

For this analysis, we use a 1% real estate appreciation for the building on the property, based on the property tax increases of surrounding buildings.

Net new is defined as any job not already existing in Gahanna.

Cells highlighted in red represent the City's investment into the project. Cells highlighted green represent the companies investment into the project.

ROI is calculated as the project's investment minus the City's investment to demonstrate the net revenue for the project.

\$250,000 is an estimated improved value, based on improvements to other buildings and general market awareness. Additionally, when calculating the Value of Abatement, .35 is used as the fair market to assessed value ratio for all projects.

This specific project already receives a TIF. Therefore, by abating the improved value, the City forfeits the increased property tax revenue to the Olde & West Gahanna TIF.

Request for a 12 Yr 100% Abatement

Ohio Exteriors

11.22.2021

	Immediate Job Creation	12 Year Payroll
Existing Jobs	10	
Net New Jobs	15	
Existing Payroll	700,000	8,400,000
Net New Payroll	760,000	9,120,000
2.5% tax on payroll	17,500.00	210,000
2.5% tax on net new payroll	19,000.00	228,000

Forfeited TIF Revenue 107,706

Current Land Value	\$	115,000
Estimated Improved Value	\$	250,000
Real Estate Appreciation		1%
Years		12
Future Growth		1.12682503
Future Value	\$	281,706.26
Millage Rate	\$	91.03
Estimated Annual Tax	\$	8,975.51
Total Value of Abatement	\$	107,706.17
Total Value of City Portion of Abatement		9,263

Project Investments	
New Building	400,000
Improvements to Existing Building	100,000
Total Payroll	210,000
Net New Payroll	228,000

Other Considerations
School Compensation 167,853

Post Abatement TIF Value 42,005

Total Investment to City (Existing and New)	980,005
Total with Net New only	770,005
Total City Investment	284,822

ROI Full Expansion	244%	695,183
ROI Net New	170%	485,183

RETURN ON INVESTMENT

$$ROI = \left(\frac{\text{Revenue} - \text{Cost of Goods Sold}}{\text{Cost of Goods Sold}} \right)$$