

CITY OF GAHANNA

Economic Development Strategy

2015

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INTRODUCTION

INTRODUCTION

PURPOSE OF THE STRATEGY

GUIDE...

...the community in evaluating proposed public, private, or public/private projects

INFORM...

...and guide property owners, prospective property owners, and developers as to what is needed, desired, and acceptable to the City

MEASURE...

...progress and effectiveness in the development and redevelopment of Gahanna to ensure projects have synergistic qualities that strengthen the community as a whole

WHY THE STRATEGY?

The purpose of this Strategy is to identify the community's economic potential to attract and retain high quality businesses and development in the City.

This strategy is intended to serve as a guide for policymakers, community's stakeholders, local businesses, and future investors. It outlines actionable goals and tactics that help to strengthen the economic vitality of Gahanna. By doing this, the strategy will help to align projects, programs, and policies to ensure the City's economic priorities are being addressed, and that these actions will not take place in a piecemeal fashion. This will help ensure the City's resources are used efficiently to plan for new growth and that future plans for development are targeted to areas in the community with the greatest economic potential.

IMPETUS FOR THE STRATEGY

In 2014, Gahanna officials expressed a desire to create an economic development strategy to guide future planning and investment decisions in the community. At that time there were many areas within the community that were identified as targeted areas for future growth and development, referred to herein as Priority Development Areas. There were also many economic development opportunities to rethink existing and emerging economic incentives to better serve current and future business.

The Strategy provides a unified, comprehensive approach toward planning Gahanna's future over the next 5-10 years. This Strategy serves as a guide for future development and policy decisions that reflect

the community's long-term vision, goals, and priorities, balanced with an understanding of marketplace conditions and opportunities. It will assist City staff in communicating the City's economic potential to residents, developers, and businesses.

STRATEGY GOALS AND OBJECTIVES

This Strategy will help guide and promote economic prosperity within the community through the following ways:

- *Establish a refined vision for Priority Development Areas*
- *Identify the opportunity for new catalyst projects that will generate city revenue while enhancing the character and brand of the community*
- *Support future development through creative redevelopment strategies and incentives*
- *Create a strategy grounded in the context of the market conditions and trends.*
- *Create a Plan that has strategic private sector insight.*
- *Minimize financial risks and build momentum and trust with the private sector.*
- *Identify and promote future funding initiatives*
- *Identify capital improvements needed to support future economic growth*

CREATING THE STRATEGY

The Strategy starts by framing a vision for the City that establishes the overall direction the Strategy will take. The six chapters that follow outline the objectives necessary to meet the vision. A series of tactics within each chapter show the specific, actionable items that are necessary to meet each objective. The implementation chapter assigns responsibility to various parties for action on each tactic, and will be used primarily by interested government organizations and businesses.

STRATEGY ELEMENTS

This strategy includes many elements which tie together to create a holistic and informed blueprint for future growth and development in Gahanna. These elements include detailed quantitative research of current and future industry and real estate market conditions, balanced with qualitative input from key stakeholders within and external to the City. In addition, it leverages development expertise to identify economic development strategies that create a sustainable approach to attracting and retaining businesses. Extensive site planning for priority development areas was completed based upon realistic industry conditions and trends. Finally an accurate return on investment calculator was created to outline how future economic initiatives and developments will impact the City of Gahanna.

PLAN FRAMEWORK

| | | |
|--|---------------------------------|--|
|  | INTRODUCTION | Presents the overall approach and elements of the Strategy |
|  | EXISTING CONDITIONS | Summarizes the current position of the City regarding the economy, demographics, market, infrastructure, and policies & programs |
|  | MARKET ANALYSIS | Outlines the market potential through an in depth analysis of the local market conditions. Market gaps and opportunities are identified and inform the economic development strategy |
|  | COMMUNITY INSIGHT | Describes the public engagement process and outlines perspectives from local and regional stakeholders regarding the economic potential in Gahanna |
|  | ECONOMIC DEVELOPMENT STRATEGIES | Outlines detailed strategies to attract and grow new economic investment and retain and expand current and future businesses |
|  | DEVELOPMENT OPPORTUNITIES | Outlines targeted sites within the community that have identified as a high priority for development and illustrates the development potential for target sites within these areas |
|  | IMPLEMENTATION | Includes an implementation matrix that provides a clear road map for achieving the desired outcomes of the Strategy. This includes a detailed menu for how to implement the strategies within this document and measure economic success moving forward. |

INTRODUCTION

HOW TO USE THE PLAN

The Plan is intended to be used on a daily basis as public and private decisions are made concerning new development, redevelopment, capital improvements, economic incentives, and other matters affecting the community. The following is a summary of how decisions and processes should align with the plan strategy.

1. ANNUAL WORK PROGRAMS AND BUDGETS

Individual city departments and administrators should be cognizant of the contents of the Strategy when preparing annual work programs and budgets.

2. DEVELOPMENT APPROVALS

Administrative and legislative approvals of development proposals, including rezoning and subdivision plats, should be a central means of implementing the Strategy. Decisions by elected and appointed officials should reference relevant Strategy recommendations and policies. City plans and codes should also reflect and support the goals and recommendations in the Strategy.

3. CAPITAL IMPROVEMENT PROGRAM

The City's Capital Improvement Program (CIP) should be prepared consistent with the Strategy's recommendations. New improvements that are not reflected in the Strategy, which could dramatically impact the Strategy's recommendations, should necessitate a minor update to the Strategy.

4. ECONOMIC DEVELOPMENT INCENTIVES

Economic development incentives should be reviewed to ensure consistency with the recommendations of the Strategy.

5. PRIVATE DEVELOPMENT DECISIONS

Property owners and developers should consider the goals and strategies in their land planning and investment decisions. Public decision-makers will be using the Strategy as a guide in their development deliberations such as zoning matters, land use, and infrastructure requests. This Strategy should be used as a tool by the City to clearly communicate to property owners and developers the overall vision for what is desired in Gahanna.

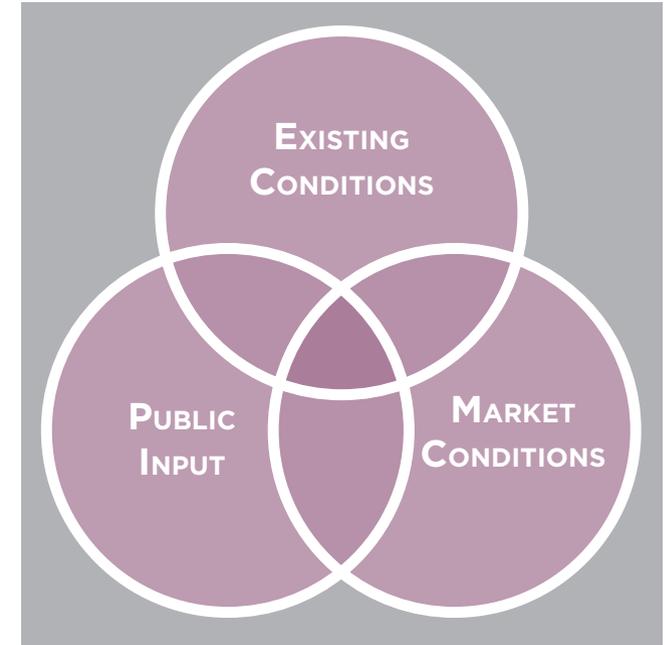
6. BE FLEXIBLE

It is intended to serve as a guide to help the City, development community, and local residents plan for future economic decisions. The Strategy is intended to be flexible and fluid, and should be updated and amended as appropriate.

As projects, policies, and programs develop over time they may not look exactly like the images in the document, but they should address the intent of the Strategy.

The sketches and descriptions herein provide a broad sense of how particular projects may develop within these sites and provide a sense of what is acceptable to the City and its residents from a development standpoint.

Figure 1.1



Throughout the planning process and schedule, the Planning Team focused on the fusion of three elements: existing conditions, public input, and market conditions. The result of this process was a Strategy that responded to the needs of the community as well as the marketplace conditions.

PLANNING PROCESS

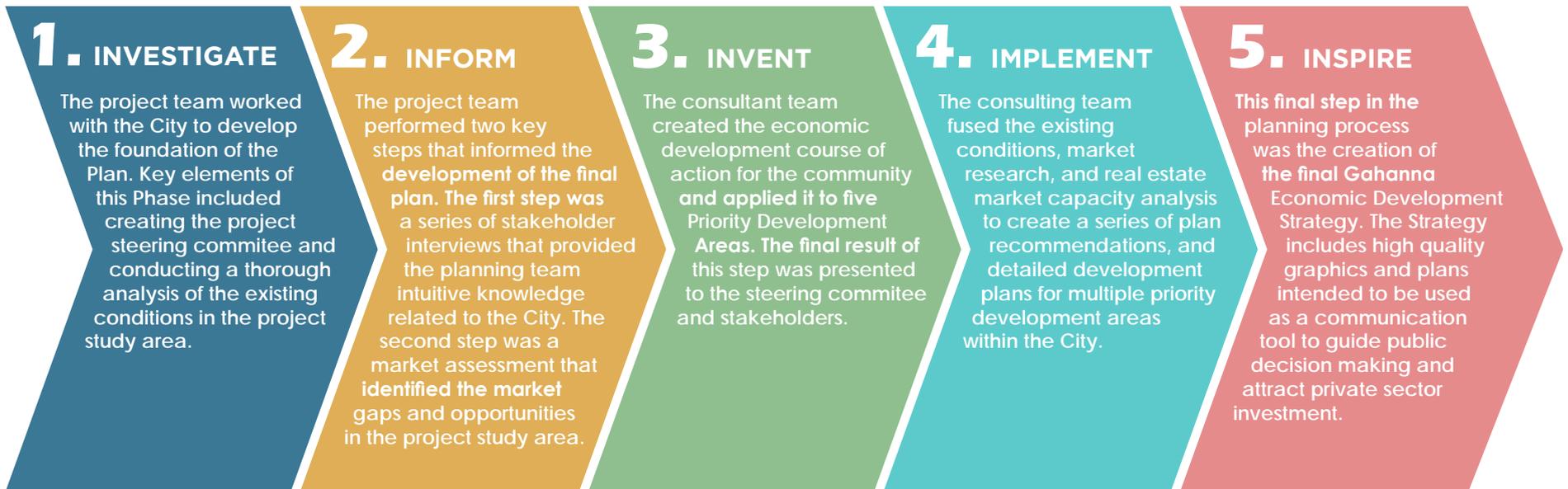
Below is an overview of the process taken by the City which resulted in the Gahanna Economic Development Strategy.

The process to create this Strategy included various stakeholder involvement opportunities along every step. These stakeholder results are detailed in chapter four of the strategy plan.

PROJECT SCHEDULE

The entire planning process for the Gahanna Economic Development Strategy lasted approximately six months and was organized into five phases (Figure 1.2). Each phase of the process was built off the previous phase in order to have a layered system that was integrated and informed.

Figure 1.2





EXISTING CONDITIONS



OVERVIEW

Our team used a combination of resources ranging from American Community Surveys and the US Census Bureau to specific State & Federal level web tools to conduct an in-depth analysis of economic, social and demographic data for Gahanna. In order to better understand our findings, we benchmarked our information with a combination of Central Ohio communities, other US Markets, including Columbus, Delaware, Dublin, Grove City, Hilliard, New Albany, Reynoldsburg, Worthington and Westerville. In order to understand the regional influence, certain data points were also benchmarked against Fulton County Georgia and Marion County, Indiana and a comparable City in Plainfield, Indiana. Lastly, we used American Community Survey Data to evaluate certain business characteristics of Gahanna compared to nearby Ohio communities with a population of over 10,000. It is worth noting that available data was not consistent from community to community, so each benchmark set differed depending on the category of analysis.

DID YOU KNOW ?



The number of Gahanna households whose income falls in the following wage brackets has increased



\$10k - \$15k

\$15k - \$24k

\$100k - \$149k

Gahanna's average household income has remained constant between

\$50k-\$75k

Gahanna Jefferson High School ranks above the state average in % of students enrolling in non-traditional 4 year universities, at

30%

24%

of Gahanna's Total Payroll is from Education & Healthcare

Gahanna's Highest Concentrated Industries are...

- 1. HEALTHCARE**
- 2. FOOD SERVICES & ACCOMMODATION**
- 3. RETAIL TRADE**
- 4. EDUCATIONAL SERVICES**

The nearest workforce support structure is roughly **7.7 miles** from the City of Gahanna

Gahanna workforce support structures within a 20-mile radius include:

- 1** Large College Campus
- 4** Community Colleges
- 4** Adult Basic and Literacy Education (ABLE) facilities
- 4** Ohio Technical Centers

Gahanna has a higher concentration of construction jobs compared to the Columbus Region by

29%

In evaluating 70 Ohio municipalities with populations between 20,000 - 50,000, Gahanna ranked

- 12th** in # of businesses per 100 people
- 16th** lowest unemployment
- 26th** in number of businesses

of Regional Workforce Structures by Industry

| | |
|-------------------------------------|-----------|
| <i>Agriculture / Sustainability</i> | 9 |
| <i>Creative Design</i> | 11 |
| <i>Education</i> | 8 |
| <i>Health & Medical</i> | 28 |
| <i>Hospitality / Services</i> | 21 |
| <i>Industrial</i> | 10 |
| <i>Information Technology</i> | 22 |
| <i>Law Safety</i> | 13 |
| <i>Management / Business</i> | 8 |

Gahanna has experienced a

46%  **INCREASE**

in general service occupations...

40%

higher than the industry average.

CHAPTER FRAMEWORK

- EXISTING POLICIES AND PROGRAMS
- INDUSTRY COMPETITIVE ADVANTAGE
- EXISTING MARKET CONDITIONS



Industrial



Residential



Lodging & Conference



Office

EXISTING POLICIES AND PROGRAMS

- Annexation Policies:
 - » The Columbus-Gahanna Water Agreement limits the City's ability to annex additional land. A reactive approach to potential annexation has been historically used.
- Organizational Structure:
 - » The City's one stop shop operation that includes economic development, planning, zoning and building inspection creates a more streamlined and integrated development experience.
 - » The Gahanna CIC has taken a greater role in economic development over the past 5 years. This role has included marketing, real estate development, business assistance and administration of GahannaNet.
- Incentive Programs:
 - » Historically Tax Abatements have been provided to all properties within the Office, Commerce and Technology District and to a more limited extent the Olde Gahanna Area. The incentive term and rate have been negotiated on a case by case basis.
 - » Office and Industrial Rebates have been provided with more frequency in the past 5 years in order to incent businesses within non-tax abated properties.

- » Tax Increment Financing Districts have been created for a majority of the areas where new and/or redevelopment projects have a higher probability of occurring.
- » GahannaNet Broadband Incentives have been targeted towards multi-tenant commercial buildings along the municipal fiber network footprint.
- Infrastructure Policies:
 - » Historically the City has leveraged state and regional funds to offset a portion of the cost for significant infrastructure projects.
 - » The City has recently created and updates annually a detailed Capital Improvement Plan that prioritizes all infrastructure projects within the City.

INDUSTRY COMPETITIVE ADVANTAGE

Two indicators were thoroughly analyzed by this plan: *Location Quotients* and *Employment Growth Rates*. These indicators are identified within two separate categories: Industries and Occupations. The (cite source) provides Industry Super Sectors that include a variety of industries within each category. The (cite source) provides Occupation Classifications that include a variety of occupations within each category.

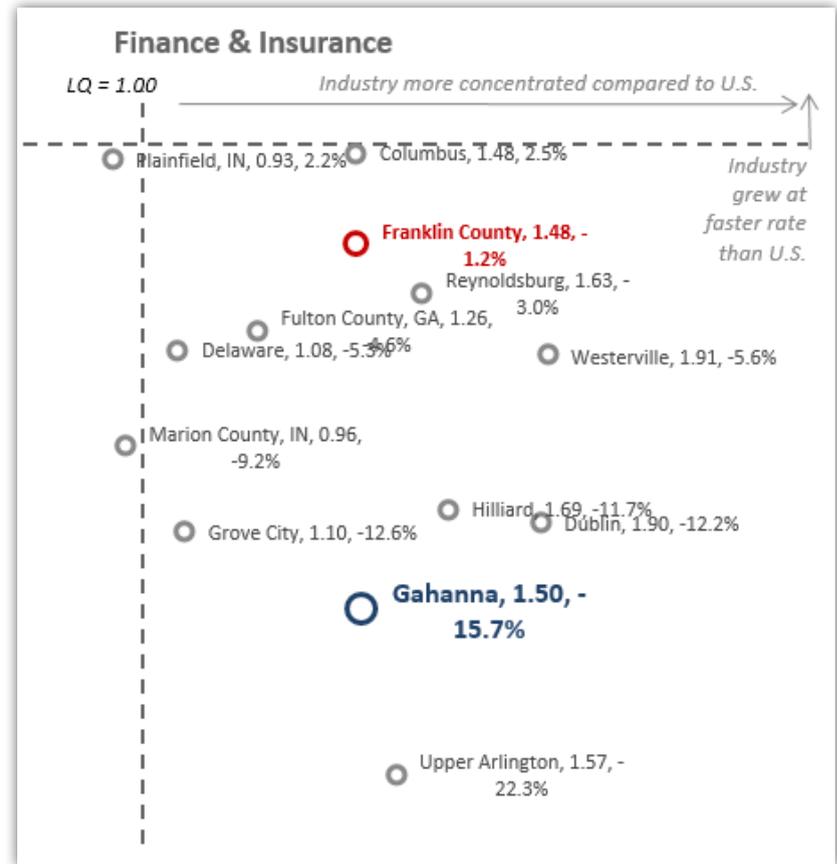
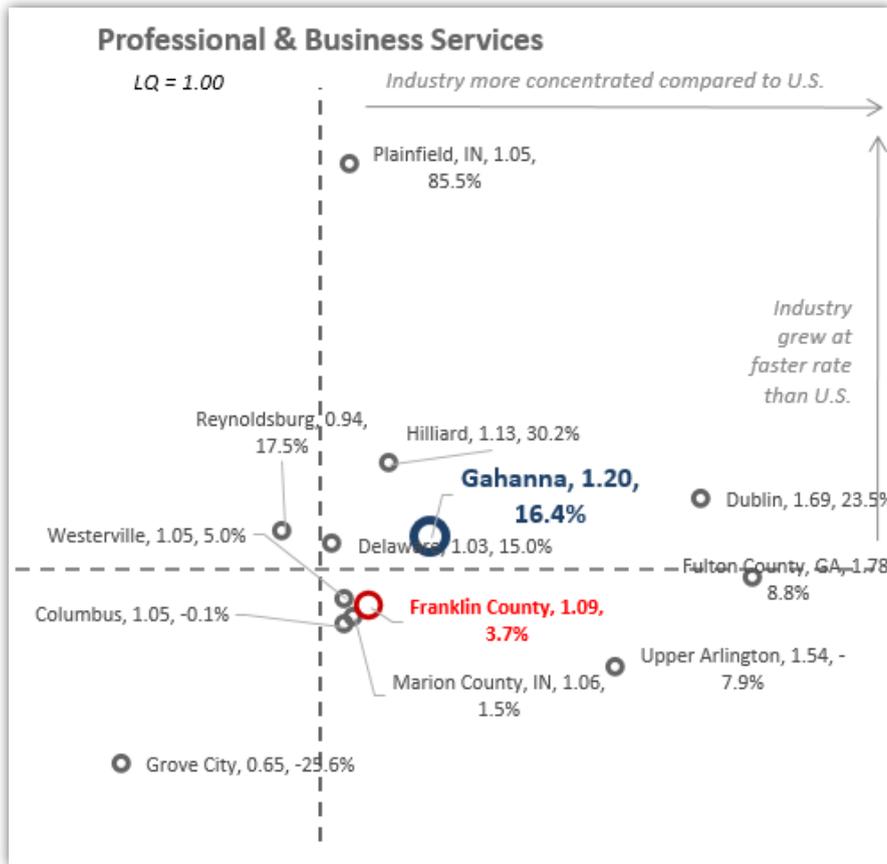
The **Location Quotient (LQ)** identifies the level of employment concentration within a community. The LQ for a community represents an area of competitive advantage because the labor, real estate and other industry assets are already in place to support additional businesses

within the specific industry and/or occupation. A value of 1 or above indicates that the community has a higher concentration of employees within a particular industry and/or occupation as compared to the national average.

The **Employment Growth Percentage (EGP)** identifies the recent trends of an industry and/or occupation within a community. Identifying EGP allows a community to focus their strategies to take advantage of broader industry and/or occupation trends in the marketplace. Specifically, it is easier to attract new jobs within a growing industry and/or occupation due to the growth momentum that currently exists within the market. However, declining industries and/or occupations can be a suitable target of a community's business retention efforts in order to limit the impact of that market trend.

Regional LQ and EGP indicators allows for a community to recognize the employment concentration and growth trends within a larger geographical footprint. This is an important indicator because businesses are not limited to the geographical boundaries of one community. The operations and location decisions of businesses are largely based upon regional assets, which can be leveraged by individual communities despite their specific levels of employment concentration and growth trends.

LOCATION QUOTIENTS - INDUSTRY

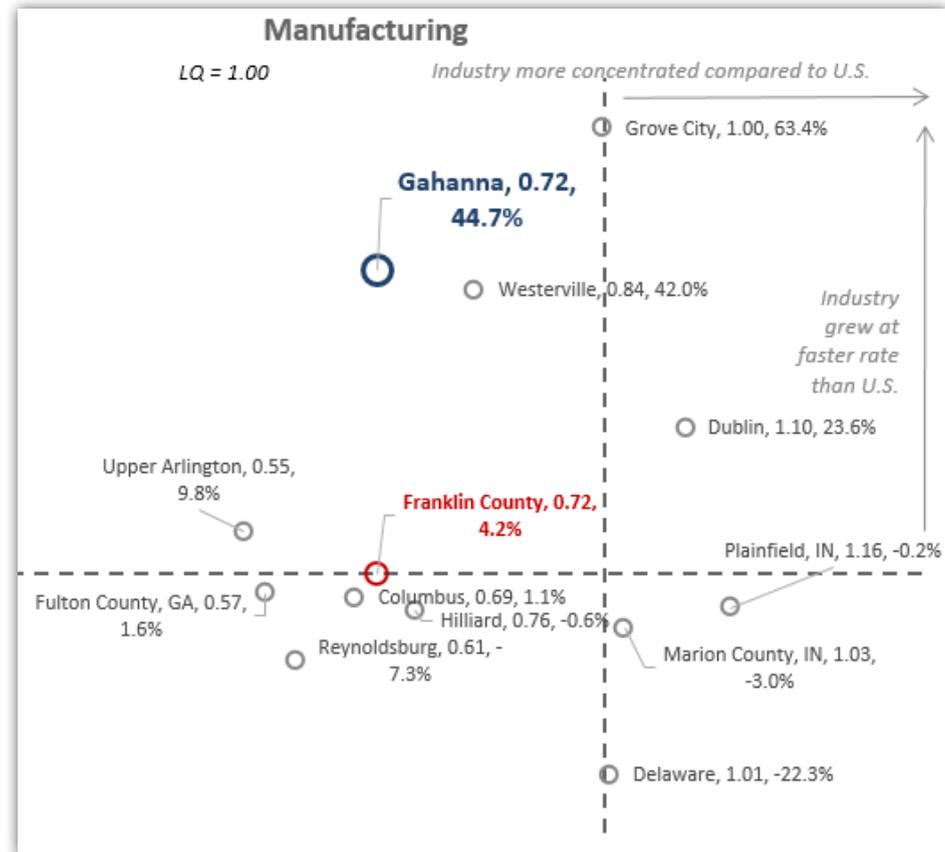
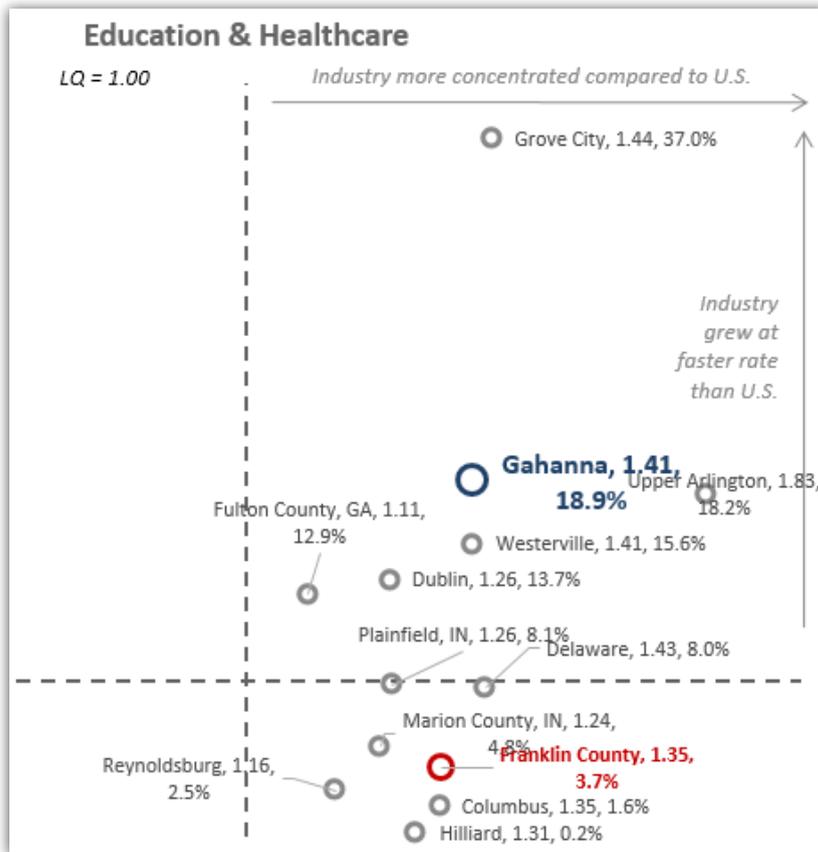


PROFESSIONAL & BUSINESS SERVICES SECTOR

Gahanna experienced a growth rate of 16.4% and has a industry-concentration 20% higher than the national average in the Professional & Business Services industry sector from 2011 to 2013. Within the Columbus Region, only Hilliard (30.2%) and Dublin (23.5%) experienced a higher growth rate in this sector.

FINANCE & INSURANCE SECTOR

Gahanna's highest concentrated industry sector is finance and insurance, at 50% higher than the national average. While this is the highest concentrated sector, Gahanna experienced an aggressive decrease in Finance & Insurance employment (-15.7%). While national trends have illustrated some volatility in the banking industry, only Upper Arlington (-22.3%) experienced a more aggressive decrease in this sector.



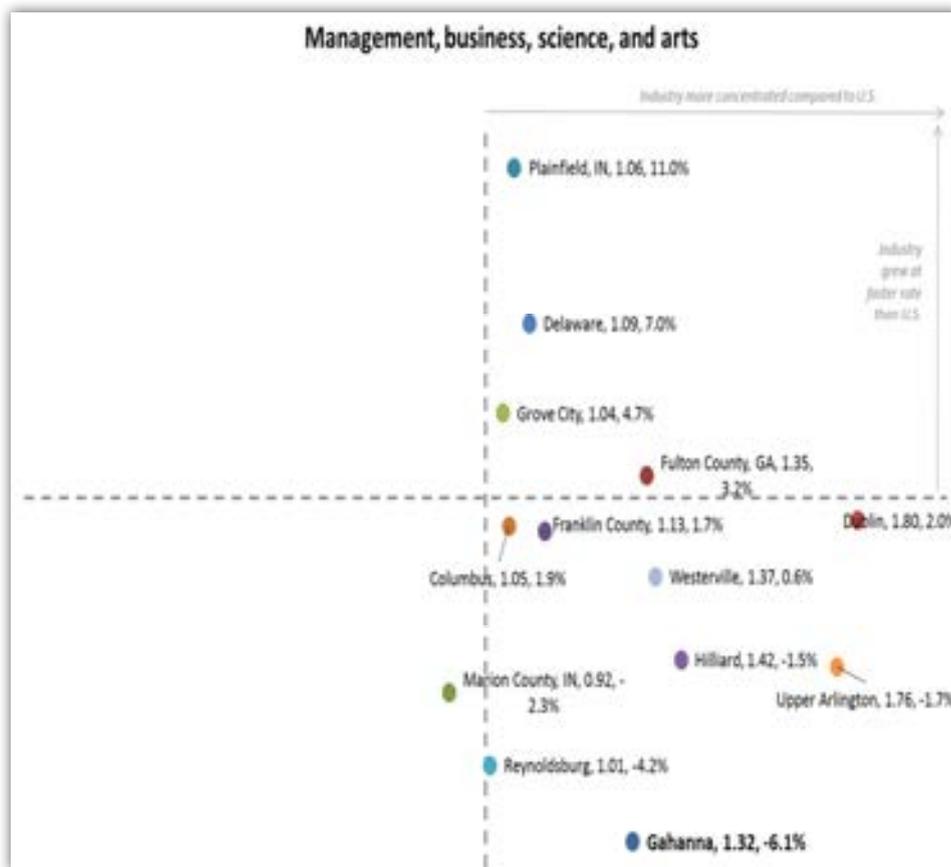
EDUCATION & HEALTHCARE SECTOR

Gahanna's strongest position in any industry sector is within Education and Healthcare. Gahanna experienced a growth rate of 18.9% and has a industry-concentration 41% higher than the national average in the Education & Healthcare industry sector from 2011 to 2013. Within the Columbus Region, only Grove City (37%) experienced a higher growth rate in this sector and only Upper Arlington (83%) have a higher industry concentration in this sector. With the increased dependence on Educational facilities in workforce development initiatives and strong national projections in healthcare job growth projected out to 2022, this creates additional opportunities for Gahanna.

MANUFACTURING SECTOR

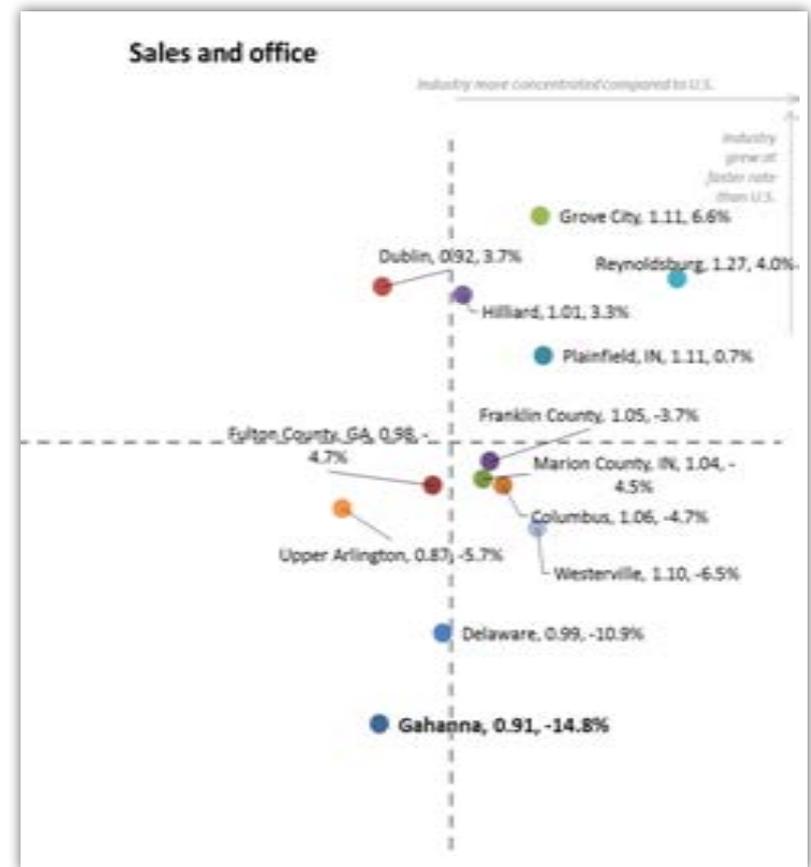
Gahanna experienced a growth rate of 44.7% in the Manufacturing industry sector from 2011 to 2013, trailing only Grove City (63.4%) from our comparable analysis. While the industry concentration of Manufacturing in Gahanna is below the National average, it falls consistent with the Regional concentration.

LOCATION QUOTIENTS - OCCUPATIONAL



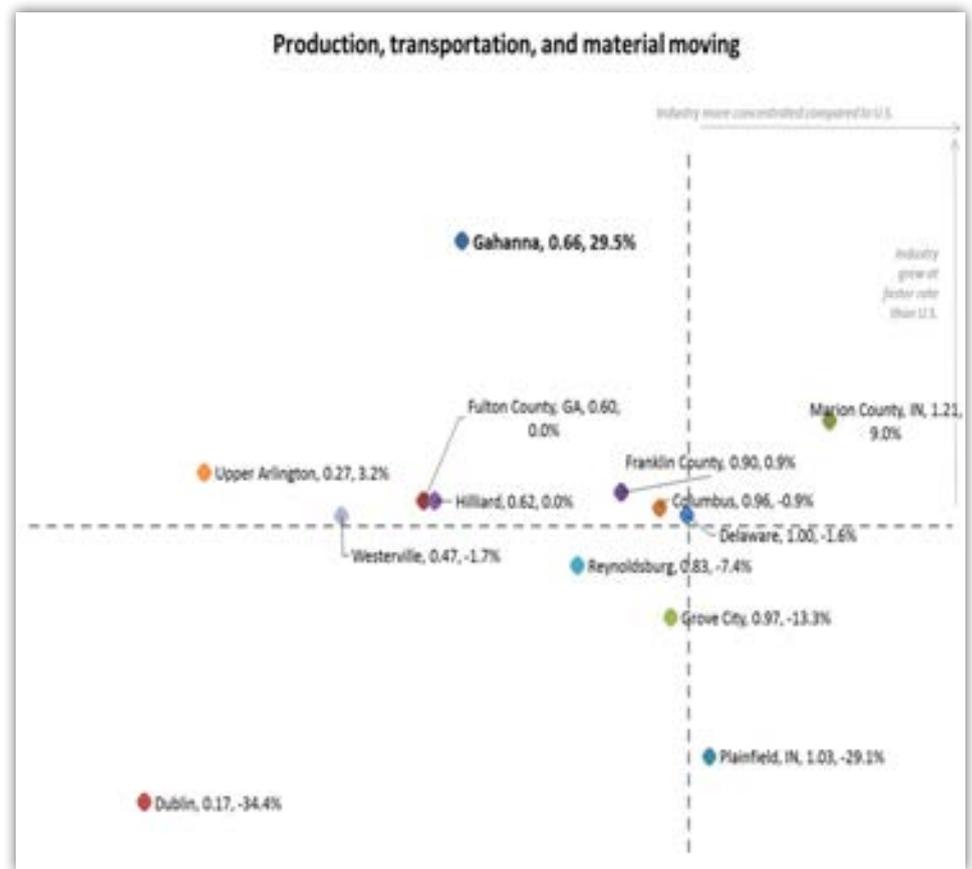
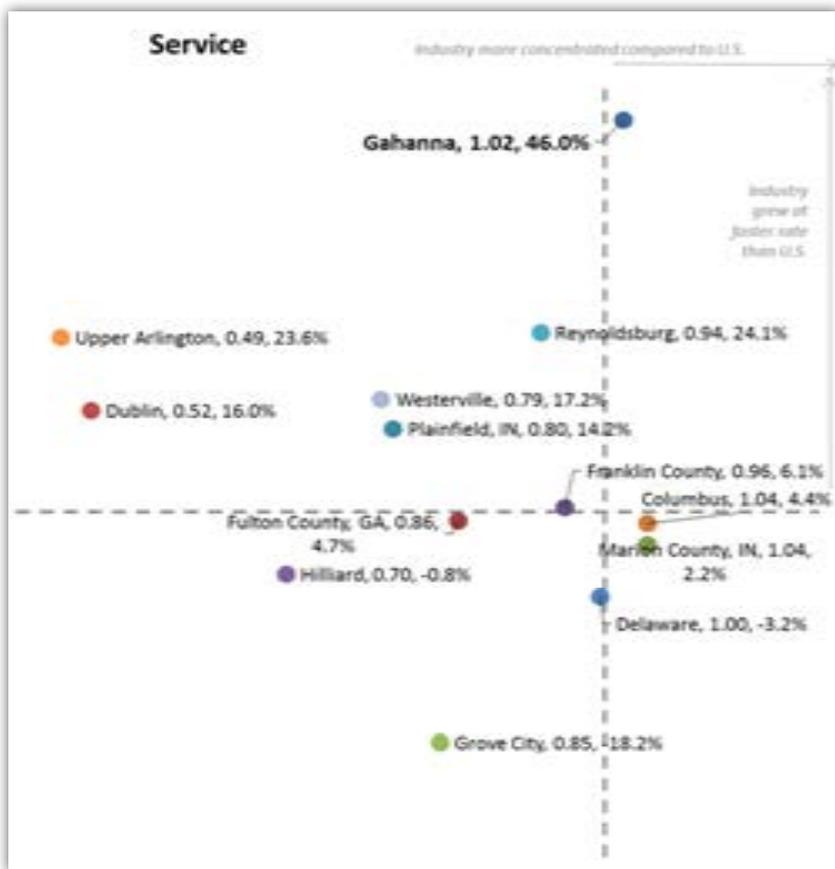
MANAGEMENT, BUSINESS, SCIENCE AND ARTS OCCUPATIONS

Gahanna experienced an aggressive decline in the management, business, science and arts occupations from 2011 to 2013 (-6.1%). While Gahanna still has a strong concentration relative to the National and Regional averages, This is far below our comparable cities.



SALES & OFFICE OCCUPATIONS

Gahanna experienced a steep decline in sales and office occupations (-14.8%) that outpaces both the National and Regional averages. While Gahanna still has a strong concentration relative to the National and Regional averages, This is far below our comparable cities. While this is consistent with Gahanna's employment decline in the Finance & Insurance sector, it is rather inconsistent with the Professional & Business services sector.



SERVICE OCCUPATIONS

Gahanna strongest occupational category falls within service occupations (46%) which far exceeds both the National and Regional averages. From a median wage perspective, it is important that Gahanna is cognizant of what appears to be an influx of service jobs, replacing management, sales and office occupations.

PRODUCTION, TRANSPORTATION AND MATERIAL MOVING OCCUPATIONS

Gahanna exceeds the Regional and National averages in Production, Transportation and Material moving occupations (29.5%) that far exceeds National and Regional averages is consistent with its growth in the Manufacturing Industry sector.

LOCATION QUOTIENTS - REGIONAL AND LOCAL INDUSTRY

| | CONSTRUCTION | | MANUFACTURING | | WHOLESALE TRADE | | RETAIL TRADE | | TRANSPORTATION & WAREHOUSING | | FINANCE & INSURANCE | |
|-------------------|--------------|---------------|---------------|--------------|-----------------|---------------|--------------|--------------|------------------------------|-------------|---------------------|---------------|
| | LQ | GROWTH | LQ | GROWTH | LQ | GROWTH | LQ | GROWTH | LQ | GROWTH | LQ | GROWTH |
| FULTON COUNTY, GA | 0.68 | -24.7% | 0.57 | 1.6% | 0.63 | -16.8% | 0.83 | -2.6% | 1.09 | 10.8% | 1.26 | -4.6% |
| MARION COUNTY, IN | 1.09 | -1.2% | 1.03 | -3.0% | 0.70 | -5.3% | 1.03 | 6.6% | 1.16 | 11.2% | 0.96 | -9.2% |
| FRANKLIN COUNTY | 0.82 | 2.8% | 0.72 | 4.2% | 0.72 | 13.1% | 1.02 | 0.3% | 0.90 | 0.7% | 1.48 | -1.2% |
| PLAINFIELD, IN | 0.80 | -21.6% | 1.16 | -0.2% | 0.63 | -31.0% | 0.98 | 22.7% | 1.53 | -31.1% | 0.93 | 2.2% |
| COLUMBUS | 0.82 | 7.6% | 0.69 | 1.1% | 0.70 | 21.5% | 1.06 | 2.5% | 0.90 | 2.5% | 1.48 | 2.5% |
| DELAWARE | 0.93 | 60.7% | 1.01 | -22.3% | 0.72 | 14.2% | 0.98 | -7.2% | 0.63 | 6.9% | 1.08 | -5.3% |
| DUBLIN | 0.39 | -5.9% | 1.10 | 23.6% | 1.07 | -14.0% | 0.57 | -22.3% | 0.46 | -21.6% | 1.90 | -12.2% |
| GAHANNA | 0.56 | -37.1% | 0.72 | 44.7% | 0.63 | -12.6% | 0.94 | -1.8% | 0.83 | 6.1% | 1.50 | -15.7% |
| GROVE CITY | 0.93 | 13.4% | 1.00 | 63.4% | 1.22 | 107.2% | 1.20 | 49.0% | 0.94 | -33.4% | 1.10 | -12.6% |
| HILLIARD | 0.70 | 22.9% | 0.76 | -0.6% | 0.59 | 1.7% | 0.90 | 3.5% | 0.90 | 16.3% | 1.69 | -11.7% |
| REYNOLDSBURG | 0.68 | -22.6% | 0.61 | -7.3% | 0.83 | 71.7% | 1.27 | 11.3% | 0.92 | 8.4% | 1.63 | -3.0% |
| UPPER ARLINGTON | 0.62 | 14.9% | 0.55 | 9.8% | 0.68 | 24.2% | 0.68 | 17.0% | 0.53 | 51.0% | 1.57 | -22.3% |
| WESTERVILLE | 0.62 | -5.0% | 0.84 | 42.0% | 0.39 | -54.2% | 1.02 | 9.5% | 0.66 | 9.9% | 1.91 | -5.6% |
| US | 1.00 | 1.0% | 1.00 | 4.42% | 1.00 | 4.76% | 1.00 | 4.96% | 1.00 | 4.20% | 1.00 | 2.91% |

LOCATION QUOTIENTS - REGIONAL AND LOCAL INDUSTRY (CONT.)

| | PROFESSIONAL SERVICES | | EDUCATION & HEALTHCARE | | ARTS & REC | | OTHER | | PUBLIC ADMIN | |
|-------------------|-----------------------|--------|------------------------|--------|------------|--------|-------|--------|--------------|--------|
| | LQ | GROWTH | LQ | GROWTH | LQ | GROWTH | LQ | GROWTH | LQ | GROWTH |
| FULTON COUNTY, GA | 1.78 | 8.8% | 1.11 | 12.9% | 0.88 | 9.2% | 1.20 | 5.7% | 0.74 | 0.5% |
| MARION COUNTY, IN | 1.06 | 1.5% | 1.24 | 4.8% | 0.83 | -4.9% | 1.20 | -5.8% | 0.91 | 5.4% |
| FRANKLIN COUNTY | 1.09 | 3.7% | 1.35 | 3.7% | 0.79 | 13.1% | 1.14 | -4.1% | 0.97 | -5.3% |
| PLAINFIELD, IN | 1.05 | 85.5% | 1.26 | 8.1% | 0.69 | 72.6% | 1.55 | 69.6% | 1.11 | -20.8% |
| COLUMBUS | 1.05 | -0.1% | 1.35 | 1.6% | 0.84 | 12.0% | 1.12 | -10.6% | 0.95 | -5.7% |
| DELAWARE | 1.03 | 15.0% | 1.43 | 8.0% | 0.72 | 39.4% | 0.71 | -53.5% | 1.26 | 19.4% |
| DUBLIN | 1.69 | 23.5% | 1.26 | 13.7% | 0.51 | -8.0% | 0.87 | -2.5% | 0.76 | 6.4% |
| GAHANNA | 1.20 | 16.4% | 1.41 | 18.9% | 0.84 | 59.7% | 1.20 | 11.0% | 0.97 | -16.4% |
| GROVE CITY | 0.65 | -25.6% | 1.44 | 37.0% | 0.47 | -28.8% | 0.82 | -32.0% | 1.34 | -14.1% |
| HILLIARD | 1.13 | 30.2% | 1.31 | 0.2% | 0.72 | 69.5% | 1.44 | 80.9% | 0.84 | -20.0% |
| REYNOLDSBURG | 0.94 | 17.5% | 1.16 | 2.5% | 0.83 | 87.9% | 0.98 | -13.3% | 1.61 | 4.4% |
| UPPER ARLINGTON | 1.54 | -7.9% | 1.83 | 18.2% | 0.45 | 9.9% | 1.25 | -4.2% | 0.84 | 12.4% |
| WESTERVILLE | 1.05 | 5.0% | 1.41 | 15.6% | 0.68 | 5.6% | 1.44 | 66.6% | 0.70 | -32.7% |
| US | 1.00 | 10.6% | 1.00 | 8.3% | 1.00 | 9.1% | 1.00 | -4.6% | 1.00 | 8.3% |

INDUSTRIES & SECTORS

Often times business classifications are used in plans interchangeably without real concrete definition. The term used with the most frequency in economic development, “targeted industries” often does not even refer to a specific industry, but rather a sector or in some cases, an occupational category. While often times there is some deviation between US Census, Standard Industrial Classification System (SIC) and North American Industry Classification System (NAICS), for purposes of this plan, we thought it would be important to illustrate a clear definition of what we are analyzing.

An “industry” describes the kind of business conducted by a person’s employing organization. For instance, Dairy Product Manufacturing, or Oil and Gas extraction are both industries. All industries are classified within roughly 20 categories known as “sectors.” Dairy Product Manufacturing falls within the “Manufacturing” sector and Oil and Gas extraction falls within the “Agriculture, Forestry, Fishing, Hunting and Mining” sector. The number of industry classifications within this sector tend to vary by number of goods or services within the sector. For instance, Manufacturing has always been one of the larger sectors because of the extreme variance of consumer products, product parts produced. Sectors such as Construction have a fairly direct service, and may not need as many classifications within its sector.

The most commonly evaluated industries are:

1) Agriculture, Forestry, Fishing, Hunting and Mining

The classification of agricultural production covers establishments (e.g., farms, ranches, dairies, greenhouses, nurseries, orchards, hatcheries) primarily engaged in the

production of crops, plants, vines, or trees (excluding forestry operations); and the keeping, grazing, or feeding of livestock for the sale of livestock or livestock products (including serums), for livestock increase, or for value increase. Livestock as used here includes cattle, sheep, goats, hogs, and poultry. The classification of agricultural services includes establishments primarily engaged in supplying soil preparation services, crop services, landscape and horticultural services, veterinary and other animal services, and farm labor and management services. The classification of forestry covers establishments primarily engaged in the operation of timber tracts, tree farms, or forest nurseries; The classification of fishing and hunting and trapping covers establishments primarily engaged in commercial fishing (including shellfish and marine products); in operating fish hatcheries and fish and game preserves; and in commercial hunting and trapping. The term mining is used in the broad sense to include the extraction of minerals occurring naturally: solids, such as coal and ores; liquids, such as crude petroleum; and gases such as natural gas.

2) Construction

The term construction includes new work, additions, alterations, reconstruction, installations, and repairs. Construction activities are generally administered or managed from a relatively fixed place of business, but the actual construction work is performed at one or more different sites

3) Manufacturing

The manufacturing division includes establishments engaged in the mechanical or chemical transformation of materials or substances into new products. These establishments are usually described as plants, factories,

or mills and characteristically use power driven machines and materials handling equipment. Establishments engaged in assembling component parts of manufactured products are also considered manufacturing if the new product is neither a structure nor other fixed improvement. Also included is the blending of materials, such as lubricating oils, plastics resins, or liquors.

4) Wholesale Trade

This division includes establishments or places of business primarily engaged in selling merchandise to retailers; to industrial, commercial, institutional, farm, construction contractors, or professional business users; or to other wholesalers; or acting as agents or brokers in buying merchandise for or selling merchandise to such persons or companies. The chief functions of establishments included in Wholesale Trade are selling goods to trading establishments, or to industrial, commercial, institutional, farm, construction contractors, or professional business users; and bringing buyer and seller together

5) Retail Trade

This division includes establishments engaged in selling merchandise for personal or household consumption and rendering services incidental to the sale of the goods. In general, retail establishments are classified by kind of business according to the principal lines of commodities sold (groceries, hardware, etc.), or the usual trade designation (drug store, cigar store, etc.).

6) Transportation, Warehousing and Utilities

This division includes establishments providing, to the general public or to other business enterprises, passenger and freight transportation, communications services, or

electricity, gas, steam, water or sanitary services, and all establishments of the United States Postal Service

7) Information

This division includes establishments engaged in the following processes: (a) producing and distributing information and cultural products, (b) providing the means to transmit or distribute these products as well as data or communications, and (c) processing data.

The main components of this sector are the publishing industries, including software publishing, and both traditional publishing and publishing exclusively on the Internet; the motion picture and sound recording industries; the broadcasting industries, including traditional broadcasting and those broadcasting exclusively over the Internet; the telecommunications industries; the industries known as Internet service providers and web search portals, data processing industries, and the information services industries.

