

**FACT SHEET
MIDWEST MOTOR SUPPLY CO. DBA KIMBALL MIDWEST
MARCH 2014**

I. STATEMENT OF PURPOSE – JOB CREATION TAX CREDIT

The Department of Development recommends a Job Creation Tax Credit with Midwest Motor Supply Co., dba Kimball Midwest, equal to fifty percent (50%) of the amount of new employee’s city income tax withholdings for a term of five (5) years.

II. PROJECT HISTORY

In business since 1923, Midwest Motor Supply Co. is a major force in the industrial maintenance aftermarket. The company’s product offering includes fasteners, hoses and fittings, drill bits, chemicals, electrical connectors and shop supplies.

PEDC Property Management, Inc. is proposing to expand the existing 226,000-square-foot facility, currently occupied by Midwest Motor Supply Co. as part of a lease arrangement, located at 4800 Roberts Rd., Columbus, Ohio 43228 (parcel numbers: 560-193791, 560-193792, 560-273578, and 560-273579) by approximately 163,000 square feet to meet the needs of Midwest Motor Supply Co. The Roberts Rd. location serves as Midwest Motor Supply Co.’s corporate office and largest distribution center. Additional distribution centers are located in Grand Prairie (Dallas), Texas and Reno, Nevada.

Midwest Motor Supply Co. will retain 307 full-time permanent positions with an associated annual payroll of approximately \$18,161,000 and create 60 new full-time permanent positions with an associated new annual payroll of approximately \$2,248,800.

PEDC Property Management, Inc. will invest approximately \$7,800,000 in real property improvements related to new building construction and Midwest Motor Supply Co. will invest approximately \$775,000 related to the acquisition of machinery and equipment, furniture and fixtures, and stand-alone computers. The four owners of PEDC Property Management, Inc. also own Midwest Motor Supply Co.

Midwest Motor Supply Co. is requesting a Job Creation Tax Credit equal to fifty percent (50%) of the amount of new employee’s city income tax withholdings for a term of five (5) years to assist in the development of this project.

III. PROJECT INVESTMENT

INVESTMENT TYPE	PROPOSED VALUE
MACHINERY & EQUIPMENT	\$300,000
FURNITURE & FIXTURES	\$100,000
STAND-ALONE COMPUTERS	\$375,000
INVENTORY	\$3,000,000
TOTAL INVESTMENT	\$3,775,000

IV. DECISION & TIMING

Real property improvements are expected to begin April, 2014 with a scheduled time of completion of October, 2014, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project will retain 307 full-time permanent positions with an associated annual payroll of approximately \$18,161,000, and create 60 new full-time permanent positions with an associated new annual payroll of approximately \$2,248,800.

Position Title	Number of New Jobs	Average Hourly Rate	Average Annual Salary	Total Estimated Payroll for New Positions
Warehouse Staff	30	\$12.00	\$24,960	\$748,800
Office Staff	30	\$24.04	\$50,000	\$1,500,000
TOTALS	60			\$2,248,800

Midwest Motor Supply Co. offers their full-time employees the following benefits which begin approximately 90 days after hire:

- Paid Holidays
- Paid Vacation/Personal Days
- Vacation Pay
- 401(k) Retirement Plan
- Annual Bonus
- Medical/Dental Insurance
- Disability Pay
- Employee Discount
- Pension Profit Sharing Plan
- Training & Education Benefits

The proposed project site, 4800 Roberts Rd., Columbus, Ohio 43228, is accessible by public transportation (Central Ohio Transit Authority).

VI. REQUESTED PUBLIC PARTICIPATION

The Department of Development recommends a Job Creation Tax Credit equal to fifty percent (50%) of the amount of new employee's city income tax withholdings for a term of five (5) years.

VII. WORKFORCE DEVELOPMENT

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

VIII. NEW TAX IMPACT: ANNUAL & 5-YEAR SUMMARY

Proposed JCTC Impact	Average Annual	5-year Summary
A. New City Income Tax Revenue	\$56,220	\$281,100
B. Total Proposed JCTC equal to 50%/5 years	\$ 28,110	\$140,550
C. Net Value to City (i.e., A. - B.)	\$ 28,110	\$140,550

IX. TAX BENEFIT

The recommended Job Creation Tax Credit could yield a tax savings of approximately \$140,550 over the incentive term of five (5) years. Additionally, the City of Columbus will experience an increase in payroll withholdings associated with the new full-time permanent positions of approximately \$140,550 over the incentive term.

X. AREA IMPACT/GREEN INITIATIVES

Midwest Motor Supply Co. has taken the following steps to mitigate their environmental impact: a campaign related to paper shredding, newsprint dunnage reused in shipping, a “do not print” initiative, and the recycling of corrugated cardboard, scrap metal, and paper.