



# City of Gahanna

## Meeting Minutes

### Committee of the Whole

200 South Hamilton Road  
Gahanna, Ohio 43230

*Merisa K. Bowers, Chair*  
*Karen J. Angelou*  
*Nancy R. McGregor*  
*Kaylee Padova*  
*Stephen A. Renner*  
*Michael Schnetzer*  
*Trenton I. Weaver*

*Jeremy VanMeter, Clerk of Council*

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Monday, August 8, 2022

7:00 PM

City Hall, Council Chambers

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**A. CALL TO ORDER:**

*Vice President of Council Merisa K. Bowers, Chair, called the meeting to order at 6:57 p.m. All members were present for the meeting. There was one addition to the agenda under "Discussions," the introduction of Tom Komlanc, Director of Engineering.*

**B. DISCUSSIONS:**

**1. Economic Development Training Series #2**

[2022-0243](#)

Regionalism in Economic Development - One Columbus Materials

Nathan Strum, Director of Economic Development, introduced Matt McCollister, Senior Vice President for Economic Development for One Columbus. Strum reviewed the sessions thus far, including the "Back to Basics" and incentive programming for the city. He said this session would focus on regionalism and projects. The next sessions would also include experts and guest speakers to talk through various elements of economic development. McCollister has over 20 years of experience in this field.

McCollister said One Columbus is the regional economic development organization that represents the 11-county Columbus region. In reviewing slides, McCollister pointed out that the JobsOhio logo is included due to One Columbus being a network partner with JobsOhio. This means the organization is under contract with JobsOhio to provide services within the 11-county area with things such as helping companies understand incentive programming, providing access to incentive programming, and joint economic development activities with marketing and promotion of the region. All 88 counties in Ohio fall within a regional group. One Columbus is one of six regional groups. As a region, One Columbus represents 2.25 million

people, is number one in the Midwest for population growth, job growth, and gross domestic product (GDP) growth from 2010 to 2021. McCollister said the region has done quite well. In 2010, when One Columbus was formed, it was called Columbus 2020 at the time because it was a 10-year strategy. In 2018, the region reached its goals. Prior to formation of Columbus 2020, the group reached out to public sector partners and private sector investors and asked them what the most important thing that was needed for an economic development organization in the region. The response was “jobs,” as the country was coming out of a recession. The thought was if the region could get the jobs that it had prior to the recession and some new jobs, the region would be in a much better position than it was in the prior 10 years.

McCollister noted that by 2018, the region had already reached its goals, so the conversation restarted with local partners and communities and private sector investors. This time, when asked what the most important thing was for the next 10 years, the common theme that came up was “prosperity.” The region had been successful in creating jobs, but McCollister said there were clearly some that were left behind. McCollister posed the question of what if we could become the most prosperous region, continue our growth trajectory, and not leave people behind. He asked, what if we could continue our growth trajectory and not end up in a housing crisis like a lot of other high growth markets? These are part of the vision to become the most prosperous region in the United States.

McCollister said the action plan, the strategic plan, did not change significantly as far as the initiatives but the example activities have changed significantly. First, the group has shifted gears. They always led with attracting new industry to the market. The change is that it is probably most important to support existing businesses first. One Columbus does this in collaboration with Director Strum and other local economic development partners by starting the year creating a target list. There is now a research team that is constantly evaluating earnings reports. They track companies that receive injections of capital, such as private equity, merger, or acquisitions. Based on this data, One Columbus re-prioritizes and restacks the target industry or business retention expansion (BRE) list. This guides the organization in going after companies that might have the highest probability of either having an opportunity or at risk of flight. This became the number one priority and continues to be the priority today. McCollister clarified that the organization still believes in attracting new industry. He said it is important to continue to revitalize and diversify our economic base companies here. An example is Intel. McCollister said we are bringing in a completely new industry with a completely new supply chain. It is bringing in a massive injection of wealth and opportunity into our region at a time when some of our companies that have historically been very strong are starting to falter. This idea of continued “evergreening” your economy is critically important. While focused on existing industry is the number one initiative, there is still strong support for business attraction.

Support for entrepreneurship and high-growth firms in the region’s marketplace is number three in the Strategic Plan. Here, this support is

predominantly through REV1 and other VCs and accelerators in the region. One Columbus partners so that when companies are coming off their support, they can leverage some traditional economic development incentives. One Columbus can seamlessly take companies into this and help them grow. McCollister said when they are in high-growth mode (adding 20 or 30 people), then they start to qualify for a lot of the programming that One Columbus has access to through JobsOhio. They can interject the programming and continue to see this company stay in the region. He said if they do not do this, a lot of companies will leave and follow where capital is because they are still in the early phase where capital is critical for support. The pandemic has borne several programs in JobsOhio. One is an inclusion grant program, which consists of small grants made to minority, veteran, women, or disability-owned businesses and businesses that are in underperforming markets. This gives One Columbus a chance to engage with companies. Historically, a suite of programs or tools to help did not exist. McCollister added that now it is smaller (\$25,000-\$50,000) but this could buy a piece of equipment for a company and make a difference after the fact. He shared that the organization has had companies apply for and receive inclusion grants that have already qualified for some of the traditional economic developments. Companies have been able to parlay this into growth. McCollister said this is a great program and opened a new line of opportunity to engage with businesses that historically it would not be able to support.

Preparing communities for the future is the number four initiative. This includes a program called Prepared Communities Win, which is about helping communities have a strategic plan. Not every community has one. One Columbus wants to support the development and continued development of strategic plans. Many partners are asking the group that with Intel's planned investment, if plans should be altered to think about how this could fit into their community, or how supply chain could fit within the community. One Columbus also has programs to support speculative development, buildings, and sites (Ohio Site Inventory Program, or OSIP). This can provide up to \$5 Million in funding through grants and loans through speculative office and industrial space in the market. This, too, was borne out of the pandemic because many communities have developers putting the brakes on developments during the pandemic. This program is designed to loosen up some of the pipeline. McCollister said the region has been fine with bulk industrial development, but office came to a complete stop. They have been able to support two office projects and there are two in the pipeline right now. They are great projects but if not for this program probably would not move forward.

