Delaware City Council approves preliminary agreement for second industrial park

by Jack SlemendaAugust 4, 2026

DELAWARE — The city of Delaware's first industrial park opened in 1963, during the presidential terms of JFK and Lyndon B. Johnson.

Now 63 years later, almost as long as PPG Industries has been in the park (they were the first occupants but didn't move in till 1965), the city is looking to build a second industrial park on Curtis Street near the already-growing one on Pittsburgh Drive.

This new industrial park would turn a current farm field into a place that could generate over 1,000 jobs with a total payroll of nearly $90 million, carry an estimated $105 million building value and gross about $1.6 million in city income tax.

Council met on July 27 and approved a term sheet, or preliminary agreement, for what Economic Development Director Nic Langford called "Project Rainbow."

Essentially, council approved the ground rules for how a second industrial park's development would happen, and will use these ground rules as something to refer back to. Langford said it's taken about a year to get to this point.

"[This is] a rather complex project that is essentially the addition of a new industrial park on about 70 acres abutting Pittsburgh Drive's industrial park," Langford said.

He added that this is complex deal, and a preliminary agreement like this helps all parties better understand the project — which in turn avoids confusion when each section of the agreement comes back to council for further approval.

Dublin-based Fed One are the developers behind the project and central Ohio native Guild Associates would be the first company to occupy the space, serving as a "catalyst" to the rest of the park.

Fed One is a full-service general contractor and real estate development company. Guild is a research, development and manufacturing company that specializes in advanced technology solutions including biogas processing equipment, military containerized systems, and chemical-biological defense filtration media.

Langford said the developers are looking to purchase land the city previously annexed in April and later rezoned for industrial usage in June.

However, he added there are infrastructure pieces and incentives for the site that the developers would like the city to have in place — and if not, the developers "probably don't want to do the project, it probably doesn't make fiscal sense for them."

What does the term sheet say?

Langford outlined the term sheet's five core pieces:

- Community Reinvestment Act (CRA), a.k.a., a tax abatement
- Non-school tax increment financing district (TIF)
- Income-tax sharing
- A $500,000 upfront payment from the developers
- Grant support

It is important to note that council can amend the terms as each one's individual resolution/ordinance moves through council's final approval.

- **The CRA:** A 75% 15-year property tax abatement
  - "This is to reduce the operating cost. These buildings have gotten very expensive to build, and they also get assessed very high, so that's a really big cost for a company to carry year over year," Langford said.
  - Developers still pay 25% of property taxes, and after 15 years pass, the site is 100% taxable.
  - **Protection for the city:** City staff would still have to draft the CRA ordinance to bring back to council.
- **Non-school TIF:** 100%, 30-year agreement
  - For 30 years, the agreement would capture future property tax increases from new buildings, and that money would go to the city rather than other funds. City schools then receive all expected property tax money from the site, just like if a TIF did not exist.
  - **Protection for the city:** TIF falls below the CRA in terms of power. It is only payable from revenues actually received.
- **Income-tax sharing:**
  - "Fifty percent of the net project income tax that the city receives, after we do any income-tax sharing that we'd have to do by Ohio Revised Code, we would split with the company," Langford said.
  - So, the city gets half, and the developers get half. This is to help offset the project's infrastructure costs.
  - **Protection for the city:** The income-tax sharing is limited to the first development (Guild's site), is subject to reporting, audits and appropriation/default remedies.
- **$500,000 upfront payment:**
  - The developer's payment would go into the city's general fund. The city would use this lump sum for future off-site improvements as needed.
  - For example, Langford said when the site becomes more built out, "we might need a roundabout, we might need to make improvements to London Road."
  - **Protection for the city:** This is non-refundable, separately accounted for and not a credit against other fees.
- **The city helps with grant**s
  - This is not a financial contribution on the city's end. This just means the developers may apply for different grants and the city agrees to help with that.
  - **Protection for the city:** "No guarantee, city cash match or application obligation without separate approval," Langford said.

Additional breakdowns for the terms sheets' sections are below, credited to the city of Delaware. Story continues below.

