (estimated to be December 31, 2023).

Position Title	Number of New Jobs	Average Hourly Rate	Average Annual Salary	Total Estimated Payroll for New Positions
Warehouse Staff	10	\$15.00	\$31,200	\$312,000
TOTALS	10			\$312,000

The proposed **Project Site** is located at 1675 Beggrow Street, Columbus, Ohio 43035, on parcel number 495-234526 in Franklin County. The Project Site is accessible by public transportation (Central Ohio Transit Authority).

VI. REQUESTED PUBLIC PARTICIPATION

The Department of Development recommends a Community Reinvestment Area tax abatement of one hundred percent (100%) for a period of fifteen (15) consecutive years on real property improvements for the purpose of constructing a new speculative industrial warehouse facility consisting of approximately 261,402 square feet on parcel number 495-234526 located at 1675 Beggrow Street, Columbus, Ohio 43035.

VII. NEW TAX IMPACT: ANNUAL & 15-YEAR SUMMARY

Unabated Revenue	Average Annual	15-year Summary	30-year Summary
A. Real property tax revenue	\$583,595	\$8,753,925	\$17,507,850
B. New City income tax revenue	\$7,800	\$117,000	\$234,000
C. Total unabated tax revenue (i.e., A. + B.)	\$591,395	\$8,870,925	\$17,741,850

Proposed Tax Abatement Impact	Average Annual	15-year Summary	30-year Summary
D. Total proposed tax abatement – one hundred percent (100%)/fifteen (15) consecutive years on real property improvements	\$583,595	\$8,753,925	\$8,753,925
E. Total unabated property tax revenue (i.e., C.-D.)	\$7,800	\$117,000	\$8,987,925

School District Impact: Columbus City School Board of Education	Average Annual	15-year Summary	30-year Summary
F. Existing school district revenue from real property at site (pre abatement)	\$23,776	\$356,640	\$713,820
G. New revenue as a result of the proposed project (post abatement)*	\$0	\$0	\$5,086,455
H. Total school district revenue (i.e., F. + G.)	\$23,776	\$356,640	\$5,800,275

VIII. TAX BENEFIT

The recommended Community Reinvestment Area property tax abatement could yield a tax savings of approximately \$8,753,925 for Pizzuti over the incentive term of fifteen (15) years. The City of Columbus will receive a net benefit of approximately \$117,000 in new withholding tax over the term of the incentive.

(*) Note: The Columbus City School District is not estimated to receive additional property tax revenue over the term of the abatement as a result of the project. However, as per a separately negotiated and approved Compensation Agreement, the Columbus City School District is expected to receive:

- \$1,100,000 total made in three unequal payments;
- five (5) reading kiosks and associated maintenance costs for five (5) years;
- equipment for the School District’s career and technical education program at a cost of up to \$160,000; and

- ten (10) paid construction trade internships to School District students per year for ten (10) academic years.

IX. AREA IMPACT/GREEN INITIATIVES

Pizzuti will use green initiatives in the design, construction, and operation of the warehouses. The building will include low-flow toilets and urinals, all interior paints and sealants will contain low volatile organic compounds (VOCs), and Pizzuti will source building materials locally with attention to recycled content.