

Meeting Agenda

Wednesday, August 12, 2020 ~ 3:00 P.M.

Virtual Meeting Conducted Via Microsoft Teams

Tax Incentive Review Council

Michael Stinziano, Chair

Carlie Boos

Kelan Craig

Michael Kinninger

Matt Gregory

TJ Cusick

John Oberle

Laura Kunze

(1) City Seat Vacant

City of Worthington Staff

Robyn Stewart

Tom Lindsey

Scott Bartter

David McCorkle

Ethan Barnhardt

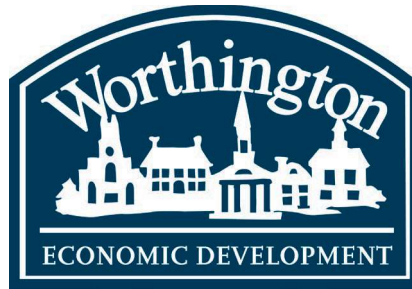
A. CALL TO ORDER – Introduction of Members and Participants**B. APPROVAL OF TIRC MINUTES**

July 7, 2019 TIRC Minutes

C. AGENDA ITEMS:

1. Background of Worthington CRA activity
 - a. Review of Worthington Station / 900 Proprietors & Recommendation
 - i. BCR Worthington LLC
 - c. Review of FC Bank & Recommendation
 - i. FC Bank
2. Background of Worthington TIF activity
 - a. Worthington Square Venture LLC (*The Shops at Worthington Place*)
 - b. W. Wilson Bridge Road TIF (*The Heights at Worthington Place*)
 - c. West Dublin Granville Road TIF (*Linworth Plaza*)
 - d. 933 High Street TIF (*Fresh Thyme Farmers Market*)
 - e. Downtown Worthington TIF District
 - f. 350 W. Wilson Bridge Road TIF (*Trivium Development LLC*)
 - g. 800 Proprietors Road (*Kemper House*)
 - h. Worthington Gateway (*Holiday Inn site redevelopment*)

D. ADJOURNMENT



Meeting Minutes

Tuesday, July 9, 2019 ~ 3:00 P.M.

Louis J. R. Goorey Worthington Municipal Building
Council Chambers
6550 North High Street
Worthington, Ohio

Tax Incentive Review Council

Michael Stinziano, Chair
Toni Cunningham
Kelan Craig
Michael Kinninger
Matt Gregory
Parker MacDonell
Jeff McCuen
John Oberle
Laura Kunze

City of Worthington Staff

Robyn Stewart
Tom Lindsey
Scott Bartter
David McCorkle
Ethan Barnhardt

CALL TO ORDER – Tax Incentive Review Council (TIRC)

Chairman Mance called the meeting to order at or about 3:00 P.M.

Council Members Present: Michael Stinziano, Chair
Kelan Craig, (Commissioner Representative)
Michael Kinninger (Commissioner Representative)
Matt Gregory (City Representative)
Laura Kunze (Sharon Township Representative)
John Oberle (Sharon Township Representative)
Jeff McCuen (School District Representative)

Council Members Absent: Parker MacDonell (City Representative)
Toni Cunningham (Commissioner Representative)

Auditor Staff Present: Kelly Washington, Franklin County Staff Representative

City Staff Present: Robyn Stewart
Tom Lindsey
Scott Bartter
David McCorkle
Ethan Barnhardt

APPROVAL OF TIRC MINUTES – July 24, 2018 TIRC Minutes

A motion was made by Mr. Oberle to adopt the minutes as presented. The motion was seconded by Mr. McCuen.

Abstain: Mr. Stinziano and Mr. Kinninger

The motion to adopt the minutes passed unanimously by a voice vote.

AGENDA ITEMS:

Chairman Stinziano introduced the agenda items for CRA and invited Mr. David McCorkle to brief the members. As such, Mr. McCorkle presented the following:

Background of Worthington CRA Activity**WORTHINGTON STATION PROJECT (862–918 Proprietors Road)****Project Background:**

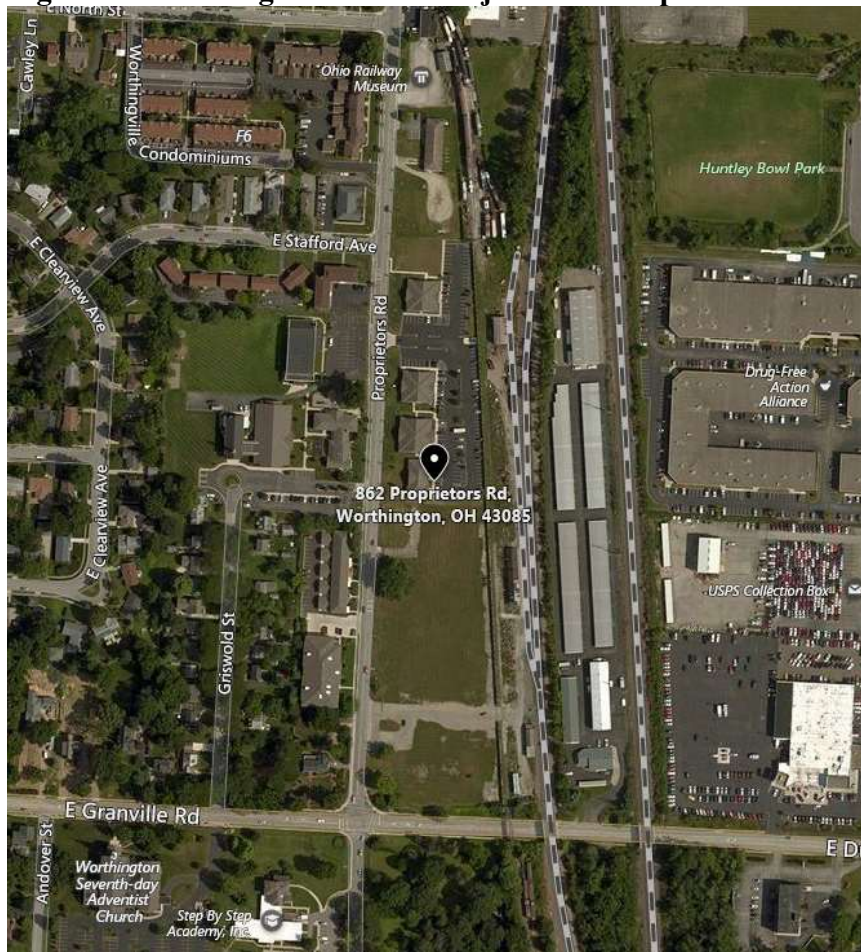
The Worthington Station Project is made up of individual parcels comprising the former Worthington Foods manufacturing site. The facility sat vacant and unused and the property

was demolished by the Robert Weiler Company in 2005. Thereafter, the property was sold to developer 900 Proprietors, LLC. (See Figure 1, next page)

Worthington City Council passed Ordinance 13-2007 (April 2007) authorizing the **75 percent, 10-year** abatement on any improvements made to the Worthington Foods site. To-date, only a portion of the entire manufacturing site has been redeveloped. Although the original plan was to construct up to 12 office condominium buildings (total 85,000 sq ft), only four (4) such buildings (total 17,900 sq ft) were ever constructed; each building is located on its own parcel. In response, Worthington City Council passed Ordinance 57-2010 (December 2010) to limit the CRA abatement to only those parcels redeveloped through 2010. At that time, the job commitment figures were also amended down from 180 jobs to 44, and payroll commitments from \$14,666,150 to \$2,599,936.

During the 2018 reporting year, the only parcel that still had an active CRA was 100-006685, BCR Worthington LLC. This parcel is abated through 2022. 2017 was the final year of abatement for all remaining parcels.

Figure 1: Worthington Station Project CRA map



2018 Worthington TIRC & City Council Actions:

The Worthington TIRC met in July 2018 to review 2017 reporting year data and suggested the CRA abatement should continue as-is, with project companies found to be in compliance according to new, revised commitments now that all four buildings were occupied and reporting their performance.

City Council adopted the TIRC's recommended approach on September 4, 2018 under Resolution 48-2018.

2018 Reporting Year -- Project Performance:

| | Amended Agreement Terms | As of Dec. 31, 2018 |
|------------------------------|--------------------------------|----------------------------|
| Investment Time Frame | 01.31.2011 | 05.2010 |
| Retained Jobs | - | - |
| Retained Payroll | - | - |
| New Jobs | 44 | 7 |
| New Annual Payroll | \$2,599,936 | \$270,890 |

The 2018 monitoring fee (\$500) was properly paid by the property owners.

City Staff Recommendation:

City staff recommends the TIRC determine that the project is **in compliance** for reporting year 2018, but also to **modify the CRA agreement** to reflect BCR Worthington LLC (parcel 100-006685) as the single beneficiary of the abatement and to **modify the new job and payroll commitments to 6 and \$232,191**, respectively. These reduced commitments represent 12.5% (one-eighth) of the original new job commitments for the Worthington Station development, at BCR Worthington LLC's current average salary rate.

Mr. Kinninger asked if the 1/8 calculation is from there being eight parcel or if it was based on the acreage. Mr. McCorkle said that it is there being one of the eight parcels. They were over on the job commitment, but they are below on the payroll. So we took six jobs which represents 1/8 of the total 44 job commitment that the agreement currently states at their current average rate, which is about \$39,000 per year, per employee, to make up the new committed payroll. Mr. Kinninger asked if we have an idea about how much land of the eight parcels they occupy. Mr. McCorkle replied he does not know. Mr. Kinninger asked if they occupy the largest parcel. Mr. McCorkle explained they represent an office condo and there are several other users there. He believes that all eight of the parcels are about the same size. The condos are similarly sized. However he is not sure acreage wise what their percentage representation is.

