

**FACT SHEET
SEPTEMBER 2018
EX2 INVESTMENTS LTD AND
CARR SUPPLY CO.**

I. STATEMENT OF PURPOSE – ENTERPRISE ZONE & JOB CREATION

The Department of Development recommends an Enterprise Zone property tax abatement of seventy-five percent (75%) for a period of ten (10) consecutive years on real property improvements made by EX2 Investments LTD and Carr Supply Co. for the purpose of expanding their corporate headquarters and distribution facility.

II. PROJECT HISTORY

EX2 Investments LTD is a real estate holding company owned by two brothers, Roger and Greg Essig. Greg Essig is the current President of Carr Supply Co. Carr Supply Co. was founded in 1917 by Charles E. Carr in a small shop located at 222 Third Street, Columbus, Ohio. The business, formally known as CE Carr, was a manufacturer and distributor of sheet metal, hardware and livestock water equipment. The company moved in the mid-1930s to 49 East Naghten (now Nationwide Blvd). At that time, the business started distributing plumbing supplies. In 1974, Carr Supply Co. began distribution of HVAC supplies and equipment. Currently, Carr Supply Co. has 15 locations throughout Central Ohio with its corporate headquarters and distribution facility located at 1415 Old Leonard Avenue, Columbus, Ohio 43219, another distribution facility in Erlanger, KY and four distribution facilities in Michigan (Livonia, Rochester, Taylor and Waterford).

EX2 Investments LTD and Carr Supply Co. are proposing to invest a total project cost of approximately \$2.7 million, which includes \$2.6 million in real property improvements, \$25,000 in machinery and equipment, and \$80,000 in furniture and fixtures to expand its' corporate headquarters (HQ) and distribution facility on 1415 Old Leonard Avenue, Columbus, Ohio 43219, parcel number 010-231120. The current facility is approximately 117,000 sq. ft. with plans to expand it another 30,000 sq. ft. to accommodate the company's increased sales growth and to improve business efficiencies. EX2 Investments LTD will be the owner of the real estate while Carr Supply Co. will be the tenant and employer of record. Additionally, the company will retain 122 full-time jobs with an annual payroll of approximately \$7.08 million and create 15 net new full-time permanent positions with an estimated annual payroll of approximately \$521,456.

EX2 Investments LTD and Carr Supply Co. are 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 development of this project.

III. PROJECT INVESTMENT

INVESTMENT TYPE	PROPOSED VALUE
ADDITIONS/NEW CONSTRUCTION	\$2,600,000
MACHINERY & EQUIPMENT	\$20,000
FURNITURE & FIXTURES	\$80,000
STAND-ALONE COMPUTERS	\$5,000
TOTAL INVESTMENT	\$2,705,000

IV. DECISION & TIMING

Real property improvements are expected to begin as soon as October, 2018 with a scheduled time of completion of May, 2019, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project will create 15 net new full-time permanent positions with an associated new annual payroll of approximately \$521,456 and retain 122 full-time jobs with an annual payroll of approximately \$7.08 million.

Position Title	Number of New Jobs	Average Hourly Rate	Average Annual Salary	Total Estimated Payroll for New Positions
Warehouse Employees	13	\$15.90	\$33,072	\$429,936
Warehouse Mgmt.	2	\$22.00	\$45,760	\$91,520
TOTALS	15			\$521,456

Total new payroll to Columbus will be approximately \$521,456. Carr Supply Co. will be the tenant and employer of record, providing the benefits on the new employees, which includes the following:

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

Carr Supply Co.'s benefits begin 90 days after employment.

VI. REQUESTED PUBLIC PARTICIPATION

The Department of Development recommends an Enterprise Zone property tax abatement of seventy-five percent (75%) for a period of ten (10) consecutive years on real property improvements for the purpose of expanding Carr Supply Co.'s corporate HQ and distribution facility at 1415 Old Leonard Avenue, Columbus, Ohio (parcel number 010-231120).

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

Unabated Revenue	Average Annual	10-year Summary	20-year Summary
A. Real Property Tax Revenue	\$74,862	\$748,620	\$1,497,240
B. New City Income Tax Revenue	\$13,036	\$130,360	\$ 260,720
C. Total Unabated Tax Revenue (i.e., A. + B.)	\$87,898	\$878,980	\$1,757,960
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	\$56,146	\$561,460	\$1,122,920
E. Total Unabated Property Tax Revenue (i.e., C.-D.)	\$31,752	\$317,520	\$635,040
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)	\$57,639	\$576,390	\$1,152,780
G. New Revenue as a Result of the Proposed Project (post abatement)	\$13,380	\$133,800	\$ 669,010
H. Total School District Revenue (i.e., F. + G.)	\$71,019	\$710,190	\$1,821,790

VIII. TAX BENEFIT

The recommended 75%/10-year Enterprise Zone property tax abatement could yield a tax savings of approximately \$561,460 for EX2 Investments LTD and Carr Supply Co. over the incentive term of ten (10) years. Columbus City Schools are estimated to receive an additional \$133,800 over the term of the abatement and approximately \$669,010 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 **\$187,155**.

100% for the next ten years is \$748,620, plus the \$187,155 from the first ten years equals **a total for 20 years of \$935,775**.

IX. AREA IMPACT/GREEN INITIATIVES

The company practices regular recycling and has green motion censored lighting in its distribution facility.