

FACT SHEET
Meritex Enterprises Inc. dba
Meritex Columbus, LLC
June 2017

I. STATEMENT OF PURPOSE – ENTERPRISE ZONE & JOB CREATION

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 purpose of constructing a speculative office/warehouse facility, and creating new employment.

II. PROJECT HISTORY

Meritex Enterprises, Inc., parent company of Meritex Columbus, LLC (Meritex) is a privately held company founded in 1916 by Harry McNeely, Sr. Meritex is a real estate investment and management company that acquires, develops, owns and operates commercial real estate, primarily institutional grade, and multi-tenant industrial properties. The company owns, leases and manages over 11 million square feet of commercial real estate in eight (8) markets in the United States. Meritex began in a single warehouse in Saint Paul, Minnesota, and over the years has earned its reputation for integrity, creativity and outstanding customer service. The company has been a significant owner of industrial space in Columbus, Ohio since 2000. At present, within the Columbus metro area, Meritex owns 13 properties totaling over 1,600,000 square feet. These multi-tenant office/warehouse facilities service over 65 tenants with businesses ranging from conventional warehousing to high tech assembly. Meritex's tenants employ over 960 employees who live and work in the Columbus metropolitan area.

Meritex is proposing to expand its portfolio by constructing a new 250,000 square foot speculative office/warehouse facility that will either house one (1) single user or it could house as many as four (4) 62,000 square foot users on a 16-acre site located at the Southeast corner of Spiegel Drive and Adelaide Court, Columbus, Ohio, parcel number 495-232645 in the Alum Creek/Rickenbacker corridor. The proposed project will involve a total investment of approximately \$10.34 million in new construction. The company anticipates that the construction of this facility will lead to the relocation of an unknown number of positions from within the City of Columbus and the creation of 22 new full-time permanent positions with an estimated annual payroll of approximately \$1.12 million.

Meritex Enterprises, Inc. dba Meritex Columbus, LLC is 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 this project.

III. PROJECT INVESTMENT

INVESTMENT TYPE	PROPOSED VALUE
ADDITIONS/NEW CONSTRUCTION	\$10,346,000
TOTAL INVESTMENT	\$10,346,000

IV. DECISION & TIMING

Real property improvements are expected to begin summer of 2017 with a scheduled time of completion of February, 2018, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project will create 22 new full-time permanent positions with an estimated new annual payroll of approximately \$1.12 million.

Position Title	Number of New Jobs	Average Hourly Rate	Average Annual Salary	Total Estimated Payroll for New Positions
Warehouse	10	\$19.23	\$40,000	\$400,000
Office/Admin	12	\$28.85	\$60,000	\$720,000
TOTALS	22			\$1,120,000

The proposed project site is located on the Southeast corner of Spiegel Drive and Adelaide Court, Columbus, Ohio 43219, parcel number 495-232645 and has limited accessibility by public transportation (Central Ohio Transit Authority). The proposed project is located in the Alum Creek/Rickenbacker Corridor.

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 purpose of constructing a speculative office/warehouse facility on the Southeast corner of Spiegel Drive and Adelaide Court, Columbus, Ohio, parcel number 495-232645.

VII. 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.

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

Unabated Revenue	Average Annual	10-year Summary
A. Real Property Tax Revenue	\$377,024	\$3,770,240
B. New City Income Tax Revenue	\$28,000	\$280,000
C. Total Unabated Tax Revenue (i.e., A. + B.)	\$405,024	\$4,050,240

Incentive	Average Annual	10-year Summary
D. Total Proposed Tax Abatement 75%/10 years on Real Property	\$282,768	\$2,827,680
E. Total Revenue of Tax Abatement (i.e., C.-D.)	\$122,256	\$1,222,560

School District Impact: Gahanna-Jefferson School Board of Education	Average Annual	10-year Summary
F. Existing School District Revenue from Real Property at site	\$4,372	\$43,720
G. New Revenue as a Result of the Proposed Project (post abatement)	\$56,686	\$566,860
H. Total School District Revenue (i.e., F. + G.)	\$61,058	\$610,580

IX. TAX BENEFIT

The recommended Enterprise Zone Tax Abatement could yield a tax savings of approximately \$2,827,680 over the incentive term of ten (10) years. Columbus City Schools are estimated to receive an additional \$566,860 over the term of the abatement, as a result of the project.

X. AREA IMPACT/GREEN INITIATIVES

The structure is being designed using green principles.