




Economic Development 3: Monitoring, Filings and Compliance

Presented by: Greg Daniels, Daniels & Rhodes Law LLC,
Bethany Staats, CPA, City of New Albany



Today's Topics

- Tax Abatements
 - Tax Increment Financing
 - Annual Compliance
 - Revenue Sharing
 - Agreement Compliance
 - Legislative Changes
- 



Tax Abatements



- Community Reinvestment Areas (CRAs) or Enterprise Zones (EZs)
- Initial Filings
 - Generally handled by property owner
 - Local applications for CRAs – local jurisdiction responsible for sending approval to County Auditor
 - State applications for EZs (DTE 23s)
- State Reporting
- Job and income reporting
- CRA Housing Council
- Income tax sharing with School Districts and JVSDs

APPLICATION TO ENACT REAL PROPERTY TAX EXEMPTION

Property Owner/Applicant Information			
Legal Entity Name:			
Federal Tax ID:			
Corp. Address:	Street Address		P.O. Box/Suite No.
	City	State	Zip Code
Contact Name:			
Contact Title:			
Contact Phone Number:			
Contact E-mail Address:			

Project Information			
Address of Property:	Street Address		P.O. Box/Suite No.
	City	State	Zip Code
Parcel ID Number(s):	1.		
	2.		
County:			
Tax Dist. Number:			
School District:			
Investment Type: <small>New Construction or Expansion</small>			
Construction Cost	\$		
Project Square Feet			
Commencement Date			
Completion Date			
Date of Occupancy			

Additional Tenant Information (if applicable)			
Additional Affiliated Entities Operating at the Property:		Entity Name	Federal Tax ID
	1.		
	2.		
	3.		
	4.		

Applicant Acknowledgement

To the best of my knowledge the information provided in this application is true, correct and complete.

Signature _____

Print Name _____

Title _____

Date _____



City Authorization	
City Authorizing Resolution No.:	
City Council Approval:	
Real Property Tax Abatement Term:	
Real Property Tax Abatement Rate:	
Real Property Tax Abatement Commencement Date:	

I certify that the project described herein meets the necessary requirements of the Community Reinvestment Area Program of the City of New Albany.

By: _____
Joseph F. Stefanov
City Manager/Housing Officer

Date: _____

APPLICATION TO ENACT REAL PROPERTY TAX EXEMPTION ADDENDUM A MULTI-TENANT WORKSHEET

Select with an "X"

☐ Please select this box if there are no known tenants expected to occupy space at the property to be abated at the time of enacting the abatement.

INSTRUCTIONS: Please complete the requested information below for known tenants occupying or expected to occupy space at the property to be abated.

Tenant No.	Tenant Legal Entity Name	Federal Tax ID	Is this Tax ID No. Used by the Tenant for Wages at Other Locations in New Albany? Yes or No	If yes, what are the New Albany addresses of the other location(s)? Please list all.	Date of Anticipated Occupancy	Total Area to be Occupied (SF)
EXAMPLE TENANT INFORMATION						
Ex. 1	ABC Corporation	100000000	No	N/A	01/01/22	30,000
Ex. 2	ZXY, LLC	200000000	No	N/A	03/15/22	15,000
Ex. 3	High Tech, Inc.	300000000	Yes	99 W. Main Street, New Albany, OH 43054	05/01/22	6,950
Ex. 4	Pivot LLC	400000000	No	N/A	02/02/22	8,050
Ex. 5	JR Enterprises Inc.	500000000	Yes	99 W. Main Street, New Albany, OH 43054	03/15/22	15,000
ACTUAL TENANT INFORMATION						
1						0
2						0
3						0
4						0
5						0
6						0
7						0
8						0
9						0
10						0
11						0
12						0
13						0
14						0
15						0
TOTAL SQUARE FEET KNOWN TO BE LEASED						0

Notes:

***FOR MULTI-TENANT SPACE**



Community Development Department
2023 CRA Company Report Form

DIRECTIONS: PLEASE TYPE ALL RESPONSES IN THE SHADED AREAS.

