

**FACT SHEET
NOVEMBER 2018
INSTALLED BUILDING PRODUCTS, 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 \$660,850 and the creation of 60 net new full-time permanent positions.

II. PROJECT HISTORY

Installed Building Products, Inc. (IBP) is the second largest insulation installer serving the residential new construction market in the United States. Installed Building Products, Inc. is a holding company that was incorporated in October 2011. The company technically began in 1977 with one location, known at that time as Edwards Insulation in Columbus, Ohio. In the late 1990's the company embarked on an acquisition strategy with the goal of growing a national platform. As of December 31, 2016, the company's national platform included over 100 locations accessing customers in 48 continental states and the District of Columbia. IBP also installs complementary building products, including garage doors, rain gutters, shower doors, closet shelving and mirrors, which provides cross-selling opportunities to supplement its insulation installation business. The company also provides roof installation services. Jeffrey W. Edwards is the current President, Chief Executive Officer and Chairman of the company.

Installed Building Products, Inc. is proposing to invest a total project cost of approximately \$680,850, which includes \$378,000 in lease-hold improvements, \$101,850 in stand-alone computers, and \$181,000 in furniture and fixtures to expand its corporate headquarters at 495 S. High Street, Columbus, Ohio 43215 located in the Brewery District. With this expansion, the company plans to renovate approximately 32,500 sq. ft. of office space to support its strategic growth plan, as the company continues to grow its footprint in various markets, and to accommodate future acquisitions. Additionally, Installed Building Products, Inc. will retain 145 full-time jobs with an annual payroll of approximately \$11.76 million and create 52 net new full-time permanent positions with a cumulative estimated annual payroll of approximately \$3.32 million to support its strategic growth initiative.

Installed Building Products, 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
Leasehold Improvements	\$378,000
Furniture & Fixtures	\$181,000
Machinery & Equipment	\$101,850
TOTAL INVESTMENT	\$660,850

IV. DECISION & TIMING

The project is expected to begin as soon as December 2018 with an anticipated completion date of summer 2019, pending Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project is expected to create 52 net new full-time permanent positions with an estimated annual payroll of approximately \$3.32 million and retain 145 jobs with an annual payroll of approximately \$11.76 million.

Position Title	# of New Jobs	Hourly Rate	Annual Salary	Total Estimated Payroll for New Jobs
Administration/Office	52	\$30.71	\$63,879	\$3,321,708
Total	52			\$3,321,708

Total cumulative new payroll over the term of the Jobs Growth Incentive to Columbus will be approximately \$3.32 million.

Benefits provided to new employees begin immediately upon hiring except for 401-K plan, which starts 6 months after hire date, includes the following:

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

The proposed project site will be located at 495 S. High Street, Columbus, Ohio, parcel number 010-215363 and 010-251491, 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 Installed Building Products, 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	\$83,043	\$415,215
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	\$20,760 (at 25%)	\$103,800 (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 \$24,913 (at 30%)	to \$124,565 (at 30%)
Total	Average Annual	5-year Summary
C. Net Value to City (i.e., A. - B.)	\$62,283 (at 25%) to \$58,130 (at 30%)	\$311,415 (at 25%) to \$290,650 (at 30%)

VII. TAX BENEFIT

The recommended dual-rate Jobs Growth Incentive could yield cash payments totaling between approximately \$103,800 (at 25%) – \$124,565 (at 30%) for Installed Building Products, Inc. over the incentive term of up to five (5) consecutive years.

VIII. AREA IMPACT/GREEN INITIATIVES

Installed Building Products, Inc. does not have a formalized green initiative plan, but the company's branch locations recycle scrap, and in case of cellulose insulation, the product is 100% recycled.