Mr. McCuen posed that we leave them at the seven jobs they already have and the \$270,000 in payroll instead of letting them have the opportunity to take a job away and lower the salary. Mr.

McCorkle said that we could do that and if we keep them as is, it just holds them to their current year that has been reported. This provided a little flexibility in their reporting in future years.

Motion McCuen said that he would move to keep them where they are with seven jobs and \$270,000 in payroll. That is below the salary commitment agreed to, so the City is not receiving the income tax revenue they otherwise would have received. It is fair to hold them to the standard that they have now set.

Mr. Kinninger clarified if the motion would be to keep it exactly at \$270,000. Mr. McCuen replied seven jobs and \$270,000 which is what they reported for 2018. Mr. Kinninger asked for Mr. McCorkle's reasoning for giving them lower and if that was to give them wiggle room with market fluctuations. Mr. McCorkle said that was correct and would give them some flexibility if they did drop a job or have a drop-in payroll. He does not have an issue keeping them at the numbers reported.

Mr. McCuen said that we have generally provided flexibility if there is market change.

Mr. Oberle asked if we applied the original agreement to them they would be \$232,000. Their commitment was one eighth. Mr. McCorkle said that is not correct, they just represented one piece of the eight parcels. Their \$232,000 is taking their reported number of \$272,000 from 2018 and dividing by six instead of seven. They have not committed to the \$232,000 up front. This was just a recommended amendment to keep them in compliance.

Mr. Kinninger asked for the pro-rated basis based on the original agreement. Mr. McCorkle said that he does not have the original agreement at hand, but the original commitment levels were for the other seven parcels. It was not amended when eighth parcel was added. BCR was added to abatement after the fact and the commitments continued to go forward.

Ms. Stewart said when the property originally had the abatement, it encompassed much larger than just the eight parcels. Only half of the property developed, and this agreement was previously amended to drop parcels that did not develop. We ended up with the eight and the one that by timing was later. If you want to see some sense of the performance for all eight, you can go back to last year's meeting minutes because that was the final year reporting on all eight. They exceeded the amended agreement terms in terms of both number of jobs and payroll. The one remaining piece has an agreement that never fully developed as intended.

MOTION: Mr. McCuen made a motion to accept the report and find them in compliance. The motion was seconded by Mr. Kinninger.

Abstain:

The motion passed.

ROADRUNNER PROJECT (535 Lakeview Plaza Blvd.)

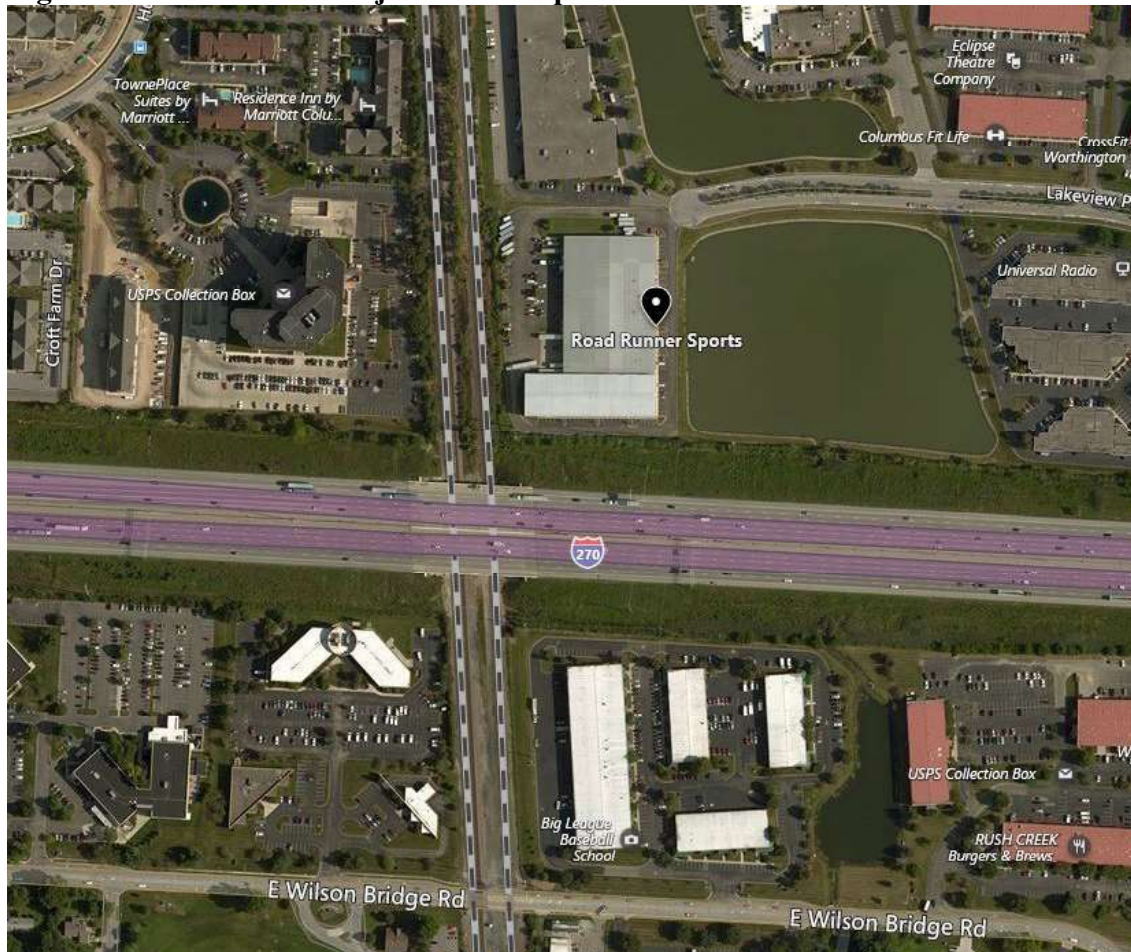
Project Background:

The City of Worthington entered into a CRA exemption agreement with the developer Lakeview Properties in October 2007 to encourage development of office, warehouse and retail space on the site at 535 Lakeview Plaza Blvd. Under the terms of the agreement, a 75 percent, **10-year** tax exemption was put in place on the property. The agreement expressly identified the developer Lakeview Properties as the owner and RoadRunner Sports Inc. as the tenant. (See Figure 2)

Amendments were made in 2011 by the TIRC and City Council to change the abatement: (i) reducing the benefit from 75 to **60 percent** for the remainder of the abatement term; (ii) reducing new full-time jobs committed from 100 to 50; (iii) reducing annual payroll commitments from \$2,000,0000 to \$1,395,000; and (iv) assigning the abatement to the new owner of the parcel (RM-Use LLC).

2018 was the final year of abatement for this parcel.

Figure 2: RoadRunner Project CRA map



2018 Worthington TIRC & City Council Actions:

The Worthington TIRC met in July 2018 to review 2017 reporting year data, and suggested the abatement should continue as-is, with RoadRunner, as the parent company and employer at the site, found to be in compliance.

City Council adopted the TIRC's recommended approach on September 4, 2018 under Resolution 48-2018.

2018 Reporting Year -- Project Performance:

| | Amended Agreement Terms | As of Dec. 31, 2018 |
|------------------------------|--------------------------------|----------------------------|
| Investment Time Frame | 11.01.2009 | 10.2008 |
| Retained Jobs | - | - |
| Retained Payroll | - | - |
| New Jobs | 50 FTE | 7 FTE |
| New Annual Payroll | \$1,395,000 | \$1,293,979 |

The 2018 monitoring fee (\$500) was properly paid by the property owners.

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the CRA agreement, per the following considerations:

- While only 92.7% of the payroll commitments were being met as of 12/31/2018, RoadRunner was exceeding payroll commitments until they vacated most of the space in August 2018. This is also the final year of the abatement period.

Mr. McCorkle explained how Roadrunner has already vacated the space as of August of 2018. The numbers reported here represents the headcount as of 12/31/2018 and is currently still their headcount. They have maintained a small retail presence at the building. The payroll is the total payroll they had when there were closer to 35 employees before they vacated in August of 2018. The total payroll paid to Worthington in 2018 was \$1.3 million. This is the final year of this abatement and the staff recommendation is to find it to be in compliance. While only 92.7% of the payroll commitments were met, they were exceeding their payroll when they were in this space. The space is likely to be backfilled by a recreational adventure park called Play CBUS. The valuation of the building is approximately \$4.3 million right now. Due to this being the final year and the numbers being pretty close we recommend finding them compliant.

Mr. Kinninger asked if any recommendation we make would have an effect on Roadrunner. McCorkle said he thought we could take punitive action and try to recoup some of those dollars.

MOTION: Mr. McCuen made a motion to accept the report and find them in compliance. The motion was seconded by Mr. Craig.