The number five initiative is to increase global trade and investment. McCollister noted this goes beyond efforts to attract international business. One Columbus does trade support and infrastructure development with things like air cargo, international air cargo, in collaboration with Rickenbacker Airport. This is critically important. For example, during the pandemic, Rickenbacker became a hotspot in bringing in PPE and other products.

Through OSIP, they have used support for the development of a pharmaceutical handling facility at Rickenbacker. It is being built out right now, but there will be an ability to bring in pharmaceuticals into the market that will be through an FDA-approved facility. The pharmaceuticals will come off the plane and go directly into warehouses in the Rickenbacker area. This could also mean pharmaceuticals coming to Gahanna with already existing companies. McCollister said this is a great asset and example of how One Columbus continues to think about how the region fits into the global economy and how best to leverage its position.

McCollister said that with attracting new businesses, One Columbus has a lot of different strategies, but one called account-based marketing identifies key companies and key contacts within those companies that the organization wants to pursue. There is a firm that then starts communicating with these companies. He showed Council a couple LinkedIn advertisements used to market One Columbus. McCollister said companies (their contacts) might receive a mailer or direct phone call. This idea is that One Columbus knows the companies in "growth mode." They typically fall within sectors of gene and cell therapy, electric vehicles, semiconductor supply chain, and financial services. Four years ago, McCollister said Ohio would not have a chance in the first three sectors. Because of the development at Nationwide Children's Hospital right now, the region is on the radar for gene and cell therapy and pharmaceutical production. With electric vehicles, Honda is going through a transition right now. It is one that the region can parlay into opportunities or risk. They could choose to do more of their production in Indiana or Alabama. McCollister said he feels the region has a good shot at it. Semiconductors speaks for itself. He said two or three years ago the state would have been laughed at for trying to recruit companies they are recruiting today. Now, not only are they being targeted, but they are also in the pipeline right now. One Columbus is precise in who it tries to attract and the way it goes about it. They tailor messaging to individuals and industries. He said it has yielded tremendous results.

McCollister said one thing with providing educational opportunities for local economic development practitioners. Small Nation in downtown Bellefontaine has 40 buildings that they own and have renovated. They have created loft apartments, office environments, recruited restaurants, co-working space. The downtown now has investment in buildings that are not owned by Small Nation because of the transformation. McCollister said that Small Nation is now consulting with cities across the United States because of their success. They partnered with One Columbus' local development professionals, opened their doors, and did a downtown development strategies seminar. They brought into businesses that were recruited to talk about why they ended up choosing Bellefontaine and how Small Nation had engaged with them throughout the process. McCollister said it is a model that is replicable across the state, Midwest, and country. They are getting recognized for their success.

As it relates to marketing and promotion, One Columbus' number six initiative,

markets the region to companies that might not think about the region at first. The goal here is to maintain top of mind awareness as a premier business location. This is the overarching goal with advertising. McCollister shared some examples on the screen of what this looks like. He said the organization is looking to elevate the region by showcasing the existing businesses and people that have moved here. The tactics include everything from social media to public relations at the local, national, and international levels. Most activity is derived from social media posting. This has taken off in the past couple years. McCollister said that with the pandemic and so many people being on social media right now, it is a great venue for One Columbus to tell its story and continue to target companies. With the Intel announcement, McCollister said there have been 20 pages worth of headlines the region has received that have parlayed into many other projects. This has resulted into tremendous success for just this year. Successes with economic development are described "with Intel" and "without Intel" for a reason. He said Intel is an anomaly. Something of this scale will not occur every year. It is a once-in-a-lifetime type of investment. Therefore, the organization believes it is important to show how it is doing with and without Intel. He shared without Intel, year-to-date, the region has had 30 expansions and new locations with 3,601 jobs committed, a \$900 Million investment and \$264 Million in new payroll created. To put into perspective, the average goal each year is 6,000 jobs, \$1 Billion in capital investment, and \$330 Million in payroll. He added that if the region does this every year, it will reach the 10-year goal of 60,000 jobs, \$10 Billion in capital investment, and \$3.3 Billion in payroll. With Intel, though, the numbers are off the charts. The region has already reached its annual goal of investment times two with one project. This is also pre-CHIPS Act passing. This Act will be signed into law and will accelerate the project. It could be even larger and happen more quickly than anticipated. McCollister said there is also a lot in the pipeline. There are 12 additional projects which will keep the region on track of meeting the annual goal, even without Intel. He stressed that these are "stretch" goals - not easily attainable. During the pandemic, the region had a year where it had 2,000 jobs created. To have 6,000 jobs annually is a bold goal. In Gahanna, McCollister noted in the last 18 months, there have been four expansions, 145 jobs committed, \$24.9 Million total investment with \$9.4 Million in new payroll created. Currently, the region has 118 active projects. At 120 projects, the region typically maxes out (100-110 is typical). McCollister said if we took Intel-related supply chain projects out, the region would be in the low-to-mid 90s in projects. Of these projects, about 20 are Intel supply chain related He believed this had a lot to do with the current economy. Four projects are not supply chain but are interested in the market because of Intel. There are fears of whether the country is in a recession. Some companies One Columbus is starting to talk to are starting to pause. If not for Intel, the numbers would be down significantly. This is a project of unprecedented magnitude at the right time for the region and could pull us through if we are entering a recession or an economic downturn. Sixty-two percent of the active projects are attraction projects. The region was down to 50/50 (attraction/expansion) prior to Intel. There have been 102 projects created this year-to-date with 60 percent in manufacturing or bulk industrial. All except for six of these projects are

manufacturing. Additionally, 39 percent are international, and 18 percent are considered “high impact” projects. This means that the projects are either going to commit to create 500 jobs or half a billion dollars in capital investment. McCollister said this would be about 21 projects that fall within this category. This is unprecedented for the region. Typically, it would be four projects in this category, not 21. Part of this is the electric vehicle impact with battery projects and Intel suppliers. He opened for questions from the Committee.

