

**FACT SHEET
T. MARZETTI COMPANY
JANUARY 2021**

I. STATEMENT OF PURPOSE – ENTERPRISE ZONE & JOB CREATION

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 and packaging facility, and creating new employment opportunities for the residents of the City of Columbus.

II. PROJECT HISTORY

T. Marzetti Company (“Marzetti”) is a wholly-owned subsidiary of the Lancaster Colony Corporation, the parent company. Marzetti produces numerous salad dressings, fruit and vegetable dips, frozen baked goods, and specialty brand items. It is the largest food and beverage company headquartered in Central Ohio. Marzetti began in 1896 when Teresa Marzetti arrived in Columbus, Ohio from Florence and opened her small Italian restaurant. Marzetti’s Restaurant grew from a local favorite into a four-star restaurant known for its salad dressings. By 1955, the upstairs kitchen of the restaurant became a full-scale factory and Marzetti dressings could be found in grocery stores throughout Ohio. In 1969, Lancaster Colony Corporation purchased Marzetti. Lancaster Colony Corporation is a manufacturer and marketer of specialty food products for the retail and foodservice markets. The company’s top brands include Marzetti®, New York Brand® Bakery, Sister Schubert’s® and Flatout.

Marzetti is proposing to invest a total project cost of approximately \$18,000,000, which includes \$5.4 million in real property improvements, \$2.6 million in improvements to its’ existing facility, and \$10 million in machinery and equipment to expand its current manufacturing facility by 17,000 square feet at 1709 Frank Road, Columbus, Ohio 43223, parcel number 570-126842 (“**Project Site**”). With this expansion, Marzetti will be able to accommodate three new packaging lines and renovate interior portions of its existing facility. The expansion would also address fire protection, storm water detention, parking, truck dock doors, shipping area improvements, ingredient and material storage, utility support and upgrades (electrical, water, gas, compressed air, refrigeration, and HVAC units). In addition, Marzetti will retain 104 full-time jobs with an annual payroll of approximately \$5,742,374 and create 20 net new full-time permanent positions with an estimated annual payroll of approximately \$900,000 at the **Project Site**.

Marzetti Company is requesting an Enterprise Zone property tax abatement of seventy-five percent (75%) for a period of ten (10) consecutive years on real property improvements to assist with the proposed expansion project.

III. PROJECT INVESTMENT

INVESTMENT TYPE	PROPOSED VALUE
ADDITIONS/NEW CONSTRUCTION	\$5,400,000
IMPROVEMENTS TO EXISTING BUILDINGS	\$2,600,000
MACHINERY & EQUIPMENT	\$10,000,000
TOTAL INVESTMENT	\$18,000,000

IV. DECISION & TIMING

Real property improvements are expected to begin as soon as March 2021 with a scheduled time of completion of October 2021, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project will create twenty (20) net new full-time permanent positions with an associated annual payroll of approximately \$900,000 and retain 104 full-time jobs with an annual payroll of approximately \$5.74 million.

Position Title	Number of New Jobs	Average Hourly Rate	Average Annual Salary	Total Estimated Payroll for New Positions
Production	18	\$20.00	\$41,600	\$748,800
Supervisor/Managers	2	\$36.54	\$75,600	\$151,200
TOTALS	20			\$900,000

The proposed project site is located at 1709 Frank Road, Columbus, Ohio 43223 (parcel number 570-126842), and is accessible by public transportation Central Ohio Transit Authority (COTA). There is a COTA stop in close proximity of the **Project Site**.

VI. 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 Marzetti’s existing manufacturing facility and the creation of twenty (20) net new full-time permanent positions at the **Project Site**.

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

Unabated Revenue	Average Annual	10-year Summary	20-year Summary
A. Real Property Tax Revenue	\$148,455	\$1,484,550	\$2,969,100
B. New City Income Tax Revenue	\$22,500	\$225,000	\$450,000
C. Total Unabated Tax Revenue (i.e., A. + B.)	\$170,955	\$1,709,550	\$3,419,100
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	\$111,341	\$1,113,410	\$1,113,410
E. Total Unabated Property Tax Revenue (i.e., C.-D.)	\$59,614	\$596,140	\$2,305,690

School District Impact: South-Western City School District	Average Annual	10-year Summary	20-year Summary
F. Existing School District Revenue from Real Property at site (pre abatement)	\$19,502	\$195,020	\$390,040
G. New Revenue as a Result of the Proposed Project (post abatement)	\$26,711	\$267,110	\$1,335,464
H. Total School District Revenue (i.e., F. + G.)	\$46,213	\$462,130	\$1,725,504

VIII. TAX BENEFIT

The recommended 75%/10-year Enterprise Zone property tax abatement could yield a tax savings of approximately \$1,113,410 for T. Marzetti Company over the incentive term of ten (10) years.

South-Western City Schools are estimated to receive an additional \$267,110 over the term of the abatement and approximately \$1,335,464 over a 20-year period, as a result of the expansion 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 **\$371,137**.

100% for the next ten years is \$1,484,546, plus the **\$371,137** from the first ten years equals **a total for 20 years of approximately \$1,855,683**.

IX. AREA IMPACT/GREEN INITIATIVES

Mazetti will strive to use environmentally friendly materials wherever possible. The company recycles.