COMMUNITY DEVELOPMENT COMMITTEE MEETING MINUTES

October 5, 2009

Members of Community Development Committee present: Leslie Kelly, Doug Joseph, Donna Shirey, Barth R. Cotner.

Other members of Council present: Ron Stake, Fred Deskins, Jr., Mel Clemens, Council President William L. Hills.

Mrs. Kelly: I'll call the Community Development Committee meeting to order at 7:30 p.m. Item No. 2 on the agenda is approval of agenda. Are there any questions or changes to this evening's agenda? Seeing none, it will stand approved.

Item No. 3 is approval of the minutes of the Community Development Committee meeting held September 21, 2009. Are there any questions, changes, deletions to those minutes? Seeing none, they will also stand as approved.

Item 4 - . Discussion: Authorization to advertise for bids for the construction of Civic Park Multi-Use Path and transfer of funds. Jim.

Director of Engineering Miller: Thank you Councilperson Kelly. I am asking City Council to allow me to transfer $2,000 from the General Engineering account (line in Director of Engineering's Department) to the Civic Park account (Capital Improvement) to pay for advertising the project, prints and copies; sale of the project, and preparation of bid tab and bid recommendation and again, I'm asking for $2,000 to be transferred.

Mrs. Kelly: Does anybody have any questions for Mr. Miller? You are requesting this as an emergency?

Mr. Miller: Yes, actually no, I'm sorry. Emergency on the third reading; so, yes, an emergency but on the third reading and before, when this legislation was brought before Council back in June, it was requested that we come to Council and make a presentation of the project before you authorized the sale of bid documents.

Mrs. Kelly: Okay.

Mr. Miller: And Jason Shamblin is going to give a presentation to you tonight, right now, on the project, and I am going to be here with Jason to answer any questions you may have specifically on the project.

Mrs. Kelly: Okay, great. Mr. Shamblin.

Parks and Recreation Director Shamblin: Thank you. The, I hope you all received in your packet the memo I put together and then also the map of the layout of the trail as it stands now. As you can see, the first thing that's really evident is it's a little different alignment than what we had originally talked about in our preliminary discussions. The, after Jim and I went back and took some of the feedback about why doesn't this trail connect, and once we were really able to sit down with our engineers and look at the alignment and where it could go and then also where it could go with the grant funding that we had and the limitations we had, this is what we've come up with, and we're really excited because right now the, through ODOT process, we are through Stage I of their planning and designs with this month, we have Stage III that's due to ODOT, so Stage I by far has the most hurdles and I think that is where we would have the unexpected things pop up, whether it's environmental or ecological or the archeological stuff. So, we're very excited at this point.

Mrs. Kelly: Good. Does somebody have any questions for Mr. Shamblin? President Hills.

President Hills: Chairperson Kelly and Mr. Shamblin, I guess I would ask, the last plan, and because there were some questions raised - why couldn't this connect - who did you submit that to? Has that been submitted to ODOT, the original plan that we said we were going to use, because that's the one we approved.

Mr. Shamblin: When we originally met with ODOT, we sat down with a Master Plan that came from Civic Park back in the 90's. That's where the original plan came from and we had a rough drawing done from that. They did look at this plan and did like this plan so this is what we were moving with.

Mr. Hills: Did they see the last one that we approved? You brought us a plan that went three-quarters of the way around the park.

Mr. Shamblin: Yes Sir.

Mr. Hills: And we approved for you to go do your engineering on that.

Mr. Shamblin: Yes.

Mr. Hills: And now we see a plan come, we see a different plan come back. Not that anybody's, I don't think I'm opposed to the plan, it's just that if I hadn't seen the old plan, I wouldn't have known if it was different, other than I looked at it and said, gee, now we're walking in a circle instead of a "c".

Mr. Shamblin: When I think, all right, but.....

Mr. Hills: I'm just trying to say, who did, and the last thing you asked Council to approve which was a plan that looked like a "c" walking around the park, who did we submit that to, that survey, that plat, that whatever. I mean, did we give that to ODOT saying this is what we're going to use your grant money for?

Mr. Shamblin: That was an original, when we sat down in preliminary discussions with them, that was one of the original discussions we had when we looked at that Master Plan, but once we sat down and crunched the numbers and we took the input back that we wanted to have a connecting trail, this we felt like was a much better alignment.

Mr. Hills: I don't think I disagree with that, it's just I didn't know how we were supposed to figure it out.

