

### Objective

Job creation and private business investments are major contributors to the economic vitality of a community. To encourage job creation and private investment in targeted areas, the City of Gahanna offers municipal income tax repayments through the Office & Industrial Incentive Program (O&I Incentive). This program is designed to increase employment opportunities and encourage the establishment of new jobs in targeted development areas in Gahanna.

### Eligibility Requirements

The following are general guidelines for project eligibility. The City of Gahanna may consider the eligibility of a project on a case-by-case basis if extraordinary circumstances exist.

- Any private for-profit company that commits to the creation of new full-time equivalent jobs in the City of Gahanna may apply.
  - Applicant must pay all required municipal income taxes.
- The average hourly base wage rate (excluding benefits) of the newly created jobs must be at least 150% of Federal Minimum Wage.
- The project must involve a fixed-asset investment in land, building, machinery, equipment, or infrastructure.
- Applicant must demonstrate that it is economically sound and financially viable.
- Applicant must apply for the incentive prior to signing a lease, purchasing a building, or otherwise entering into any binding real estate agreement. Once the incentive agreement has been executed, a letter of intent or signed lease or deed must be presented to the City before the incentive can be awarded.
- Applicant must demonstrate that the O&I Incentive is a major factor in its decision to expand or locate in Gahanna.
- Applicant must agree to maintain operations in Gahanna for at least one and half times the term of the O&I Incentive.

### Conditions to the Agreement

Prior to the end of the agreement period, if the Applicant relinquishes its site and is no longer located in Gahanna, then the City shall require the Applicant to repay 200% of all the incentive payments received from the City of Gahanna.

### Rate and Term of Incentive

The O&I Incentive is a return payment of a percentage of the net municipal income taxes paid by the Applicant during a calendar year. The O&I Incentive is a performance based incentive and the value varies depending on the payroll of the recipient.

The determination of the rate and term of the O&I Incentive is based on, but not limited to, consideration of the following criteria:

1. Wage rate paid for the new jobs created (Positions paying at least 400% of the Federal Minimum Wage are considered high income jobs)
2. Number of new jobs created within the City of Gahanna
3. Number of existing jobs retained within the City of Gahanna
4. Type and amount of benefits provided to the new employees
5. Amount of capital investment by the Applicant related to the project
6. Location of the proposed project. Targeted areas include, but are not limited to:
  - a. Properties not tax abated in the Office Commerce and Technology (OCT) District
  - b. Formerly vacant industrial, commercial, or office properties
  - c. Olde Gahanna District
  - d. Creekside District
  - e. Existing retail centers
  - f. City identified Priority Development Areas
7. Project incorporates sustainable development practices, green building codes, and/or recycled materials and products into the project.

### Application Process

1. Prior to signing a lease, purchasing a building, or otherwise entering into any binding real estate agreement, an interested Applicant must submit a detailed project summary to the Planning & Development Department.
2. The Planning & Development Department will determine the appropriateness, term and percentage of incentive, if warranted, for the proposed project. The Applicant must not have any outstanding issues or liabilities with the City of Gahanna.
3. The Planning & Development Department will provide a letter of intent and summary of incentives to the Applicant.
4. The Applicant will then provide a written response of the incentive acceptance.
5. The Applicant must complete and submit an O&I Incentive application to the Planning & Development Department along with an application fee of \$150 in the form of a check made payable to the City of Gahanna.
6. An O&I Incentive agreement is drafted in accordance with relevant sections of the Ohio Revised Code and local enabling legislation.
7. Language in the O&I Incentive agreement is confirmed with the Applicant.
1. The Incentive Advisory Board will review the proposed incentive and make a recommendation to Gahanna City Council.
2. If approved, Gahanna City Council will pass an ordinance granting the O&I Incentive and authorizing execution of the O&I Incentive agreement.
3. The legislation shall be in effect upon passage by City Council and 30 days after the ordinance is signed by the Mayor. At that time, the O&I Incentive agreement is executed by all parties.
4. Once the agreement has been executed, the Applicant may move forward with real estate negotiations and necessary contract agreements. A letter of intent or signed lease or deed must be presented to the City before the incentive can be awarded.
12. Prior to June 1 of each year of the incentive, the recipient will submit a report and a request for repayment for the previous year to the Department of Planning & Development. The report will list the on-site and citywide employment (full-time, full-time equivalent, and part-time) as of December 31 of the previous year, the payroll generated for each employee during the previous year, the municipal income taxes withheld the previous year, and the amount of reimbursement requested. This information will be compared to base year figures, projected new employment and payroll from the original contract to verify performance and determine the incentive amount for that year. Once the request has been verified, a purchase order will be presented to the Finance Department for payment to the company. The Finance Department will issue a check for payment within thirty (30) days.

The City reserves the right to require an independent audit of the company's employment, payroll and tax records to verify reported figures at the company's expense.

### Program Oversight

The Office & Industrial Incentive is administered by the Department of Planning & Development. The Incentive Advisory Board oversees the Office & Industrial Incentive Program. The five member Board is comprised of the City of Gahanna's Mayor, Director of Planning & Development, and Director of Finance and two (2) members of the Gahanna City Council appointed by the President of Council on an annual basis. The Incentive Advisory Board will review the application and make a recommendation to Gahanna City Council within forty-five (45) days of submittal for final authorization.