

FACT SHEET
AmerisourceBergen Drug Corporation
December 2019

I. STATEMENT OF PURPOSE – ENTERPRISE ZONE & JOB CREATION

The Department of Development recommends an Enterprise Zone Tax Abatement of seventy-five (75%) for a period of ten (10) consecutive years on real property improvements for the purpose of expanding an industrial warehouse distribution facility, and creating new employment opportunities for the residents of the City of Columbus.

II. PROJECT HISTORY

Based out of Chesterbrook, Pennsylvania, AmerisourceBergen Drug Corporation (“AmerisourceBergen”) is one of the largest global pharmaceutical sourcing and distribution services companies, helping both healthcare providers and pharmaceutical and biotech manufacturers improve patient access to products and enhance patient care. The company has operations in the United States, Canada, and the United Kingdom. With services ranging from drug distribution and niche premium logistics to reimbursement and pharmaceutical consulting services, AmerisourceBergen delivers innovative programs and solutions across the pharmaceutical supply channel in human and animal health.

AmerisourceBergen is proposing to invest a total project cost of approximately \$32,500,000, which includes \$12,600,000 in real property improvements and \$19,900,000 in furniture, fixtures, and equipment to construct a 76,320 square foot addition onto their existing industrial warehouse distribution facility that they own at 6305 LaSalle Dr., Columbus, Ohio 43137, parcel number 495-263641 (“**Project Site**”). Additionally, the company will retain 161 full-time employees with associated annual payroll of approximately \$5,871,237 and create 28 net new full-time permanent positions with an estimated annual payroll of approximately \$873,600 at the **Project Site**.

AmerisourceBergen 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 in the redevelopment of this project.

III. PROJECT INVESTMENT

INVESTMENT TYPE	PROPOSED VALUE
Building Addition Construction	\$12,600,000
Furniture, Fixtures & Equipment	\$19,900,000
TOTAL INVESTMENT	\$32,500,000

IV. DECISION & TIMING

Real property improvements are expected to begin as soon as December, 2019 with a scheduled time of completion of December 2020, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project will create 28 net new full-time permanent office positions with an estimated annual payroll of approximately \$873,000 and retain 161 full-time permanent positions with an estimated annual payroll of approximately \$5,870,000.

Position Title	Number of New Jobs	Average Hourly Rate	Average Annual Salary	Total Estimated Payroll for New Positions
Distribution Center Associates	28	\$15.00	\$31,200	\$873,600
TOTALS	28			\$873,600

Total new payroll to Columbus will be approximately \$873,600, and benefits on the new employees includes the following:

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

Health insurance begins the 1st month of the month following 30 days of employment. Eligibility for 401k is after 1 month of continuous employment.

The proposed project site is located at 6305 LaSalle Dr., Columbus, Ohio 43137 (parcel number 495-263641).

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 constructing a 76,320 square foot addition onto an existing industrial warehouse distribution facility at the proposed **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	\$445,257	\$4,452,570	\$8,905,140
B. New City Income Tax Revenue	\$21,840	\$218,400	\$436,800
C. Total Unabated Tax Revenue (i.e., A. + B.)	\$467,097	\$4,670,970	\$9,341,940

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	\$333,942	\$3,339,426	\$3,339,426
E. Total Unabated Property Tax Revenue (i.e., C.-D.)	\$133,155	\$1,331,544	\$6,002,514
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)	\$349,064	\$3,490,640	\$6,981,280
G. New Revenue as a Result of the Proposed Project (post abatement)	\$64,674	\$646,736	\$3,233,889
H. Total School District Revenue (i.e., F. + G.)	\$413,738	\$4,137,380	\$10,215,170

VIII. TAX BENEFIT

The recommended 75%/10-year Enterprise Zone property tax abatement could yield a tax savings of approximately \$3,339,426 for AmerisourceBergen over the incentive term of ten (10) years. Columbus City Schools are estimated to receive an additional \$646,736 over the term of the abatement and approximately \$3,233,890 over a 20 year period, as a result of the expansion 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 **\$1,113,142**.

100% for the next ten years is \$4,452,569, plus the \$1,113,142 from the first ten years equals a **total for 20 years of approximately \$5,565,711**.

IX. AREA IMPACT/GREEN INITIATIVES

AmerisourceBergen sees environmental stewardship as one of the many ways that they live out their company's purpose of creating healthier futures. Sustainability efforts include energy efficiency projects such as interior and exterior LED lighting, HVAC (heating, ventilation and air conditioning) unit updates, participation in demand-response programs, retro-commissioning, investments in renewable energy, and building automation projects. Sustainability efforts also focus on waste and recycling. Some examples from fiscal year (FY) 2018 include the launch of a sustainability data management and traceability system; utilization of building automation features to enhance energy efficiency in their distribution centers; and the setting of a renewable energy target to achieve 2-3% of purchased electricity consumption from on-site renewable sources by the end of FY 2020.