



IMPLEMENTATION

## IMPLEMENTATION

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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

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- » % 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

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- » # 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

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

## WORKFORCE DEVELOPMENT

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- » # 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

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

## MARKETING

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

## INFRASTRUCTURE

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

## INCENTIVES STRATEGY

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- » 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											
Average	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
<b>Project Ramp-up</b>	33%	66%	100%	100%	100%
<b>Incentives</b>					
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	\$ -	\$ -
<b>Total</b>			\$80		



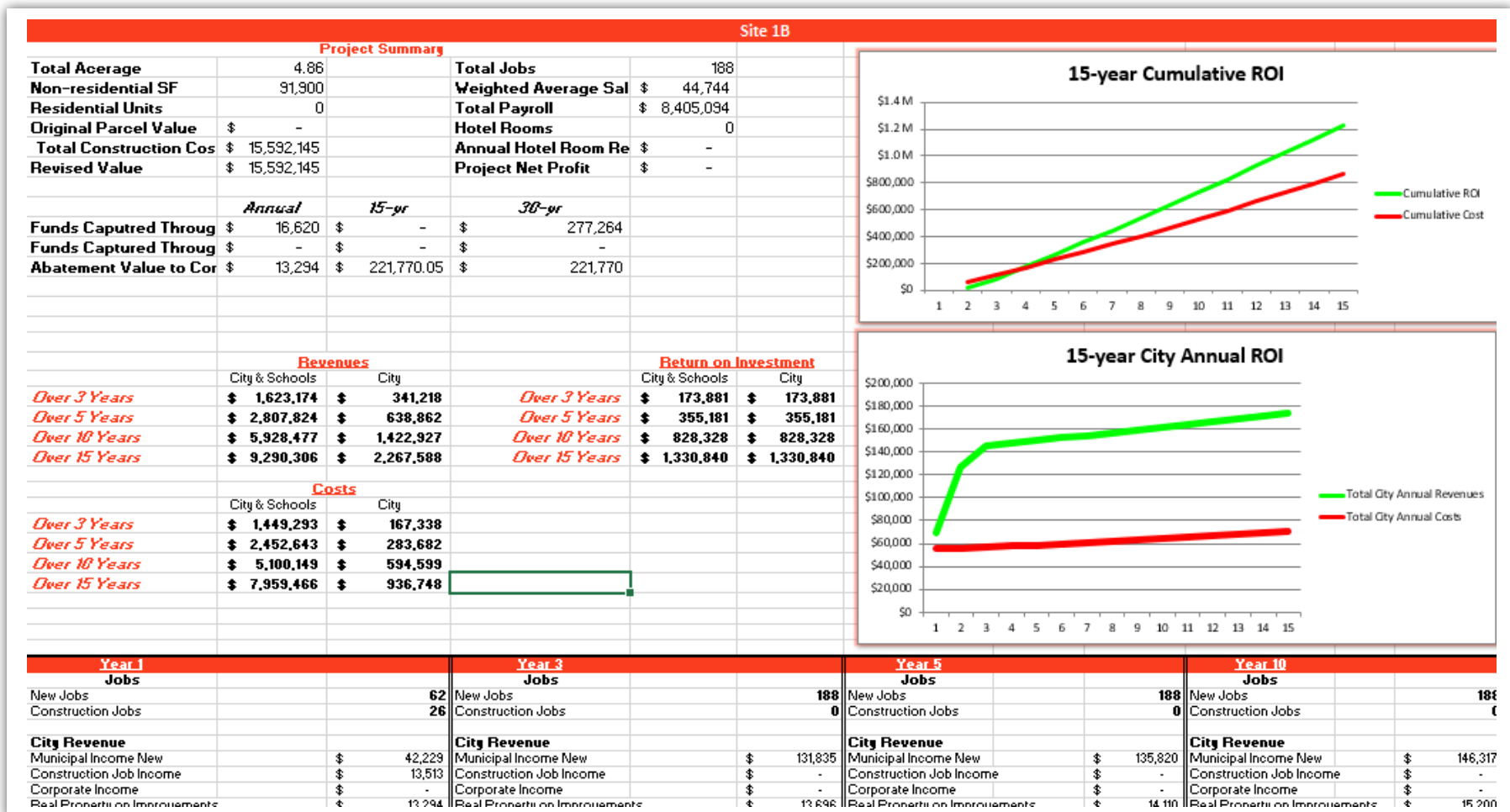
## REVENUES & COSTS

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.

