

**FACT SHEET
MINERVA RIDGE II LLC and
TKS INDUSTRIAL COMPANY
OCTOBER 2020**

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 expanding a manufacturing facility and for creating new employment opportunities for the residents of the City of Columbus.

II. PROJECT HISTORY

Minerva Ridge II LLC (“Minerva Ridge”) is real estate holding company owned by Joe D. Recker and Joe W. Recker, a father and son managed team. The company was formed in 2019 and focuses on real estate solutions for heavy industry companies in Ohio and the Midwest. The Reckers have been active in this space as a family business for generations.

TKS Industrial Company (“TKS”) was established in 1981 as the North American subsidiary of Taikisha Ltd., a publicly traded company in Japan. Currently headquartered in Troy, Michigan. TKS is part of the global Taikisha group, a world leader in HVAC and paint finishing systems. Taikisha specializes in large-scale industrial heating, ventilation, humidifying, and air conditioning (HVAC) systems for large buildings and industrial plants. TKS is a general contractor that provides turnkey paint finishing systems including building, conveyors, process equipment, automation and more.

Minerva Ridge and TKS are proposing to invest a total project cost of approximately \$1,405,560, which includes \$1,233,860 in real property improvements, and \$171,700 in machinery and equipment to expand its current manufacturing facility by approximately 15,800 square feet at 1939 Refugee Road, Columbus, Ohio 43207, parcel number 010-087995 (the “**Project Site**”). With this expansion, the company will be able to accommodate larger scale projects that are currently being sent elsewhere, to other states. TKS will be the tenant and employer of record and enter into a long-term lease agreement with Minerva Ridge, the owner of the property. Additionally, the company will retain 60 full-time jobs with an annual payroll of approximately \$3.91 million and create 12 net new full-time permanent positions with an estimated annual payroll of approximately \$686,820 at the **Project Site**.

Minerva Ridge and TKS are requesting an Enterprise Zone Tax Abatement of seventy-five percent (75%) for a period of ten (10) consecutive years to assist in the expansion of the aforementioned project.

I. PROJECT INVESTMENT

INVESTMENT TYPE	PROPOSED VALUE
ADDITIONS/NEW CONSTRUCTION	\$1,233,860
MACHINERY & EQUIPMENT	\$171,700
TOTAL INVESTMENT	\$1,405,560

II. DECISION & TIMING

Real property improvements are expected to begin as soon as November 2020 with a scheduled time of completion of December 2022, contingent upon Columbus City Council approval of the recommended tax incentive.

III. EMPLOYMENT

The project will create 12 net new full-time permanent office positions with a new estimated annual payroll of approximately \$686,820 and retain 60 positions with an estimated annual payroll of approximately \$3.91 million.

Position Title	Number of New Jobs	Average Hourly Rate	Average Annual Salary	Total Estimated Payroll for New Positions
Estimator/Administrative	2	\$33.00	\$68,640	\$137,280
Sheet Metal Worker	10	\$26.42	\$54,954	\$549,540
TOTALS	12			\$686,820

Total new payroll to Columbus will be approximately \$686,820 and benefits on the new employees begin immediately for office workers and 90 days after hire for tradesmen, which includes the following:

- Paid Holidays
- Vacation Pay
- Disability Pay
- Pension Profit Sharing Plan
- 401K Retirement Plan
- Medical/Dental Insurance
- Training Benefits
- Education Benefits

IV. REQUESTED PUBLIC PARTICIPATION

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 for the purposes of expanding TKS’s manufacturing facility an additional 15,800 square feet at 1939 Refugee Road, Columbus, Ohio 43207, parcel number 010-087995.

V. NEW TAX IMPACT: ANNUAL & 10-YEAR SUMMARY

Unabated Revenue	Average Annual	10-year Summary	20-year Summary
A. Real Property Tax Revenue	\$35,567	\$355,670	\$711,340
B. New City Income Tax Revenue	\$17,170	\$171,700	\$343,400
C. Total Unabated Tax Revenue (i.e., A. + B.)	\$52,737	\$527,370	\$1,054,740

Proposed Tax Abatement Impact	Average Annual	10-year Summary	20-year Summary
D. Total Proposed Tax Abatement seventy-five percent (75%)/ten (10) Consecutive Years on Real Property Improvements	\$26,675	\$266,750	\$266,750
E. Total Unabated Property Tax Revenue (i.e., C.-D.)	\$26,062	\$260,620	\$787,990
School District Impact: Columbus City Schools	Average Annual	10-year Summary	20-year Summary
F. Existing School District Revenue from Real Property at site (pre abatement)	\$30,795	\$307,950	\$615,900
G. New Revenue as a Result of the Proposed Project (post abatement)	\$6,333	\$63,330	\$316,644
H. Total School District Revenue (i.e., F. + G.)	\$37,128	\$371,280	\$932,544

VI. TAX BENEFIT

The recommended 75%/10-year Enterprise Zone property tax abatement could yield a tax savings of approximately \$266,750 for Minerva Ridge and TKS over the incentive term of ten (10) years.

Columbus City Schools are estimated to receive an additional \$63,330 over the term of the abatement and approximately \$316,644 over a 20-year period, because of the aforementioned project.

The first ten years of total taxes for the Library, County, Township, Schools and City net of the abatement equals a total of approximately **\$88,918**.

100% for the next ten years is \$355,672, plus the **\$88,918** from the first ten years equals **a total for 20 years of approximately \$444,590**.

VII. AREA IMPACT/GREEN INITIATIVES

The company will strive to use environmentally friendly materials wherever available. Currently, the company is investing in new LED lighting building wide. Additional, TKS has established recycling programs for both manufacturing (scrape metal) and office operations (paperless).