1. Name the business(s) party to the CRA Agreement:
2. State the total permanent full-time employees as of 12/31/2023:
3. State the total amount of annual payroll as of 12/31/2023:
4. State the total amount of taxes exempted under agreements:
5. State the project investment level achieved as of 12/31/2023:
 - a. Real Property:
 - b. Personal Property:
6. Please complete the following Community Participation Statement if it is a requirement of the company's CRA agreement.
 - a. Is the company a member of the New Albany Chamber of Commerce?

Yes
No

Please make your selection with an "X"
 - b. Please provide a brief bulleted summary of how the company supported the New Albany community in calendar year 2023:

Examples may include:

- *Sponsored a grant through the New Albany Community Foundation*
- *Hosted a company-wide food drive for the Healthy New Albany Food Pantry*

You may attach an extra page describing community participation if necessary.



Community Development Department
2024 Contact Information Update Form

DIRECTIONS: PLEASE TYPE ALL RESPONSES IN THE SHADED AREAS.

Please complete this form so that the City of New Albany can update its records regarding who best to contact for the following categories below.

Marketing and Communications Coordinator

Contact Full Name

Contact Title

Contact Phone Number

Contact E-mail Address

Administrator of Active Economic Development Agreements

Contact Full Name

Contact Title

Contact Phone Number

Contact E-mail Address

Government Relations/Community Outreach Coordinator

Contact Full Name

Contact Title

Contact Phone Number

Contact E-mail Address



Community Development Department
2024 Contact Information Update Form

Plant or Operations Manager

Contact Full Name
Contact Title
Contact Phone Number
Contact E-mail Address

Human Resources Manager

Contact Full Name
Contact Title
Contact Phone Number
Contact E-mail Address

Facilities or Site Manager/Lead

Contact Full Name
Contact Title
Contact Phone Number
Contact E-mail Address



Finance Department
2023 CRA Reporting Payroll Information

DIRECTIONS: PLEASE TYPE RESPONSES IN THE SHADED AREAS

Your assistance in fully completing the fields below is a critical step towards ensuring that all requirements in your agreement are met.

BUSINESS INFORMATION		
Company Name		
Address		
	Street Address	P.O. Box/Suite No.
	City	State Zip Code
Additional Information		
	Business Phone Number	Building Name (if applicable)

PRIMARY PAYROLL INFORMATION CONTACT PERSON	
Contact Full Name	
Contact Title	
Contact Phone Number	
Contact E-mail Address	

For questions regarding this form, please contact one of the following individuals:

Ms. Bethany Staats
Director of Finance
City of New Albany
Finance Department
O: (614) 939-2243
E: BStaats@newalbanyohio.org

Mr. Ethan Barnhardt
Management Analyst
City of New Albany
Finance Department
O: (614) 939-2237
E: EBarnhardt@newalbanyohio.org

Payroll Information Section – Reference Guide

Please complete a table within the Payroll Information section on the next page for each entity you represent. All shaded fields should be updated with information for calendar year 2023. If an item is not applicable to the company you are referencing, the field should be marked as “N/A”.

Notes to consider:

Company Name/SSN/EIN: Each table should contain information for one company/EIN. If you are completing this form for multiple entities, please use a separate table for each one. Additionally, if your entity operates out of multiple locations, a separate table will need to be completed for each address.

2023 Payroll: This field should include the total payroll for your entity during 2023 for the location you are referencing. The total number would not be affected by employee hire dates or payroll-specific clauses in your CRA agreement. If your entity occupied multiple locations during 2023, your company’s overall total payroll would need to be captured on multiple tables and broken down to the amounts related to each location.

2023 New Albany Withholding Taxes: Enter the total withholding tax amount remitted to RITA for calendar year 2023 wages for the location you are referencing. The amount should relate to the wages entered in the 2023 Payroll box, regardless of employee hire date or any withholding-specific language in your CRA agreement.

Number of Employees as of 12/31/23: Include the number of employees occupying the referenced location on 12/31/23. If this number is not representative of average operations during the year, (perhaps due to seasonal hiring), please note it as so. The number should relate to the building/location included within both the 2023 Payroll and 2023 New Albany Withholding Taxes fields.

Did your EIN change during 2023? If checked “Yes”, please add a note under the table showing the previously-reported EIN.

Did your entity move locations during 2023? If checked “Yes”, please add a note under the table showing the previously-reported address.