8) Finance and Insurance, Real Estate, and Rental and Leasing

This division includes establishments operating primarily in the fields of finance, insurance, and real estate. Finance includes depository institutions, non-depository credit institutions, holding (but not predominantly operating) companies, other investment companies, brokers and dealers in securities and commodity contracts, and security and commodity exchanges

9) Professional, Scientific, and Management, and Administrative, and Waste Management Services

This division includes establishments primarily engaged in providing a wide variety of services for individuals, business and government establishments, and other organizations.; establishments providing personal, business, repair, legal, engineering, and other professional services;

10) Educational Services, and Health Care and Social Assistance Educational Services

This division includes establishments providing academic or technical instruction. Also included are establishments providing educational services such as libraries, student exchange programs, and curriculum development. Health Care includes establishments primarily engaged in furnishing medical, surgical, and other health services to persons. Social Assistance includes establishments providing social services and rehabilitation services to those persons with social or personal problems requiring special services and to the handicapped and the disadvantaged.

11) Arts, Entertainment, and Recreation, and Accommodation and Food Services

This major group includes commercial and noncommercial establishments engaged in furnishing lodging, or lodging and meals, and camping space and camping facilities, amusement or entertainment services

12) Public Administration

This division is limited to regular government functions such as legislative, judicial, administrative, and regulatory activities. Other government organizations such as public schools, public hospitals, and bus lines are classified by industry according to the activity in which they are engaged.

OCCUPATIONS

Occupations, on the other-hand, describe the kind of work the individual performs on the job. Some occupation groups are related closely to certain industries. Operators of transportation equipment, farm operators and workers, and healthcare providers account for major portions of their respective industries of transportation, agriculture, and health care. However, the industry categories include people in other occupations. For example, people employed in agriculture may include truck drivers and accountants; people employed in the transportation industry include mechanics, freight handlers, and payroll staff; and people employed in the health care industry include janitors, security guards, and support staff.

The five occupation categories are as follows:

1) Management, Business, Science, and Arts Occupations

– includes all management roles including business & financial managers, computer, science and engineering, education, legal, community service, arts and media, healthcare practitioners and technicians.

- a. US Median Average Wage range - \$36,049 (Health technologists) - \$73,553 (Legal)

2) Production, Transportation, and Material Moving

Occupations – includes production & operational employees, and all operational employees related to transportation including drivers

- a. US Median Average Wage range - \$21,976 (Material moving) - \$ 32,546 (Transportation)

3) Sales and Office Occupations – includes sales, general office and administrative support functions

- a. US Median Average Wage range - \$26,547 (Sales) - \$29,171 (Office Support)

4) Service Occupations: includes healthcare support, firefighters and law enforcement, food preparation & servers, building, grounds cleaning and general maintenance, personal care and personal service

- a. US Median Average Wage range - \$13,229 (Food preparation) - \$54, 830 (Law enforcement)

5) Natural Resources, construction and maintenance

Occupations – includes farming, fishing, forestry, construction and extraction and installation, maintenance and repair occupations.

- a. US Median Average Wage range - \$18,438 (Farming, fishing, forestry) - \$40,793 (Installation, maintenance and repair)

EXISTING MARKET CONDITIONS

Creating an economic development strategy is critical to the future financial success of the community. A key part in creating this strategy included an assessment of current market conditions to gain an understanding of where we are today. It is important to understand the current market conditions in order to realize the possibilities of the future. The following chapter outlines the key findings from the market assessment which informed the recommendations contained in the overall plan strategy. The key findings outlining the current market conditions are summarized by the following sectors:

- Industrial
- Office
- Lodging and Conference Space
- Residential

EMA vs CMA

THE EFFECTIVE MARKET AREA (EMA)

The EMA is the smallest area expected to contain the greatest concentration (60% to 70%) of support for the proposed project. EMA boundaries have been determined based on interviews with area real estate, planning, and housing professionals, analysis of area mobility patterns, and past surveys conducted within prior market studies.

EMAs may differ based on the type of development. For example the Office EMA will not be the same as the Retail or Residential EMA. The EMA specific to each use in this report will be defined in the introduction portion of each component. A 100% database provides

substantial advantages over looking at only a selected comparable. A 100% database allows consideration of the proposed project in the context of the whole area market, establishing a relationship to other area properties. Further, it allows an identification of potential product and pricing niches not previously considered, as well as the potential for identifying replacement support.

THE COMPETITIVE MARKET AREA (CMA)

The CMA is defined by the existing facility configurations relative to a potential site or market, location of population, density of support components, and highway patterns. The Competitive Market Area is used when customers are likely to originate from well outside a conventional Effective Market Area. For example, demand calculations for lodging or industrial uses apply a Competitive Market Area methodology. This methodology has significant advantages in that it considers existing natural and manmade boundaries and socioeconomic conditions. It also enables market share calculations and estimates. This is especially useful in the lodging evaluation since the origin of lodging customers is generated from a national or international basis. The Competitive Market Area enables the evaluation of the competitive market and identifies over support versus supply along with potential voids in the market.



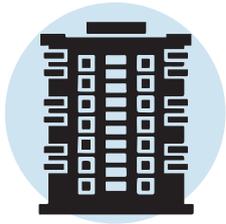
INDUSTRIAL

- A total of 16,159,600 square feet of industrial space in 210 buildings/parks was surveyed in the Gahanna CMA. Our field survey includes stand-alone buildings, multi-tenant buildings, and business/warehouse parks with multiple buildings.
 - The overall vacancy rate in the CMA is 7.1%, including 155,000 s.f. of space that is under construction. When excluding the space under construction, the overall vacancy rate in the CMA is 6.4%. This is considered a low vacancy rate.
 - Warehouse space represents 59.1% of all space surveyed in the CMA. Flex/warehouse and industrial space represent 20.1% and 20.8% of the total space.
 - The warehouse and flex/warehouse space have vacancy rates slightly above the overall average of 8.5% and 9.9% respectively. Industrial space has an extremely low vacancy rate of only 0.6%.
 - The median lease rate for flex/warehouse space of \$7.10 per s.f. is slightly higher than the median lease rate for warehouse space of \$6.90.
 - Between 1990 and 2005, over 3.8 million s.f. of space in 91 facilities was added to the market. This equates to nearly 240,000 s.f. of new space per year and nearly a quarter (23.7%) of space in the CMA.
 - Since 2005, only 471,093 s.f. of industrial space has been added to the market.
 - The lack of new facilities as well as the overall low vacancy rate of 7.1% is an indication that there is excellent potential for new industrial development.
- The median adjusted rent for all vacant warehouse and industrial space is \$6.98 per square foot.
 - That of the 16.2 million s.f. of space in the Gahanna CMA, only 4.4 million is actually in the City of Gahanna. The space outside of the City can be an important resource in recruiting new business to within the City.



RESIDENTIAL

- Rents in the Site EMA have increased at an established rate of 1.7% per year over the past 5 years
- Our studies indicate that, at the proposed rent range, tenants are willing to incur rental increases of up to \$125 to \$175 per month (depending on the base rent) for a rental alternative when it is perceived as a value
- There is a significant plateau of rents at \$900 to \$1,000 for one-bedroom units and \$1,200 to \$1,300 for two-bedroom units. This becomes the step-up support for Gahanna apartment development. Gahanna is fortunate in that there has been continued development over the past 15 to 20 years, which has provided a continuum of rents capable of supporting future upscale development
- A typical 160-unit development represents 9.7% of the total step-up/step-down support base.
- Leasing industry standards for market-rate projects typically require households to have net rent-to-income ratios of 25%. The net rents (includes water, sewer, and trash pickup) at the site range from \$925 to \$2,250 per month. With the lowest net monthly rent of \$925 (a one-bedroom unit), the minimum annual housing cost is \$11,100. Applying the 25% rent-to-income ratios requires a minimum annual household income of \$44,400
- The 2014 estimates of tenure indicate that 29.6% of the EMA households were renters. However, the reality is that this percentage varies depending on the income levels of the households. For example, at lower income levels, a higher ratio of renters is likely compared to the higher income levels.
- Considering the renter to total households' ratio established for households with higher incomes, the estimated renter households within the Site EMA that are income-appropriate for the proposed subject project (above \$44,400) is estimated at 3,814 households in 2014.
- The Site EMA contains approximately 3,246 units with monthly net rents of \$925 or higher. These higher rent units represent a 85.1% market penetration rate of the 3,814 income-appropriate renter households, a very good ratio. It also indicates that a considerable number of renters in the EMA are over qualified for their apartment, a trend consistent with most markets.
- Among market-rate projects, 45.7% are 100.0% occupied, accounting for 28.8% of the total units. No properties had occupancies below 90%. Only 8.6% of all projects had occupancies below 95%.
- Vacancies are relatively low in the market area, and the market appears limited by supply rather than demand.
- The Site EMA apartment base contains a well-balanced distribution of one-, two-, and three-bedroom units, with 31.2%, 62.2%, and 5.8%, respectively.
- It is significant that 31.0% of the market-rate units surveyed were constructed and opened before 1990. These older developments contain a combined total of 2,144 units with a 1.2% vacancy rate. Vacancies among these older units are very low with relatively high rents.



LODGING & CONFERENCE

- There are 22 lodging facilities in the CMA with most being in the Upper Midscale and Upscale categories. Three of the hotels are located in the Easton Town Center. While these are not in the immediate airport/Gahanna area, Easton does function as a submarket.
- There is a significant void in Economy Class facilities in the CMA. In most well balanced markets this category accounts for 20% of all rooms but only accounts for 10.7% in the Gahanna CMA.
- Midscale facilities usually account for 26% of rooms but only 7.1% in the Gahanna CMA.
- There is a high ratio of Upscale facilities in the CMA; however, given the relatively high occupancies in those categories, the market is limited by supply rather than demand. There are also additional deficits in the CMA based on the distribution by class. These deficits are in the Economy, Midscale and Luxury Classes. Figure 2.2 illustrates the estimated “room void” based on 68% occupancy by class of facility and the lack of facilities in the Economy, Midscale and Luxury Classes.

Figure 2.1: Distribution of Hotel Rooms by Class

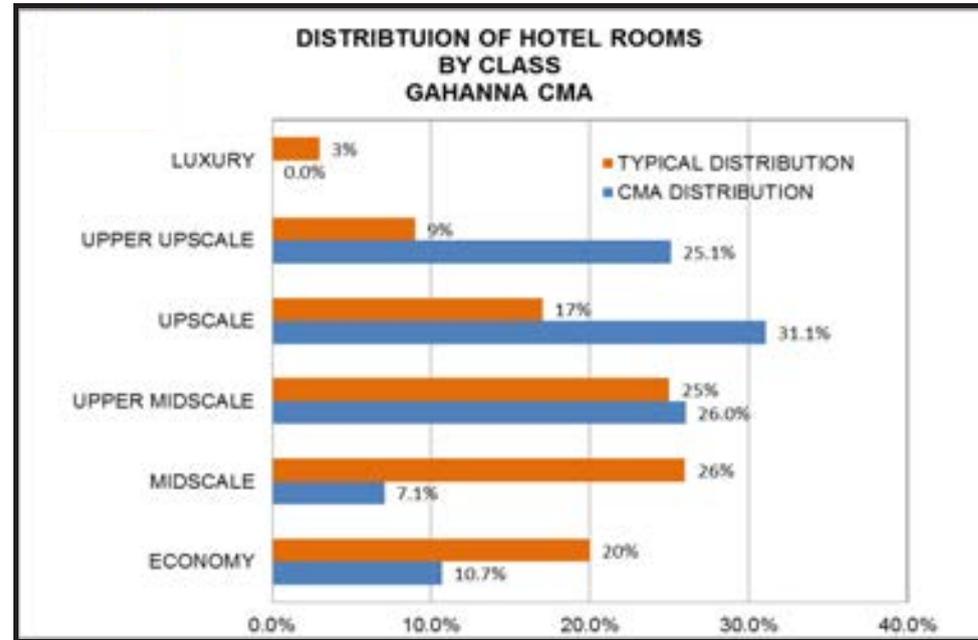


Figure 2.2: Estimated “Room Void” Based on 68% Occupancy

| CLASS OF FACILITY | CURRENT ROOMS | ROOM DEMAND 2014 | ROOM DEFICIT |
|-------------------|---------------|------------------|--------------|
| LUXURY | 0 | 95 | 95 |
| UPPER UPSCALE | 738 | 789 | 51 |
| UPSCALE | 914 | 963 | 49 |
| UPPER MIDSCALE | 765 | 792 | 27 |
| MIDSCALE | 209 | 824 | 615 |
| ECONOMY | 314 | 634 | 320 |
| TOTAL | 2,940 | 4,096 | 1,156 |

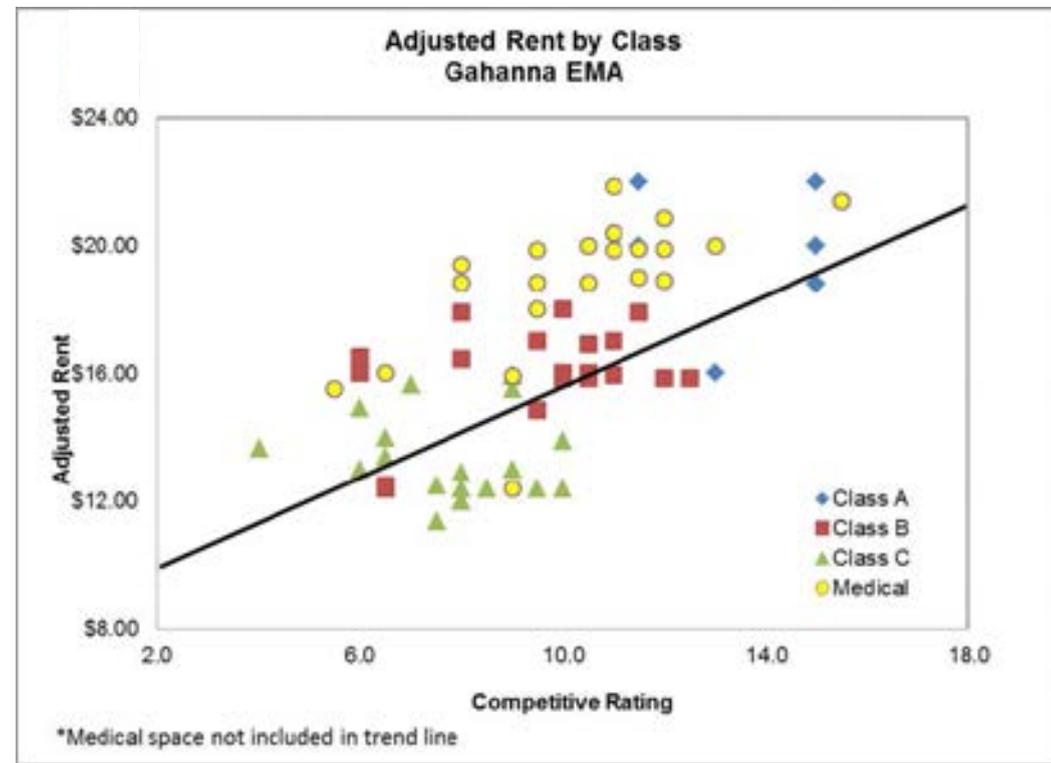


OFFICE

- Of the 2,504,614 square feet of office space surveyed, 1,033,259 square feet (41.3%) of office space is within the city of Gahanna and 1,471,355 square feet (58.7%) of space is outside of Gahanna. Overall, the office space within the city of Gahanna has a vacancy rate of 23.0%. However, nearly 40% of the vacant space in Gahanna is within 3 developments. When excluding these 3 developments, the overall vacancy rate of office space in Gahanna is only 17.3%.
- A total of 2,504,614 square feet of multi-tenant office space in 78 properties/office parks was surveyed in the Gahanna EMA.
- The overall vacancy rate in the EMA is 20.2% (excluding the space under construction). This is considered a somewhat high vacancy rate but is consistent with similar-sized office markets in the Columbus area.
- It is of note that over half of the total vacant space in the EMA is within 4 buildings. Three of these buildings are at Easton and include 339,025 square feet with 149,394 vacant square feet.
- The median rent for available space is \$16.20 per square foot.
- Overall, there are 85 vacant individual offices or suites within the EMA; the average size of the vacant space in the EMA is 5,958 square feet per space.
- Within the city of Gahanna, there are 54 vacant office spaces with 237,979 vacant square feet.

- Class A space represents nearly half of all office space in the EMA with 49.4% of the total space. Class B and C space represents 50.6% of the total office space.
- There is only modest variation between the median lease rates for Class A and B office space at \$18.80 and \$17.00, respectively.

Figure 2.3: Distribution of Vacant Office Space by Adjusted Rent, Class, and Competitive Rating



- The “medical” component is the largest market share accounting for 36.9%, overall. It should be noted that the “education” component is represented in the “other” category which accounts for 11.1% of space.
- The overall vacancy rate among the office space in the market area of 20.2% is considered high. However, from an economic development viewpoint, having sufficient office space to accommodate firms new to the area is important. At 20.2%, the market is capable of attracting new office users without impacting the existing office users or current lease rates.
- Between 2006 and 2009, a total of 559,178 square feet of office space was added to the market. This new space represents 22.3% of all office space in the EMA.
- There is a relatively high vacancy rate in the EMA and potential tenants have a wide range of options. Future rent concessions further compromise potential absorption.
- A stable occupancy rate for office space within established markets is considered 85%. The current occupancy rate in the Gahanna EMA is 79.8%.
- An average of 95,607 square feet of office space per year has been added to the market over the past 15 years.
- If no new space is added to the market, the market will achieve an 85% occupancy rate in approximately 1.8 to 2.2 years.

Figure 2.4: Distribution of Office Space by Rent

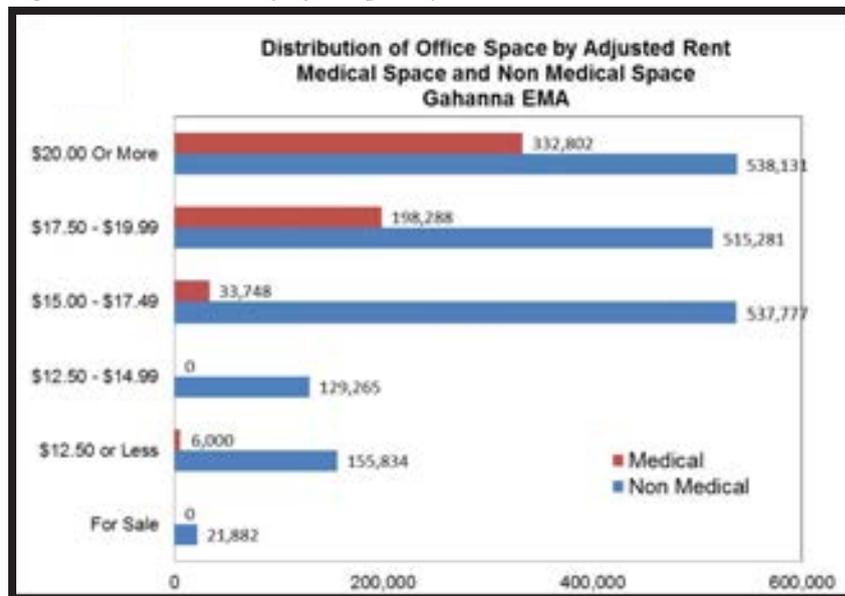
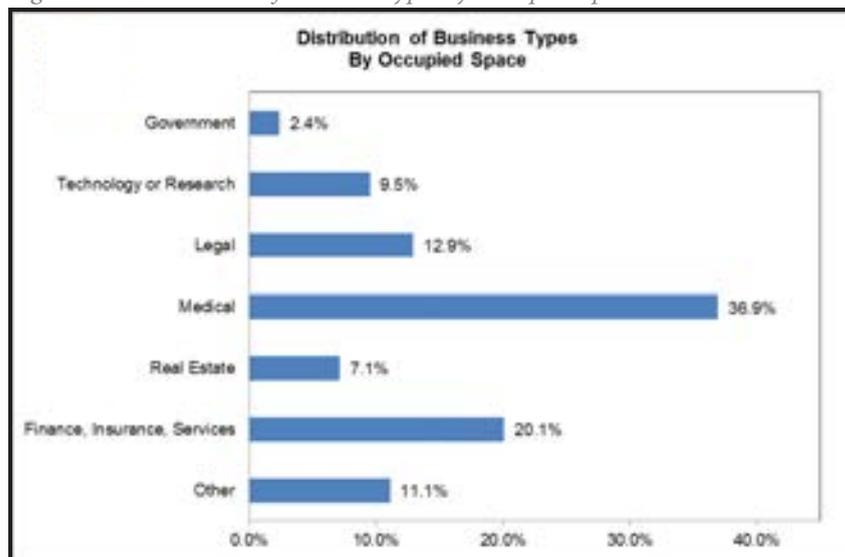


Figure 2.5: Distribution of Business Types by Occupied Space





MARKET ANALYSIS

OVERVIEW

This component of the report will identify the 10-year market potential to develop multifamily residential rental housing in Gahanna, Ohio.

Residential potential is considered for all of the PDAs except for the Industrial PDA (see Chapter 6 for PDAs) Our residential conclusions relate to the overall potential over a 10-year period and are best suited as ancillary, or infill, development. Residential opportunities can also facilitate an accelerated development or absorption of the land involved.

EMA vs CMA

THE EFFECTIVE MARKET AREA (EMA)

The EMA is the smallest area expected to contain the greatest concentration (60% to 70%) of support for the proposed project. EMA boundaries have been determined based on interviews with area real estate, planning, and housing professionals, analysis of area mobility patterns, and past surveys conducted within prior market studies.

EMAs may differ based on the type of development. For example the Office EMA will not be the same as the Retail or Residential EMA. The EMA specific to each use in this report will be defined in the introduction portion of each component. A 100% database provides substantial advantages over looking at only a selected comparable. A 100% database allows consideration of the proposed project in the context of the whole area market, establishing a relationship to other area properties.

Further, it allows an identification of potential product and pricing niches not previously considered, as well as the potential for identifying replacement support.

THE COMPETITIVE MARKET AREA (CMA)

The CMA is defined by the existing facility configurations relative to a potential site or market, location of population, density of support components, and highway patterns. The Competitive Market Area is used when customers are likely to originate from well outside a conventional Effective Market Area. For example, demand calculations for lodging or industrial uses apply a Competitive Market Area methodology. This methodology has significant advantages in that it considers existing natural and manmade boundaries and socioeconomic conditions. It also enables market share calculations and estimates. This is especially useful in the lodging evaluation since the origin of lodging customers is generated from a national or international basis. The Competitive Market Area enables the evaluation of the competitive market and identifies over support versus supply along with potential voids in the market.

Figure 3.1: 10 Year Development Recommendation Summary

| Land Use | | 10 Year Development SF/ Units |
|---|--|-------------------------------|
| OFFICE  | Class A Office | 343,200 SF |
| | Class B Office | 424,000 SF |
| INDUSTRIAL  | Manufacturing, Warehouse, Office Showroom & Flex | 800,000 SF |
| LODGINGS & CONFERENCE SPACE  | Hotel Keys | 408 Keys |
| | Conference | 25,000 SF |
| RESIDENTIAL  | Residential | 720 Units |



OFFICE

APPROACH

This analysis is based on the establishment of a Site Effective Market Area (EMA) for new multi-tenant office development. EMA refers to a methodology developed by the Danter Company, LLC to describe areas of similar economic and demographic characteristics. The EMA is defined as the smallest geographic area that is expected to generate 65% to 70% of support. In the case of this EMA for office development, the external support is expected to be relatively strong because of the overall strength of the office market and unique character of the market area. EMAs are bounded by both “hard” and “soft” boundaries. Hard boundaries are marked by rivers, freeways, railroad rights of way, and other physical boundaries. Soft boundaries are changes in the socioeconomic makeup

of neighborhoods. EMAs may differ based on the type of development. For example the Lodging EMA will not be the same as the Office or Residential EMA. The EMA specific to each use in this report will be defined in the introduction portion of each component.

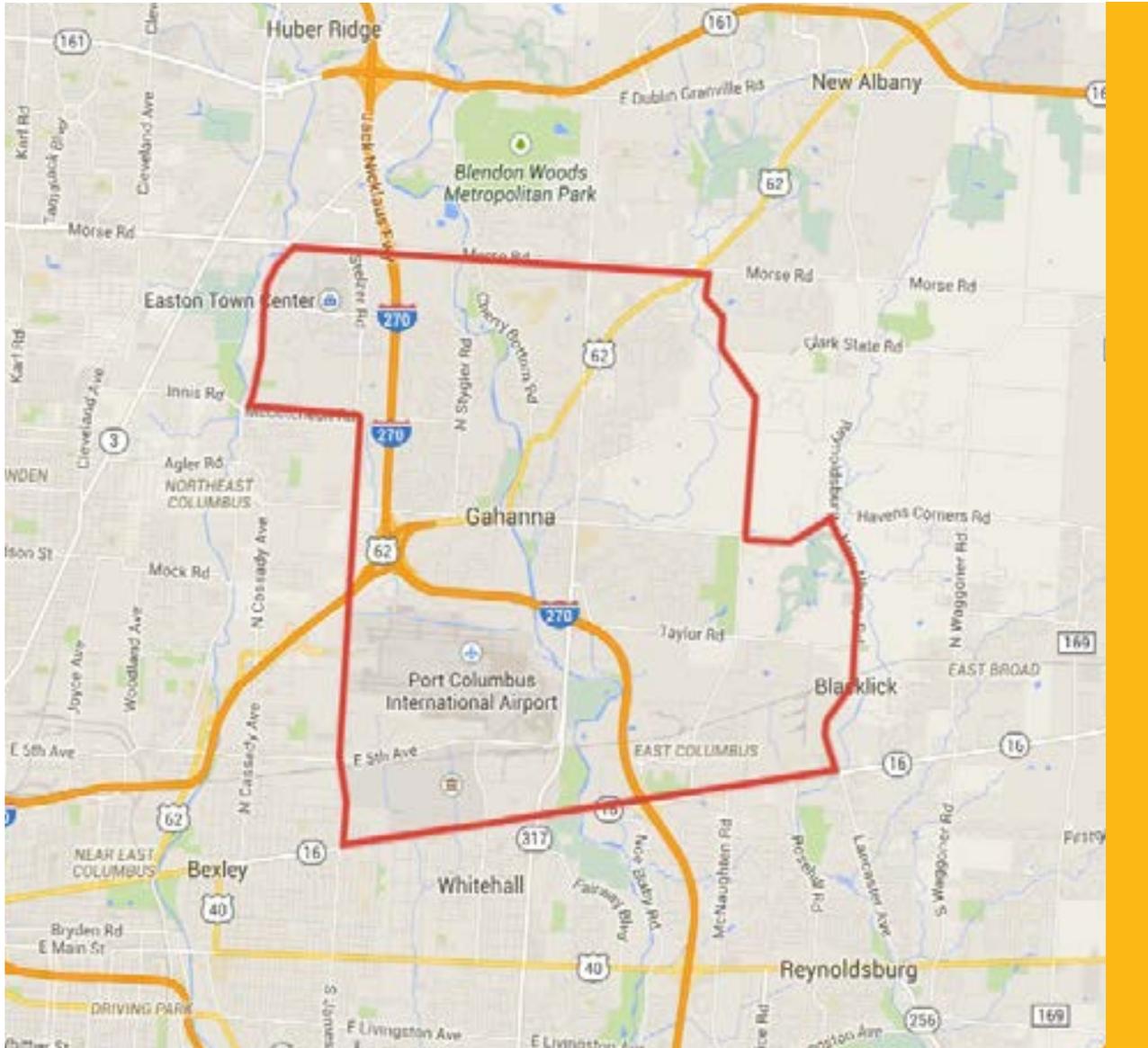
Other factors impacting the EMA are:

- Competing facilities and their relationship to the five PDA’s
- An analysis of traffic patterns
- Population, employment, commercial, and service concentrations
- Interviews with major area businesses
- Personal observations of the analyst
- Information generated in previous studies by The Danter Company

In determining the EMA, field research was also conducted in the surrounding areas to determine if competing facilities are located on the periphery of the EMA and if these areas affect support at the proposed site.

The Site Effective Market Area supporting office development includes Gahanna and the surrounding area of Columbus, including the Easton area and the area surrounding Port Columbus. Specifically, the Effective Market Area for multitenant office space is bounded by Morse Road to the north, Shull Road, Mann Road, and Reynoldsburg-New Albany Road to the east, East Broad Street to the south; and Stelzer Road, McCutcheon Road, and Sunbury Road to the west.

OFFICE COMPETITIVE MARKET AREA MAP



RECOMMENDATIONS

Based on the annual absorption potential, the Gahanna multitenant office market has the potential to absorb up to 767,000 square feet of Class A/B office space over a 10-year period. It is anticipated that the City of Gahanna, using a variety of economic development tools, will be able to facilitate a reduction of development costs manifesting some potential Class A rates to Class B levels.

Based on the current office market in the Gahanna EMA, we recommend the development of both Class A and Class B office space on 4 of the PDA tracts over a 10-year period. It should be noted that the total of 767,000 square feet represents the potential impact on new space. It should be noted that 52% of the total space absorbed within new development would be generated from internal mobility. Mixed-use space that includes office space and a showroom should be incorporated into a portion of all new office development. Incorporating showroom space into new office development increases the potential tenant base from just conventional office users. A variety of square footage options should be made available. Smaller office suites should be incorporated into new Downtown, North Triangle, and West PDA tracts while medical, large users and signature office buildings should be considered on the South PDA.

INTERNAL MOBILITY

The first component represents the greatest source of support for any new office development. Previous studies performed by The Danter Company indicate that firms generally move because they require additional space that is not readily available in their existing building. Tenants, however, typically remain in the same area or follow mobility patterns similar to residential mobility.

Furthermore, in addition to moving into larger quarters, tenants generally move into newer, higher-quality space. Each time a tenant's lease is scheduled for renewal, potential exists for that tenant to consider moving to another office. In a period of economic contraction there can also be a move down mobility, having a positive impact on individual buildings but an overall negative impact on the overall market.

For new multitenant office development in the study area, it is expected significant support to originate from businesses currently in the EMA that are occupying older, moderate quality office space. Based on previous office studies conducted by The Danter Company, we determined that tenants are typically willing to incur a rental increase of up to 15% for a different rental alternative when it is perceived as a value.

With nearly 36% of the office space in the EMA being Class B space, it would be important for any new Class A office space developed to offer rents that are within reasonable step-up of all class B space.

While only 14.7% of the office space in the EMA is Class C, any new Class B office space developed at any of the PDA Tracts should offer rents that are within a reasonable step-up of the Class C space but also provide quality space that will be attractive to those currently in Class B space as well as lower-tier Class A space. Further, well-conceived Class B space will attract rent-conscious Class A tenants to a lower rent, step-down support.

Based on our field survey of multitenant office space, an \$18.00 per square foot price point (full service) for Class A space is recommended to achieve maximum absorption. This rate would be affordable to tenants currently within lower-quality properties (Class B) and also attractive to

those paying lower-tier Class A rates.

Within the EMA, there is approximately 1,655,800 square feet of office space currently occupied by tenants paying rents within the appropriate “step-up” range.

The average lease terms among the existing office space is 5 years. Assuming an average 4-year lease term, there is approximately 331,200 total square feet of occupied office leases maturing each year. It should be noted that support from internal mobility is generated not only from the total existing, occupied square footage within the “stepup” range, but also from net gain from those tenants requiring larger quarters. Businesses average a 10% gain in space when moving. (This has increased significantly since the mid-2000s when firms were actually reducing the size of their facilities.

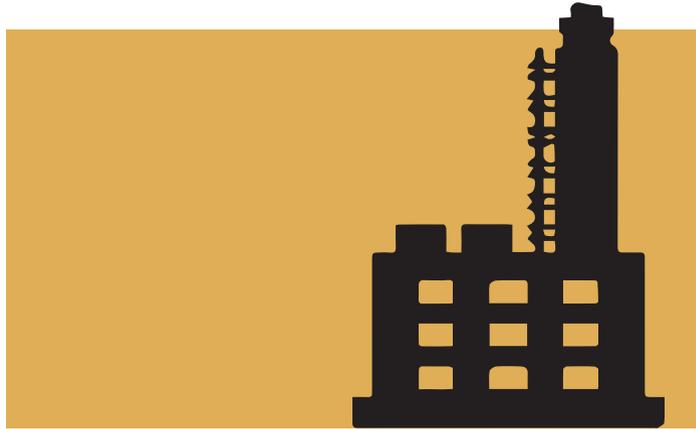
We expect approximately 63% of support for any new office development at one of the PDA Tracts to be generated from the existing office space, as well as the net gain, within the Site EMA.

EXTERNAL MOBILITY

The second component includes firms new to the EMA. Based on interviews with tenants and building management companies, as well as previous case studies, we expect the external mobility component would contribute approximately 32% of the total market support potential.

Figure 3.2: Summary of the office space recommendations by PDA

| RECOMMENDED OFFICE DEVELOPMENT ANNUAL AND 10-YEAR PROJECTION GAHANNA, OHIO | |
|--|-----------|
| PDA TRACT | CLASS A/B |
| DOWNTOWN | 5,000 |
| NORTH TRIANGLE | 12,000 |
| WEST | 8,000 |
| SOUTH | 51,300 |
| TOTAL | 76,700 |
| 10-YEAR POTENTIAL | 767,000 |



INDUSTRIAL

APPROACH

This analysis is based on the establishment of a Competitive Market Area (CMA) for new industrial/warehouse/flex development. CMA refers to a methodology developed by the Danter Company, LLC to describe areas of similar economic and demographic characteristics. The CMA is defined as the area that those seeking industrial space will consider along with the subject site. CMAs are bounded by both “hard” and “soft” boundaries. Hard boundaries are marked by rivers, freeways, railroad rights of way, and other physical boundaries. Soft boundaries are changes in the socioeconomic makeup of neighborhoods. CMAs may differ based on the type of development. For III-2 example the Lodging CMA will not be the same as the Office CMA. The CMA specific to each use in this report will be defined in the introduction portion of each component.

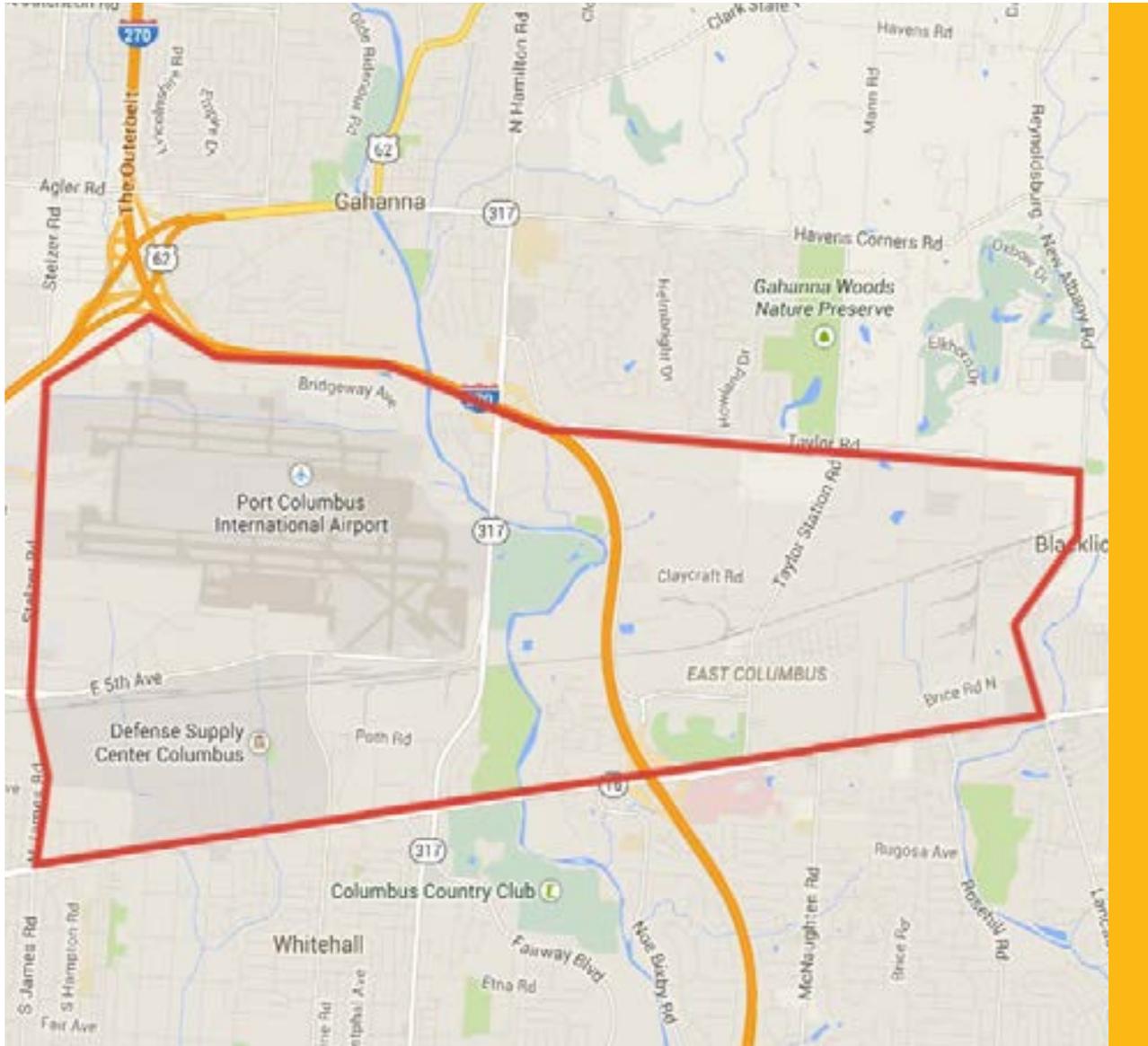
Other factors impacting the CMA are:

- Competing facilities and their relationship to the Industrial PDA
- An analysis of traffic patterns
- Population, employment, commercial, and service concentrations
- Interviews with major area businesses
- Personal observations of the analyst
- Information generated in previous studies by The Danter Company

In determining the CMA, field research was also conducted in the surrounding areas to determine if competing facilities are located on the periphery of the CMA and if these areas affect support at the proposed site.

The Competitive Market Area supporting industrial development includes the southern portion of Gahanna and the area south of Gahanna in Columbus and surrounding Port Columbus.

INDUSTRIAL COMPETITIVE MARKET AREA MAP



RECOMMENDATIONS

The support for leasable industrial space is affected by:

- Firms moving to the CMA from outside the area (external mobility).
- Expansion and mobility from tenants occupying existing space in the CMA (internal mobility from net gain).
- New business formations

EXTERNAL MOBILITY

The first component of support represents the greatest source of support for new industrial development at the Industrial PDA. External mobility comprises companies new to the Gahanna area. Development trends in the Gahanna area (including current land costs, available land, accessibility to highways, and access to Port Columbus, etc.) have made the CMA especially attractive to new companies coming into the Columbus area. This component is expected to contribute 75% of total support.

INTERNAL MOBILITY

The second component of support for new industrial/warehouse/flex development at the Industrial PDA is internal mobility. Previous studies performed by The Danter Company indicate that firms generally move because they require additional space that is not readily available in their existing building. Tenants, however, typically remain in the same area. Furthermore, in addition to moving into a larger facility, tenants generally move into newer, higher-quality space. Each time a tenant's lease is scheduled for renewal, potential exists for that tenant to consider moving to another office. In a

period of economic contraction there can also be a move down in mobility, having a positive impact on individual buildings but an overall negative impact on the overall market.

For new industrial development at the Industrial PDA, we expect support to originate from businesses currently in the CMA that require more space or are occupying older, moderate quality space. Based on previous studies conducted by The Danter Company, we expect this component to contribute approximately 20% of the total support for new industrial space.

It is important to note that of the 16.2 million square feet of space in the Gahanna CMA, only 4.4 million is actually in the city of Gahanna. The space outside of the city, space already committed to the Gahanna/Airport area, can be an important resource in recruiting new business to within the city.

NEW BUSINESS FORMATIONS

The third component, new businesses being formed, represents the least amount of support for industrial development. Most new companies are rent-conscious, and, therefore, there is potential for them to be attracted to a new facility that typically has rents at the low end of the market. This component is expected to contribute 5% of the total support.

The rate of absorption of buildings has been analyzed to determine historical trends. Past absorption trends, existing vacancy rates, and availability of land reveal current and future market expectations.

When considering past and current absorption trends in the Gahanna CMA, our expectations are that the Industrial PDA can support up to 800,000 square feet of new industrial space over the next 10 years. Our expectation is based on the average amount of space absorbed per year between 2000 and 2014 of nearly 89,000 square feet of new space per year. Our expectation also considers the 235,000 square feet of space in the CMA that is currently under construction as well as the current 7.1% vacancy rate in the market.

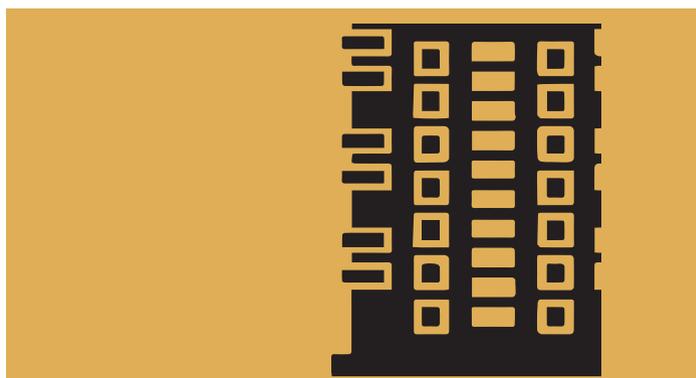
A summary of the expected demand potential for industrial/warehouse/flex space in the Industrial PDA follows (see Figure 3.2)

The primary consideration in achieving this development level will be the continued availability of land and the availability of utilities to service the developments. However, properly zoned land served by utilities is becoming increasingly scarce, potentially limiting supply in the future.

There is one important factor to be considered in making future estimates of industrial absorption. That is, the history of absorption of industrial space in Gahanna has been a function of potential users, usually from outside the market, finding their way to specific sites and/or developers. In that context, the increase in occupied space can best be described as “windfall” development. The more recent strategy of Gahanna to directly market to those “funnel points” through which most of the prospective tenants must pass can have a significant impact on future development. In addition, historically Gahanna (and to a large extent East Columbus and the Airport District) has lacked a “champion,” someone loyal only to the best interest of Gahanna. A ramped-up marketing program can play an important role in increasing Gahanna’s market capture of industrial absorption.

Figure 3.3: Summary of the expected demand potential for industrial/warehouse/flex space in the Industrial PDA

| COMPONENT | EXPECTED DEMAND POTENTIAL | |
|--|---------------------------|---------|
| | INDUSTRIAL SPACE | PERCENT |
| EXTERNAL MOBILITY (FROM OUTSIDE THE CMA) | 600,000 | 75% |
| INTERNAL MOBILITY (FROM WITHIN SITE CMA) | 160,000 | 20% |
| NEW BUSINESS FORMATIONS | 40,000 | 5% |
| TOTAL | 800,000 | 100.0% |



LODGING & CONFERENCE SPACE

APPROACH

This component of the report will identify the long term market potential for lodging and conference space in Gahanna, Ohio.

Based on the characteristics of the Site EMA, a field survey of lodging development, an analysis of the appropriateness of the site for the proposed development, and a demographic analysis of the CMA, support levels can be established for additional lodging development.

The following analyses have been conducted to identify market potential for additional lodging development at the site:

- Analysis of the overall CMA lodging market
- Historical development and support trends
- An analysis of traffic patterns

- Interviews with major area businesses
- Current market conditions based on 100% field survey of modern lodging facilities
- Appropriateness of the site for the subject development
- Current and expected economic and household growth conditions
- Area lodging demand factors, including
- Commercial support
- Transient support
- SMERF (Social, Military, Educational, Religion, Fraternal)
- A trend line analysis, based on a “room rate by comparability rating” evaluation of all lodging facilities within the CMA, is used to evaluate room rates and potential flags for the proposed development.
- An analysis of the existing distribution of “flags” and room rates as compared with typical lodging markets.

The Gahanna Competitive Market Area includes Gahanna and the surrounding area of Columbus including the Easton area as well as the area surrounding Port Columbus. Specifically, the CMA is bounded by Morse Road to the north, Reynoldsburg-New Albany Road and Taylor Station Road to the east, Broad Street to the south, and James Road, 5th Avenue, and Sunbury Road to the west.

Population-generated support for motels in Gahanna is generated from an Effective Market Area (EMA). The EMA is defined as the smallest geographic area that is expected to generate 65% to 70% of the total population generated support for hotels in Gahanna. The Gahanna EMA includes Gahanna and the surrounding area of Columbus and Blacklick, including the Easton area and Port Columbus area. Specifically, the EMA is bounded by Morse Road to the north, the Franklin County line to the east, Broad Street to the south, and Sunbury Road to the west.

The CMA and EMA maps can be found in Section VI of this report.

RECOMMENDATIONS

PROJECT CONCEPT

We recommend three hotel concepts to be developed within the West and/or South PDA. It should be noted that the West PDA is not currently prioritized for short term development; therefore, the most likely development opportunity will be in the South PDA. PDA maps can be found in Section VI of this report.

- An Upscale (such as a Marriott or Hilton) lodging facility with at least 200 rooms and 20,000 to 25,000 square feet of conference and meeting space. Room rates would be in the \$160 to \$200 range. This facility should be integrated into the residential/office components of the development. This facility would benefit from both the Upper Upscale and Luxury room deficits in the market.
- The second facility would be supportive to the primary hotel (such as a Fairfield Inn, Holiday Inn

Figure 3.4: Standard Upscale Hotel Room Features

| ROOMS | NUMBER | SIZE | AVERAGE DAILY RATE |
|---------------|--------|---------------------|--------------------|
| STANDARD KING | 130 | 250-280 SQUARE FEET | \$180 |
| QUEEN DOUBLE | 60 | 290-300 SQUARE FEET | \$190 |
| SUITE | 10 | 360-400 SQUARE FEET | \$225 |

Figure 3.5: Standard Upper Midscale Hotel Room Features

| ROOMS | NUMBER | SIZE | AVERAGE DAILY RATE |
|---------------|--------|---------------------|--------------------|
| STANDARD KING | 36 | 260-290 SQUARE FEET | \$125 |
| QUEEN DOUBLE | 44 | 310-330 SQUARE FEET | \$135 |
| JUNIOR SUITE | 28 | 350-375 SQUARE FEET | \$155 |

Express or Hampton Inn). We would anticipate up to 108 rooms with an average rate of \$140.

- A third facility could also be anticipated, a 100-room suite facility such as Candlewood Suites or Residence Inn.

UPSCALE AND UPPER MIDSACLE HOTEL

Based on this analysis, the market can support up to a 200-room upscale property within the Gahanna market area. There should also be the creation of a link to the adjacent Columbus Airport Golf Course located immediately south of the South PDA across Big Walnut Creek. This would create the only hotel and meeting facility in the Columbus area with direct golf access.



RESIDENTIAL

OVERVIEW

This component of the report will identify the 10-year market potential to develop multifamily residential rental housing in Gahanna, Ohio.

Residential potential is considered for all of the PDAs except for the Industrial PDA (see Chapter 6 for PDAs) Our residential conclusions relate to the overall potential over a 10-year period and are best suited as ancillary, or infill, development. Residential opportunities can also facilitate an accelerated development or absorption of the land involved.

APPROACH

This analysis is based on the establishment of a Site Effective Market Area (EMA) for the proposed project. EMA refers to a methodology developed by the Danter Company, LLC to describe areas of similar economic and demographic characteristics.

The EMA is defined as the smallest geographic area that is expected to generate 65% to 70% of support. In the case of this EMA for office development, the external support is expected to account for up to 50% because of the overall strength of the site and unique character of the development. EMAs are bounded by both “hard” and “soft” boundaries. Hard boundaries are marked by rivers, freeways, railroad rights of way, and other physical boundaries. Soft boundaries are changes in the socioeconomic makeup of III-2 neighborhoods. EMAs may differ based on the type of development. For example the Lodging EMA will not be the same as the Retail or Residential EMA. The EMA specific to each use in this report will be defined in the introduction portion of each component.

Other factors impacting the EMA are:

- Analysis of the overall EMA rental housing market
- Historical housing trends
- Current market conditions based on 100% field survey of modern apartments
- Appropriateness of the site for the subject development
- Current and expected economic and household growth conditions
- Area apartment demand factors, including

The Gahanna Site Effective Market Area includes all of the City of Gahanna, as well as portions of Columbus and New Albany. Generally, the EMA is bounded by Dublin-Granville Road/State Route 161 to the north, Kitzmiller Road and Reynoldsburg-New Albany Road to the east, the CSX Railroad tracks and Interstate 270 to the south, and Interstate 270 to the west.