Mr. Shamblin: And I think that's one of the reasons why we brought it forward tonight, is that this is a.....

Mr. Hills: But you're not bringing this as an amended plan. This is just like, this a plan we're going with, but it is substantially modified from what it was before. It was scrunched down, you took some from the top, some from the bottom....

Mr. Shamblin: Yes Sir.

Mr. Hills: ...connected it around. I'm not saying it's a bad idea, it's just, I guess that's not what, it's just this thing, we approved it one way and I don't know, I'm just curious, what did you all do with that one we approved?

Mr. Shamblin: Well, I think we couldn't really have, and I guess that's my fault for not making it clear, until we were really able to sit down and have a contract with the engineers to really firm up, that was just a preliminary plan, so it was open for some modification, and one of the comments that we sort of took to heart from our meetings with Council is that, you know, you just don't want a trail that goes to nowhere, so we tried to connect that.

Mr. Hills: But yet that's, don't get me wrong, but that's what we passed, because that's what you all said we wanted to do......

Mr. Shamblin: Right.

Mr. Hills: ...and so we gave you that and now it's changed. It's probably changed for the better but just, it's kind of like we have to fish for the answer, but maybe we're getting used to that. Thank you Councilperson Kelly.

Mrs. Kelly: Mr. Deskins.

Mr. Deskins: Thank you Councilman Kelly. I'm not sure we approved, I mean, if that's the case, I'd like to see it. I thought we had a preliminary discussion that was going to go forward and then they were going to apply for the grant and bring it back as a, I don't recall it being an approved plan.

Mr. Hills: We passed an ordinance.

Mr. Deskins: Did we?

Mr. Hills: Yes we did.

Mr. Deskins: We did, that's what I'm thinking - I wasn't sure we did.
Mr. Hills: I wouldn't have said that if we hadn't adopted the piece of legislation.

Mr. Deskins: Okay, I apologize.

Mr. Hills: No, and I.....

Mr. Deskins: I think it's great.

Mr Hills: ...I don't think...it's just, we're the last to know; so, you know, I appreciate your explaining that.

Mayor McCloud: I'll take care of this. If I may, Chairman Kelly.

Mrs. Kelly: Absolutely.

Mayor McCloud: This is why we're here; to show you; you wanted to see it, we brought it.

Mr. Hills: Excuse me, Mayor, but you're here to get $2,000 and move forward on the advertising for bids. That's what you were just told by the City Engineer.

Mayor McCloud: Uh huh.

Mr. Hills: And all I'm saying is, the plan is different than the one that was passed. I didn't say it was bad, I said it's different.

Mayor McCloud: I didn't say you said it was bad. You said you're the last to find out.

Mr. Hills: But that's not why you're here; you're here to get $2,000 and advertise for bids.

Mayor McCloud: Right.

Mr. Deskins: Come on gentlemen, let's, let's go forward with a .....

Mr. Clemens: Excuse me, Chairman Kelly's running the meeting.

Mrs. Kelly: Mel, do you have anything to add?

Mr. Clemens: To start with, you don't interrupt the President of Council when he's speaking. I'm not against it, the point is, that Bill's right. The ordinance is to send it out for bid, I mean you know, there's nothing in there about adoption, or approval of a change. He has a right to ask the question; other than that, it's fine. You've got a right to ask a question, and you don't interrupt somebody when they're asking.

Mrs. Kelly: Mr. Shamblin, I just have a couple questions if I could ask real quick. Just a point of clarification for myself. So what I'm hearing you guys say is that from our previous conversations, you guys went back and said okay, how can we make this a little bit more useable and not have it seem like the path to nowhere. So you re-looked at it, talked with the people that you talked with and figured out a way to make it connect versus it just kind of ended and started with a gap.

Mr. Shamblin: Yes.

Mrs. Kelly: Correct. Okay and are we still on track to thinking about long term, possibly having all the parks eventually connect down the road?

Mr. Shamblin: I mean that would be, there is a, that would be wonderful if we could do that.

Mrs. Kelly: Right, like I know pie-in-the-sky, but are we still kind of thinking long term, that long range, something like that would be good?

Mr. Shamblin: I would certainly love to see that, yes Ma'am.

Mrs. Kelly: I think this is great. Thank you very much. Does anybody else have any other questions?

