

FACT SHEET
CCS REALTY CO. and
CLOVERLEAF COLD STORAGE CO.
JUNE 2013

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 and the creation of new employment in the City of Columbus.

II. PROJECT HISTORY

Cloverleaf Cold Storage Co., (an Ohio corporation) is one of the largest privately held public refrigerated warehouses in the United States. The company provides refrigerated and dry warehouse services to the food industry. Cloverleaf Cold Storage Co. is headquartered in Sioux City, Iowa with operations in Minnesota, Missouri, North Carolina, Ohio, South Carolina and Virginia. The company has been an innovator in the industry building the first rack-supported freezer in the United States and building the first large-scale urethane panel warehouse. Cloverleaf Cold Storage Co.'s services include: freezer, cooler and dry storage, import export services, rail service, enclosed and refrigerated truck and rail dock, internet accessible inventory and access, USDA approved warehouses, and U.S. customs container freight stations. CCS Realty Co. is Cloverleaf Cold Storage Co.'s real estate holding company.

Cloverleaf Cold Storage Co. and CCS Realty Co. are proposing to expand its existing 142,000 sq. ft. facility by investing approximately \$4.8 million, including \$3 million in real property improvements, to add an additional 60,000 square feet of freezer space, a refrigerated loading dock and create two new full-time permanent positions with an estimated annual payroll of approximately \$49,920.

Cloverleaf Cold Storage Co. and CCS Realty Co. are requesting an Enterprise Zone Tax Abatement to assist in the development of this project.

III. PROJECT INVESTMENT

ADDITIONS/NEW CONSTRUCTION	\$3,000,000
MACHINERY & EQUIPMENT	\$1,800,000
TOTAL	\$4,800,000

IV. DECISION & TIMING

The project is expected to begin in the fall of 2013 with a scheduled time of completion for mid-summer of 2014, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project will create 2 new full-time permanent positions with an annual payroll of approximately \$49,920.

Position	New Jobs	Hourly Rate	Annual Pay	Total Estimated Salary
Maintenance Assistance	1	\$12.00	\$24,960	\$24,960
Customer Services Rep.	1	\$12.00	\$24,960	\$24,960
Total	2			\$49,920

Benefits provided to employees of Cloverleaf Cold Storage Co. are listed below and include the following:

- Paid Holidays
- Paid Vacation/Personal Days
- Vacation Pay
- Medical/Dental Insurance
- Employee Uniforms
- Pension Profit Sharing Plan

Vacation accrues after one year of employment, medical and dental insurance after 90 days of employment, and pension begins (fully vested) at the end of the third calendar year.

The project is located at 2350 New World Drive, Columbus, Ohio 43207 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 Cloverleaf Cold Storage Co. and CCS Realty Co. if Columbus City Council approves the proposed tax incentive.

VII. NEW TAX IMPACT: 10-YEAR SUMMARY

Unabated Revenue	Average Annual	10-year Summary
A. Real Property Tax Revenue	\$69,715	\$697,150
B. New City Income Tax Revenue	\$1,248	\$12,480
C. Total Unabated Tax Revenue	\$70,963	\$709,630
Abatement Impact	Average Annual	10-year Summary
D. Total Proposed Tax Abatement 75%/10-yrs on Real Property	\$52,286	\$522,860
E. Total Revenue Net of Tax Abatement (i.e., C-D)	\$18,677	\$186,770
School District Impact	Average Annual	10-year Summary
Groveport Madison Local School District and Eastland Fairfield Career Ctr. & Technical School		
F. Total Existing School District Revenue from Real Property at site	\$36,322	\$363,220
Groveport Madison Local School District	\$34,594	\$345,940
Eastland Fairfield Career Ctr. & Technical School	\$1,728	\$17,280
G. Total New Revenue as a Result of the Proposed Project	\$11,035	\$110,350
Groveport Madison Local School District	\$10,510	\$105,100
Eastland Fairfield Career Ctr. & Technical School	\$525	\$5,250
H. Total School District Revenue	\$47,357	\$473,570
Groveport Madison Local School District	\$45,104	\$451,400
Eastland Fairfield Career Ctr. & Technical School	\$2,253	\$22,530

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 seventy-five percent (75%) for ten (10) years Enterprise Zone Abatement could yield a tax savings of approximately \$522,860 for CCS Realty Co., the property owner, over the term of the abatement. The Groveport Madison Schools could receive an additional benefit of approximately \$105,100 over the term of the abatement as a result of the project. The Eastland Fairfield Career Center and Technical School could receive an additional benefit of approximately \$5,250 over the term of the abatement as a result of the project.

X. AREA IMPACT/GREEN INITIATIVES

The biggest expense in the warehouse for Cloverleaf Cold Storage Co. is the cost of energy. The company has already replaced the Freon system at the New World Drive site with a far more energy efficient, ozone-friendly system using NH₃. With an eye towards conservation and cost control, Cloverleaf Cold Storage Co. plans a phased replacement of its high-intensity discharge (HID) lights with new lighting-emitting diode (LED) fixtures that reduce energy consumption, reduce heat load in the freezer, and are capable of instant strike to allow motion-detection light levels. At other locations, the company is working to dramatically reduce water consumption used for meat thawing by converting to industrial microwave technology.