CRA ABATEMENT

What the CRA (tax abatement) does

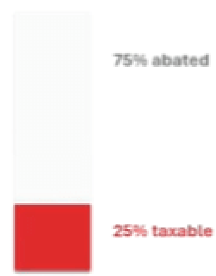
The CRA reduces taxes on new eligible building value to make vertical investment feasible; it does not exempt the entire property tax base forever.

Default framework

75% / 15 years

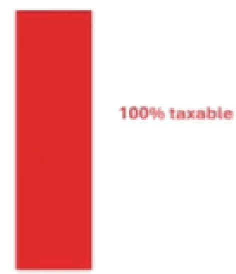
- Applies to eligible new improvement value only after CRA boundary expansion and a project-specific agreement.
- Future phases are considered building-by-building, not automatically.
- Higher abatement levels require school cooperation and separate Council action.

During CRA



The taxable portion supports non-school TIF capture during the abatement term.

After CRA expires



Full improvement value returns to the tax roll; the non-school TIF may continue for the balance of the TIF term.

NON-SCHOOL TIF

What the TIF does

The TIF captures only the non-school increment (increased property taxes from physical development) to repay eligible public infrastructure over time.

TIF structure

- Sitewide 100% non-school TIF for up to 30 years, including successor parcels created by subdivision/replatting.
- Schools and joint vocational school district are intended to be held harmless through service payments otherwise attributable to school taxes.
- TIF runs concurrently with, and is subordinate to, any CRA exemption.
- Reimbursement limited to TIF proceeds actually received, appropriated, and lawfully usable.

Reimbursement cap

Lesser of 60% of final documented eligible construction costs OR 100% of costs less outside grants / assistance for same improvements.

CITY OF DELAWARE

INCOME-TAX SHARING + TRANSPORTATION CONTRIBUTION

What the non-property-tax tools do

Income-tax sharing is limited to the First Development; the transportation contribution directly funds off-site improvements.

Municipal income-tax revenue sharing

50% **of Net Project Income Tax Receipts**

15-year term running concurrently with CRA; limited to Guild/First Development.

Estimated annual gross City income tax: $196K

- ❑ Retained by City: ~$72.5K
- ❑ PILOTs to Schools: ~$51K (+ property taxes)
- ❑ Income-Tax Sharing with Company: ~$72.5K

Transportation contribution

$500K **paid before first vertical building permit**

Funds a future roundabout or other off-site/intersection transportation improvements identified through or reasonably supported by the City-approved Traffic Impact Study.

The payment is non-refundable, separately accounted for, does not accrue interest, and does not credit against impact fees, utility fees, permit fees, dedications, or other obligations.

DELAWARE

INFRASTRUCTURE COST + FUNDING LOGIC

Incentives offset part of the site-enabling cost

The developer fronts the roadway and utility improvements that make the first building and future lots possible.

Current cost estimates

$8.0M site acquisition, roadway + utility costs

$30.0M First Development building

$10.0M equipment, FF&E + relocation

$48.0M aggregate anticipated investment

How incentives help

- ❑ CRA lowers early property-tax burden
- ❑ TIF reimburses portion of eligible public infrastructure over time.
- ❑ $500K contribution funds off-site transportation improvements.
- ❑ Grant offsets from State/Others reduce the reimbursable TIF amount.

Risk Mitigation to City

- ❑ No general-fund, utility-revenue, debt, tax levy, or City credit pledge.
- ❑ No interest accumulating to City.
- ❑ City isn't funding construction/ issuing debt.
- ❑ Private building, equipment, and other private costs are not TIF-reimbursed.

Incentives reduce the gap for the development but do not fully eliminate the up-front infrastructure burden.

DELAWARE

Phase 1 would open up the entire site

The first of seven total lots would be a 125,000 square-foot research and development office for Guild Associates, with advanced manufacturing and a warehouse for finished products on about 20 of the 70 total acres.

“The anticipated investment for the first phase is about $48 million and it would come up to about 125 employees,” Langford said.