Mr. Cotner: I just wanted to ask, and I like that it connects out, too. I know that was one thing I had talked with you initially about, but it crosses the road now two different times as a path. Is that a concern of yours or of anyone else that we're going back across Daugherty Drive and then back across the driveway to the parking lot if you're taking the path back across the road in two separate points?

Mr. Shamblin: Actually it was. One of the other potential alignment for the trail could have gone on the east side of the entry drive, but is, when we have soccer and softball, that side to the east side is used for overflow parking. So that was the original idea that went back and forth and I think we would have caused more hazards if we would have, or we would have, if we would have done that and continued to use that for parking and, we really have to keep that east side for parking, so there was some thought put into that.

Mr. Cotner: Okay.

Mr. Shamblin: Thank you.

Mr. Cotner: Thank you.

Mrs. Kelly: Okay, are there any other questions? Okay, with no questions, I would move to send this to Council, and on to Finance, as an emergency on the third reading. Do I have a second? I guess I really don't need a second. All those in favor say "Aye". (All voted "Aye") Opposed. (No response). Okay, and with that I will call the Community Development Meeting adjourned at 7:40 p.m.

Community Development Committee

- - -Nancy C. Frazier, Clerk of Council

October 5, 2009

(Transcribed/S. Cochran, Ass't. Clerk of Council)

SERVICE COMMITTEE MEETING MINUTES
October 5, 2009

Members of Service Committee present: Mel Clemens, Donna Shirey, Doug Joseph, Barth R. Cotner.

Other members of Council present: Ron Stake, Fred Deskins, Jr., Leslie Kelly, Council President William L. Hills.

Mr. Clemens: I'll call the Service Committee Meeting to order at 7:42 p.m.

The first item on the agenda is approval of agenda. Are there any additions or deletions from members of Committee, members of Council? If not, it'll stand approved.

Item 3 - Approval of minutes of the Service Committee Meeting held September 21, 2009. Are there any corrections? If not, they'll stand approved.

Item 4 - Discussion: Resolution of services available to property proposed for annexation - .442+/- acres; Truro Twp., Franklin County (John W. Wall & Elizabeth Hanna). Is there anybody going to speak on this? Pam, do you have something?

Safety/Service Director Boratyn: No, Chairman Clemens. All the information's been provided to the Clerk that all the services are provided, the Fire, the Police, the Safety Services.

Mr. Clemens: Are there any questions for our Service Director pertaining to this issue from members of Committee, members of Council? If not, I'd like to send this to the Council Meeting that follows these meetings this evening as an emergency. Seconded by Mr. Joseph. All those in favor say "Aye". (All voted "Aye") Opposed. (No response). Thank you.

Item 5 - Discussion: Amendment of Ordinance No. 68-09 passed September 28, 2009 to include correct legal description [Ordinance to amend the Official Zoning Map of the City of Reynoldsburg adopted by Ordinance No. 131-95 on November 27, 1995 and as subsequently amended - 7375 East Broad Street, Blacklick, Ohio 43004; from Unzoned to R-3; applicant, Wesley Hawk and Ann Lane (3.795 ac.)]. This is an amendment to what we had passed to correct the zoning map. Do I have any questions pertaining to this, members of Committee, members of Council? If not, I'd like to....

Mr. Hills: Mr. Clemens.

Mr. Clemens: Yes, Mr. Hills.

Mr. Hills: I just wasn't sure. I think what we're doing is cleaning up an administrative error and if I'm correct, Mrs. Frazier, would this, would our passing this without an emergency slow the project by two weeks or....

Mrs. Frazier: Yes, it would add two weeks onto it.

Mr. Hills: I'm just wondering, since we are cleaning up an administrative error, would it be appropriate to put an emergency on it so we're not slowing the process in the normal process.

Mr. Clemens: That'd be fine. I'd like to make a motion we send this to Council meeting after tonight's meetings as an emergency. Seconded by Mrs. Shirey. All those in favor say "Aye". (All voted "Aye") Opposed. (No response). Thank you.

Item 6 - Discussion: Moratorium on multi-family structures- - -topic added to 9-8-09 agenda and discussed; item held two weeks. *On 9-21-09 item held two weeks.* I met with our Development Director on this and also Zoning Officer and they, Mr. Haire is working on an ordinance that we hope to have before Council probably at our next Committee Meeting, would that be correct Luke? So we'd have something before our Committee two weeks from tonight, we hope to have. I do have a speaker slip on that. I am going to hold that for two weeks, but I do have a speaker slip on that and I have it from a Mr. Mike Murphy. Yes, Sir, come up and give your name and address, please.