Vice President Bowers noted the Committee asked for this type of dialogue to flesh out some of the pros and cons and theories of approaches. She said that provide some balance in the dialogue, she wanted to hear what One Columbus’ response is to some of the concerns that have been raised. First, she confirmed whether One Columbus was an initiative of the Columbus Partnership. McCollister said there are separate board of directors. Bowers confirmed that Columbus 2020 came from the Columbus Partnership. Bowers asked whether the board of directors was a private board. McCollister confirmed. She asked whether he could speak to some of the criticism of this being a private board. She offered to speak more specifically on the criticisms. In terms of the way that there is a strategy developed that is not necessarily done in a public setting that includes expensive subsidization of corporate activity, what has One Columbus done in response to some of the criticism or what types of changes have been made? McCollister responded that most of the funding comes from the private sector. There is a mix of public and private sector members on the board. There is a MODE representative, who represents the regional economic development groups, the mayor of Columbus, and a Franklin County commissioner, are on the board. These are the three largest public sector contributing groups and account for about 25 percent of their funding. The rest comes from private sector. He said he is not aware of much criticism of their approach, as they have been successful. They had gone out to all the communities and held various meetings around the region when forming Columbus 2020 and again when developed the One Columbus strategy, gaining input from both public and private sector. McCollister reiterated he did not think the organization had a lot of criticism but welcomed further dialogue from Bowers on her experiences. He said he is curious if there was much criticism out there and wanted to understand what that might be. Director Strum noted that MODE is the Mid-Ohio Development Exchange is a non-profit sister agency with its own board of directors. The group is made up of professionals like Strum. He served in the capacity as the Immediate Past President of MODE. Jenna Goehring, now of the City of Dublin and previously of the City of Whitehall, is the current president. MODE has a position on the One Columbus board. Rick Szabrak, of the 33 Corridor Partnership (Fairfield County), is the MODE representative to One Columbus. Bowers responded that in terms of the strategy of incentives and expensive and extensive plans, this is the bulk of the criticism she sees in the approach. These meetings include public representatives but not necessarily inclusive of the public. McCollister asked if she was referring to the JobsOhio incentives. Bowers said, no, that it could be the perception, maybe a wrong perception, that One Columbus is involved

in negotiating incentives between a corporate entity and the city or community that it is moving into. McCollister said One Columbus represents the company as it relates to the incentives that are offered by JobsOhio. The group will engage local partners if they are warranted to have incentives, such as a property tax abatement or any other program to make the company aware of. He said the group engages the local community directly. For example, McCollister said he would never make an offer of incentives for the City of Gahanna. Instead, they would bring to Director Strum's attention an opportunity, and if there is interest in pursuing the company, then the City would have all the information One Columbus has on the company. At this point, the City would conclude whether it wanted to incent the project. The organization is an open book when it relates to engagement with companies. JobsOhio ultimately decides just like local communities do on what they are going to offer. One Columbus' role is to facilitate, project manage the deal, and come together with one offer. So, it could be a JobsOhio offer and maybe two communities within the region vying for it and the City of Indianapolis, for example. He said the organization does know what communities are likely to do. They have done hundreds of deals. As a result, they can talk to a company at a high level, but when it comes down to the actual offer, it comes from the community. It is a letter signed by the director of economic development and supported by the Council. Strum said what Bowers was touching on was the next session on return on investment (ROI) and how incentives play in that role. He reached out to representatives from Bricker and Eckler to come in and present on this topic - balancing on beam of economic incentivization and the right return coming to the community. Bowers asked whether One Columbus gets involved with standard setting in terms of how a company does business with employee pay, incentives, or benefits. McCollister said with programming accessed through JobsOhio does have requirements, such as a set wage, an economic base, competition from outside the state, and with many local communities having their own standards. For example, the City of Columbus passed an incentive program with rules and guidelines. Every community is a little different, but typically there are wage thresholds to be met, requirements for benefits, and full-time positions.

Councilmember Padova asked what companies are looking for in terms of locations that One Columbus hears most frequently. McCollister said it depended on the sector. The number one thing across the board is access to workforce. When talking about incentive programming, it does not have to be a tax credit. It could be a training incentive. This is becoming popular with communities, as it makes investment in the population versus just the company. The unemployment rate is low right now, and companies are recruiting a lot of people they will need to retrain. As a result, training costs are going up for the companies. Access to employees and access to some sort of training program are key when talking about distribution and logistics projects. McCollister said these types of companies are paying about \$22 hourly now on average. The new ones coming into the region are advertising starting \$22 to \$28 hourly. Bowers confirmed this included warehouse work like pick-and-pack. Strum said he has seen the \$28 hourly advertised for peak