Abstain:

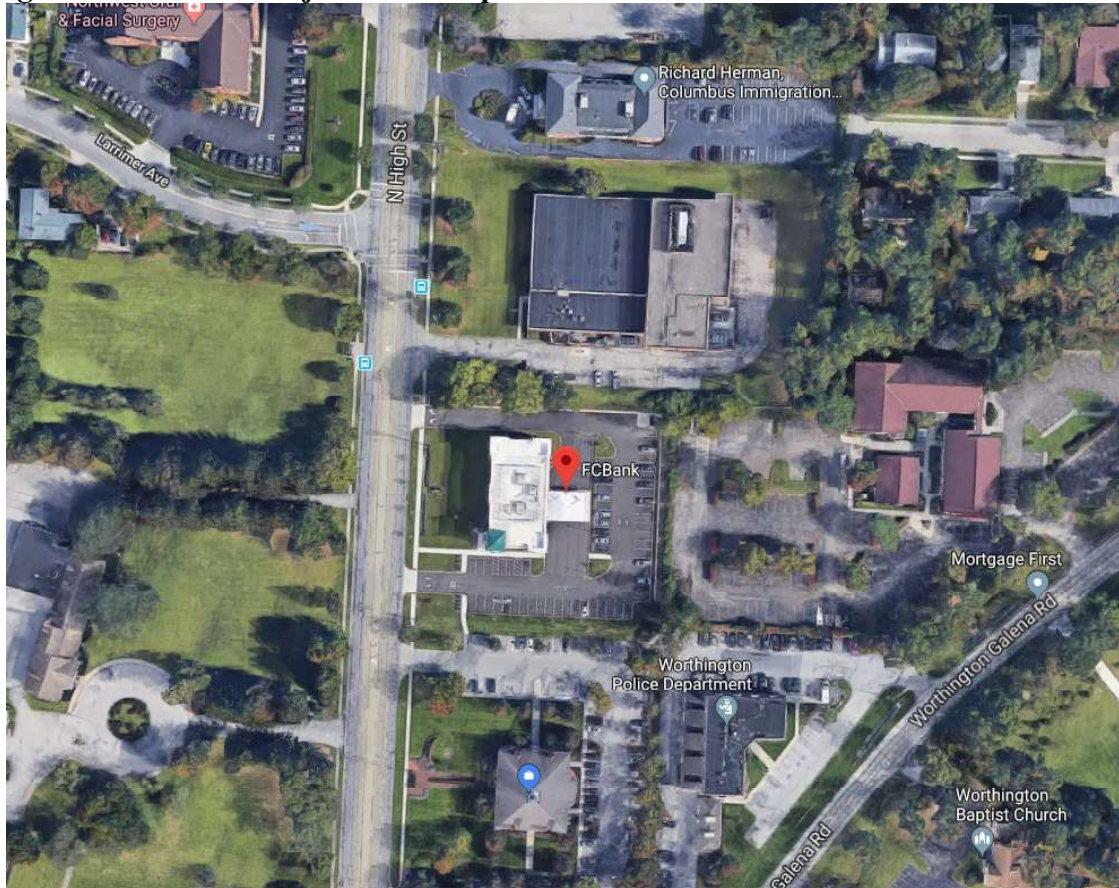
The motion passed.

FC BANK PROJECT (6600 N. High Street)

Project Background:

The City of Worthington entered into a CRA exemption agreement with the developer FCBank, A Division of CNB Bank, in August 2015 to encourage development of its regional headquarters and enhanced bank branch operations on the site at 6600 N. High Street. Under the terms of the agreement, a 50 percent, **10-year** tax exemption was put in place on the property. The agreement expressly identified the developer FCBank as the owner of the property. (See Figure 4)

Figure 4: FC Bank Project CRA map



2018 Worthington TIRC & City Council Actions:

City Council adopted the TIRC's recommended approach on September 4, 2018 under Resolution 48-2018.

2018 Reporting Year -- Project Performance:

| | Agreement Terms | As of Dec. 31, 2018 |
|------------------------------|-----------------|---------------------|
| Investment Time Frame | 12.31.2016 | 11.16.2016 |
| Retained Jobs | 4 | 4 |
| Retained Payroll | \$292,900 | \$292,900 |
| New Jobs | 32 | 23 |
| New Annual Payroll | \$2,702,100 | \$1,327,693 |

The 2018 monitoring fee (\$500) was properly paid by the property owners.

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the CRA agreement, per the following considerations:

- Commitment ramp-up schedule after year two is 19 new jobs and \$1,426,100 in new payroll. The company has met 121% of the new job commitment and 93% of the new payroll commitment. Full commitments are expected to be met by year seven (reporting year 2023) per the terms of the agreement.

Mr. McCuen asked about the ramp up, but what we are seeing on the agreement terms is that it says grand total. It says 32 new job, but in what period of time. Mr. McCorkle explained how they have until reporting year 2023 to meet the 32 new jobs commitment. Mr. McCuen asked to see the schedule and table to help the TIRC understand better. Mr. McCorkle said that schedule is 14, 19, 22, 25, 27, 30, 32. Years 7-10 is at the full 32 jobs and he will include this information next year.

MOTION: Mr. Craig made a motion to accept the report and find them in compliance. The motion was seconded by Mr. McCuen.

Abstain:

The motion passed.

Background of Worthington TIF activity

WORTHINGTON SQUARE VENTURE LLC (7227 North High Street)

Project Background:

Worthington City Council passed Ordinance 47-2010 to authorize a **100 percent, 30-year** urban redevelopment TIF on the value of improvements made to the former Worthington Square Mall. The TIF revenues are intended to reimburse the developer, Worthington Square Venture LLC, for the costs of various improvements to entrance facades and streetscapes at the southern, eastern and northeastern portions of the 140,000 sq ft retail facility.

In late December 2011, the developer submitted the required documentation to file the TIF. In February 2013, the Ohio Tax Commissioner issued a final determination acknowledging the TIF exemption for the mall parcel.

In March 2015, Worthington City Council passed Ordinance 07-2015 authorizing the City Manager to sign the Acknowledgement of Termination to eliminate the TIF's existing school compensation agreement. Ordinance 07-2015 also amended the existing TIF to convert it to a non-school TIF.

2018 Reporting Year -- Project Performance:

During 2018, the City recognized \$27,873.04 in deposits to the TIF fund. These are the first deposits into this TIF fund. Below is a breakdown of deposit and expenditure activity through June 27, 2019:

| TIF Fund Number | (R)venue/ (E)xpenditure | TIF Fund | CY 2019 | Cumulative (through 6/27/2019) | Year first payment made | CY 2019 | Cumulative (through 6/27/2019) |
|-----------------|----------------------------|---|--------------|-----------------------------------|-------------------------|-----------|-----------------------------------|
| 940 | | Worthington Square Venture, LLC (Shops at Worth Place) | \$ - | \$ 27,873.04 | 2018 | \$ - | \$ 27,315.44 |
| | R | Franklin County Auditor | \$ 13,933.69 | \$ 41,806.73 | | | \$ 27,315.44 |
| | E | Franklin County Auditor - 1st Half Property Tax Settlement Fees | | | | \$ 157.47 | \$ 27,472.91 |
| | | TOTAL | \$ 13,933.69 | \$ 41,806.73 | | \$ 157.47 | \$ 27,472.91 |

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the TIF statutes.

Mr. McCorkle said that the first deposits went into the account in 2018. The anticipated valuation was not achieved until late. This is a completely non-school TIF with a valuation of about \$9,000,000. The developer has about \$1,600,000 in pending reimbursement costs. Their first check was for about \$27,000, so it still has a ways to go before they are fully reimbursed on this one.

160 WEST WILSON BRIDGE ROAD INCENTIVE DISTRICT TIF (THE HEIGHTS)

Project Background:

Worthington City Council passed Ordinance 45-2012 to authorize a **100 percent, 30-year, non-school** incentive district TIF on the value of improvements made by Worthington Square Acquisition, LLC to develop a mixed-use office and residential project on the rear parking lot behind the Shops at Worthington Place and the former James Tavern site at 160 West Wilson Bridge Road. This is a non-school TIF.

In April 2014, the City submitted the required documentation to file the TIF. In May 2014, the Ohio Tax Commissioner issued a final determination acknowledging the TIF exemption for the mixed-use project.

2018 Reporting Year -- Project Performance:

During 2018, the City recognized \$173,438.66 in deposits to the TIF fund. Below is a breakdown of deposit and expenditure activity through June 27, 2019:

| TIF Fund Number | (R)evenu (E)xpenditure | TIF Fund | Service payment deposit activity | | TIF Fund expenditure activity | | |
|-----------------|---------------------------|---|----------------------------------|--------------------------------|-------------------------------|--------------|--------------------------------|
| | | | CY 2019 | Cumulative (through 6/27/2019) | Year first payment made | CY 2019 | Cumulative (through 6/27/2019) |
| 920 | | 160 West Wilson Bridge Road (Crawford-Hoying apts) | | \$ 727,229.75 | 2016 | | \$ 294,366.61 |
| | R | Franklin County Auditor | \$ 85,405.26 | \$ 812,635.01 | | | \$ 294,366.61 |
| | E | Franklin County Auditor - 1st Half Property Tax Settlement Fees | | | | \$ 64.48 | \$ 294,431.09 |
| | E | Franklin County Auditor - 1st Half Property Tax Settlement Fees | | | | \$ 11,766.74 | \$ 306,197.83 |
| | E | Franklin County Auditor - 1st Half Property Tax Settlement Fees | | | | \$ 965.19 | \$ 307,163.02 |
| TOTAL | | | \$ 85,405.26 | \$ 812,635.01 | | \$ 12,796.41 | \$ 307,163.02 |

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the TIF statutes.