Does your entity occupy multiple locations within New Albany? If checked “Yes”, please ensure that each table only includes information for the particular location you are referencing. We will need to know the payroll, withholdings, and number of employees for each location separately. Entities that fall under multiple CRA agreements may need to report information on separate forms altogether.

PAYROLL INFORMATION

For each SSN or Federal Tax ID (EIN) relevant to your entity, please fully complete all shaded fields

		"X" or "X"	
1	Company Name	Filed under a staffing company?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	SSN/EIN	Did your EIN change during 2023?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	2023 Payroll	Does your entity occupy multiple locations within New Albany? *	<input type="checkbox"/> Yes <input type="checkbox"/> No
	2023 New Albany Withholding Taxes	Did your entity move locations during 2023?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Number of employees as of 12/31/23	Building Name (if applicable) & Address if different from Page 1	

*See Payroll Information Reference Guide on the previous page

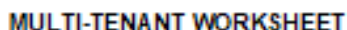
2	Company Name	Filed under a staffing company?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	SSN/EIN	Did your EIN change during 2023?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	2023 Payroll	Does your entity occupy multiple locations within New Albany? *	<input type="checkbox"/> Yes <input type="checkbox"/> No
	2023 New Albany Withholding Taxes	Did your entity move locations during 2023?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Number of employees as of 12/31/23	Building Name (if applicable) & Address if different from Page 1	

3	Company Name	Filed under a staffing company?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	SSN/EIN	Did your EIN change during 2023?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	2023 Payroll	Does your entity occupy multiple locations within New Albany? *	<input type="checkbox"/> Yes <input type="checkbox"/> No
	2023 New Albany Withholding Taxes	Did your entity move locations during 2023?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Number of employees as of 12/31/23	Building Name (if applicable) & Address if different from Page 1	

4	Company Name	Filed under a staffing company?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	SSN/EIN	Did your EIN change during 2023?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	2023 Payroll	Does your entity occupy multiple locations within New Albany? *	<input type="checkbox"/> Yes <input type="checkbox"/> No
	2023 New Albany Withholding Taxes	Did your entity move locations during 2023?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Number of employees as of 12/31/23	Building Name (if applicable) & Address if different from Page 1	

5	Company Name	Filed under a staffing company?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	SSN/EIN	Did your EIN change during 2023?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	2023 Payroll	Does your entity occupy multiple locations within New Albany? *	<input type="checkbox"/> Yes <input type="checkbox"/> No
	2023 New Albany Withholding Taxes	Did your entity move locations during 2023?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Number of employees as of 12/31/23	Building Name (if applicable) & Address if different from Page 1	

Note: You may add additional pages as necessary.



INSTRUCTIONS: Please complete the requested information below for tenants occupying space at the property subject to abatement

Notes:

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*Corporate Income may also be known as Net Profits Income.



Income Tax Sharing with School Districts for Abatements

- Required by agreement or RC 5709.82
- RC 5709.82 sharing required if school districts not fully compensated unless waived if:
 - For CRAs, payroll for new employees (including construction workers) exceeds \$2 million, indexed to inflation
 - For all other exemptions, payroll for new employees (including construction workers) exceeds \$1 million
- RC 5709.82 sharing is 50% of income taxes on new employees (e.g. new to municipality or employer, except replacement employees)
 - May be reduced to 32.5% for infrastructure credit
 - Payments due by December 31



Tax Increment Financing

- File approved ordinance or resolution with State Department of Development within 15 days of adoption
- Annual State reporting handled online
- DTE 24 Filings
 - Track parcels
 - Confirm filing timing with County
 - Contents of filing



REAL ESTATE

Dear Applicant,

The following information is necessary in completing your application for the tax incentive program but is not meant as legal advice. Please contact an attorney for legal advice.

Two applications are to be given to the Franklin County Auditor's Office. One of the applications must be an original. Please be sure to include a copy of the signed tax incentive agreement. Also include any amendments, ordinances, resolutions, relocation notices, area boundaries, parcel listings and other information that may pertain to the incentive. Our office will complete the Auditor's findings and Treasurer's Certificate on the application. We will also provide a property record card and a map of the parcel before forwarding it on to the State of Ohio Department of Tax Equalization.

