

**FACT SHEET
HILDRETH PROPERTIES, INC. AND
RESEARCH ALLOYS COMPANY, INC.
JULY 2019**

I. STATEMENT OF PURPOSE – Enterprise Zone

The Department of Development recommends an Enterprise Zone Tax Abatement of fifty (50%) for a period of ten (10) consecutive years on real property improvements for the purpose of constructing a speculative industrial building and for creating new employment opportunities for the residents of the City of Columbus.

II. PROJECT HISTORY

Research Alloys Company, Inc. (“Research Alloys”) is a family owned metal recycling company incorporated in 1978. Its main function is to buy metal from industrial companies and the general public to sell to mills, foundries, and brokers. The mills, foundries, and brokers then have the metal melted down into new production materials. Research Alloy’s current small location in Grandview has limited their ability to handle their work in a fully covered facility out of the weather. The new high bay operation will provide an environmentally friendly solution avoiding storm water run-off and ground contamination and allow Research Alloys to hire for their skill based job openings in the Hilltop Neighborhood. Research Alloys is proud of efficient service, industry expertise, competitive pricing, and creative problem solving for its customers metal recycling needs.

Hildreth Properties, Inc. (property owner) and Research Alloys Company, Inc. jointly propose to invest a total cost of approximately \$4,276,000, including \$2,215,000 in real property improvements to construct a new headquarters and processing facility consisting of approximately 45,000 sq. ft. +/- at 220 N. Algonquin Avenue, Columbus, Ohio, parcel number 010-003930 (“**Project Site**”). Research Alloys Company, Inc. will be the employer of record, and Hildreth Properties, Inc. will build and relocate its corporate headquarters and processing facility from 799 W. Goodale Boulevard, Grandview Heights, Ohio 43212 to the proposed project site. Additionally, Research Alloys Company, Inc. will relocate and retain 12 full-time employees with an annual payroll of approximately \$630,640 and create 6 new full-time permanent positions with an estimated annual payroll of approximately \$224,400.

Hildreth Properties, Inc. and Research Alloys Company, Inc. are requesting an Enterprise Zone Tax Abatement of fifty percent (50%) for a period of ten (10) consecutive years to assist in the development of the aforementioned project.

III. PROJECT INVESTMENT

INVESTMENT TYPE	PROPOSED VALUE
Real Property Improvements	\$2,215,000
Furniture and Fixtures	\$25,000
Acquisition of Buildings	\$500,000
Machinery and Equipment	\$1,171,000
Technology	\$15,000
Inventory	\$350,000
TOTAL INVESTMENT	\$4,276,000

IV. DECISION & TIMING

The project is expected to begin in December 2019 with a scheduled time of completion for January 2021, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project will create 6 new full-time permanent office positions with a new associated estimated annual payroll of approximately \$224,400, and retain 12 full-time employees with an annual payroll of approximately \$630,640.

Position Title	Number of New Jobs	Average Hourly Rate	Average Annual Salary	Total Estimated Payroll for New Positions
Office Administrator	2	\$19.62	\$40,800	\$40,800
Truck Mechanic	1	\$19.62	\$40,800	\$40,800
Truck Driver – In Town Delivery	1	\$21.58	\$44,880	\$44,880
Metal Processor	3	\$15.69	\$32,640	\$97,920
TOTALS	6			\$224,400

The proposed project site is located at 220 N. Algonquin Avenue, Columbus, Ohio (parcel number 010-003930), and is accessible by public transportation Central Ohio Transit Authority (COTA).

VI. REQUESTED PUBLIC PARTICIPATION

The Department of Development recommends an Enterprise Zone Tax Abatement of fifty percent (50%) for a period of ten (10) years on real property improvements for the purpose of constructing a headquarters and processing facility at the proposed Project Site.

VII. NEW TAX IMPACT: ANNUAL, 10 & 20-YEAR SUMMARY

Unabated Revenue	Average Annual	10-year Summary	20-year Summary
A. Real Property Tax Revenue	\$63,646	\$636,456	\$1,272,912
B. New City Income Tax Revenue	\$5,610	\$56,100	\$112,200
C. Total Unabated Tax Revenue (i.e., A+ B)	\$69,256	\$692,556	\$1,385,112

Abatement Impact	Average Annual	10-year Summary	20-year Summary
D. Total Proposed Tax Abatement 75%/ten (10) consecutive years on Real Property Improvements.	\$31,823	\$318,228	\$318,228
E. Total Revenue Net of Tax Abatement (i.e., C-D)	\$37,433	\$374,328	\$1,066,884

School District Impact Columbus City School District	Average Annual	10-year Summary	20-year Summary
F. Existing School District Revenue from Real Property at site	\$6,875	\$68,751	\$137,502
G. New Revenue as a Result of the Proposed Project (25%)	\$22,741	\$227,406	\$682,211
H. Total School District Revenue (i.e., F+G)	\$29,616	\$296,157	\$819,713

VIII. TAX BENEFIT

The recommended 75%/10-year Enterprise Zone property tax abatement could yield a tax savings of approximately **\$318,228** for Hildreth Properties, Inc. and Research Alloys Company, Inc. over the incentive term of ten (10) years. Columbus City Schools are estimated to receive **an additional \$227,406** over the term of the abatement and **approximately \$682,211 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 **\$302,317**.

100% for the next ten years is \$636,456 plus the \$302,317 from the first ten years equals a **total for 20 years of approximately \$938,772 in new tax revenue**.

IX. AREA IMPACT/GREEN INITIATIVES

Skylight style side panels will be used in the construction of the new building to reduce the need for interior lights. The entire business is focused on re-purposing and recycling metal byproducts and items that are at the end of their product cycle.