Mr. McCorkle detailed how the valuation is just shy \$18,000,000 on this project. The TIF fund has a balance just north of \$500,000 right now. There is a social service sharing caveat beginning in 2025 where 25% begins to be shared with the social service agencies. That increases to 75% by 2040.

WEST DUBLIN GRANVILLE ROAD TIF (2233 - 2299 West Dublin-Granville Rd.)

Project Background:

Worthington City Council passed Ordinance 42-2013 to authorize a **75 percent, 10-year** parcel TIF on the value of improvements made to the former Segna Volvo dealership property. The TIF revenues are intended to cover the construction of public infrastructure improvements to the intersection of State Route 161 (West-Dublin Granville Road) and Linworth Road. The developer will be reimbursed approximately \$300,000. This project utilizes the default compensation formula to income tax share with the Worthington School District.

In April 2015, the City submitted the required documentation to file the TIF. In November 2015, the Ohio Tax Commissioner issued a final determination acknowledging the TIF exemption for the project.

2018 Reporting Year -- Project Performance:

During 2018, the City recognized \$97,091 in deposits to the TIF fund. Below is a breakdown of deposit and expenditure activity through June 27, 2019:

| TIF Fund Number | (R)evenu/ (E)xpenditure | TIF Fund | Service payment deposit activity | | TIF Fund expenditure activity | | |
|-----------------|----------------------------|---|----------------------------------|--------------------------------|-------------------------------|--------------|--------------------------------|
| | | | CY 2019 | Cumulative (through 6/27/2019) | Year first payment made | CY 2019 | Cumulative (through 6/27/2019) |
| 945 | | West Dublin-Granville Road TIF (Segna Volvo redevelopment) | \$ - | \$ 97,091.00 | 2018 | \$ - | \$ 96,000.00 |
| | R | Franklin County Auditor | \$ 52,858.02 | \$ 149,949.02 | | | \$ 96,000.00 |
| | E | Franklin County Auditor - 1st Half Property Tax Settlement Fees | | | | \$ 597.36 | \$ 96,597.36 |
| | E | Linworth Plaza LLC - TIF Reimbursement | | | | \$ 52,000.00 | \$ 148,597.36 |
| | | TOTAL | \$ 52,858.02 | \$ 149,949.02 | | \$ 52,597.36 | \$ 148,597.36 |

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the TIF statutes.

Mr. McCorkle explains that this is our only true school TIF. We are using the default income tax sharing formula where 50% of the income tax goes to the City and 50% goes to the schools once a \$1,000,00 of payroll is met and the developer is reimbursed. The projected TIF revenues are about on pace with projections. This has a valuation of about \$4,600,000 and there is about \$100,000 per year going into TIF fund.

933 HIGH STREET TIF (FRESH THYME)

Project Background:

Worthington City Council passed Ordinance 24-2014 to authorize a **75 percent, 10-year** parcel TIF on the value of improvements made to the former multi-tenant office development on High Street in Old Worthington. The TIF revenues are intended to cover the construction of storm sewer improvements, buried utility lines and other public infrastructure improvements at the site being redeveloped by Fresh Thyme Farmers Market. Reimbursements to the developer are capped at \$110,000. This is a non-school TIF.

In September 2014, the City submitted the required documentation to file the TIF. In February 2015, the Ohio Tax Commissioner issued a final determination acknowledging the TIF exemption for the project.

2018 Reporting Year -- Project Performance:

During 2018, the City recognized \$81,047.49 in deposits to the TIF fund. Below is a breakdown of deposit and expenditure activity through June 27, 2019:

| TIF Fund Number | (R)evenu/ (E)xpenditure | TIF Fund | Service payment deposit activity | | TIF Fund expenditure activity | | |
|-----------------|----------------------------|---|----------------------------------|--------------------------------|-------------------------------|----------|--------------------------------|
| | | | CY 2019 | Cumulative (through 6/27/2019) | Year first payment made | CY 2019 | Cumulative (through 6/27/2019) |
| 930 | | 933 High Street Municipal Tax Increment Equivalent Fund | | \$ 138,221.46 | 2017 | | \$ 41,632.03 |
| | R | Franklin County Auditor | \$ 8,728.71 | \$ 146,950.17 | | | \$ 41,632.03 |
| | E | Franklin County Auditor - 1st Half Property Tax Settlement Fees | | | | \$ 98.65 | \$ 41,730.68 |
| | | TOTAL | \$ 8,728.71 | \$ 146,950.17 | | \$ 98.65 | \$ 41,730.68 |

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the TIF statutes.

Mr. McCorkle said that the first deposits for this TIF were received in 2017. We are reimbursing the developer for the movement of a storm sewer. No payments have been made yet. This has a valuation just shy of \$3,000,000. He pointed out expenditures made which is actually due to money being sent to us instead of to the schools so we cut a check to schools.

DOWNTOWN WORTHINGTON TIF DISTRICT

Project Background:

Worthington City Council passed Ordinance 33-2014 to authorize a **100 percent, 30-year** incentive district TIF on the value of improvements made to properties within the district. The TIF is enclosed by a continuous boundary and incorporates real estate parcels that adjoin High Street, from South Street to North Street. The incentive district comprises approximately 28 acres. This is a non-school TIF.

In January 2015, the City submitted the required documentation to file the TIF. In May 2016, the Ohio Tax Commissioner issued a final determination acknowledging the TIF exemption for the incentive district.

2018 Reporting Year -- Project Performance:

During 2018, the City recognized \$138,648.40 in deposits to the TIF fund. Below is a breakdown of deposit and expenditure activity through June 27, 2019:

| TIF Fund Number | (R)venue/ (E)xpenditure | TIF Fund | Service payment deposit activity | | TIF Fund expenditure activity | | |
|-----------------|----------------------------|---|----------------------------------|--------------------------------|-------------------------------|-------------|--------------------------------|
| | | | CY 2019 | Cumulative (through 6/27/2019) | Year first payment made | CY 2019 | Cumulative (through 6/27/2019) |
| 935 | | Downtown Worthington- TIF Incentive District | | \$ 138,648.40 | 2018 | \$ - | \$ 7,279.06 |
| | R | Franklin County Auditor | \$ 125,774.68 | \$ 264,423.08 | | | \$ 7,279.06 |
| | R | State of Ohio | \$ 1,736.22 | \$ 266,159.30 | | | \$ 7,279.06 |
| | E | Franklin County Auditor - 1st Half Property Tax Settlement Fees | | | | \$ 6,825.68 | \$ 14,104.74 |
| TOTAL | | | \$ 127,510.90 | \$ 266,159.30 | | \$ 6,825.68 | \$ 14,104.74 |

2017-2018 Delinquent Parcels

100-005929-00 Alto Inc. 870 High Street Payment of \$99,158 made 2/14/19

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the TIF statutes.

350 WEST WILSON BRIDGE ROAD TIF

Project Background:

Worthington City Council passed Ordinance 36-2015 to authorize a **75 percent, 10-year** urban redevelopment TIF on the value of improvements made to the property located at 350 W. Wilson Bridge Road. The TIF revenues are intended to help offset the costs associated with the construction of public infrastructure improvements. If the property valuation exceeds \$5,800,000, the TIF becomes a non-school TIF.

In December 2015, the City submitted the required documentation to file the TIF. In July 2016, the City responded to a request from the Ohio Department of Taxation for supplemental

documentation. In September 2016, the Ohio Tax Commissioner issued a final determination acknowledging the TIF exemption for the project.

2018 Reporting Year -- Project Performance:

During 2018, the City recognized zero dollars (\$0) in deposits to the TIF fund. The City received its first deposit for this TIF in calendar year 2019. Below is a breakdown of deposit and expenditure activity through June 27, 2019:

| TIF Fund Number | (R)venue/ (E)xpenditure | TIF Fund | Service payment deposit activity | | TIF Fund expenditure activity | | |
|-----------------|----------------------------|-------------------------|----------------------------------|--------------------------------|-------------------------------|---------|--------------------------------|
| | | | CY 2019 | Cumulative (through 6/27/2019) | Year first payment made | CY 2019 | Cumulative (through 6/27/2019) |
| 950 | | 350 W. WISLON BRIDGE RD | \$ - | \$ - | | | |
| | R | Franklin County Auditor | \$ 44,019.40 | \$ 44,019.40 | | | |
| TOTAL | | | \$ 44,019.40 | \$ 44,019.40 | | \$ - | \$ - |

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the TIF statutes.

Mr. McCorkle explained how this is a shining example of redevelopment in Worthington. This was the former home of Mettler Toledo before Trivium Development redid the building. They put nearly \$8,000,000 in investments into the space. It is now 100% occupied. There are 163 people working in the building. This is a school TIF until it meets a \$5,800,000 valuation. The first deposit was made in 2019. The developer has not submitted for reimbursement yet.

800 PROPRIETORS ROAD (KEMPER HOUSE)

Project Background:

Worthington City Council passed Ordinance 037-2018 to authorize a **75 percent, 10-year** parcel TIF on the value of improvements made to the property located at 800 Proprietors Road. The TIF revenues are intended to help offset the costs associated with the construction of public infrastructure improvements. Reimbursements to the developer are capped at \$200,000.

In June 2019, the City submitted the required documentation to file the TIF. The Ohio Tax Commissioner has not yet issued a final determination acknowledging the TIF exemption for the project.