RECOMMENDATIONS

A market exists for 550 to 600 multifamily rental units in Gahanna over the next 10 years. However, not all of these would be located in one of the four appropriate PDAs. Further, given the focus of development of the PDAs, it is likely that apartment development would be used as infill, or supplemental development. Units could be allocated over several PDAs as required within a development plan. The following scenarios could be anticipated:

- Apartments would be a positive addition to a mixed-use retail development such as that already recommended for the West PDA (Stelzer and Agler Road area). Such development would garner premium rents as well as enhance retail and commercial development proformas. This product is a lifestyle component critical to the success of an integrated-use development, attractive equally to both employees and employers
- Similarly, apartment development could enhance mixed-use development in the South PDA.
- Apartments in Downtown and North Triangle PDAs are likely to be stand-alone properties. The overall recommendations can be used as guidelines for developments.
- Apartments in larger PDAs such as the South PDA might also serve to accelerate the full development of the area, telescoping the development period.

The recommendations in Figure 3.6 outline the general development potential for a variety of market rate product types. These may be appropriate for all of the sites depending on the overall land plan or site configuration. Some sites, especially those in the downtown area are potentially constrained by size and may be appropriate

for smaller developments insufficient to support a full amenity package.

The final site plans, because of building geometry, may contain a more appropriate mix. The unit mixes and sizes may vary from one development or developer to another and should be used as a guideline. Final recommendations would be pending additional research at the time of construction. All rents are in today's dollars.

All of the concepts have been sized and priced to yield a 12- to 14-month lease-up period based on a spring opening. Fall openings may extend the absorption period. Prior studies have shown that absorption tends to be seasonal, with up to 64% of annual absorption taking place in the peak summer months (May through August). The shoulder season (the two months on either side of the peak season) generally accounts for approximately 24% of annual absorption. The off season, November through February, typically accounts for the remaining 12% of absorption. While these percentages do not hold true in all markets, they give a good indication of the potential seasonal variations in absorption.

Figure 3.6: Distribution of Step-Up/Down Support

| DISTRIBUTION OF STEP-UP/DOWN SUPPORT | | | |
|---|-----------------|-------------------|-------|
| | STEP-UP SUPPORT | STEP-DOWN SUPPORT | TOTAL |
| ONE-BEDROOM | 366 | 64 | 430 |
| TWO-BEDROOM | 631 | 394 | 1025 |
| THREE-BEDROOM | 65 | 133 | 198 |
| TOTAL | 1,062 | 591 | 1,653 |
| TYPICAL PROPERTY | 160 | | |
| RATIO OF PROPOSED UNITS TO POTENTIAL STEP-UP/STEP-DOWN SUPPORT BASE | 9.7% | | |



ECONOMIC TARGETS

OVERVIEW

The economic target strategy for this plan is rooted in best practices of the economic development industry. This strategy combined five primary indicators in order to determine which industries and/or occupations should be targeted by the City of Gahanna. These categories include the following: Location Quotients (LQ) for the City of Gahanna, Employment Growth Rates (EGR) for the City of Gahanna, Location Quotients for the Region, Employment Growth Rates for the Region and Average Wage Rates.

APPROACH

As referenced in the Existing Conditions section of this report, the LQ and EGR are indicators of a community's competitive advantage. In addition, the Average Wage Rates of occupations are an important indicator because they directly impact the fiscal impact of the economic target strategy. By targeting those occupations that have

higher average wage rates, a community would get more return on investment from their economic development activities.

RECOMMENDATIONS

The Figure 3.6 ranked these industry sectors by the following categories: Gahanna LQ, Regional LQ, Gahanna EGR and Regional EGR. Based upon Figure 3.6, the City of Gahanna should target the Finance and Insurance, Education and Healthcare, and Professional and Business Services Industries. It is important to note that Gahanna has experienced significant growth in manufacturing, despite having a lower employment concentration. This industry should also be considered a potential target.

The Figure 3.7 ranked these Occupations by the following categories: Gahanna LQ, Regional LQ, Gahanna EGR, Regional EGR and Average Wage Rate. Based upon the chart above, the City of Gahanna should target companies with a high concentration of Management, Business, Science and Art Occupations. It is important to note that although Gahanna has experienced significant growth in Service Occupations, these occupations have the lowest average wage rate. Therefore, Service Occupations should not be a target for the City of Gahanna.

Figure 3.7: Identified Industry Targets

| Industry Sectors | Gahanna LQ | Gahanna EGR | Regional LQ | Regional EGR |
|------------------------------------|------------|-------------|-------------|--------------|
| Finance and Insurance | 1.50 | -16% | 1.48 | -1% |
| Education and Healthcare | 1.41 | 19% | 1.35 | 4% |
| Professional and Business Services | 1.20 | 16% | 1.09 | 4% |
| Retail Trade | 0.94 | -2% | 1.02 | 0% |
| Transportation and Warehousing | 0.83 | 6% | 0.90 | 1% |
| Manufacturing | 0.72 | 45% | 0.72 | 4% |
| Wholesale Trade | 0.63 | -13% | 0.72 | 13% |
| Construction | 0.56 | -37% | 0.82 | 3% |

Figure 3.8: Identified Occupation Targets

| Occupations | Gahanna LQ | Gahanna EGR | Regional LQ | Regional EGR | Average Wage Rate |
|--|------------|-------------|-------------|--------------|-------------------|
| Management, Business, Science and Art | 1.32 | -6% | 1.13 | 2% | \$ 53,716 |
| Service | 1.02 | 46% | 0.96 | 6% | \$ 17,503 |
| Sales and Office | 0.91 | -15% | 1.05 | -4% | \$ 28,209 |
| Production, Transportation and Material Moving | 0.66 | 30% | 0.90 | 1% | \$ 29,840 |



COMMUNITY INSIGHT

STAKEHOLDER INPUT BY THE NUMBERS...

BUSINESS STAKEHOLDER OUTREACH

20 Headquarters / CEO's

20 Business Representatives

20 Tax Abated Properties

EXTERNAL STAKEHOLDERS/COLUMBUS REGION

10 Large Industries **10** Other Industries

*Distribution
Pharmaceuticals
Engineering
Logistics
Real Estate
Insurance
Manufacturing
Agriculture*

*Central Ohio Real Estate Developers,
Start-ups, Venture Capital, Information Technology,
Economic Development Professionals,
Financial Advisors,
Construction*

OVERVIEW

Understanding the inner workings of the City through the eyes of the internal and external businesses was an important factor in evaluating the economic conditions and opportunities as part of this project. The knowledge and expertise of the project steering committee, as well as the internal and external stakeholders helped the consulting team develop a local and regional perspective regarding the economic potential in Gahanna.

PROJECT STEERING COMMITTEE INPUT

We kicked off our very first meeting with our project steering committee by undertaking two exercises. First, we conducted a Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis to get a better idea of the economic perception of Gahanna. We rephrased the categories by asking 4 questions, What is enabling growth (Strengths), what is inhibiting growth (Weaknesses), what could enable growth (Opportunities) and what could inhibit growth (threats). The table to the right illustrates our findings.

INTERNAL & EXTERNAL STAKEHOLDERS

The consultant team met with groups of stakeholders that were identified by the client team and the project steering committee. The stakeholders were organized by businesses within Gahanna, and businesses outside of Gahanna. A tiered approach was taken to engage a variety of stakeholders. This included reaching out to small businesses less than ten, business that have more than 100 employees, as well as property/businesses that fall within tax abated areas. Through the meetings, the consulting team identified the issues and opportunities that face existing businesses, and what 'attractors' and or barriers to locating or doing business in Gahanna are perceived by non-resident businesses.

STRENGTHS: WHAT IS ENABLING GROWTH?

- ~ *Safe Place to Be*
- ~ *Accessibility to Transportation*
 - ~ *Proximity to Airport*
 - ~ *Technology (Fiber)*
- ~ *Access to Electrical Power*
 - ~ *Proximity to Amenities*
 - ~ *Close to East Side Amenities*
- ~ *Nice Downtown/New Restaurants*
 - ~ *Reputation of being stable*
 - ~ *Family Oriented*
- ~ *Close to the Limited/AF/other industries*
 - ~ *Proximity to Rooftops*
 - ~ *Base of Entrperenues*
 - ~ *Strength of Political Will*
- ~ *Straight A Program (Manufacturing)*

OPPORTUNITIES: WHAT COULD ENABLE GROWTH?

- ~ *Incubator/Services for Entrepreneurs*
- ~ *Affordable Land surrounding 270 (compared to Westerville)*
 - ~ *Close to Mount Carmel East*
- ~ *West Side Housing/Commercial Development*
 - ~ *Schools focusing on career paths*
 - ~ *businesses/schools/students incubator idea*
- ~ *Hard to find willing corporate partners for schools*
 - ~ *how to capitalize on oil and gas*
- ~ *Opportunity to attract another educational partner*

WEAKNESSES: WHAT IS INHIBITING GROWTH?

- ~ *Finding Experienced Engineers*
- ~ *Political Unpredictability*
 - ~ *Lack of a Brand*
 - ~ *Tax Climate*
- ~ *Not a clear message to business community*
 - ~ *Depature of AEP*
 - ~ *West Side Infrastructure*
- ~ *Lack of space for businesses to grow into*
- ~ *Don't have the champion of the market*
- ~ *Family Community / Not YP Community*
- ~ *Competitor: New Albany, Worthington, Delaware, Hilliard, Grove City, Westerville*
- ~ *Focus on IT: requires infrastructure/resources*
 - ~ *Training of new employees*
 - ~ *Market the wins we have*

THREATS: WHAT COULD INHIBIT GROWTH?

- ~ *Depature of AEP*
- ~ *Westerville: Medical Mile*
- ~ *Private Equity Pressure / High expectation-short window*
 - ~ *Large Scale Competitor to enter the market*

INTERNAL STAKEHOLDERS

As noted in the introduction the stakeholders participants from within Gahanna (internal) included more than 60 business representatives from a variety of businesses in both size, type, and location within the community. Specifically they included the following three groups.

1. CEOs/Headquartered Companies
2. Companies in Tax Abated Properties
3. Other Gahanna Businesses

These stakeholders were engaged in both small forums as well as one on one interviews. We also made trips to business locations for on-site interviews and scheduled conference calls.

Figure 4.1: Stakeholder Meeting Invitation



Participants were asked “What is the one thing they treasured most about Gahanna?” Responses included:

“

“Family oriented atmosphere”

“Family friendly; Business- Proximity to amenities”

“The sense of community including company events that bring people together and build that community”

“Convenience – 270/670/Airport/Local restaurants and amenities”

“Large diversity of business industries and start-up culture”

“Proximity to transportation network; suburban character”

“The relatively low cost of living; Proximity to downtown Columbus and airport; Alternate local roads connectivity; Solid school district”

“Sense of community; Safe; Family events; Strong schools”

“Sense of community; There is a real sense of place/community that I haven’t seen other places I have lived and worked”

”

Q&A

The following questions were asked of the external stakeholders who participated in the interviews. What is your perception of Gahanna?

- What is Gahanna's identity?
- What was your original decision to locate in Gahanna?
- What has been your experience in other Cities you operate in?
- What factors drive your location decision?
- What opportunities do you see within your industry?
- What threats do you see within your industry?
- Where do your employees go for skills training?
- How far does your search expand to find ideal talent?
- If not Gahanna, where would you be operating?
- Would you be interested in collaborating with the City in assisting with initiatives?
- What do you as a business, want to see from the City?

A variety of responses were tabulated through during the interviews. The following responses summarize the input received in the interview process.

- ~ *"Dublin has a certain attitude, New Albany has an attitude, Grove City has a certain attitude, Gahanna needs an attitude?"*
- ~ *"We put Columbus, Ohio on our address, not because we are against Gahanna, but because our regional customers need to approximately know where we are"*
- ~ *"Gahanna's positive assets only have negative PR"*
- ~ *"The Development and Planning Department has been very supportive and knowledgeable of the City and our needs, but it seems as if the City does not have consensus politically."*
- ~ *"Creekside is an amazing asset that is only mentioned in a derogatory manner"*
- ~ *"Our original decision to come here was due to the availability of industrial space"*
- ~ *"Availability of product and the ability to work directly with owners of the product communities such as New Albany is key."*
- ~ *"Gahanna is built-out"*
- ~ *"It is actually more convenient to be outside of downtown Columbus for our business because we need quick travel access and less hassle to get to our project sites and meet with our customers."*
- ~ *"With such close proximity to the Airport and I-270, I don't see how sites such as Buckles tract have not been developed"*
- ~ *"Politically, this is an opportunistic time for Gahanna"*
- ~ *"There are no nearby technical schools to train our workforce, so if that is something you are looking to establish, you would get more than enough support."*
- ~ *"20 year-olds have no interest in Manufacturing, finding that skill-set with an aging workforce is difficult"*

DID YOU KNOW



STAKEHOLDERS THINK

***A workforce
development program***

could be utilized to educate existing
business owners and attract new talent

Schools

are perceived as a valuable asset to
Gahanna's economic viability

The availability of
***industrial
space***

Is a perceived
value by existing
businesses

THE ENGAGEMENT

with the
business community
by the City is

***a perceived
value***

There is a perception by stakeholders
externally that the City has limited
buildable space, however there is ample
opportunity to

Grow in Gahanna

Stakeholders believe there is an
opportunity to boost Gahanna's positive
presence in the region through an
aggressive

Marketing campaign

EXTERNAL STAKEHOLDERS

Confidential interviews with 20 external organizations around the Columbus Region were conducted to gain an external perspective of the economic conditions and opportunities in Gahanna. These stakeholders included the following.

- 2 Large Distribution Companies
- 1 Large Retailer
- 1 Professional Services Firm
- 2 Large Manufacturers
- 2 City Government Employees
- 2 Small Marketing Firms
- 2 Central Ohio Developers
- 2 Site Selection Firms
- 2 Banks (1 large and 1 mid-sized)
- 2 Healthcare Companies (1 small and 1 large)
- 1 Large Real Estate Firm/Financial Advisor
- 1 Small Start-up/Entrepreneurial Company

Q&A

The following questions were asked of the external stakeholders who participated in the interviews.

- What is your current perception of Gahanna as a place for recreation?
- What is your current perception of Gahanna as a place to do business?
- What are key factors in your site selection decisions?

A variety of responses were tabulated through during the interviews. The following responses summarize the input received in the interview process.

- ~ *"I don't know much about Gahanna at all"*
- ~ *"Gahanna has great restaurants and dining options"*
- ~ *"Creekside is an architectural gem"*
- ~ *"Gahanna has phenomenal access to the airport, I670 and I-270, which are key factors in our site selection decisions. It seems as if sites in close proximity would be much more development-ready by now"*
- ~ *"From the surface, it seems the lack of cohesiveness and political environment makes it difficult to build consensus in accomplishing things"*
- ~ *"The top factors we evaluate in a site-selection decision are ease of transportation, highway proximity and the availability of skilled talent"*
- ~ *"Being in close proximity to our customers and clients and broadband access drives our office location decisions"*
- ~ *"Gahanna needs to look around the outer-belt and the Region to see where the best practices are. The City seems to market its assets individually very well, but there seems to be lack of a collective message and aggressive PR strategy."*
- ~ *"With today's technical workforce issues, it is more advantageous for our company to locate plants in closer proximity to technical training facilities."*
- ~ *"Gahanna has the assets, their issue is just positioning, developing and packaging them."*
- ~ *"The incentive packages we've negotiated in Dublin, Hilliard and Columbus have been much more robust than what we think Gahanna can offer."*



ECONOMIC DEVELOPMENT STRATEGIES

DID YOU KNOW ?

The healthcare and social assistance sector is expected to account for

1/3 of National job growth by 2022

By 2022, **14 of the 30** projected fastest growing occupations are related to the healthcare and social assistance sector

Central Ohio job growth is expected to increase by

26%



with population growing by **26%** by 2050

Gahanna has access to

5 highways and is just
5 minutes from Port Columbus

120 Tax Abated
Businesses

At 5%

Gahanna has the highest start-up office concentration in *the Region* and one of the higher rates in *the Midwest*

Gahanna income tax rate of

1.5%

is the lowest among nearly all Central Ohio communities

3.8%

unemployment rate from 2010-2013 is still one of the

top 50

lowest

in Ohio

The Columbus Region contains

24 Entrepreneurial Centers

& 15 Research Institutions

Named in 2014 as one of the

**5 BEST
Hometowns**

in Ohio by Ohio Magazine

Gahanna's median household income of

\$72,474

ranks competitively against comparable-sized communities in the Region and the US

46%
increase
in general
service
occupations

20.8%
decrease in
management,
sales & office
occupations

Gahanna's average revenue per business of

\$822k

ranks below the Ohio median of \$1.04m

Gahanna ranks in the

top 50

in Ohio in number of businesses per

100

people

OVERVIEW

Economic Development is a relative practice. It aims to achieve desired outcomes through many disciplines often emphasized, more or less, by a specific community's standard of living, its quality of life goals and a culmination of needs represented by area's residents, government and business community. It was important in determining tactics specific to Gahanna, that our team made informed recommendations driven by the market, incentive opportunities, stakeholder input and data. As such, we categorized recommendations into a handful of categorized tactics within the following overarching categories:

GRAB

The popular strategies in creating a value proposition to the private sector in Economic Development more commonly known as business attraction, retention and expansion will be referred to in this plan collectively as GRAB (Grow, Retain, Attract and Build). Because economic development has evolved into many different facets with a varied universe of constituents, this distinction allows us to take a holistic approach to attraction and retention, while separately and intimately addressing emerging categories such as workforce development and global investment.

In order to optimize the available capacity Gahanna has at its sites, it needs to aggressively recruit businesses that fit its desired uses while positioning itself strategically for windfall opportunities.

Often times, when making a site selection decision, a company will try to research as much as it can before

picking up the phone to call an economic development organization. Being able to have up-to-date site listing with detailed specifications, amenities and potential incentives, accommodates the initial desires of a site selector. With growth around Central Ohio imminent, Gahanna can gain a competitive advantage, or at least competitive equality, be setting an expectation for prospective companies in the form of both value and certainty, of what locating in Gahanna means.

Gahanna will concentrate its attraction efforts on the following objectives:

- Create an attraction strategy driven by information, expected value and certainty
- Include the schools in its attraction strategy
- Aggressively market its signature sites and development concepts

While attraction and growth projects grab headlines and create buzz, the real foundation of a sustainable economic development strategy falls within the category of business retention and expansion, often referred to as BRE. There are many elements involved in deploying a BRE strategy, and the emphasis can vary drastically depending on a communities existing assets, geography and proximity to key markets. In any event, the key goals of any BRE program, put simply, is to retain the existing economic base and create the easiest pathway for its growth. In order to achieve these goals, the analysis should generally be dictated by:

INTERNAL ENVIRONMENT

- What is enabling and inhibiting growth within the Gahanna business community?
- What could enable or inhibit growth within the Gahanna business community?

EXTERNAL ENVIRONMENT

- Are political factors such as elections, government or industry-specific regulations, tax policies, etc. that are effecting the business operating environment?
- Do economic trends, such as macro-related growth & trends, consumer activity and industry conditions create opportunities or threats to our base?
- Are sociocultural trends such as demographics, values and lifestyles of consumers and residents affecting customer and resident decisions?
- Have technology advancements, new means of communication, the speed of information and media altered business models and agility of our existing businesses and consumers?

In accomplishing our BRE strategy, our team went through a series of practices in generating our BRE recommendations. The first and most important, was engaging with internal Stakeholders. Internal stakeholders are the customers or consumers of this strategy and it is important to understand their needs, their behaviors and most importantly, what is enabling and or inhibiting their ability to grow. Secondly, we use data analyzed in our existing conditions exercise to understand the external environment affecting Gahanna and the business community.

The results of this exercise helped is dictate some key objectives:

- Gahanna needs to create peer business groups on issue-specific matters, such as workforce development and the general business environment
- Gahanna needs to combat the aggressive decrease in professional & business services jobs
- Gahanna should be keeping an open dialogue with business owners in expiring tax-abated properties and undertake a compromise
- Gahanna should enhance its workforce
- Gahanna should involve its school system economic development matters

ENTREPRENEURSHIP

It's important that while focusing efforts on attraction and growth, Gahanna simultaneously allow for space to harvest its own assets in the form of entrepreneurship and innovation. Data derived from our market report, existing conditions study and current CIC strategies suggest that Gahanna has the willingness and ability to create an entrepreneurial culture.

Gahanna's entrepreneurship strategy should revolve around three themes:

- Creating linkages to the Columbus Region's existing entrepreneurial network
- Piloting out its own business incubation or acceleration concept and
- Encouraging innovative activities within its existing companies

WORKFORCE DEVELOPMENT

Closing skills gaps, the cultivation of top talent and the development of workforce is not something that is solely solved at the local level. While it requires an intimate knowledge of workforce development needs of local employers, demographics and resources at the local level, collaboration is key. Collaborating the public and private sector locally, collaborating resources and programs regionally and understanding trends allows for an informed solution to a variety of workforce issues. Our team's recommendations resulted from a combination of stakeholder interviews, demographic and economic data, benchmarking and an inventory of workforce development assets.

MARKETING

It is paramount that Gahanna spend considerable time defining the sense of place it provides for its customers. Feedback from our stakeholders, both internally and externally, suggests that Gahanna could further enhance its image and brand. Marketing will be a significant element in all of the above-mentioned categories as Gahanna position itself strategically to its targets by defining, promoting and pricing the desirable attributes of its "product."

GLOBAL INVESTMENT

Robust technological advancements and competition has created a more agile business community. As the United States challenges its major metropolitan areas to utilize its assets such as its people, producers, financial experts, and sources of innovation to be more competitive in the global market place, it is important that Gahanna utilize opportunities created by Central Ohio's aggressive growth projections to create a foreign direct investment strategy.

INFRASTRUCTURE

Within each specific effort and strategy discussed above, Economic Development contains one constant: the operating environment. As such, it is more important than ever that the civic infrastructure of a community is not overlooked. Without an environment that allows businesses to operate efficiently, public organizations & governments to carry out initiatives and taxpayers to provide input, Economic Development tactics are difficult to achieve. The City must use strategies such as property tax redirection, strategic deployment of broadband assets

and a consistent prioritization of key roadway & parks projects to both enhance the operating environment for existing businesses, the quality of life for its residents and create shovel-ready sites to attract new employers.

INCENTIVES

An incentive is something that is geared to change behavior. In order to achieve the above-mentioned strategies, Gahanna must use a detailed and methodical strategy to enhance the appeal of its key sites, foster innovation, train its human capital, improve its infrastructure and retain its existing businesses. As part of this strategy, Gahanna will ensure its incentive policies and procedures yield, not only positive returns, but adequate returns that allow it to take calculated risks. Not only will Gahanna's strategy include enhancing its own toolbox, but utilizing other State, Local and Federal resources that spread the risk of its investments.

This section will conclude with an incentives strategy that dictates the methodology of how Gahanna will utilize its toolbox for numerous activities, and the appendix will include a detailed economic incentives matrix that allow the City to understand how other sources compliment its toolbox by each development type and specific development activities.

TACTICS

GENERAL

1. Formally adopt financial incentive policies that capture the expected return on investment and ensure a consistent and quick approval process for targeted industries and Priority Development Areas.
2. Collect an annual administration fee from all Tax Increment Financing Districts in order to offset the annual cost of reviewing and auditing TIF parcel payments.
3. Investigate the capacity to service a potential City-administered Economic Development Loan Program that can incent façade improvements, machinery & Equipment purchases and Working Capital.
4. Evaluate the need to leverage local financial institutions to provide targeted assistance to small businesses and entrepreneurs.
5. Develop an Economic Development Fund that is annually appropriated to ensure it is sustainable.
6. Identify economic development stakeholders and partner with them to implement this plan.
7. Establish and fund a property acquisition strategy with the assistance of real estate professionals that is targeted toward developing Priority Development Areas.
8. Partner with all commercial property owners and property management groups to ensure their properties are accurately listed on site-selection databases.

9. Increase involvement and exposure within regional groups such as Mid-Ohio Development Exchange, Mid-Ohio Regional Planning Commission, International Economic Development Council, Ohio Economic Development Association, Columbus2020, American Planning Association, National Association of Industrial Office Properties, the Jet Taskforce and Urban Land Institute.
10. Encourage annexation of commercial properties along Taylor Road, Tech Center Drive, Agler Road and Johnstown Road.
11. Create issue specific round-tables, including but not limited to a CEO Round-table, Entrepreneurship & Innovation Round-table, and Talent Round-table. These should be facilitated by the City or the facilitation should be outsourced to an experienced business coach.
 - 11.1. CEO Round-table should address high level company initiatives, industry trends and city policies that effect the economic climate of the community.
 - 11.2. Entrepreneurship & Innovation Round-table should manage the entrepreneurial, start-up and innovation assets of the City and to create opportunities to enhance an entrepreneurial environment in the community.
 - 11.3. Talent Round-table should consist of public, private and educational organizations to assist employers in understanding sources for workforce availability and in identifying solutions to existing workforce challenges.
12. Issue an RFP to develop City Properties along Tech Center Drive and in Olde Gahanna based upon the target industries and market assessment provided in this plan.
13. Modify the School Compensation Agreement to increase the competitiveness of Gahanna in the Priority Development Areas.
14. Continue efforts to streamline the process of permitting, planning, zoning and signage approvals.
15. Require all residential annexation projects to pay an additional assessment in order to generate help that can offset any costs incurred by the City in serving the new residents.
16. Update City Code to align with the recommendations outlined in the Target Sites and PDA's within the Development Opportunities Section.

GRAB

17. Create strategies that align with regional plans, including insight2050, Columbus Global Connect, the Jet Taskforce and the Columbus 2020 Comprehensive Economic Development Strategy.
18. Gahanna should prioritize its retention visitation program to businesses in expiring tax abatement areas, those along the City's fiber-optic network, and those located within Priority Development Areas (see chapter 6).
19. Establish strategies for the targeted industries/ occupations. These strategies should include, but not be limited the following: contracting with industry experts to understand industry dynamics and identify retention, attraction and relocation opportunities; identify target companies and their

- individual decision makers; identify and become members in relevant trade associations; and create marketing materials.
- 20. Conduct a Community Assessment Survey every two years to gauge strengths and weaknesses, changes in the community and local economy, and provide a baseline against which to measure economic growth.
- 21. Continue to host events that recognize the success of Gahanna's key business and contributors.

ENTREPRENEURSHIP

- 22. Gahanna should evaluate the viability of using facilities such as Clark Hall for potential talent and entrepreneurship programs.
- 23. Incorporate Columbus Academy and Gahanna Jefferson Schools representatives in all entrepreneurship initiatives.
- 24. Initiate relationship building activities with local, regional and national venture capital firms, angel investors and other entrepreneurial financial assistance organizations. Leverage these relationships and resources to benefit Gahanna businesses.
- 25. Create an online catalogue of the Region's Research and Innovation Networks including but not limited to: The Ohio State University, Battelle, Chemical Abstracts Service, IBM Client Center Analytics Solution Lab, The Research Institute at Nationwide Children's, Online Computer Library Center, Inc., Rev1 Ventures, Ohio Supercomputer Center, SciTech, Ohio TechAngels, Ohio Third Frontier, BioOhio, Edison Welding Institute, PolymerOhio and the Transportation Research Center Inc.
- 26. Create an online catalogue of the Region's Entrepreneur Centers including but not limited to:
 - 26.1. General Start-up/Business/Office: The 44 Center (Delaware), Bellefontaine Entrepreneurial Centre (Bellefontaine), Conway Center for Family Business, E.V. Bishoff Co., Founders Factory (Columbus), INC@8000 (New Albany), Marysville Entrepreneurial Center (Marysville), Ohio SBDC Center at Columbus State Community College (Columbus), Qwirk Coworking & Collaboration (Columbus), Rev1 Ventures (Columbus), Southern Gateway Economic Innovation Development Center (Circleville),
 - 26.2. Art and Design-based Ventures: CCAD MindMarket (Columbus)
 - 26.3. Industrial (Workshop, Metal, 3D Printing, Laser and Fine Art): Columbus Idea Foundry (Franklinton)
 - 26.4. Technology Development – Dublin Entrepreneurial Center (Dublin), Ohio State University Technology Commercialization Office (Columbus)
 - 26.5. Microenterprise Expansion – Economic and Community Development Institute
 - 26.6. Aerospace – The Horton Building (Heath)
 - 26.7. Women-owned Business – Women's Small Business Accelerator (Westerville)
 - 26.8. Creative – Wonderland (Franklinton)
- 27. Include in the Community Assessment Survey (GRAB Tactic #19) a survey of existing Gahanna companies to identify and cultivate potential start-up opportunities. Target Gahanna headquartered

operations, goods producers, research and development operations and creative services. This may involve requesting or researching patent information from existing companies.

28. Utilize Entrepreneurial Centers such as 181 Granville Street and C-Suites to create, staff and market a formalized Office Hours concept to provide business services and resources to small businesses looking to expand.

WORKFORCE DEVELOPMENT

29. Promote regional workforce development structures to Gahanna's available workforce and businesses, by utilizing the Columbus2020's career and technical school matrix. This will provide training opportunities for both high school students and adults by industry.
30. Promote an existing menu of programs including Central Ohio Workforce Investment Corporation (COWIC), Halcyon IT and the ODJFS Veterans Program, Ohio Career Exploration Internship Program, Roads2Work, and Volunteers of America.
31. Collaborate with Columbus Academy and Gahanna Jefferson Schools in linking High School internship programs with existing and potential new employers.
32. Emphasize workforce development efforts on filling the needs of an aging workforce in Gahanna's highest concentrated industries.
33. Address the technical skills gap by leveraging the Columbus Region's Career and Technical School opportunities to enhance technical skills for both high school students and adults.

MARKETING

34. Establish a multi-year marketing program to handle all or a portion of the following:
 - 34.1. Brand platform and identity enhancement
 - 34.2. Public relations management
 - 34.3. Message hierarchy structure
 - 34.4. Target industry strategies
 - 34.5. Regional Competitiveness
 - 34.6. Newsletter development
 - 34.7. Social media strategies
 - 34.8. Collaboration with other community organizations
35. Establish specific marketing strategies for targeted industries, Priority Development Areas, Developers, Site Selectors, C-Level Executives and professional service firms including those involved in accounting, architecture, finance, real estate, and taxation.
36. Work with the Convention & Visitors Bureau to create a tourism marketing piece for residents and businesses that features information such as local realtors, schools, parks/ attractions, shopping/ amenities and other unique Gahanna quality of life assets.
37. Leverage the Columbus 2020 brand in National and International Markets.
38. Create a continuous flow of information through utilization of the website and social media to keep businesses updated on City initiatives.

GLOBAL INVESTMENT

39. Participate in Columbus Global Connect to identify Gahanna companies that currently export or are highly likely to export goods and services.
40. Encourage Gahanna businesses to participate in the Ohio Export Internship Program.
41. Work with Gahanna businesses to connect them with foreign buyers, those distributing products internationally, export service providers and those with foreign parent/subsidiary companies to induce export activity.
42. Evaluate establishing a Sister City program with localities within those countries targeted by Columbus2020 and Jobs Ohio.
43. Participate in federal, state and local trade shows on exporting and foreign direct investment.
44. Increase participation in Columbus 2020's international outreach efforts.

INFRASTRUCTURE

45. Leverage Tax Increment Financing and other streams to obtain capital for strategic infrastructure investments within Priority Development Area.
46. Create and fund a Beautification Plan to install public landscaping and signage along City Gateways and Commercial Districts.
47. Leverage the municipal fiber network to provide specific technology solutions to Gahanna businesses through GahannaNet.
48. Proactively connect fiber optic infrastructure to existing buildings and require all new buildings to be able to connect to the municipal fiber network.

49. Implement a multi-jurisdictional broadband strategy that enhances the competitiveness of Gahanna and the Central Ohio Region.
50. Identify new revenue generating strategies that leverage the existing municipal fiber network.
51. Support infrastructure investments that create redundancy and increased capacity of Gahanna's municipal fiber network.
52. Gahanna should annually review and update the priority list of key infrastructure projects within Priority Development Areas:
 - 52.1. Stygler-Agler Road Improvements.
 - 52.2. Buckles Tract North Infrastructure Improvements.
 - 52.3. Fiber-optic Extension within Priority Development Areas.
 - 52.4. Hamilton Road Power Line Burial.
 - 52.5. Hamilton Road-270 Bridge Enhancement.
 - 52.6. Morse Road Columbus Project – Hamilton Road to Trellis Lane.
 - 52.7. Office, Commerce & Technology Signage & Gateways.
 - 52.8. Paving Bricklawn & Leavitt.
 - 52.9. Shull Avenue Extension from Granville Road to Friendship Park.
 - 52.10. Tech Center Drive Extension.
 - 52.11. West Johnstown Road Improvements.

INCENTIVES STRATEGY

POLICY PARAMETERS

The City of Gahanna needs to employ a strategy that gives it overall bottom-line control, while maintaining flexibility with its incentives toolbox. Throughout this document, incentives are addressed with the overriding objectives of attracting & retaining business, enhancing overall civic infrastructure and advancing the development of its Priority Development Areas (PDAs). While it is important that the entire City of Gahanna benefits from the recommendations of this plan, it is our estimation that the development of Gahanna's PDAs will create vast indirect and induced benefits from the community. As such, incentives eligibility and amounts should be enhanced in PDAs to advance such developments.

Gahanna should classify its economic incentives strategy into three overarching categories:

- Community Improvement Corporation (CIC)
- New Community Authorities
- GRAB (Grow, Retain, Attract & Build)

Gahanna should consistently evaluate external incentive programs offered from the following sources

- Federal, State, Local, County, Regional, Private

The incentives strategy should be guided by the following findings and overarching themes

- Gahanna is diverse, and fairly built-out. Flexibility is key. Ideally, the City will implement tools that are flexible, and can be deployed efficiently with minimal risk to both the City and private sector

- Economic incentives should be aggressively marketed and easy to research by businesses
- Increase economic competitiveness by partnering with Gahanna Jefferson School District to modify the existing Revenue Sharing Agreement
 - » Outcomes for both City and School District should be positive in the long run

COMMUNITY IMPROVEMENT CORPORATION

What is the strategy and how does it work?

A CIC is a non-for-profit entity created in accordance with Ohio Revised Code 1724 for industrial, commercial and civic development in a designated area. CICs are often created to provide flexible powers to facilitate development activities hold and manage assets and assist governments in economic development and housing initiatives.

How does it complement existing efforts?

Gahanna has a CIC designated as an agency of the City for industrial, economic, civic, commercial, distribution and research development in the City of Gahanna. It has a number of powers, including reclaiming, rehabbing, reutilizing real property, promote economic development, serve as an agent for grant applications, borrow and lend money, issue bonds, transact for real & personal property, acquire assets, and assume debt among others. In order to use this flexible development asset to advance its Priority Development Areas, Gahanna must create additional and sustainable revenue sources for its CIC.

RECOMMENDATION

- Increase of CIC revenue sources to include the following: municipal investments, municipal real estate redevelopment through land bank activities, financial partnerships with local banks, County-specific sales tax opportunities, environmental cost recovery and other non-tax revenues.

NEW COMMUNITY AUTHORITY

What is the strategy and how does it work?

New community authorities (NCAs) are special units of government that have been authorized under the Ohio Revised Code. NCAs are formed by private entities, in cooperation with public bodies, to assist in the development of planned communities of all sizes. They are analogous to special districts authorized under laws of many other States (e.g. Colorado, Kansas, Virginia). NCAs have the authority to acquire and dispose property, enter into land development and facility construction agreements with developers & governments, levy community development charges and issue bonds. An NCA may also issue bonds to fund development projects secured by community development charges and other revenues of the NCA, including, for example, TIF revenue. In any such financing, the NCA, and not the political subdivision, bears the responsibility of repaying the bonds.

How does it complement existing efforts?

The Economic Development tactics and the Development Opportunities recommended in this document call for both a volume and variety of development activities that may not be entirely covered by TIF and/or other tools

and may place a burden on the City's resources. Without acreage or contiguity requirements, and the ability to provide a larger variety of special assessments, this tool gives Gahanna increased geographic and financial flexibility in its development efforts, and the possibility of accessing the capital markets for projects without affecting the City's credit. Recent changes to the provisions of law governing NCA's were incorporated in House Bill 64; these will become effective in September 2015; these changes promise to make NCAs a valuable tool for the City and its private partners going forward.

RECOMMENDATIONS

- Consider establishing one or more "Development Authorities" for each Priority Development Area. City-owned or controlled properties should be included in the property mix within the Development Authority
- Each Development Authority would be charged with implementing the development plan for each priority development area.
- Consider using the "Hilliard Model" rather than the "New Albany Model" where a series of authorities are established for each development initiative rather than a large, singular NCA.
- Development charges should be used at the discretion of the site developer or City to fund:
 - » Public Infrastructure
 - » Community Facilities (i.e. convention center, hotel, city-owned incubator)

- » With law amendment, more flexible uses can be classified under this.
- » Administrative costs
- » Property acquisition
- » Can be used in conjunction with tax abatements to provide revenue for projects that would not be financeable with TIF revenues during the abatement period.

GRAB INCENTIVES

Gahanna should look to modify its existing toolbox to ensure it has incentives that fund a variety of development activities it aims to encourage. It is our recommendation in order to accomplish this, Gahanna modifies or adds the following incentives to its toolbox:

BANK PARTNERSHIP PROGRAM

What is the strategy and how does it work?

Private-public match programs can give banks a flexible, transparent tool to expand business lending. By using a small amount of non-private resources to generate a large amount of private bank financing, the program can give a City an additional tool in offering businesses access to bank financing that align with the City's economic development initiatives.

How does it complement existing efforts?

With potential office absorption of over 700,000 square feet and Industrial absorption over 1 million square feet expected over the next 10 years, it is important that the City help ensure that competitive loan programs are available to help in securing future City revenues.

RECOMMENDATIONS

- Evaluate staff capacity and feasibility to service a potential Bank Partnership Program
- Leverage Federal Community Reinvestment Act spend-requirements to create an economic development grant or loan in partnership with a bank.
 - » Utilize local financial institutions first
 - » Consider debt for longer-term investments
- Become a facilitator and co-marketer of bank-administered SB504 loans with local institutions

MUNICIPAL JOBS GROWTH INCENTIVE

What is the strategy and how does it work?

The Municipal Income Tax Credit (MITC) is awarded in the form of a percentage of municipal income tax revenue generated from new employees, traditionally for non-retail job-creation projects. It is typically offered by municipalities in Ohio in the form of an income tax reduction or grant based on the value of income tax generation.

How does it complement existing efforts?

Payroll-based incentives provide more value to higher-wage jobs and can be used to help in the attraction efforts of signature office and class A & B office operations. In addition, as a lower-risk incentive (the job must be created until the incentive is awarded), the City can offer this in a more aggressive manner than other incentives.

RECOMMENDATIONS

- Modify Gahanna’s existing program to enhance eligibility in specific geographic areas such as PDAs and/or specific industry and occupational targets. In addition, modifying the incentive to allow for value-competitiveness with neighboring Cities (i.e. higher tax credit rate or term) that have higher tax rates is encouraged.
 - » i.e. Large Employer Office Incentive (utilized by the City of Columbus)

COMMUNITY REINVESTMENT AREA (TAX ABATEMENT)

What is the strategy and how does it work?

The Community Reinvestment Area (CRA) program allows property owners to receive tax incentives for investing in real property improvements. Property owners within a CRA receive a tax exemption for renovating existing buildings, or constructing new buildings

How does it complement existing efforts?

Property tax abatements will serve as a key component in enticing developers to undertake projects in Gahanna PDAs

RECOMMENDATIONS

- Continue to utilize existing strategies in offering property tax abatements for priority projects.

TAX INCREMENT FINANCING

What is the strategy and how does it work?

Tax Increment Financing (TIF) allows local governments

to redirect property tax revenue growth on one or more parcels to support “public infrastructure improvements”. Up to 100 percent of the property tax growth (increment) may be redirected for as long as 30 years. Bonds may be sold on the basis of expected TIF payments supporting a project.

How does it complement existing efforts?

TIF will serve as the primary tool in funding infrastructure improvements that support private development for the PDAs outlined in the development opportunities section of this document, including the priority infrastructure projects the City currently has planned.

RECOMMENDATIONS

- Renegotiate School Compensation Agreements to allow for enhanced TIF values to the development.
- Establish Urban Redevelopment TIFs on City owned properties to allow for additional incentive capacity.
- Continue to create both Parcel and Residential Incentive District TIFs to capture additional revenue for future infrastructure improvements

GAHANNANET FIBER PROGRAM

What is the strategy and how does it work?

GahannaNet is designed to dramatically reduce the connection cost businesses pay to get internet and technology services. GahannaNet also provides companies with a lower installation cost. When businesses connect to GahannaNet they have significantly greater access to internet services at a reduced cost, allowing them to invest their capital in more profit-generating activities.

How does it complement existing efforts?

One of many initiatives in the Infrastructure-specific economic development tactics in this document is to leverage the municipal fiber network to provide specific technology solutions to Gahanna businesses through GahannaNet and to create a multi-jurisdictional broadband strategy to enhance Gahanna's competitiveness.

RECOMMENDATIONS

- Leverage the multi-jurisdictional broadband strategy to generate additional revenue streams for the CIC's efforts to assist with economic development
- Look to monetize and expand fiber optics outside the Gahanna market

ECONOMIC DEVELOPMENT LOAN FUND

What is the strategy and how does it work?

An Economic Development Loan provides businesses with financial assistance to support the retention and creation of jobs for residents. The fund can provide long term, fixed-rate financing at interest rates lower than conventional financing.

How does it complement existing efforts?

With numerous recommendations for class A & B office in the PDA analysis, the City may have flexibility and less dependence on third party programs to incent small business development initiatives.

RECOMMENDATIONS

- Evaluate staff capacity and feasibility to service a potential Economic Development Loan Fund

- Create a loan program geared toward small business expansion or equipment purchases & working capital
- Consider creating a targeted loan to a specific use, such as façade improvements or downtown-scape improvements

RECOMMENDED EXTERNAL INCENTIVES TO CONSIDER

NEW MARKETS TAX CREDITS

(BUCKLES TRACT)

The New Markets Tax Credit Program (NMTC Program) was established by Congress in 2000 to spur new or increased investments into operating businesses and real estate projects located in low-income communities. The NMTC Program attracts investment capital to low-income communities by permitting individual and corporate investors to receive a tax credit against their Federal income tax return in exchange for making equity investments in specialized financial institutions called Community Development Entities (CDEs)

How it complements existing efforts: A large portion of vacant land within the Southwest PDA is classified as severely distressed due to its proximity to the Columbus Airport, allowing for enhanced NMTC eligibility. In addition, Ohio-based CDEs such as Ohio Community Development Finance Fund (Columbus) and RBC Community Development (New Albany) have received NMTC allocation to award competitive projects in geographic areas including Gahanna. Connecting with these groups and coordinating a NMTC transaction team should be a priority for this area.

STATE ECONOMIC & COMMUNITY DEVELOPMENT INCENTIVES THROUGH JOBSOHIO/DSA

The State of Ohio possesses a progressive toolbox for economic incentives through JobsOhio and Development Services Agency ranging from low interest loans, innovation funds, Community Development Block Grants to tax credits.

How it complements existing efforts: the State of Ohio has the ability to provide a higher dollar value of incentives for larger projects that are often offered in tandem with local incentives. Incentives are typically for mid-size to large employers (25 employees or more), innovation initiatives and larger community development or brownfield projects. Signature and class A & B office and industrial development recommendations outlined primarily in Southwest and Southeast Gahanna PDAs fit this profile.

EB-5

EB-5 capital is a unique alternative to traditional sources of funds. The EB-5 program was established in 1990 to encourage foreigners to invest in the United States and create American jobs in exchange for a U.S. green card.

How it complements existing efforts: Central Ohio EB-5 Regional Centers such as Mid-American Global Ventures have the ability to offer competitive financing for job creation projects that encompass those in the PDAs overviewed in this plan such as mixed-use, medical offices and laboratories, hotels, restaurants and retail, distributions and public buildings & infrastructure.

COMMUNITY LENDING/SBA PROGRAMS

The US Small Business Association offers a variety of loans that can finance major fixed assets such as equipment and real estate, small businesses expansion and disaster-replacement.

How it complements existing efforts: Offers an alternative lending source to the City's existing toolbox.

PORT AUTHORITY FINANCING (COLUMBUS FRANKLIN COUNTY FINANCE AUTHORITY)

Port Authorities in Ohio have the ability to sell tax-exempt and taxable bonds, offering fixed rate financing over terms longer than those available from conventional lenders. Those bonds may be backed by a variety of revenue streams including long term leases, loan repayments, TIF revenue and other revenue, such as parking fees.

How it complements existing efforts: Utilization of the a port authority allows for long-term, fixed-rate financing for larger projects, and offers the potential of a sales tax exemption on construction materials in certain deal structures.



DEVELOPMENT OPPORTUNITIES

OVERVIEW

In order to enhance Gahanna's future growth, a closer look was taken at potential sites for new development. This examination of Gahanna's existing land area, informed by projected population and economic growth, has led to the identification of several Priority Development Areas as well as Target Sites primed for new development opportunities.

PRIORITY DEVELOPMENT AREAS

The Priority Development Areas (PDAs) for the Plan were established through input from the project steering committee, city staff, public engagement, and stakeholder meetings. Numerous Development Areas were identified throughout the planning process, with the areas incorporated herein featured as those having the greatest potential as a catalyst for development. This process ended with the Development Areas seen on the map to the right.

- Areas that include existing development incentives such as CRAs and TIFs
- Areas that have the ability to significantly contribute to elevating the character, image, and brand of the community
- Areas that represent a high concentration of employment

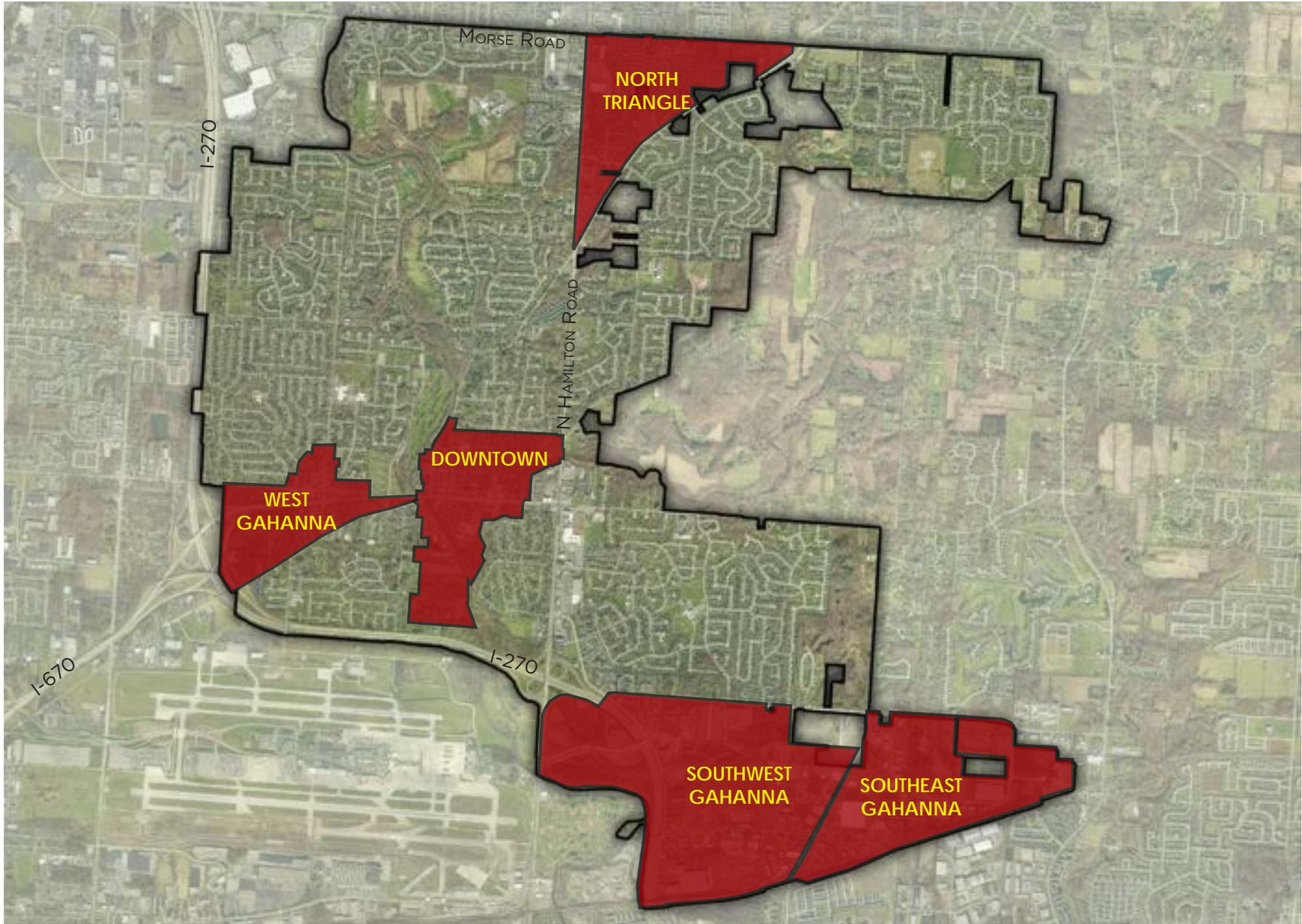
- Areas with considerable commercial and industrial redevelopment potential
- Areas that align with the accommodation of new development identified as an opportunity through the market analysis

TARGET SITES

Within each Priority Development Area, a number of individual sites were identified as ideal for redevelopment. A total of 12 target sites were identified across the 5 PDAs. These sites are unique and present an opportunity to accommodate growth and development in Gahanna. For each site, a vision development concept and economic incentive strategy was developed to serve as a tool to attract and guide development to these areas. The capacity of these sites in total can accommodate the following development potential:

- Industrial - 800,000 square feet
- Office - 767,000 square feet
- Lodging - 408 keys
- Conference Space - 25,000 square feet
- Residential - 720 units

PRIORITY DEVELOPMENT AREAS



“DEVELOPMENT OPPORTUNITIES SECTION GUIDE”

PDA

A PDA is comprised of potential development sites. For each site, to-date critical data is provided in addition to geographical location of sites within the PDA. Additionally, in each PDA overview section a table describing development capacities is provided for individual sites. This list is not a comprehensive list nor is it intended to dictate a development program for each site. Instead it provides an estimate of the site’s capacity for each use type to understand possible development scenarios. These estimates are calculated using general use development per acre rules which are listed in each table.

