

**FACT SHEET
1086 NORTH FOURTH ST. LS, LLC AND
LYKENS COMPANIES LLC
NOVEMBER 2017**

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 redeveloping a vacant manufacturing facility into a Class A commercial office space, and for creating new employment opportunities for the residents of the City of Columbus.

II. PROJECT HISTORY

1086 North Fourth St. LS, LLC is a real estate holding company that was recently created for the sole purpose of acquiring, owning, renovating, redeveloping and converting an old manufacturing facility into a productive mixed-use facility. Lykens Companies LLC is a locally owned business that has specialized in residential and commercial real estate development since 1999. The company serves urban communities of Central Ohio with an eye toward historical preservation. Their goal is to provide its clients with new innovative designs that accommodate their needs, budgets, and lifestyles while maintaining whatever made that specific property special in the first place. Both aforementioned companies are owned and operated by Kevin Lykens.

1086 North Fourth St. LS, LLC proposes to invest a total project cost of approximately \$5,456,375, which includes \$4,756,375 in real property improvements and another \$300,000 in improvements for retail space, \$200,000 in machinery and equipment, \$200,000 in furniture and fixtures to renovate, redevelop and convert a vacant manufacturing facility (known as The Budd Dairy Building) into a new mixed-use Class A commercial office. The proposed mixed-use facility will contain approximately 35,000 sq. ft. +/- of new Class A office space, which will include an Entrepreneurial center and a co-working space, and approximately 5,451 sq. ft. +/- of retail space at 1086 N. 4th Street Columbus, Ohio 43201, parcel number 010-009127. Lykens Companies LLC will be one of the office tenants and employer of record, and enter into a lease agreement with 1086 North Fourth St. LS, LLC to expand and relocate its corporate headquarters from 1020 Dennison Avenue, Suite 102 Columbus, Ohio 43201 to the proposed project site. Additionally, Lykens Companies LLC will retain 10 full-time employees with an annual payroll of approximately \$410,000 and create 6 new full-time permanent positions with an estimated annual payroll of approximately \$180,000.

1086 North Fourth St. LS, LLC and Lykens Companies LLC are requesting an Enterprise Zone Tax Abatement of seventy-five percent (75%) for a period of ten (10) consecutive years to assist in the redevelopment of the proposed vacant manufacturing facility.

III. PROJECT INVESTMENT

INVESTMENT TYPE	PROPOSED VALUE
Improvements to existing building – commercial office	\$4,756,375
Improvements to existing building – retail space	\$300,000
Machinery & Equipment	\$200,000
Furniture & Fixtures	\$200,000
TOTAL INVESTMENT	\$5,456,375

IV. DECISION & TIMING

The project is expected to begin July 2018 with a scheduled time of completion for July 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 an estimated annual payroll of approximately \$180,000 and retain 10 full-time jobs with an annual payroll of \$410,000.

Position Title	Number of New Jobs	Average Hourly Rate	Average Annual Salary	Total Estimated Payroll for New Positions
Secretary	2	\$14.42	\$30,000	\$60,000
Leasing Agent	3	\$14.42	\$30,000	\$90,000
Accounting Clerk	1	\$14.42	\$30,000	\$30,000
TOTALS	6			\$180,000

Total new payroll to Columbus will be approximately \$180,000. Lykens Companies LLC will be the tenant and employer of record, providing the benefits on the new employees, which includes the following:

- Paid Holidays
- Paid Vacation/Personal Days
- Vacation Pay
- Medical/Dental Insurance
- Annual Bonus
- Employee Uniforms
- Training Benefits
- Education Benefits

Lykens Companies LLC's benefits begin immediately upon employment.

The proposed project site is located at 1086 N. 4th Street Columbus, Ohio 43201, parcel number 010-009127 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 an Enterprise Zone tax abatement of seventy-five percent (75%) for a period of ten (10) consecutive years on real property improvements for the purpose of renovating and converting a vacant manufacturing facility into a new mixed-use Class A commercial office space of approximately 35,000 square feet +/- at 1086 N. 4th Street, Columbus, Ohio 43201, (parcel number 010-009127).

VII. NEW TAX IMPACT: 10-YEAR SUMMARY

Unabated Revenue	Average Annual	10-year Summary
A. Real Property Tax Revenue	\$144,873	\$1,448,730
B. New City Income Tax Revenue	\$4,500	\$45,000
C. Total Unabated Tax Revenue	\$149,373	\$1,493,730
Abatement Impact	Average Annual	10-year Summary
D. Total Proposed Tax Abatement 75%/10-yrs on Real Property	\$108,655	\$1,086,550
E. Total Revenue Net of Tax Abatement (<i>i.e.</i> , C-D)	\$40,718	\$407,180
School District Impact Columbus City School District	Average Annual	10-year Summary
F. Existing School District Revenue from Real Property at site	\$7,539	\$75,390
G. New Revenue as a Result of the Proposed Project	\$26,059	\$260,590
H. Total School District Revenue	\$33,598	\$335,980

VIII. TAX BENEFIT

The recommended 75%/10-year Enterprise Zone tax abatement could yield a tax savings of approximately \$1,086,550 for 1086 North Fourth St. LS, LLC and Lykens Companies LLC over the term of the abatement.

The Columbus City Schools are estimated to receive an additional \$260,590 over the term of the tax abatement, as a result of the project.

IX. AREA IMPACT/GREEN INITIATIVES

It is unknown if the building will be redesigned using green principles. However, the company strives to use environmentally friendly materials wherever available. Great efforts are being made to ensure the most energy efficient materials are incorporated in the renovation process to ensure minimal energy consumption.