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To: Gahanna City Council  
Raymond Mularski, City Attorney

From: Donna Goss, Director of Economic Development  
Laurie A. Jadwin, Mayor

Date: November 4, 2020

Re: Dept. of Economic Development Report to Council (November 9, 2020 Meeting)

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### UPDATES

None at this time.

### ACTION ITEM(S)

#### ACTION ITEM #1 – AMENDMENT TO PROPERTY TAX ABATEMENT FOR 663-693 CROSS POINTE ROAD

On March 5, 2018, Council approved ORD-0013-2018 to authorize a 7 year, 75% tax abatement for property located at 663-693 Cross Pointe Road (Parcel #025-013186). The property already contained a 12,000 square foot flex space building and the property owner wanted to construct an additional 12,000 square foot building in order to attract new businesses. However, after the abatement agreement had been signed, the property owner made the decision to increase the size of the new building from 12,000 square feet to 24,000 square feet. This created a problem for the Franklin County Auditor's Office because they can only abate what the agreement describes.

We are respectfully requesting that City Council authorize the Housing Officer to enter into an Amended CRA Tax Abatement Agreement with CP Road, LLC for this project to reflect the increase in square footage of the property. A redlined version of the Agreement showing the proposed changes is attached for your review.

Legislation Needed: Ordinance

Emergency/Waiver: N/A

Name & Address: CP Road LLC  
2636 Berwyn Road  
Upper Arlington, OH 43221

Already Appropriated (Amounts & Accounts Names/Titles): N/A

Supplemental/Transfer (Amounts & Account Names/Titles): N/A

Attachment: Amended CP Road CRA Agreement

#### ACTION ITEM #2 – TERMINATION OF INDEFEASIBLE RIGHT TO USE WITH FRANKLIN PEAK LLC

On October 16, 2017, Council approved ORD-0068-2017 to authorize an Indefeasible Right to Use (IRU) with Franklin Peak LLC to provide access to two fiber optic cables from their new building at 781 Science Blvd. to CeraNet at 820 Morrison Road. The intention was to provide a dedicated

fiber connection to help Franklin Peak access multiple internet service providers. However, CeraNet is a datacenter that provides web hosting and cloud storage – not internet access, and therefore is not able to provide the service needed by Franklin Peak. Because of this, Franklin Peak has asked that the IRU be terminated.

We respectfully request that Council issue an ordinance to cancel the IRU between the City and Franklin Peak LLC.

Legislation Needed: Ordinance  
Emergency/Waiver: N/A  
Name & Address: Franklin Peak LLC  
781 Science Blvd.  
Gahanna, OH 43230

Already Appropriated (Amounts & Accounts Names/Titles): N/A  
Supplemental/Transfer (Amounts & Account Names/Titles): N/A

Attachments: IRU between the City and Franklin Peak LLC

### **ACTION ITEM #3 – PROPERTY TAX ABATEMENT FOR 1333 RESEARCH ROAD**

The Department of Economic Development has been working with Buckeye Elm Contracting, LLC to encourage them to relocate their operations and corporate offices to Gahanna. The project will consist of acquiring the property at 1333 Research Road and making improvements to the existing 19,000 square foot warehouse/office building. Buckeye Elm is a woman-owned environmental contractor that performs environmental remediation and clean up services.

Buckeye Elm currently employees 25 full-time equivalent employees with an annual payroll of \$1,926,800. If the project before Council is approved, Buckeye Elm commits to creating 50 new full-time equivalent jobs with an associated payroll of \$3,624,600. The estimated capital investment for the project is \$910,000 inclusive of building acquisition, improvements, furniture and fixtures. Buckeye Elm Holdings Co., LLC, a wholly owned subsidiary, will own the property and lease it to Buckeye Elm Contracting, LLC who will be the tenant.

We are requesting legislation authorizing the Housing Officer to enter into a CRA Agreement with Buckeye Elm Holdings Co., LLC for a period of 10 years at 80%. Given the City has an existing agreement with the local school district, we do not need their approval to move forward with this agreement. The City will share 50% of its income tax during the term until such time as the school is made whole.

The Applicant will be present at the Council meeting to discuss their project and answer any questions regarding their request.

Legislation Needed: Ordinance  
Emergency/Waiver: N/A  
Name & Address: Buckeye Elm Holdings, LLC  
782 Hartford Street  
Worthington, OH 43085

Already Appropriated (Amounts & Accounts Names/Titles): N/A  
Supplemental/Transfer (Amounts & Account Names/Titles): N/A

Attachments: Buckeye Elm Holdings Co., LLC CRA Agreement