Phase 1 would open up the rest of the site, allowing utilities to expand and paving the way for a 2,800 linear-foot industrial roadway that leads to up to seven other lots, which range from three to seven acres in size.

The city also plans to do a traffic impact study for the new park’s roadway.

Combine Phases 1 and 2, and the entire campus would have about a 1 million square-foot footprint.

“This is a really good economic development fit for us,” Langford said. “It’s not just plain warehousing, it’s not retail. They’re going to build stuff here; there are going to be a lot of engineers who work there, which is great, and it’s not just for one building.

“This is ultimately to open up an industrial park that would be about half or two-thirds the size of the Sawmill Parkway extension and all those buildings that have been put up there.”

Langford also said that the term sheet does not automatically apply to the other seven lots, and “as they come online they’d be adjudicated by their own merit.”

As seen on the left side of both pictures below, Phase 1 is Lot 5 and borders Curtis Street. Photos credited to the city of Delaware. Story continues below.

Credit: The city of Delaware

Economic impact of the entire project

As it stands today, the entire site is a farm field, “and there is nothing wrong with that,” Langford said.

It carries a $1.36 million market value, accounts for a little more than $10,000 in property taxes, generates zero jobs and grosses $0 in payroll, city income tax and TIF money.

“We have had some interest in this [site] before, but it’s mostly been for single-family housing developers who haven’t been to the site,” Langford said.

With “Project Rainbow” in mind, things look a lot different.

Guild’s Phase 1 would carry a $30 million building value with a $48 million total investment. Combine that with Phase 2, the other six parcels, and the site would then have an estimated $105 million building value.

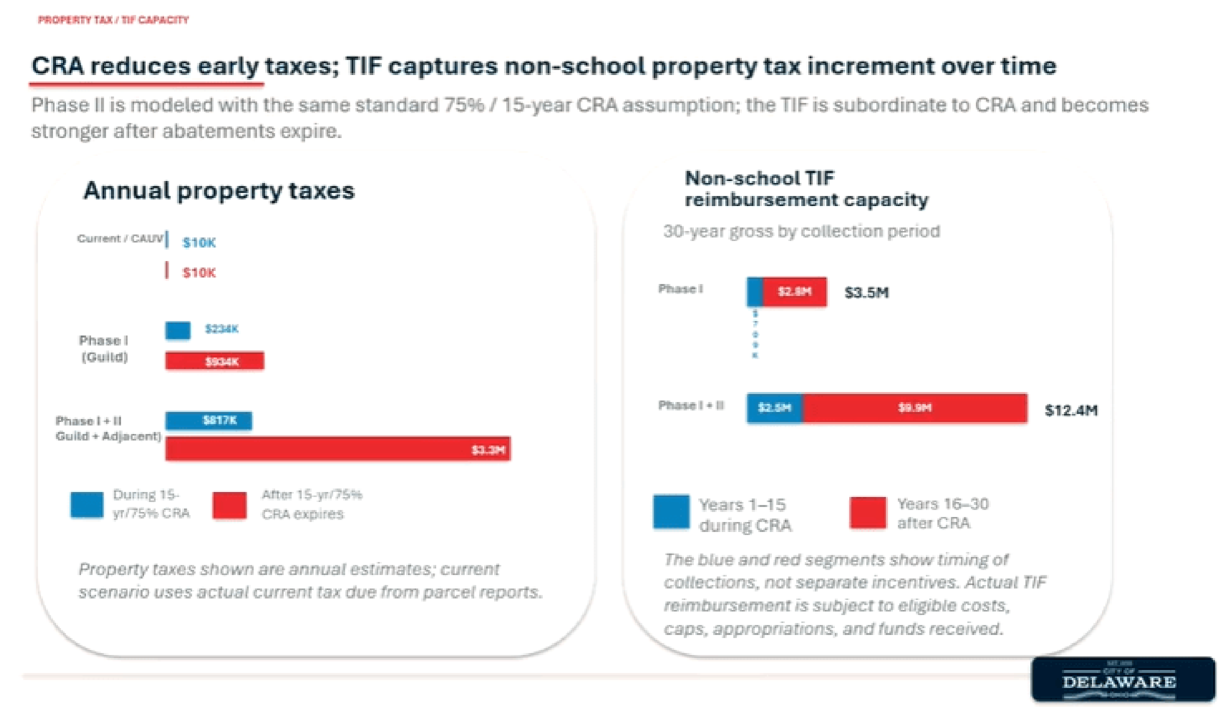
Phase 1 would create 125 jobs. Add Phase 2 to that, and the number spikes to 1,048.