PDA # - GAHANNA AREA

| PDA Site Critical Data | | #A | #B | #C | #D |
|------------------------|--|------|-----|------|-----|
| Acres | | 34.0 | 9.4 | 65.4 | 6.9 |
| # of Parcels | | 49 | 29 | 54 | 2 |
| # of Owners | | 39 | 5 | 40 | 1 |

| Use | Development SF or Units/Acre | PDA Site Development Capacity | | | |
|--------------------------------------|------------------------------|-------------------------------|-------|-------|-------|
| | | #A | #B | #C | #D |
| Office Retail / Commercial | 10,000 SF | 0,000 | 0,000 | 0,000 | 0,000 |
| Large Format Retail | 10,000 SF | — | — | — | — |
| Office A / B | 10,000 SF | 0,000 | 0,000 | 0,000 | 0,000 |
| Signature Office | 10,000 SF | — | — | — | — |
| Office / Showroom | 9,000 SF | — | — | — | — |
| Flex Office | 10,000 SF | — | — | — | — |
| Industrial | 10,000 SF | — | — | — | — |
| Hotel Hotel | 40 RVU | 0,000 | 0,000 | 0,000 | 0,000 |
| Hotel Conference | 10,000 SF | — | — | — | — |
| Residential Med. Density Res. | 5 DU | 0,000 | 0,000 | 0,000 | 0,000 |
| Med-High Density Res. | 10 DU | 0,000 | 0,000 | 0,000 | 0,000 |
| High Density Res. | 14 DU | 0,000 | 0,000 | 0,000 | 0,000 |
| Townhomes | 8 DU | 0,000 | 0,000 | 0,000 | 0,000 |

Gahanna Economic Development Strategy

Development Opportunities

TARGET SITE

For each Target Site, a site overview is provided and development concept proposed. The development concept is expressed through text, character images, a site design and corresponding development program. The site plan and use mix is a recommended design for each site.

TARGET SITE

PDA # - DOWNTOWN

CONCEPT OVERVIEW

INFRASTRUCTURE IMPROVEMENTS

| TARGET SITE CAPACITY | | | | |
|----------------------|----------|--------------------|---------|-------|
| Code | Use | Building Footprint | Stories | Units |
| A | Use Type | 0,000 | 0 | ## |
| B | Use Type | 0,000 | 0 | ## |
| C | Use Type | 0,000 | 0 | ## |
| D | Use Type | 0,000 | 0 | ## |

PROPOSED CHARACTER

Gahanna Economic Development Strategy

Development Opportunities

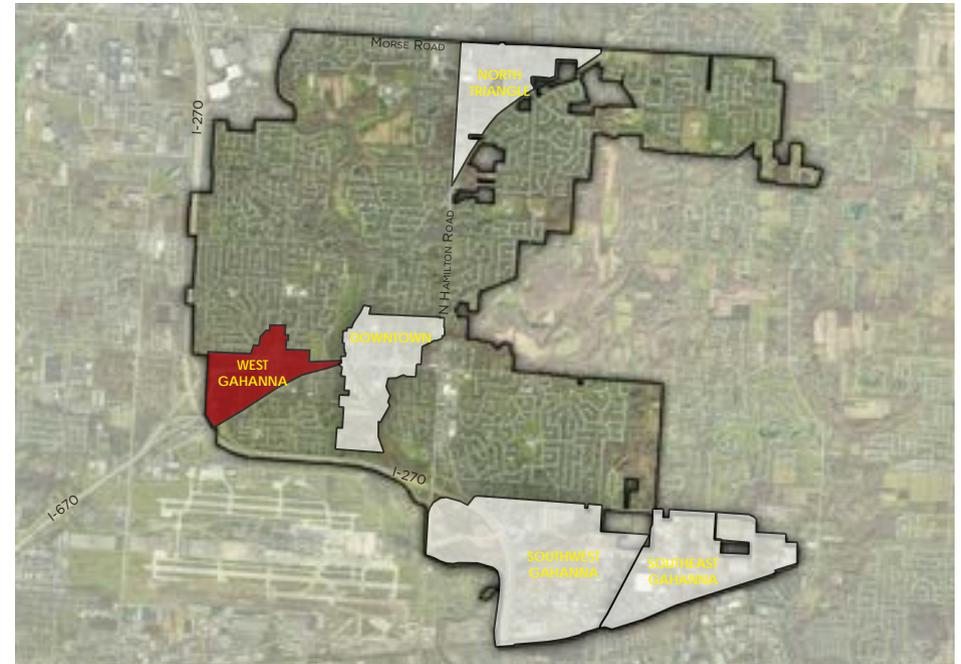
PDA #1 - WEST GAHANNA

PDA OVERVIEW

Located at the intersection of I-270, US-62, and I-670, West Gahanna PDA is a primary gateway into the City of Gahanna. The West Gahanna PDA contains a mix of uses, with buildings representing a wide range of age and quality. Many of the commercially zoned properties are not at their highest and best use, and have the potential for redevelopment within the coming years. In addition, the western edge of the PDA contains underdeveloped single-family residential land with high visibility from I-270. Historical development activity within the West Gahanna PDA was directed by the West Gahanna Land Use Plan that was created in 1997.

Future development within the West Gahanna PDA must support the residential community within the area, improve traffic circulation and provide sufficient open space and pedestrian connectivity. In addition, development within the West Gahanna PDA must support well designed gateway features to help promote a positive drive sequence for both visitors and residents.

A major challenge within the West Gahanna PDA is traffic congestion. More specifically, traffic at the US-62 / Stygler Road / Agler Road intersections is a limiting factor in attracting new development to the area. The Gahanna CIC, in a partnership with the private sector, completed a West Gahanna Transportation Study in order to identify opportunities to improve traffic circulation and create an opportunity for economic development. This study identifies potential roadway relocations, intersection modifications and new areas for economic development. The West Gahanna Transportation Study is one option that was given additional study in an effort to reduce traffic congestion and provide for economic development opportunities. The study is attached within the appendix of this report.



DEVELOPMENT INCENTIVES

| DEVELOPMENT / DEVELOPER | | | Retail, Comm., Service | Large Format Retail | Signature Office | Office A / B | Hotel | Conference Center | Flex Office / Industrial | Residential |
|-------------------------------------|----------------------------|------------------------|------------------------|---------------------|------------------|--------------|-------|-------------------|--------------------------|-------------|
| New Community Reinvestment Area | Gahanna | Tax Abatement | ■ | | ■ | ■ | ■ | | | ■ |
| New Tax Increment Financing | Gahanna | Tax Redirection | ■ | | ■ | ■ | ■ | | | ■ |
| New Community Authority | Gahanna | Tax Redirection / Bond | ■ | | ■ | ■ | ■ | | | ■ |
| TENANT | | | | | | | | | | |
| Jobs Growth Incentive | Gahanna | Tax Credit | | | ■ | | | | | |
| GahannaNet | Gahanna | Cost Reduction | ■ | | ■ | ■ | ■ | | | |
| Small Business Administration Loans | Gahanna | Loan | ■ | | | ■ | | | | |
| Micro-Enterprise Loan Program | Franklin County | Loan | | | | ■ | | | | |
| Franklin County Grow Fund | Franklin County | Loan | | | | ■ | | | | |
| Economic Development Grant | Ohio Finance Fund | Grant | | | | | | | | |
| Job Creation Tax Credit | Development Service Agency | Tax Credit | | | ■ | ■ | | | | |
| JobsOhio Grant | JobsOhio | Grant | | | | | | | | |
| JobsOhio Loan | JobsOhio | Loan | | | | | | | | |

PDA CAPACITY TABLES

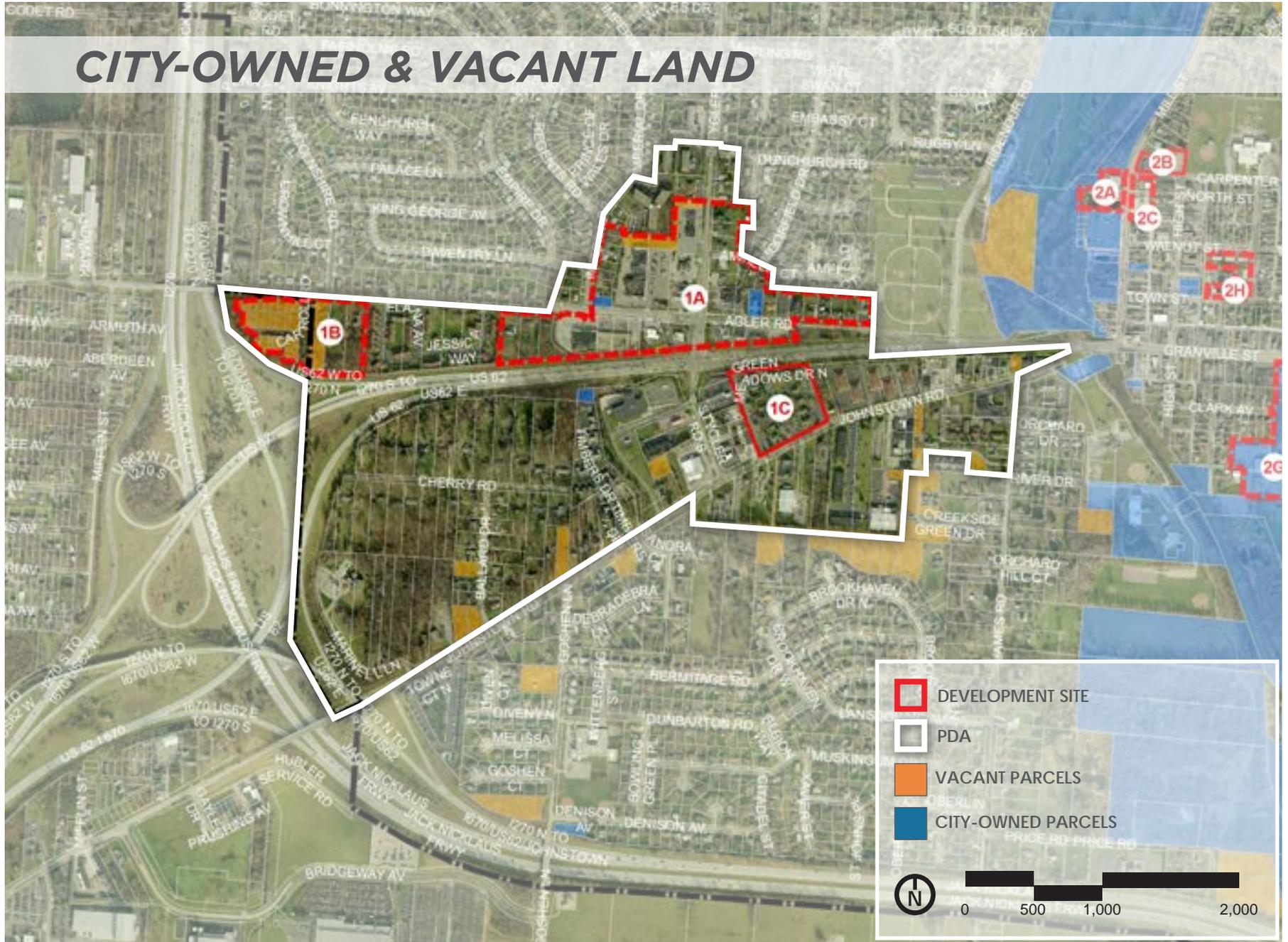
The development capacity table is not a specific recommendation for uses on a particular site. Instead it describes a site's capacity for each use using industry accepted standards included in this table. It is intended to be used as a reference in determining a general idea of site capacities for various development types.

| PDA Site Critical Data | 1A | 1B | 1C |
|------------------------|------|-----|-----|
| Acres | 34.0 | 9.4 | 6.9 |
| # of Parcels | 49 | 29 | 2 |
| # of Owners | 39 | 5 | 1 |

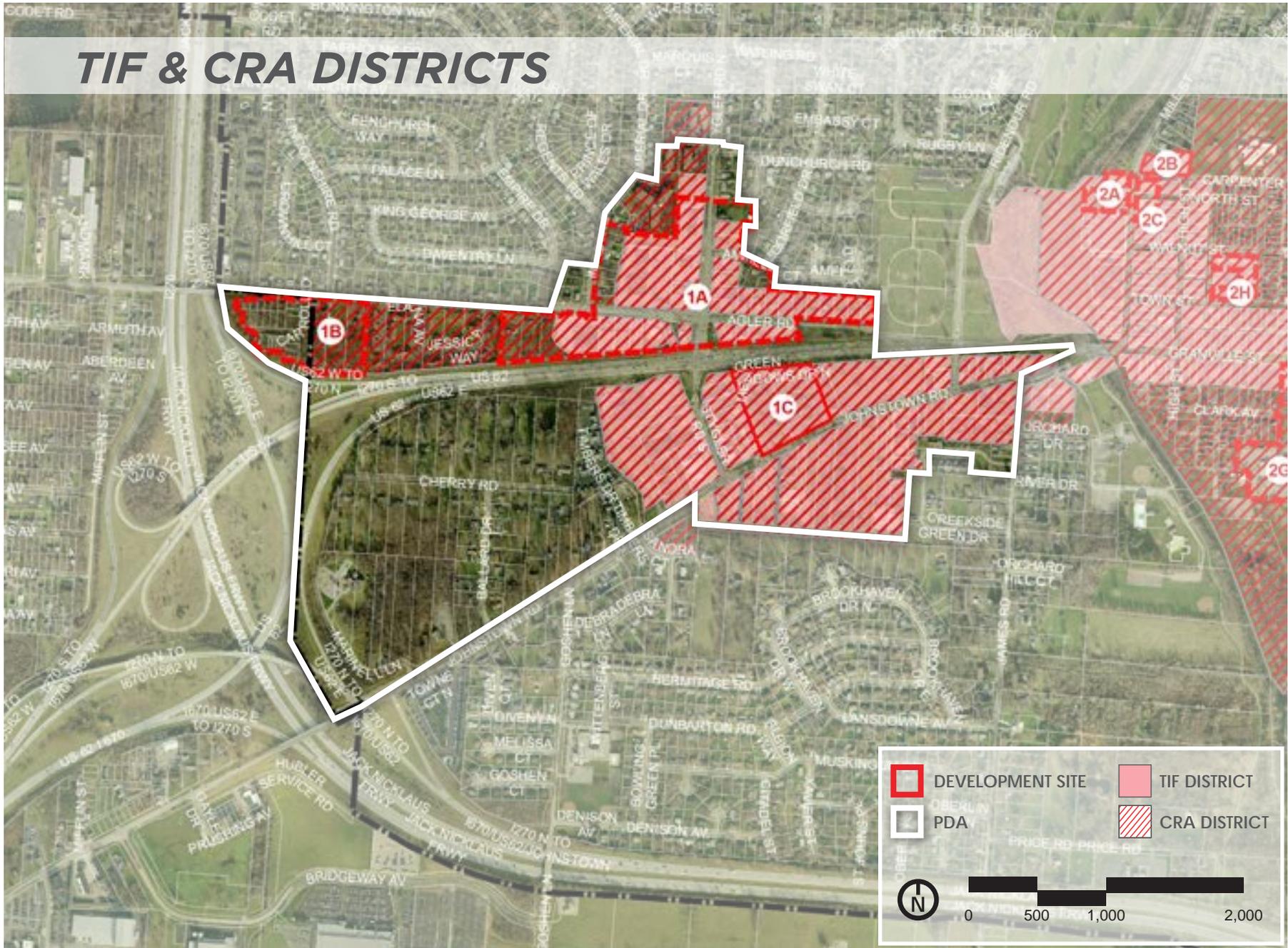
| Use | Development SF or Units/Acre | | PDA Site Development Capacity | | | |
|-------------|------------------------------|--------|-------------------------------|---------|---------|--------|
| | | | 1A | 1B | 1C | |
| Retail | Retail / Commercial | 10,000 | SF | 340,000 | 94,000 | 69,200 |
| | Large Format Retail | 10,000 | SF | -- | -- | -- |
| Office | Office A / B | 10,000 | SF | 340,000 | 94,000 | 69,200 |
| | Signature Office | 12,000 | SF | 408,800 | 112,800 | 83,040 |
| | Office / Showroom | 11,000 | SF | -- | -- | -- |
| Ind. | Flex Office | 12,000 | SF | -- | -- | -- |
| | Industrial | 15,000 | SF | -- | -- | -- |
| Hotel | Hotel | 40 | Keys | 1,360 | 376 | 277 |
| | Hotel Conference | 10,000 | SF | -- | -- | -- |
| Residential | Med. Density Res. | 6 | DU | 204 | 56 | 42 |
| | Med-High Density Res. | 10 | DU | 340 | 94 | 69 |
| | High Density Res. | 14 | DU | 476 | 132 | 97 |
| | Townhomes | 8 | DU | 272 | 75 | 55 |

-- Indicates use is not appropriate for a particular site

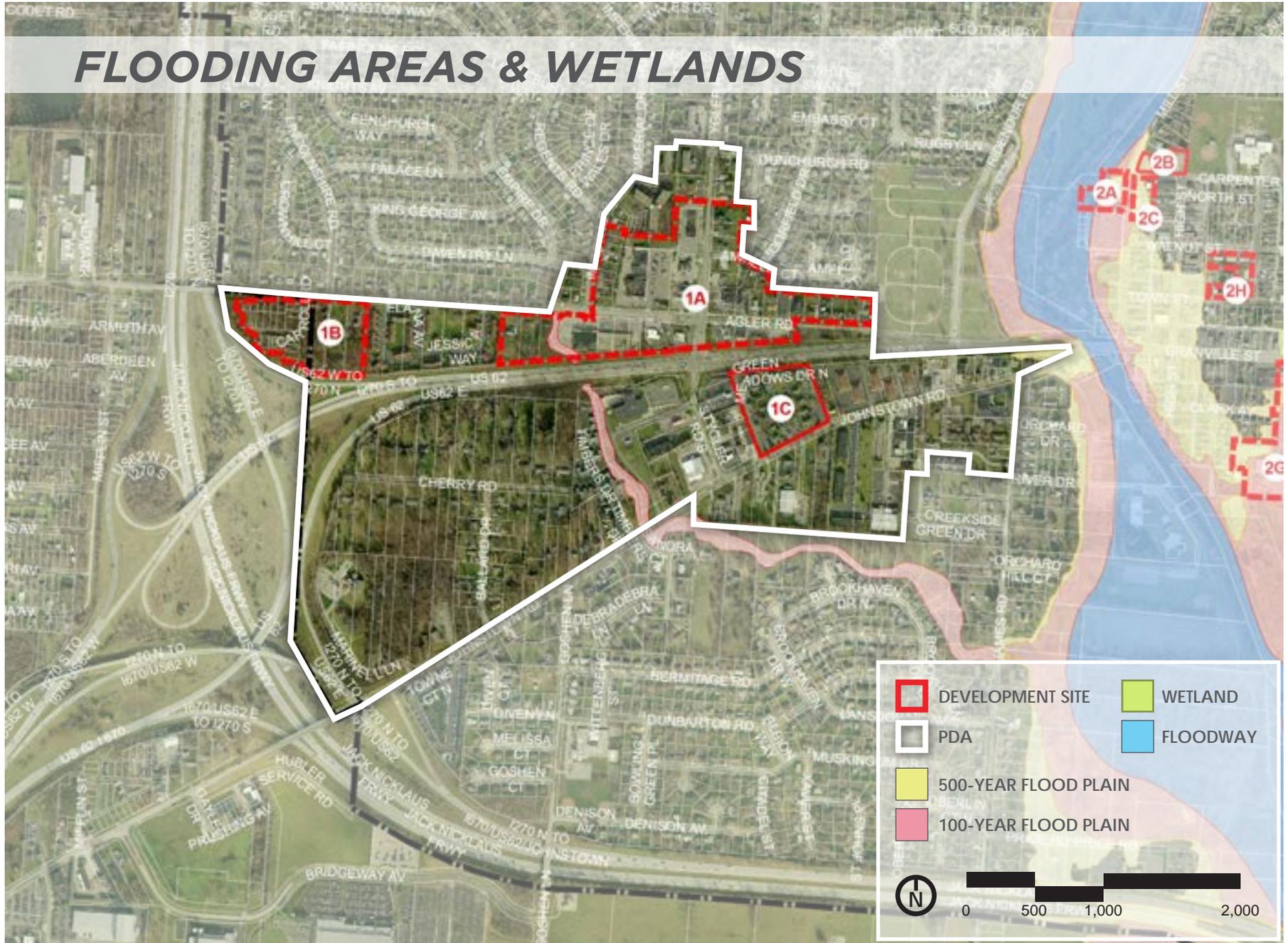
CITY-OWNED & VACANT LAND



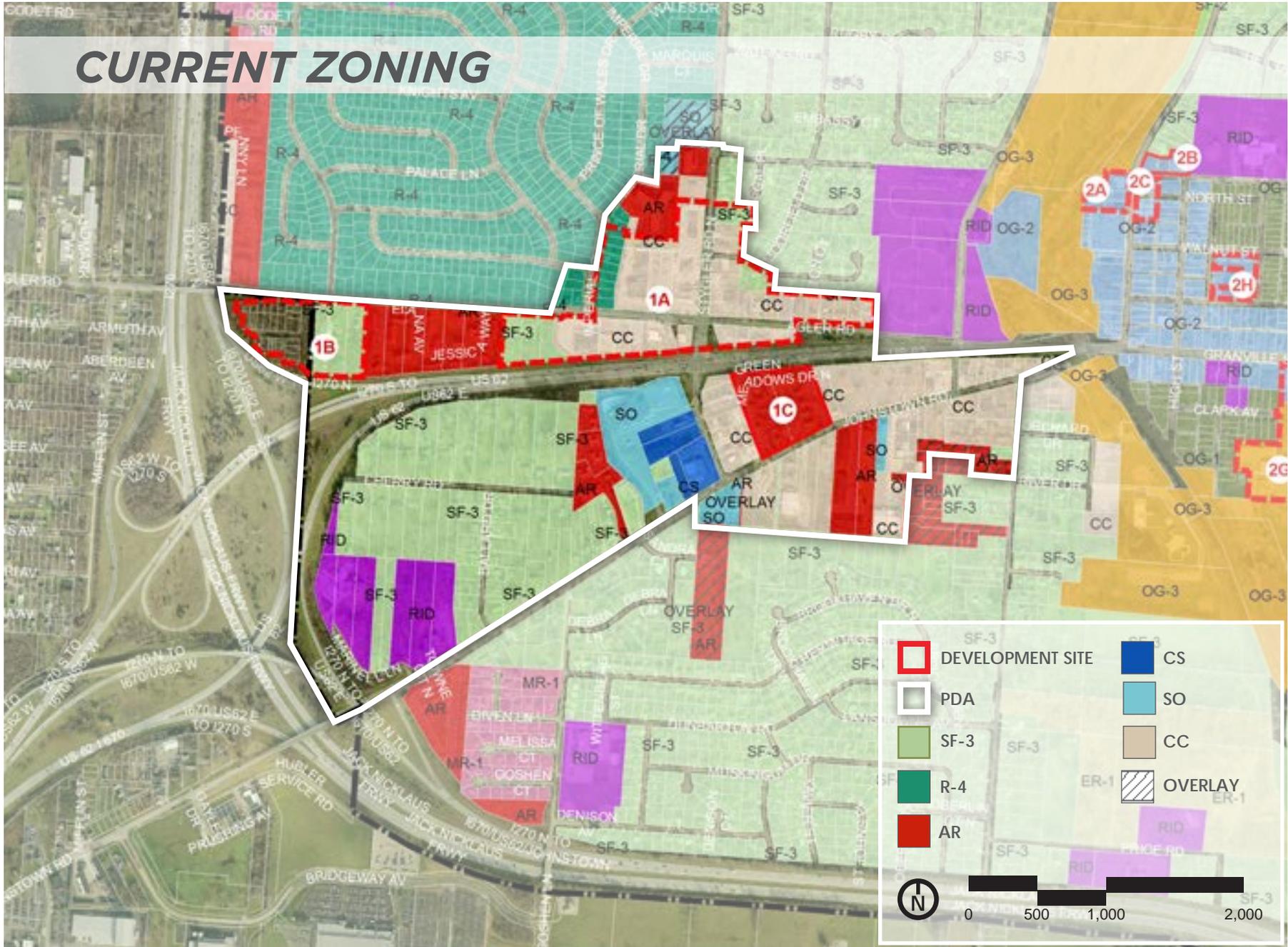
TIF & CRA DISTRICTS



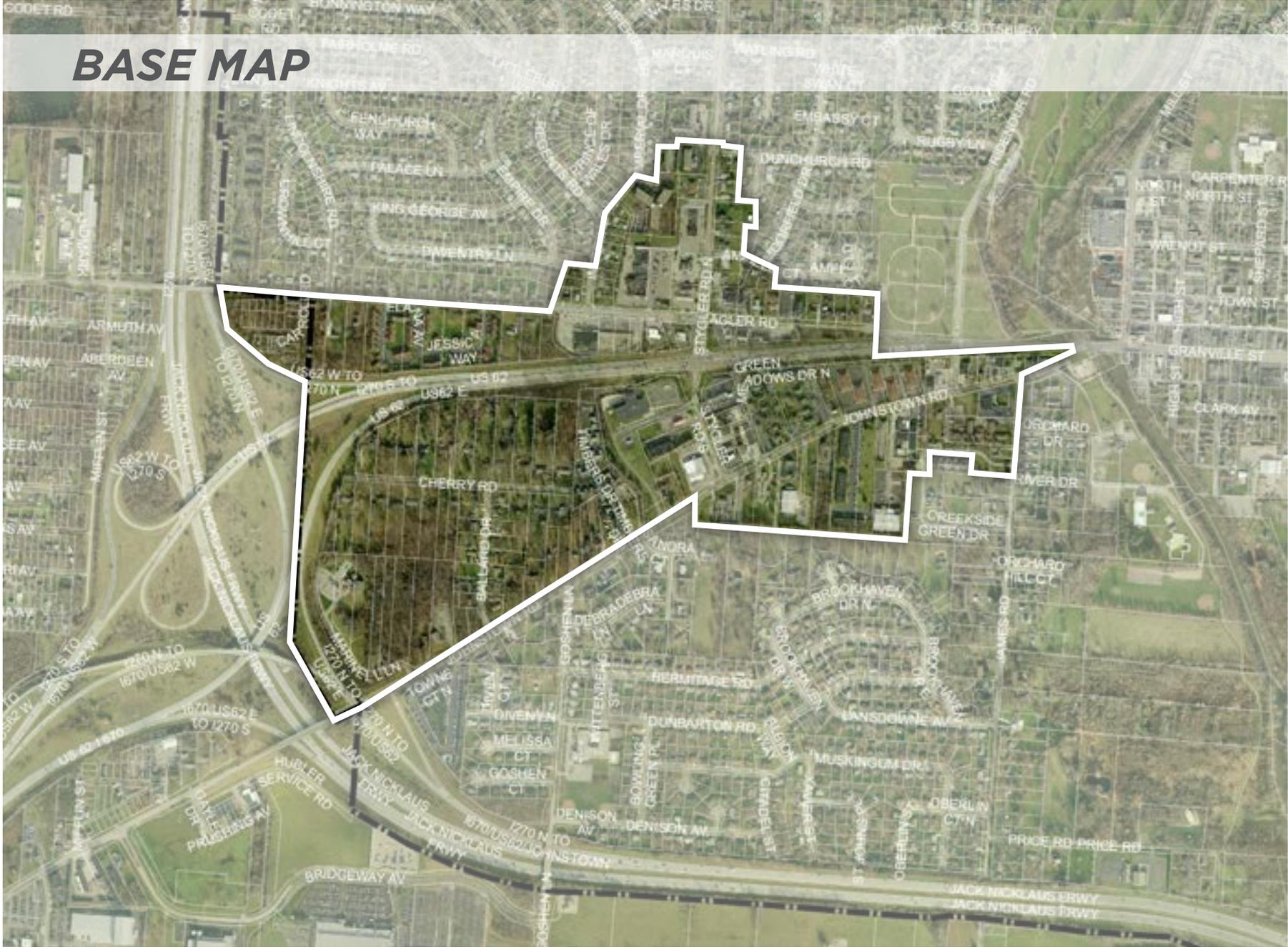
FLOODING AREAS & WETLANDS



CURRENT ZONING



BASE MAP



TARGET SITE 1A

PROPOSED DEVELOPMENT

Target Site 1A is 27.5 acres of property that is located at the center of the West Gahanna PDA. The proposed development within Target Site 1A is subject to improving the traffic and circulation conditions within the Agler / Stygler / U.S.-62 intersection, as identified within the West Gahanna Transportation Study. The concept shown builds upon the West Gahanna Transportation Study and demonstrates how development can be coordinated with infrastructure improvements to create an economically successful and vibrant district for businesses, residents and visitors.

INFRASTRUCTURE IMPROVEMENTS

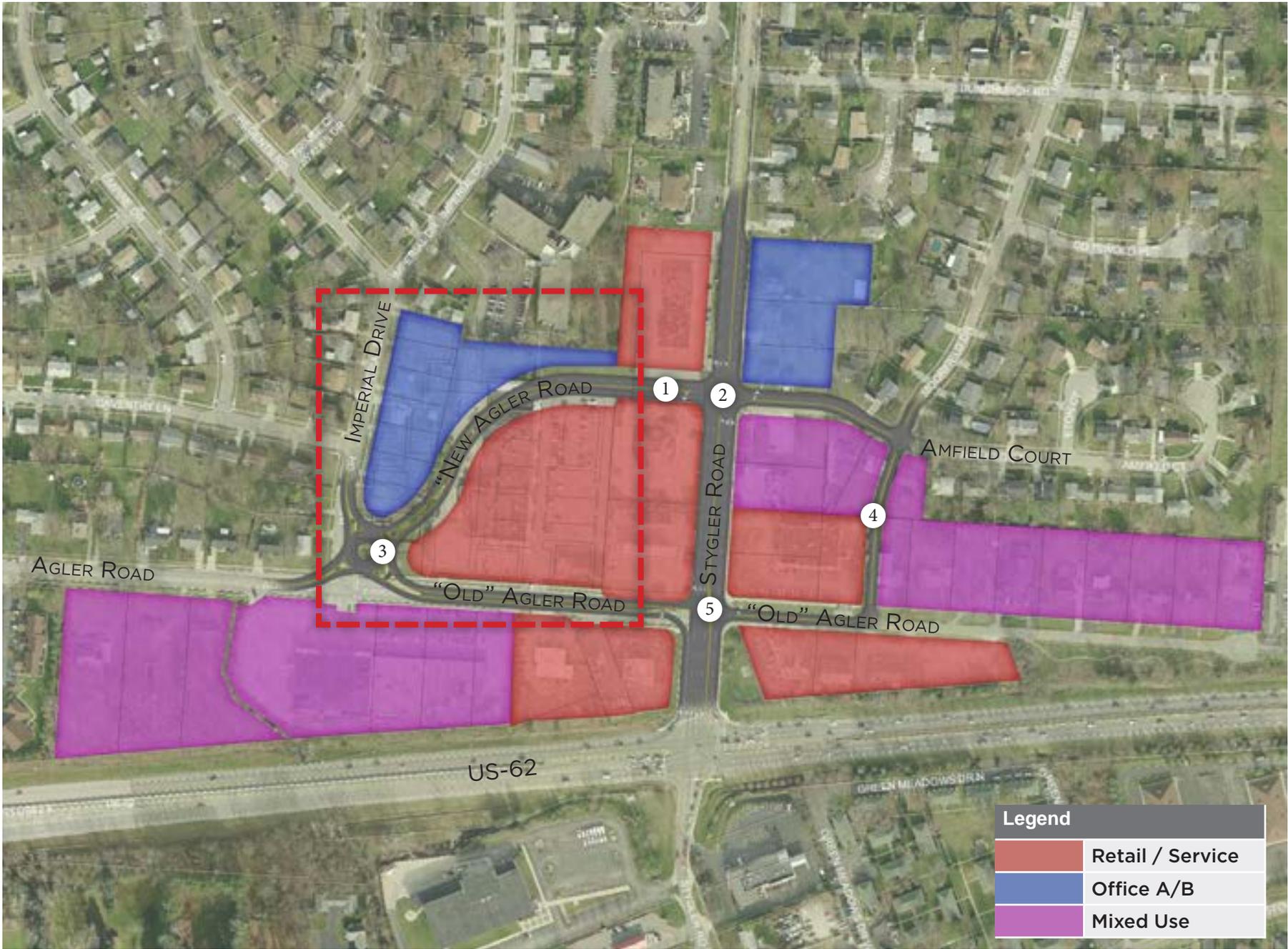
Significant infrastructure improvements will be necessary to alleviate the existing traffic concerns and set the framework for quality development to occur. The West Gahanna Study identified the following improvements:

1. Align Agler with Amfield Court
2. New signalization at intersection
3. Roundabout at Old Agler / Imperial / New Agler Roads
4. Extend Moorfield Drive south to Agler Road
5. Right-in / right-out at Old Agler intersection

DEVELOPMENT PROGRAM

| Code | Use | Site Area (Acres) |
|------|------------------|-------------------|
| | Retail / Service | 10.9 |
| | Office A/B | 3.8 |
| | Mixed Use | 12.8 |





TARGET SITE 1A

EXISTING CONDITIONS

The primary property within the Subset of Target Site 1A is the Royal Plaza Shopping Center. This retail shopping center was built in 1960 and has many legacy issues that reduces its ability to provide retail services to customers. The legacy issues of this property combined with the traffic congestion at the intersection of Agler and Stygler Road created the impetus for the West Side Transportation Study that was funded by the Gahanna CIC in partnership with the private sector.

PROPOSED DEVELOPMENT

The rerouting of Agler Road to the north presents an opportunity to reestablish a streetscape and create a vibrant mixed use district. New retail buildings should be oriented toward the street, giving high visibility to every tenant from multiple directions of travel. Shared parking should be located towards the center of the site, effectively screening the parking lots from view of the roadway. A series of professional/medical office buildings which front the street and reinforce the streetscape are proposed to the north of the New Agler Road. The offices could be a potential benefit to the senior living center located to the north. Additionally, offices provide a buffer zone between the residential district to the northwest and the heavier commercial uses to the east.

DEVELOPMENT PROGRAM

| Code | Use | Building Footprint (s.f.) | Stories | Total Area (S.f.) |
|------|------------------|---------------------------|---------|-------------------|
| A | Office A/B | 4,400 | 1 | 4,400 |
| B | Office A/B | 6,000 | 1 | 6,000 |
| C | Office A/B | 9,600 | 1 | 9,600 |
| D | Retail / Service | 9,250 | 1 | 9,250 |
| E | Retail / Service | 5,700 | 1 | 5,700 |
| F | Retail / Service | 6,400 | 1 | 6,400 |
| G | Retail / Service | 10,000 | 1 | 10,000 |

PROPOSED CHARACTER





TARGET SITE 1A

Project Summary

| | | | |
|--------------------------------|--------------|----------------------------------|--------------|
| Total Acreage | 6.14 | Total Jobs | 120 |
| Non-residential SF | 61,350 | Weighted Average Salary | \$ 39,621 |
| Residential Units | 0 | Total Payroll | \$ 4,737,500 |
| Original Parcel Value | \$ - | Hotel Rooms | 0 |
| Total Construction Cost | \$ 7,425,218 | Annual Hotel Room Revenue | \$ - |
| Revised Value | \$ 7,425,218 | | |

TIF on Site? **Yes**

Revenues

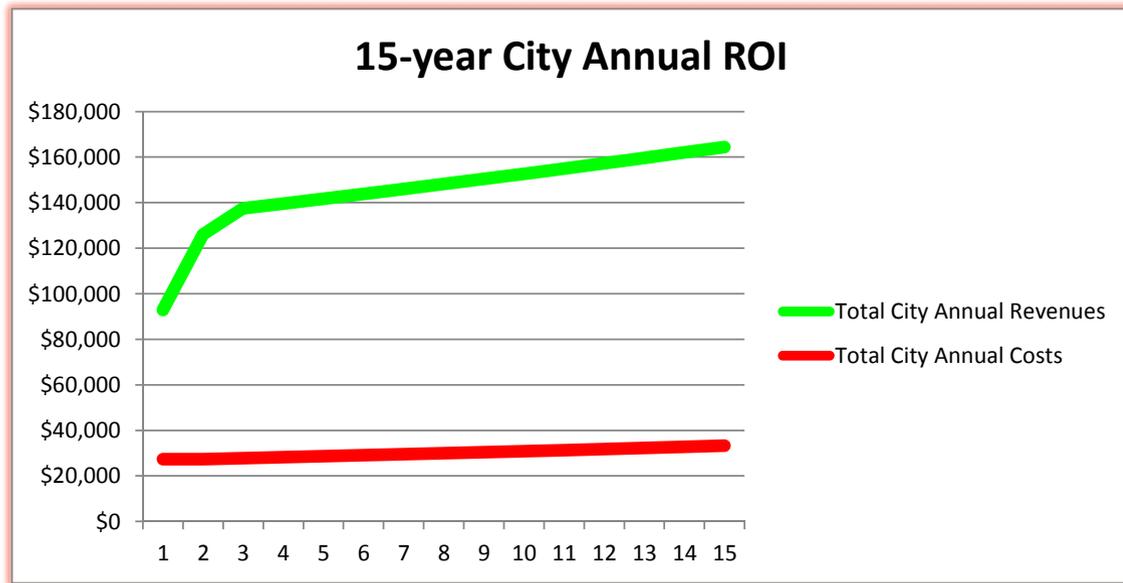
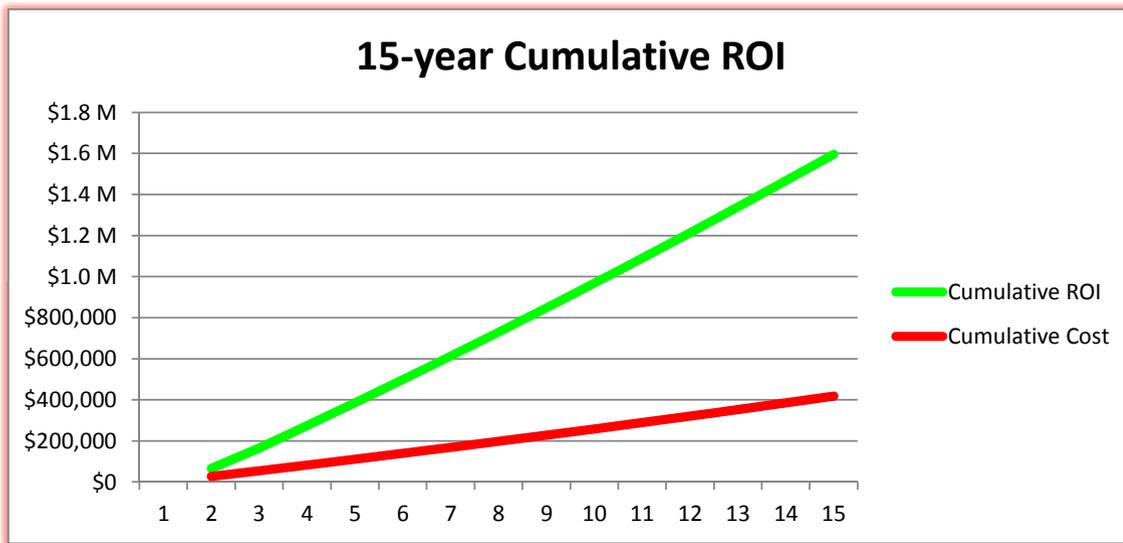
| | City & Schools <i>Total Property</i> | City <i>Property/TIF</i> | City <i>Income Tax</i> |
|----------------------|---|-----------------------------|---------------------------|
| Over 3 Years | \$ 263,248 | \$ 167,643 | \$ 146,430 |
| Over 5 Years | \$ 1,670,634 | \$ 283,638 | \$ 298,407 |
| Over 10 Years | \$ 3,524,396 | \$ 589,196 | \$ 698,753 |
| Over 15 Years | \$ 5,521,423 | \$ 918,369 | \$ 1,130,039 |

Return on Investment

| | City & Schools | City |
|----------------------|----------------|--------------|
| Over 3 Years | \$ 329,901 | \$ 234,296 |
| Over 5 Years | \$ 1,836,080 | \$ 449,084 |
| Over 10 Years | \$ 3,957,226 | \$ 1,022,026 |
| Over 15 Years | \$ 6,252,578 | \$ 1,649,524 |

Costs

| | City <i>Service Costs</i> | City <i>Incentives Costs</i> |
|----------------------|------------------------------|---------------------------------|
| Over 3 Years | \$ 79,777 | \$ - |
| Over 5 Years | \$ 132,962 | \$ - |
| Over 10 Years | \$ 265,923 | \$ - |
| Over 15 Years | \$ 398,885 | \$ - |



TARGET SITE 1B

EXISTING CONDITIONS

Target Site 1B is located in the western edge of Gahanna and includes several parcels not currently within the incorporated limits of the city. To develop the site to its maximum potential, the annexation to the City of Gahanna is required. The site has substantial visibility along I-270 to the south and west of the property. In addition, it is adjacent to single family residential to the north and multi-family residential to the east. There are multiple property owners, so small land assemblage is required for this site to be developed.

PROPOSED DEVELOPMENT

Because there is increased visibility to I-270, signature office is proposed for the site development. In addition, this visibility mandates the following: well-designed landscape that buffers surface parking areas, elegant building architecture that is visually appealing, and sufficient signage that capitalizes on the site’s visibility. Larger buildings that will likely be single-tenant should be located closer to the freeway, while smaller buildings should be placed along Agler Road. Due to the proximity to residential, development within the target site should complement the scale of the existing development, while heavily screening parking and service areas from the adjacent residents. Access to the site from the freeway network will be primarily through the U.S. 62 / Stygler intersection. It is estimated that peak traffic for the development of Target Site 1B will be in the opposite direction of the current rush hour traffic, minimizing any potential access issues to the site.

INFRASTRUCTURE IMPROVEMENTS

Extending Gahanna utility services into the site upon annexation will be necessary for more intense development. Additionally, streetscape improvements and access improvements into the site from Agler Road will be needed. In addition, abandoned roadway infrastructure must be vacated in order to maximize site development.