2018 Reporting Year -- Project Performance:

During 2018, the City recognized zero dollars (\$0) in deposits to the TIF fund. The Franklin County Auditor has yet to acknowledge the taxable value of improvements made to the parcel. Below is a breakdown of deposit and expenditure activity through July 2018:

| TIF Fund Number | (R)evue/ (E)xpenditure | TIF Fund | Service payment deposit activity | | TIF Fund expenditure activity | | |
|-----------------|---------------------------|---------------------|----------------------------------|--------------------------------|-------------------------------|-------------|--------------------------------|
| | | | CY 2019 | Cumulative (through 6/27/2019) | Year first payment made | CY 2019 | Cumulative (through 6/27/2019) |
| XXX | | Kemper House TIF | \$ - | \$ - | | \$ - | \$ - |
| | E | Precision Site Work | | \$ - | | \$ 2,275.00 | |
| | E | | | | | | |
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| | | TOTAL | \$ - | \$ - | | \$ 2,275.00 | \$ - |

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the TIF statutes.

Mr. McCorkle detailed how there were several parcels that were anticipated to be office condos and only eight moved forward. The remaining portion of the site became this project. This is a 75%, 10-year TIF that is capped at \$200,000 in reimbursements to the developer for public infrastructure improvements in that area. It is currently still under construction. This is a non-school TIF.

Mr. McCorkle said we would have two new things next year. First is the former Anthem property and we hopeful that this 75%, 10-year CRA will attract an employer to that. We also approved a TIF for the Worthington Gateway Project. It is a 30- year, 100% urban redevelopment TIF.

MOTION: Mr. Craig made a motion to accept the report and them in compliance. The motion was seconded by Mr. Oberle

Abstain:

The motion passed.

ADJOURNMENT

Chairman Stinziano declared the meeting adjourned at 3:29 p.m.

Clerk

APPROVED by the TIRC Council, this
 ___^h day of _____, 2020.

Chairman of TIRC Council

RESOLUTION NO. 57-2019

Accepting the Recommendations of the 2019 Worthington Tax Incentive Review Council Concerning Parcels of Commercial Real Property in the City of Worthington Receiving Tax Exemptions for Purposes of Economic Development.

WHEREAS, Worthington City Council has from time to time provided economic development incentives through means of Community Reinvestment Area (CRA) and Tax Increment Financing (TIF) exemptions to foster redevelopment of various commercial properties within the City; and,

WHEREAS, the City of Worthington annually collects performance data from each such exempted economic development project and reports the same to the Ohio Development Services Agency; and,

WHEREAS, Worthington City Council has acted pursuant to Ohio Revised Code Section 5709.85 to create the Worthington Tax Incentive Review Council (TIRC) for purposes of annually reviewing all City agreements granting CRA and TIF property tax exemptions; and,

WHEREAS, the TIRC met on July 9, 2019 for purposes of its annual review of performance data collected from all tax-exempted economic development projects (the same data reported to the State), with the TIRC making recommendations concerning the on-going status of each such economic development project; and,

WHEREAS, staff has provided Worthington City Council with the TIRC's recommendations and supporting information for each of the exempted economic development projects; and,

WHEREAS, one of the TIRC's recommendations includes modifying the existing CRA agreement for the Worthington Station Project at 862-918 Proprietors Road to reflect that BCR Worthington LLC (parcel 100-006685) is the only remaining beneficiary of the abatement and to modify the new job and payroll commitments to 7 and \$270,890, respectively; and,

WHEREAS, pursuant to Ohio Revised Code Section 5709.85(E), Worthington City Council must vote to accept, reject or modify all or any portion of the TIRC's recommendations.

NOW THEREFORE, BE IT RESOLVED by the Council of the Municipality of Worthington, County of Franklin, State of Ohio:

RESOLUTION NO. 57-2019

SECTION 1. That the City hereby accepts the TIRC's recommendations to modify the existing CRA agreement for the Worthington Station Project and to continue as-is the other two (2) active CRA abatement projects and the seven (7) active TIF projects on the basis of performance data reported for the year ending December 31, 2018.

SECTION 2. That the City Manager, Economic Development Manager, and Law Director are each hereby authorized, acting singly or jointly, to take all actions, including the execution of an amendment to the CRA agreement for the Worthington Station Project, to implement the TIRC's recommendations.

SECTION 3. That the Clerk of Council is hereby directed to deliver a copy of this Resolution to the Auditor of Franklin County, Ohio, after its passage.

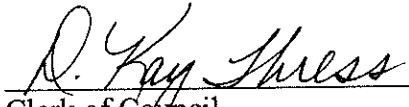
SECTION 4. That the Clerk of Council be instructed to record said Resolution in the appropriate record book.

Adopted October 7, 2019

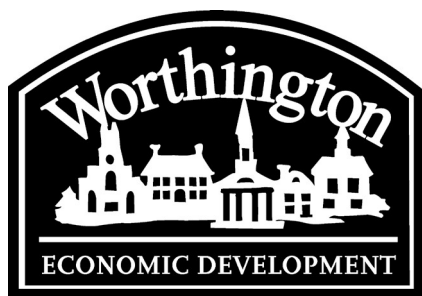


President of Council

Attest



Clerk of Council



MEMORANDUM

TO: Worthington Tax Incentive Review Council (TIRC) Members

FROM: David McCorkle, Economic Development Director

DATE: August 12, 2020

SUBJECT: Worthington property tax exemptions – project updates and staff recommendations for 2020 TIRC meeting

I write to provide you with background and staff recommendations concerning the City's two (2) Community Reinvestment Area (CRA) abatement projects and eight (8) tax increment financing (TIF) projects active for reporting year 2019. I will review each such project in order, below.

CRA - ACTIVE PROJECTS

1. WORTHINGTON STATION PROJECT (862-918 Proprietors Road)

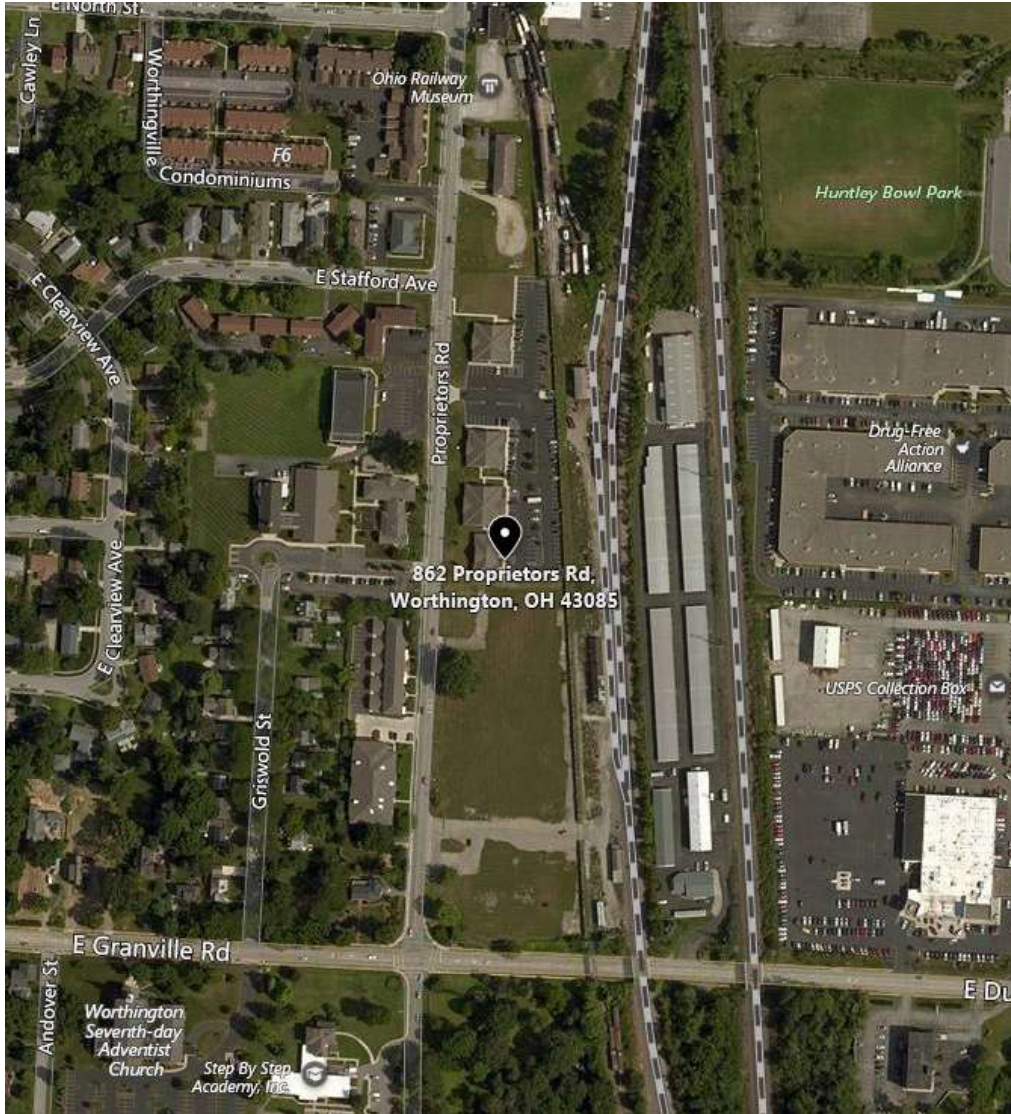
Project Background:

The Worthington Station Project is made up of individual parcels comprising the former Worthington Foods manufacturing site. The facility sat vacant and unused and the property was demolished by the Robert Weiler Company in 2005. Thereafter, the property was sold to developer 900 Proprietors, LLC. (See Figure 1, next page)

Worthington City Council passed Ordinance 13-2007 (April 2007) authorizing the **75 percent, 10-year** abatement on any improvements made to the Worthington Foods site. To-date, only a portion of the entire manufacturing site has been redeveloped. Although the original plan was to construct up to 12 office condominium buildings (total 85,000 sq ft), only four (4) such buildings (total 17,900 sq ft) were ever constructed; each building is located on its own parcel. In response, Worthington City Council passed Ordinance 57-2010 (December 2010) to limit the CRA abatement to only those parcels redeveloped through 2010. At that time, the job commitment figures were also amended down from 180 jobs to 44, and payroll commitments from \$14,666,150 to \$2,599,936.