seasons. McCollister said with warehouse logistics is about the building and having it ready due to it being a cost center for the company. Distributing is a cost center, not a revenue generator. If there is space to fit their needs, communities are going to win these projects. For office, it is about the environment now with mixed-use being most desired. This includes places for employees to eat when they come into the office. It is about space and the right type of space. McCollister is seeing a lot of communities adopt mixed-use methodology of development to accommodate this demand. This can include first floor retail, with apartments, and then office space. It can be a mid-rise to a high-rise situation. He shared that 90 percent of the office projects One Columbus is working on includes this mixed-use methodology. Aside from some tech companies focused on this, he noted that this idea of mixed-use was not part of the conversation pre-pandemic. A lot of companies had been happy to just come out to suburban communities in getting free parking and "living the dream." This is no longer the case, as companies compete for labor and the workforce is demanding more of a Bridge Park or Easton-esque setting. He added that development does not need to be to this scale. It could even be that the next time the City has an office building to think about [incorporating these elements] to prepare. Padova followed up on the training and incentives and what collaboration was occurring with vocational schools in the area. McCollister said that a lot of the programming at the local level is through the county. It could be incumbent worker training. For example, with a new project it would include leveraging that program or the training dollars available to new employees. Strum said what the City has seen with One Columbus and workforce training programming is connecting with the local high school and partners at Eastland-Fairfield. This is tied back in with incumbent worker program or elevated skills development program. The other thing the City has seen a lot of is the tech cred program done through the Governor's Office of Workforce Transformation. Quarterly, the City looks at what programs are out there from a skills development standpoint and how the City can accelerate people through these programs. This is not a general incentive as part of what historically has been a business attraction of expansion. This is just us doing the legwork to connect the tech cred program. It is a seamless process now. If it is Columbus State or Eastland-Fairfield in Gahanna that has already been certified by the state, it is feeding this into the employer so they can get reimbursed for some of their credential acceleration programming. It ultimately supports the City's efforts for prosperity. McCollister said if we can find someone a job, it is one thing. If we can find someone a job that comes with training and a ladder that they can climb, that is completely different and where One Columbus is focusing with the prosperity element. This goes beyond just the pay. It is also affordable housing. McCollister said it all starts with jobs because that is the most important thing we can do as a community. Padova said she agreed and asked what some things were that One Columbus found that makes Gahanna attractive or not attractive. McCollister said Gahanna is a great market. The biggest element now is having the right property mix that meets the City's desires and what sector it wants to grow. He stated Creekside was a great example of mixed-use development that was probably a little bit before its time and is now going to be a preferred location because it has those



mixed-use elements [that were mentioned previously]. He said if the City could expand this type of development, even in other parts of the City, this is going to position Gahanna well to continue to benefit from the regional growth. McCollister noted that Gahanna has great access to the airport, which is probably one of the best assets and will become even more important. He shared that in a conversation with REV1, there is a new study that points to 31 percent of tech hires since 2020 are working remotely and outside the state in which they are technically employed. He said this means that people are going to need to come in, on occasion, so if a city has proximity to an airport, it will be in a good position. He added that Gahanna has great industrial product and would love to see it expanded. This is something that the City could work with developers to get speculative product out. With the growth happening rapidly right now, there are 31 bulk industrial buildings under construction, 17 million square feet, and 2.5 million square feet delivered in the month of July. So, over a 12-month period, there will be about 20 million square feet delivered from July this year to next July. This will be a record. There is thought this will be absorbed, as developers are buying up land and planning additional development. There is a lot of faith in the region right now. McCollister said continuing to work with speculative development will help drive industrial opportunities. Strum said that of the 20 million square feet, Gahanna is anticipated to get a half-million square feet of this space with two projects currently under construction. He echoed McCollister's comments on wanting to see more of that activity. The challenge is with Gahanna being landlocked. Identifying key corridors and sites that make sense for that type of development is important. Additionally, Strum said originally the City incentivized some of these projects last year when he first joined the City (Mr. LeVeck's speculative warehouse project on Taylor Road and the Scannell Project on Eastgate). In both, the City originally brainstormed and realized that was going to be some type of pick and pack logistical type opportunity. The inquiries now are all on the manufacturing sector. Strum said the City is having conversations with utility providers about realigning utilities in that area to be serviced by the City versus counterparts at Jefferson Water and Sewer District to make sure there is enough capacity to service those properties from a manufacturing segment. There will be higher levels of wage opportunities on these sites. McCollister said he does not want to criticize the City for not having the space. It does have a couple. He just added that to continue down that road because the developers are looking for deals still. Strum said this corresponds to a later planned session on redevelopment. He said the City needs to be mindful as it continues to grow and evolve its economies to not only focus on new development in green spaces but looking back and maximizing existing spaces, taking advantage of redevelopment capacities, whether that is existing in Eastgate industrial areas or taking the idea of what office looks like in the future with redeveloping the Offcenter area. How does the City redevelop these areas to be more meaningful and impactful spaces to maximize opportunities? Strum said this is important especially given their proximity to the airport. McCollister said this was a great point, as there will be opportunity for redevelopment in a lot of our communities because construction costs are so high right now. Companies are looking for existing buildings that are normally passed over

and now considered for renovation. He believed there would be tremendous opportunity for those with industrial parks built in the 70s or 80s that are antiquated now because of the ceiling height for big box logistics but not too low for a lot of manufacturing. There is going to be a revival of these spaces with tipping points for construction costs being so high.

Councilmember Schnetzer asked from a third-party observer's point-of-view, noting he would be remiss if he did not take advantage of someone with their feet on the ground in economic development, how much reshoring McCollister is seeing particularly in the manufacturing sector. How much is organic growth within the national borders versus how much is coming back [from overseas]? Schnetzer said he thinks the country has learned through the pandemic in the last two and a half years that our supply chains are built for efficiency but not necessarily resiliency. He added many would argue the CHIPS Act is one indication the country is starting to learn from this to bring things back to the domestic shores and build redundancy in the supply chain. McCollister confirmed that we are seeing this in a couple, key sectors, semiconductor being one of them. If not for the CHIPS Act, Intel probably would have been investing in South Korea or somewhere else. Because of the supply chain disruption and geopolitical tension, McCollister said he thought there has been reconsideration for locating on American shores. He noted One Columbus is starting to see some in the PPE area. American Nitrile, who does latex gloves and has been manufacturing in Thailand almost exclusively for the last decade, will be making the gloves here. The assembly lines are under construction right now. Some of this is coming back because of this need and securing the supply chain. The other area is pharmaceutical. The organization is seeing this more and more, even with packaging of pharmaceuticals, which would have been done overseas before and is now coming back. There was a lot of discussion early in the pandemic about supply chain disruptions and an onslaught of projects that did not pan out because when running the numbers, it just did not work. With gene and cell therapy and pharmaceuticals being a primary sector being sought after, One Columbus is now pushing for these companies, as well as for semiconductor.