DEVELOPMENT PROGRAM

| Code | Use | Building Footprint (s.f.) | Stories | Building Area (s.f.) |
|------|------------------------|---------------------------|---------|----------------------|
| A | Signature Office (sm.) | 23,000 | 2 | 46,000 |
| B | Signature Office (sm.) | 23,000 | 2 | 46,000 |
| C | Office A/B | 6,000 | 1 | 6,000 |
| D | Office A/B | 6,000 | 1 | 6,000 |

PROPOSED CHARACTER





TARGET SITE 1B

Project Summary

| | | | |
|--------------------------------|--------------|----------------------------------|---------------|
| Total Acreage | 5.03 | Total Jobs | 203 |
| Non-residential SF | 58,000 | Weighted Average Salary | \$ 65,862 |
| Residential Units | 0 | Total Payroll | \$ 13,356,643 |
| Original Parcel Value | \$ - | Hotel Rooms | 0 |
| Total Construction Cost | \$ 8,721,360 | Annual Hotel Room Revenue | \$ - |
| Revised Value | \$ 8,721,360 | | |

TIF on Site? **No**

Revenues

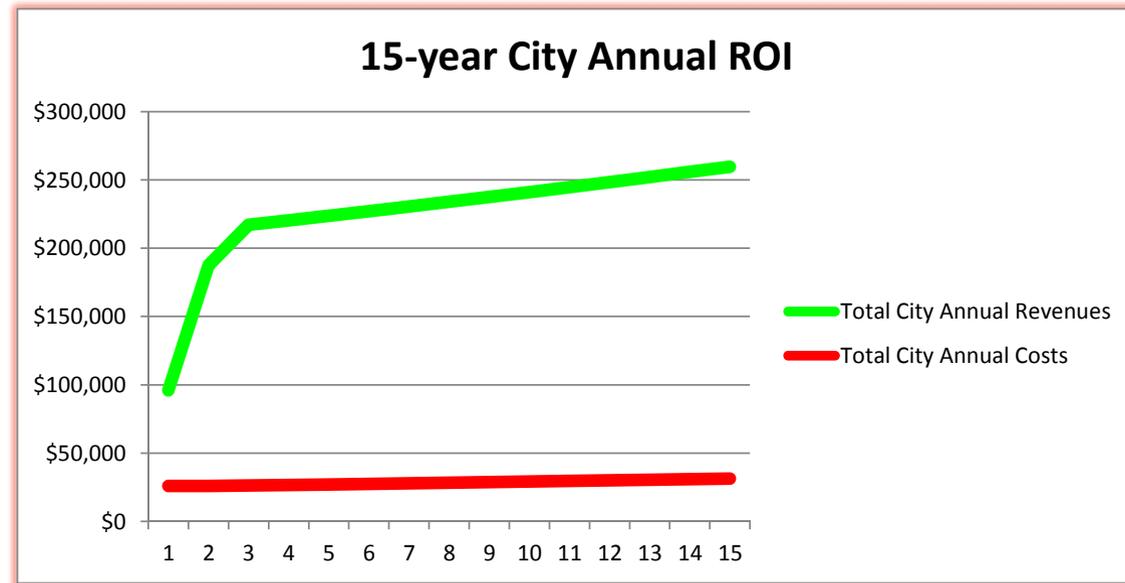
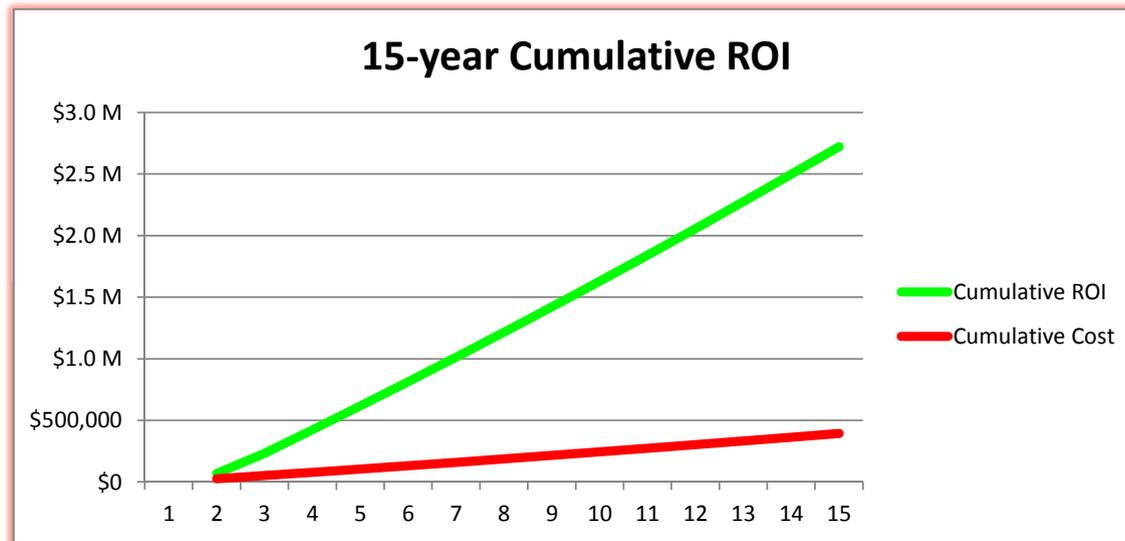
| | City & Schools <i>Total Property</i> | City <i>Property/TIF</i> | City <i>Income Tax</i> |
|----------------------|---|-----------------------------|---------------------------|
| Over 3 Years | \$ 309,200 | \$ 22,644 | \$ 412,836 |
| Over 5 Years | \$ 2,157,886 | \$ 38,311 | \$ 841,313 |
| Over 10 Years | \$ 4,634,824 | \$ 79,584 | \$ 1,970,025 |
| Over 15 Years | \$ 7,303,191 | \$ 124,046 | \$ 3,185,969 |

Return on Investment

| | City & Schools | City |
|----------------------|----------------|--------------|
| Over 3 Years | \$ 646,615 | \$ 360,059 |
| Over 5 Years | \$ 2,873,498 | \$ 753,923 |
| Over 10 Years | \$ 6,353,447 | \$ 1,798,207 |
| Over 15 Years | \$ 10,112,056 | \$ 2,932,911 |

Costs

| | City | |
|----------------------|----------------------|-------------------------|
| | <i>Service Costs</i> | <i>Incentives Costs</i> |
| Over 3 Years | \$ 75,421 | \$ - |
| Over 5 Years | \$ 125,701 | \$ - |
| Over 10 Years | \$ 251,402 | \$ - |
| Over 15 Years | \$ 377,104 | \$ - |

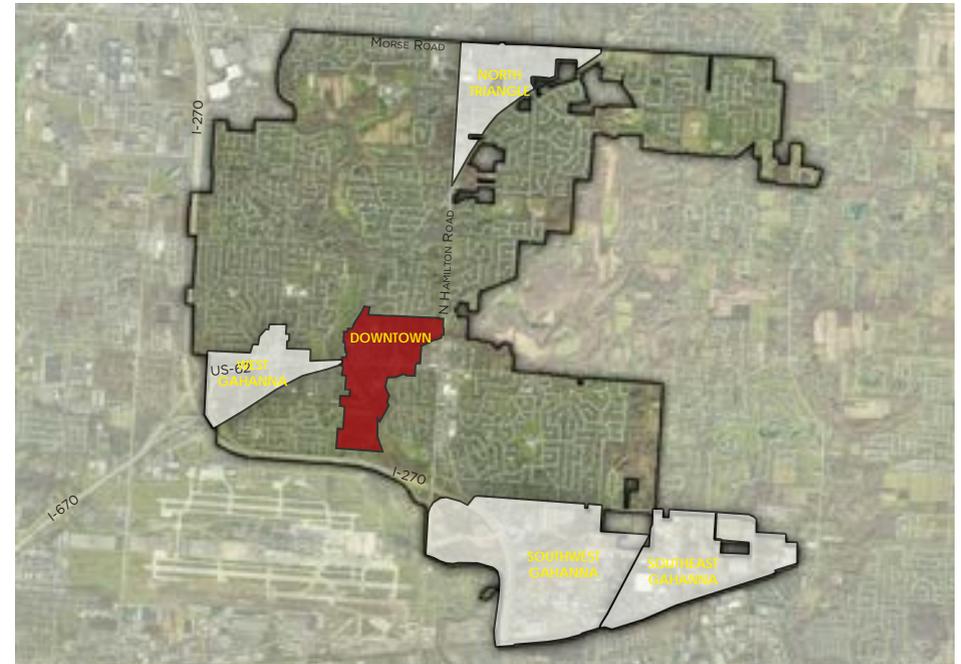


PDA #2 - DOWNTOWN

PDA OVERVIEW

Moving eastward on US-62 is PDA 2, Downtown Gahanna. The downtown represents the historic, social, and community hub of the city. The Big Walnut Creek provides a scenic and recreational amenity for businesses and residents, but also brings significant flood issues into the area. Much of the property within the floodway and 100-year floodplain is currently undeveloped and owned by the City.

The scale of the existing development and roadway network within the Downtown PDA lends itself to the expansion of pedestrian-friendly development within the district, with the aim of connecting residents with retail, services, entertainment, and recreation. New development and redevelopment in the area should build upon the existing character with the intention of expanding the pedestrian-friendly and urban character of the district.



DEVELOPMENT INCENTIVES

| DEVELOPMENT / DEVELOPER | | | Retail, Comm., Service | Large Format Retail | Signature Office | Office A / B | Hotel | Conference Center | Flex Office / Industrial | Residential |
|-------------------------------------|----------------------------|------------------------|------------------------|---------------------|------------------|--------------|-------|-------------------|--------------------------|-------------|
| New Community Reinvestment Area | Gahanna | Tax Abatement | ■ | | | | | | | ■ |
| New Tax Increment Financing | Gahanna | Tax Redirection | ■ | | | | | | | ■ |
| New Community Authority | Gahanna | Tax Redirection / Bond | ■ | | | | | | | ■ |
| TENANT | | | | | | | | | | |
| Jobs Growth Incentive | Gahanna | Tax Credit | ■ | | | | | | | |
| GahannaNet | Gahanna | Cost Reduction | ■ | | | | | | | ■ |
| Small Business Administration Loans | Gahanna | Loan | ■ | | | | | | | |
| Micro-Enterprise Loan Program | Franklin County | Loan | | | | | | | | |
| Franklin County Grow Fund | Franklin County | Loan | | | | | | | | |
| Economic Development Grant | Ohio Finance Fund | Grant | | | | | | | | |
| Job Creation Tax Credit | Development Service Agency | Tax Credit | | | | | | | | |
| JobsOhio Grant | JobsOhio | Grant | | | | | | | | |
| JobsOhio Loan | JobsOhio | Loan | | | | | | | | |

PDA CAPACITY TABLES

The development capacity table is not a specific recommendation for uses on a particular site. Instead it describes a site's capacity for each use using industry accepted standards included in this table. It is intended to be used as a reference in determining a general idea of site capacities for various development types.

| PDA Site Critical Data | 2A | 2B | 2C | 2D | 2F | 2G | 2H | 2I |
|------------------------|-----|-----|-----|-----|-----|------|-----|------|
| Acres | 1.6 | 1.1 | 1.0 | 4.4 | 4.6 | 10.0 | 1.6 | 10.5 |
| # of Parcels | 3 | 3 | 4 | 1 | 8 | 16 | 1 | 1 |
| # of Owners | 3 | 3 | 2 | 1 | 2 | 6 | 1 | 1 |

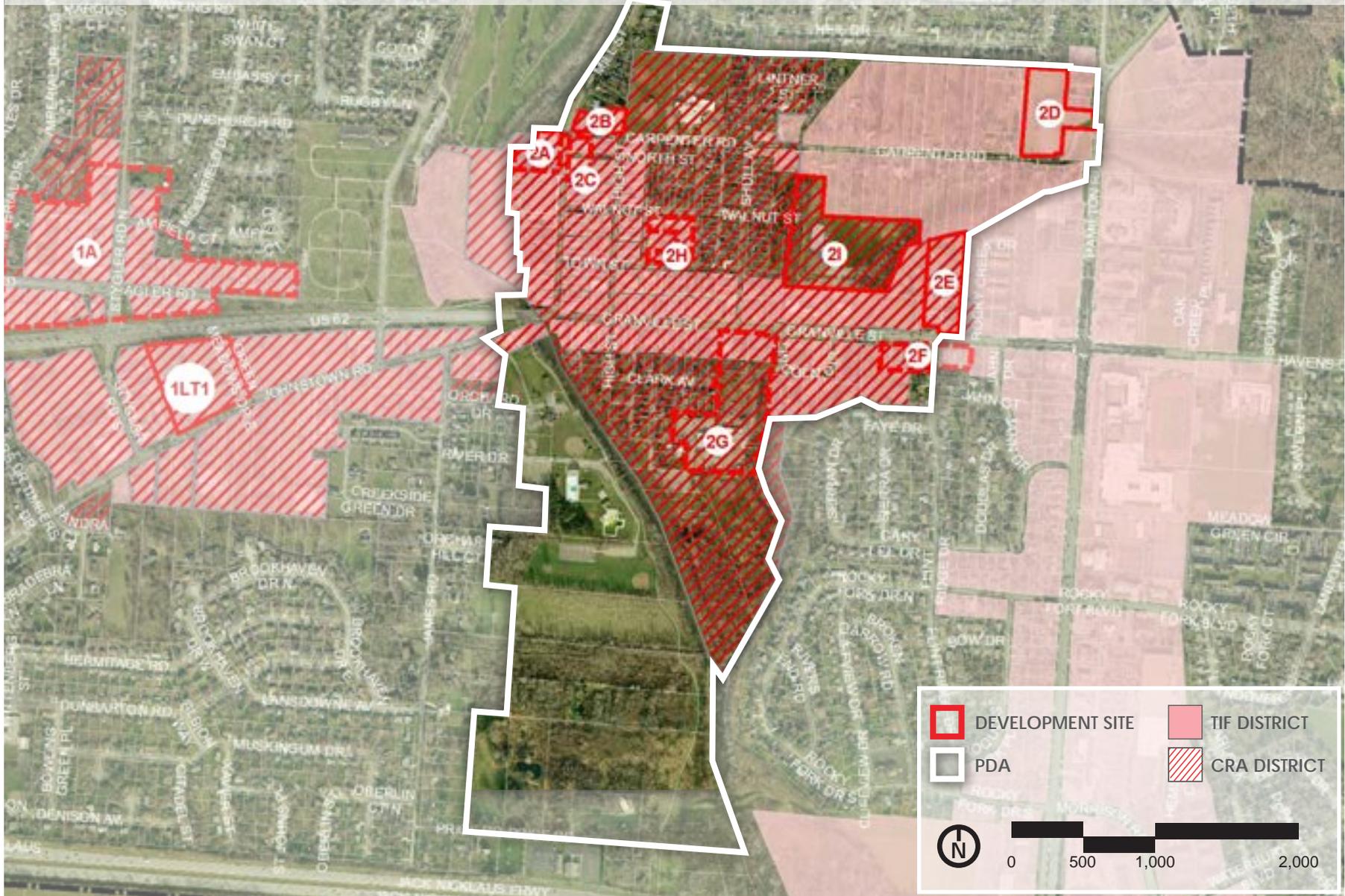
| Use | Development SF or Units/Acre | | PDA Site Development Capacity | | | | | | | | |
|-------------|------------------------------|--------|-------------------------------|--------|--------|--------|--------|--------|---------|--------|---------|
| | | | 2A | 2B | 2C | 2D | 2F | 2G | 2H | 2I | |
| Retail | Retail / Commercial | 10,000 | SF | 16,000 | 11,000 | 10,000 | 44,000 | 46,000 | 100,000 | 16,000 | 105,000 |
| | Large Format Retail | 10,000 | SF | -- | -- | -- | -- | -- | -- | -- | -- |
| Office | Office A / B | 10,000 | SF | 68,800 | 32,200 | 52,000 | 46,000 | 52,000 | 70,000 | 85,000 | 101,000 |
| | Signature Office | 12,000 | SF | -- | -- | -- | -- | -- | -- | -- | -- |
| | Office / Showroom | 11,000 | SF | -- | -- | -- | -- | -- | -- | -- | -- |
| Ind. | Flex Office | 12,000 | SF | -- | -- | -- | -- | -- | -- | -- | -- |
| | Industrial | 15,000 | SF | -- | -- | -- | -- | -- | -- | -- | -- |
| Hotel | Hotel | 40 | Keys | -- | -- | -- | -- | -- | -- | -- | -- |
| | Hotel Conference | 10,000 | SF | -- | -- | -- | -- | -- | -- | -- | -- |
| Residential | Med. Density Res. | 6 | DU | 10 | 7 | 6 | 26 | 28 | 60 | 10 | 63 |
| | Med-High Density Res. | 10 | DU | 16 | 11 | 10 | 44 | 46 | 100 | 16 | 105 |
| | High Density Res. | 14 | DU | 22 | 15 | 14 | 62 | 64 | 140 | 22 | 147 |
| | Townhomes | 8 | DU | 13 | 9 | 8 | 35 | 37 | 80 | 13 | 84 |

-- Indicates use is not appropriate for a particular site

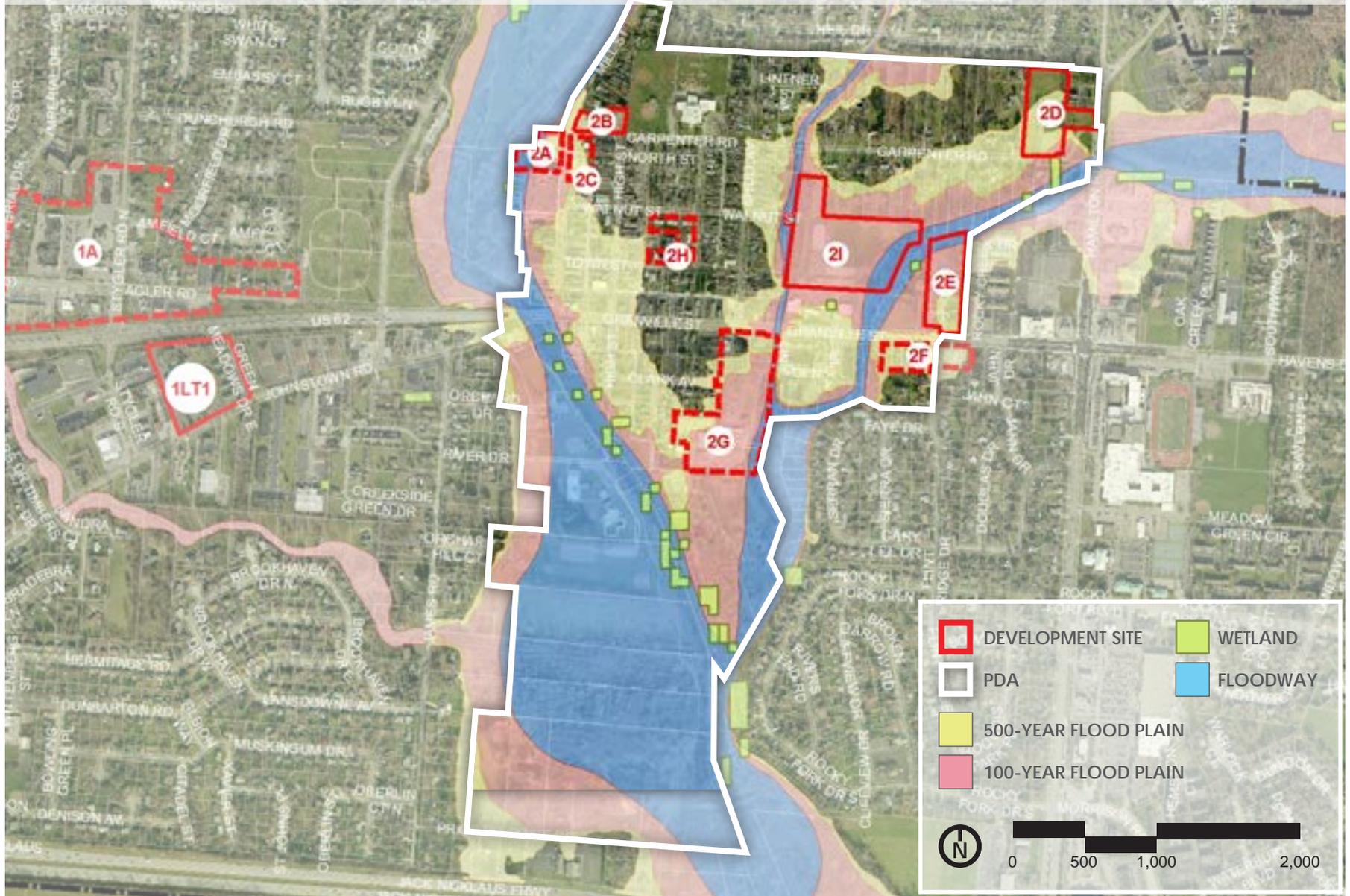
CITY-OWNED & VACANT LAND



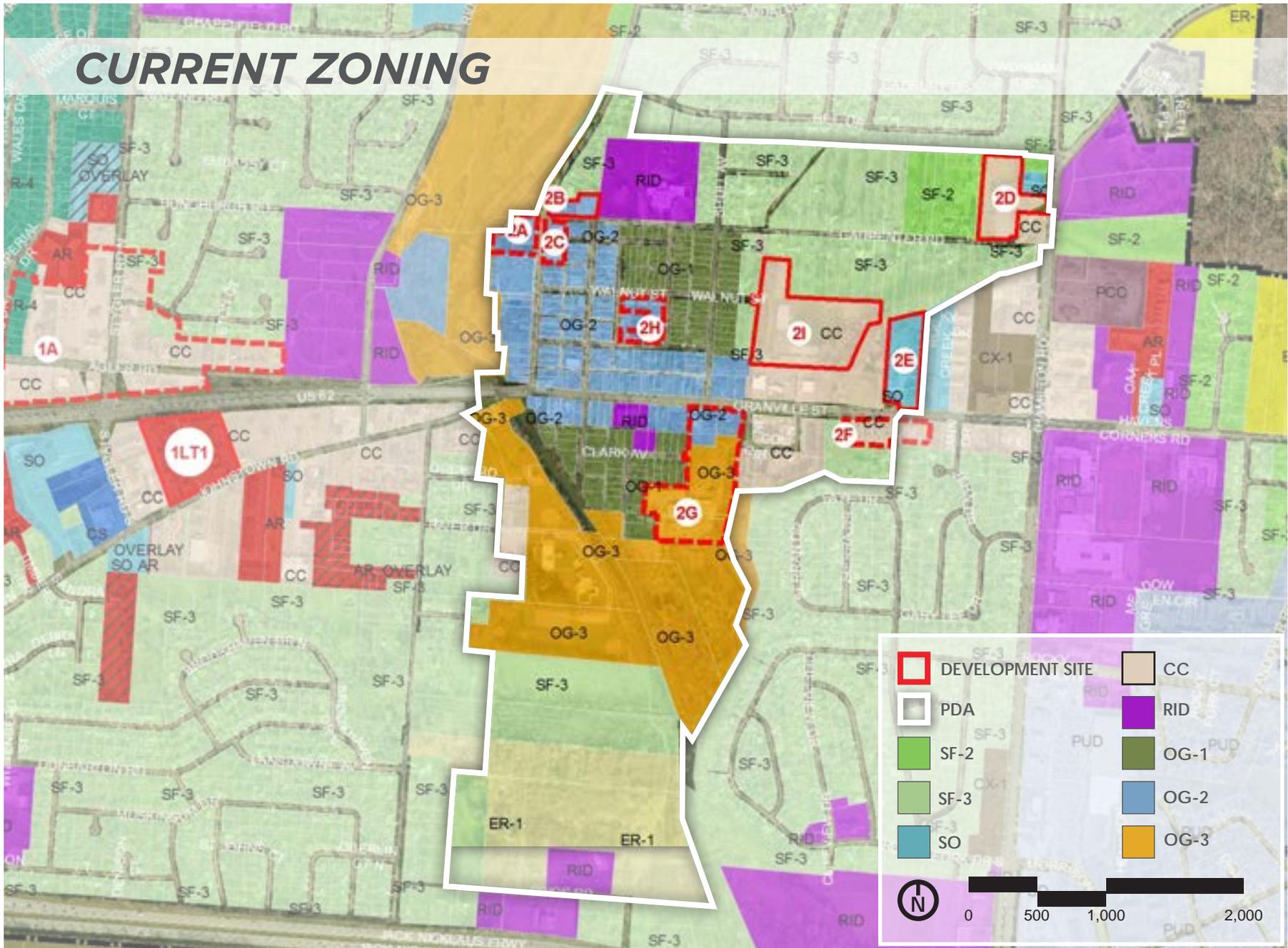
TIF & CRA DISTRICTS



FLOODING AREAS & WETLANDS



CURRENT ZONING



BASE MAP



TARGET SITE 2A, 2C

EXISTING CONDITIONS

Target Sites 2A and 2C are located in north Downtown Gahanna. Target Site 2A is north of Creekside Plaza and is bordered on the east by Mill Street and on the west by Big Walnut Creek. These buildings have large setbacks, parking in both the front and rear, and are not designed to maximize the roadway frontage along Mill Street nor the Big Walnut Creek to the rear of the property. There are currently two property owners, which would require small land assemblage to create a unified development. Target Site 2C is bordered by Mill Street on the west and Carpenter Road on the north. The site consists of two buildings that include an abandoned car wash and a facility that houses a small business operation. These business have large setbacks and primary parking along Mill Street. There are currently two property owners, which would require small land assemblage to create a unified development.

PROPOSED DEVELOPMENT

The proposed development for Target Site 2A is a combination of townhomes and a medium density residential mixed use product with retail and service on the first floor. The mixed use product should be positioned towards Mill Street and the townhome product should offer pedestrian amenities along the Big Walnut Creek. The proposed development for Target Site 2C includes a combination of medium density residential mixed use, medium density residential, and residential townhome products. All developments should be oriented towards Mill Street. The proposed residential styles will add to the variety of residential stock available and allow for a higher density without negatively impacting parking in the area. The proposed development character and design will continue the urban fabric and character of the downtown area, foster additional street life with increased residences, and

continue the walkable environment created in central downtown which will extend the downtown area as a whole.

INFRASTRUCTURE IMPROVEMENTS

Despite the proposed development concept being infill, moderate improvements to the area in general will be necessary. These improvements include: continuing the Mill Street streetscape along both the east and west sides, creating pedestrian amenities along Carpenter Road, and enhancing pedestrian connectivity along Big Walnut Creek.

DEVELOPMENT PROGRAM

| Code | Use | Building Footprint (s.f.) | Stories | Units / Area (s.f.) |
|------|---|---------------------------|---------|---------------------|
| A | Med.-High Density Residential Retail / Service | 14,000 | 3 | 36 14,000 |
| B | Townhomes / Flats Retail / Service | 6,700 | 3 | 20 1,200 |
| C | Med. - High Density Residential | | 4 | 30 |
| D | Townhomes | | | 6 |

PROPOSED CHARACTER



TARGET SITE 2A, 2C

Project Summary

| | |
|-------------------------|---------------|
| Total Acreage | 2.60 |
| Non-residential SF | 14,000 |
| Residential Units | 92 |
| Original Parcel Value | \$ - |
| Total Construction Cost | \$ 14,006,700 |
| Revised Value | \$ 14,006,700 |

| | |
|---------------------------|------------|
| Total Jobs | 17 |
| Weighted Average Salary | \$ 25,000 |
| Total Payroll | \$ 420,168 |
| Hotel Rooms | 0 |
| Annual Hotel Room Revenue | \$ - |

TIF on Site? **Yes**

Revenues

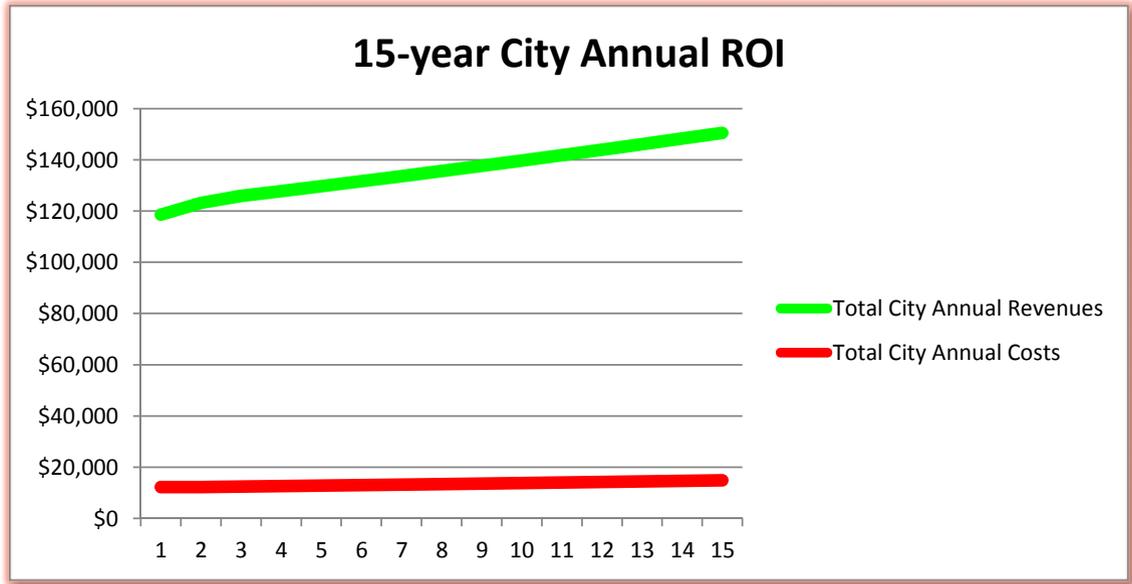
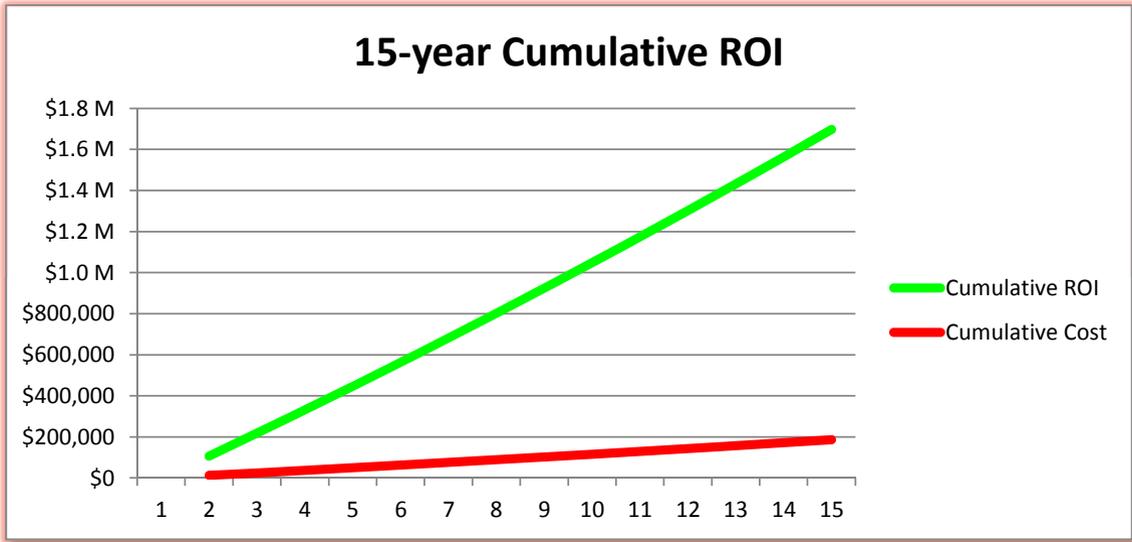
| | City & Schools Total Property | Property/TIF | City Income Tax |
|----------------------|----------------------------------|--------------|--------------------|
| Over 3 Years | \$ 496,582 | \$ 316,236 | \$ 12,987 |
| Over 5 Years | \$ 2,573,504 | \$ 535,046 | \$ 26,466 |
| Over 10 Years | \$ 5,350,689 | \$ 1,111,441 | \$ 61,972 |
| Over 15 Years | \$ 8,342,506 | \$ 1,732,384 | \$ 100,223 |

Return on Investment

| | City & Schools | City |
|----------------------|----------------|--------------|
| Over 3 Years | \$ 473,865 | \$ 293,519 |
| Over 5 Years | \$ 2,540,462 | \$ 502,004 |
| Over 10 Years | \$ 5,293,646 | \$ 1,054,399 |
| Over 15 Years | \$ 8,264,207 | \$ 1,654,085 |

Costs

| | City Service Costs | City Incentives Costs |
|----------------------|-----------------------|--------------------------|
| Over 3 Years | \$ 35,704 | \$ - |
| Over 5 Years | \$ 59,507 | \$ - |
| Over 10 Years | \$ 119,015 | \$ - |
| Over 15 Years | \$ 178,522 | \$ - |



TARGET SITE 2F

EXISTING CONDITIONS

Target Site 2F is a large section of land that extends along the southern edge of Granville Street at the intersection of Flint Ridge Drive. Currently, there are multiple multi-family structures on site with sidewalks access for both tenants and residents. These structures were built in the 1950s. There is one property owner to the west of Flint Ridge Drive and one property owner to the east of Flint Ridge Drive. The collection of parcels owned by the individual property owners can accommodate a phased approach for any proposed development.

PROPOSED DEVELOPMENT

Target Site 2F presents a great opportunity to create a signature entrance for the single family residential development to the south, while providing additional residential options for Gahanna. The concept uses three-story townhomes with first-floor garages to create a streetscape along Granville Street and an entry feature on Flint Ridge Drive. Located at the corner of each building are three flats to provide additional housing options within the development.

INFRASTRUCTURE IMPROVEMENTS

Required infrastructure improvements should be minimal. Sidewalks should be maintained along Granville Street and created along Flint Ridge Drive. Existing curb cuts across Flint Ridge Drive should be aligned. Additional landscaping may be required to the south of the property to provide screening against the existing single family residential.

DEVELOPMENT PROGRAM

| Code | Use | Building Footprint (s.f.) | Stories | Units |
|------|--------------------|---------------------------|---------|-------|
| A | Townhouses / Flats | 10,500 | 3 | 18 |
| B | Townhouses / Flats | 8,450 | 3 | 15 |
| C | Townhouses / Flats | 8,900 | 3 | 14 |

PROPOSED CHARACTER





TARGET SITE 2F

Project Summary

| | |
|-------------------------|--------------|
| Total Acreage | 4.60 |
| Non-residential SF | 0 |
| Residential Units | 47 |
| Original Parcel Value | \$ - |
| Total Construction Cost | \$ 7,050,000 |
| Revised Value | \$ 7,050,000 |

| | |
|---------------------------|------|
| Total Jobs | 0 |
| Weighted Average Salary | \$ - |
| Total Payroll | \$ - |
| Hotel Rooms | 0 |
| Annual Hotel Room Revenue | \$ - |

TIF on Site? **Yes**

Revenues

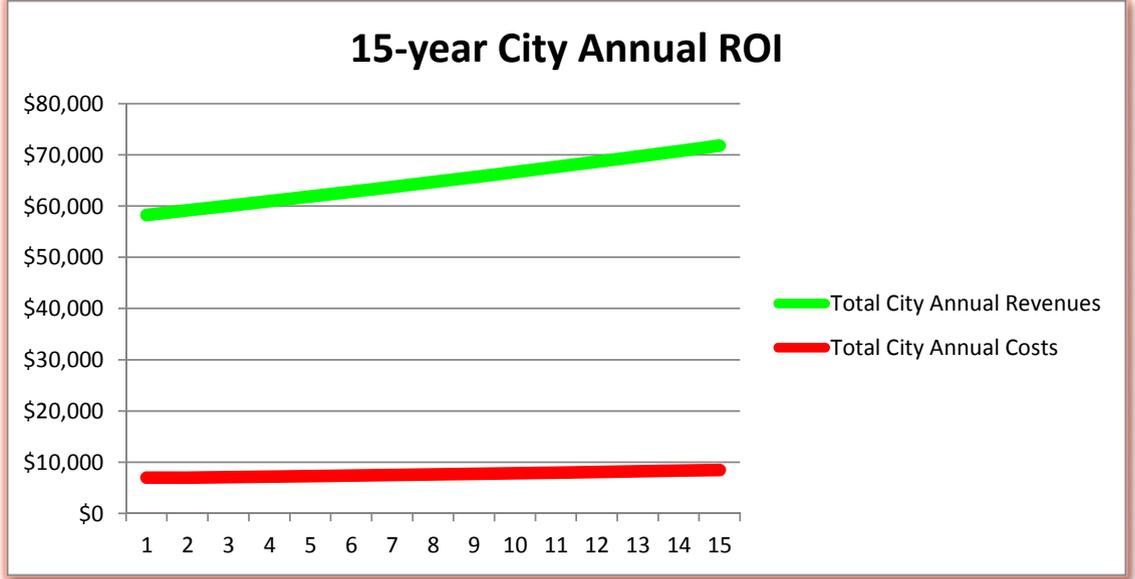
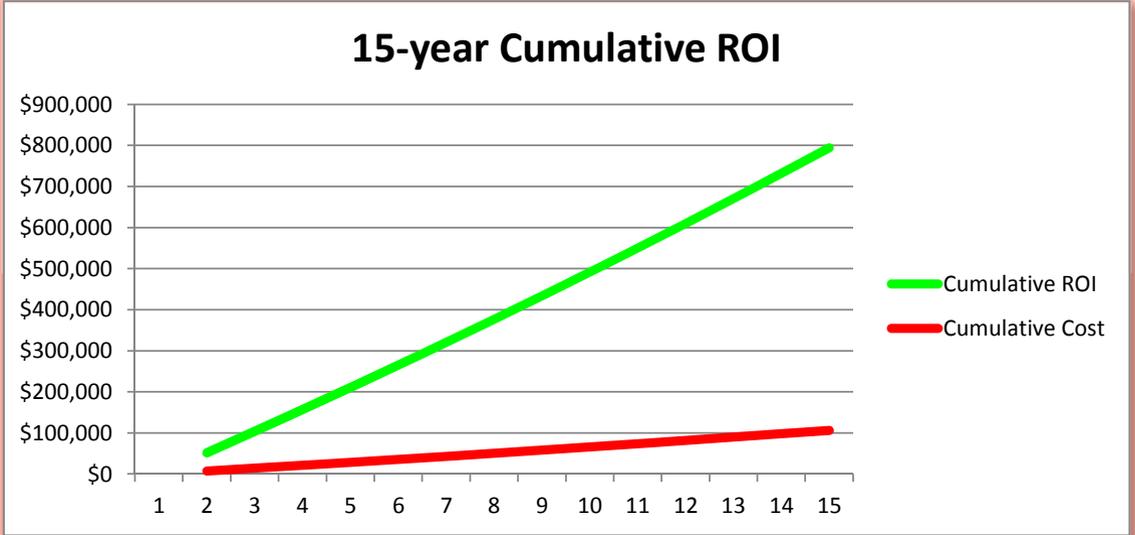
| | City & Schools | | City |
|----------------------|----------------|--------------|------------|
| | Total Property | Property/TIF | Income Tax |
| Over 3 Years | \$ 249,945 | \$ 159,171 | \$ - |
| Over 5 Years | \$ 1,280,972 | \$ 269,305 | \$ - |
| Over 10 Years | \$ 2,660,942 | \$ 559,422 | \$ - |
| Over 15 Years | \$ 4,147,562 | \$ 871,962 | \$ - |

Return on Investment

| | City & Schools | City |
|----------------------|----------------|------------|
| Over 3 Years | \$ 229,638 | \$ 138,865 |
| Over 5 Years | \$ 1,247,128 | \$ 235,460 |
| Over 10 Years | \$ 2,593,254 | \$ 491,734 |
| Over 15 Years | \$ 4,046,029 | \$ 770,429 |

Costs

| | City | |
|----------------------|---------------|------------------|
| | Service Costs | Incentives Costs |
| Over 3 Years | \$ 20,307 | \$ - |
| Over 5 Years | \$ 33,844 | \$ - |
| Over 10 Years | \$ 67,689 | \$ - |
| Over 15 Years | \$ 101,533 | \$ - |



TARGET SITE 2G

EXISTING CONDITIONS

Target Site 2G has direct access to the intersection of Granville Street and Shull Avenue. Currently, there are three buildings that house multiple small business operations, including the Gahanna Entrepreneurial Center. These buildings have large setbacks, parking in both the front and rear, and are not designed to maximize the roadway frontage along Granville Street. The site is directly north of the Gahanna’s Service Complex. There are three property owners, which would require small land assemblage to create a unified development.

PROPOSED DEVELOPMENT

Three retail / service buildings are proposed along Granville Street, with reduced setbacks and parking in the rear to create a walkable streetscape. Buildings can be spaced to create outdoor dining areas in the front or to the side of the structure. The property to the south, currently serving as the City’s maintenance facility, should be considered for additional parkland or other development opportunities.

INFRASTRUCTURE IMPROVEMENTS

Shull Avenue should be extended south from the intersection at Granville Street. This will require some level of intersection improvements, although signalization and turning lanes will likely remain the same. The current access onto Granville Street is a curb cut, which will need to be upgraded to a full street intersection. Additionally, the extension of Shull Avenue into the park will require a significant amount of additional roadway infrastructure to be built.

DEVELOPMENT PROGRAM

| Code | Use | Building Footprint (s.f.) | Units | Building Area (s.f. or keys) |
|------|---------------------|---------------------------|-------|------------------------------|
| A | Retail / Commercial | 7,200 | | 7,200 |
| B | Retail / Commercial | 8,400 | | 8,400 |
| C | Retail / Commercial | 16,200 | | 16,200 |

PROPOSED CHARACTER





TARGET SITE 2G

Project Summary

| | |
|-------------------------|--------------|
| Total Acreage | 3.18 |
| Non-residential SF | 31,800 |
| Residential Units | 0 |
| Original Parcel Value | \$ - |
| Total Construction Cost | \$ 3,467,790 |
| Revised Value | \$ 3,467,790 |

| | |
|---------------------------|------------|
| Total Jobs | 38 |
| Weighted Average Salary | \$ 25,000 |
| Total Payroll | \$ 954,382 |
| Hotel Rooms | 0 |
| Annual Hotel Room Revenue | \$ - |

TIF on Site? **No**

Revenues

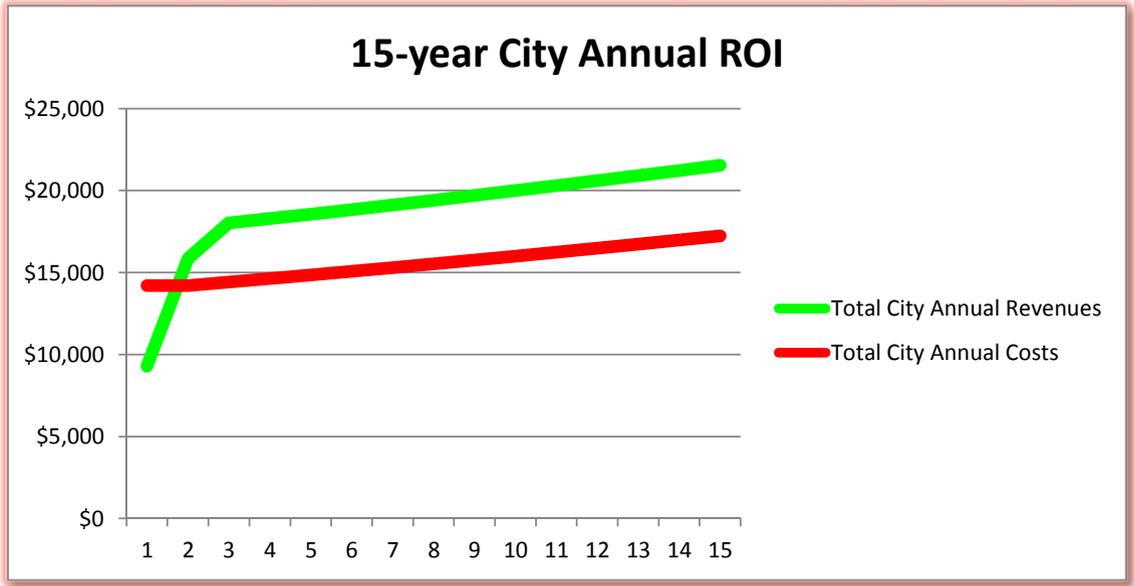
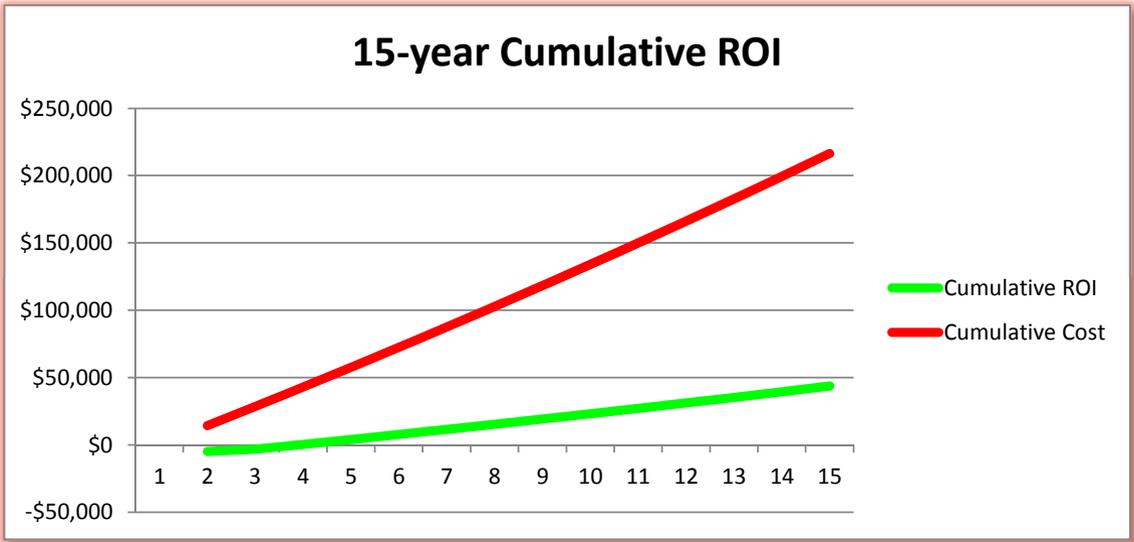
| | City & Schools | | City | |
|----------------------|----------------|--------------|------|------------|
| | Total Property | Property/TIF | | Income Tax |
| Over 3 Years | \$ 122,944 | \$ 9,004 | \$ | 29,499 |
| Over 5 Years | \$ 562,388 | \$ 15,233 | \$ | 60,115 |
| Over 10 Years | \$ 1,179,121 | \$ 31,644 | \$ | 140,766 |
| Over 15 Years | \$ 1,843,518 | \$ 49,323 | \$ | 227,649 |

Return on Investment

| | City & Schools | | City | |
|----------------------|----------------|----|---------|--|
| Over 3 Years | \$ 111,092 | \$ | (2,849) | |
| Over 5 Years | \$ 553,584 | \$ | 6,429 | |
| Over 10 Years | \$ 1,182,049 | \$ | 34,572 | |
| Over 15 Years | \$ 1,864,410 | \$ | 70,216 | |

Costs

| | City | |
|----------------------|---------------|------------------|
| | Service Costs | Incentives Costs |
| Over 3 Years | \$ 41,351 | \$ - |
| Over 5 Years | \$ 68,919 | \$ - |
| Over 10 Years | \$ 137,838 | \$ - |
| Over 15 Years | \$ 206,757 | \$ - |



TARGET SITE 2H

EXISTING CONDITION

Target Site 2H is a large section of land that extends along Walnut, Shepard and Town Streets. Currently, there are multiple multi-family structures on site with no pedestrian amenities to support the tenants or downtown residents. These structures were built in 1960 and are held by one property owner, which will make it easier for any proposed development.

PROPOSED DEVELOPMENT

The proposed development is to create three-story townhomes with 1st floor garages fronting Walnut, Shepard, and Town Streets, all with a unified pedestrian-friendly streetscape. The two corners of the site are shown as small pedestrian pocket parks that will add to the overall quality of the development. This proposed development is a great opportunity to realize a new residential infill development within the downtown Gahanna.

INFRASTRUCTURE IMPROVEMENTS

Infrastructure improvements will be necessary to create a unified streetscape with full pedestrian circulation around the site. Vehicular access has been shown from Short Street and from Shepard Street. Curbing and sidewalks should be constructed along Town Street, Short Street, and Walnut Street. Landscape buffering should be utilized to separate the proposed parking and circulation areas from adjacent properties.