Please note: all taxes, penalties and interest levied against the property prior to and including the purchase year (and any year not applied for) and all current and prior assessments must be paid in full prior to our office forwarding the application to the Department of Taxation. **Recoupment and Special Assessments are not considered property tax and are not subject to this exemption.**

Once the applications are received at the State, the decision to grant or deny could take several months. You will be notified of the decision by letter, from the Department of Taxation (DTE), at the address you provide on the application. Please contact DTE at 614-466-5744 for more information or questions regarding this process.

While the incentive is pending, you will continue to receive tax bills for the parcels filed on. Depending on which type of incentive you are applying for, you may either pay the bill in full or make a tender payment (partial payment) through our office. If you have further questions, please contact me at 614-525-4937.

Michael Stinziano
Franklin County Auditor

Melanie J. Brown, Deputy Auditor
Tax Incentives Division

FRANKLIN

County name

Tax Incentive Program – Application for Real Property Tax Exemption and Remission

DTE 24
Rev. 01/19
Page 1

Date received by county auditor

Date received by DTE

Office Use Only

County application number

DTE application number

General Instructions

- Submit two copies of this application to the auditor's office in the county where the property is located (make a copy for your records). The final deadline for filing with the county auditor is Dec. 31 of the year for which exemption is sought. If you need assistance in completing this form, contact your county auditor.
- Both the county auditor's finding (page 3) and the treasurer's certificate (page 4) of this application must be completed. Ask your county auditor for the procedure to follow to obtain the treasurer's certificate. When presented with this application, the county treasurer should promptly complete the certificate and return the application to you so it may be filed with the county auditor. The county treasurer should make certain that the treasurer's certificate is complete and accurately reflects the payment status of taxes, special assessments penalties and interest, by tax year. Obtain a copy of the property record card from the county auditor and enclose it with this application. It is the applicant's responsibility to make sure the information supplied by the county auditor and county treasurer is complete and accurate.
- Answer all questions on the form. If you need more room for any question, use additional sheets of paper to explain details. Please indicate which question each additional sheet is answering. This application must be signed by the property owner or the property owner's representative.

Special Instructions for Tax Increment Financing Exemptions

If the applicant requests an exemption under Ohio Revised Code (R.C.) 725.02, 1728.10, 5709.40, 5709.41, 5709.73 or 5709.78, the application can be signed by the property owner, the property owner's representative, the political subdivision without the property owner's consent, or the political subdivision with the property owner's consent acting under a power of attorney (attach DTE form 24P). If the application is signed by the political subdivision without the property owner's consent, such exemption shall be subordinate to an exemption granted under any other section of the Revised Code and service payments shall not be required for the portion of the property exempt under that other section. If the exemption requested involves service payments in lieu of taxes and the application is signed by the property owner, the property owner's representative, or the political subdivision with the property owner's consent acting under a power of attorney, those payments will remain in effect for the term of the exemption even if the property is used later for another exempt purpose, unless the political subdivision consents in writing to the subsequent exemption. These service payments are also binding on future owners if the political subdivision or the property owner files a notice with the county recorder after the tax commissioner approves the application, unless the political subdivision consents in writing to the subsequent exemption. Failure to file such notice relieves only future owners from the obligation to make service payments if the property becomes exempt under any other provision of the Revised Code. Consent by a property owner filed with the tax commissioner after the commissioner has approved an application for exemption originally filed by the political subdivision without the property owner's consent will trigger the same procedures mentioned above for an application filed by or with the property owner's consent.

Please Type or Print Clearly

Applicant name

City of New Albany

Name

Finance Department, ATTN: Ethan C. Barnhardt

Notices concerning
this application
should be sent to

Name (if different from applicant)

99 W. Main Street, PO Box 188

Address

New Albany

Ohio

43054

614-939-2237

City

State

ZIP

Telephone number

ebarnhardt@newalbanyohio.org

Email Address

If the county auditor is in possession of an email address for you, the auditor may choose to send you important notices about your application by email and regular mail instead of by certified mail.