During the 2019 reporting year, the only parcel that still had an active CRA was 100-006685, BCR Worthington LLC. This parcel is abated through 2022.

Figure 1: Worthington Station Project CRA map



2019 Worthington TIRC & City Council Actions:

The Worthington TIRC met in July 2019 to review 2018 reporting year data, and suggested the CRA abatement should continue, but with modifications to the new jobs and new annual payroll since only one parcel is still active. The TIRC recommended that the new commitment levels should be equal to what they reported for 2018, 7 new jobs and \$270,890 in new annual payroll, respectively.

City Council adopted the TIRC's recommended approach on October 7, 2019 under Resolution 57-2019.

2019 Reporting Year -- Project Performance:

| | Amended Agreement Terms | As of Dec. 31, 2018 |
|------------------------------|--------------------------------|----------------------------|
| Investment Time Frame | 01.31.2011 | 05.2010 |
| Retained Jobs | - | - |
| Retained Payroll | - | - |
| New Jobs | 7 | 6 |
| New Annual Payroll | \$270,890 | \$196,266 |

The 2019 monitoring fee (\$500) was properly paid by the property owners.

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the CRA agreement, per the following considerations:

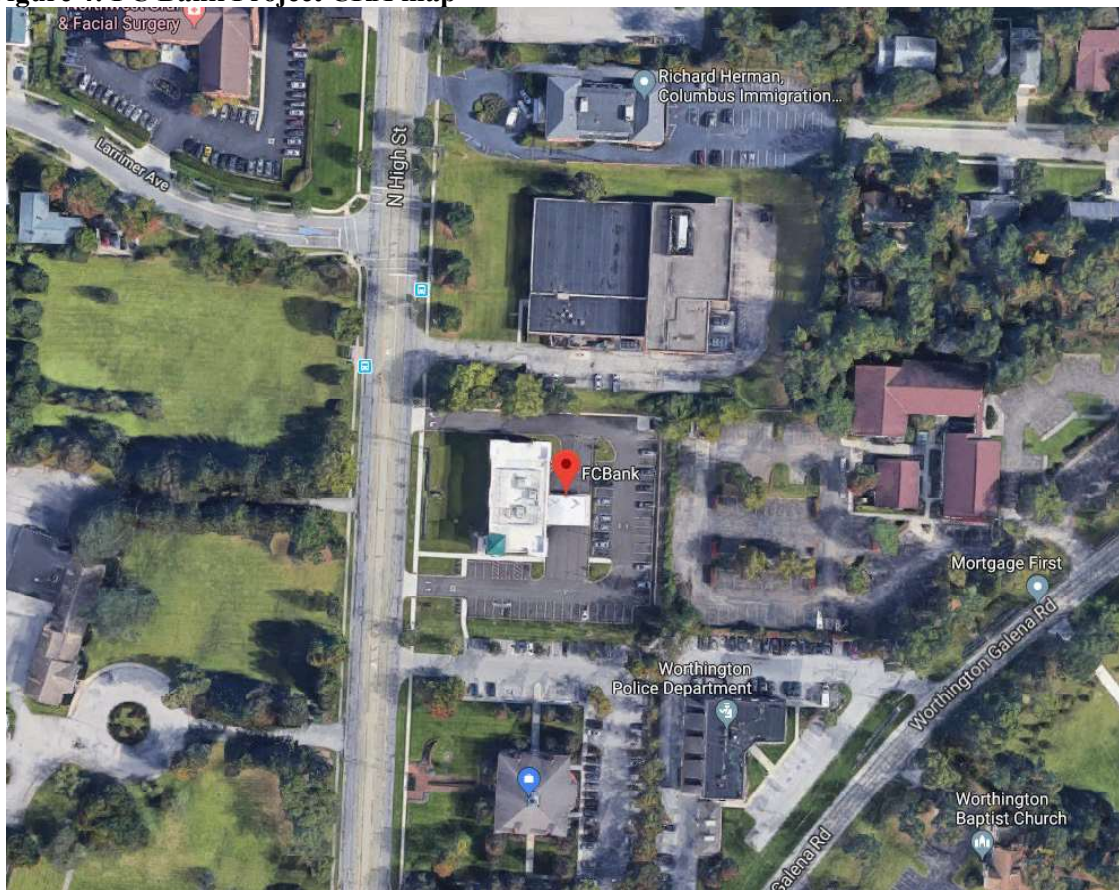
- The company is only down one employee. This was an open position that had not been filled.

2. FC BANK PROJECT (6600 N. High Street)

Project Background:

The City of Worthington entered into a CRA exemption agreement with the developer FCBank, A Division of CNB Bank, in August 2015 to encourage development of its regional headquarters and enhanced bank branch operations on the site at 6600 N. High Street. Under the terms of the agreement, a 50 percent, **10-year** tax exemption was put in place on the property. The agreement expressly identified the developer FCBank as the owner of the property. (See Figure 4)

Figure 4: FC Bank Project CRA map



2019 Worthington TIRC & City Council Actions:

City Council adopted the TIRC's recommended approach on October 7, 2019 under Resolution 57-2019.

2019 Reporting Year -- Project Performance:

| | Agreement Terms | As of Dec. 31, 2018 |
|------------------------------|------------------------|----------------------------|
| Investment Time Frame | 12.31.2016 | 11.16.2016 |
| Retained Jobs | 4 | 4 |
| Retained Payroll | \$292,900 | \$292,900 |
| New Jobs | 32 | 30 |
| New Annual Payroll | \$2,702,100 | \$1,774,172 |

The 2019 monitoring fee (\$500) was properly paid by the property owners.

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the CRA agreement, per the following considerations:

- Commitment ramp-up schedule after year three is 22 new jobs and \$1,939,000 in new payroll. The company has met 136% of the new job commitment and 108% of the new payroll commitment. Full commitments are required to be met by year seven (reporting year 2023) per the terms of the agreement.

TIF - ACTIVE PROJECTS

1. WORTHINGTON SQUARE VENTURE LLC (7227 North High Street)

Project Background:

Worthington City Council passed Ordinance 47-2010 to authorize a **100 percent, 30-year** urban redevelopment TIF on the value of improvements made to the former Worthington Square Mall. The TIF revenues are intended to reimburse the developer, Worthington Square Venture LLC, for the costs of various improvements to entrance facades and streetscapes at the southern, eastern and northeastern portions of the 140,000 sq ft retail facility.

In late December 2011, the developer submitted the required documentation to file the TIF. In February 2013, the Ohio Tax Commissioner issued a final determination acknowledging the TIF exemption for the mall parcel.

In March 2015, Worthington City Council passed Ordinance 07-2015 authorizing the City Manager to sign the Acknowledgement of Termination to eliminate the TIF’s existing school compensation agreement. Ordinance 07-2015 also amended the existing TIF to convert it to a non-school TIF.

2019 Reporting Year -- Project Performance:

During 2019, the City recognized \$27,867.38 in deposits to the TIF fund. Below is a breakdown of deposit and expenditure activity through July 29, 2020:

| TIF Fund Number | (R)evenue/ (E)xpenditure | TIF Fund | Service payment deposit activity | | TIF Fund expenditure activity | | |
|-----------------|-----------------------------|---|----------------------------------|--------------------------------|-------------------------------|---------|--------------------------------|
| | | | CY 2020 | Cumulative (through 7/29/2020) | Year first payment made | CY 2020 | Cumulative (through 7/29/2020) |
| 940 | | Worthington Square Venture, LLC (Shops at Worth Place) | \$ - | \$ 55,740.42 | 2018 | \$ - | \$ 27,630.66 |
| | R | Franklin County Auditor | | \$ 55,740.42 | | | \$ 27,630.66 |
| | E | Franklin County Auditor - 1st Half Property Tax Settlement Fees | | | | | \$ 27,630.66 |
| | | TOTAL | \$ - | \$ 55,740.42 | | \$ - | \$ 27,630.66 |

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the TIF statutes.

2. 160 WEST WILSON BRIDGE ROAD INCENTIVE DISTRICT TIF (THE HEIGHTS)

Project Background:

Worthington City Council passed Ordinance 45-2012 to authorize a **100 percent, 30-year**, non-school incentive district TIF on the value of improvements made by Worthington Square Acquisition, LLC to develop a mixed-use office and residential project on the rear parking lot behind the Shops at Worthington Place and the former James Tavern site at 160 West Wilson Bridge Road. This is a non-school TIF.

In April 2014, the City submitted the required documentation to file the TIF. In May 2014, the Ohio Tax Commissioner issued a final determination acknowledging the TIF exemption for the mixed-use project.

