

# **FACT SHEET SPARC Holding, LLC**

**APRIL, 2012**

## **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 for the purpose of constructing and equipping a new Sports Pavilion and Automotive Research Complex (SPARC), creating new employment and repurposing a site within a blighted area of the city.

## **II. PROJECT HISTORY**

SPARC Holding, LLC proposes to repurpose the vacant Cooper Stadium site at 1155 Mound Street into a Sports Pavilion and Automotive Research Complex (SPARC). The anchor of the site will be an automotive research and technical training facility that will become an incubator of new automotive technologies. A new track will allow for researchers to evaluate new vehicle designs and fuel systems. A partnership with local colleges and universities will allow for future training of service technicians and automotive engineers.

The project will preserve the 8,000 grandstand seats and involve the construction of a paved half-mile track surface. In addition to research evaluation of new vehicle designs, the track can be used for driver training, consumer education and the tiered grandstand seating will allow for a variety of entertainment and sports events. It is expected that the site will additionally include a conference center, exhibition spaces, hotel and restaurants.

A total capital investment of \$16.4 million is proposed at the site, with \$3.4 million toward building acquisition, \$12 million toward new construction and improvements, and \$1 million for furniture and fixtures. A total of 20 new full-time permanent positions will be created as a result of the project.

SPARC Holdings, LLC is requesting an Enterprise Zone Tax Abatement of 75% for ten (10) years to assist in the development of this project.

### III. PROJECT INVESTMENT

<b>BUILDING ACQUISITION</b>	\$ 3,425,000
<b>ADDITIONS/NEW CONSTRUCTION</b>	\$10,000,000
<b>IMPROVEMENTS TO EXISTING BUILDING</b>	\$ 2,000,000
<b>FURNITURE &amp; FIXTURES</b>	\$ 1,000,000
<b>TOTAL INVESTMENT</b>	\$16,425,000

### IV. DECISION & TIMING

The building improvement project is expected to begin September, 2013 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 20 new full-time permanent positions with an annual payroll of \$579,360.

<b>Position</b>	<b>New Jobs</b>	<b>Hourly Rate</b>	<b>Average Annual Pay</b>	<b>Total Estimated Salary</b>
Management	4	\$21.63	\$45,000	\$180,000
Administration	16	\$12.00	\$24,960	\$399,360
Grand Total				\$579,360

- Paid Vacation/Personal Days
- Medical/Dental Insurance
- Employee Uniforms
- Employee Discounts

The benefits start date is still to be determined.

The project is located at 1155 W. Mound Street and is accessible by public transportation (COTA).

## VI. REQUESTED PUBLIC PARTICIPATION

The Department of Development recommends a 75%/10-year Enterprise Zone Abatement on real property improvements for the purpose of new building addition and improvements at 1155 W. Mound Street.

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

## VIII. NEW TAX IMPACT: 10-YEAR SUMMARY

<b>Unabated Revenue</b>	<b>Average Annual</b>	<b>10-year Summary</b>
A. Real Property Tax Revenue	329,804	3,298,040
B. New City Income Tax Revenue	14,484	144,840
C. Total Unabated Tax Revenue	344,288	3,442,880
<b>Abatement Impact</b>	<b>Average Annual</b>	<b>10-year Summary</b>
D. Total Proposed Tax Abatement 75%/10-ys on Real Property	247,353	2,473,530
E. Total Revenue Net of Tax Abatement (i.e., C-D)	96,935	969,350
<b>School District Impact Columbus-Hilliard City School District</b>	<b>Average Annual</b>	<b>10-year Summary</b>
F. Existing School District Revenue from Real Property at site	0	0
G. New Revenue as a Result of the Proposed Project	57,567	575,670
H. Total School District Revenue	57,567	575,670

## **IX. TAX BENEFIT**

The recommended 75%/10-year Enterprise Zone Abatement could yield a tax savings of approximately \$2.4 million for the ten (10) year term of the abatement. The Columbus City Schools will receive \$575,670 over the term of the abatement, as a result of the project.

## **X. AREA IMPACT/GREEN INITIATIVES**

The development of alternative fuel technologies is expected to be the focus of the automotive research center, and therefore the project is anticipated to help reduce dependency on oil reserves by the transportation industries.