Vice President Bowers thanked McCollister for the discussion and said the Committee looked forward to the next installment from Director Strum.

## **2. Introduction of Tom Komlanc, Director of Engineering**

At the request of the Mayor, the Committee without objections entertained the introduction of a new staff member in the City.

Mayor Jadwin introduced the newest director and team member, Tom Komlanc. Komlanc is the new Director of Engineering. He began his engineering career with the City and had left fifteen years ago. He previously served as the City Engineer for Upper Arlington and The Ohio State University. The City is thrilled to have him on board. Komlanc will work alongside Assistant City Engineer Caitlyn Ridge. He has a few positions to fill

on staff and has hit the ground running. Jadwin noted they spent a lot of time talking about all the projects the City has underway, drainage, and sanitary sewers. She said it was comforting when talking about a project that he had recalled when prior developments went in and prior studies that had been done. He brings a lot of familiarity not only with Gahanna, but with specific projects that have been done in the City. She added that Komlanc will probably be before Council soon. Councilmembers welcomed Mr. Komlanc.

### 3. Salaries Discussion

Councilmember McGregor said she had tried to do something with respect to Council compensation last year. She said OPERS has a minimum requirement of \$1,000 salary per month to qualify for the year for health care reimbursement or stipend. Council's current salary does not meet this threshold. She thought the compensation had not been changed since 2014 and added that this was not going to benefit her as far as the health care but wanted to propose the idea to see if others might be interested. McGregor noted that when she had tried to bring this up last year, she had been six days short for it to be effective with the next election cycle. She said she thought it had to be proposed 90 or 60 days before the election. McGregor said she did not know if this is something the Council wanted to do, or if it should do an executive session. She said she is willing to pursue it if anybody else wants to, as people never know where their careers are going in the ensuing years, and it could be beneficial down the road.

Councilmember Weaver asked what the course would be or how this comes about. McGregor said it would be an ordinance to change for the next two elections. It would be the next two to get through both cycles. Being that it will need to be staggered, not everyone will be on at the same time. She said it can be done anytime but needed to be far enough ahead of an election. Since she missed it last year, she wanted to bring it up this year.

Councilmember Angelou asked what the lowest you could be for retirement purposes. McGregor said it is \$1,000 per month [for the health care benefit through OPERS] but that the Council currently meets the threshold as far as retirement service credit. Angelou noted the Council was close to that point. McGregor said it did not seem to be a big jump to bring to \$1,000. Angelou said it would be \$200 per month more. At one time this seemed like a lot. She said that amount probably would be a good thing to do since it is so close to where Council is already. McGregor said the salaries were last changed in maybe the early 2000s, at least almost twenty years for an adjustment for Council. The President of Council had been adjusted for an additional \$100 per month six or seven years ago. McGregor said this is something for everyone to think about, considering the deadlines to act on an adjustment.

Councilmember Padova asked how Council salaries compare to others in the area. McGregor said she was not sure and referred to the clerk of council. McGregor thought MORPC had a schedule. Mr. VanMeter said he knew that Ohio Municipal League does a salary survey that the Council could access.

He added he received some on the central Ohio suburbs for comparisons that he was happy to share out with Council. Angelou confirmed that MORPC also does the survey each year and should be done soon. Mayor Jadwin said the MORPC survey should be shared by the end of the month.

Vice President Bowers asked whether McGregor would like this back on for Committee of the Whole agenda in two weeks with the salary information. McGregor said she was fine with that.

**C. ITEMS FROM THE DEPARTMENT OF ADMINISTRATIVE SERVICES:**

[ORD-0047-2022](#) AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A PURCHASE AGREEMENT WITH FJF OH GAHANNA, LLC FOR PROPERTY LOCATED AT 825 TECH CENTER DRIVE

Mayor Jadwin briefly introduced the items for discussion. She said the subject of facilities is one the City has been talking about for a year now. She understands that residents are catching up to that. For those tuning in and have not been familiar with what has been discussed, Jadwin said over the last two years the administration has been evaluating facilities as part of the development of a long-term capital improvement plan. City facilities have long been discussed and identified as being inadequate to meet operational needs for the delivery of services from the City to residents. This dates as far back as 2006 when there was an analysis and assessment done that determined the City needed more than 100,000 square feet of additional space at that time (now 16 years ago) to meet operational needs. A subsequent assessment was undertaken more than 10 years later and reaffirmed those numbers and evaluated facilities based on 27 criteria. This found facilities, including the police headquarters and City Hall, to be rated as fair or poor. There has been no action taken in those 16 years to address the condition of our facilities or the operational challenges we have. Years of deferred maintenance on our facilities is one of many projects discussed as reasons why the City needed Issue 12. This deferred maintenance also included streets, sewers, and facilities. In October 2021, the administration presented to Council with Pizzuti Solutions' assessment. Subsequently, a series of workshops were held through the first quarter of 2022. These four workshops went into detail with all the assessments that had been done, what our existing conditions are, and starting to identify a path forward for how to tackle these problems. Jadwin said that as Council is aware, the City began to research what options the City has so that it can evaluate and create a long-term plan on addressing our facilities' needs. Through this process, Jadwin shared that the City stumbled upon an opportunity at 825 Tech Center Drive. This is a Class A Office space with 100,000 square feet. It is sitting vacant. It is in the City's commercial industrial zone right off Tech Center Drive and Morrison (by the AEP Ohio headquarters). It sits on about eight acres and has the capacity to house Police Headquarters, City Hall, and the Senior Center. The City held a Town Hall discussion with residents on July 20. Jadwin noted that Kevin Schultz has been spearheading this project internally and that he reviewed these assessments and the 825 Tech Center

