



Common Council Report

Agenda Item: Discussion and Possible Action Regarding a TIF Development Agreement for Charter Next Generation Inc., Located in Tax Incremental Financing District #11.

Meeting Date: September 20, 2022

Presenter: Al Hulick, City Administrator

Department: City Administration

Conformance with Strategic Plan:

- Affordability & Financial Stability
- Safe, Inclusive, Welcoming Community
- Diverse Opportunities for Fun and Life-Long Learning
- High Performing Organization with Professional Staff
- Environment for Business Success with Thoughtful Growth and Development

Summary

The City Administration and Charter Next Generation Inc. (CNG) have negotiated a TIF Development Agreement for the construction of a 128,000sf facility on land to be purchased by CNG along STH 59 and North Vickerman Road.

Analysis and Key Issues

On this evening's agenda, the Common Council will have reviewed an annexation of 79 acres of land along STH 59 and North Vickerman Road and a corresponding TIF Project Plan and Boundary Amendment that would add this subject site to TIF #11. In conjunction with these two actions the City Administration and CNG have negotiated the attached TIF Development Agreement which outlines the roles and responsibilities for CNG to construct a 128,000sf facility on that site. Additionally, the developer agrees to pay for their proportionate share of all associated infrastructure improvements to serve their site. These improvements include but are not limited to: improvements along North Vickerman Road, a water main loop extension to serve their site, and a sanitary sewer extension to serve their site.

In return, the TIF #11 agrees to provide an "pay-go" incentive in the amount of \$1,600,000 spread out in equal annual payments of \$160,000 for 10-years so long as a minimum real property tax payments of an equal to or greater amount are realized during the life of the agreement.

In addition to the TIF Development Agreement, the City will be taking additional actions in relation to this proposed development. The City will orchestrate a Transportation Economic Assistance (TEA) Grant for a rail extension and improvements to Vickerman Road. This will be similar to the actions taken by the City on behalf of CQC for their rail line extension. Additionally, the City is working with Lima Township for a Highway Order which transfers



jurisdictional authority (maintenance) of North Vickerman Road to the City of Milton adjoining the CNG site. Both of those actions will be forthcoming on a future Common Council agenda.

Fiscal Impact

The project will be located within Tax Incremental Financing District #11. Therefore, all incentives paid towards the project will come from TIF 11 increment.

Recommended Motion

The City Administration recommends approval of the TIF Development Agreement with Charter Next Generation Inc for the proposed project within TIF #11.

Attachments

- TIF Development Agreement