1. Parcel number(s). (If more than four, continue on an attached sheet.) All parcels must be in the same school district.
- a) 222-004984-00
b)
c)
d)
2. School district where located New Albany Plain Local School District
3. Street address or location of property 5266 Babbitt Rd, New Albany, OH 43054
4. a) Title to this property is in the name of Montauk Innovations LLC
b) Address of owner 2801 Centerville Rd, 1st Fl, PMB 8111, Wilmington, Delaware 19808
5. Date title was acquired December 13, 2018
6. If title holder is different from applicant, please explain N/A
7. Under what section(s) of the Ohio Revised Code is exemption sought?
- ☐ §725.02 ☐ §1728.10 ☒ §5709.40(B) ☐ §5709.40(C) ☐ §5709.41
☐ §5709.62 ☐ §5709.63 ☐ §5709.71 ☐ §5709.73(B) ☐ §5709.73(C)
☐ §5709.78(A) ☐ §5709.78(B) ☐ §5709.88
☐ Other incentive program, specify R.C. section _____
8. Explain terms and details of incentive (real property included, percentage exempted, number of years, etc.).
Please see Exhibit A
9. a) Attach a copy of the resolution or ordinance of the subdivision granting the incentive and/or the applicant's incentive agreement with the subdivision.
b) Attach a copy of school district approval (if required).
10. If this application requests exemption under a tax increment financing provision (see special instructions), please indicate whether the application is being filed
- ☐ by the property owner ☒ by the political subdivision without owner consent
☐ by the political subdivision with owner consent (attach copies of DTE form 24P)

Application is hereby made to have the aforementioned property placed on the tax-exempt list pursuant to the authorizing agreement, ordinance or resolution, and the limitations in the Ohio Revised Code. I declare under penalty of perjury that I have examined this application and, to the best of my knowledge and belief, it is true, correct and complete.

Applicant or representative signature

Ethan Barnhardt, Management Analyst

Print name and title

99 W. Main Street, PO Box 188, New Albany, OH 43054

Address

New Albany

Ohio

43054

City

State

ZIP code

614-939-2237

02/23/2024

Telephone number

Date

County Auditor's Finding

	Land	Building	Total
Taxable value in year of application _____ (tax year)			
Taxable value in prior year _____ (tax year)			

This application covers property that is (check all that apply):

- ☐ Currently exempt* ☐ New construction on previously exempted parcel ☐ Currently on CAUV
☐ Previously exempt ☐ Previously on CAUV

Auditor's recommendation ☐ Grant ☐ Partial grant ☐ Deny ☐ None

Comments:

County auditor (signature)

Date

Forward one copy of the completed application to the Ohio Department of Taxation, Tax Equalization Division, P.O. Box 530, Columbus, OH 43216-0530.

*If the property or any portion of the property is currently exempt, please indicate below the type of exemption, the portion of property exempted and the tax years to which the current exemption applies.

Treasurer's Certificate

If the Treasurer's Certificate is not properly filled out and signed, the tax commissioner will have no jurisdiction to act on the application, and it will be subject to dismissal.

(Notice to treasurer: The first paragraph of this certificate must always be complete.)

I hereby certify that all taxes, penalties and interest levied and assessed against the above described property have been paid in full up to and including the tax year: . The most recent year for which taxes have been charged is tax year: .

I further certify that the only unpaid taxes, penalties and interest that have been charged against this property are as follows:

Parcel Number	Tax Year	Taxes (including penalties and interest)

If additional years are unpaid, please list on an attached sheet.

Have tax certificates been sold under R.C. 5721.32 or 5721.33 for any of the property subject to this application?

☐ Yes ☐ No

Are any unpaid taxes listed on this certificate subject to a valid delinquent tax contract under R.C. 323.31(A)?

☐ Yes ☐ No

If yes, list tax years: _____

Comments:

County treasurer (signature)

Date

[HOME \(/ODSA/S/\)](#)

2023 TIF Report

Report Number: LI-AR-157046

Print



This project remains under construction AND has received no exemption from taxation for this reporting year

1 and 2. Name of Local Jurisdiction and County:

Jurisdiction

New Albany

County

Franklin

3. Jurisdiction that created the TIF:

Municipal

4. TIF Type

Incentive District

5. Date Created:

03/16/1999

6. Identify Affected School District(s):

Plain Local SD

7. Project Information/Name:

Blacklick TIF Distr

8. Type of Project:

Commercial

9. Type of Public Improvements:

Road Construction; Sewer and Water Extensions

10.