Drive opportunity during the Town Hall. She referred residents to view this on the City's YouTube channel. This is a 55-minute discussion that walks through all of this. This evening, the administration is presenting two action items for Council: 1) purchase agreement for 825 Tech Center Drive and 2) the bond legislation required for the purchase of the building. She said these will be presented jointly, as they are interrelated. The bond legislation is required for general obligation debt. This project, as discussed in the Town Hall, will not require any new taxes for residents. This is what Issue 12 was for. The financing discussion was held a few weeks ago. There will be no new taxes for this project.

Kevin Schultz, IT Manager, reviewed the timeline of the various reports on facilities dating back to 2006. In 2022, to prepare for this conversation, Mission Critical Partners (MCP) verified the space program that Pizzuti completed in 2021 and proved the budget to give the City a good starting place for a project of this size. From an existing condition standpoint, the 2006 report and 2017 report found that the Police Department is undersized for modern day policing procedures. The 2017 report found all the programming space within the existing police facility was deficient to meet those needs. Schultz added that the facility does not meet ADA standards, the electrical system is overtaxed, and HVAC system needs repaired. The building is functionally obsolete for a modern-day policing facility for residents and officers. With City Hall, the biggest finding is that 88 percent of the staff that work inside the building work inside 48 percent of the square footage. This building is about 30,000 square feet. This means about 7 staffers work in about 52 percent of the building and around 60 staffers in the remaining part. Additionally, there are similar issues in this building that are present with the police facility, where security and access are largely uncontrolled. Schultz noted that, for example, to get to Council Chambers, you need to walk through the entire facility, whether coming for court or to a public meeting. The design is based on an old model where people come in and find the service they are looking for, whether located on the first or second floor, and be serviced depending on the department they are seeking. There is no designated prosecutor space. The prosecutor generally sits out in the hallway while talking to defendants before they come before the judge. Meeting space is largely inadequate and storage space is disjointed. Schultz also noted the mechanical issues and HVAC in City Hall is also in need of sufficient upgrades. The critical building infrastructure is also aging, from the roof to the furnace and so on. He said the City has looked at a variety of options. They included doing a survey of vacant office space located throughout the City. The economic development team would note that this included about 40 percent of vacant office space throughout Gahanna. Schultz said the team looked at Clark Hall. There were many conversations with the school district on whether this would be a potential option for one of the City's facilities. When purchasing an existing building, renovating is a trend the City is seeing throughout the region, whether in Westerville or Dublin, or Mifflin Township and the MECC. This is due to the lower cost with renovation and reutilization of existing office space to accommodate some of the needs. Schultz said the facility at 825 Tech Center Drive is suitable and sizeable to accommodate

Police Headquarters, City Hall, and the Senior Center. This is largely a renovation project, if purchased. It would add about 31,000 square feet in new construction during the project. It is estimated that it will save 36-37 percent on the overall budget. The building was constructed in 1998. It sits on three separate parcels that are contiguous and add up to just over eight acres. It was purchased in 2011 by the current ownership group for \$11 Million. The City fits all three of the facilities (Police Headquarters, City Hall, and Senior Center) based on the square footage proved by MCP with an added 31,000 square feet somewhere on the property. Schultz explained that the location provides about 600 parking spaces on the property, which exceeds what the Police HQ, City Hall, and Senior Center would require even with the additional square footage consuming some of the parking. The ability to secure a parking lot off the back side of the property on the east or south is a possibility. The three-acre wood lot owned by VRG is also available to this property if the City were to need further expansion. The property is 0.7 miles from the I-270 interchange. It sits along the Gahanna fiber network (two connections that could be made). A COTA bus line is also accessible from the property. In terms of cost, Schultz described new construction versus the 825 Tech Center Drive solution. For a Police Headquarters, new construction project would be estimated at \$70.1 Million. The cost of building a "hardened" facility for the police versus traditional construction was estimated a little bit higher. For the Police Headquarters located at 825 Tech Center Drive, the portion would be about \$35.9 Million. For the City Hall and Senior Center, new construction would be \$29.2 Million, whereas with 825 Tech Center Drive the portion would be \$24.9 Million. He noted that with the City Hall and Senior Center, the dramatic decrease does not appear like it does for the Police Headquarters because of the traditional nature of construction. In total, if the City were to pursue new construction for all three facilities, the total estimated budget would be \$99.4 Million. Schultz noted that with this, land acquisition was estimated low and would be required to construct. If the City moves forward with the 825 Tech Center Drive solution, the total estimated budget would be \$60.9 Million. This includes contingency fees for design and construction overruns, soft costs such as architects and engineer, furniture and equipment, IT costs, overhead and profit for the vendors incorporated into the project. All these considered, Schultz said it is fair to say that \$14 Million of the \$60.9 Million is in contingency monies. He did not think a project like this spends all the \$14 Million to come to fruition. There is a 4.5 percent escalation for inflation included in the total as well. He emphasized that with a new construction of Police Headquarters is \$70.1 Million and three facilities in the renovated and added-on portion of 825 Tech Center Drive is \$60.9 Million. The estimated savings is \$38.5 Million, or a 37 percent reduction in cost with the 825 Tech Center Drive solution. The project would also be delivered in a timely manner, since it would be mostly renovation versus the time required for new construction. The \$60.9 Million does not reflect the entire long-term debt service. He noted that in the 2022 budget, the \$3 Million in estimated architectural and engineering costs are planned to come out, which would automatically reduce the \$60.9 Million. This does not reduce the budget of the project but reduces the debt service of the project. Additionally, the City has talked about TIF funds and grant opportunities that could also reduce the debt

service. To realize this project, the first action is to enter into a purchase and sale agreement for the property owned by FJF OH Gahanna, LLC for a price of \$8.75 Million as described in the agreement attached to the agenda item. Schultz added that after execution of the purchase agreement, the City would deposit three hundred thousand dollars into escrow until closing. By agreement, the closing would be no later than 45 days after the full execution of the sale agreement and before December 15, 2022. The current legislative schedule would put the City on track to close on or around November 15, 2022.

