

CITY OF READING, OHIO
COUNCIL MEETING MINUTES – LEGISLATIVE & COUNCIL OF THE WHOLE SESSION
August 17, 2021 – 7:30 PM

CALL TO ORDER

President of Council Cris Nesbitt called the meeting to order at 7:30 PM.

INVOCATION AND PLEDGE OF ALLEGIANCE

Mr. Nesbitt led those in attendance in a prayer and then the Pledge of Allegiance.

ROLL CALL

Council Members Present: Mr. Powell, Mr. Gertz, Mr. Lynd, Mr. Albrinck, Mr. Lindeman, Mr. Fischesser & Mrs. Eadicicco.

OTHER CITY OFFICIALS PRESENT:

Mayor Bo Bemmes, Law Director Dave Stevenson, Auditor Sabrina Smith & Clerk of Council Carla Kacher.

APPROVAL OF MINUTES

July 20 (Legislative, Council of the Whole) & August 3 (Regular Meeting)

AUDIENCE PARTICIPATION – NONE

COMMUNICATIONS – NONE

GUEST SPEAKERS –

Linda Fitzgerald (Reading Economic Development Director) and Brenda Wehmer (Dinsmore & Shohl) gave further insight into the FOE TIFF program:

Linda thanked Council for inviting her to the meeting and said she always enjoys sharing economic development updates with them. There are currently two major projects that will add significantly to the City's tax base and produce much needed revenues to pump back into city services for residents and businesses. The first project is redevelopment of the former Dow Chemical site. When fully developed the project will create 440 new advanced manufacturing jobs with an average annual salary of \$65,000 which Linda noted is a healthy salary in the manufacturing sector. These new jobs will create \$28 million in annual payroll resulting in \$578,000 in new annual earnings taxes. Given the fact that the site is a contaminated Brownfield, significant revenues are required to complete the required remediation and to fund infrastructure and site improvements. Approximately \$7-\$8 million needs to be raised for the project to move forward. Revenue sources include the Port's Patient Capital Fund, grants and loans from the state and county, and equity from and a loan to the developer (Neyer Properties). A final component of the capital stack is revenues that will be generated from a Tax Increment Fund (TIF). TIFs are used to finance infrastructure costs by leveraging the anticipation of future tax revenue resulting from future development. The City is working cooperatively with the schools to structure a TIF agreement that is beneficial to both parties

Linda noted that with the exception of the mayor, Councilman Gertz and Dave Stevenson, all the faces on council are new since the last TIF proposal that was brought before council in 2008. To help council understand how TIF can be used as an economic development tool, Brenda Wehmer of Dinsmore Shohl will give a "TIF 101" primer and answer any questions Council may have. Brenda has been retained to represent the City in the TIF negotiations.

Brenda said that TIF is an economic development tool used to finance public infrastructure costs by exempting a piece of property or multiple parcels from real property taxes and redirecting those taxes into a TIF fund with payments in lieu of taxes (PILOT). The PILOT is determined by comparing the base value (what the property is valued at today) with the increased value after the date the TIF ordinance is in place. Taxes are still paid on the base value but taxes from new development, (e.g., new construction, renovation, and increased land value), are exempted and directed into the TIF fund. There are options on how much and how long taxes are exempted with the term ranging from 1 to 30 years and the percentage ranging from any percent up to 100%. Different rules apply when you exceed certain thresholds. For example, if the TIF does not exceed a 10-year 75% exemption the schools must be notified but do not have approval rights, but they are entitled to share in new payroll. If the new payroll exceeds \$1 million. If the 10-year 75% threshold is exceeded the school has approval rights and they generally expect some compensation.

Once the TIF is in place the PILOT is used to fund compensation to the schools, capital improvements and debt service on the bonds. Eligible public improvements include roads, water, and sewers on public property, and environmental remediation (the latter on both private and public property). It is intended that the increased value due to new construction will generate revenue to pay for a portion of the development costs. In the case of the Dow property, the Port will issue the bonds and the city will assign the service payments to the Port. Brenda noted that the TIF agreement with the schools is not finalized yet but both parties are operating in good faith.

Dave Powell asked if other taxing districts other than Reading Schools would have approval rights. Brenda responded no apart from the Joint Vocational School which does not have approval rights but is entitled to compensation based on Reading's compensation. The library and other taxing jurisdictions do not have approval or compensation rights. Brenda noted that there are different rules for residential TIFs.

Tony asked if there is an impending TIF agreement or proposal underway with the schools. Brenda replied there is no deal in place yet, but the hope is that there will be sometime in September at which time she will come back to council to explain the proposed terms and conditions of the TIF and to seek their approval.

Tony asked if Linda would like to attend his second ward meeting on Tuesday, August 24, 2021. She said unfortunately she thinks she will be in Athens that day.

Linda briefly mentioned the second economic development project she is working on. It involves the sale of the city-owned Reading Life Sciences Property to an end user that she can not divulge. She is confident council will be in favor of the sale/end user. Attorneys for the city and proposed purchaser are in a 90-day due diligence process. The deal should be ready to bring to council in early spring.

Linda said that as "corny" as it sounds, there is no "I" in Teamwork. She noted that the success of these two projects is due in large part to cooperation and patience from council, administration, (and especially her right arm Patrick Ross and the mayor who have been responsive and fully engaged), and other economic development agencies like the Port, Neyer Properties, Hamilton County, and the State of Ohio. She also said she is impressed with the willingness of the schools to work cooperatively on the TIF and to understand that the TIF is necessary to develop what is an extremely difficult and costly site to develop. They also understand the city's commitment to date in the project including expanding the road into the site.