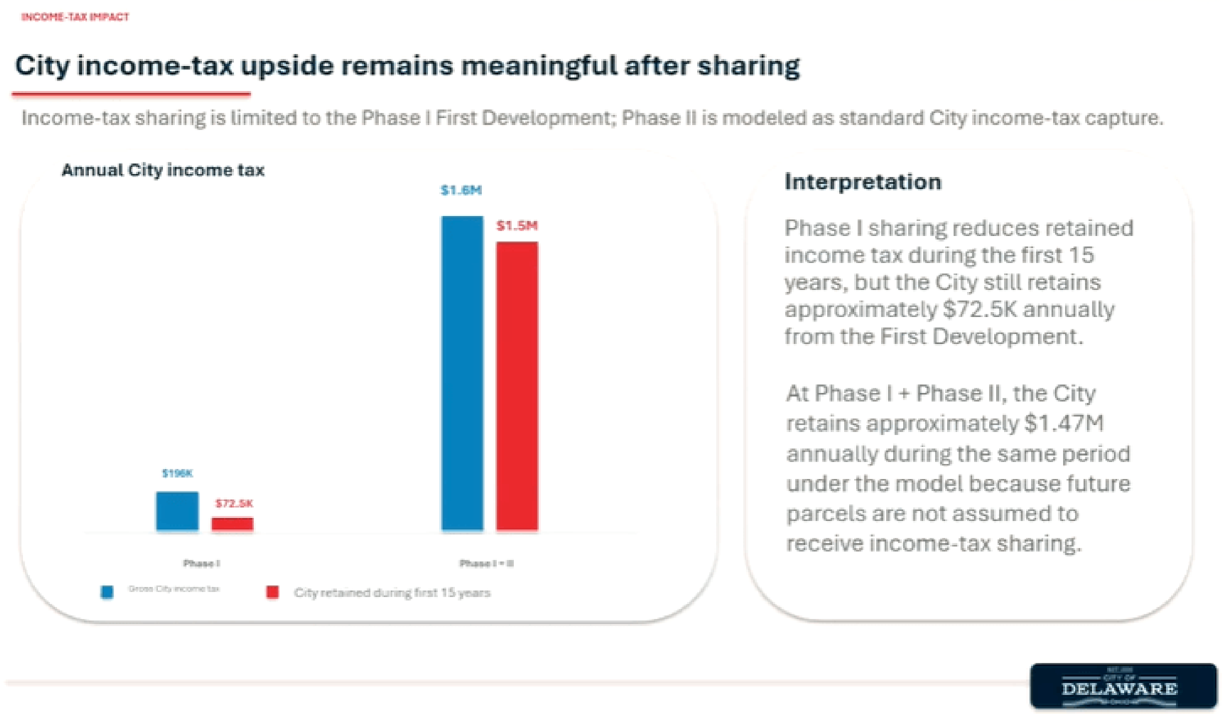
“[Phase 1 would create] about $10.6 million in payroll, which is about $86,000 average wage, gross city income tax is $196,000, but we’d be splitting that,” Langford said. “And just for Guild’s parcel, the 30-year TIF generates about $3.5 million, including the abatement that would be in place.

“Then, when you add Guild to the six other parcels … payroll would be just shy of $90 million, gross city income tax of about $1.6 million and the 30-year non-school TIF for the whole development would be at about $12.4 million.”

Langford added that he doesn’t do secondary or tertiary impacts on how this development would affect other industries in Delaware. These numbers are just the direct impact from this project.

“This doesn’t consider any income growth or property tax growth year over year; this is just current-day evaluations,” he said.