**Recommendation: Introduction/First Reading on Regular Agenda on 8/15/2022. This item will then come back to Committee on 8/22/2022 for further discussion and Second Reading/Adoption scheduled for 9/6/2022.**

[ORD-0048-2022](#)

AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOTES IN THE AMOUNT OF NOT TO EXCEED \$8,500,000 IN ANTICIPATION OF THE ISSUANCE OF BONDS FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, RENOVATING AND IMPROVING MUNICIPAL FACILITIES, INCLUDING CONSTRUCTING, RENOVATING AND IMPROVING ADDITIONAL PUBLIC SAFETY FACILITIES FOR POLICE DEPARTMENT OPERATIONS; FURNISHING AND EQUIPPING THE SAME; IMPROVING THE SITES THEREOF; ACQUIRING LAND AND INTERESTS IN LAND IN CONNECTION THEREWITH; AND ALL NECESSARY APPURTENANCES THERETO; AND APPROVING RELATED MATTERS IN CONNECTION WITH THE ISSUANCE OF THE NOTES

Joann Bury, Director of Finance, said that as discussed during the July 25 Finance Committee, this would be a financed project, with the first part being the issuance of short-term notes. Currently, administration is authorizing issuance for about \$8.5 Million in notes that represents the \$8.7 Million for the purchase of the building, less the escrow used from available funds, plus the cost of issuing the notes. Bury said that this is in line with policy to preserve as much debt capacity as possible. She stated the administration is also looking at the OMAP program, which is part of the Ordinance, allowing the City to go through the state to use their high rating of SP1 plus. This lowers the cost of borrowing. Bury said the City will pursue this opportunity to keep costs as low as possible. After one year, this will be refinanced on a long-term basis along with what is needed for the renovation and construction. Bury requested the issuance of the notes if it is the will of Council to move forward with the purchase agreement.

Councilmember McGregor asked whether the \$60.9 Million included the price of the purchase of the property. Schultz responded that it does.

Councilmember Weaver asked Bury to confirm whether the Issue 12 language and the authorizing Ordinance passed by Council that would impact the City's ability to bond or its capacity. Bury confirmed there was no language. Weaver added that there was no reason why the City could not use those funds for this purpose. Bury said, yes, [the monies approved] are

available for this purpose.

Vice President Bowers asked about bond capacity. She referred to the Finance Committee discussion on July 25. Does the City have capacity not just for this project but beyond this for other projects? Bury said that it might be a different form of debt that is issued, but the City would have capacity. This will be a goal when moving forward with design and architectural work to find additional resources to keep the debt capacity preserved as much as possible. The debt capacity is only applicable to general obligation debt. There are other forms, such as revenue obligation bonds, that the City could pursue depending on the type of project. Bowers said it had been stated that the escrow payment was located from existing funds. Could Bury speak a little more on this? Bury said when the project came about, the City looked at what was sitting on encumbrances and whether other projects had been completed or costs coming in lower. There was a deep dive in current open purchase orders in the Capital Improvement Fund. The City was able to determine what monies could be freed up to apply toward this project.

Councilmember Padova said on September 6, 2022, there will be a final public hearing. She asked whether the Council would vote on this the same evening. Schultz said that was correct; it would vote that same evening. Padova said if approved, this would set into motion the project and not able to turn back. Schultz confirmed. The reason why the administration presented it as \$60.9 Million and not \$8.75 Million is that what Council is doing is greenlighting the whole entire project as opposed to just the purchase of the building. Schultz noted public hearings would be during first reading and during second reading. Bowers said these hearings would be August 15, 2022, and September 6, 2022, conducted during regular Council meetings at 7:00pm at City Hall.

Councilmember Weaver asked Mayor Jadwin what the status of conversations were on the existing property. Mayor Jadwin said conversations are still ongoing but also still up in the air, as it depended on what the will of Council is on this project. As mentioned previously, an updated appraisal in June assessed the existing City Hall, Police Headquarters, and Senior Center at \$4.8 Million. If the parcel was cleared, the value would be more than double this amount. She suggested this would be something to consider. Jadwin said the administration did not want to be premature in those conversation until they know what direction the City is headed in. If Council approved the purchase, then that topic would be one of the next steps in the process. Those funds would go toward the \$60.9 Million. Weaver said that conversation can happen separately and not contingent upon what happens with the 825 Tech Center Drive project. He clarified that the City could have the conversation of financing 825 Tech Center Drive without discussing what happens with this parcel. Jadwin said that was correct. Schultz noted that on the schedule, from a design and construction standpoint if 825 Tech Center Drive moved forward, it is about an eight to nine-month design process and then a construction project. So, the City would not be looking at vacating this existing property on Hamilton Road until



sometime in 2024, if not early first quarter of 2025.