<b>30-Year Cost Summary</b>											
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
<b>City Revenues</b>											
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	
<b>Total City Annual Revenues</b>	<b>\$69,037</b>	<b>\$126,651</b>	<b>\$145,531</b>	<b>\$147,714</b>	<b>\$149,930</b>	<b>\$152,179</b>	<b>\$154,461</b>	<b>\$156,778</b>	<b>\$159,130</b>	<b>\$161,517</b>	
<b>County Revenues</b>											
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	
<b>Total County Annual Revenues</b>	<b>\$128,034</b>	<b>\$110,940</b>	<b>\$105,400</b>	<b>\$106,981</b>	<b>\$108,585</b>	<b>\$110,214</b>	<b>\$111,867</b>	<b>\$113,545</b>	<b>\$115,248</b>	<b>\$116,977</b>	
<b>School Revenues</b>											
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	
<b>Total School Annual Revenues</b>	<b>\$420,972</b>	<b>\$427,287</b>	<b>\$433,696</b>	<b>\$440,202</b>	<b>\$446,805</b>	<b>\$453,507</b>	<b>\$460,309</b>	<b>\$467,214</b>	<b>\$474,222</b>	<b>\$481,336</b>	
<b>City Costs</b>											
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	

## DEVELOPMENT SUMMARY

The development summary is the equivalent of an Executive Summary page. It is meant for disbursement to stakeholders, City staff and approval bodies such as City Council. A portion of the Development Summary is used in the Priority Development Area analysis in the previous section of this document.



# 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											
<b>Fixed-Asset Investment</b>					<b>No</b>											
Optimization																
<b>Name</b>	<b>%</b>	<b>Term</b>	<b>Amount</b>	<b>Offer Incentive?</b>												
Forgivable Loan/Grant	n/a	0	\$0	No	<b>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</b> <b>Annual amounts per-incentive are greater than the minimum possible value and less than the maximum possible value</b> <b>Per-incentive term years are greater than minimum possible term and less than the maximum possible term</b> <b>Annual total incentive amounts (all incentives) cannot exceed the annual tax base constraint</b>											
Tax Increment Financing	0%	0	\$0	No												
Job Creation Incentive	55%	7	\$135,885	Yes												
CRA	50%	14	\$64,026	Yes												
Low Interest Loan			\$0													
<b>Total</b>			<b>\$199,911</b>													
Funding Constraints					Instructions on Using Optimization											
Investment % Funded by State/Local/Other	15%	Loan Min.	\$20,000	Term Min.	5 <b>Only change fields highlighted in blue</b>											
Amount	\$2,338,822	Loan Max.	\$200,000	Term Max.	10 <b>Optimization Section:</b> Indicated if incentive should be offered in Yes/No drop-down box											
% Funded by State	0%	TIF Min %	25%	Term Min.	5 <b>Funding Constraints Section:</b> Indicate % of investment State/Local expects to cover											
% Funded by County	0%	TIF Max %	75%	Term Max.	10 <b>Funding Constraints Section:</b> Indicate % covered by each funding entity (state, county, etc)											
% Funded by Port Authority	0%	Job Creation Incentive Min.	35%	Term Min.	5 <b>Funding Constraint Section:</b> Set/adjust individual incentive minimum & maximum funds											
% Funded by Other	0%	Job Creation Incentive Max.	55%	Term Max.	7 <b>Solver:</b> 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 <b>Results - Table 1:</b> Solver populates annual amounts per incentive											
Amount	\$2,338,822	CRA Max.	75%	Term Max.	15 <b>Results - Table 2:</b> Solver populates term recommendations with binary figures											
		Tax Base Constraint Year 1	1000%		<b>Results - Table 3:</b> Formula combines tables 1& 2 into rate/term recommendation table											
		Tax Base Constraint Years 2-15	75%		<b>Results - Table 4:</b> Incentives indicated earlier as offered establish amount minimums and maximums											
					<b>Results - Table 5:</b> Constraints set earlier establish tax base constraints & incentive minimum and maximums											
Table 1: Optimized Cash Flow Calculation																
<b>Incentive</b>	<b>Total</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>
Forgivable Loan Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Increment Financing Fund (Value)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Job Creation Incentive Value	\$ 135,885	\$ 23,226	\$ 47,149	\$ 72,509	\$ 73,597	\$ 74,701	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community Reinvestment Area Value	\$ 64,026	\$ 6,647	\$ 6,747	\$ 6,848	\$ 6,951	\$ 7,055	\$ 7,161	\$ 7,268	\$ 7,377	\$ 7,488	\$ 7,600	\$ -	\$ -	\$ -	\$ -	\$ -
Low-Interest Loan Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 199,911</b>	<b>\$ 16,821</b>	<b>\$ 28,075</b>	<b>\$ 40,001</b>	<b>\$ 40,601</b>	<b>\$ 41,210</b>	<b>\$ 6,445</b>	<b>\$ 6,541</b>	<b>\$ 6,639</b>	<b>\$ 6,739</b>	<b>\$ 6,840</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Table 2: Binary Cash Flow Period Calculation																
<b>Incentive</b>	<b>Total</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>
Forgivable Loan Value	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax Increment Financing Fund (Value)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Job Creation Incentive Value	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community Reinvestment Area Value	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Low-Interest Loan Value	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0