

**Memo**

To: Mayor and Commissioners  
 From: Susan Smith, Economic Development Department  
 Date: December 1, 2023  
 Re: Job Incentive- City Wide Facility Solutions

The purpose of this memo is to outline the details of a proposed Job Development Incentive for City Wide Facility Solutions, a facility maintenance business for commercial properties.

**OVERVIEW**

City Wide Facility Solutions is leasing a building in Ft. Mitchell and decided to search for a building to own. Leadership considered locations in Ft. Mitchell, Erlanger, Covington, and West Chester, OH. They decided to enter negotiations to purchase 200 W. Pike St, known as the historic train station.

City Wide Facility Solutions manages 20+ services including janitorial and handyman services for all commercial properties specializing in 10k-100k sf of owner-occupied buildings in the automotive, manufacturing, distribution, institutional, corporate office, and medical markets. City Wide saves clients time and solves their building maintenance problems. They rebranded in 2020 from City Wide Maintenance to City Wide Facility Solutions as the new name, logo and branding reflect their ability to provide solutions to any facility need.

City Wide Facility Solutions has been in business over 20+ years, opening in 2003 with an expansion to Dayton in 2011. They will be adding 31 jobs with health, dental and retirement benefits with plans to grow by 12% (4 jobs) year over year for at least the first three years.

**STAFF RECOMMENDATION AND ANALYSIS**

Staff recommends that City Wide Facility Solutions receive a 1% payroll incentive for all new jobs brought to Covington for five years, followed by an un-incentivized five- year retention period. This is a ROI of 4:1 and aligns with the City’s Economic Strategy by attracting jobs within the “All Things Office” target sector.

	<b>200 Pike St</b>
Property Size	6853 SF
Purchase / Lease	Purchase
Investment	\$1,375,000.00
Jobs	31 jobs with benefits moved to Covington: 13 new jobs over 3 years
Avg. Annual Salary	\$56k average for existing jobs:
ED Strategy	All Things Office Target Industry
City Incentive Offer	Years 1-5: incentive at 1%; Years 6-10: 0% incentive, 5- year retention period

	<u>Totals</u>
<u>Over the 10 -Year company commitment</u>	
Est. New Payroll Tax (City Collects)	\$524,103
Est. Benefit to Applicant (City Reimburses)	\$104,410
Est. NEW Payroll Tax After Incentive (City Keeps)	<b>\$419,693</b>