DEVELOPMENT PROGRAM

| Code | Use | Building Footprint (s.f.) | Stories | Units |
|------|-----------------------|---------------------------|---------|-------|
| A | Townhouse with Garage | 4,800 | 3 | 6 |
| B | Townhouse with Garage | 4,000 | 3 | 5 |
| C | Townhouse with Garage | 4,800 | 3 | 6 |
| D | Townhouse with Garage | 3,200 | 3 | 4 |
| E | Townhouse with Garage | 4,000 | 3 | 5 |
| F | Townhouse with Garage | 4,800 | 3 | 6 |

PROPOSED CHARACTER





TARGET SITE 2H

Project Summary

| | |
|-------------------------|--------------|
| Total Acreage | 4.00 |
| Non-residential SF | 0 |
| Residential Units | 32 |
| Original Parcel Value | \$ - |
| Total Construction Cost | \$ 4,800,000 |
| Revised Value | \$ 4,800,000 |

| | |
|---------------------------|------|
| Total Jobs | 0 |
| Weighted Average Salary | \$ - |
| Total Payroll | \$ - |
| Hotel Rooms | 0 |
| Annual Hotel Room Revenue | \$ - |

TIF on Site? **Yes**

Revenues

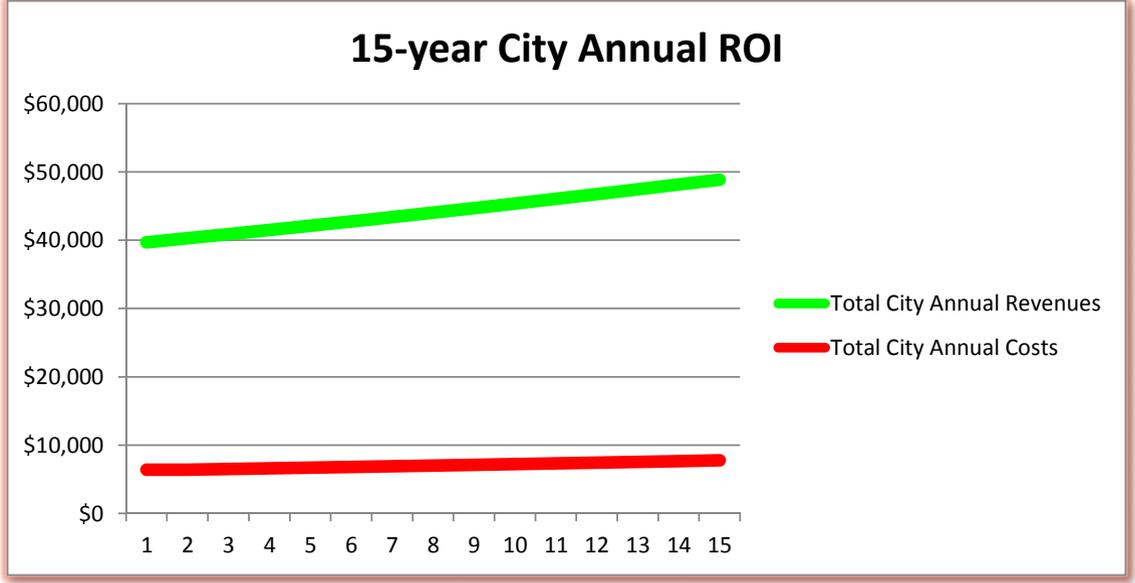
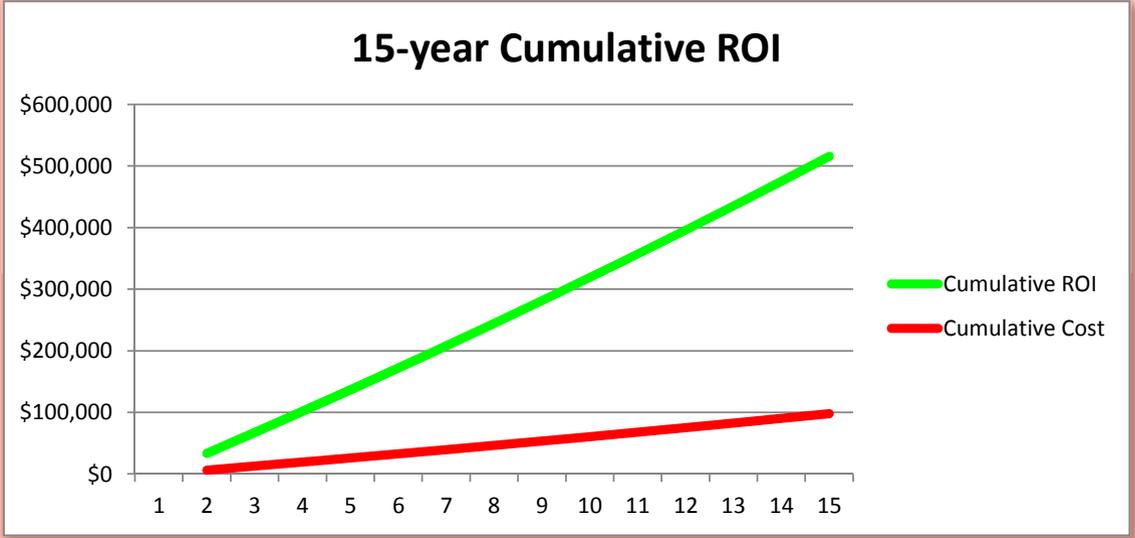
| | City & Schools | City | |
|----------------------|----------------|--------------|------------|
| | Total Property | Property/TIF | Income Tax |
| Over 3 Years | \$ 170,175 | \$ 108,372 | \$ - |
| Over 5 Years | \$ 872,151 | \$ 183,356 | \$ - |
| Over 10 Years | \$ 1,811,705 | \$ 380,883 | \$ - |
| Over 15 Years | \$ 2,823,872 | \$ 593,676 | \$ - |

Return on Investment

| | City & Schools | City |
|----------------------|----------------|------------|
| Over 3 Years | \$ 151,509 | \$ 89,706 |
| Over 5 Years | \$ 841,041 | \$ 152,246 |
| Over 10 Years | \$ 1,749,485 | \$ 318,663 |
| Over 15 Years | \$ 2,730,542 | \$ 500,346 |

Costs

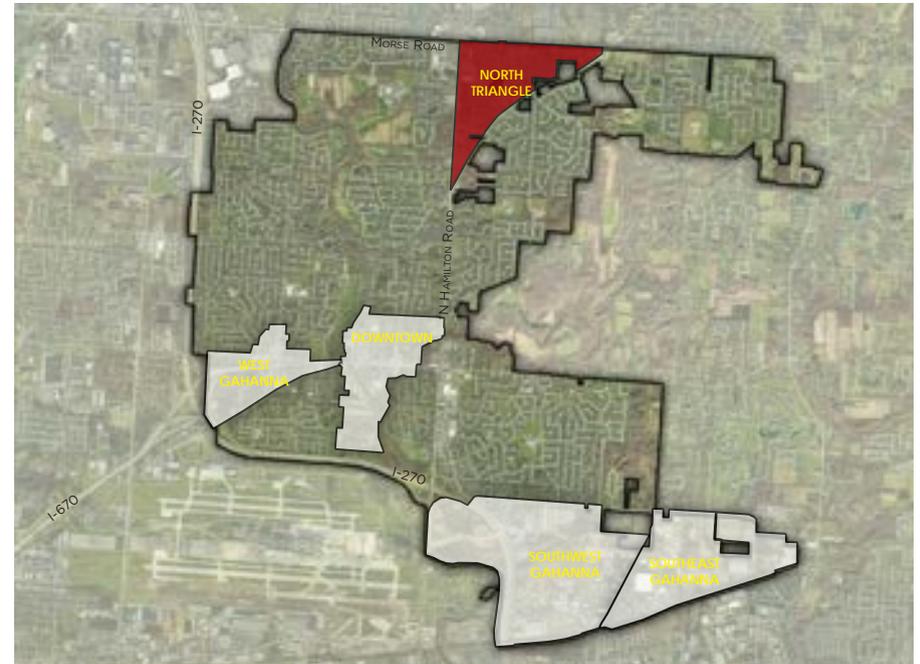
| | City | |
|----------------------|---------------|------------------|
| | Service Costs | Incentives Costs |
| Over 3 Years | \$ 18,666 | \$ - |
| Over 5 Years | \$ 31,110 | \$ - |
| Over 10 Years | \$ 62,220 | \$ - |
| Over 15 Years | \$ 93,330 | \$ - |



PDA #3 - NORTH TRIANGLE

PDA OVERVIEW

The “North Triangle” PDA is located at the northern most border of Gahanna, and is composed of a mixture of uses including retail, residential, and office. Development along the Morse Road and Hamilton Road corridor over the past two decades has been heavy, consisting primarily of retail and residential uses. The northeast corner of PDA 3 contains a collection of properties that are undeveloped or underdeveloped, providing many opportunities for future growth. The southern corner of the triangle is home to the corporate headquarters of Heartland Bank and Ohio State University Medical Center, with other supporting medical offices and retail located nearby.



DEVELOPMENT INCENTIVES

| DEVELOPMENT / DEVELOPER | | | Retail, Comm., Service | Large Format Retail | Signature Office | Office A / B | Hotel | Conference Center | Flex Office / Industrial | Residential |
|-------------------------------------|----------------------------|------------------------|------------------------|---------------------|------------------|--------------|-------|-------------------|--------------------------|-------------|
| New Community Reinvestment Area | Gahanna | Tax Abatement | | | | | | | | |
| New Tax Increment Financing | Gahanna | Tax Redirection | | | ■ | ■ | | | | |
| New Community Authority | Gahanna | Tax Redirection / Bond | | | ■ | ■ | | | | |
| TENANT | | | | | | | | | | |
| Jobs Growth Incentive | Gahanna | Tax Credit | | | | | | | | |
| GahannaNet | Gahanna | Cost Reduction | | | ■ | ■ | | | | |
| Small Business Administration Loans | Gahanna | Loan | | | ■ | ■ | | | | |
| Micro-Enterprise Loan Program | Franklin County | Loan | | | ■ | ■ | | | | |
| Franklin County Grow Fund | Franklin County | Loan | | | ■ | ■ | | | | |
| Economic Development Grant | Ohio Finance Fund | Grant | | | | | | | | |
| Job Creation Tax Credit | Development Service Agency | Tax Credit | | | | | | | | |
| JobsOhio Grant | JobsOhio | Grant | | | | | | | | |
| JobsOhio Loan | JobsOhio | Loan | | | | | | | | |

PDA CAPACITY TABLES

The development capacity table is not a specific recommendation for uses on a particular site. Instead it describes a site's capacity for each use using industry accepted standards included in this table. It is intended to be used as a reference in determining a general idea of site capacities for various development types.

| PDA Site Critical Data | 3A | 3B | 3C | 3D | 3E | 3F | 3G | 3H | 3I | 3J |
|------------------------|-----|-----|-----|-----|-----|-----|-----|------|-----|------|
| Acres | 6.9 | 3.2 | 5.2 | 4.6 | 5.2 | 7.0 | 8.5 | 10.1 | 4.6 | 13.3 |
| # of Parcels | 4 | 3 | 1 | 2 | 2 | 7 | 5 | 6 | 4 | 1 |
| # of Owners | 3 | 2 | 1 | 1 | 2 | 3 | 2 | 6 | 4 | 1 |

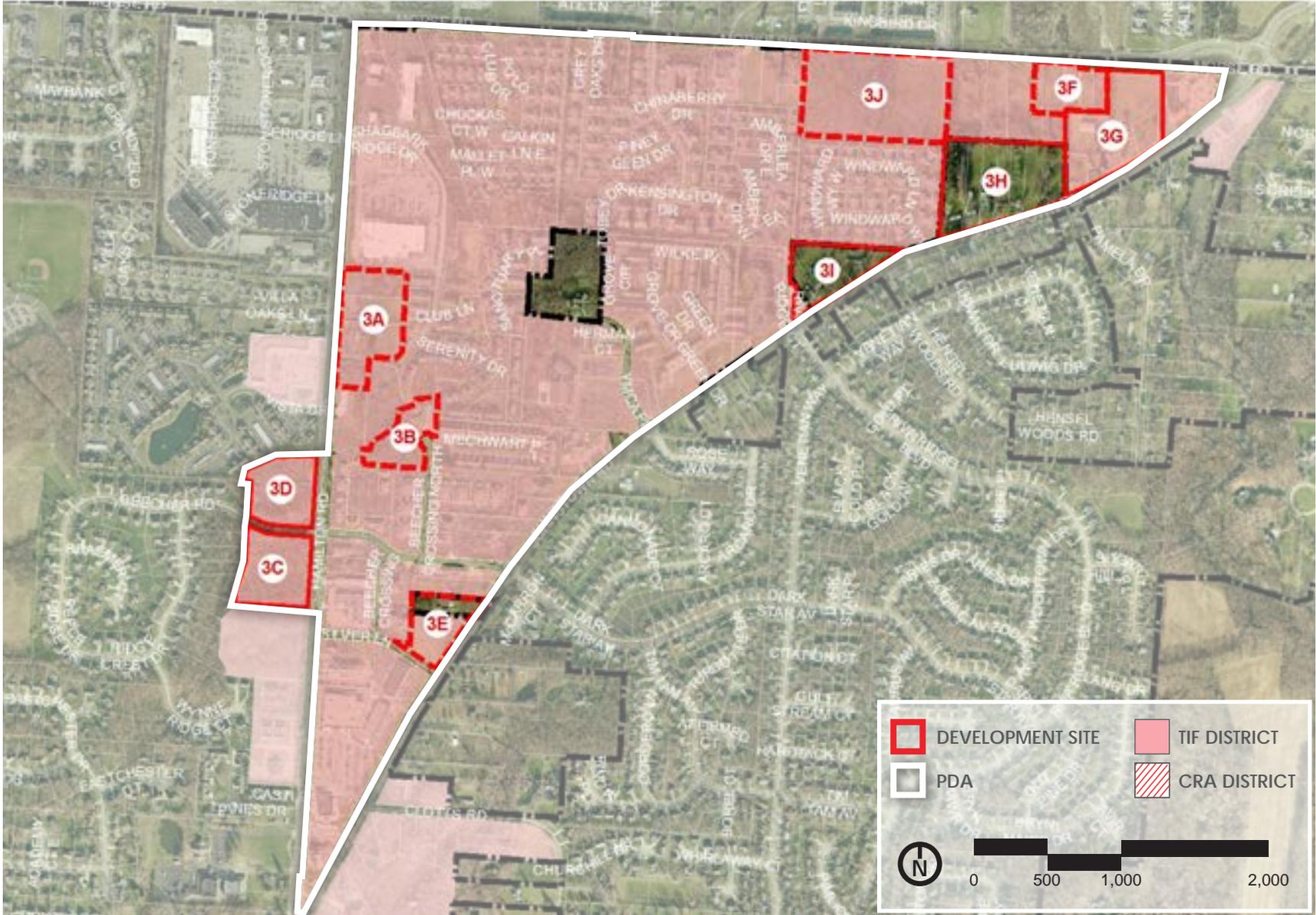
| Use | Development SF or Units/Acre | | PDA Site Development Capacity | | | | | | | | | | |
|-------------|------------------------------|--------|-------------------------------|--------|--------|--------|--------|--------|--------|--------|---------|--------|---------|
| | | | 3A | 3B | 3C | 3D | 3E | 3F | 3G | 3H | 3I | 3J | |
| Retail | Retail / Commercial | 10,000 | SF | 68,800 | 32,200 | 52,000 | 46,000 | 52,000 | 70,000 | 85,000 | 101,000 | 46,000 | 133,000 |
| | Large Format Retail | 10,000 | SF | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Office | Office A / B | 10,000 | SF | 68,800 | 32,200 | 52,000 | 46,000 | 52,000 | 70,000 | 85,000 | 101,000 | 46,000 | 133,000 |
| | Signature Office | 12,000 | SF | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| | Office / Showroom | 11,000 | SF | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Ind. | Flex Office | 12,000 | SF | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| | Industrial | 15,000 | SF | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Hotel | Hotel | 40 | keys | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| | Hotel Conference | 10,000 | SF | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Residential | Med. Density Res. | 6 | DU | 41 | 19 | 31 | 28 | 31 | 42 | 51 | 61 | 28 | 80 |
| | Med-High Density Res. | 10 | DU | 69 | 32 | 52 | 46 | 52 | 70 | 85 | 101 | 46 | 133 |
| | High Density Res. | 14 | DU | 96 | 45 | 73 | 64 | 73 | 98 | 119 | 141 | 64 | 186 |
| | Townhomes | 8 | DU | 55 | 26 | 42 | 37 | 42 | 56 | 68 | 81 | 37 | 106 |

-- Indicates use is not appropriate for a particular site

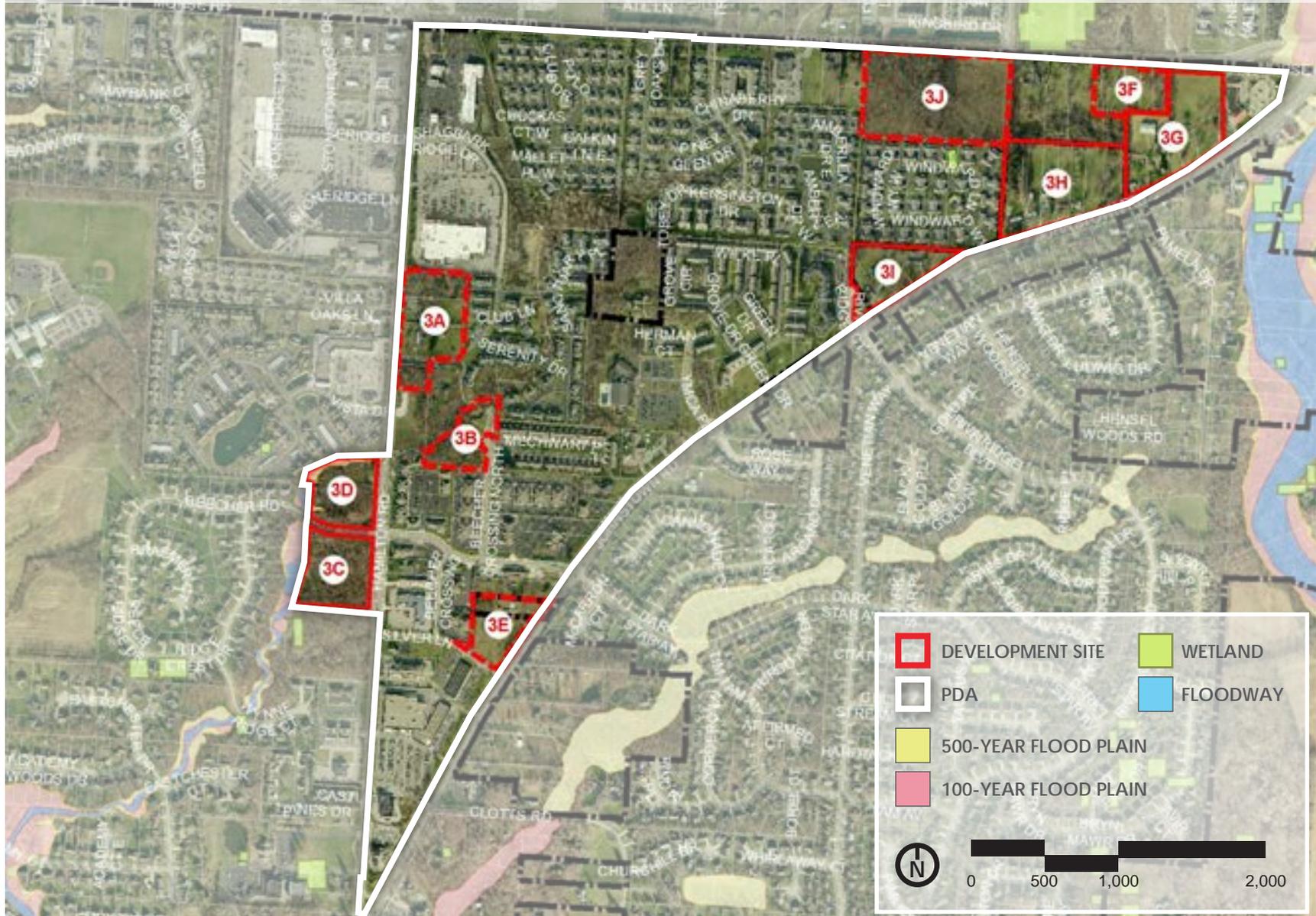
CITY-OWNED & VACANT LAND



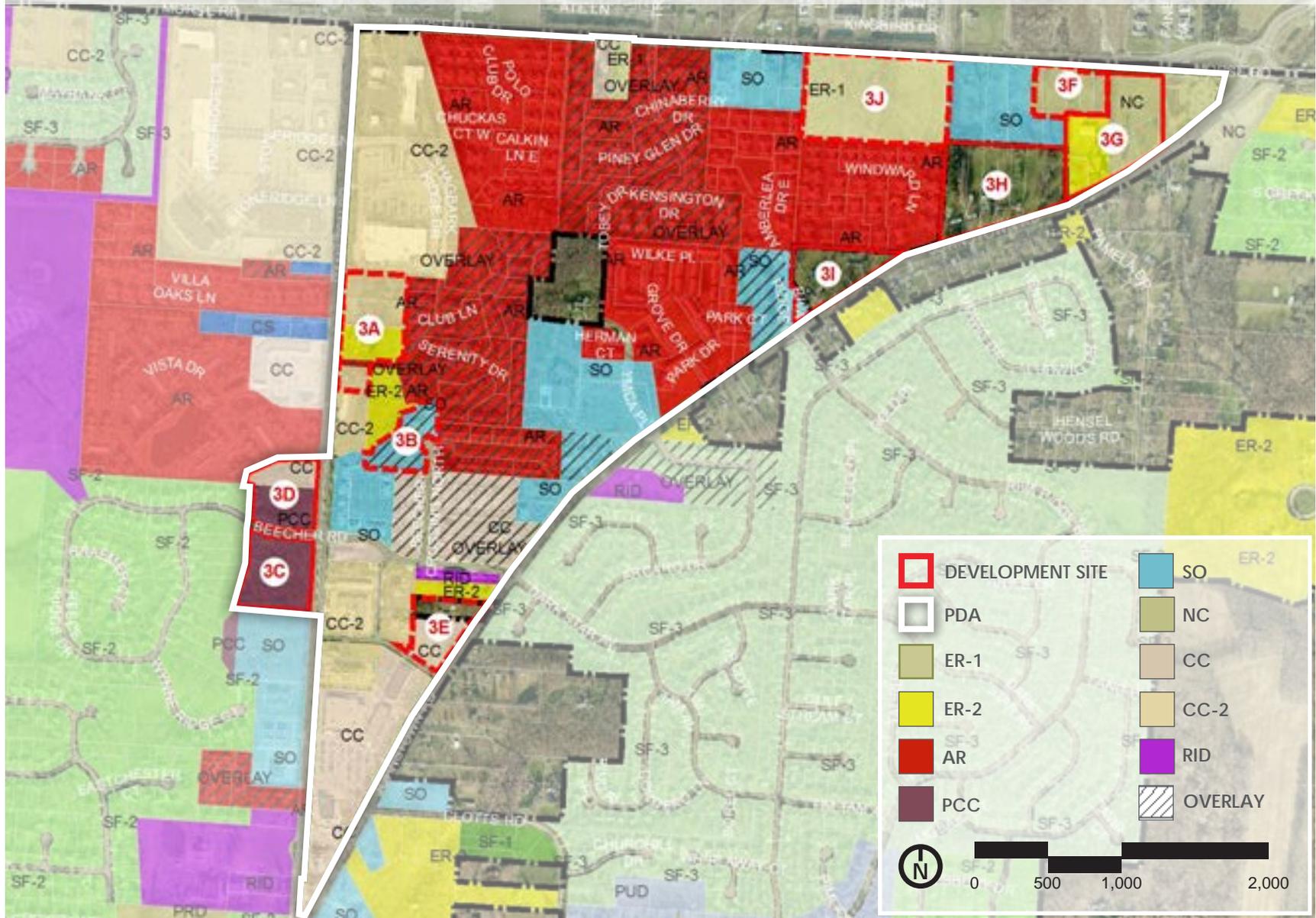
TIF & CRA DISTRICTS



FLOODING AREAS & WETLANDS



CURRENT ZONING



TARGET SITE 3A

EXISTING CONDITIONS

Target Site 3A is a section of land that extends along the eastern edge of North Hamilton Road. Currently, there are two structures housing small business operations on the collection of four parcels. A majority of the properties have deep lots extending east from North Hamilton Road. The site is adjacent to large box retail to the north, multi-family residential to the east and commercial to the south. There are four property owners for this site, which would require small land assemblage to accommodate any comprehensive development proposal. There is limited access to the property from vehicular traffic heading south on Hamilton Road. Existing sidewalk provides pedestrian access to both tenants and residents.

PROPOSED DEVELOPMENT

The Target Site 3A concept proposes a small-scale professional office park off Hamilton Road and Shagbark Road. Buildings have been placed closer to Hamilton Road to create a walkable streetscape, with parking placed to the rear of the buildings. Three smaller-scale buildings are placed to the rear of the site, suitable for a number of professional office users. Significant landscape buffering will be required between parking within the site and the residential properties to the east.

INFRASTRUCTURE IMPROVEMENTS

The property owner or developer will need to provide internal mobility within the site. A roadway loop is shown that allows access from both North Hamilton Road and Shagbark Road to all parking lots and buildings on the site. Future development plans should also have primary vehicular connection to the signalized intersection to the south.

DEVELOPMENT PROGRAM

| Code | Use | Building Footprint (s.f.) | Stories | Building Area (s.f. or keys) |
|------|------------|---------------------------|---------|------------------------------|
| A | Office A/B | 7,200 | 1 | 7,200 |
| B | Office A/B | 8,400 | 1 | 8,400 |
| C | Office A/B | 16,200 | 1 | 16,200 |
| D | Office A/B | 5,400 | 1 | 5,400 |
| E | Office A/B | 5,400 | 1 | 5,400 |
| F | Office A/B | 5,400 | 1 | 5,400 |
| G | Office A/B | 5,400 | 1 | 5,400 |

PROPOSED CHARACTER





TARGET SITE 3A

Project Summary

| | |
|-------------------------|--------------|
| Total Acreage | 5.34 |
| Non-residential SF | 53,400 |
| Residential Units | 0 |
| Original Parcel Value | \$ - |
| Total Construction Cost | \$ 7,785,720 |
| Revised Value | \$ 7,785,720 |

| | |
|---------------------------|--------------|
| Total Jobs | 187 |
| Weighted Average Salary | \$ 50,000 |
| Total Payroll | \$ 9,335,664 |
| Hotel Rooms | 0 |
| Annual Hotel Room Revenue | \$ - |

TIF on Site? **Yes**

Revenues

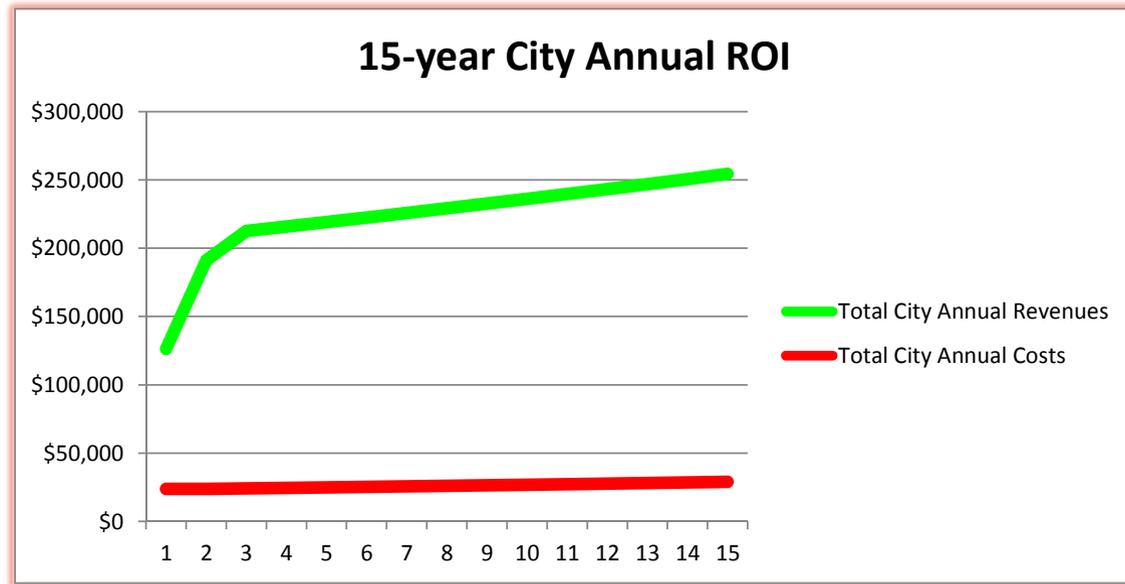
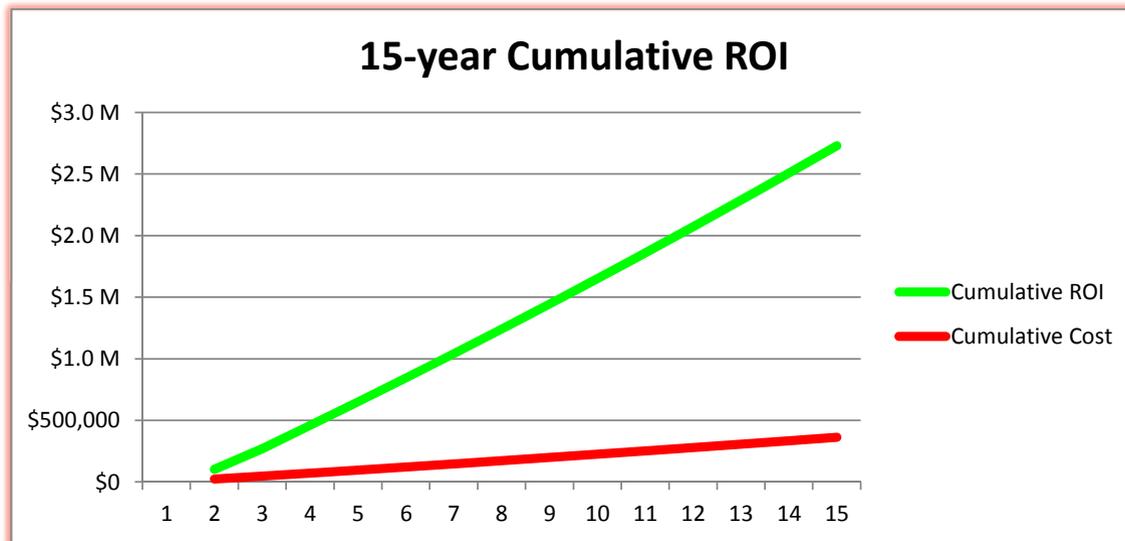
| | City & Schools | City | |
|----------------------|----------------|--------------|--------------|
| | Total Property | Property/TIF | Income Tax |
| Over 3 Years | \$ 276,029 | \$ 175,782 | \$ 288,553 |
| Over 5 Years | \$ 2,048,168 | \$ 297,409 | \$ 588,038 |
| Over 10 Years | \$ 4,361,065 | \$ 617,802 | \$ 1,376,955 |
| Over 15 Years | \$ 6,852,712 | \$ 962,957 | \$ 2,226,842 |

Return on Investment

| | City & Schools | City |
|----------------------|----------------|--------------|
| Over 3 Years | \$ 495,142 | \$ 394,896 |
| Over 5 Years | \$ 2,520,474 | \$ 769,715 |
| Over 10 Years | \$ 5,506,556 | \$ 1,763,294 |
| Over 15 Years | \$ 8,732,359 | \$ 2,842,604 |

Costs

| | City | |
|----------------------|---------------|------------------|
| | Service Costs | Incentives Costs |
| Over 3 Years | \$ 69,439 | \$ - |
| Over 5 Years | \$ 115,732 | \$ - |
| Over 10 Years | \$ 231,464 | \$ - |
| Over 15 Years | \$ 347,195 | \$ - |



TARGET SITE 3B

EXISTING CONDITIONS

Target Site 3B is a section of land located at the north end of Beecher Crossing North. The site is adjacent to a natural ravine to the north and west, multi-family to the east, and commercial to the south. Currently, the site is vacant except for a partially constructed foundation located on the northern part of the property. There are two property owners for the site, which would require small land assemblage to accommodate any comprehensive development proposal.

PROPOSED DEVELOPMENT

The existing pattern of development within the area has been extended to the end of the Beecher Crossing North. Three professional office buildings have been placed on the site. The buildings are positioned with ample buffer space to the northwest of the site to accommodate the existing natural ravine with landscaping designed to minimize the impact of the development on the residential areas to the east.

INFRASTRUCTURE IMPROVEMENTS

Because the three sites are infill development, infrastructure needs will be minimal. Additional curb cuts will be needed from the cul-de-sac for each of the office buildings.

DEVELOPMENT PROGRAM

| Code | Use | Building Footprint (s.f.) | Stories | Building Area (s.f. or keys) |
|------|------------|---------------------------|---------|------------------------------|
| A | Office A/B | 7,200 | 1 | 7,200 |
| B | Office A/B | 8,400 | 1 | 8,400 |
| C | Office A/B | 16,200 | 1 | 16,200 |





TARGET SITE 3B

Project Summary

| | |
|-------------------------|--------------|
| Total Acreage | 3.18 |
| Non-residential SF | 31,800 |
| Residential Units | 0 |
| Original Parcel Value | \$ - |
| Total Construction Cost | \$ 4,636,440 |
| Revised Value | \$ 4,636,440 |

| | |
|---------------------------|--------------|
| Total Jobs | 111 |
| Weighted Average Salary | \$ 50,000 |
| Total Payroll | \$ 5,559,441 |
| Hotel Rooms | 0 |
| Annual Hotel Room Revenue | \$ - |

TIF on Site? **Yes**

Revenues

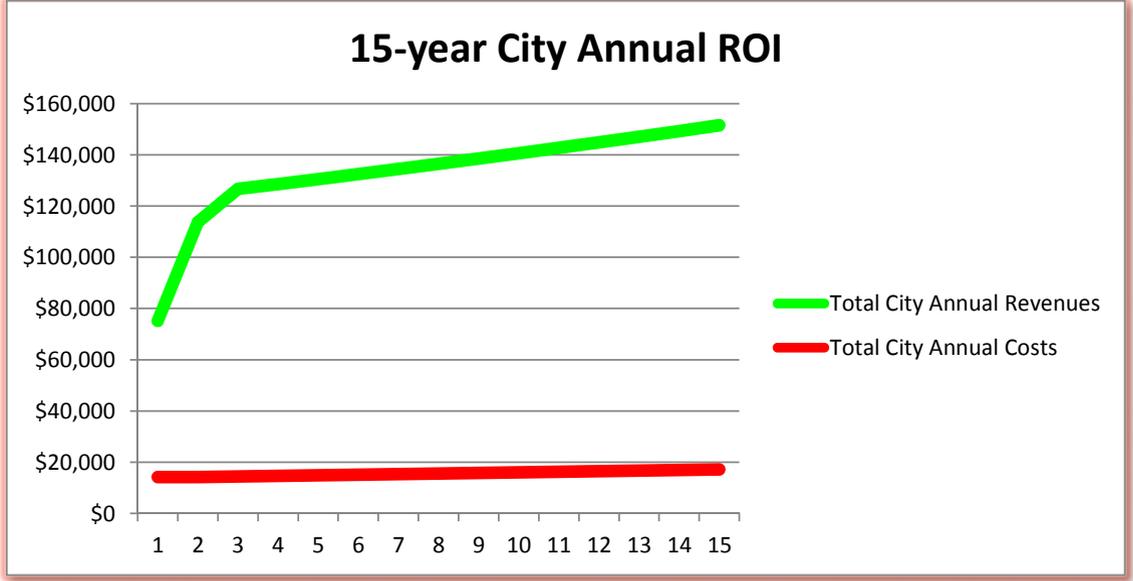
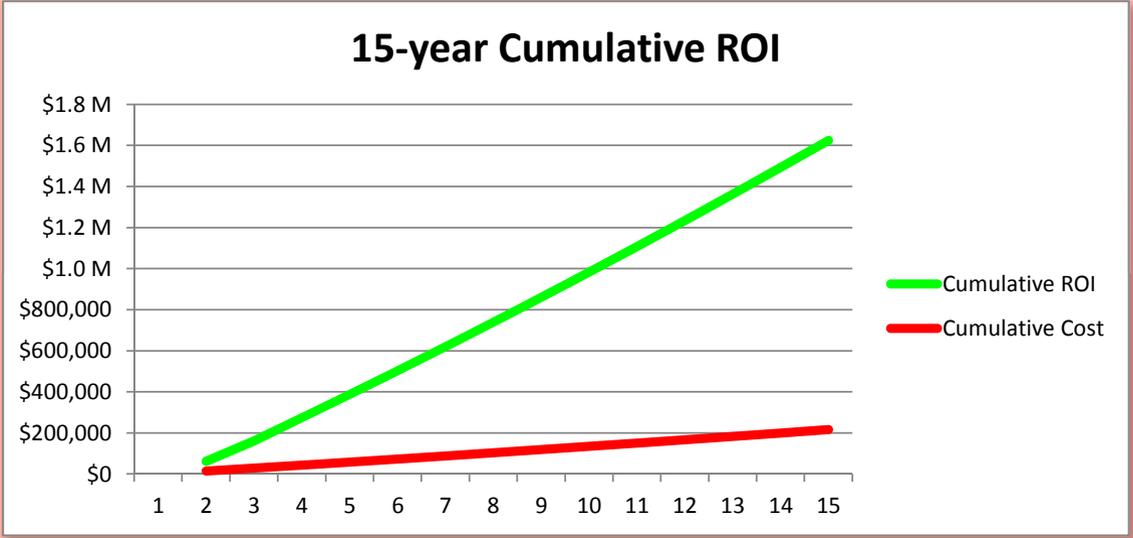
| | City & Schools | City | |
|----------------------|----------------|--------------|--------------|
| | Total Property | Property/TIF | Income Tax |
| Over 3 Years | \$ 164,377 | \$ 104,679 | \$ 171,835 |
| Over 5 Years | \$ 1,219,695 | \$ 177,109 | \$ 350,180 |
| Over 10 Years | \$ 2,597,039 | \$ 367,905 | \$ 819,984 |
| Over 15 Years | \$ 4,080,829 | \$ 573,446 | \$ 1,326,097 |

Return on Investment

| | City & Schools | City |
|----------------------|----------------|--------------|
| Over 3 Years | \$ 294,860 | \$ 235,163 |
| Over 5 Years | \$ 1,500,957 | \$ 458,370 |
| Over 10 Years | \$ 3,279,185 | \$ 1,050,051 |
| Over 15 Years | \$ 5,200,169 | \$ 1,692,787 |

Costs

| | City |
|----------------------|-------------------------------------|
| | Service Costs Incentives Costs |
| Over 3 Years | \$ 41,351 \$ - |
| Over 5 Years | \$ 68,919 \$ - |
| Over 10 Years | \$ 137,838 \$ - |
| Over 15 Years | \$ 206,757 \$ - |



TARGET SITE 3E

EXISTING CONDITIONS

Target Site 3E is a section of land located north of Silver Lane and west of East Johnstown Road. The site is adjacent to a fire station to the north, residential to the east, and commercial to the west and south. Currently, the site has one structure on it, with a majority of the site remaining vacant. There are two property owners for the site, which would require small land assemblage to accommodate any comprehensive development proposal.

PROPOSED DEVELOPMENT

The Target Site 3E concept is a small cluster of professional office buildings centered around a shared parking lot within the interior of the site. Buildings are recommended to be placed off the roadway to accommodate additional landscape buffers and streetscape amenities.

INFRASTRUCTURE IMPROVEMENTS

Pedestrian amenities should be installed for the proposed development. In addition, a secondary access drive will need to be established from the existing curb cut on Silver Lane, and a new curb cut will need to be constructed from Johnstown Road to provide for the primary access to the site.

DEVELOPMENT PROGRAM

| Code | Use | Building Footprint (s.f.) | Stories | Building Area (s.f. or keys) |
|------|------------|---------------------------|---------|------------------------------|
| A | Office A/B | 10,000 | 1 | 10,000 |
| B | Office A/B | 3,600 | 1 | 3,600 |
| C | Office A/B | 10,000 | 1 | 10,000 |
| D | Office A/B | 10,000 | 1 | 10,000 |

PROPOSED CHARACTER





TARGET SITE 3E

Project Summary

| | |
|-------------------------|--------------|
| Total Acreage | 3.36 |
| Non-residential SF | 33,600 |
| Residential Units | 0 |
| Original Parcel Value | \$ - |
| Total Construction Cost | \$ 4,898,880 |
| Revised Value | \$ 4,898,880 |

| | |
|---------------------------|--------------|
| Total Jobs | 117 |
| Weighted Average Salary | \$ 50,000 |
| Total Payroll | \$ 5,874,126 |
| Hotel Rooms | 0 |
| Annual Hotel Room Revenue | \$ - |

TIF on Site? **Yes**

Revenues

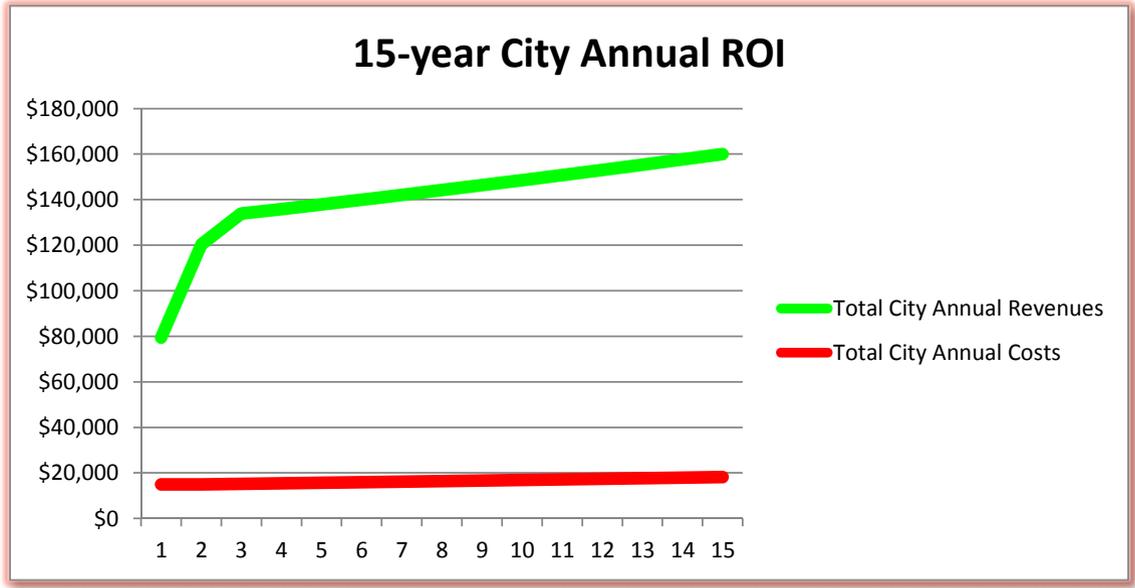
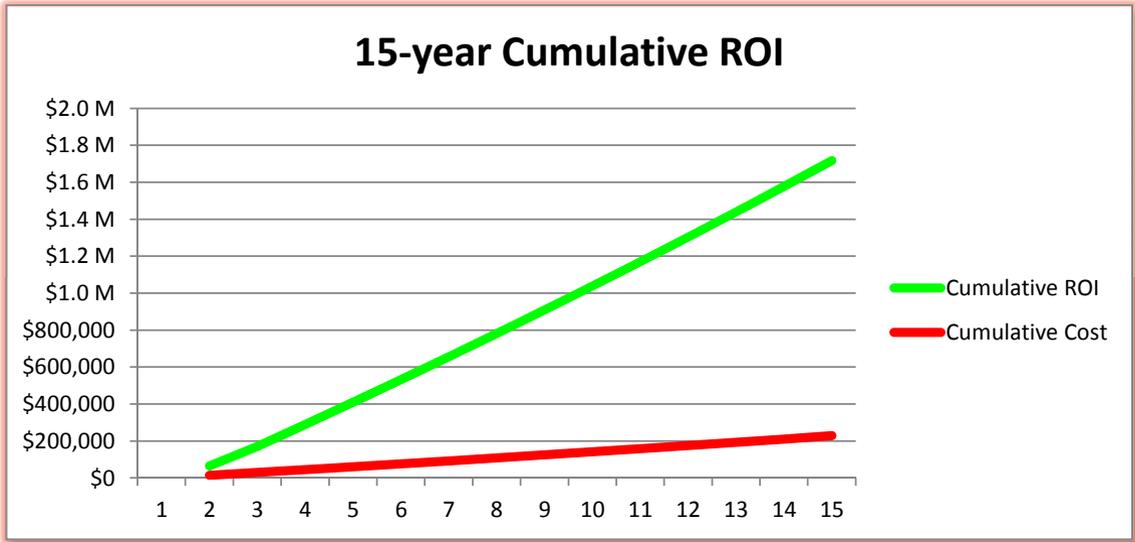
| | City & Schools Total Property | Property/TIF | City Income Tax |
|----------------------|----------------------------------|--------------|--------------------|
| Over 3 Years | \$ 173,681 | \$ 110,604 | \$ 181,561 |
| Over 5 Years | \$ 1,288,735 | \$ 187,134 | \$ 370,002 |
| Over 10 Years | \$ 2,744,041 | \$ 388,730 | \$ 866,399 |
| Over 15 Years | \$ 4,311,819 | \$ 605,906 | \$ 1,401,159 |

Return on Investment

| | City & Schools | City |
|----------------------|----------------|--------------|
| Over 3 Years | \$ 311,550 | \$ 248,474 |
| Over 5 Years | \$ 1,585,916 | \$ 484,315 |
| Over 10 Years | \$ 3,464,800 | \$ 1,109,488 |
| Over 15 Years | \$ 5,494,518 | \$ 1,788,605 |

Costs

| | City Service Costs | City Incentives Costs |
|----------------------|-----------------------|--------------------------|
| Over 3 Years | \$ 43,692 | \$ - |
| Over 5 Years | \$ 72,820 | \$ - |
| Over 10 Years | \$ 145,640 | \$ - |
| Over 15 Years | \$ 218,460 | \$ - |



TARGET SITE 3F & 3G

EXISTING CONDITIONS

Target Site 3F and 3G encompass a large amount of acreage located south of Morse Road, east of Trellis Lane, and west of East Johnstown Road. A 70,000 square foot senior living facility, identified as Building A, is currently under construction. There are several small scale residential buildings located on this site. In addition, there are multiple property owners, which will require land assemblage to accommodate any proposed development.

PROPOSED DEVELOPMENT

Sites 3F and 3G incorporate a greenspace buffer between the buildings and the roadway, matching the development pattern along Morse Road to the west. Shared parking has been located to the side and the rear of buildings, effectively screening it from view from the roadway. Multiple ingress / egress points are present throughout the development, giving users flexibility in how they enter the development.

INFRASTRUCTURE IMPROVEMENTS

Sidewalks and landscape treatments that connect to neighboring developments will be necessary along Morse Road. Additional curb cuts will be necessary, both along US-62 and Morse Road.

DEVELOPMENT PROGRAM

| Code | Use | Building Footprint (s.f.) | Stories | Building Area (s.f. or keys) |
|------|-----------------|---------------------------|---------|------------------------------|
| A | Skilled Nursing | 70,800 | -- | -- |
| B | Office A/B | 7,700 | 1 | 7,700 |
| C | Office A/B | 7,700 | 1 | 7,700 |
| D | Office A/B | 7,700 | 1 | 7,700 |
| E | Office A/B | 20,700 | 1 | 20,700 |
| F | Office A/B | 6,300 | 1 | 6,300 |

PROPOSED CHARACTER





TARGET SITE 3F, 3G

Project Summary

| | | | |
|--------------------------------|---------------|----------------------------------|---------------|
| Total Acreage | 12.90 | Total Jobs | 257 |
| Non-residential SF | 120,900 | Weighted Average Salary | \$ 45,227 |
| Residential Units | 0 | Total Payroll | \$ 11,620,173 |
| Original Parcel Value | \$ - | Hotel Rooms | 0 |
| Total Construction Cost | \$ 19,659,888 | Annual Hotel Room Revenue | \$ - |
| Revised Value | \$ 19,659,888 | | |

TIF on Site? **Yes**

Revenues

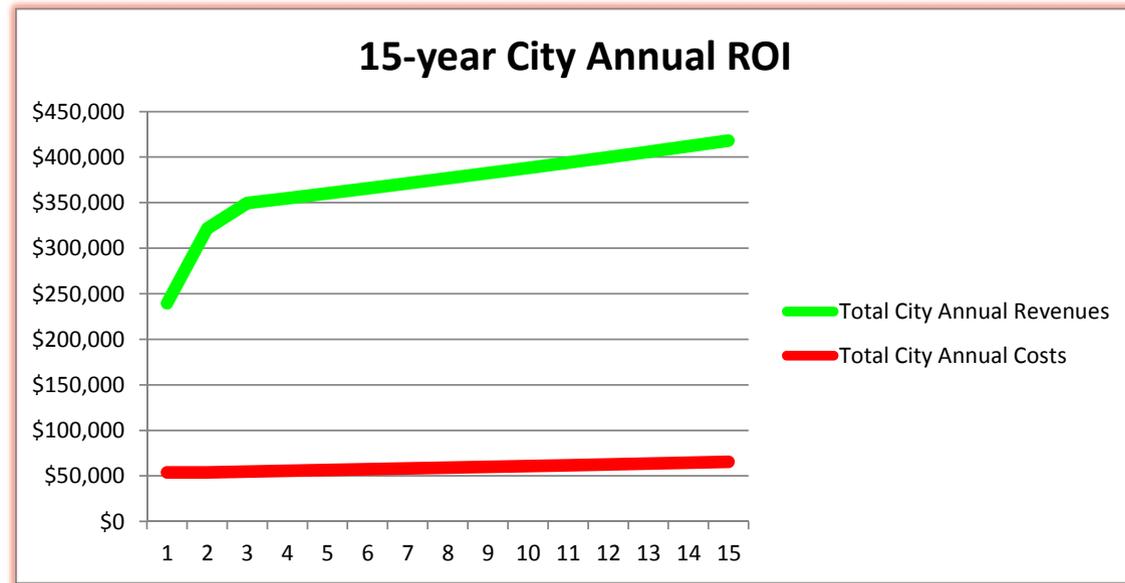
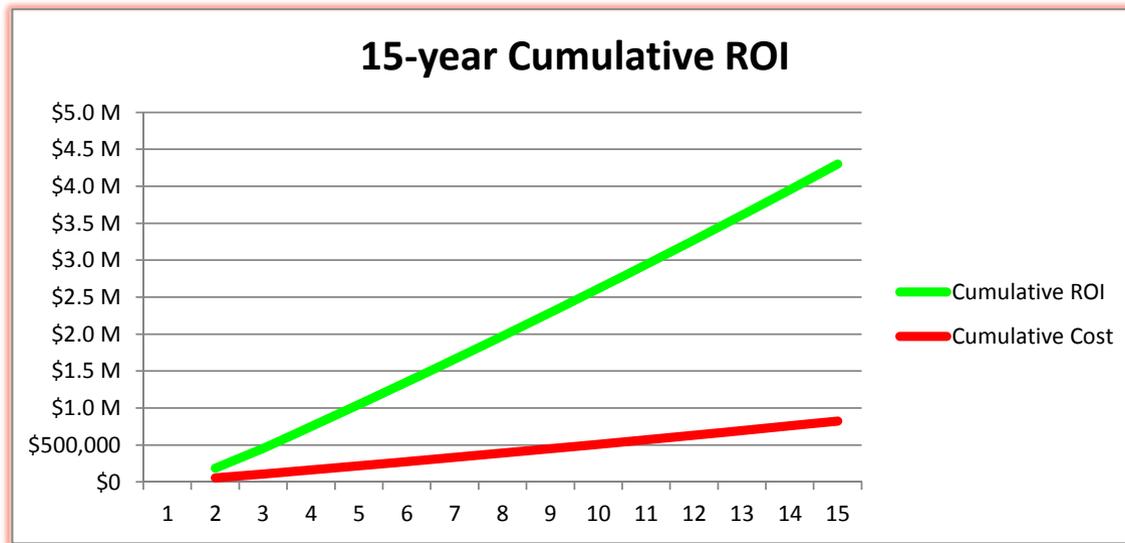
| | City & Schools | | City | |
|----------------------|----------------|--------------|------|------------|
| | Total Property | Property/TIF | | Income Tax |
| Over 3 Years | \$ 697,006 | \$ 443,871 | \$ | 359,164 |
| Over 5 Years | \$ 4,360,708 | \$ 750,993 | \$ | 731,936 |
| Over 10 Years | \$ 9,190,915 | \$ 1,560,026 | \$ | 1,713,906 |
| Over 15 Years | \$ 14,394,420 | \$ 2,431,584 | \$ | 2,771,767 |

Return on Investment

| | City & Schools | | City | |
|----------------------|----------------|----|-----------|--|
| Over 3 Years | \$ 898,957 | \$ | 645,822 | |
| Over 5 Years | \$ 4,830,622 | \$ | 1,220,907 | |
| Over 10 Years | \$ 10,380,778 | \$ | 2,749,888 | |
| Over 15 Years | \$ 16,380,121 | \$ | 4,417,286 | |

Costs

| | City | |
|----------------------|---------------|------------------|
| | Service Costs | Incentives Costs |
| Over 3 Years | \$ 157,213 | \$ - |
| Over 5 Years | \$ 262,022 | \$ - |
| Over 10 Years | \$ 524,044 | \$ - |
| Over 15 Years | \$ 786,066 | \$ - |



TARGET SITE 3J

EXISTING CONDITIONS

Target Site 3J is one of the largest undeveloped properties along the Morse Road Corridor in Gahanna. This land is currently vacant with no existing structures. It is important that this site is developed in such a way that will not exacerbate the traffic congestion on Morse Road, while providing adequate commercial development opportunities within the North Triangle PDA.