Exemption %:

100.00%

Exemption Term:

50

11. Project Investment:

Projected (at time of legislation)

Real Property

\$130,000,000.00

Personal Property (if applicable)

Actual (as of 12/31/2023):

Real Property

\$211,236,411.00

Personal Property (if applicable)

12. Employment Information:

Projected (at time of legislation)

Retained

Created

1,050

Actual (as of 12/31/2023)

Retained

Created

2,592

13. Dollar amount of service payments deposited into the TIF's tax increment equivalent fund: In Calendar Year 2023:

In Calendar Year 2023

\$3,074,909.00

Cumulative (through 12/31/2023):

\$18,597,591.00

Year first payment made

2001

14. Expenditures of money from the tax increment equivalent fund for the public infrastructure associated with the TIF: In Calendar Year 2023:

In Calendar Year 2023

\$1,957,656.00

Cumulative (through 12/31/2023):

\$15,809,294.00

Year first expense paid

2002

15. Date of most recent Tax Incentive Review Council (TIRC):

07/27/2023

16. TIRC recommendation (e.g. compliance, non-compliance, etc.):

COMPLIANCE

I hereby represent and certify that the forgoing information, to the best of my knowledge, is true, complete, and accurately describes the status of the TIF project as of December 31, 2023.

* (required) First and Last Name:

Ethan Charles Barnhardt

* (required) Title:

Management Analyst

X Cancel

Save

✓ Submit

Success

Application saved successfully!



TIF Agreements and Bonds

- Agreement Compliance
 - Keeping track of agreements
 - Compliance or tracking checklists
- Bond Payments and Developer Payments
 - Cost submissions and reviews
 - Keeping the balance due up to date
- Projections
 - Initial projections – tracking parcels
 - Updates
- Administrator/Calculation Agent



TIF Revenue Sharing

- ▶ County generally makes TIF distributions to School Districts for non-school TIFs
 - ▶ TIF jurisdiction makes payments for school TIFs and, in some counties, Township or County non-school TIFs
 - ▶ Some counties do not make TIF distributions to JVSDs
- ▶ Income tax sharing for school TIFs required by agreement or RC 5709.82
 - ▶ Payroll for new employees (including construction workers) exceeds \$1 million
 - ▶ 50% of new employee income taxes
 - ▶ May be reduced to 32.5% for infrastructure credit
 - ▶ Payments due by December 31
- ▶ Protected levies for district TIFs – withheld by county
- ▶ County compensation due for incentive district TIFs
 - ▶ Payment obligation triggered by Commissioners objection to TIF
 - ▶ TIF jurisdiction typically responsible for payment



Tax Incentive Review Councils

- Formed by subdivision granting the exemption
- County Auditor or designee organizes and chairs meeting
 - Must meet before September 1 to review exemptions and provide recommendations
- Legislative authority required to review recommendations and accept, reject or modify recommendations
- Council has ability to require owners of exempt property to provide information



Tax Incentive Review Councils

➤ Compliance Review

- Verify Payroll reported by Company
 - Confirm WH related to reported payroll with IT records
 - Ensure proper EIN
 - Independent contractors?
- Other potential benchmarks/terms
 - Community Participation
 - PILOT payment

**Annual Tax Abatement Report – Franklin County
2024 (Tax Year 2023)**

INSIGHT DIRECT USA / THINKON INC. (DATA CENTER) (FORMERLY PCM, INC.)

Project Description

- **Community Reinvestment Area:** Central College
- **Abatement Term:** 10 years at 65%
 - Tax years 2015 – 2024
- **Project Location:** 7000 Souder Rd
East of the Discover campus and west of the Links subdivision



In 2012, city council approved an agreement with M2 Marketplace Inc. for the construction of a 20,000+/- square foot data center. Insight Enterprises, Inc., the parent company of Insight Direct USA, Inc., purchased PCM, Inc. on August 30, 2019. PCM, Inc. is still in existence, however, the employees of PCM, Inc. were hired into Insight Direct USA, Inc. as of February 2020.