2019 Reporting Year -- Project Performance:

During 2019, the City recognized \$172,584 in deposits to the TIF fund. Below is a breakdown of deposit and expenditure activity through July 29, 2020:

| (R)venue/ (E)xpenditure | TIF Fund | Service payment deposit activity | | TIF Fund expenditure activity | | |
|----------------------------|---|----------------------------------|--------------------------------|-------------------------------|--------------|--------------------------------|
| | | CY 2020 | Cumulative (through 7/29/2020) | Year first payment made | CY 2020 | Cumulative (through 7/29/2020) |
| | 160 West Wilson Bridge Road (Crawford-Hoying apts) | | \$ 899,813.00 | 2016 | | \$ 319,961.15 |
| R | Franklin County Auditor | \$ 96,090.31 | \$ 995,903.31 | | | \$ 319,961.15 |
| E | Franklin County Auditor - 1st Half Property Tax Settlement Fees | | | | \$ 1,085.82 | \$ 321,046.97 |
| E | Franklin County Auditor - 1st Half Property Tax Settlement Fees | | | | \$ 14,528.34 | \$ 335,575.31 |
| E | Franklin County Auditor - 1st Half Property Tax Settlement Fees | | | | | \$ 335,575.31 |
| | TOTAL | \$ 96,090.31 | \$ 995,903.31 | | \$ 15,614.16 | \$ 335,575.31 |

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the TIF statutes.

3. WEST DUBLIN GRANVILLE ROAD TIF (2233 - 2299 West Dublin-Granville Rd.)

Project Background:

Worthington City Council passed Ordinance 42-2013 to authorize a **75 percent, 10-year** parcel TIF on the value of improvements made to the former Segna Volvo dealership property. The TIF revenues are intended to cover the construction of public infrastructure improvements to the intersection of State Route 161 (West-Dublin Granville Road) and Linworth Road. The developer will be reimbursed approximately \$300,000. This project utilizes the default compensation formula to income tax share with the Worthington School District.

In April 2015, the City submitted the required documentation to file the TIF. In November 2015, the Ohio Tax Commissioner issued a final determination acknowledging the TIF exemption for the project.

2019 Reporting Year -- Project Performance:

During 2019, the City recognized \$105,716 in deposits to the TIF fund. Below is a breakdown of deposit and expenditure activity through July 29, 2020:

| TIF Fund Number | (R)evenu/ (E)xpenditure | TIF Fund | Service payment deposit activity | | TIF Fund expenditure activity | | |
|-----------------|----------------------------|---|----------------------------------|--------------------------------|-------------------------------|--------------|--------------------------------|
| | | | CY 2020 | Cumulative (through 7/29/2020) | Year first payment made | CY 2020 | Cumulative (through 7/29/2020) |
| 945 | | West Dublin-Granville Road TIF (Segna Volvo redevelopment) | \$ - | \$ 202,807.04 | 2018 | \$ - | \$ 192,195.79 |
| | R | Franklin County Auditor | \$ 56,639.11 | \$ 259,446.15 | | | \$ 192,195.79 |
| | E | Franklin County Auditor - 1st Half Property Tax Settlement Fees | | | | \$ 640.02 | \$ 192,835.81 |
| | E | Linworth Plaza LLC - TIF Reimbursement | | | | \$ 52,000.00 | \$ 244,835.81 |
| | | TOTAL | \$ 56,639.11 | \$ 259,446.15 | | \$ 52,640.02 | \$ 244,835.81 |

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the TIF statutes.

4. 933 HIGH STREET TIF (FRESH THYME)

Project Background:

Worthington City Council passed Ordinance 24-2014 to authorize a **75 percent, 10-year** parcel TIF on the value of improvements made to the former multi-tenant office development on High Street in Old Worthington. The TIF revenues are intended to cover the construction of storm sewer improvements, buried utility lines and other public infrastructure improvements at the site being redeveloped by Fresh Thyme Farmers Market. Reimbursements to the developer are capped at \$110,000. This is a non-school TIF.

In September 2014, the City submitted the required documentation to file the TIF. In February 2015, the Ohio Tax Commissioner issued a final determination acknowledging the TIF exemption for the project.

2019 Reporting Year -- Project Performance:

During 2019, the City recognized \$17,457.42 in deposits to the TIF fund. Below is a breakdown of deposit and expenditure activity through July 29, 2020:

| TIF Fund Number | (R)venue/ (E)xpenditure | TIF Fund | Service payment deposit activity | | TIF Fund expenditure activity | | |
|-----------------|----------------------------|---|----------------------------------|--------------------------------|-------------------------------|---------|--------------------------------|
| | | | CV 2020 | Cumulative (through 7/29/2020) | Year first payment made | CV 2020 | Cumulative (through 7/29/2020) |
| 930 | | 933 High Street Municipal Tax Increment Equivalent Fund | | \$ 155,678.88 | 2017 | | \$ 41,829.50 |
| | R | Franklin County Auditor | | \$ 155,678.88 | | | \$ 41,829.50 |
| | E | Franklin County Auditor - 1st Half Property Tax Settlement Fees | | | | | \$ 41,829.50 |
| TOTAL | | | \$ - | \$ 155,678.88 | | \$ - | \$ 41,829.50 |

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the TIF statutes.

5. DOWNTOWN WORTHINGTON TIF DISTRICT

Project Background:

Worthington City Council passed Ordinance 33-2014 to authorize a **100 percent, 30-year** incentive district TIF on the value of improvements made to properties within the district. The TIF is enclosed by a continuous boundary and incorporates real estate parcels that adjoin High Street, from South Street to North Street. The incentive district comprises approximately 28 acres. This is a non-school TIF.

In January 2015, the City submitted the required documentation to file the TIF. In May 2016, the Ohio Tax Commissioner issued a final determination acknowledging the TIF exemption for the incentive district.

2019 Reporting Year -- Project Performance:

During 2019, the City recognized \$243,117.02 in deposits to the TIF fund. Below is a breakdown of deposit and expenditure activity through July 29, 2020:

| TIF Fund Number | (R)evenue/ (E)xpenditure | TIF Fund | Service payment deposit activity | | TIF Fund expenditure activity | | |
|-----------------|-----------------------------|---|----------------------------------|--------------------------------|-------------------------------|--------------|--------------------------------|
| | | | CY 2020 | Cumulative (through 7/29/2020) | Year first payment made | CY 2020 | Cumulative (through 7/29/2020) |
| 935 | | Downtown Worthington- TIF Incentive District | | \$ 381,765.42 | 2018 | \$ - | \$ 286,643.72 |
| | R | Franklin County Auditor | \$ 127,384.68 | \$ 509,150.10 | | | \$ 286,643.72 |
| | R | State of Ohio | \$ 2,569.98 | \$ 511,720.08 | | | \$ 286,643.72 |
| | E | Franklin County Auditor - 1st Half Property Tax Settlement Fees | | | | \$ 7,441.85 | \$ 294,085.57 |
| | E | 612-15 CBD Paver Renovation | | | | \$ 38,988.44 | \$ 333,074.01 |
| | E | 691-19 Village Green Brick Paver | | | | \$ 10,000.00 | \$ 343,074.01 |
| | | TOTAL | \$ 129,954.66 | \$ 511,720.08 | | \$ 56,430.29 | \$ 343,074.01 |

Delinquent Parcels

| PARCEL # | OWNER | DCT_BALANCE | TOTAL DUE |
|---------------|----------|--------------|--------------|
| 100-005929-00 | ALTO INC | \$ 26,261.17 | \$ 50,196.22 |

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the TIF statutes.

6. 350 WEST WILSON BRIDGE ROAD TIF

Project Background:

Worthington City Council passed Ordinance 36-2015 to authorize a **75 percent, 10-year** urban redevelopment TIF on the value of improvements made to the property located at 350 W. Wilson Bridge Road. The TIF revenues are intended to help offset the costs associated with the construction of public infrastructure improvements. If the property valuation exceeds \$5,800,000, the TIF becomes a non-school TIF.

In December 2015, the City submitted the required documentation to file the TIF. In July 2016, the City responded to a request from the Ohio Department of Taxation for supplemental documentation. In September 2016, the Ohio Tax Commissioner issued a final determination acknowledging the TIF exemption for the project.

2019 Reporting Year -- Project Performance:

During 2019, the City recognized \$88,038.80 in deposits to the TIF fund. Below is a breakdown of deposit and expenditure activity through July 29, 2020:

| TIF Fund Number | (R)venue/ (E)xpenditure | TIF Fund | Service payment deposit activity | | TIF Fund expenditure activity | | |
|-----------------|----------------------------|---|----------------------------------|--------------------------------|-------------------------------|--------------|--------------------------------|
| | | | CY 2020 | Cumulative (through 7/29/2020) | Year first payment made | CY 2020 | Cumulative (through 7/29/2020) |
| 950 | | 350 W. WISLON BRIDGE RD | \$ - | \$ 88,038.80 | | | \$ 995.83 |
| | R | Franklin County Auditor | \$ 44,991.36 | \$ 133,030.16 | | | \$ 995.83 |
| | E | Franklin County Auditor - 1st Half Property Tax Settlement Fees | | | | \$ 508.40 | \$ 1,504.23 |
| | E | Linworth Plaza - TIF Reimbursement | | | | \$ 85,000.00 | \$ 86,504.23 |
| | | TOTAL | \$ 44,991.36 | \$ 133,030.16 | | \$ 85,508.40 | \$ 86,504.23 |

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the TIF statutes.

