

**FACT SHEET  
JULY 2015  
SCHOOLA, INC.**

**I. STATEMENT OF PURPOSE – Job Creation**

The Department of Development recommends a Jobs Growth Incentive of twenty-five percent (25%) for a term up to term five (5) years for the purpose of job creation at an emerging on-line business located in the Southeast business corridor.

**II. PROJECT HISTORY**

Headquartered in San Francisco, California, Schoola, Inc. is an online retail store selling children and women’s clothing. The company was founded in 2011 by Stacey Boyd, a parent, former teacher and school principal. Stacey saw firsthand how children who struggled in math could come alive in music class. How art, physical education and foreign language could have a profound effect on students. She also saw how hard it was to obtain funds to support these programs and how easy it was for these programs to get eliminated. Dedicated to putting paint brushes, books, baseballs and violins back into the hands of children, Stacey launched Schoola in the 2012/2013 school year. A few innovative schools took the call to run a clothing drive during the last (and busiest) week of school. Parents sent in their gently used children’s clothing and Schoola listed them on its website at amazing prices. The school receives proceeds from every item sold, helping to fund all those essential programs. Today, Schoola has over 10,000 schools that participate in this program, which brings new paints to art classes, new instruments to the orchestra, and new books for the libraries. Quality clothes get a second life, parents help parents and schools help schools.

Schoola is proposing to invest approximately \$3.0 million in total project costs, which include leasehold improvements, machinery, equipment, stand-alone computers, inventory, furniture and fixtures to open a new Midwest operation. The company will enter into a 7-year lease agreement on vacant warehouse space consisting of approximately 77,000 sq. ft. at 1655 Watkins Road Columbus, Ohio 43207 and create 225 full-time permanent positions with an annual payroll of approximately \$5.91 million, which will be new to Columbus and the region.

Schoola, Inc. is requesting a 25%/5-year Jobs Growth Incentive from the City of Columbus to assist with this expansion project.

**III. PROJECT INVESTMENT**

Machinery & Equipment	\$2,700,000
Furniture & Fixtures	\$50,000
Stand-Alone Computers	\$50,000
Inventory	\$100,000
Leasehold Improvements only	\$100,000
<b>TOTAL INVESTMENT</b>	<b>\$3,000,000</b>

#### **IV. DECISION & TIMING**

The project is anticipating beginning production in July 2015, contingent upon Columbus City Council approval of the recommended tax incentive.

#### **V. EMPLOYMENT**

The project will create 225 new full-time permanent positions with an estimated annual payroll of approximately \$5.91 million.

Position	Number of New Jobs	Hourly Rate	Annual Salary	Total Estimated Payroll for New Jobs
Operations	215	\$12.00	\$24,960	\$5,366,400
Management	10	\$26.44	\$55,000	\$550,000
Total	225			\$5,916,400

Total new payroll to Columbus will be approximately \$5.91 million.

Benefits provided to new employees begin after 90 days of consecutive full-time employment and includes the following:

- Paid Holidays
- Paid Vacation/Personal Days
- Vacation Pay
- 401K Retirement Plan
- Employee Discounts
- Medical/Dental Insurance

The proposed project will be located at 1655 Watkins Road Columbus, Ohio 43207, which is accessible by public transportation (COTA).

#### **VI. REQUESTED PUBLIC PARTICIPATION**

The Department of Development recommends a Jobs Growth Incentive equal to twenty-five percent (25%) of the amount of new employee city income tax withholding for a term up to five (5) consecutive years.

#### **VII. WORKFORCE DEVELOPMENT**

Employers granted a tax incentive will meet with the Central Ohio Workforce Investment Corporation (COWIC) within 90 days to develop a relationship to assure continuing employment opportunities for Columbus residents who are unemployed or underemployed.

**VIII. NEW TAX IMPACT/ANNUAL AND 5-YEAR SUMMARY**

<b>NEW REVENUE 5-YEAR SUMMARY</b>		
<b>Revenue</b>	<b>Average Annual</b>	<b>5-year Summary</b>
A. New City Income Tax Revenue	\$147,910	\$739,550
<b>Incentive</b>	<b>Average Annual</b>	<b>5-year Summary</b>
B. Proposed Incentive is equal to 25% of New Employee withholding	\$36,977	\$184,885
<b>Total</b>	<b>Average Annual</b>	<b>5-year Summary</b>
C. (A-B) Net Value to City	\$110,933	\$554,665

**IX. TAX BENEFIT**

The recommended 25%/5-year Jobs Growth Incentive could yield cash payments totaling \$184,885 to Schoola, Inc. over the incentive period.

**X. AREA IMPACT/GREEN INITIATIVES**

Although, Schoola, Inc. does not have a formalized green initiative plan, the company is a major textile recycler and exporter, and continuously evaluates methods to eliminate waste.