Benchmark Compliance:

Benchmarks for this agreement are job creation/retention and annual payroll:

	CRA Agreement	2024 Performance
New Jobs Created	15	10
Payroll	\$280,000	\$641,365



Additional Agreement Information:

- **Estimated Project Investment:** \$9,400,000
- **Estimated Real Property Investment:** \$7,500,000
 - **Actual Real Property Investment:** \$12,215,109
- **Community Participation Required:** Yes: ☐ No: ☒

Recommendation: Staff recommends the continuation of this CRA Agreement. Despite a reduced number of jobs in the facility, the company's payroll has exceeded expectations.

**Annual Tax Abatement Report – Franklin County
2024 (Tax Year 2023)**

MARKET STREET RETAIL/MEDICAL OFFICE BUILDING (DNA MMI)

Project Description

- **Community Reinvestment Area:** Village Center
- **Abatement Term:** 10 years at 75%
 - Tax years 2015 – 2024
- **Project Location:** 260 Market St
North of Market Street and west of Main Street



In 2013, the city manager entered into a CRA agreement for a mixed-use retail/medical office building - a 26,000-square-foot facility. Tenants include Maple Orthodontics - Jenny R. Maple, DDS, MS, Cooke Demers, LLC, PNC Bank, CAMERON MITCHELL RESTAURANTS, LLC, and Zachrich III, LLC - DBA Mellowmushroom

Benchmark Compliance:

Benchmarks for this agreement are job creation/retention and cumulative annual payroll:

	CRA Agreement	2024 Performance
New Jobs Created	15	67
Payroll	\$450,000	\$5,499,855.50



Additional Agreement Information:

- **Estimated Project Investment:** \$5,500,000
- **Estimated Real Property Investment:** \$5,050,000
 - **Actual Investment:** \$5,825,352
- **Community Participation Required:** Yes: ☐ No: ☒

Recommendation: Staff recommends the continuation of this CRA Agreement.

TIF Report

Municipality NEW ALBANY CORP
TIF Name SCHLEPPI ROAD DISTRICT #1
(5709.40(C)) TIF
TIF Ordinance O-14-2017
First Year 2019 **Last Year** 2048
Levy Sharing Y
School or Non-School TIF Y

JVSD EASTLAND JVSD

Tax Year 2023
Percent of TIF 100

Project Number 90-301
Number of years total 30
Revenue Sharing Y
School District NEW ALBANY-PLAIN
LSD

Project History

Roadways, Water/Sewer, Stormwater,
Demolition, Parks, Streetscape/Landscape,
Real Estate

Photo (If Provided by Municipality)

Fund Balance \$0
Funds Received this Year \$225,320.43
Expenditures \$225,320.43

Balance Owed \$2,254,018
Funds Received Total \$240,321.43

Expenditure Details

Infrastructure Debt to Developer



Legislative Changes

- Extension of Parcel TIFs
 - \$1.5 million threshold – can now project
 - Re-opener for older TIFs
 - Extension must be a non-school TIF
- Extension of Municipal Residential Incentive Districts
 - Pre-2006 Districts
 - 15 years
 - School District approval required for school TIFs



More Legislative Changes

- Re-opener for new Residential Incentive Districts
 - Must be a “non-productive parcel”
- CRA Overhaul
 - Income tax sharing threshold increased to \$2 million and indexed to inflation
 - Limited Home-Rule Townships can now form CRAs
 - Abatements may be up to 75% without school district consent for non-residential properties (residential properties could already be up to 100% without school district consent)
 - Petitions to ODOD no longer required (just filing)
 - Form of CRA Agreement is no longer prescribed by statute (ODOD to prescribe a model agreement)
 - Application fee and annual fee requirements eliminated



Tips for Managing Economic Development Toolbox

- Document, document, document.
- Read the agreements carefully and watch out for different nuances in each agreement.
- Create timelines and checklists, especially when other stakeholders are involved.
- Take advantage of all educational opportunities to learn more about these tools (Attending this session is a fantastic choice)!
- Talk to other people in your organization, such as your development team or colleagues in different communities, to learn best practices and potential pitfalls!
- Take a proactive approach and always wear your problem-solver hat.
- When managing economic development tools, remember to be precise and build trust.



Questions?