



---

**To:** Gahanna City Council  
Raymond Mularski, City Attorney

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

**Date:** October 21, 2020

**Re:** Dept. of Economic Development Report to Council (October 26, 2020 Meeting)

---

## UPDATES

### Assignment of CRA Tax Abatement and TIF Declaration of Covenants – Trevi Enterprises

In 2019, the City entered into a 10 year, 75% CRA property tax abatement as well as a TIF declaration of covenants with Trevi Enterprises LLC for property located at 870-950 Claycraft Road. Trevi Enterprises is planning to sell the property to Exeter 870 Claycraft, LP and the closing date is currently scheduled for October 28, 2020. In addition to acquiring the real property, Exeter will also receive an assignment of the tax abatement and declaration of covenants as well as the tenant leases. Exeter and the tenants at the property are aware of the requirements and obligations of the owner and tenants under the CRA and the TIF.

Trevi has requested permission from the City to transfer the property tax abatement and the declaration of covenants to Exeter. The City Attorney has advised that this transfer does not require formal action by Council, and the request has been administratively approved by the Mayor.

## ACTION ITEM(S)

### ACTION ITEMS #1 – 3: ESTABLISHMENT OF AN ENERGY SPECIAL IMPROVEMENT DISTRICT AND PROJECT APPROVAL

At the October 5, 2020 Council meeting, Jason Tiemeier of Bricker & Eckler provided an overview of the Columbus Energy Special Improvement District (ESID). Under Ohio Revised Code, joining the ESID allows the City of Gahanna to participate in the program to facilitate the undertaking of certain energy improvement projects by property owners and allow them to finance those projects by way of voluntary special assessments. The City is under no financial obligation to the ESID or to the property owner, and its only role is to serve as a facilitatory entity for the funding and repayment. An ESID cannot be established unless and until there is a project pending that would qualify for and participate in the program.

Relatedly, Mr. Tiemeier informed Council of a pending project located at 817 North Hamilton Road and owned by One Church that would be the first Gahanna party to participate in the program.

The legislation necessary to establish the ESID and authorize the project petition for One Church is summarized as follows.

### **#1 – Resolution of Necessity and the Petition and Supplemental Plan:**

The Resolution of Necessity is one of three pieces of legislation needed to authorize the project, and the Petition and Supplemental Plan is the formal request of the property owner to the City to add the project to the Columbus Regional ESID and levy the special assessments.

With approval of the Resolution of Necessity, Section 16 requires City Council to appoint a representative to the ESID board. This person need not be a Council member but needs to be determined prior to final adoption.

Legislation Needed: Resolution  
Emergency/Waiver: **Waiver and Emergency**  
Name & Address: N/A  
Already Appropriated (Amounts & Accounts Names/Titles): N/A  
Supplemental/Transfer (Amounts & Account Names/Titles): N/A

Attachment: Petition and Supplemental Plan

### **#2 – Ordinance to Proceed:**

The Ordinance to Proceed is the second of three pieces of legislation needed to authorize the project and enter into the necessary PACE loan documents.

Legislation Needed: Ordinance  
Emergency/Waiver: **Waiver and Emergency**  
Name & Address: N/A  
Already Appropriated (Amounts & Accounts Names/Titles): N/A  
Supplemental/Transfer (Amounts & Account Names/Titles): N/A

### **#3 – Ordinance Levying Assessments and Approving Project Documents:**

This Ordinance includes authorization for the third and final piece of legislation to authorize the project. The Ordinance includes two components:

- 1) The Energy Project Cooperative Agreement as the main financing document that controls the assignment and payment of the special assessments to Greenworks and the distribution of the PACE loan;
- 2) Authorization for the Special Assessment Agreement which is primarily a security agreement with the County Treasurer for the treatment of unpaid special assessments and a blanket authorization for ancillary certificates and documents.



Legislation Needed: Ordinance  
Emergency/Waiver: **Waiver and Emergency**

Energy Project Cooperative Agreement

Name & Address: Columbus Regional Energy Special Improvement District, Inc.  
c/o Columbus-Franklin County Finance Authority  
300 Spruce Street – Suite 220  
Columbus, OH 43215

Name & Address: One Church  
817 N. Hamilton Road  
Gahanna, OH 43230

Name & Address: Greenworks Lending LLC  
28 Thorndal Circle – 3<sup>rd</sup> Floor  
Darien, CT 06820

Special Assessment Agreement

Name & Address: County Treasurer  
Franklin County Ohio  
373 S. High Street- 17<sup>th</sup> Floor  
Columbus, OH 43215

Name & Address: Columbus Regional Energy Special Improvement District, Inc.  
c/o Columbus-Franklin County Finance Authority  
300 Spruce Street – Suite 220  
Columbus, OH 43215

Name & Address: One Church  
817 N. Hamilton Road  
Gahanna, OH 43230

Name & Address: Greenworks Lending LLC  
28 Thorndal Circle – 3<sup>rd</sup> Floor  
Darien, CT 06820

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

Attachments: Energy Project Cooperative Agreement  
Special Assessment Agreement

The Opinion of Counsel to the City and the City General Certificate are closing items requested from all participating communities by Bricker & Eckler to include in the transcript and for purposes of the opinion that Bricker & Eckler serve as counsel to the energy special improvement district.

We are respectfully requesting that Council approve legislation for the City of Gahanna to join the Columbus ESID, approve legislation to establish the PACE program, and approve the petition request of One Church for a project at 817 North Hamilton Road. Because of timing associated with this project, these matters are requested with an **Emergency and Waiver** to allow the energy improvement project to begin immediately upon passage.

**ACTION ITEM #4 – APPROVAL OF THE 2021 AGREEMENT WITH THE GAHANNA COMMUNITY IMPROVEMENT CORPORATION**

The City of Gahanna annually enters into an agreement with the Gahanna Community Improvement Corporation (CIC) to assist with promoting, encouraging, facilitating and incentivizing economic development activities within and for the City. Attached is a draft of the proposed agreement for fiscal year 2021, which outlines the CIC's obligations to the City.

We are respectfully requesting that City Council approve an ordinance authorizing the Mayor to enter into an agreement with the Gahanna Community Improvement Corporation for fiscal year 2021, to assist with economic development initiatives on behalf of the City.

Legislation Needed: Ordinance  
Emergency/Waiver: None  
Vendor Name: Gahanna Community Improvement Corporation  
Vendor Address: 200 S. Hamilton Road  
Gahanna, OH 43230  
Already Appropriated (Amounts & Accounts Names/Titles): N/A  
Supplemental/Transfer (Amounts & Account Names/Titles): N/A

Attachments: 2021 City-CIC Annual Contract

**ACTION ITEM #5 – 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, 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, LLC for a period of 10 years at 40%. 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

Attachment: Buckeye Elm Holdings, LLC CRA Agreement