7. 800 PROPRIETORS ROAD (KEMPER HOUSE)

Project Background:

Worthington City Council passed Ordinance 037-2018 to authorize a **75 percent, 10-year** parcel TIF on the value of improvements made to the property located at 800 Proprietors Road. The TIF revenues are intended to help offset the costs associated with the construction of public infrastructure improvements. Reimbursements to the developer are capped at \$200,000.

In June 2019, the City submitted the required documentation to file the TIF. In January 2020, the Ohio Tax Commissioner issued a final determination acknowledging the TIF exemption for the project.

2019 Reporting Year -- Project Performance:

During 2019, the City recognized zero dollars (\$0) in deposits to the TIF fund. Below is a breakdown of deposit and expenditure activity through July 29, 2020:

| TIF Fund Number | (R)evenue/ (E)xpenditure | TIF Fund | Service payment deposit activity | | TIF Fund expenditure activity | | |
|-----------------|-----------------------------|---------------------|----------------------------------|--------------------------------|-------------------------------|---------|--------------------------------|
| | | | CY 2020 | Cumulative (through 7/29/2020) | Year first payment made | CY 2020 | Cumulative (through 7/29/2020) |
| XXX | | Kemper House TIF | \$ - | \$ - | | \$ - | \$ 2,275.00 |
| | E | Precislon Site Work | | \$ - | | | |
| | E | | | | | | |
| TOTAL | | | \$ - | \$ - | | \$ - | \$ 2,275.00 |

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the TIF statutes.

8. WORTHINGTON GATEWAY (HOLIDAY INN REDEVELOPMENT)

Project Background:

Worthington City Council passed Ordinance 09-2019 to authorize a **100 percent, 30-year** urban redevelopment TIF on the value of improvements made to the property located at 7007 N. High Street. The TIF revenues are intended to help offset the costs associated with the onsite and offsite construction of public infrastructure improvements. Reimbursements to the developer are capped at \$3,657,442.

The City submitted the required documentation to file the TIF in July 2020. The Ohio Tax Commissioner has not yet issued a final determination acknowledging the TIF exemption for the project.

2019 Reporting Year -- Project Performance:

During 2019, the City recognized zero dollars (\$0) in deposits to the TIF fund. The Franklin County Auditor has yet to acknowledge the taxable value of improvements made to the parcel. Below is a breakdown of deposit and expenditure activity through July 29, 2020:

| TIF Fund Number | (R)venue/ (E)xpenditure | TIF Fund | Service payment deposit activity | | TIF Fund expenditure activity | | |
|-----------------|----------------------------|------------------|----------------------------------|--------------------------------|-------------------------------|---------|--------------------------------|
| | | | CY 2020 | Cumulative (through 7/29/2020) | Year first payment made | CY 2020 | Cumulative (through 7/29/2020) |
| 950 | | Holiday Inn Site | \$ - | \$ - | | \$ - | \$ 5,475.25 |
| | E | Bricker & Eckler | | \$ - | | \$ - | |
| | E | MS Consultants | | | | \$ - | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | TOTAL | \$ - | \$ - | | \$ - | \$ 5,475.25 |

City Staff Recommendation:

City staff recommends the TIRC determine the project is **in compliance** with the TIF statutes.

TIRC PROGRESS REPORT

Name of TIRC: City of Worthington

Date of TIRC: 8/12/2020

Company Name: BRC Worthington LLC

General Agreement Terms
CRA Type: New Construction

Community Reinvestment Area: Worthington CRA

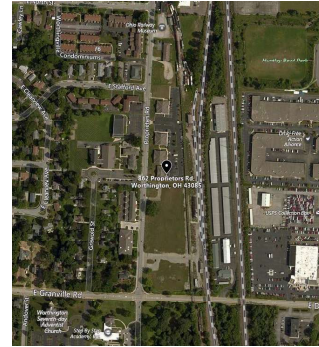
No. Years: 10 2013 2022

% Value Abated: 75

Project Details/History:

The Worthington Station Project is made up of individual parcels comprising the former Worthington Foods manufacturing site. The facility sat vacant and unused and the property was demolished by the Robert Weiler Company in 2005. Thereafter, the property was sold to developer 900 Proprietors, LLC.

Worthington City Council passed Ordinance 13-2007 (April 2007) authorizing the 75 percent, 10-year abatement on any improvements made to the Worthington Foods site. Although the original plan was to construct up to 12 office condominium buildings (total 85,000 sq ft), only four (4) such buildings (total 17,900 sq ft) were ever constructed; each building is located on its own parcel. At that time, the job commitment figures were also amended down from 180 jobs to 44, and payroll commitments from \$14,666,150 to \$2,599,936.



Compliance History :

2018 In Compliance

2017 In Compliance

Tenants:

Owner

Parcel # (s):

100-006685

AGREEMENT BENCHMARKS

Real Estate Only Investment: \$ 1,962,100

Investment Completion Date: 01/31/2011

Number of Jobs Retained:

Payroll Dollars Retained:

New Jobs to be Created: 7

New Yearly Payroll Created: \$ 270,890

Jobs/Payroll Created By: 12/31/2024

Building Description/Use: 4 Office Condos - 17,900 Sq Ft

Community Involvement: School Comp Agreement

Other Benchmarks:

Additional Materials Submitted: Yes

Performance Statistics:

AS VERIFIED

Real Estate Only Invested: \$ 2,157,800

Date Investment Completed: 05/31/2010

Actual Retained Jobs:

Payroll Dollars Retained:

Number of New Jobs Created: 6

Payroll Dollars Created: 196266

Total Appraised Value: \$ 430,000

Total Value Abated: \$ 219,300

Payable Annual Tax: \$ 7,778

Foregone Tax: \$ 8,096

Delinquent Tax: \$ 0.00

Vacancies: _____

Municipalities Recommendation:

City of Worthington staff recommends the TIRC determine that the project is in compliance for reporting year 2019.

TIRC Recommendation: In Compliance

Further Requirements, Instructions and/or Details:

TY2018 staff recommended to amend to 6 new jobs @ \$232,191. TIRC adjusted recommendation at the 2019 meeting to 7 new jobs @ \$270,890, as reported by BCR Worthington LLC for TY2018. City Council approved the TIRC's recommendation via Resolution 57-2019.

TIRC PROGRESS REPORT

Name of TIRC: The City of Worthington

Date of TIRC: 8/12/2020

Company Name: FC Bank

General Agreement Terms
CRA Type: New Construction

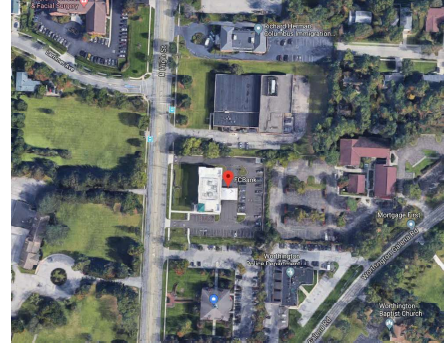
Community Reinvestment Area: Worthington CRA

No. Years: 10 2017 2026

% Value Abated: 50

Project Details/History:

The City of Worthington entered into a CRA exemption agreement with the developer FCBank, A Division of CNB Bank, in August 2015 to encourage development of its regional headquarters and enhanced bank branch operations on the site at 6600 N. High Street. Under the terms of the agreement, a 50 percent, 10-year tax exemption was put in place on the property. The agreement expressly identified the developer FCBank as the owner of the property.



Compliance History :

2018 In Compliance

2017 In Compliance

Tenants:

Owner

Parcel # (s):

100-002591



AGREEMENT BENCHMARKS

Real Estate Only Investment: \$ 2,900,000

Investment Completion Date: 12/31/2016

Number of Jobs Retained: 4

Payroll Dollars Retained: \$ 292,900

New Jobs to be Created: 23

New Yearly Payroll Created: \$ 1,327,693

Jobs/Payroll Created By: 12/31/2024

Building Description/Use:

Community Involvement:

Other Benchmarks: 14 Jobs by 12/31/2017

Additional Materials Submitted: Yes

Performance Statistics:

AS VERIFIED

Real Estate Only Invested: \$ 4,595,000

Date Investment Completed: 01/01/2017

Actual Retained Jobs: 4

Payroll Dollars Retained: 292900

Number of New Jobs Created: 30

Payroll Dollars Created: 1774172

Total Appraised Value: \$ 4,120,000

Total Value Abated: \$ 1,270,900

Payable Annual Tax: \$ 105,177

Foregone Tax: \$ 46,916

Delinquent Tax: \$ 0.00

Vacancies: _____

Municipalities Recommendation:

City of Worthington staff recommends the TIRC determine that the project is in compliance for reporting year 2019.

TIRC Recommendation: In Compliance

Further Requirements, Instructions and/or Details:

City Council amended for TY2019 to 23 new jobs @ \$1,327,693 from 32 @ \$2,702,100

| PARCEL | PROJ # | PROJ NAME | OWNER(S) | Current Due | Delinquent | Current TIF Tax Due | Delinquent TIF Tax | TOTAL |
|---------------|---------------|-----------------------------|-----------------|--------------------|-------------------|--------------------------------|-------------------------------|--------------|
| 100-005929 | 90-202 | Downtown Worthington TIF | ALTO INC | \$ 50,196.22 | \$ 26,261.17 | \$ 13,760.36 | \$ 7,199.01 | \$ 97,416.76 |