

## Mill Street Development Agreement

The City Administration believes it necessary to provide comments regarding various points within the proposed Development Agreement. The points below are provided so that City Council has additional information that may be beneficial in evaluating the Development Agreement.

### Community Reinvestment Area (CRA)

- 15 year, 100% abatement requested
- No agreement with City required
- Schools are not reimbursed
- Total value of tax abatement estimated at \$9.9 million (based on \$22 million project)
- Public Infrastructure Improvements
  - Improvements detailed in Exhibit C include private improvements
    - See highlighted sections for private improvements
  - Staff review of the FDP highlighted the potential need for New Public Infrastructure not included in Exhibit B or Exhibit C
  - The need for improvements and/or modifications to the intersection of Mill and Carpenter has not yet been investigated by the applicant. These potential changes could substantially affect the development
  - Historically the City has not reimbursed a developer for private improvements
  - TIF dollars proposed to reimburse developer
  - Available TIF dollars as of August 1, 2019 are \$267,000
  - Estimated cost of improvements are \$585,000
  - General fund dollars to be used if TIF dollars unavailable
    - Exploration of additional funding mechanisms such as a New Community Authority may be desirable in order to offset lost City revenue
- Easement Vacation
  - Historically the City has not vacated actively used right-of-way for a private development
  - City has been contacted by adjacent property owner who expressed concern that vacation of right-of-way will negatively impact their business
  - Vacation of North Street's right-of-way alters the level of vehicular and pedestrian access enjoyed by other properties adjoining North Street
- Fee Waiver
  - The City of Gahanna historically has not waived utility fees. Utility rates are based on projected revenues and expenses. Included in the projected revenues are the capacity fees and front footage fees. A waiver of fees may result in an increase in fees for all utility customers.
- Contingencies to Performance
  - The agreement states that the final development plan, certificate of appropriateness and variances will be approved within four months of approval
    - Timing of approval cannot be guaranteed as public hearings are scheduled based on completeness of applications rather than when applications are submitted

- Approval cannot be guaranteed as a public hearing is required as said applications are not administratively approvable

The complexity of this project goes beyond the points raised in this memorandum or that are outlined in the Development Agreement. Many details related to the project such as density, parking, fire protection, ingress/egress, right-of-way reservation, open space, setbacks, etc. have yet to be fully vetted. A final development plan has been submitted and a preliminary review has occurred. Staff comments are attached. Resolving these issues may result in a project that is vastly different from the one discussed with City Council. It is the Administration's opinion that the details of the project should be vetted through the Planning Commission process prior to City Council taking action on the Development Agreement. Doing so will allow City Council, Administration, developer, and the public to better understand the true scope of the development and the appropriateness of the incentives.