PROPOSED DEVELOPMENT

The proposed development splits the site in half, reserving the western portion as a naturalized park with space for a small playground to service the residents of Gahanna. The eastern portion of the site utilizes the frontage along Morse Road for professional office buildings, with additional office and skilled nursing placed to the rear of the site. The presence of medical users within the office buildings would be an appropriate and beneficial addition to the skilled nursing care user in the site. A boulevard entry feature leads users to a central roundabout that allows access to all users within the site. A secondary access road is aligned with Preserve Crossing Boulevard across the street.

INFRASTRUCTURE IMPROVEMENTS

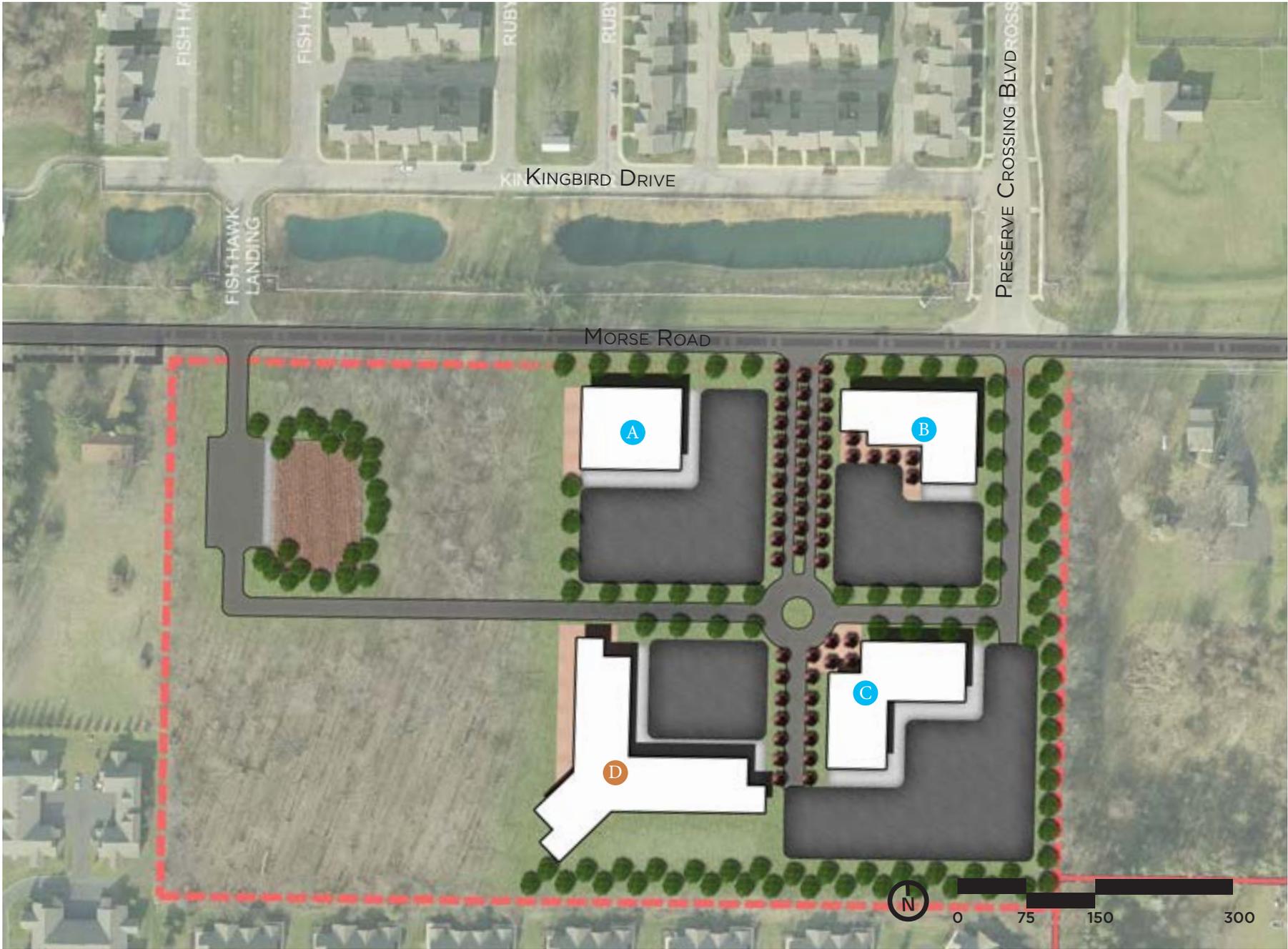
The park section of the site will require the construction of an access roadway and playground equipment.

DEVELOPMENT PROGRAM

| Code | Use | Building Footprint (s.f.) | Stories | Building Area (s.f. or keys) |
|------|----------------------|---------------------------|---------|------------------------------|
| A | Office A/B | 9,900 | 2 | 19,800 |
| B | Office A/B | 11,200 | 2 | 22,400 |
| C | Office A/B | 13,800 | 2 | 27,600 |
| D | Skilled Nursing Care | 19,000 | 3 | 57,000 |

PROPOSED CHARACTER





TARGET SITE 3J

Project Summary

| | |
|-------------------------|---------------|
| Total Acreage | 12.60 |
| Non-residential SF | 126,800 |
| Residential Units | 0 |
| Original Parcel Value | \$ - |
| Total Construction Cost | \$ 20,123,910 |
| Revised Value | \$ 20,123,910 |

| | |
|---------------------------|---------------|
| Total Jobs | 310 |
| Weighted Average Salary | \$ 46,814 |
| Total Payroll | \$ 14,506,492 |
| Hotel Rooms | 0 |
| Annual Hotel Room Revenue | \$ - |

TIF on Site? **Yes**

Revenues

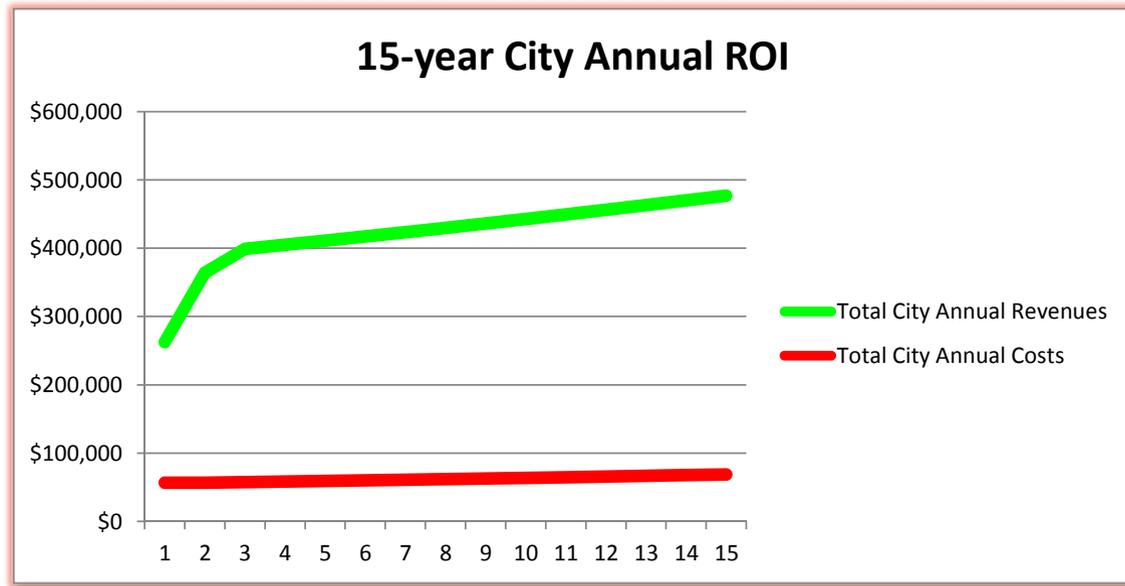
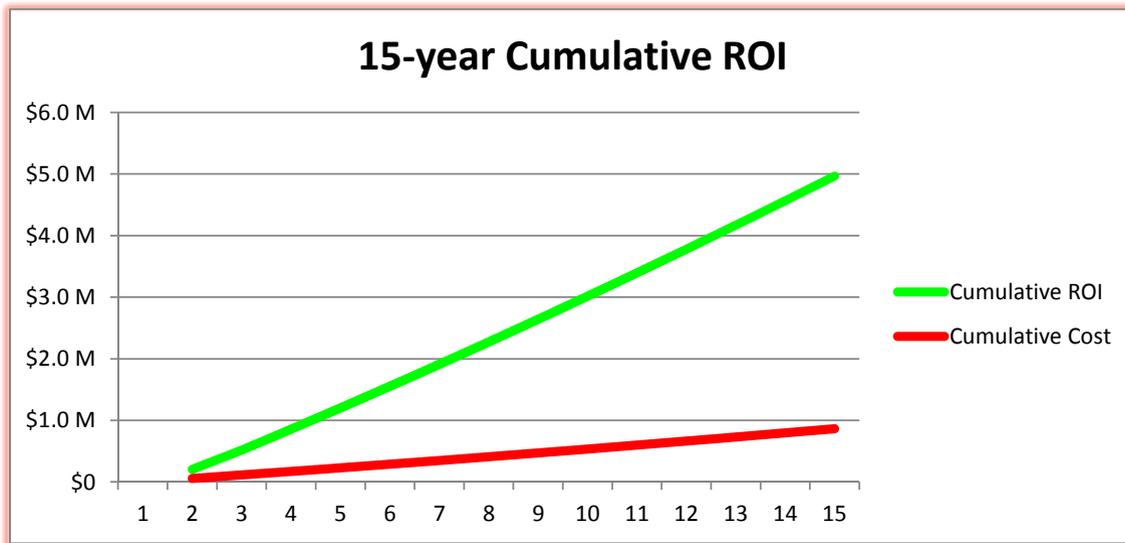
| | City & Schools | | City |
|----------------------|----------------|--------------|--------------|
| | Total Property | Property/TIF | Income Tax |
| Over 3 Years | \$ 713,457 | \$ 454,348 | \$ 448,376 |
| Over 5 Years | \$ 4,640,886 | \$ 768,718 | \$ 913,740 |
| Over 10 Years | \$ 9,805,831 | \$ 1,596,846 | \$ 2,139,621 |
| Over 15 Years | \$ 15,369,943 | \$ 2,488,975 | \$ 3,460,243 |

Return on Investment

| | City & Schools | City |
|----------------------|----------------|--------------|
| Over 3 Years | \$ 996,948 | \$ 737,839 |
| Over 5 Years | \$ 5,279,817 | \$ 1,407,650 |
| Over 10 Years | \$ 11,395,834 | \$ 3,186,850 |
| Over 15 Years | \$ 18,005,760 | \$ 5,124,792 |

Costs

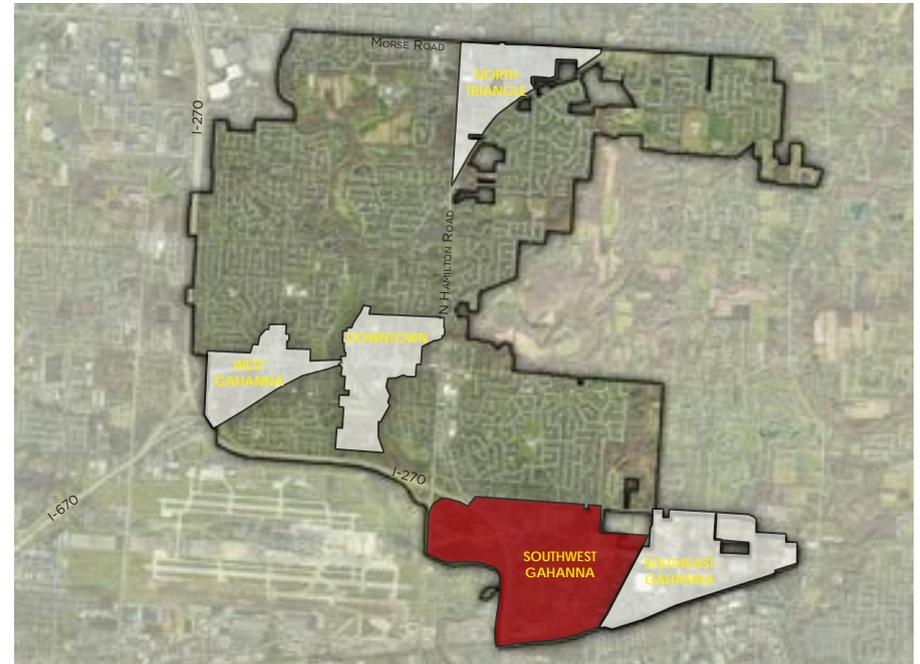
| | City | |
|----------------------|---------------|------------------|
| | Service Costs | Incentives Costs |
| Over 3 Years | \$ 164,885 | \$ - |
| Over 5 Years | \$ 274,809 | \$ - |
| Over 10 Years | \$ 549,618 | \$ - |
| Over 15 Years | \$ 824,426 | \$ - |



PDA #4 - SOUTHWEST GAHANNA

CONCEPT OVERVIEW

With high visibility and direct access to I-270, the “Southwestern” PDA has the most potential for development within the City. Gahanna has opened up much of the land fronting the freeway to development with the addition of Tech Center Drive and the bridge across I-270. The Buckles Tract, one of the last undeveloped areas along I-270, is large enough to meet the market demand for office, retail, and hotels for several years. To the east of I-270, Tech Center Drive and Science Boulevard contain multiple and undeveloped parcels of single ownership and close proximity to the freeway exit.



DEVELOPMENT INCENTIVES

| DEVELOPMENT / DEVELOPER | | | Retail, Comm., Service | Large Format Retail | Signature Office | Office A / B | Hotel | Conference Center | Flex Office / Industrial | Residential |
|-------------------------------------|----------------------------|------------------------|------------------------|---------------------|------------------|--------------|-------|-------------------|--------------------------|-------------|
| New Community Reinvestment Area | Gahanna | Tax Abatement | ■ | ■ | ■ | ■ | ■ | ■ | ■ | |
| New Tax Increment Financing | Gahanna | Tax Redirection | ■ | ■ | ■ | ■ | ■ | ■ | ■ | |
| New Community Authority | Gahanna | Tax Redirection / Bond | ■ | ■ | ■ | ■ | ■ | ■ | ■ | |
| TENANT | | | | | | | | | | |
| Jobs Growth Incentive | Gahanna | Tax Credit | | | ■ | ■ | | | ■ | |
| GahannaNet | Gahanna | Cost Reduction | ■ | ■ | ■ | ■ | ■ | ■ | ■ | |
| Small Business Administration Loans | Gahanna | Loan | ■ | | | ■ | | | | |
| Micro-Enterprise Loan Program | Franklin County | Loan | | | | ■ | | | | |
| Franklin County Grow Fund | Franklin County | Loan | | | | ■ | | | | |
| Economic Development Grant | Ohio Finance Fund | Grant | | ■ | | | | | | |
| Job Creation Tax Credit | Development Service Agency | Tax Credit | | | ■ | ■ | | | ■ | |
| JobsOhio Grant | JobsOhio | Grant | | | ■ | | | | | |
| JobsOhio Loan | JobsOhio | Loan | | | | | | | ■ | |

PDA CAPACITY TABLES

The development capacity table is not a specific recommendation for uses on a particular site. Instead it describes a site's capacity for each use using industry accepted standards included in this table. It is intended to be used as a reference in determining a general idea of site capacities for various development types.

| PDA Site Critical Data | 4A | 4B | 4C | 4D | 4E | 4J | 4K | 4L | 4M | 4Q | 4R | 4T |
|------------------------|------|-----|------|------|------|------|------|-----|-----|-----|-----|-----|
| Acres | 78.5 | 9.4 | 13.9 | 12.8 | 10.3 | 39.6 | 16.9 | 4.2 | 5.9 | 4.1 | 3.0 | 5.3 |
| # of Parcels | 1 | 5 | 2 | 2 | 1 | 5 | 2 | 1 | 1 | 1 | 1 | 1 |
| # of Owners | 1 | 2 | 2 | 2 | 1 | 3 | 1 | 1 | 1 | 1 | 1 | 1 |

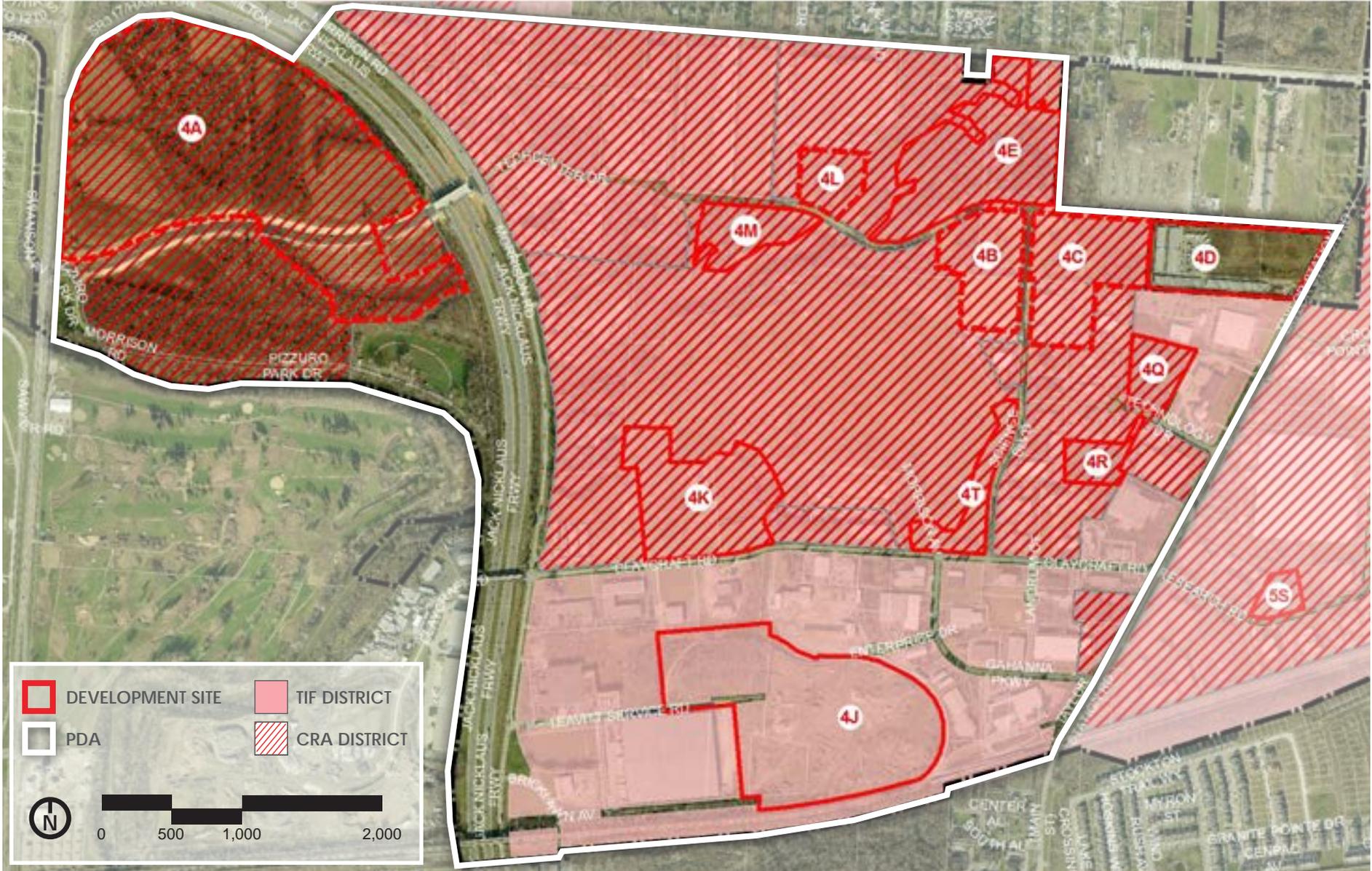
| Use | Development SF or Units/Acre | | PDA Site Development Capacity | | | | | | | | | | | | |
|-------------|------------------------------|--------|-------------------------------|-----------|---------|---------|---------|---------|---------|---------|--------|--------|--------|--------|--------|
| | | | 4A | 4B | 4C | 4D | 4E | 4J | 4K | 4L | 4M | 4Q | 4R | 4T | |
| Retail | Retail / Commercial | 10,000 | SF | 785,000 | 94,000 | 139,000 | 128,000 | 103,000 | 396,000 | 169,000 | 42,000 | 59,000 | 41,000 | 30,000 | 53,000 |
| | Large Format Retail | 10,000 | SF | 785,000 | 94,000 | 139,000 | 128,000 | 103,000 | 396,000 | 169,000 | 42,000 | 59,000 | 41,000 | 30,000 | 53,000 |
| Office | Office A / B | 10,000 | SF | 785,000 | 94,000 | 139,000 | 128,000 | 103,000 | 396,000 | 169,000 | 42,000 | 59,000 | 41,000 | 30,000 | 53,000 |
| | Signature Office | 12,000 | SF | 942,000 | 112,800 | 166,800 | 153,600 | 123,600 | 475,200 | 202,800 | 50,400 | 70,800 | 49,200 | 36,000 | 63,600 |
| | Office / Showroom | 11,000 | SF | 863,500 | 103,400 | 152,900 | 140,800 | 113,300 | 435,600 | 185,900 | 46,200 | 64,900 | 45,100 | 33,000 | 58,300 |
| Ind. | Flex Office | 12,000 | SF | 942,000 | 112,800 | 166,800 | 153,600 | 123,600 | 475,200 | 202,800 | 50,400 | 70,800 | 49,200 | 36,000 | 63,600 |
| | Industrial | 15,000 | SF | 1,177,500 | 141,000 | 208,500 | 192,000 | 154,500 | 594,000 | 253,500 | 63,000 | 88,500 | 61,500 | 45,000 | 79,500 |
| Hotel | Hotel | 40 | Keys | 3,140 | 376 | 556 | 512 | 412 | 1,584 | 676 | 168 | 236 | 164 | 120 | 212 |
| | Hotel Conference | 10,000 | SF | 785,000 | 94,000 | 139,000 | 128,000 | 103,000 | 396,000 | 169,000 | 42,000 | 59,000 | 41,000 | 30,000 | 53,000 |
| Residential | Med. Density Res. | 6 | DU | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| | Med-High Density Res. | 10 | DU | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| | High Density Res. | 14 | DU | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| | Townhomes | 8 | DU | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |

-- Indicates use is not appropriate for a particular site

CITY-OWNED & VACANT LAND



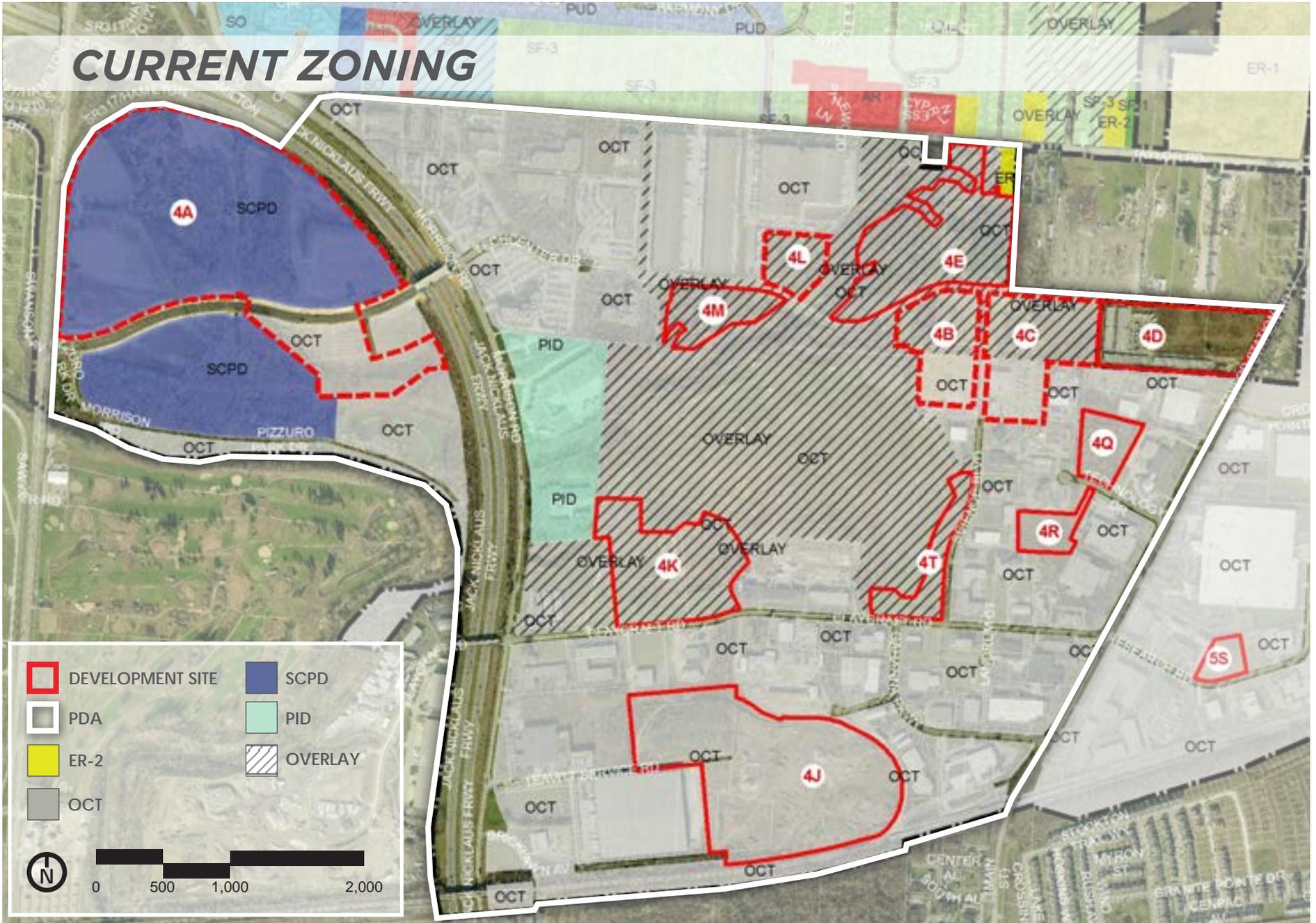
TIF & CRA DISTRICTS



FLOODING AREAS & WETLANDS



CURRENT ZONING



BASE MAP



TARGET SITE 4A

CONCEPT OVERVIEW

The Buckles Tract (Target Site 4A) is one of the largest undeveloped areas with direct access and significant frontage along a major freeway in the Central Ohio region.

The concept to the right utilizes the high visibility of the site for a mixture of uses, including large format retail, signature office, and an upscale hotel and conference center. The interior portion of the loop contains support users, such as retail, service, restaurant, smaller scale office, and a mid-flag hotel.

The site is bisected by an existing creek, which becomes an organizing greenspace feature in the development. The greenspace will be a unique amenity for the buildings placed along its edges, and will function as the primary pedestrian linkage for the site, connecting the office users to the north to the retail and service users to the south. In addition, a strong pedestrian connection can be made across Tech Center Drive to the city park to the south.

INFRASTRUCTURE IMPROVEMENTS

The depth of the Buckles Tract will require the construction of an interior roadway loop to increase access into the site and development of the land adjacent to I-270. Utility services should be considered in conjunction with the roadway improvements, including water, sanitary, electric, and high-speed fiber optic. The interior loop roadway should function as a distinctive and aesthetically significant connection for visitors, so consistent aesthetic treatments should be constructed, such as a planted median, street lighting, and shade / ornamental trees.

DEVELOPMENT PROGRAM

| Code | Use | Site Area (Acres) | Number of Buildings | Building Area (s.f. or keys) |
|------|-------------------|-------------------|---------------------|------------------------------|
| A | Big Box Retail | 13.5 | 1 | 92,000 |
| B | Retail / Service | 17.0 | 7 | 136,000 |
| C | Signature Office | 9.1 | 2 | 208,000 |
| D | Office A/B | 19.0 | 8 | 239,200 |
| E | Hotel | 7.4 | 2 | 320 keys |
| F | Conference Center | | 1 | 20,000 |

PROPOSED CHARACTER





TARGET SITE 4A

Project Summary

| | |
|-------------------------|----------------|
| Total Acreage | 66.00 |
| Non-residential SF | 786,400 |
| Residential Units | 0 |
| Original Parcel Value | \$ - |
| Total Construction Cost | \$ 110,503,880 |
| Revised Value | \$ 110,503,880 |

| | |
|---------------------------|----------------|
| Total Jobs | 1,970 |
| Weighted Average Salary | \$ 52,340 |
| Total Payroll | \$ 103,091,982 |
| Hotel Rooms | 320 |
| Annual Hotel Room Revenue | \$ 14,045,200 |

TIF on Site? **No**

Revenues

| | City & Schools Total Property | City Property/TIF | City Income Tax |
|----------------------|----------------------------------|----------------------|--------------------|
| Over 3 Years | \$ 3,917,716 | \$ 286,908 | \$ 3,186,434 |
| Over 5 Years | \$ 26,742,432 | \$ 485,424 | \$ 6,493,596 |
| Over 10 Years | \$ 56,750,539 | \$ 1,008,363 | \$ 15,205,453 |
| Over 15 Years | \$ 88,752,151 | \$ 1,571,718 | \$ 24,590,598 |

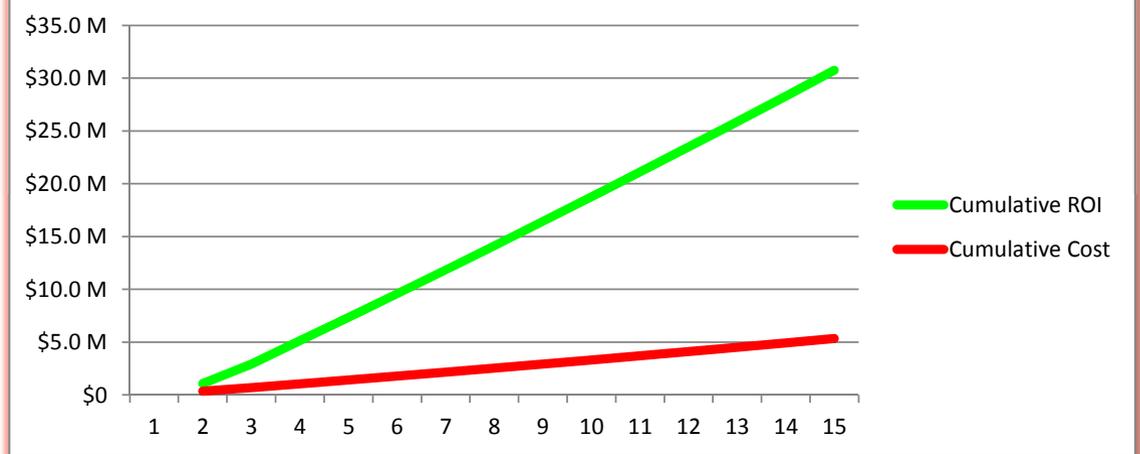
Return on Investment

| | City & Schools | City |
|----------------------|----------------|---------------|
| Over 3 Years | \$ 6,081,550 | \$ 2,450,741 |
| Over 5 Years | \$ 31,531,693 | \$ 5,274,685 |
| Over 10 Years | \$ 68,547,323 | \$ 12,805,147 |
| Over 15 Years | \$ 108,229,745 | \$ 21,049,311 |

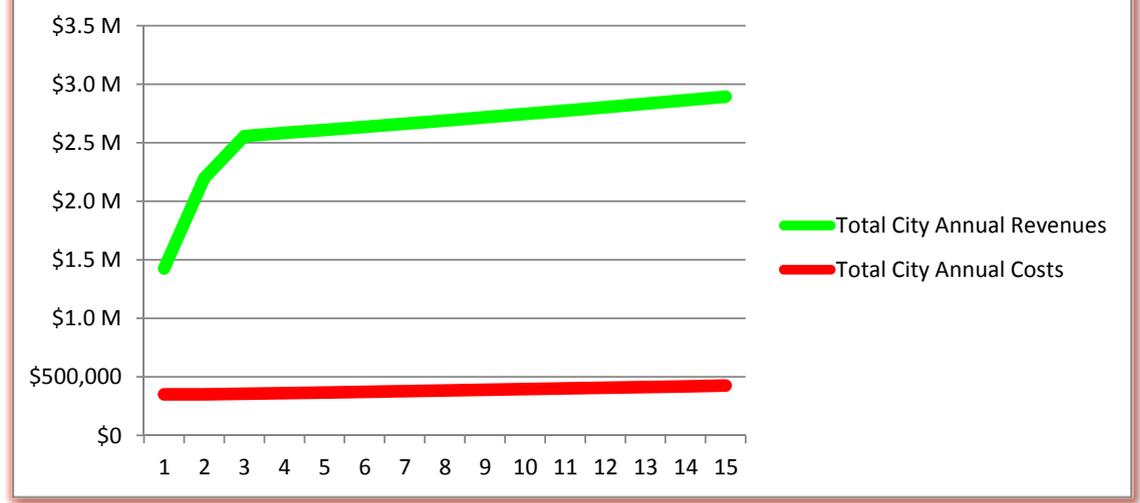
Costs

| | City Service Costs | City Incentives Costs |
|----------------------|-----------------------|--------------------------|
| Over 3 Years | \$ 1,022,601 | \$ - |
| Over 5 Years | \$ 1,704,335 | \$ - |
| Over 10 Years | \$ 3,408,669 | \$ - |
| Over 15 Years | \$ 5,113,004 | \$ - |

15-year Cumulative ROI



15-year City Annual ROI



TARGET SITE 4B/4C

CONCEPT OVERVIEW

The four parcels located at the intersection of Tech Center Drive and Science Boulevard represent a significant opportunity for office development within PDA 4. The site has good proximity to I-270 exits, the Buckles Tract (Site 4A), a number of existing industrial and warehouse users, and the Golf Depot Golf Center. Additionally, the site is at the highest elevation within Central Ohio, giving users a view of Downtown Columbus.

The site concept shows how buildings can be placed around the site to utilize the views of the site, while providing some frontage along both Science Boulevard and Tech Center Drive.

The City currently controls two of the four parcels, with the schools controlling the parcel where building “G” is proposed to be located. To develop to its full potential, the City should work with the schools to find a suitable site to relocate the bus maintenance facility. Additionally, the City should work with the remaining property owner within the Target Site to comprehensively plan for and develop the site for office users.

INFRASTRUCTURE IMPROVEMENTS

The extension of Tech Center Drive to the east past Science Boulevard will be important in opening the eastern portion of the Target Site up for development. While access is available along Science Boulevard, the additional roadway will allow more flexibility for development for potential users, both within the Target Site and to the north.

DEVELOPMENT PROGRAM

| Code | Use | Building Footprint (s.f.) | Stories | Building Area (s.f. or keys) |
|------|------------|---------------------------|---------|------------------------------|
| A | Office A/B | 30,000 | 3 | 90,000 |
| B | Office A/B | 25,000 | 2 | 50,000 |
| C | Office A/B | 25,000 | 2 | 50,000 |
| D | Office A/B | 25,000 | 1 | 25,000 |
| E | Office A/B | 14,000 | 1 | 14,000 |
| F | Office A/B | 14,000 | 1 | 14,000 |
| G | Office A/B | 32,000 | 2 | 64,000 |





TARGET SITE 4B/4C

Project Summary

| | |
|-------------------------|---------------|
| Total Acreage | 16.50 |
| Non-residential SF | 307,000 |
| Residential Units | 0 |
| Original Parcel Value | \$ - |
| Total Construction Cost | \$ 48,811,900 |
| Revised Value | \$ 48,811,900 |

| | |
|---------------------------|---------------|
| Total Jobs | 1,073 |
| Weighted Average Salary | \$ 50,000 |
| Total Payroll | \$ 53,671,329 |
| Hotel Rooms | 0 |
| Annual Hotel Room Revenue | \$ - |

TIF on Site? **Yes**

Revenues

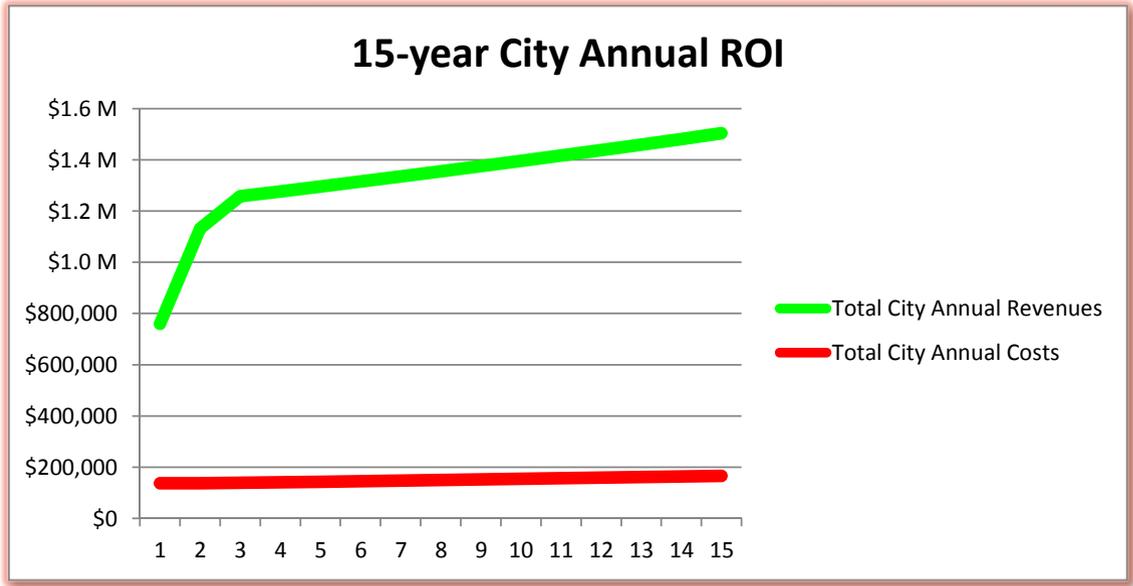
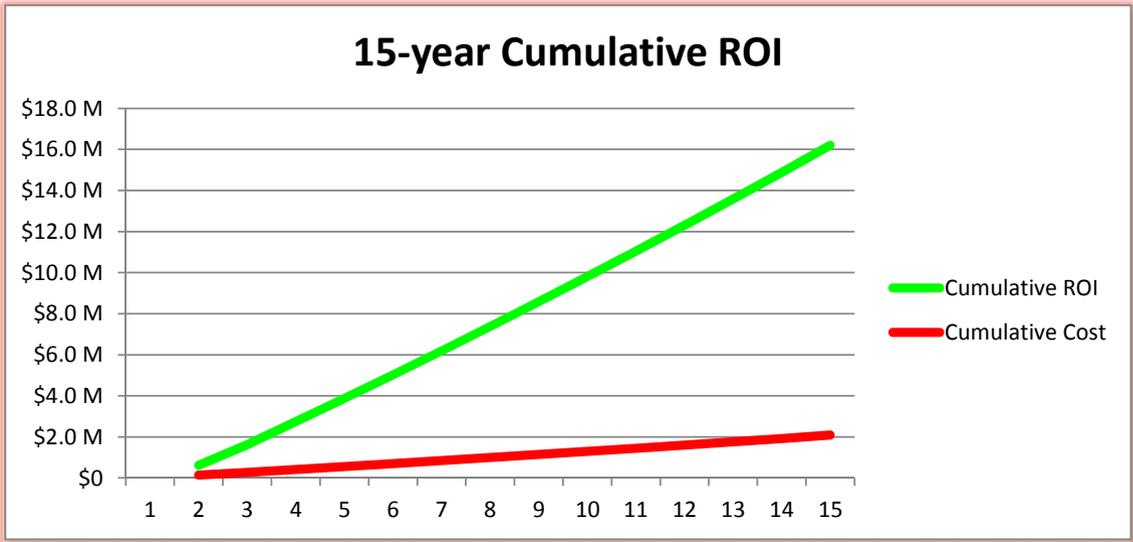
| | City & Schools | City | City |
|----------------------|----------------|--------------|---------------|
| | Total Property | Property/TIF | Income Tax |
| Over 3 Years | \$ 1,730,538 | \$ 1,102,051 | \$ 1,658,908 |
| Over 5 Years | \$ 12,511,161 | \$ 1,864,578 | \$ 3,380,669 |
| Over 10 Years | \$ 26,601,158 | \$ 3,873,258 | \$ 7,916,201 |
| Over 15 Years | \$ 41,780,086 | \$ 6,037,178 | \$ 12,802,257 |

Return on Investment

| | City & Schools | City |
|----------------------|----------------|---------------|
| Over 3 Years | \$ 2,990,237 | \$ 2,361,750 |
| Over 5 Years | \$ 15,226,481 | \$ 4,579,898 |
| Over 10 Years | \$ 33,186,660 | \$ 10,458,761 |
| Over 15 Years | \$ 52,586,295 | \$ 16,843,386 |

Costs

| | City | City |
|----------------------|---------------|------------------|
| | Service Costs | Incentives Costs |
| Over 3 Years | \$ 399,210 | \$ - |
| Over 5 Years | \$ 665,349 | \$ - |
| Over 10 Years | \$ 1,330,699 | \$ - |
| Over 15 Years | \$ 1,996,048 | \$ - |



TARGET SITE 4L

CONCEPT OVERVIEW

Bordered by a creek to the east and existing warehouse / industrial uses to the north and west, Target Site 4L provides the opportunity for additional office development within the Tech Center Drive area. The concept shown incorporates a two-story, 47,200 square foot building into the site, orienting the primary building façade toward the roadway and placing parking to the side and to the rear. The curve in Tech Center Drive allows for significant visibility from both directions into the site, making an office user a reasonable choice for the site.

INFRASTRUCTURE IMPROVEMENTS

The site is located along an existing roadway and will not require significant infrastructure improvements to become fully developable.

DEVELOPMENT PROGRAM

| Code | Use | Building Footprint (s.f.) | Stories | Building Area (s.f. or keys) |
|------|------------|---------------------------|---------|------------------------------|
| A | Office A/B | 23,600 | 2 | 47,200 |





TARGET SITE 4L

Project Summary

| | |
|-------------------------|--------------|
| Total Acreage | 2.36 |
| Non-residential SF | 47,200 |
| Residential Units | 0 |
| Original Parcel Value | \$ - |
| Total Construction Cost | \$ 7,634,600 |
| Revised Value | \$ 7,634,600 |

| | |
|---------------------------|--------------|
| Total Jobs | 165 |
| Weighted Average Salary | \$ 50,000 |
| Total Payroll | \$ 8,251,748 |
| Hotel Rooms | 0 |
| Annual Hotel Room Revenue | \$ - |

TIF on Site? **Yes**

Revenues

| | City & Schools | Property/TIF | City | Income Tax |
|----------------------|----------------|--------------|------|------------|
| | Total Property | | | |
| Over 3 Years | \$ 270,671 | \$ 172,370 | \$ | 255,050 |
| Over 5 Years | \$ 1,947,155 | \$ 291,636 | \$ | 519,764 |
| Over 10 Years | \$ 4,138,875 | \$ 605,811 | \$ | 1,217,084 |
| Over 15 Years | \$ 6,499,980 | \$ 944,266 | \$ | 1,968,295 |

Return on Investment

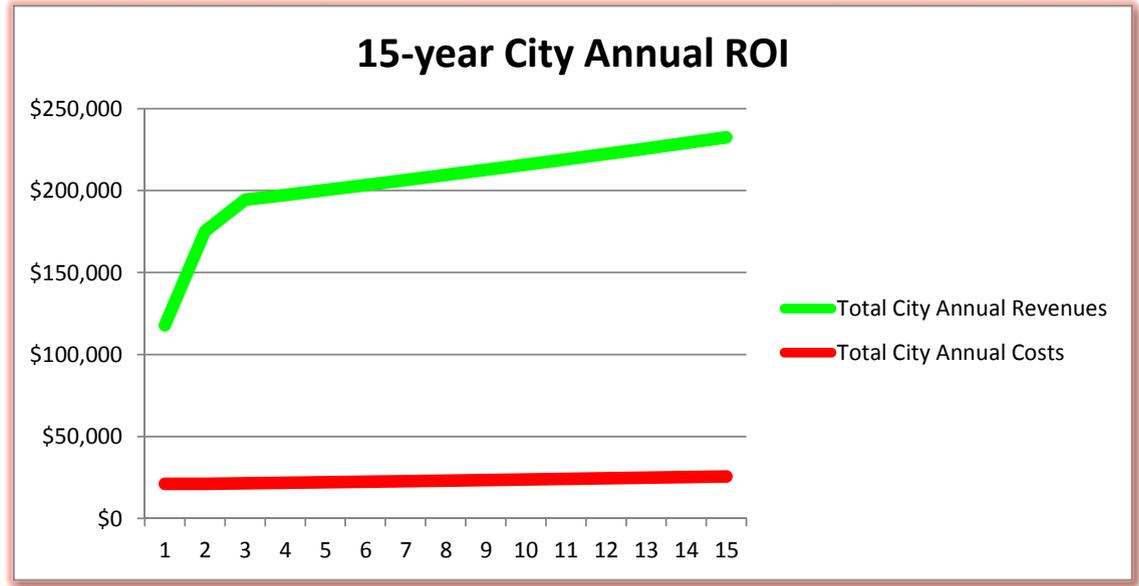
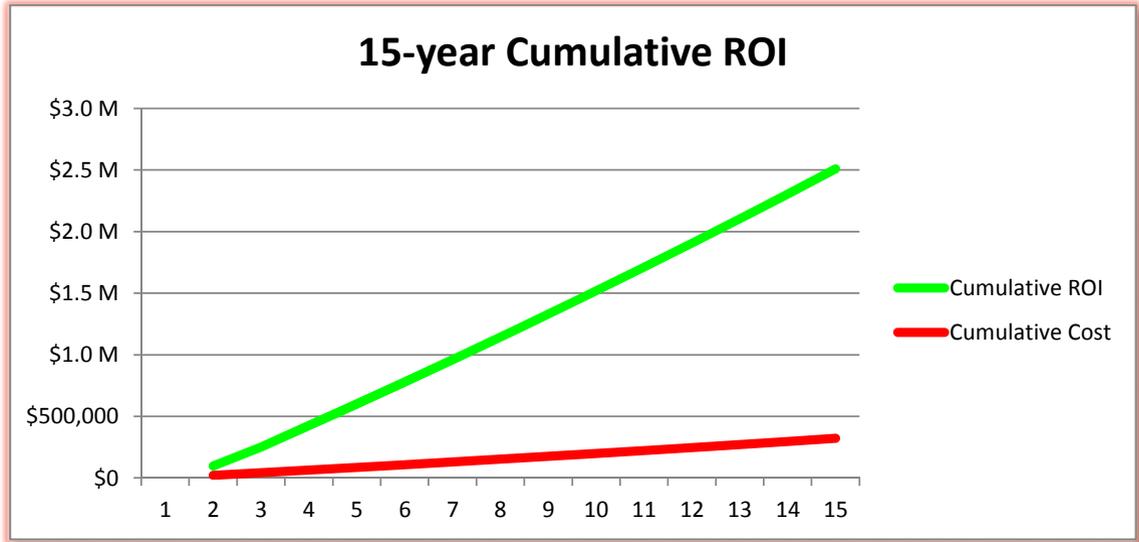
| | City & Schools | City |
|----------------------|----------------|--------------|
| Over 3 Years | \$ 464,345 | \$ 366,044 |
| Over 5 Years | \$ 2,364,625 | \$ 709,105 |
| Over 10 Years | \$ 5,151,369 | \$ 1,618,305 |
| Over 15 Years | \$ 8,161,391 | \$ 2,605,677 |

Costs

| | City |
|----------------------|---------------|
| | Service Costs |
| Over 3 Years | \$ 61,377 |
| Over 5 Years | \$ 102,295 |
| Over 10 Years | \$ 204,590 |
| Over 15 Years | \$ 306,884 |

Incentives Costs

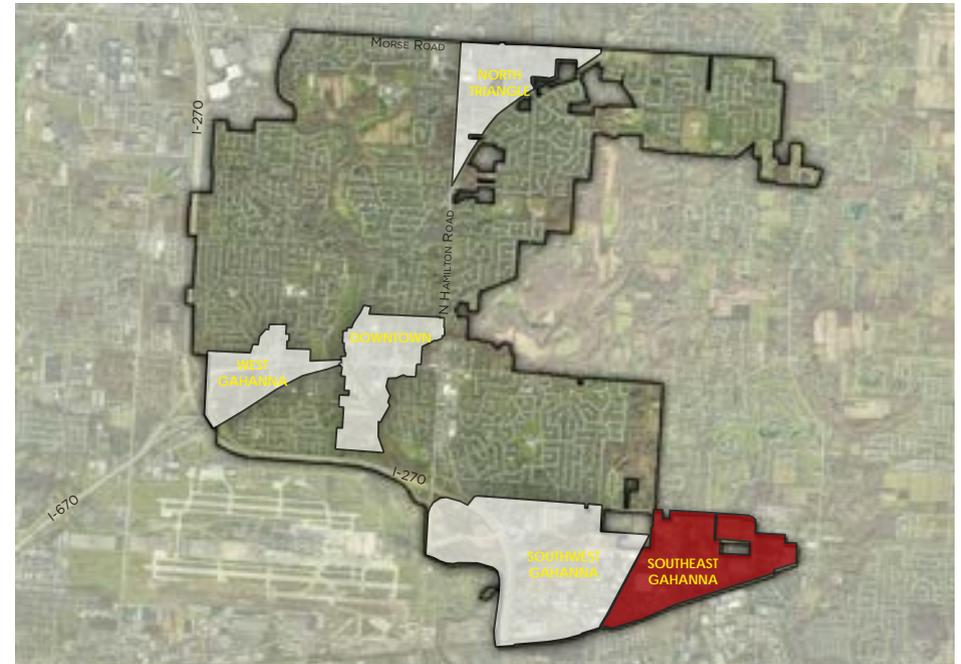
| | |
|----------------------|------|
| Over 3 Years | \$ - |
| Over 5 Years | \$ - |
| Over 10 Years | \$ - |
| Over 15 Years | \$ - |



PDA #5 - SOUTHEAST GAHANNA

EXISTING CONDITION

The “Southeastern” PDA is an extension of the uses and development pattern found in the “Southeastern” PDA. With a heavy focus on light industrial and technology-focused businesses, potential for future development is high.



