

**FACT SHEET
OCTOBER 2018
CKE MANAGEMENT, LLC**

I. STATEMENT OF PURPOSE – JOB CREATION

The Department of Development recommends a dual-rate Jobs Growth Incentive for a term of up to five (5) consecutive years in consideration of an investment of approximately \$2,780,000 and the creation of 20 new full-time permanent positions.

II. PROJECT HISTORY

Founded in 2017, CKE Management, LLC was established to deliver unparalleled cookies, gifts, and experiences to corporate and retail customers. The founding team, led by Cheryl Krueger, has more than 50 years of experience in manufacturing and baked goods. The company will sell a variety of baked goods and gifts manufactured at the project site through select retail locations, online sales, and direct corporate sales.

CKE Management, LLC is proposing to invest approximately \$250,000 in real property improvements, \$500,000 in machinery and equipment, \$20,000 in furniture and fixtures, \$10,000 in technology, and \$2,000,000 in inventory to further establish and renovate its manufacturing and headquarters operation at 6845 Commerce Court Drive, Columbus, Ohio 43004, parcel number 010-229132. At this location, the company plans to renovate an approximately 30,182 sq. ft. facility into a food grade manufacturing facility and headquarters. Additionally, CKE Management, LLC will retain 12 full-time jobs with an annual payroll of approximately \$1,015,000 and create 20 new full-time permanent positions with a cumulative estimated annual payroll of approximately \$1,098,240 to support its growth.

CKE Management, LLC is requesting a dual-rate Jobs Growth Incentive from the City of Columbus to assist with this expansion project.

III. PROJECT INVESTMENT

INVESTMENT TYPE	PROPOSED VALUE
Improvements to Existing Building	\$250,000
Machinery and Equipment	\$500,000
Furniture and Fixtures	\$20,000
Computers and Technological Upgrades	\$10,000
Inventory	\$2,000,000
TOTAL INVESTMENT	\$2,780,000

IV. DECISION & TIMING

The project is expected to begin as soon as Fall 2018 with an anticipated completion date of December 2021, pending Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project is expected to create 20 new full-time permanent positions within five (5) years with a new estimated annual payroll of approximately \$1,098,240 and retain 12 jobs with an annual payroll of approximately \$1,015,000.

Position Title	# of New Jobs	Hourly Rate	Annual Salary	Total Estimated Payroll for New Jobs
Customer Engagement Executive	1	\$57.69	\$120,000	\$120,000
Sale Representative	8	\$24.03	\$50,000	\$400,000
AP/AR Clerk	1	\$15.50	\$32,240	\$32,240
Mixer Operator	2	\$22.00	\$45,760	\$91,520
Production Baker	1	\$15.50	\$32,240	\$32,240
Warehouse Lead	1	\$18.00	\$37,440	\$37,440
Purchasing Manager	1	\$28.85	\$60,000	\$60,000
Sales Assistant	3	\$20.00	\$41,600	\$124,800
Head Merchant	1	\$57.69	\$120,000	\$120,000
HR Executive	1	\$38.46	\$80,000	\$80,000
Total	20			\$1,098,240

Total cumulative new payroll over the term of the Jobs Growth Incentive to Columbus will be approximately \$1,098,240.

Benefits provided to new employees begin immediately upon hiring and includes the following:

- Paid Holidays
- Vacation Pay
- Annual Bonus
- Disability Pay
- \$25,000 Life Insurance
- Paid Vacation/Personal Days
- Vision Insurance
- Medical/Dental Insurance
- Employee Discounts
- Employee Uniforms

The proposed project site will be located at 6845 Commerce Court Drive, Columbus, Ohio 43004 parcel number 010-229132, which is accessible by public transportation.

REQUESTED PUBLIC PARTICIPATION

The Department of Development recommends a dual-rate Jobs Growth Incentive in an amount equal to (i) twenty-five percent (25%) of the City of Columbus income tax withheld on the Columbus payroll of new employees and (ii) thirty percent (30%) of the City of Columbus income tax withheld on the Columbus payroll of new employees, who are also City of Columbus residents at the end of each calendar year, both for a term up to five (5) consecutive years.

Should CKE Management, LLC not be able to sufficiently document residency for an employee associated with this project during a calendar year of the term of the agreement, the default rate of the Jobs Growth Incentive to be applied that calendar year for that new employee shall be twenty-five percent (25%).

NEW TAX IMPACT

NEW REVENUE SUMMARY		
Revenue	Average Annual	5-year Summary
A. New City Income Tax Revenue	\$27,456	\$137,280
Incentive	Average Annual	5-year Summary
B. Proposed Incentive is equal to:		
(i) twenty-five percent (25%) of the City of Columbus income tax withheld on the Columbus payroll of new employees for a term up to five (5) consecutive years; and	\$6,864 (at 25%)	\$34,320 (at 25%)
(ii) thirty percent (30%) of the City of Columbus income tax withheld on the Columbus payroll of new employees, who are also City of Columbus residents at the end of each calendar year, for a term up to five (5) consecutive years.	to \$8,237 (at 30%)	to \$41,184 (at 30%)
Total	Average Annual	5-year Summary
C. Net Value to City (i.e., A. - B.)	\$20,592 (at 25%) to \$19,219 (at 30%)	\$102,960 (at 25%) to \$96,096 (at 30%)

VI. TAX BENEFIT

The recommended dual-rate Jobs Growth Incentive could yield cash payments totaling between approximately \$34,320 (at 25%) – \$41,184 (at 30%) for CKE Management, LLC over the incentive term of five (5) consecutive years.

VII. AREA IMPACT/GREEN INITIATIVES

CKE Management, LLC does not have a formalized green initiative plan, but the company plans to recycle corrugated box material, donate leftover foodstuffs to the Mid-Ohio Food Bank and continuously evaluates methods to eliminate waste.