



To: Gahanna City Council
Raymond Mularski, City Attorney

From: Nathan A Strum, Director of Economic Development
Laurie A. Jadwin, Mayor

Date: November 17, 2021

Re: Dept. of Economic Development Report to Council (November 22, 2021 Meeting)

ACTION ITEMS

ACTION ITEM #1: ORDINANCE AUTHORIZING THE EXECUTION OF A GRANT AGREEMENT WITH THE OHIO DEPT. OF TRANSPORTATION RELATED TO PROJECT GAUL

The Department of Economic Development respectfully requests that Council pass an ordinance to authorize the Mayor to enter into a grant agreement with the Ohio Department of Transportation to receive funding from ODOT's Jobs & Commerce program related to the extension of Tech Center Drive in the Central Park development of the City of Gahanna.

City Council previously passed ORD 0062-2021 in support of the Development Agreement related to "Project Gaul." These funds would be utilized towards the noted public infrastructure improvements related to that project in which the City previously committed up to \$250,000 of Tax Increment Financing (TIF) funds to support the project.

Sources		Uses	
ODOT Jobs & Commerce Funds	\$77,183	Tech Center Drive Extension	\$476,243
ODOD 629 Funds	\$280,000		
City of Gahanna TIF Funds	\$119,060		
Total	\$476,243	Total	\$476,243

The program is reimbursable, which means that eligible expenses will be submitted to the City on behalf of any assignees of the agreement related to the project and will be applied in accordance with all grant fund requirements, as included in the agreement.

A copy of the agreement is included for review.

Legislation Needed:	Ordinance
Emergency/Waiver:	N/A
Vendor Name:	N/A
Vendor Address:	N/A
Already Appropriated (Amounts & Accounts):	0062-2021
Supplemental/Transfer (Amounts & Accounts):	N/A

ACTION ITEM #2: ORDINANCE AUTHORIZING THE EXECUTION OF A GRANT AGREEMENT WITH THE OHIO DEPARTMENT OF DEVELOPMENT RELATED TO PROJECT GAUL

The Department of Economic Development respectfully requests that Council pass an ordinance to authorize the pursuit and subsequent execution of a grant agreement with the Ohio Department of Development (ODOD) for funding from ODOD’s 629 program related to the extension of Tech Center Drive in the Central Park development of the City of Gahanna.

City Council previously passed ORD 0062-2021 in support of the Development Agreement related to “Project Gaul.” These funds would be utilized towards the noted public infrastructure improvements related to that project in which the City previously committed up to \$250,000 of Tax Increment Financing (TIF) funds to support the project.

Sources		Uses	
ODOT Jobs & Commerce Funds	\$77,183	Tech Center Drive Extension	\$476,243
ODOD 629 Funds	\$280,000		
City of Gahanna TIF Funds	\$119,060		
Total	\$476,243	Total	\$476,243

This grant agreement is electronic and has not been finalized or submitted to ODOD. The program is reimbursable, which means that eligible expenses will be submitted to the City on behalf of any assignees of the agreement related to the project and will be applied in accordance with all grant fund requirements, as included in the agreement.

Legislation Needed:	Ordinance
Emergency/Waiver:	N/A
Vendor Name:	N/A
Vendor Address:	N/A
Already Appropriated (Amounts & Accounts):	0062-2021
Supplemental/Transfer (Amounts & Accounts):	N/A

ACTION ITEM #3: ORDINANCE AUTHORIZING THE HOUSING OFFICER TO ENTER INTO COMMUNITY REINVESTMENT AGREEMENT (CRA) FOR EXPANSION OF OHIO EXTERIORS

Ohio Exteriors is an existing company located on Agler Road within the City’s Community Reinvestment Area (CRA) No. 5. Based on their application for incentive consideration, the Company currently employees 10 FTE and 22 subcontractors in the City, with an existing payroll of \$1.37M in payroll (FTE and subcontractors combined).

Ohio Exteriors is exploring investing \$600,000 into their existing facility and hiring an additional 20-35 new headcount (10-15 FTEs; 10-20 subcontractors) with an added payroll of \$1.3M to \$1.66M (FTE and subcontractor combined).

The proposed project includes the capital investment of approximately \$20M+ by Ohio Exteriors, including the construction of a joint manufacturing/research facility in Gahanna. The Company anticipates the creation of at least 20 new jobs with additional jobs to be added over time. Based on current market conditions, the Company anticipates wages for the new job creation of

approximately \$117,000+ per job - or net new payroll of between \$2.35M to \$4.7M. This equates to \$58,750 to \$117,500 in net new income tax annually to the City.

Based on the Department's calculations, the projected return on investment associated with the project for the City of Gahanna is estimated to be between 107% to 172%.

Legislation Needed:	Ordinance
Emergency/Waiver:	N/A
Vendor Name:	Ohio Exteriors
Vendor Address:	244 Agler Rd Gahanna, OH 43230
Already Appropriated (Amounts & Accounts):	N/A
Supplemental/Transfer (Amounts & Accounts):	N/A

Attachments: CRA Application & ROI Calculations