

FACT SHEET
Polaris Medical Office Development, LLC
SEPTEMBER 2010

I. STATEMENT OF PURPOSE – JOB CREATION

The Department of Development recommends an Enterprise Zone Tax Abatement of seventy-five (75%) for a period of ten (10) years on real property improvements for the purpose of re-development of property and job creation.

II. PROJECT HISTORY

Polaris Medical Office Development, LLC (PMOD) is an affiliate of Hand and Microsurgery Associates, Inc (“HMA”), which is a Columbus, Ohio based medical practice group. Established in 1987, Hand and Microsurgery Associates is comprised of fellowship trained hand surgeons specializing in hand, upper extremity, and microsurgery. The project includes the expansion of the medical and physical therapy practice as well as the addition of ambulatory surgical services. The project site, located at Gemini Parkway/Polaris consists of 45,000 square feet of which 10,000 square feet will be used as the ambulatory surgery center.

HMA will relocate its existing employees to the new project site location. In addition, the company will hire 21 new full time employees to meet the demands of HMA’s and its affiliate’s expansion of services and invest \$14.7 million in the project.

Polaris Medical Office Development, LLC is requesting, from the City of Columbus, a real property incentive to assist in the development of this project.

III. PROJECT INVESTMENT

| | |
|----------------------------------|--------------|
| NEW CONSTRUCTION | \$9,800,000 |
| MACHINERY & EQUIPMENT | \$3,900,000 |
| FURNITURE & FIXTURES | \$110,000 |
| STAND-ALONE COMPUTERS | \$90,000 |
| INVENTORY | \$800,000 |
| | |
| TOTAL INVESTMENT | \$14,700,000 |

IV. DECISION & TIMING

The project is expected to begin October 2010 with a scheduled time of completion for December 2011, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

| Position | New Jobs | Hourly Rate | Annual Pay | Total Estimated Salary |
|----------------------|-----------------|--------------------|-------------------|-------------------------------|
| ASC Director | 1 | \$48.08 | \$100,000 | \$100,000 |
| Clinical Manager | 1 | \$33.95 | \$70,616 | \$70,616 |
| Business Manager | 1 | \$19.00 | \$39,520 | \$39,520 |
| Reception-Phones | 2 | \$13.50 | \$28,080 | \$56,160 |
| Billing Specialist | 2 | \$15.50 | \$32,240 | \$64,480 |
| X-Ray Technologist | 1 | \$18.30 | \$38,064 | \$38,064 |
| R.N. Surgery | 3 | \$32.00 | \$66,560 | \$199,680 |
| R.N. PACU | 1 | \$32.00 | \$66,560 | \$66,560 |
| R.N. Pre-Operative | 2 | \$32.00 | \$66,560 | \$133,120 |
| Surgery Technologist | 4 | \$18.30 | \$38,064 | \$152,256 |
| Scheduler | 2 | \$13.50 | \$28,080 | \$56,160 |
| Coder | 1 | \$25.00 | \$52,000 | \$52,000 |
| | | | | |
| | | | | |
| Grand Total | 21 | | | \$1,028,616 |

The project will create 21 new full-time permanent positions with an estimated annual payroll of \$1.02 million, which is approximately \$25,715 in new annual revenue.

Full-time employees benefit summary includes:

- Paid Holidays
- Pay Vacation/Personal Day
- 401k Retirement
- Medical/Dental Insurance
- Severance Policy
- Annual Bonus
- Training & Education Benefits
- Pension Profit Sharing Plan

VI. REQUESTED PUBLIC PARTICIPATION

The Department of Development recommends a 75%/10-year Enterprise Zone Abatement on real property improvements for the purpose of the development of a medical office and ambulatory surgery center.

VII. NEW TAX IMPACT: 10-YEAR SUMMARY

| Unabated Revenue | Average Annual | 10-year Summary |
|---|-----------------------|------------------------|
| A. Real Property Tax Revenue | \$287,000 | \$2,870,000 |
| B. New City Income Tax Revenue | \$25,715 | \$257,150 |
| C. Total Unabated Tax Revenue | \$312,715 | \$3,127,150 |
| | | |
| Abatement Impact | Average Annual | 10-year Summary |
| D. Total Proposed Tax Abatement 75%/10-yr on Real Property | \$215,300 | \$2,153,000 |
| E. Total Revenue Net of Tax Abatement (i.e., C-D) | \$97,415 | \$974,150 |
| | | |
| School District Impact | Average Annual | 10-year Summary |
| Columbus City School District | Average Annual | 10-year Summary |
| F. Existing School District Revenue from Real Property at site | \$53.30 | \$533.00 |
| G. New Revenue as a Result of the Proposed Project | \$50,751 | \$507,510 |
| H. Total School District Revenue | \$50,804 | \$508,043 |

VIII. WORKFORCE DEVELOPMENT

Employers granted a tax incentive will meet with the Central Ohio Workforce Investment Corporation (COWIC) to develop a relationship to assure continuing employment opportunities for Columbus residents who are unemployed or underemployed. The company must meet with COWIC within 90 days of passage of the legislation.

IX. TAX BENEFIT

The recommended 75%/10-year Enterprise Zone Abatement could yield a tax savings of approximately \$215,300 for Polaris Medical Office Development, LLC over the term of the abatement. The Olentangy Local School District will receive an additional estimated \$508,043 over the term of the abatement.

X. AREA IMPACT/GREEN INITIATIVES

No residential or commercial displacement will occur as a result of this project. Polaris Medical Office Development, LLC strives to use environmentally friendly materials wherever available. Great efforts are being made to ensure the most energy efficient materials are incorporated in the construction process to ensure minimal energy consumption. PMOD is considering the Leadership in Energy and Environment Design (“LEED”) initiatives in the design of the facility.