

**FACT SHEET
MCDANIEL’S CONSTRUCTION CORP., INC. and
DE DEVELOPMENT, LTD.
NOVEMBER 2019**

I. STATEMENT OF PURPOSE – Enterprise Zone

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 constructing a new corporate headquarters (HQ) and for creating new employment opportunities for the residents of the City of Columbus.

II. PROJECT HISTORY

Incorporated in 1985, McDaniel's Construction Corp., Inc. (“McDaniel’s Construction”) is an equipment-intensive heavy infrastructure contractor that undertakes construction projects of various sizes and types. The main lines of business of McDaniel’s Construction include: General Contractors, M.W.B.E.-General Contractors, M.W.B.E.-Paving & Road Construction, Pavement Treatments, Coatings & Sealants, and Paving Contractors. The company's customers are comprised of governmental agencies, corporations, municipalities, general contractors and the private sector. DE Development, Ltd. is a real estate holding company owned by Dan Moncrief and Eric Girard, the Chairman/CEO and President of McDaniel’s Construction, respectively.

McDaniel’s Construction and DE Development, Ltd. are proposing to invest a total project cost of approximately \$1,000,000, which includes \$800,000 in real property improvements and \$200,000 in furniture and fixtures to construct a new corporate HQ consisting of approximately 6,000 sq. ft. at 1069 Woodland Avenue, Columbus, Ohio, 43219, parcel number 010-019804 (the “**Project Site**”). McDaniel’s Construction will be the tenant and employer of record, and enter into a long-term lease agreement with DE Development, Ltd., the owner of the property. Additionally, the company will retain 11 full-time jobs with an annual payroll of approximately \$1.42 million and create 2 net new full-time permanent positions with an estimated annual payroll of approximately \$100,000 at the proposed **Project Site**.

McDaniel’s Construction and DE Development, Ltd. are requesting an Enterprise Zone Tax Abatement of seventy-five percent (75%) for a period of ten (10) consecutive years to assist in the development of the aforementioned project.

I. PROJECT INVESTMENT

INVESTMENT TYPE	PROPOSED VALUE
ADDITIONS/NEW CONSTRUCTION	\$800,000
FURNITURE & FIXTURES	\$200,000
TOTAL INVESTMENT	\$1,000,000

II. DECISION & TIMING

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

III. EMPLOYMENT

The project will create 2 net new full-time permanent office positions with a new estimated annual payroll of approximately \$100,000.

Position Title	Number of New Jobs	Average Hourly Rate	Average Annual Salary	Total Estimated Payroll for New Positions
Estimator/Administrative	2	\$24.04	\$50,000	\$100,000
TOTALS	2			\$100,000

Total new payroll to Columbus will be approximately \$100,000 and benefits on the new employees includes the following:

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

IV. 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 new corporate HQ consisting of approximately 6,000 square feet at 1069 Woodland Avenue, Columbus, Ohio 43219, parcel number 010-019804.

V. NEW TAX IMPACT: ANNUAL & 10-YEAR SUMMARY

Unabated Revenue	Average Annual	10-year Summary	20-year Summary
A. Real Property Tax Revenue	\$22,987	\$229,870	\$459,740
B. New City Income Tax Revenue	\$2,500	\$25,000	\$50,000
C. Total Unabated Tax Revenue (i.e., A. + B.)	\$25,487	\$254,870	\$509,740
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	\$17,240	\$172,400	\$172,400
E. Total Unabated Property Tax Revenue (i.e., C.-D.)	\$8,247	\$82,470	\$337,340

School District Impact: Columbus City Schools	Average Annual	10-year Summary	20-year Summary
F. Existing School District Revenue from Real Property at site (pre abatement)	\$10,678	\$106,780	\$213,560
G. New Revenue as a Result of the Proposed Project (post abatement)	\$4,107	\$41,070	\$205,334
H. Total School District Revenue (<i>i.e.</i> , F. + G.)	\$14,785	\$147,850	\$418,894

VI. TAX BENEFIT

The recommended 75%/10-year Enterprise Zone property tax abatement could yield a tax savings of approximately \$172,400 for McDaniel’s Construction and DE Development, Ltd. over the incentive term of ten (10) years.

Columbus City Schools are estimated to receive an additional \$41,070 over the term of the abatement and approximately \$205,334 over a 20-year period, as a result of the aforementioned 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 **\$57,468**.

100% for the next ten years is \$229,870, plus the \$57,468 from the first ten years equals **a total for 20 years of approximately \$287,338**.

VII. AREA IMPACT/GREEN INITIATIVES

The company will strive 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 which includes energy star appliances and HVAC systems, and water conserving plumbing fixtures.