Vice President Bowers said this is really a critical, generational moment in the City. She thought she would be remiss if she did not process things verbally with administration and the public. She said she thought this was an important and pivotal project for the community, noting that the City knows the Police Department critically needs a new home. This is a driver in her mind about where the City goes and why it is looking at this option. She stressed that if the City were to just build a new Police Department alone, the City is looking at greater than the cost of this project. One question she has heard that probably has been addressed in the Town Hall is whether the City had truly exhausted every other option in Gahanna. She acknowledged having some of these conversations at the beginning of the year. She asked if administration could speak more to this and what other options there are. Schultz asked if she meant how the City ended up on 825 Tech Center Drive. Bowers said this had been touched on during the Town Hall. She asked whether the City exhausted other options, such as in the Stoneridge area or Cherry Bottom area. Why did the City stop looking at 400 W. Johnstown? Schultz said that Director Strum and the economic development team had inventoried all the vacant office buildings throughout the entire city. There were certain criteria in which they utilized, such as certain square footage, certain distances from a variety of places, etc. He noted many places the City looked at were in the Tech Center Drive neighborhood. They looked at property on Cherry Bottom Way, the Creekside area, on Hamilton Road, and none met the site characteristics that this one does mostly from a public safety standpoint. Schultz said the Chief could speak to things like standoff distance to roadways and ability to protect four corners of a building. With the big wood lot behind 825 Tech Center Drive, this is an advantage to securing the facility and back parking lot. The administration visited four different office buildings that were considered mostly as possibilities for meeting needs of a City Hall. With 825 Tech Center Drive, it was determined this could meet all the needs due to the size and capacity. None of the buildings the administration looked at for any purpose met with the same quality as this property. The building was recently renovated in 2018 and has a wide-open footprint. The City believes that this lowers the cost of renovation. It checked a lot of boxes. Through discussions, the one "con" to the property that had been mentioned was that it is a little bit too far south and not centrally located. Schultz said if the existing City property on Hamilton Road was eight acres and it could push the building at 825 Tech Center Drive onto it, this is what the City would end up with. The physical construction of the building could meet the needs of residents for decades to come. Schultz said this was not conjecture, and the City believes that up to 50 years into the future this is a viable site with the infrastructure, technology access lines included, and the expandable space to the south. He said the golden opportunity is this building. The other thing to note is that this space is too big for just the Police Headquarters. Additionally, it could not go into this space with any other agency. City Hall would be a compatible use. However, an engineering firm, for example, could not come in and partner with police. Bowers asked if administration could speak to the impact of the financing of the overall project

on the operating budget and potentially expanded operating budget. Bury clarified whether Bowers meant in terms of operation of the facility. Bowers said not of the facility but operations of the City, staffing primarily. Bury said she does not see changes to staffing levels beyond filling the vacancies the City currently has but what the building does is allow for potential growth if the City determines a need to expand or add services. With current operations, Bury did not see an immediate necessity to expand or add additional services. Mayor Jadwin added that this building has the ability and capacity to house these three facilities for the next several decades. There are no immediate needs, but looking down the road, 15-20 years, there will likely be added staffing at some point. This is the one limitation of the existing building the City is currently in. When the City moved into this building, Jadwin said she believed the City leased the second floor to Columbus State. Within six months, the City had to kick out Columbus State because it needed that space. Jadwin noted that the challenge with the existing building, as lovely as it is, is when it was built there was no capacity for growth as the staff has grown through the years. Bowers said she appreciated that. She asked specifically, if the City is serving nearly \$61 Million in debt, how does this impact the City's operating budget to add staff in 10 years? Bury said that would not impact the operating budget. This will come from the 75 percent of the capital funds portion of Issue 12. This is what funds were designated for, projects of this nature. That will be used to fund the debt service. The impact to the operational budget would be zero. Bowers thanked all for the discussion.

President Renner thanked Schultz, everyone on his team, and the Mayor, for doing all the work in putting together this project. Renner said this has been described as a "golden opportunity" to solve at least some of the critical issues that were identified at the beginning of the year. He said he thinks the administration is right about this for all the reasons mentioned. He said that Bury had probably said this at the July 25 meeting, but she has reiterated several times preservation of the City's debt capacity. He applauded Bury for looking into ways to be creative about how to lower the debt service and cost. The Facilities for the Future discussion goes beyond this. He emphasized that he is all for this work and moving forward but there is the other aspect of the service and maintenance facility needs. Schultz said that a lot of energy has gone into this current portion of the facilities discussion. The service and parks maintenance facility at Oklahoma appraisal came in at about \$2.2 Million. This is based on the zoning. The City thought this was a little bit low. Schultz said this does not get to the solving of the service complex problem, but the City has continued to look at a variety of options throughout the city. The need is 12 acres, which is challenging in being landlocked. Schultz said he knew that Director Strum was looking at options for parks and service garage. There are some properties the City has looked at on the outskirts that could accommodate the needs but have not landed in the City's lap like this project has. He said the project team knew City Hall was not one of the highest priorities for facilities and that the Police Headquarters and Service Complex were rivals in needing to be addressed first. The service and maintenance part is on the administration's minds. He urged councilmembers to continue reminding and talking about this. Jadwin said this is still at the

forefront of her mind and reiterated the challenge of finding 12 acres and having to look outside the City that could meet the needs for a service complex. Renner noted the City website Gahanna.gov/facilities had a repository of information and schedule for the public to learn more about this project.

**Recommendation: Introduction/First Reading on Regular Agenda on 8/15/2022. This item will then come back to Committee on 8/22/2022 for further discussion and Second Reading/Adoption scheduled for 9/6/2022.**

**D. ADJOURNMENT:**

*With no further business before the Committee of the Whole, the Chair adjourned the meeting at 8:36 p.m.*

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**Jeremy A. VanMeter**  
Clerk of Council

*APPROVED by the Committee of the Whole, this  
day of 2022.*

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**Merisa K. Bowers**