



City of Pataskala *Legislative Report to Council*

Legislative Report

May 17, 2021 Council Meeting

Unfinished Business

A. Ordinances

➤ **ORDINANCE 2021-4386 – 3rd READING**

Reliable Pataskala, LLC is requesting to rezone the property located at 13850 Cleveland Road SW (Parcel No. 063-141150-00.000), totaling 18.44 ± acres, in the City of Pataskala from Medium-Low Density Residential (R-87) to Medium Density Residential (R-20). The proposal aligns with the recommendation of the Comprehensive Plan and was recommended for approval by the Planning and Zoning Commission on March 3, 2021.

➤ **ORDINANCE 2021-4389 – 3rd READING - AN ORDINANCE AUTHORIZING, DIRECTING, AND APPROVING THE EXECUTION OF A COMMUNITY REINVESTMENT AREA AGREEMENT BETWEEN THE CITY OF PATASKALA AND RED ROCK INVESTMENT PARTNERS, LLC – (AMEND BY SUBSTITUTION)**

This ordinance initiates a CRA abatement between the City of Pataskala and Red Rock Investment Partners for parcels in the corporate park. These parcels sit in what was the job ready site and carry with them the Joint Economic Development District (JEDD) taxes. The abatement of property taxes is for 100% for 15 years (as is statute). According to the City of Pataskala's MOU with the School Districts, before a 100% abatement is awarded the school district where the business resides must agree to the abatement. The Red Rock Properties span school districts so agreements had to be reached with both Southwest Licking (March of 2021) and Licking Heights (April of 2021). In the attached draft agreement, (Exhibit A) Red Rock states that the 2 buildings would generate approximately 500 to 1,000 full-time permanent employee positions with a total annual payroll of \$17,500,000 to \$35,000,000. All necessary approvals from The Board of Zoning Appeals and The Planning and Zoning Commission have been granted. The next step would be the submission of construction plans.

Amending this ordinance by substitution does not change the ordinance but rather the supporting documentation. We now have the signed instrument from Licking Heights and the CRA execution agreement in its final form. (both attached to packets/online)

- **ORDINANCE 2021-4391 AND ORDINANCE 2021-4390 -3rd READING- AN ORDINANCE DECLARING THE IMPROVEMENT OF CERTAIN REAL PROPERTY LOCATED IN THE CITY OF PATASKALA, LICKING COUNTY, OHIO TO BE A PUBLIC PURPOSE; DECLARING SUCH PROPERTY TO BE EXEMPT FROM REAL PROPERTY TAXATION; DESIGNATING SPECIFIC PUBLIC INFRASTRUCTURE IMPROVEMENTS THAT, ONCE MADE, WILL DIRECTLY BENEFIT THE PARCELS FOR WHICH IMPROVEMENT IS DECLARED TO BE A PUBLIC PURPOSE; REQUIRING ANNUAL SERVICE PAYMENTS IN LIEU OF TAXES; ESTABLISHING A MUNICIPAL PUBLIC IMPROVEMENT TAX INCREMENT EQUIVALENT FUND; AUTHORIZING THE EXECUTION OF A TAX INCREMENT FINANCING AGREEMENT; AND PROVIDING RELATED AUTHORIZATIONS PURSUANT TO OHIO REVISED CODE SECTIONS 5709.40(B), 5709.42, 5709.43, 5709.832 AND 5709.85. - (AMEND BY SUBSTITUTION)**

These “sister” Ordinances create a Tax Increment Financing (TIF) District for the parcels that are being purchased by Red Rock, create a TIF agreement between the City and Red Rock for the use of TIF revenues, and create a TIF agreement between the City of Pataskala and the two school districts (2021-4390 for Southwest Licking and 2021-4391 for Licking Heights). A TIF diverts property taxes to a fund that can then be accessed by the City to reimburse Red Rock for certain public infrastructure improvements on the site including road construction, widening and extensions, installation of sidewalks, street lighting, curbs and gutters, and sewer and water improvements. Since the City is granting a 15-year abatement (so no property taxes on the building are generated) the TIF would only be for the increase in property taxes related to increase in land value in years 1-15, and for the increase in property taxes from land and building values for years 16-30 for the parcels owned by Red Rock. Both of these are non-school TIFs meaning the property taxes owed to the schools are taken out before the funds are deposited in the TIF accounts. These parcels were part of an original TIF District created by old legislation when the job ready site was created however no special notification was submitted to the Licking County Auditor, so it was not formalized. This legislation allows the current council to vote on the TIF creation.