Linda told council that Melissa Johnson from the Port will be presenting at the September 21st meeting. Mrs. Fitzgerald will return to Council on Tuesday, September 7.

OTHER BUSINESS

Mr. Fischesser – On 8-7-21 Dave Powell and I canvased Dottie Ct. to talk to the residents regarding their view/ideas on the parking situation during school sessions. Of the 20 single family homes, we were able to meet with about half of them.

After getting their opinions, Dave and I feel that then best starting point would be to eliminate parking on one side from 8:00 AM to 3:00 PM school days. We would further like to see administration approve a ticketing campaign at the start of the school year to get the point across that parking indifference will not be tolerated. We would further like to see this ticketing campaign to include Maple Dr. and Lory Ln.

I was able to talk to Mr. Ross on 08-10-21 to discuss our findings and recommendations. Administration feels that limiting parking only during school hours makes it appear that the city is singling out the MND girls. They would prefer starting out with a warning ticket campaign at the start of the school year. If violations continue, then tickets would be issued. They do agree that no parking at the top of the street needs to be better marked and that the entire cul-de-sac needs to be marked as no parking. Talking with Chief Edens, I was informed that he will have a dedicated officer assigned to the entire area around the school to enforce traffic and parking violations for the first 2.5 weeks of the school year.

READING OF RESOLUTIONS

(1) AN EMERGENCY RESOLUTION TO ACCEPT THE MATERIAL TERMS OF THE ONE OHIO SUBDIVISION SETTLEMENT PURSUANT TO THE ONE OHIO MEMORANDUM OF UNDERSTANDING AND CONSENT WITH THE TERMS OF THE JULY 21, 2021 NATIONAL OPIOID AGREEMENT.

Motion made by Mr. Lindeman, seconded by Mr. Gertz to suspend the second and third reading. Motion carried by a 7-0 roll call vote. Motion made by Mr. Albrinck, seconded by Mr. Lynd to adopt the resolution. Motion carried by a 7-0 roll call vote.

RESOLUTION ADOPTED

RESOLUTION NUMBER 2021-25R

READING OF ORDINANCES

Mr. Gertz would like to see all of Benson street paved.

(1) AN ORDINANCE AUTHORIZING THE SAFETY SERVICE DIRECTOR TO ENTER INTO A CONTRACT WITH RAC AND BALLAUER EXCAVATING CO., INC. FOR PAVING OF BENSON STREET AND DECLARING AN EMERGENCY. (Base Bid Option 1 – First Reading)

Motion made by Mr. Powell, seconded by Mr. Fischesser to table the Base Bid Option 1. Motion carried by voice vote.

(2) AN ORDINANCE AUTHORIZING THE SAFETY SERVICE DIRECTOR TO ENTER INTO A CONTRACT WITH RAC AND BALLAUER EXCAVATING CO., INC. FOR PAVING OF BENSON STREET AND DECLARING AN EMERGENCY. (Alternative Bid Option 2 – First Reading)

Motion made by Mr. Gertz, seconded by Mr. Fischesser to suspend the second and third reading. Motion carried by a 7-0 roll call vote. Motion made by Mrs. Eadicicco, seconded by Mr. Lindeman to adopt the ordinance. Motion carried by a 7-0 roll call vote.

ORDINANCE ADOPTED

ORDINANCE NUMBER 2021-26

(3) AN ORDINANCE ACCEPTING AN EASEMENT FOR THE PURPOSE OF INSTALLATION OF A GUARDRAIL AND DECLARING AN EMERGENCY. (First Reading)

Motion made by Mr. Eadicicco, seconded by Mr. Fischesser to suspend the second and third reading. Motion carried by a 7-0 roll call vote. Motion made by Mr. Fischesser, seconded by Mr. Lindeman to adopt the ordinance. Motion carried by a 7-0 roll call vote.

ORDINANCE ADOPTED

ORDINANCE NUMBER 2021-27

MISCELLANEOUS BUSINESS

Mr. Gertz – Ward 2 advisory committee meeting at 7:45 p.m. on Tuesday, August 24.

Mr. Lindeman – Utilities, Lands & Buildings committee meeting at 6:30 p.m. on Tuesday, August 24.

Mrs. Eadicicco – Laws & Contracts committee meeting at 6:30 p.m. on Monday, August 23.

ADJOURNMENT

There being no further business, the meeting was declared adjourned at 8:27 pm.

5 minute break

COUNCIL MEETING OF THE WHOLE

Meeting attended by: Mr. Powell, Mr. Gertz, Mr. Lynd, Mr. Albrinck, Mr. Lindeman, Mr. Fischesser & Mrs. Eadicicco with participation from:

Mr. Powell - Distributed a draft of an ordinance on the distribution of Door Store ads/materials (controlling where they are delivered, not eliminating the service). Would like to have a first reading of this ordinance on September 7.

Mr. Albrinck - 7 people who took the test and 3 people passed. These folks will be interviewed and hopefully we'll have someone who can begin at the beginning of September.

Ms. Smith – She and Patrick met with Software Solutions to schedule a time for demonstration of their systems.

X _____

CARLA KACHER
Clerk of Council

X _____

CRIS NESBITT
President of Council