

# **Big Darby Revenue Program**

**11/26/08**

## Introduction

These recommendations generally follow the guidelines of the 2006 Big Darby Accord Watershed Master Plan. Some modifications and more detail have been required to move us from that general plan to this revenue program.

## Revenue Generation (Sources)

We use three revenue sources identified in the Accord Plan: Tax Increment Financing (TIF), New Community Authority (NCA), and developer contributions. Our revenue consultant has projected that the TIF districts over the 30 years of the revenue program are expected to generate an aggregate of \$192.2 million in present value. While this program focuses on these three local revenue sources and their uses, we note that such elements as Metro Parks open space acquisition and Ohio Water Resource Restoration Sponsor Program (WRRSP) funds are important parts of the overall effort to do what must be done in the Big Darby watershed.

## Revenue Allocation (Uses)

The allocation approach is that the greatest share of revenue must be reserved for the essential environmental protection purposes of the Big Darby Accord. (See next section.) We believe that a collective decision-making body representing the Big Darby Accord jurisdictions must be created to determine how funds are spent for specific Accord purposes. On the other hand, for priority regional and environmental infrastructure not meeting Accord purposes and for other needs, we seek to maximize the autonomy of the participating governments.

## Accord Purposes

Big Darby Accord purposes are defined as those that are critical to achieve the environmental and regional purposes of the Big Darby Accord Watershed Master Plan. Those identified are:

- Protection and/or restoration of sensitive open space
- stream restoration
- extension of centralized sewer and water to the Town Center
- creation of public regional alternative wastewater treatment systems and extension of centralized water to serve the conservation development areas.
- The half-interchange with Interstate Route 70 and other transportation improvements needed to allow immediate access to the Town Center from the I-70 interchange or off Broad Street.
- storm water improvements of a regional nature particular to the Accord, beyond compliance with existing storm water standards.

### Sources – Revenue Generation

- TIF: 30 year, non-school, non-township fire
- NCA: 30 year, 5 to 10 mills
- Developer Contributions: \$2500 per residential unit

### Uses – Minimum Revenue Allocation to Accord Purposes

- TIF: 75% to Accord purposes
- NCA: 5 mills to Accord purposes
- Developer Contributions: 75% to Accord purposes

### Uses - How to share funds not allocated to Accord Purposes

#### (A) Cities

- TIF: The 25% not required to go to Accord purposes would be divided as follows – 5% will be set aside to compensate county levy agencies, and 20% will be used at the discretion of the City for priority regional and environmental infrastructure not meeting Accord purposes criteria. Levy agency compensation applies only to land within the Big Darby watershed. For portions of a TIF district outside the watershed, 25% will go to Accord purposes and 75% will be used at the discretion of the City.
- NCA: City determines if an NCA shall impose community development charges above the 5 mills required for Accord purposes, and has discretion concerning the use of any millage above 5.
- Developer Contributions: City has discretionary use of the 25% share not allocated to Accord purposes, in consultation with applicable developer(s).

#### (B) Unincorporated Areas

- TIF: The 25% not required to go to Accord purposes would be divided 12.5% to the applicable township and 12.5% to Franklin County. The applicable township will have discretion on the use of its 12.5% share. The county share could be allocated to compensate levy agencies or used in combination at the discretion of the County Commissioners for priority regional and environmental infrastructure not meeting Accord purposes criteria.
- NCA: Any decision to impose community development charges above the 5 mills required for Accord purposes would be subject to agreement between Franklin County and the applicable township, with such agreement also specifying the uses of revenue resulting from such additional millage.
- Developer Contributions: The townships have discretionary use of the 25% share not allocated to Accord purposes, in consultation with applicable developer(s).
- Revenue Options: Other revenue options need to be explored to help cover the increased public sector operating costs anticipated from new residential and commercial development.