Public infrastructure cost

The public road and utilities cost for the project is about $4 million. The terms sheet indicates that the city will cover up to 60%, or a max of $2.4 million, via the TIF reimbursement.

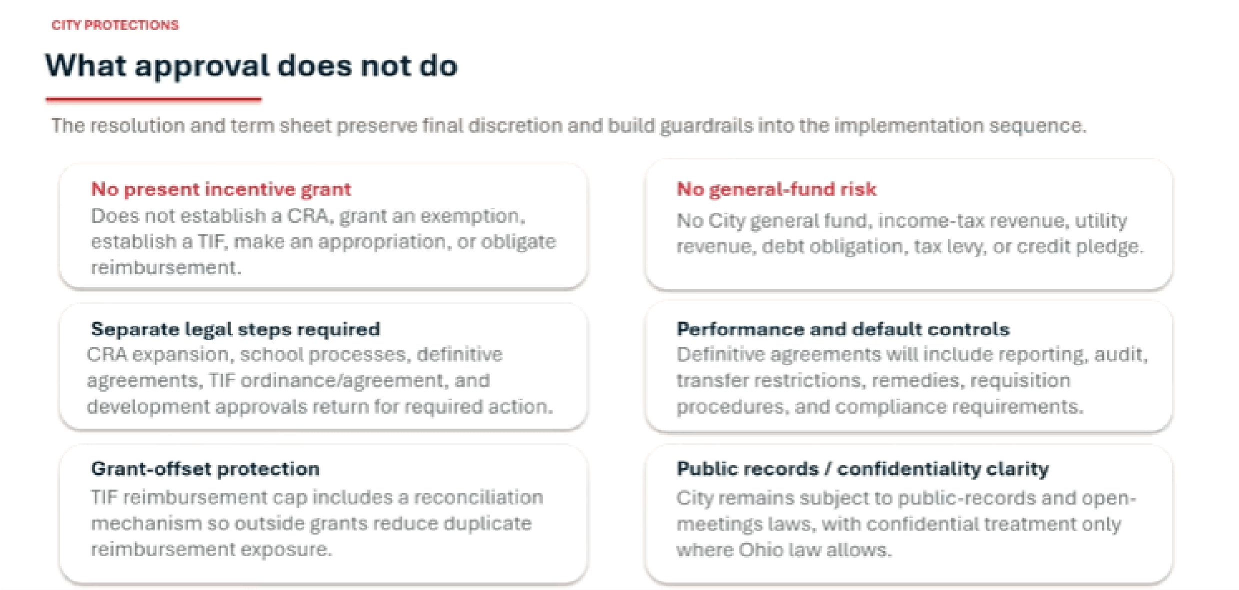
The developers' $500,000 upfront payment also applies to this $4 million cost.

"So, the company still has to come up with $1.6 million as the gap to fulfill for the infrastructure, which can be used for state grants, federal grants and we would try to help them with that," Langford said.

"There's no double dipping. So the whole project is $4 million, we would cover $2.4 million, let's say they go get $3 million worth of grants," he said. "In that case, our obligation would drop to $1.6 million because a $4 million road costs $4 million."

What happens next?

Before council approved the measure, Langford explained what council's approval does not do:



With council's approval of the term sheet resolution, Langford also outlined the next six steps:

1. **Execute term sheet:** City Manager Paul Brake executes the term sheet with any non-material revisions he and City Attorney David Moser approve.
2. **Draft legal package:** The city prepares the CRA, TIF and income-tax sharing agreements and works with the developers on grants.
3. **The city expands its CRA boundary**: Officials complete expansion map legislation, notices, a public hearing and other administrative steps before a CRA agreement is finalized.
4. **Working with the schools:** Properly lay out the 75% tax abatement, or any higher abatement framework, with the schools and complete notices, waivers, compensation or other approvals required by law.
5. **Traffic impact study and engineering:** The developer submits a traffic impact study and utility plans. The city reviews the transportation and public infrastructure scope.
6. **Final council actions:** Ordinances/resolutions for individual sections of the term sheet make their way through council for further approval.