

FACT SHEET
SEPTEMBER 2023
G&J PEPSI-COLA BOTTLERS, INC.

I. STATEMENT OF PURPOSE – Job Creation

The Department of Development recommends an Enterprise Zone Abatement of seventy-five (75%) for a period of ten (10) consecutive years on real property improvements for the purpose of expanding the existing G&J Pepsi-Cola Bottlers, Inc. (G&J Pepsi) location, and creating new employment opportunities for the residents of the City of Columbus.

II. PROJECT HISTORY

In 1925, the owner of the Grand Pop Bottling Company in Cincinnati decided to put the company on the market. Nell and Walter Gross and Esther and Isaac Jarson decided to purchase the company and become equal partners. In 1935, a representative of the Pepsi-Cola Bottling Company called upon the Grosses and Jarsons after having been turned down by several other beverage companies and offered them a Pepsi franchise. Walter and Isaac agreed to try it and put several barrels of concentrates under some steps in the old plant. They did not produce the Pepsi product for several months, but when they did, it began to sell fairly well.

Today, G&J Pepsi is a privately owned company comprised of seven franchises, which distribute Pepsi-Cola brand products in Athens, Columbus, Hamilton, Portsmouth, Ripley and Zanesville, Ohio and Lexington, Kentucky. G&J Pepsi is the largest family owned and operated Pepsi franchise bottler. The company is headquartered in Cincinnati, Ohio and operates distribution centers in Chillicothe, and Hillsboro, Ohio as well as Winchester and Harrodsburg, Kentucky. In 2015, G&J Pepsi established a new production line in Columbus to manufacture its own plastic bottles for use in its soft drink bottling operation. The company distributes Pepsi brand products as well as packages under Lipton, Ocean Spray, Starbucks, and SoBe labels as well as Cadbury (Dr. Pepper) beverages. The entire G&J Franchise employs over 1600 employees and has over 300 beverage routes.

G&J Pepsi is proposing to invest a total project cost of \$25,525,000 for three different expansion phases, which includes \$18,125,000 in new construction cost, \$1,500,000 in improvements to its existing facility, \$4,450,000 in machinery and equipment, and \$1,450,000 in furniture and fixtures. The first expansion, the Blow Mold Self Injection phase, will allow the company to create their own bottle preforms, which are used to blowmold bottles. This will require a building modification to 4,800 sq. ft. of company's current building. The second phase is the Office Expansion, which consists of a 25,000 sq. ft. expansion the company's existing offices. The third phase, the Warehouse Expansion, will consist of the construction of a new 77,400 sq. ft. warehouse and distribution facility. These expansions and improvements will support company growth at G&J Pepsi and help expedite the bottling preform process and maintain operations under G&J Pepsi. Additionally, G&J Pepsi will retain 546 full-time jobs with an annual payroll of approximately \$27,588,250 and create forty-four (44) net new full-time permanent positions with an estimated annual payroll of approximately \$2,232,000 at 1241 Gibbard Avenue, Columbus, Ohio 43219, parcel number 010-057636-00 (the "**Project Site**").

G&J Pepsi 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 and renovations of its bottling facility.

III. PROJECT INVESTMENT

INVESTMENT TYPE	PROPOSED VALUE
Additions/New Construction	\$18,125,000
Improvements to building	\$1,500,000
Machinery & Equipment	\$4,450,000
Furniture & Fixtures	\$1,450,000
TOTAL INVESTMENT	\$25,525,000

IV. DECISION & TIMING

The project is anticipates real property improvements to begin as soon as October 2023 with a scheduled time of completion of December 2026, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project will create forty-four (44) net new full time permanent positions with an associated annual payroll of approximately \$2,232,000 and retain 546 full-time jobs with an annual payroll of \$27.55 million.

Position Title	Number of New Jobs	Average Hourly Rate	Average Annual Salary	Total Estimated Payroll for New Positions
Blow Mold Operators	6	\$20.19	\$42,000	\$252,000
Blow Mold Maintenance	4	\$29.81	\$62,000	\$248,000
Production Supervisor	1	\$33.65	\$70,000	\$70,000
Loaders/Pickers	6	\$20.19	\$42,000	\$252,000
Sanitation	5	\$20.19	\$42,000	\$210,000
Merchandising	6	\$22.11	\$46,000	\$276,000
Warehouse Techs	6	\$22.11	\$46,000	\$276,000
Marketing	2	\$28.85	\$60,000	\$120,000
DTBT (IT)	5	\$31.73	\$66,000	\$330,000
OPS-Main	3	\$31.73	\$66,000	\$198,000
TOTALS	44			\$2,232,000

The proposed project site is located at 1241 Gibbard Avenue, Columbus, Ohio 43219 (parcel number 010-057636-00) and is accessible by public transportation Central Ohio Transit Authority (COTA). There are two COTA stops 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 G&J Pepsi’s existing manufacturing facility and the creation of forty-four (44) 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	\$475,735	\$4,757,350	\$9,514,700
B. New City Income Tax Revenue	\$55,800	\$558,000	\$1,116,000
C. Total Unabated Tax Revenue (i.e., A. + B.)	\$531,535	\$5,315,350	\$10,630,700
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	\$356,802	\$3,568,020	\$3,568,020
E. Total Unabated Property Tax Revenue (i.e., C.-D.)	\$174,733	\$1,747,330	\$7,062,680
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 (pre abatement)	\$107,574	\$1,075,740	\$2,151,480
G. New Revenue as a Result of the Proposed Project (post abatement)	\$82,826	\$828,260	\$4,141,384
H. Total School District Revenue (i.e., F. + G.)	190,400	\$1,904,000	\$6,292,864

VIII. TAX BENEFIT

The recommended 75%/10-year Enterprise Zone property tax abatement could yield a tax savings of approximately **\$3,568,020** for G&J Pepsi over the incentive term of ten (10) years.

Columbus City School District is estimated to receive an additional **\$828,260** over the term of the abatement and approximately **\$4,141,384** over a 20-year period, because of the aforementioned 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 **\$1,189,339**.

100% for the next ten years is \$4,757,354, plus the **\$1,189,339** from the first ten years equals a **total for 20 years of approximately \$5,946,693**.

IX. AREA IMPACT/GREEN INITIATIVES

G&J Pepsi has a variety of green initiatives. The company tries to have water savings, lighting savings, electrical savings, and wastewater savings. Additionally, the company does material recycling, propane to battery conversions, monitors water temperatures, and changes video jet printers from ink to laser. G&J Pepsi strives to use renewable energy, universal waste management practices, and provides employees with recycling totes and employee training on sustainable practices. Lastly, the blow mold production on site reduces 13 truckloads a week to improve carbon footprint.