DEVELOPMENT INCENTIVES

| DEVELOPMENT / DEVELOPER | | | Retail, Comm., Service | Large Format Retail | Signature Office | Office A / B | Hotel | Conference Center | Flex Office / Industrial | Residential |
|-------------------------------------|----------------------------|------------------------|------------------------|---------------------|------------------|--------------|-------|-------------------|--------------------------|-------------|
| New Community Reinvestment Area | Gahanna | Tax Abatement | | | | | | | | |
| New Tax Increment Financing | Gahanna | Tax Redirection | | | | | | | | |
| New Community Authority | Gahanna | Tax Redirection / Bond | | | | | | | | |
| TENANT | | | | | | | | | | |
| Jobs Growth Incentive | Gahanna | Tax Credit | | | | | | | | |
| GahannaNet | Gahanna | Cost Reduction | | | | | | | | |
| Small Business Administration Loans | Gahanna | Loan | | | | | | | | |
| Micro-Enterprise Loan Program | Franklin County | Loan | | | | | | | | |
| Franklin County Grow Fund | Franklin County | Loan | | | | | | | | |
| Economic Development Grant | Ohio Finance Fund | Grant | | | | | | | | |
| Job Creation Tax Credit | Development Service Agency | Tax Credit | | | | | | | | |
| JobsOhio Grant | JobsOhio | Grant | | | | | | | | |
| JobsOhio Loan | JobsOhio | Loan | | | | | | | | |

PDA #5 - SOUTHEAST GAHANNA

PDA CAPACITY TABLES

The development capacity table is not a specific recommendation for uses on a particular site. Instead it describes a site's capacity for each use using industry

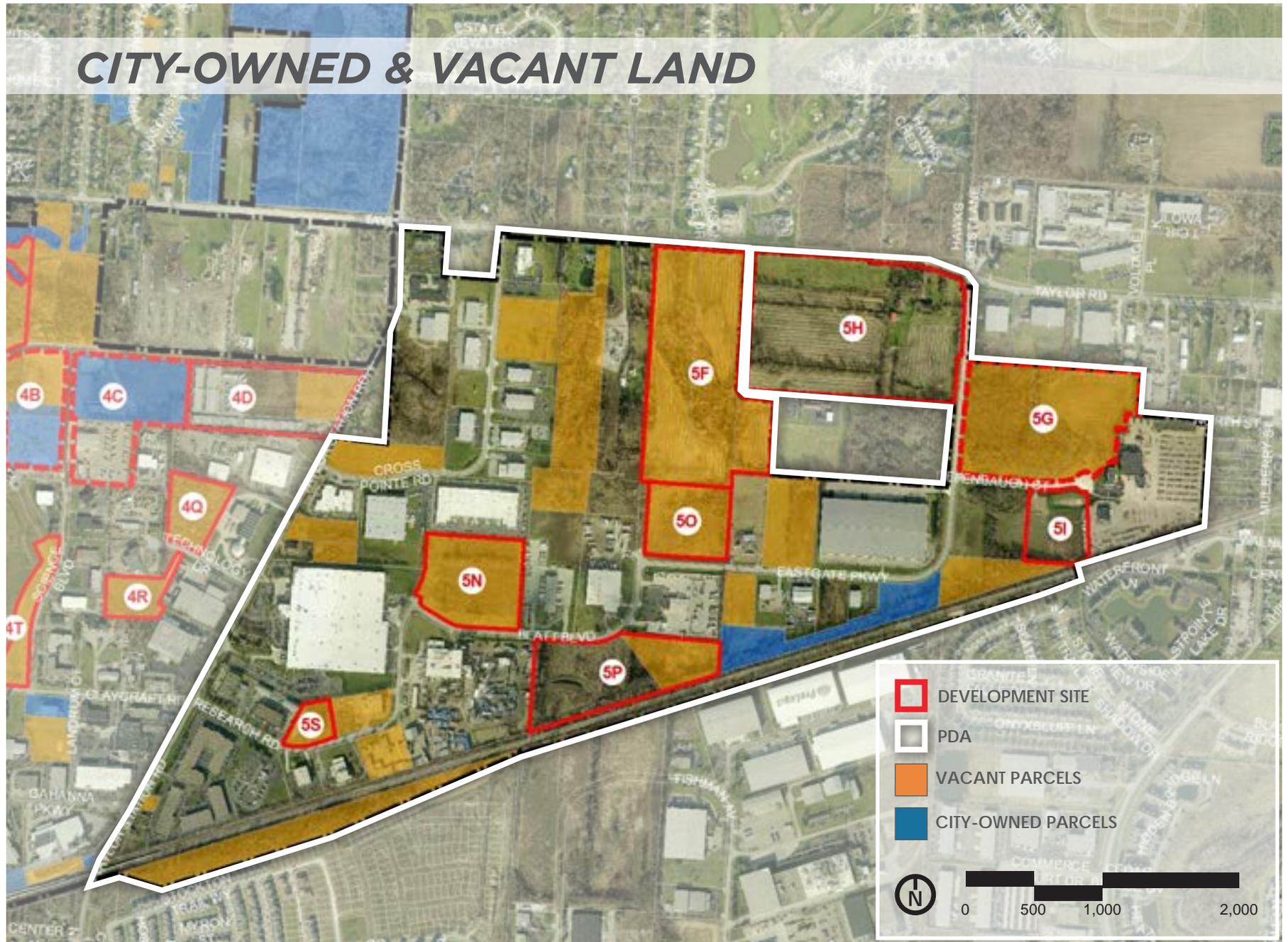
accepted standards included in this table. It is intended to be used as a reference in determining a general idea of site capacities for various development types.

| PDA Site Critical Data | 5F | 5G | 5H | 5I | 5N | 5O | 5P | 5S |
|------------------------|------|------|------|------|------|-----|------|-----|
| Acres | 29.5 | 22.0 | 35.2 | 11.8 | 10.5 | 7.1 | 14.5 | 2.0 |
| # of Parcels | 5 | 2 | 1 | 1 | 1 | 1 | 2 | 1 |
| # of Owners | 3 | 2 | 1 | 1 | 1 | 1 | 2 | 1 |

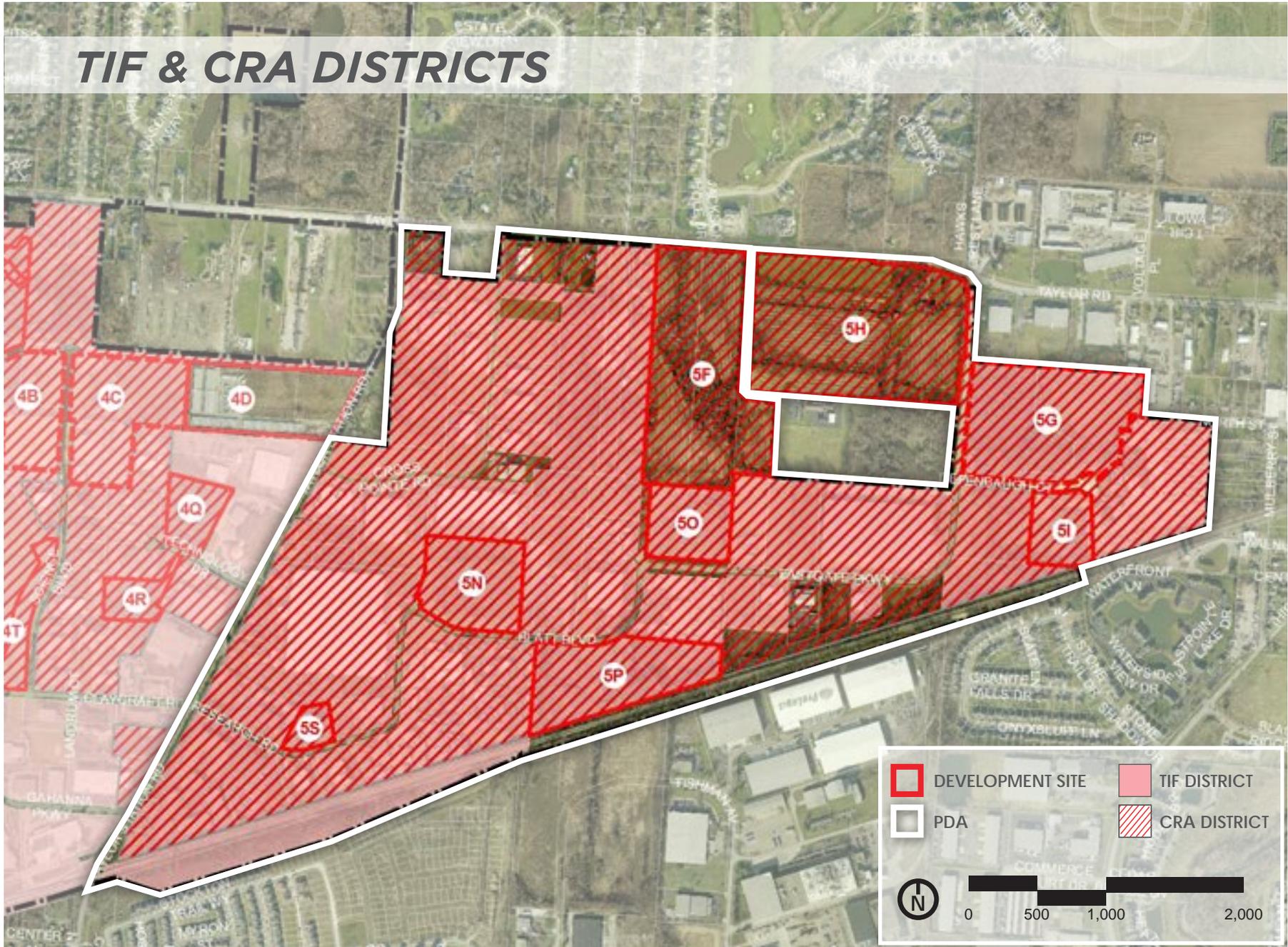
| Use | Development SF or Units/Acre | | PDA Site Development Capacity | | | | | | | | |
|-------------|------------------------------|--------|-------------------------------|---------|---------|---------|---------|---------|---------|---------|--------|
| | | | 5F | 5G | 5H | 5I | 5N | 5O | 5P | 5S | |
| Retail | Retail / Commercial | 10,000 | SF | 295,000 | 220,000 | 352,000 | 118,000 | 105,000 | 71,000 | 145,000 | 20,000 |
| | Large Format Retail | 10,000 | SF | -- | -- | -- | -- | -- | -- | -- | -- |
| Office | Office A / B | 10,000 | SF | 295,000 | 220,000 | 352,000 | 118,000 | 105,000 | 71,000 | 145,000 | 20,000 |
| | Signature Office | 12,000 | SF | 354,000 | 264,000 | 422,400 | 141,600 | 126,000 | 85,200 | 174,000 | 24,000 |
| | Office / Showroom | 11,000 | SF | 324,500 | 242,000 | 387,200 | 129,800 | 115,500 | 78,100 | 159,500 | 22,000 |
| Ind. | Flex Office | 12,000 | SF | 354,000 | 264,000 | 422,400 | 141,600 | 126,000 | 85,200 | 174,000 | 24,000 |
| | Industrial | 15,000 | SF | 442,500 | 330,000 | 528,000 | 177,000 | 157,500 | 106,500 | 217,500 | 30,000 |
| Hotel | Hotel | 40 | Keys | -- | -- | -- | -- | -- | -- | -- | -- |
| | Hotel Conference | 10,000 | SF | -- | -- | -- | -- | -- | -- | -- | -- |
| Residential | Med. Density Res. | 6 | DU | -- | -- | -- | -- | -- | -- | -- | -- |
| | Med-High Density Res. | 10 | DU | -- | -- | -- | -- | -- | -- | -- | -- |
| | High Density Res. | 14 | DU | -- | -- | -- | -- | -- | -- | -- | -- |
| | Townhomes | 8 | DU | -- | -- | -- | -- | -- | -- | -- | -- |

-- Indicates use is not appropriate for a particular site

CITY-OWNED & VACANT LAND



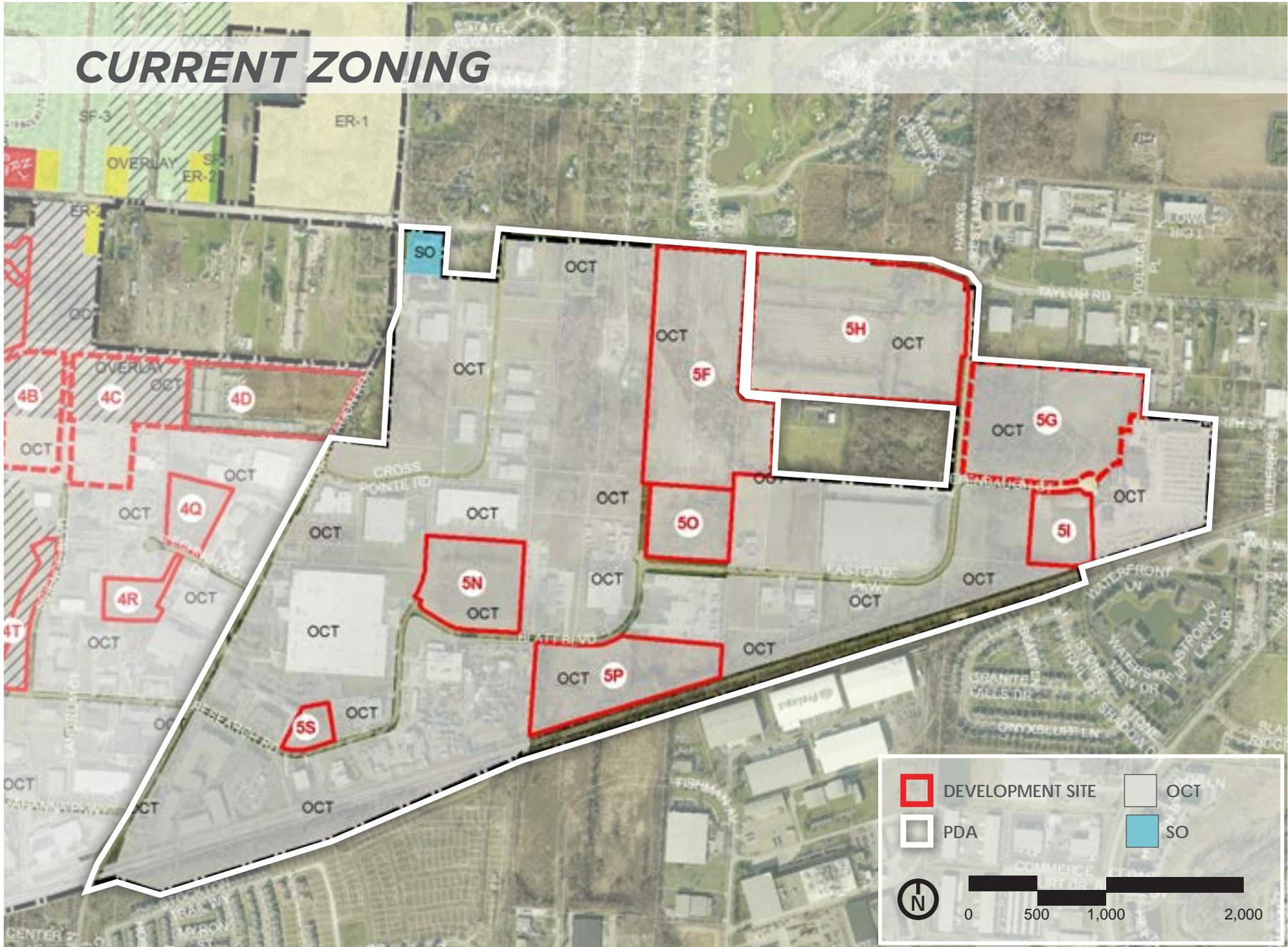
TIF & CRA DISTRICTS



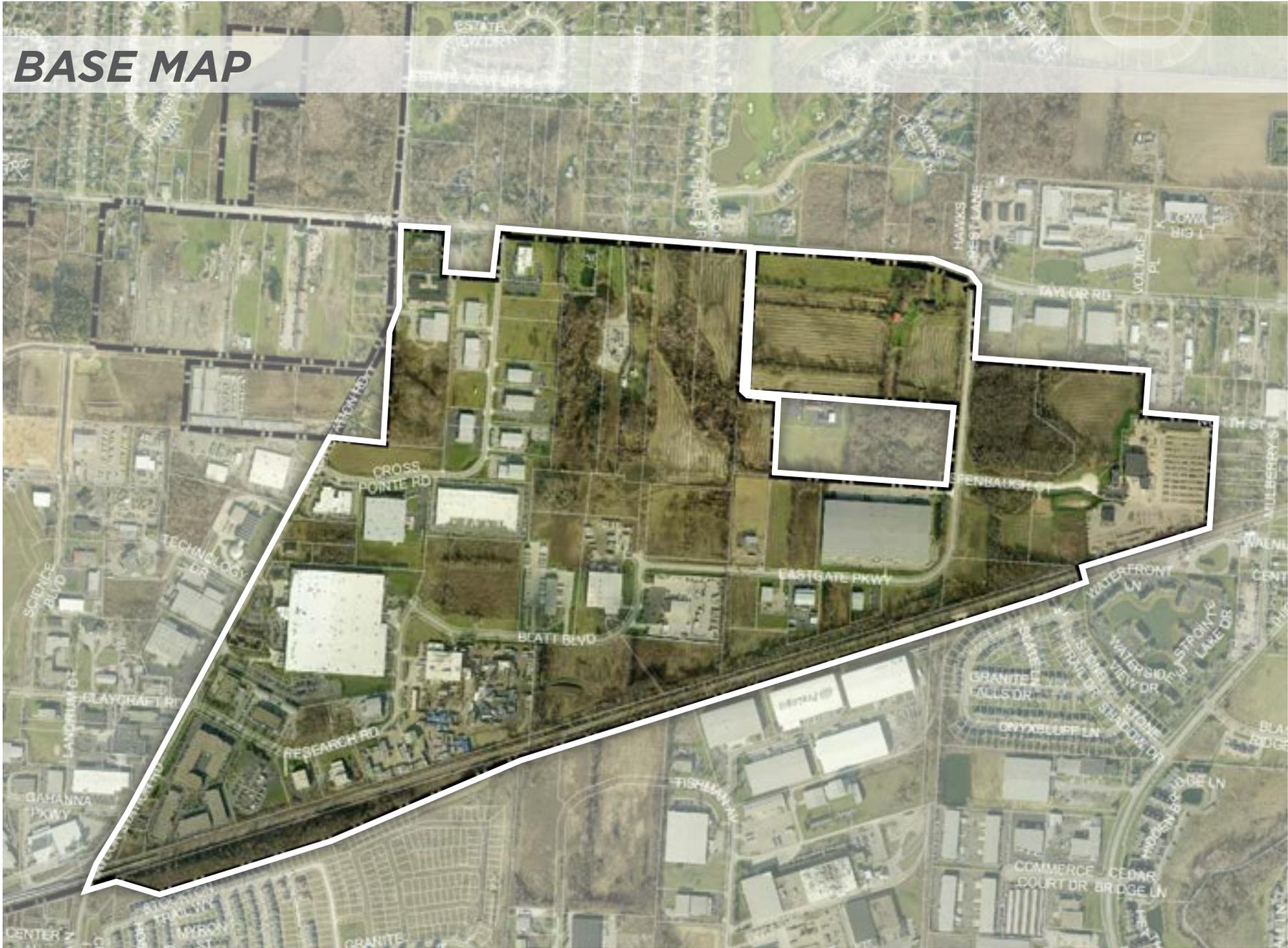
FLOODING AREAS & WETLANDS



CURRENT ZONING



BASE MAP



TARGET SITE 5G

CONCEPT OVERVIEW

Site 5G presents a significant amount of opportunity for future industrial / warehouse / flex office development. While the site is bisected by a creek, the two remaining parcels are large enough for significant development. The concept to the right shows how both a large-format light industrial building can be sited, as well as two flex-office buildings to the east.

INFRASTRUCTURE IMPROVEMENTS

The site already has access along both Defenbaugh Court and Eastgate Parkway, and is currently served by both sanitary and water service. Infrastructure improvements needed to develop the site to its full potential will be minimal.

DEVELOPMENT PROGRAM

| Code | Use | Building Footprint (s.f.) | Stories | Building Area (s.f.) |
|------|------------|---------------------------|---------|----------------------|
| A | Industrial | 145,600 | 1 | 145,600 |
| B | Industrial | 59,100 | 1 | 59,100 |
| C | Industrial | 34,000 | 1 | 34,000 |

PROPOSED CHARACTER





TARGET SITE 5G

Project Summary

| | | | |
|--------------------------------|---------------|----------------------------------|---------------|
| Total Acreage | 4.72 | Total Jobs | 306 |
| Non-residential SF | 238,700 | Weighted Average Salary | \$ 34,000 |
| Residential Units | 0 | Total Payroll | \$ 10,391,549 |
| Original Parcel Value | \$ - | Hotel Rooms | 0 |
| Total Construction Cost | \$ 17,448,970 | Annual Hotel Room Revenue | \$ - |
| Revised Value | \$ 17,448,970 | | |

TIF on Site? **Yes**

Revenues

| | City & Schools | City | City |
|----------------------|----------------|--------------|--------------|
| | Total Property | Property/TIF | Income Tax |
| Over 3 Years | \$ 618,622 | \$ 393,954 | \$ 321,189 |
| Over 5 Years | \$ 3,875,615 | \$ 666,538 | \$ 654,547 |
| Over 10 Years | \$ 8,169,229 | \$ 1,384,588 | \$ 1,532,692 |
| Over 15 Years | \$ 12,794,672 | \$ 2,158,132 | \$ 2,478,703 |

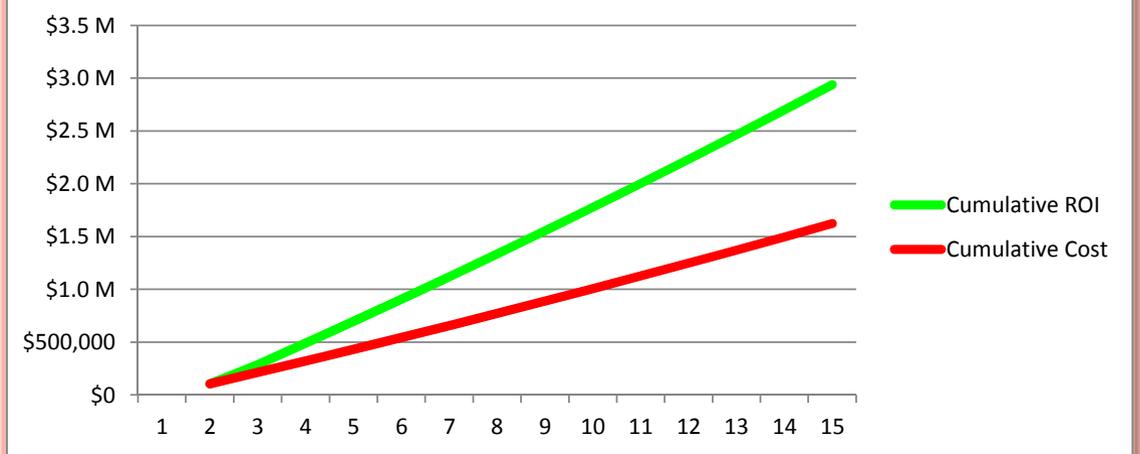
Return on Investment

| | City & Schools | City |
|----------------------|----------------|--------------|
| Over 3 Years | \$ 629,415 | \$ 404,748 |
| Over 5 Years | \$ 4,012,836 | \$ 803,759 |
| Over 10 Years | \$ 8,667,270 | \$ 1,882,629 |
| Over 15 Years | \$ 13,721,399 | \$ 3,084,859 |

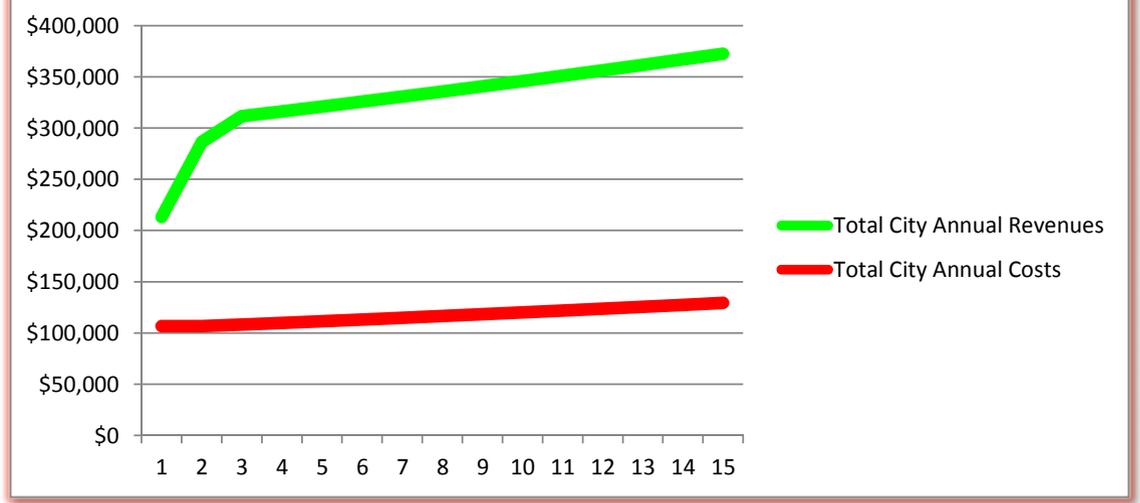
Costs

| | City |
|----------------------|---------------|
| | Service Costs |
| Over 3 Years | \$ 310,395 |
| Over 5 Years | \$ 517,325 |
| Over 10 Years | \$ 1,034,651 |
| Over 15 Years | \$ 1,551,976 |

15-year Cumulative ROI



15-year City Annual ROI





IMPLEMENTATION

IMPLEMENTATION

One of the more overlooked but most important elements of any strategy and plan is implementation. Knowing that the City must have a clear roadmap to understand if it has the appropriate staffing, capacity, collaborators and value chain to carry out these recommendation, our team developed a detailed implementation matrix. This matrix is in the appendix section and provides a clear road map for achieving the desired outcomes of the Strategy. This includes a detailed menu for how to implement the strategies within this document and measure economic success moving forward. This includes

- Tactic Number
- Tactic Description
- Responsible Party
- Short Term – Mid-term – Long Term

Understanding that part of this plan includes the establishment of roundtables, collaboration with schools and the private sector, the City will have the ability to edit the matrix easily as its working document to carry out, and more importantly adapt, to its implementation efforts as strategies, staff and plans evolve.

FISCAL IMPACT & RETURN ON INVESTMENT

Cities have a large responsibility when it comes to investing capital and redirecting funding streams. While the City Council and the Development Department are empowered with such an important decision, the

taxpayers, in essence, are the shareholders hoping that their dollars result in positive and favorable outcomes. In an ideal world, the benefit should outweigh the cost, but to what extent? In determining the right fiscal impact model, we evaluated some of Gahanna's historical investments, the growth of the region and the potential opportunities created from this plan's efforts.

It was apparent that a snap-shot fiscal model based solely on a speculative idea or concept did not fit the profile of Gahanna. Gahanna is in a region that is expected to witness roughly 25% job growth by 2040, it has premiere sites in close proximity to the airport, evolving development needs and incoming political changes. More importantly if you ask development, construction & real estate professionals they will tell you that projects do not always go exactly according to plan. Knowing this, we found it important that fiscal impact is an agile model that can be calculated, and more importantly, adapted, in real-time. As such, our team worked with the City in developing a fiscal impact calculator that allows the City to do the following:

- Input Project Data
- Calculate Revenues and Costs by Singular and Multi-use Development Projects, by type
- Offer Incentives
- Set Incentive Policies and Optimize Incentive Offers with City Policies
- Report to Council

IMPLEMENTATION TABLE

Each of the tactics as listed in the Economic Development Strategy Section is listed within the implementation table located in the appendix. Each tactic has been assigned a priority, a policy need, and the party responsible for implementation. City officials should refer to the implementation table on a regular basis to measure the overall progress of the Economic Development Strategy.

| Gahanna EDP Implementation Table | | | | | |
|----------------------------------|--|---|----------|--------------|--------------------------------------|
| Category | Tactic # | Tactic Description | PRIORITY | Policy | Responsible Party |
| GENERAL | 1 | Formally adopt financial incentive policies that capture the expected return on investment and ensure a consistent and quick approval process for targeted industries and Priority Development Areas | High | Y | City |
| | 2 | Collect an annual administration fee from all Tax Increment Financing Districts in order to offset the annual cost of reviewing and auditing TIF parcel payments | High | Y | City |
| | 3 | Investigate the capacity to service a potential City-administered Economic Development Loan Program that can incent façade improvements, machinery & Equipment purchases and Working Capital | Low | Y | City-CIC |
| | 4 | Evaluate the need to leverage local financial institutions to provide targeted assistance to small businesses and entrepreneurs | Med | Y | City-CIC-Private |
| | 5 | Develop an Economic Development Fund that is annually appropriated to ensure it is sustainable | High | Y | City-CIC |
| | 6 | Identify economic development stakeholders and partner with them to implement this plan | High | Y | City-CIC-CVB-Chamber-Private-Schools |
| | 7 | Establish and fund a property acquisition strategy with the assistance of real estate professionals that is targeted toward developing Priority Development Areas | High | Y | City-CIC |
| | 8 | Partner with all commercial property owners and property management groups to ensure their properties are accurately listed on site-selection databases | 6 Months | N | City |
| | 9 | Increase involvement and exposure within regional groups such as Mid-Ohio Development Exchange, Mid-Ohio Regional Planning Commission, International Economic Development Council, Ohio Economic Development Association, Columbus2020, American Planning Association, National Association of Industrial Office Properties, the 1st Taskforce and Urban Land Institute | Med | Y | City |
| | 10 | Encourage Annexation of commercial properties along Taylor Road, Tech Center Drive, Agler Road and Johnstown Road and require all residential annexation projects to pay a surcharge to offset any expenses incurred by the City | High | Y | City |
| | 11 | Create issue specific round-tables, including but not limited to a CEO Round-table, Entrepreneurship & Innovation Round-table, and Talent Round-table. These should be facilitated by the City or the facilitation should be outsourced to an experienced business coach | Med | Y | City-CIC-Chamber-Private-Schools |
| | 11.1 | CEO Round-table should address high level company initiatives, industry trends and city policies that effect the economic climate of the community | Med | Y | City-CIC-Chamber-Private-Schools |
| | 11.2 | Entrepreneurship & Innovation Round-table should manage the entrepreneurial, start-up and innovation assets of the City and to create opportunities to enhance an entrepreneurial environment in the community | Med | Y | City-CIC-Chamber-Private-Schools |
| | 11.3 | Talent Round-table should consist of public, private and educational organizations to assist employers in understanding sources for workforce availability and in identifying solutions to existing workforce challenges | Med | Y | City-CIC-Chamber-Private-Schools |
| 12 | Issue an RFP to develop City Properties along Tech Center Drive and in Olde Gahanna based upon the target industries and market assessment provided in this plan | High | Y | City-CIC | |
| 13 | Modify the School Compensation Agreement to increase the competitiveness of Gahanna in the Priority Development Areas | High | Y | City-Schools | |
| 14 | Continue efforts to streamline the process of permitting, planning, zoning and signage approvals | 3 Months | N | City | |

HOW DO WE MEASURE SUCCESS



GENERAL

- » % of properties listed in to Site-selection database-listed properties
- » % of properties with property information sheets
- » # building permits received, processed, time for approval, revenue generated
- » # zoning permits received, processed, time for approval, revenue generated

GRAB

- » # of business-retention visits and business connections
- » # of business-community events hosted and attendance rate
- » Incremental increase in total businesses, projects, project response rate, property value, new jobs and new capital investment

ENTREPRENEURSHIP

- » # of patents registered attributable to Gahanna
- » # of referrals made from City to existing incubators

WORKFORCE DEVELOPMENT

- » # of interns placed into Gahanna businesses
- » # of business-collaboration programs with schools
- » # of referrals to Central Ohio and Gahanna workforce development structures
- » Placement rates of Gahanna students into technical schools and community colleges
- » Educational attainment shifts

GLOBAL INVESTMENT

- » # of businesses identified with export-likelihood and capabilities
- » # of businesses connected to foreign buyers
- » # of businesses identified with foreign subsidiaries

MARKETING

- » % of marketing budget spent
- » Change in frequency of consumer outreach

INFRASTRUCTURE

- » % of priority projects undertaken
- » Tax Increment Finance, Public Works and infrastructure incentives activity
- » Amount of TIF revenues recieved

INCENTIVES STRATEGY

- » Direct tax revenue generated per \$1 of public funds awarded
- » # of new incentive programs evaluated for implementation
- » # of public infrastructure projects incented to support new development
- » Amount of funds allocated for economic development fund
- » % of economic development fund spent

INPUTS PAGE – PROJECT DATA

The inputs page allows City staff to enter any project data it has received to start calculating potential tax returns. Understanding City staff does may not always receive all ideal data as a project is being conceptualized in its embryonic stage, the calculator is designed to estimate costs with as little information as development type, acreage, housing units and square footage. As the City receives engineer’s estimates, finalized costs from construction companies, the developer or potential tenant, the City has the ability to override cost estimates as the project specifics start to materialize.

| Project Inputs | | | | | | | | | | | | | |
|----------------------------------|------------------|-----------------|------|------|------|------|------|------|------|------|------|------|------|
| Development Type | Office Class A & | | | | | | | | | | | | |
| | B 2-4-Story | Skilled Nursing | | | | | | | | | | | |
| Acreage | 3.36 | 1.5 | | | | | | | | | | | |
| Bldg. Square Footage/# of Units | 34,900 | 57,000 | | | | | | | | | | | |
| Original Parcel Value | | | | | | | | | | | | | |
| Construction Cost | \$ 5,645,075 | \$ 9,947,070 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Revised Value | \$ 5,645,075 | \$ 9,947,070 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Jobs | 122 | 66 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Salary | \$ 50,000 | \$ 35,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Payroll | \$ 6,101,399 | \$ 2,303,695 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Hotel Rooms | | | | | | | | | | | | | |
| Room Price | | | | | | | | | | | | | |
| Salary of Residents | | | | | | | | | | | | | |
| Residents | | | | | | | | | | | | | |
| Residents Working in Gahanna | | | | | | | | | | | | 0 | |
| Increase in working population | | | | | | | | | | | | 0 | |
| Residential Square Footage | | | | | | | | | | | | | |
| Residential? | n | n | n | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Override Cells | | | | | | | | | | | | | |
| Construction Cost | | | | | | | | | | | | | |
| Revised Value | | | | | | | | | | | | | |
| Total Jobs | | | | | | | | | | | | | |
| Salary | | | | | | | | | | | | | |
| Non-Profit-Publicly Owned? (y/n) | | N | | | | | | | | | | | |
| Port Authority Financing? (y/n) | | N | | | | | | | | | | | |
| % of Tax Credit Eligible Jobs | | 83% | | | | | | | | | | | |
| Inflation Rate | | 1.5% | | | | | | | | | | | |
| | Yr1 | Yr2 | Yr3 | Yr4 | Yr5 | | | | | | | | |
| Project Ramp-up | | 33% | 66% | 100% | 100% | 100% | | | | | | | |

INPUTS PAGE -

RAMP-UP AND ECONOMIC INCENTIVES

Within the inputs page, the City has the ability to not only enter in the project parameters, but the project ramp-up period and potential incentives it may want to offer the project. All of the expected tax revenues and City costs will adjust accordingly has any data is entered.

| | Yr1 | Yr2 | Yr3 | Yr4 | Yr5 |
|--------------------------------|--------------|-------|------|--------------|------------|
| Project Ramp-up | 33% | 66% | 100% | 100% | 100% |
| Incentives | | | | | |
| Name | Offer? (y/n) | Rate | Term | Annual Value | Value |
| New Community Authority | n | 0.50% | 30 | \$ - | \$ - |
| Tax Increment Financing | y | 100% | 30 | \$ 16,620 | \$ 277,264 |
| Community Reinvestment Area | y | 100% | 15 | \$ 16,375 | \$ 221,770 |
| Municipal Income Tax Incentive | n | 35% | 5.00 | \$ - | \$ - |
| ED Grant | n | | 0.00 | \$ - | \$ - |
| Total | | | \$80 | | |

REVENUES & COSTS

The calculations all take place on a “30-year” Revenue and Cost model. This includes relevant data such as tax rates, tax types, and divisions of revenues and costs by City, County and Schools in a detailed manner. Tax rates are updated on a separate tab by the City, and will accordingly populate into the revenues and costs model.

| 30-Year Cost Summary | | | | | | | | | | | |
|--------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--|
| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | |
| City Revenues | | | | | | | | | | | |
| Municipal Income New | \$42,229 | \$85,725 | \$131,835 | \$133,813 | \$135,820 | \$137,857 | \$139,925 | \$142,024 | \$144,154 | \$146,317 | |
| Construction Job Income | \$13,513 | \$27,432 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Corporate Income | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Real Property on Improvements | \$13,294 | \$13,493 | \$13,696 | \$13,901 | \$14,110 | \$14,321 | \$14,536 | \$14,754 | \$14,975 | \$15,200 | |
| Lodging | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Loan Principal | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Loan Interest | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Project TIF Revenue | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Project NCA Revenue | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Total City Annual Revenues | \$69,037 | \$126,651 | \$145,531 | \$147,714 | \$149,930 | \$152,179 | \$154,461 | \$156,778 | \$159,130 | \$161,517 | |
| County Revenues | | | | | | | | | | | |
| Sales Tax | \$25,727 | \$7,098 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Real Property Tax on Improvements | \$102,307 | \$103,842 | \$105,400 | \$106,981 | \$108,585 | \$110,214 | \$111,867 | \$113,545 | \$115,248 | \$116,977 | |
| Lodging Tax | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Total County Annual Revenues | \$128,034 | \$110,940 | \$105,400 | \$106,981 | \$108,585 | \$110,214 | \$111,867 | \$113,545 | \$115,248 | \$116,977 | |
| School Revenues | | | | | | | | | | | |
| School Real Property on Improvements | \$420,972 | \$427,287 | \$433,696 | \$440,202 | \$446,805 | \$453,507 | \$460,309 | \$467,214 | \$474,222 | \$481,336 | |
| Total School Annual Revenues | \$420,972 | \$427,287 | \$433,696 | \$440,202 | \$446,805 | \$453,507 | \$460,309 | \$467,214 | \$474,222 | \$481,336 | |
| City Costs | | | | | | | | | | | |
| Security | \$9,254 | \$9,254 | \$9,254 | \$9,254 | \$9,254 | \$9,254 | \$9,254 | \$9,254 | \$9,254 | \$9,254 | |
| Public health | \$243 | \$243 | \$243 | \$243 | \$243 | \$243 | \$243 | \$243 | \$243 | \$243 | |
| Leisure Time & Activities | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Community Development | \$7,023 | \$7,023 | \$7,023 | \$7,023 | \$7,023 | \$7,023 | \$7,023 | \$7,023 | \$7,023 | \$7,023 | |
| Basic Utility | \$129 | \$129 | \$129 | \$129 | \$129 | \$129 | \$129 | \$129 | \$129 | \$129 | |
| Transportation | \$2,874 | \$2,874 | \$2,874 | \$2,874 | \$2,874 | \$2,874 | \$2,874 | \$2,874 | \$2,874 | \$2,874 | |
| General Government | \$2,187 | \$2,187 | \$2,187 | \$2,187 | \$2,187 | \$2,187 | \$2,187 | \$2,187 | \$2,187 | \$2,187 | |
| Capital Outlay | \$17,716 | \$17,716 | \$17,716 | \$17,716 | \$17,716 | \$17,716 | \$17,716 | \$17,716 | \$17,716 | \$17,716 | |
| Principal Retirement | \$87 | \$87 | \$87 | \$87 | \$87 | \$87 | \$87 | \$87 | \$87 | \$87 | |
| Interest & Fiscal Charges | \$23 | \$23 | \$23 | \$23 | \$23 | \$23 | \$23 | \$23 | \$23 | \$23 | |
| Insurance Costs | \$299 | \$299 | \$299 | \$299 | \$299 | \$299 | \$299 | \$299 | \$299 | \$299 | |
| Job Creation Incentive Value | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Community Reinvestment Area Value | \$13,294 | \$13,493 | \$13,696 | \$13,901 | \$14,110 | \$14,321 | \$14,536 | \$14,754 | \$14,975 | \$15,200 | |
| ED Grant | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Low interest Loan Value | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |

OPTIMIZATION

The City's incentives policies and procedures are numerically entered into the "Optimization" tab. This tab calculates an optimal incentives package that falls within a series of constraints (constraints being City policies). For instance, the City may reimburse 10 cents to the dollar for every private investment, by using a combination of incentives that are constrained by minimum and maximum percentages, overall tax revenue to be reimbursed in year 1 vs. year 3, and the value of property tax redirection to infrastructure vs. abated property.

| Optimization Station | | | | | Yes | | | | | | | | | | | |
|---|-------------|--------------------------------|------------------|------------------|--|--------|--------|--------|--------|--------|--------|--------|----|----|----|----|
| Fixed-Asset Investment | | | | | No | | | | | | | | | | | |
| Optimizations | | | | | Assumptions & Constraints | | | | | | | | | | | |
| Total: \$15,592,145 | | | | | Total incentives amount over the term cannot exceed the amount of investment indicated to Incentive is only calculated if indicated as a "Yes" on the offer box | | | | | | | | | | | |
| Name | % | Term | Amount | After Incentive? | Annual amounts per-incentive are greater than the minimum possible value and less than the Per-incentive term years are greater than minimum possible term and less than the maximum | | | | | | | | | | | |
| Forgivable Loan/Grant | n/a | 0 | | Yes/No | Annual total incentive amounts (all incentives) cannot exceed the annual tax base constraint | | | | | | | | | | | |
| Tax Increment Financing | 0% | 0 | | Yes/No | | | | | | | | | | | | |
| Job Creation Incentive | 50% | 7 | \$105,000 | Yes | | | | | | | | | | | | |
| CRA | 50% | 14 | \$54,026 | Yes | | | | | | | | | | | | |
| Low Interest Loan | | | | Yes | | | | | | | | | | | | |
| Total | | | \$159,511 | | | | | | | | | | | | | |
| Funding Constraints | | | | | Instructions on Using Optimization | | | | | | | | | | | |
| Investment % Funded by State/Local/Other | 50% | Loan Min. | \$20,000 | Term Min. | 5 Only change fields highlighted in blue | | | | | | | | | | | |
| Amount | \$2,338,822 | Loan Max. | \$200,000 | Term Max. | 10 Optimization Section: Indicated if incentive should be offered in Yes/No drop-down box | | | | | | | | | | | |
| % Funded by State | 0% | TIF Min % | 25% | Term Min. | 5 Funding Constraints Section: Indicate % of investment State/Local expects to cover | | | | | | | | | | | |
| % Funded by County | 0% | TIF Max % | 75% | Term Max. | 5 Funding Constraints Section: Indicate % covered by each funding entity (state, county, etc) | | | | | | | | | | | |
| % Funded by Port Authority | 0% | Job Creation Incentive Min. | 35% | Term Min. | 5 Funding Constraint Section: Get/adjust individual incentive minimum & maximum funds | | | | | | | | | | | |
| % Funded by Other | 0% | Job Creation Incentive Max. | 55% | Term Max. | 7 Solver: Go to "Data" and click on the "Solver" icon. Then click "Solve" (bottom right corner) | | | | | | | | | | | |
| % of City to Fund | 100% | CRA Min. | 50% | Term Min. | 10 Results - Table 1: Solver populates annual amounts per incentive | | | | | | | | | | | |
| Amount | \$2,338,822 | CRA Max. | 75% | Term Max. | 10 Results - Table 2: Solver populates term recommendations with binary figures | | | | | | | | | | | |
| | | Tax Base Constraint Year 1 | 1000% | | 10 Results - Table 3: Formula combines tables 1& 2 into rate/term recommendation table | | | | | | | | | | | |
| | | Tax Base Constraint Years 2-15 | 75% | | 10 Results - Table 4: Incentives indicated earlier as offered establish amount minimums and maximums | | | | | | | | | | | |
| | | | | | 10 Results - Table 5: Constraints per earlier establish tax base constraint & incentive minimum and maximum | | | | | | | | | | | |
| Table 1: Optimized Cash Flow Calculation | | | | | | | | | | | | | | | | |
| Incentive | Total | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| Forgivable Loan Value | \$ | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Tax Increment Financing Fund (Value) | \$ | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Job Creation Incentive Value | \$ | 105,000 | 21,225 | 47,145 | 72,965 | 75,587 | 74,791 | | | | | | | | | |
| Community Reinvestment Assn Value | \$ | 44,826 | 6,647 | 6,747 | 6,648 | 6,365 | 7,465 | 7,361 | 7,269 | 7,377 | 7,485 | 7,594 | | | | |
| Low-Interest Loan Value | \$ | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | \$ | 149,826 | 27,872 | 53,892 | 85,613 | 81,952 | 82,256 | 77,360 | 77,666 | 78,862 | 79,879 | 80,814 | | | | |
| Table 2: Binary Cash Flow Period Calculation | | | | | | | | | | | | | | | | |
| Incentive | Total | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| Forgivable Loan Value | | | | | | | | | | | | | | | | |
| Tax Increment Financing Fund (Value) | | | | | | | | | | | | | | | | |
| Job Creation Incentive Value | | | | | | | | | | | | | | | | |
| Community Reinvestment Assn Value | | | | | | | | | | | | | | | | |
| Low-Interest Loan Value | | | | | | | | | | | | | | | | |

APPENDIX

Please reference the appendix for a complete compilation of the data and information presented within this Plan.

DOCUMENT PREPARED FOR:



DOCUMENT CREATED BY:



ICE MILLER, LLP



OHM ADVISORS