

**FACT SHEET
KDL PROPERTIES LLC AND
FORTNER UPHOLSTERING, INC.
APRIL 2018**

I. STATEMENT OF PURPOSE – Enterprise Zone

The Department of Development recommends an Enterprise Zone Tax Abatement of seventy-five (75%) for a period of ten (10) consecutive years on real property improvements for the purpose of renovating and redeveloping an old manufacturing facility, and for creating new employment opportunities for the residents of the City of Columbus.

II. PROJECT HISTORY

Headquartered in the City of Columbus, KDL Properties, LLC is a real estate holding company established in the fall of 2012. Fortner Upholstering, Inc. is Ohio's largest reupholstery furniture company. The company has been serving Columbus' furniture needs, both residential and commercial, with re-upholstering and custom built furniture since 1929. Fortner Upholstering, Inc. boasts over 300 years of collective upholstery experience, and is still family owned and operated. The company is proud to partner with the State of Ohio as a Master Maintenance Agreement vendor, where services have been customized to meet the specific needs of government institutions. Justin McAllister, the grandson of David Fortner Sr., is the fourth generational owner and President/CEO of Fortner Upholstering, Inc., and is the President of KDL Properties LLC.

KDL Properties LLC and Fortner Upholstering, Inc., two entities under common ownership, propose to invest a total project cost of approximately \$2.3 million in real property improvements to renovate and redevelop a historic manufacturing facility (formerly Seagrave Fire Truck Manufacturing; most recently Jet Container) with a total square footage of approximately 209,334 sq. ft. at 2050 - 2060 S. High Street (parcel number 010-104087), an adjacent property located at 2000 S. High Street (parcel numbers 010-104083 and 010-104093), and four vacant adjacent S. High Street lots (parcel numbers 010-104088, 010-104232, 010-002039, and 010-104098), Columbus, Ohio, 43207. Upon completion of renovations, Fortner Upholstering, Inc. propose to expand its corporate headquarters and manufacturing facilities by occupying approximately 60,000 sq. ft. +/- of the proposed 209,334 square-foot facility. Fortner Upholstering, Inc. will be one of the tenants and the employer of record, and will enter into a lease agreement with KDL Properties LLC. Additionally, Fortner Upholstering, Inc. will retain 37 full-time jobs with an annual payroll of approximate \$1.86 million and create 6 net new full-time permanent positions with an estimated annual payroll of approximately \$237,000 at the proposed project site. The remaining unused square footage (approximately 149,334 sq. ft. +/-) will be used to attract other future potential tenants.

KDL Properties LLC and Fortner Upholstering, Inc. are requesting an Enterprise Zone Tax Abatement of seventy-five percent (75%) for a period of ten (10) consecutive years to assist in the renovation and redevelopment of the aforementioned project site.

III. PROJECT INVESTMENT

INVESTMENT TYPE	PROPOSED VALUE
Improvements to existing building	\$2,300,000
TOTAL INVESTMENT	\$2,300,000

IV. DECISION & TIMING

The project is expected to begin April 2018 with a scheduled time of completion for April 2019, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project will create 6 new full-time permanent office positions with a new associated estimated annual payroll of approximately \$237,000 and retain 37 full-time positions with an annual payroll of approximately \$1.86 million.

Position Title	Number of New Jobs	Average Hourly Rate	Average Annual Salary	Total Estimated Payroll for New Positions
Master Carpenter	1	\$31.25	\$65,000	\$65,000
Carpenter/Finisher	3	\$15.38	\$32,000	\$96,000
Warehouse Manager	1	\$17.31	\$36,000	\$36,000
Administrative Assistant	1	\$19.23	\$40,000	\$40,000
TOTALS	6			\$237,000

Total new payroll to Columbus will be approximately \$237,000. Fortner Upholstering, Inc. will be the tenant and employer of record, providing the benefits on new employees, which includes the following:

- Paid Vacation
- Disability Pay
- 401K Retirement Plan
- Medical/Dental Insurance

The proposed project site is located at 2050 - 2060 S. High Street (parcel number 010-104087), an adjacent property located at 2000 S. High Street (parcel numbers 010-104083 and 010-104093), and four vacant adjacent S. High Street lots (parcel numbers 010-104088, 010-104232, 010-002039, and 010-104098), Columbus, Ohio, 43207, and is accessible by public transportation (COTA). There is a COTA stop in close proximity of the project site.

VI. REQUESTED PUBLIC PARTICIPATION

The Department of Development recommends a 75%/10-year Enterprise Zone Abatement on real property improvements for the renovation and redevelopment of this old historic manufacturing facility.

VII. NEW TAX IMPACT: 10-YEAR SUMMARY

Unabated Revenue	Average Annual	10-year Summary
A. Real Property Tax Revenue	\$66,224	\$662,240
B. New City Income Tax Revenue	\$5,925	\$59,250
C. Total Unabated Tax Revenue	\$72,149	\$721,490
Abatement Impact	Average Annual	10-year Summary
D. Total Proposed Tax Abatement 75%/10-yrs on Real Property	\$49,668	\$496,680
E. Total Revenue Net of Tax Abatement (<i>i.e.</i> , C-D)	\$22,481	\$224,810
School District Impact Columbus City School District	Average Annual	10-year Summary
F. Existing School District Revenue from Real Property at site	\$11,268	\$112,680
G. New Revenue as a Result of the Proposed Project	\$11,836	\$118,360
H. Total School District Revenue	\$23,104	\$231,040

VIII. TAX BENEFIT

The recommended 75%/10-year Enterprise Zone Abatement could yield a tax savings of approximately \$496,680 for KDL Properties LLC and Fortner Upholstering, Inc. over the term of the abatement. The Columbus City Schools will receive an additional \$118,360 over the term of the tax abatement.

IX. AREA IMPACT/GREEN INITIATIVES

KDL Properties LLC and Fortner Upholstering, Inc. will strive to use environmentally friendly materials wherever available. Great efforts are being made to ensure the most energy efficient materials are incorporated in the renovations and redevelopment process to ensure minimal energy consumption which includes energy-efficient HVAC, T1 lightening, recycling, etc.