

**FACT SHEET
SEPTEMBER 2018
DAVENPORT AVIATION, INC.**

I. STATEMENT OF PURPOSE – JOB CREATION

The Department of Development recommends a dual-rate Jobs Growth Incentive for a term of up to five (5) consecutive years in consideration of an investment of approximately \$840,000 and the creation of 10 new full-time permanent positions.

II. PROJECT HISTORY

Founded in 2009, Davenport Aviation, Inc. is a broker and distributor of aviation parts for airlines around the world, a player in a U.S. industry that saw about \$44 billion in revenue in 2017. CEO João Simões immigrated to the U.S. from Brazil in 2001 working as a painter and floor installer, who began working for an aviation parts company in Washington, DC, providing him the industry knowledge to eventually start his own firm in Columbus, Ohio. Davenport Aviation, Inc. quickly excelled as a small business in a competitive field, and hired their first new employee in 2012 growing to 17 currently. They have significantly increased their international client base and become a Hub Zone certified supplier to the U.S. government. Ohio has been a hub of activity in the aviation industry since the Wright Brothers, and Davenport Aviation, Inc. is a homegrown Columbus small business representing the city in the industry and around the world. With the addition of a new U.S. government contract, Davenport Aviation, Inc. needs to expand their workforce.

Davenport Aviation, Inc. is proposing to invest approximately \$750,000 in real property improvements, \$75,000 in furniture and fixtures, and \$15,000 in technology to renovate its headquarters operation at 757 Adena Drive, Columbus, Ohio 43215, parcel number 010-129517. With this expansion, the company plans to renovate approximately 4,200 sq. ft. of their 8,400 sq. ft. facility to support a new U.S. government supply contract and growth in new international markets. Additionally, Davenport Aviation, Inc. will retain 17 full-time jobs with an annual payroll of approximately \$1.13 million and create 10 new full-time permanent positions with a cumulative estimated annual payroll of approximately \$480,000 to support its growth.

Davenport Aviation, Inc. is requesting a dual-rate Jobs Growth Incentive from the City of Columbus to assist with this expansion project.

III. PROJECT INVESTMENT

INVESTMENT TYPE	PROPOSED VALUE
Improvements to Existing Building	\$750,000
Furniture and Fixtures	\$75,000
Computers and Technological Upgrades	\$15,000
TOTAL INVESTMENT	\$840,000

IV. DECISION & TIMING

The project is expected to begin as soon as January 2019 with an anticipated completion date of June 2019, pending Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project is expected to create 10 new full-time permanent positions within five (5) years with a new estimated annual payroll of approximately \$480,000 and retain 17 jobs with an annual payroll of approximately \$1.13 million.

Position Title	# of New Jobs	Hourly Rate	Annual Salary	Total Estimated Payroll for New Jobs
Purchasing Assistants	10	\$23.08	\$48,000	\$480,000
Total	10			\$480,000

Total cumulative new payroll over the term of the Jobs Growth Incentive to Columbus will be approximately \$480,000.

Benefits provided to new employees begin immediately upon hiring and includes the following:

- Paid Holidays
- Vacation Pay
- Annual Bonus
- Disability Pay
- Severance Policy
- Employee Discounts
- Paid Vacation/Personal Days
- 401K Retirement Plan
- Medical/Dental Insurance
- Training & Education Bonuses
- Employee Uniforms
- Life Insurance

The proposed project site will be located at 757 Adena Drive, Columbus, Ohio 43215 parcel number 010-129517, which is accessible by public transportation.

REQUESTED PUBLIC PARTICIPATION

The Department of Development recommends a dual-rate Jobs Growth Incentive in an amount equal to (i) twenty-five percent (25%) of the City of Columbus income tax withheld on the Columbus payroll of new employees and (ii) thirty percent (30%) of the City of Columbus income tax withheld on the Columbus payroll of new employees, who are also City of Columbus residents at the end of each calendar year, both for a term up to five (5) consecutive years.

Should Davenport Aviation, Inc. not be able to sufficiently document residency for an employee associated with this project during a calendar year of the term of the agreement, the default rate of the Jobs Growth Incentive to be applied that calendar year for that new employee shall be twenty-five percent (25%).

VI. NEW TAX IMPACT

NEW REVENUE SUMMARY		
Revenue	Average Annual	5-year Summary
A. New City Income Tax Revenue	\$12,000	\$60,000
Incentive	Average Annual	5-year Summary
B. Proposed Incentive is equal to:		
(i) twenty-five percent (25%) of the City of Columbus income tax withheld on the Columbus payroll of new employees for a term up to five (5) consecutive years; and	\$3,000 (at 25%)	\$15,000 (at 25%)
(ii) thirty percent (30%) of the City of Columbus income tax withheld on the Columbus payroll of new employees, who are also City of Columbus residents at the end of each calendar year, for a term up to five (5) consecutive years.	to \$3,600 (at 30%)	to \$18,000 (at 30%)
Total	Average Annual	5-year Summary
C. Net Value to City (i.e., A. - B.)	\$9,000 (at 25%) to \$8,400 (at 30%)	\$45,000 (at 25%) to \$42,000 (at 30%)

VII. TAX BENEFIT

The recommended dual-rate Jobs Growth Incentive could yield cash payments totaling between approximately \$15,000 (at 25%) – \$18,000 (at 30%) for Davenport Aviation, Inc. over the incentive term of five (5) consecutive years.

VIII. AREA IMPACT/GREEN INITIATIVES

Davenport Aviation, Inc. does not have a formalized green initiative plan, but the company continuously evaluates methods to eliminate waste, which includes recycling, i.e. paper and other paper products.