

**FACT SHEET
THE GRAVITY PROJECT, LLC
MARCH 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 for the purpose of redeveloping a commercial property located in East Franklinton.

II. PROJECT HISTORY

The Gravity Project, LLC is a newly formed LLC established in December of 2016. The primary business is ownership of real estate used for office, retail and residential (mixed-use). The company's CEO is Brent Kaufman of Kaufman Development, which is a real estate development company headquartered in Columbus, Ohio. Brett Kaufman has been working in real estate development and investing in various types of development projects for more than 17 years. During this time, he has developed, leased and/or sold over 10,000 homes and a variety of commercial, retail, land and commercial office projects. He was twice named Developer of the Year by the Building Industry Association (BIA), past president of the Columbus Apartment Association and serves on many civic boards throughout Central Ohio. In 2012, he was named Next Generation Builder of the Year by the BIA, and in 2014, Brett was honored as EY's Emerging Entrepreneur of the Year.

The Gravity Project, LLC is proposing to redevelop Wasserstrom's vacant warehouse (parcel number 010-002012, 462 – 500 W. Broad St.), the Phillip's Coney Island property (parcel number 010-057537, 450 W. Broad St.) and an adjacent vacant lot parcel located just north of those two properties (parcel number 010-057536, situated across W. Gay St.) into a 275,000 square-foot mixed-use development in East Franklinton. The project will involve a total investment of approximately \$70.8 million, which include \$3.63 million in acquisition costs and \$67.17 million in real property improvements. The proposed mixed-use development will consist of a new 5-story Class A commercial office facility of approximately 50,000 square feet, a 6-story residential unit comprised of approximately 195,000 square feet, with a ground floor retail space consisting of approximately 30,000 square feet. Additionally, a new parking structure of approximately 190,000 square feet containing about 564 parking spaces (of which, 200 of those parking spaces are targeted for public use). In addition, The Gravity Project, LLC will create 50 new full-time permanent positions with an annual payroll of approximately \$2.0 million in East Franklinton.

The Gravity Project, LLC is requesting an Enterprise Zone Tax Abatement to assist in the development of the 50,000 square-foot Class A commercial office facility and the 200 public parking spaces as it relates to aforementioned project. The company will invest approximately \$11.48 million of the proposed \$67.17 million in real property improvements, on the development of the commercial office facility and the public portion of the structured parking garage.

III. PROJECT INVESTMENT

Acquisition of buildings	\$3,630,000
Additions/new construction	\$61,862,280
Improvements to existing buildings	\$5,307,720
TOTAL INVESTMENT	\$70,800,000

IV. DECISION & TIMING

The project is expected to begin late March 2017 with a scheduled time of completion for September 2018, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project will create 50 new full-time permanent office positions with an annual payroll of \$2.0 million with an hourly rate of approximately \$19.23.

The proposed project sites are located at 450 W. Broad Street, parcel number 010-057537, 462 - 500 W. Broad Street, parcel number 010-002012 and Gay Street, identified as Franklin County parcel number 010-011525. The project sites are 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 proposed 50,000 square-foot 5-story Class A commercial office facility and the 200 public parking spaces with a total investment of \$11.48 million.

VII. NEW TAX IMPACT: 10-YEAR SUMMARY

Unabated Revenue	Average Annual	10-year Summary
A. Real Property Tax Revenue	\$349,736	\$3,497,360
B. New City Income Tax Revenue	\$50,000	\$500,000
C. Total Unabated Tax Revenue	\$399,736	\$3,997,340
Abatement Impact	Average Annual	10-year Summary
D. Total Proposed Tax Abatement 75%/10-yr on Real Property	\$262,302	\$2,623,020
E. Total Revenue Net of Tax Abatement (<i>i.e.</i> , C-D)	\$137,434	\$1,374,340
School District Impact Columbus City School District	Average Annual	10-year Summary
F. Existing School District Revenue from Real Property at site	\$47,485	\$474,850
G. New Revenue as a Result of the Proposed Project	\$62,909	\$629,090
H. Total School District Revenue	\$110,394	\$1,103,940

VIII. 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. The company must meet with COWIC within 90 days of passage of the legislation.

IX. TAX BENEFIT

The recommended 75%/10-year Enterprise Zone Abatement could yield a tax savings of approximately \$2.62 million for The Gravity Project, LLC over the term of the abatement. The Columbus City Schools will receive an additional \$629,090 over the term of the abatement.

X. AREA IMPACT/GREEN INITIATIVES

No residential or commercial displacement will occur as a result of this project. The company will include recycling for both the business tenants as well as the residential tenants, a green wall, an onsite bike storage, charging stations, Car-to-go, a potential CoGo station, energy efficient appliances will be installed in the apartment units and LED lighting will be used in the construction process.