

**FACT SHEET  
OHIO POWER COMPANY  
NOVEMBER 2018**

**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 developing a vacant property into a transmission service center operation, and for creating new employment opportunities for the residents of the City of Columbus.

**II. PROJECT HISTORY**

Ohio Power Company provides electric power to nearly 1.5 million customers in Ohio in almost 1,000 communities located in 61 of the state's 88 counties. Ohio Power Company's headquarters are in Gahanna, with regulatory and external affairs offices in downtown Columbus. Ohio Power Company is a subsidiary of American Electric Power and the largest of its regional utility divisions. American Electric Power (AEP), one of the largest electric utilities in the United States, delivers electricity to more than 5 million customers in 11 states and owns the nation's largest electricity transmission system. AEP's headquarters are in Columbus, Ohio. Ohio Power Company's transmission assets for the Columbus district are currently scattered across multiple sites, each lacking suitable space and workplace infrastructure. The project will include new structures and site improvements to create a purpose-built, collocated facility for Ohio Power Company - Transmission personnel and assets in this service district.

Ohio Power Company proposes to invest the total project cost of approximately \$22,724,000, which includes \$16,932,000 in real property improvements and another \$1,292,000 in furniture, fixtures, and \$4,500,000 in acquisition costs, to construct a new transmission service center consisting of approximately 82,753 sq. ft. +/- at 380 Old Morrison Road, Columbus, Ohio 43213, parcel number 010-087871. The proposed transmission service center complex will include an approximately 64,213 sq. ft. +/- building housing offices, meeting space, workshops, warehouse storage, and vehicle storage and an approximately 18,450 sq. ft. +/- facility for vehicle maintenance and storage. Additionally, Ohio Power Company will retain 60 full-time employees with an annual payroll of approximately \$4,568,157 and create 4 new full-time permanent positions with an estimated annual payroll of approximately \$256,836.

Ohio Power Company is requesting an Enterprise Zone Tax Abatement of seventy-five percent (75%) for a period of ten (10) consecutive years to assist in the redevelopment of the vacant property into a new transmission service center.

**III. PROJECT INVESTMENT**

<b>INVESTMENT TYPE</b>	<b>PROPOSED VALUE</b>
Real Property Improvements	\$16,932,000
Acquisition Costs	\$4,500,000
Furniture & Fixtures	\$1,292,000
<b>TOTAL INVESTMENT</b>	<b>\$22,724,000</b>

#### IV. DECISION & TIMING

The project is expected to begin November 2018 with a scheduled time of completion for January 2020, contingent upon Columbus City Council approval of the recommended tax incentive.

#### V. EMPLOYMENT

The project will create 4 new full-time permanent office positions with an estimated annual payroll of approximately \$256,836 and retain 60 full-time jobs with an annual payroll of \$4,568,157.

Position Title	Number of New Jobs	Average Hourly Rate	Average Annual Salary	Total Estimated Payroll for New Positions
P&C Tech	2	\$24.47	\$50,918	\$101,836
P&C Scheduler	1	\$42.31	\$88,000	\$88,000
TCR	1	\$32.21	\$67,000	\$67,000
<b>TOTALS</b>	<b>4</b>			<b>\$256,836</b>

Total new payroll withholding to Columbus will be approximately \$6,421 annually. Ohio Power Company will be the employer of record, providing the benefits on the new employees, which includes the following:

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

Ohio Power Company's benefits begin on the date of hire.

The proposed project site is located at 380 Old Morrison Road, Columbus, Ohio 43213 (Project Site), parcel number 010-087871 and is accessible by public transportation (COTA). There is a COTA stop in reasonable proximity of the project site.

#### 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) consecutive years on real property improvements for the purpose of building a new transmission service center complex of approximately 82,753 square feet +/- at 380 Old Morrison Road, Columbus, Ohio 43213 (Project Site), parcel number 010-087871.

## **VII. NEW TAX IMPACT: 10-YEAR SUMMARY**

<b>Unabated Revenue</b>	<b>Average Annual</b>	<b>10-year Summary</b>
A. Real Property Tax Revenue	\$487,525	\$4,875,000
B. New City Income Tax Revenue	\$6,421	\$64,210
C. Total Unabated Tax Revenue	\$493,946	\$4,939,210
<b>Abatement Impact</b>	<b>Average Annual</b>	<b>10-year Summary</b>
D. Total Proposed Tax Abatement 75%/10-yr on Real Property	\$365,644	\$3,656,438
E. Total Revenue Net of Tax Abatement ( <i>i.e.</i> , C-D)	\$128,302	\$1,282,772
<b>School District Impact Columbus City School District</b>	<b>Average Annual</b>	<b>10-year Summary</b>
F. Existing School District Revenue from Real Property at site	\$30,989	\$309,890
G. New Revenue as a Result of the Proposed Project	\$87,133	\$871,358
H. Total School District Revenue	\$118,122	\$1,181,248

## **VIII. TAX BENEFIT**

The recommended 75%/10-year Enterprise Zone tax abatement could yield a tax savings of approximately \$3,656,438 for Ohio Power Company over the term of the abatement.

The Columbus City Schools are estimated to receive an additional \$871,358 over the term of the tax abatement, as a result of the project.

## **IX. AREA IMPACT/GREEN INITIATIVES**

The building is designed to achieve, and Ohio Power Company is seeking, LEED v4 NC certification. Management will also include internal recycling programs.