

FACT SHEET
APRIL 2014
FLIGHTSAFETY INTERNATIONAL INC.

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 to expand its Columbus Learning Center and create new employment in the City of Columbus.

II. PROJECT HISTORY

FlightSafety International Inc. (FlightSafety) is the world’s premier professional aviation training company and supplier of flight simulators, visual systems and displays to commercial, government and military organizations. The company provides more than a million hours of training each year to pilots, technicians and other aviation professionals. FlightSafety operates the world’s largest fleet of advanced full flight simulators in its Learning Centers located in the United States, Canada, France, Japan, South Africa and the United Kingdom. The company is owned and backed by Berkshire Hathaway, Inc., an American multinational conglomerate holding company headquartered in Omaha, Nebraska that oversees and manages a number of subsidiary companies.

FlightSafety is proposing to invest approximately \$113 million to expand its Columbus Learning Center. This investment amount includes \$22.5 million in real property improvements, \$88 million in machinery and equipment, \$2.5 million furniture and fixtures. The company plans to construct a new Learning Center consisting of two separate buildings of approximately 54,000 and 90,000 sq. ft., respectively. Eventually, the two facilities will connect making it one large flight simulator Learning Center. This new Learning Center will house 18 new full flight simulators and will train pilots, technicians and other aviation professionals. FlightSafety will retain 137 full-time employees with an estimated annual payroll of \$9.17 million and create 18 new full-time permanent positions with an estimated annual payroll of approximately \$1.19 million.

FlightSafety International Inc. is requesting an Enterprise Zone Tax Abatement from the City of Columbus to assist in the development of this project.

III. PROJECT INVESTMENT

Machinery & Equipment	\$88,000,000
Improvements to Existing Buildings	\$22,500,000
Furniture & Fixture	\$2,500,000
TOTAL INVESTMENT	\$113,000,000

IV. DECISION & TIMING

The project is scheduled to begin May 2014 with a scheduled time of completion of June 2017 for both buildings, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project will create 18 new full-time permanent positions with an annual payroll of \$1.19 million and retain 137 full-time jobs with an annual payroll of approximately \$9.17 million.

Position	Number of New Jobs	Hourly Rate	Annual Salary	Total Estimated Payroll for New Jobs
Customer Support Representative	2	\$16.83	\$35,000	\$70,000
Simulator Technicians	2	\$19.23	\$40,000	\$80,000
Instructors	8	\$33.65	\$70,000	\$560,000
Program Managers	2	\$45.67	\$95,000	\$190,000
Assistant Center Managers	1	\$52.88	\$110,000	\$110,000
Operations Support Compliance Coordinator	1	\$19.23	\$40,000	\$40,000
Assistant Director of Training	1	\$48.08	\$100,000	\$100,000
Information System Specialist	1	\$19.23	\$40,000	\$40,000
TOTAL	18			\$1,190,000

Total combined annual payroll (retained and new) to Columbus will be approximately just over \$10 million.

Benefits provided to new employees of FlightSafety International Inc. begins 30 days after hiring and includes the below list:

- Paid Holidays
- Vacation Pay
- Disability Pay
- Paid Vacation/Personal Days
- 401k Retirement Plan
- Medical/Dental Insurance
- Training & Education Benefits

The project is located at 625 N. Hamilton Road Columbus, Ohio 43219 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 Tax Abatement to FlightSafety International Inc. if Columbus City Council approves the proposed tax incentive.

VII. NEW TAX IMPACT/ANNUAL AND 10-YEAR SUMMARY

Unabated Revenue	Average Annual	10-year Summary
A. Real Property Tax Revenue	\$630,253	\$6,302,530
B. New City Income Tax Revenue	\$29,750	\$297,500
C. Total Unabated Tax Revenue	\$660,003	\$6,600,030
Abatement Impact	Average Annual	10-year Summary
D. Total Proposed Tax Abatement 75%/10-yrns on Real Property	\$472,690	\$4,726,900
E. Total Revenue Net of Tax Abatement (i.e., C-D)	\$187,313	\$1,873,130
School District Impact Columbus City School District	Average Annual	10-year Summary
F. Existing School District Revenue from Real Property at site	\$68,157	\$681,570
G. New Revenue as a Result of the Proposed Project	\$109,538	\$1,095,380
H. Total School District Revenue	\$177,695	\$1,776,950

VIII. WORKFORCE DEVELOPMENT

Employers granted a tax incentive will meet with the Central Ohio Workforce Investment Corporation to develop a relationship to assure continuing employment opportunities for Columbus residents who are unemployed or underemployed.

IX. TAX BENEFIT

The recommended 75%/10-year Enterprise Zone Abatement could yield a tax savings of approximately \$4.72 million for FlightSafety International Inc. over the term of the abatement. The Columbus City Schools will receive an additional \$1.0 million over the term of the abatement.

X. AREA IMPACT/GREEN INITIATIVES

The company will consider implementing green initiatives once designs are developed.