

**FACT SHEET
MENARD, INC.
JUNE, 2010**

I. STATEMENT OF PURPOSE - Enterprise Zone

The Department of Development recommends an Enterprise Zone Abatement for the purpose of creating 80 new positions within the City of Columbus.

II. PROJECT HISTORY

Founded in 1972 as Menard Inc., (Menards) the company is the nation's third largest home improvement supply chain. A rarity among retailers, Menards (as the company's stores are called) also operates a manufacturing facility. The founder, John Menard utilizes many cost-saving measures to keep prices low and competitive.

During the 1970s and 1980s, Menards opened building supply stores in a five-state areas including: Wisconsin, Iowa, North and South Dakota, and Minnesota. The company purchased vacated retail sites and used the sites to open new stores. The company also purchased seconds, overstocks and closeout items. By 1986, Menards ranked 15th among the top home improvement chains, with estimated sales from the 34 outlets approaching the half billion mark.

Menards celebrated the opening of its 150th store in early 2000. At the time, Christopher Menard, vice-president of distribution, announced that the company would be phasing out the sale of products made out of wood cut from endangered forests. Menards followed the action of other home improvement dealers such as Home Depot. Columbus, Ohio will be the home of the next Menards facility. The redevelopment known as Northland Village will be site of the new store. The former Northland Mall is one of the targeted areas of redevelopment for the City of Columbus. The construction of the Menard's facility will continue to encourage growth and redevelopment for the Northland Village. The specific location is 1819 Morse Road.

Menard, Inc. is requesting an Enterprise Zone Abatement from the City of Columbus to assist in the development of this project.

III. PROJECT INVESTMENT

Addition / New Construction	\$6,500,000
Furniture & Fixtures	\$1,000,000
Inventory	\$4,000,000
TOTAL INVESTMENT	\$11,500,000

IV. DECISION & TIMING

The project is expected to begin late July 2010 with completion scheduled for July 2011, contingent upon Columbus City Council approval of the recommended tax abatement.

V. EMPLOYMENT

Menards will create 80 full-time permanent jobs with an annual payroll of \$2,500,000.

Position	Number of New Jobs	Hourly Rate	Annual Salary	Total Estimated Payroll for New Jobs
Store Management	4	\$27.50	\$57,200	\$228,800
Contractor Sales Reps	10	\$16.50	\$34,320	\$343,200
Cashiers	10	\$10.50	\$21,840	\$218,400
Outside Lumberyard	5	\$11.25	\$23,400	\$117,000
Department Managers	40	\$16.50	\$34,320	\$1,372,800
Sales Associates	11	\$11.75	\$24,378	\$268,158
Total	80			\$2,548,358

Full-time employee's benefits summary includes:

- Paid Holidays
- Paid Vacation/Personal Days
- 401K Retirement Plan
- Medical/Dental Insurance
- Annual Bonus
- Training & Educational Benefits
- Employee Discounts

Some benefits begin immediately, while others begin after one (1) year of service. Menards does not have a severance policy in place at this time, and they have never discharged any employees from their existing companies.

The project is located at 1819 Morse Road and is accessible by public transportation (COTA).

VI. REQUESTED PUBLIC PARTICIPATION

The Department of Development recommends a 75%/10 year Enterprise Zone tax abatement on real property improvements.

VII. NEW TAX IMPACT 75%/10 YEAR SUMMARY

Unabated Revenue	Average Annual	10-Year Summary
A. Real Property	\$167,000	\$1,670,000
B. Income Tax Revenue	\$62,500	\$625,000
C. Total Unabated Tax Impact (A+B)	\$229,500	\$2,295,000

Abatement/Incentive Impact	Average Annual	10-Year Summary
D. Proposed Tax Abatement (75%/10years Real Property)	\$125,250	\$1,252,500
E. Net Revenue to City (C-D)	\$104,250	\$1,042,500

School District Impact (Columbus Public Schools)	Average Annual	10 Year Summary
F. Existing Revenue	\$37,400	\$374,000
G. New Revenue	\$30,000	\$300,000
H. (F+G) Total Revenue	\$67,400	\$674,000

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 legislation.

IX. TAX BENEFIT

The recommended 75%/10 year Enterprise Zone Abatement could yield a tax savings of approximately \$1.25 million for Menards over the abatement period. The Columbus Public School District will receive an additional \$300,000 over the abatement period.

X. AREA IMPACT/GREEN INITIATIVES

No residential or commercial displacement will occur as a result of this project.

Store construction and ongoing operations include numerous green initiatives” as well as a company wide recycling program. The company utilizes energy efficient panelized construction, skylights, and light timers.