

**FACT SHEET**  
**DECEMBER 2011**  
**STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**

**I. STATEMENT OF PURPOSE – Job Creation**

The Department of Development recommends a Downtown Office Incentive of fifty percent (50%) for a period of five (5) years for the purposes of creating 46 new permanent full-time positions and retaining 809 full-time employees with an estimated total new payroll of \$65 million.

**II. PROJECT HISTORY**

State Automobile Mutual Insurance Company (State Auto) was founded by Robert Pein in 1921 with three employees and a rented room in downtown Columbus, Ohio. Today, under direction of Robert Restrepo (current President and CEO), State Auto employs approximately 2,200 associates and markets its products through more than 3,000 independent agencies in 50 states. Regional headquarters are located in Nashville TN, Indianapolis IN, Austin, TX and Baltimore, MD. The State Auto Group is rated A (Excellent) by the A.M. Best Company and consists of State Automobile Mutual, State Auto Property & Casualty, State Auto National, State Auto Ohio, State Auto Wisconsin, State Auto Florida, Milbank, Farmers Casualty, Rockhill Insurance, Meridian Security, Meridian Citizens Mutual, Beacon National, Beacon Lloyds, Patrons Mutual and Litchfield Mutual Fire.

State Auto is proposing to expand its workforce in the Downtown Business District by entering into a 7-year lease agreement on vacant office spaces consisting of approximately 54,000 square feet, located at 175 S. Third Street and to assist in the expansion of its corporate offices located at 518 E. Broad Street. The company will invest approximately \$350,000 in furniture and fixtures, retain 809 full-time jobs and create 46 new full-time permanent positions. Based on this estimate, State Auto would qualify for the Columbus Downtown Office Incentive of an amount equal to fifty-percent (50%) of the payroll taxes paid on the new positions for a five year period. The Department of Development recommends granting the Columbus Downtown Office Incentive to State Auto.

State Auto is requesting a 50%/5-year Downtown Office Incentive from the City of Columbus to assist in the expansion, relocation and consolidation of its corporate headquarters within the downtown business district.

### III. PROJECT INVESTMENT

Improvements to Existing Building	-0-
Machinery & Equipment	-0-
Furniture & Fixtures	350,000
<b>TOTAL INVESTMENT</b>	<b>\$350,000</b>

### IV. DECISION & TIMING

The project will begin in December 2011 with a scheduled time of completion for October 2012, contingent upon Columbus City Council approval of the recommended tax incentive.

### V. EMPLOYMENT

The project will create 46 new full-time positions with an estimated annual payroll of \$3.73 million and retain 809 full-time positions with an annual payroll of approximately \$61.3 million.

Position	Number of New Jobs	Hourly Rate	Annual Salary	Total Estimated Payroll for New Jobs
Application Support Engineer III – IV	1	\$39.33	\$81,800	\$81,800
Call Center Rep.	1	\$14.71	\$30,600	\$30,600
Methodologist	1	\$45.60	\$94,850	\$94,850
Systems Support Eng.	1	\$29.62	\$61,600	\$61,600
Systems Support Eng. II	1	\$34.04	\$70,800	\$70,800
Property Claim Re-inspector - PD Specialist	2	\$29.62	\$61,600	\$123,200
Senior HR Generalist	1	\$39.33	\$81,800	\$81,800
IT Supervisor	1	\$52.88	\$110,000	\$110,000
Casualty Claim Examiner	2	\$34.04	\$70,800	\$141,600
Bus. Systems Analyst III	1	\$39.33	\$81,800	\$81,800
Tax Analyst	1	\$34.04	\$70,800	\$70,800
PMO-PM Practice Lead	1	\$52.88	\$110,000	\$110,000
Predictive Modeler	1	\$45.60	\$94,850	\$94,850
Payroll Admin. I –II	1	\$21.39	\$44,500	\$44,500
Bus. Ins. Underwriting Assistant	1	\$19.47	\$40,500	\$40,500
State Regulatory Analyst	2	\$22.40	\$46,600	\$93,200
Sales Operations Facilitator I	1	\$19.47	\$40,500	\$40,500
Production Control Analyst I – II	1	\$21.39	\$44,500	\$44,500
Product Manager I – II	5	\$69.11	\$143,750	\$718,750
Training & Development Specialist	1	\$29.62	\$61,600	\$61,600

Claim Examiner/Casualty	1	\$34.04	\$70,800	\$70,800
Call Ctr. Team Lead	1	\$19.47	\$40,500	\$40,500
Dir. Competitive Intelligence & CAT Strategy	1	\$74.90	\$155,800	\$155,800
Actuarial Analyst II	3	\$39.33	\$81,800	\$245,400
Personal Ins. Underwriter	1	\$25.72	\$53,500	\$53,500
Collection Specialist II-III	1	\$21.39	\$44,500	\$44,500
Paralegal	1	\$22.36	\$46,500	\$46,500
Info Security Analyst III	1	\$45.58	\$94,800	\$94,800
Portfolio Manager	1	\$59.23	\$123,200	\$123,200
Payment Services Rep	1	\$19.47	\$40,500	\$40,500
IT Supervisor I	1	\$45.58	\$94,800	\$94,800
Systems Support Eng. IV	1	\$45.58	\$94,800	\$94,800
Developer III	1	\$39.33	\$81,800	\$81,800
Business Ins. Manager	1	\$59.23	\$123,200	\$123,200
Personal Ins. Product Specialist I	1	\$29.62	\$61,600	\$61,600
Payment Services Rep.	1	\$19.47	\$40,500	\$40,500
Personal Ins. Product Mgr.	1	\$59.23	\$123,200	\$123,200
<b>Total</b>	<b>46</b>			<b>\$3,732,650</b>

Total new payroll, including retained, to Columbus will be approximately \$65 million.

Benefits provided to new employees begin 90 days after probation:

- Paid Holidays
- Paid Vacation/Personal Days
- Vacation Pay
- 401k Retirement Plan
- Training & Education Benefits
- Employee Discounts
- Employee Uniforms
- Disability Pay
- Annual Bonus
- Medical/Dental Insurance
- Severance Policy

The proposed project will cover both 518 E. Broad Street and 175 S. Third Street Columbus, Ohio 43215, which are accessible by public transportation (COTA).

## **VI. REQUESTED PUBLIC PARTICIPATION**

The Department of Development recommends a Downtown Office Incentive equal to fifty percent (50%) of the amount of new employee city income tax withholding for five (5) years.

## VII. WORKFORCE DEVELOPMENT

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

## VIII. NEW TAX IMPACT/ANNUAL AND 5-YEAR SUMMARY

<b>NEW REVENUE 5-YEAR SUMMARY</b>		
<b>Revenue</b>	<b>Average Annual</b>	<b>5-year Summary</b>
A. New City Income Tax Revenue	\$93,300	\$466,500
<b>Incentive</b>	<b>Average Annual</b>	<b>5-year Summary</b>
B. Proposed Incentive is equal to 50% of New Employee withholding	\$46,650	\$233,250
<b>Total</b>	<b>Average Annual</b>	<b>5-year Summary</b>
C. (A-B) Net Value to City	\$46,650	\$233,250

## IX. TAX BENEFIT

The recommended 50%/5-year Downtown Office Incentive could yield cash payments totaling \$233,250 to State Auto over the incentive period.

## X. AREA IMPACT/GREEN INITIATIVES

As a green initiative, State Auto recycles all paper used within their office, and uses energy efficient lighting.