

**FACT SHEET
JULY 2017
KING MEMORY, LLC**

I. STATEMENT OF PURPOSE – JOB CREATION

The Department of Development recommends a dual-rate Jobs Growth Incentive for a term of up to five (5) consecutive years in consideration of an investment of approximately \$100,000 and the creation of 40 new full-time permanent positions.

II. PROJECT HISTORY

King Memory, LLC (King Memory) is a computer hardware company that sells, recycles and manufactures computer hardware, specializing in computer random access memory (RAM), e-Commerce and in-house software development. The company was founded in 2009 by Chad Crnkovich and Darryl Tanner, formal college roommates, who formalized their partnership and made a serious sales push beginning in 2012. King Memory also offers custom IT systems, including advanced logistics, fulfillment processing, customer service, shipping, security, product listing and inventory management. One of the fastest growing companies in Columbus, King Memory is on Delotte’s Technology Fast 500 list.

King Memory is proposing to invest approximately \$100,000, which includes \$50,000 in computer equipment and \$50,000 in furniture and fixtures, to expand its corporate headquarters and operation facility. With this expansion, the company plans to globalize its memory business and expand its supply chain as well as hire additional support staff to accommodate the company’s strategic growth plan. King Memory will renew its current lease agreement of their existing office warehouse space consisting of approximately 18,000 sq. ft. +/- at 380 Morrison Road, Suite A Columbus, Ohio 43213, retain 26 full-time jobs with an annual payroll of approximately \$1.10 million and create 40 new full-time permanent positions with an annual payroll of approximately \$2.0 million.

King Memory is requesting a dual-rate Jobs Growth Incentive from the City of Columbus to assist with this expansion project.

III. PROJECT INVESTMENT

INVESTMENT TYPE	PROPOSED VALUE
Furniture & Fixtures	\$50,000
Stand-Alone Computers	\$50,000
TOTAL INVESTMENT	\$100,000

IV. DECISION & TIMING

The project is expected to begin as soon as August 2017 with an anticipated completion date of October 2017, pending Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project is expected to create 40 new full-time permanent positions with a new estimated annual payroll of approximately \$2.0 million and retain 26 jobs with an annual payroll of approximately \$1.10 million.

Position Title	# of New Jobs	Hourly Rate	Annual Salary	Total Estimated Payroll for New Jobs
Technicians	25	\$19.23	\$40,000	\$1,000,000
Developers	10	\$28.85	\$60,000	\$600,000
Management	5	\$38.46	\$80,000	\$400,000
Total	40			\$2,000,000

Total new payroll to Columbus will be approximately \$2.0 million, benefits provided to new employees begin immediately upon hiring and includes the following:

- Paid Holidays
- Vacation Pay
- Annual Bonus
- Severance Policy
- Paid Vacation/Personal Days
- 401K Retirement Plan
- Medical/Dental Insurance
- Training & Education Benefits

The proposed project will be located at 380 Morrison Road, Suite A, Columbus, Ohio 43213, which is accessible by public transportation.

VI. REQUESTED PUBLIC PARTICIPATION

The Department of Development recommends a dual-rate Jobs Growth Incentive in an amount equal to (i) twenty-five percent (25%) of the City of Columbus income tax withheld on the Columbus payroll of new employees and (ii) thirty percent (30%) of the City of Columbus income tax withheld on the Columbus payroll of new employees, who are also City of Columbus residents at the end of each calendar year, both for a term up to five (5) consecutive years.

Should King Memory not be able to sufficiently document residency for an employee associated with this project during a calendar year of the term of the agreement, the default rate of the Jobs Growth Incentive to be applied that calendar year for that new employee shall be twenty-five percent (25%).

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.

VIII. NEW TAX IMPACT

NEW REVENUE SUMMARY		
Revenue	Average Annual	5-year Summary
A. New City Income Tax Revenue	\$50,000	\$250,000
Incentive	Average Annual	5-year Summary
B. Proposed Incentive is equal to:		
(i) twenty-five percent (25%) of the City of Columbus income tax withheld on the Columbus payroll of new employees for a term up to five (5) consecutive years; and	\$12,500 (at 25%)	\$62,500 (at 25%)
(ii) thirty percent (30%) of the City of Columbus income tax withheld on the Columbus payroll of new employees, who are also City of Columbus residents at the end of each calendar year, for a term up to five (5) consecutive years.	to \$15,000 (at 30%)	to \$75,000 (at 30%)
Total	Average Annual	5-year Summary
C. Net Value to City (i.e., A. - B.)	\$37,500 (at 25%) to \$35,000 (at 30%)	\$187,500 (at 25%) to \$175,000 (at 30%)

IX. TAX BENEFIT

The recommended dual-rate Jobs Growth Incentive could yield cash payments totaling between approximately \$62,500 (at 25%) – \$75,000 (at 30%) for King Memory over the incentive term of five (5) consecutive years.

X. AREA IMPACT/GREEN INITIATIVES

King Memory does not expect to adopt any green initiatives at this time; however, the company recycles.