Once again, the amendment by substitution does not change the ordinance itself only the supporting documentation Licking Heights signed agreement (attached to packets/online)

- **ORDINANCE 2021-4392 – 2nd READING**

Approval of this ordinance would adopt the updated Comprehensive Plan. At their March 16, 2021 meeting, the Development Committee passed a motion to bring the Comprehensive Plan to Council for consideration if all requested changes were made. Staff and the Development Committee have confirmed the requested changes have been made.

- **ORDINANCE 2021-4393- 2nd READING - AN ORDINANCE AUTHORIZING, DIRECTING, AND APPROVING THE EXECUTION OF A COMMUNITY REINVESTMENT AREA AGREEMENT BETWEEN THE CITY OF PATASKALA AND TPA INC.**

This ordinance initiates a CRA abatement between the City of Pataskala and TPA Partners for parcels in the corporate park. These parcels (Still owned by Mago Properties) sit at the intersection of Refugee Rd. and Mink Street. The abatement of property taxes is for 100% for 15 years (as is statute). According to the City of Pataskala’s MOU with the School District, before a 100% abatement is awarded the school district

where the business resides must agree to the abatement. Licking Heights (scheduled for May18th). Within the CRA agreement CRA lists 250 to 350 full-time permanent employee positions with a total annual payroll of approximately \$13,000,000 to \$21,000,000. All necessary approvals from The Board of Zoning Appeals and The Planning and Zoning Commission have been granted. The next step would be the submission of construction plans.

Motion to amend by substitution does not change the ordinance but adds the now final "Attachment A" CRA agreement document, Licking Heights draft passage of waiving the CRA notification, Pataskala CRA C-TEC notification and the development agreement between TPA & Licking Heights. No further changes are anticipated to these documents until after passage.

- **ORDINANCE 2021-4394 – 2nd READING - AN ORDINANCE DECLARING THE IMPROVEMENT OF CERTAIN REAL PROPERTY LOCATED IN THE CITY OF PATASKALA, LICKING COUNTY, OHIO TO BE A PUBLIC PURPOSE; DECLARING SUCH PROPERTY TO BE EXEMPT FROM REAL PROPERTY TAXATION; DESIGNATING SPECIFIC PUBLIC INFRASTRUCTURE IMPROVEMENTS THAT, ONCE MADE, WILL DIRECTLY BENEFIT THE PARCELS FOR WHICH IMPROVEMENT IS DECLARED TO BE A PUBLIC PURPOSE; REQUIRING ANNUAL SERVICE PAYMENTS IN LIEU OF TAXES; ESTABLISHING A MUNICIPAL PUBLIC IMPROVEMENT TAX INCREMENT EQUIVALENT FUND; AUTHORIZING THE EXECUTION OF A TAX INCREMENT FINANCING AGREEMENT; AND PROVIDING RELATED AUTHORIZATIONS PURSUANT TO OHIO REVISED CODE SECTIONS 5709.40(B), 5709.42, 5709.43, 5709.832 AND 5709.85.**

This Ordinance creates a Tax Increment Financing (TIF) District for the parcels that are being purchased by TPA, creates a TIF agreement between the City and TPA for the use of TIF revenues, and creates a TIF agreement between the City of Pataskala and Licking Heights. A TIF diverts property taxes to a fund that can then be accessed by the City to reimburse TPA for certain public infrastructure improvements including road construction, widening and extensions, installation of sidewalks, street lighting, curbs and gutters, and sewer and water improvements. The City is granting a 15-year abatement (so no property taxes on the building are generated) The TIF would only be for the increase in property taxes related to increase in land value in years 1-15, and for the increase in property taxes from land and building values for years 16-30 for the parcels owned by TPA. This is a non-school TIFs meaning the property taxes owed to the schools are taken out before the funds are deposited in the TIF accounts.

Again, the amendment by substitution does not affect or change the ordinance but adds the final TIF agreement and the Pataskala C-TEC notification to the legislation. No further changes are anticipated to these documents until after passage.

B. Resolutions

New Business

A. Ordinances

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➤ **RESOLUTION 2021-020**

William V. Karr Park is in the process of receiving a much-needed makeover. We are looking to go into a contract with Law General to perform the site prep for the fitness equipment location along with asphaltting the existing pathway and adding additional length to connect all the features of the park. This park will be a great benefit for our employees, Conine Village Residents, and others within the community.