Mr. Murphy: My name is Mike Murphy, President of Murphy Development Company, address 4393 Harbor Lake Drive., Groveport, Ohio. And I just wanted to bring a few points to your attention about the moratorium. I just noticed the article in the paper and several of my realtors called me up in alarm when they saw the article. As many of you know, I developed the Taylor Chase Condominiums on Taylor Road and, we started them back in 2006 and we didn't have a year go by before the economy turned and things got tough. We built 26 units in the project, we sold ten and we have three in contract. The three that we have in contract, we received all three of those contracts in the last thirty days and that's the most we've sold since we've started in 2006. In fact, there have been years when we haven't sold three in an entire year let alone to sell three in a month. I hope that's a good sign that the market's starting to turn for us but when you break, when you look at the numbers a little closer, we have five floor plans that we build and sell; so far and of those five floor plans, we have sold out of two of the floor plans and another one, we just have one remaining. So while we're only 50% sold, very soon, we're going to have three out of our five floor plans that we will no longer have any units available and we believe, that the market is about to turn whether it's now or it's in the Spring. When that happens, we need to be in a position to build new units. We believe that there are already built-in moratoriums in the marketplace today and the biggest of which is lenders. There isn't a lender out there that I know of that would lend me money to build another building unless I have pre-sales. And the typical requirement is 50% pre-sales so from now on, we're, you know, and we have had quite a bit of interest of people wanting to buy existing floor plans that we offer but don't have available and we basically tell them that as soon we can get two contracts on a four family building, you know, we'll go out there and build another building because the lenders will allow us to have money. Until then, we can't build another building but we believe that time is coming and coming soon. In fact, in the last 60 days, we've had quite a bit of interest from home owners who've suggested that yeah, maybe I'm almost there and if we get those contracts over the winter, we'd like to be able to start some more buildings in the Spring. So, while I understand that your idea of the moratorium may be coming from the idea of some situation where you've been burned on apartments etc., I hope that you won't take a broad view of it and penalize the single family home builders or the condominium builders who've stuck it out during these tough times and you know, want to be able to build product if we have buyers in the near future. I'd have loved to have thought you could have considered a moratorium two years ago and kept the competition out but the reality of it is, I don't think there's been a true condominium home for sale built in the last two years. I know I haven't built any in the last two years. It's sort of a self-imposed moratorium. I realize that, you know, there have been some situations where you've had apartment builders who have used, you know, the ability to rent a condominium to subvert the system so to speak and in fact, we talked to you about converting some of our land to apartments last year and we were told no. And while we disagree with that philosophy, we respect your position but, you know, we respectfully request that if you consider any kind of a moratorium, that you at least protect the true homeowners who want to, you know, own a new home in Reynoldsburg. I think that would be a bad thing for Reynoldsburg, not to be able to offer new homes and while many of you think there's an excess of inventory, we have whittled down a good bit of our inventory and unfortunately, what tends to happen is we, we're left over with the floors plans that are less desirable and aren't able to build the floor plans that are more desirable and I think that, you know, we will get buyers for those and there will be a time in the near future when we can build and we'd like to see that there's not a moratorium on building permits then. Thank you.

Mr. Clemens: Mr. Murphy, let me explain one thing. Basically, we're looking into a situation on unzoned property, not property that's already been zoned which you have. We're looking for, speaking about unzoned property, and what to do in the future.

Mr. Murphy: So you're saying that any, any ordinance that you would consider would say, the moratorium would not have anything to do with the property that's already currently zoned for condominiums?

Mr. Clemens: Well, we can't hardly do that. We've already zoned it for you. I mean, we can't change our restrictions while you're doing it, you know.

Mr. Murphy: Well, other municipalities have tried to have moratoriums and simply said, we won't issue building permits.

Mr. Clemens: Right, I understand that.

Mr. Murphy: And so if you're telling me that you've going to carve out existingly zoned properties, certainly that would be something that would help us and I'd like to see that. In my brief discussion with Lucas Haire earlier, he didn't indicate that there was any distinction yet at this point in time.

Mr. Clemens: There may not be. We'll know next Monday night. We're working on it, but we'll take what you said into consideration. Any other questions for Mr. Murphy pertaining to this? If not, thank you and we appreciate it and you're welcome to come two weeks from tonight.

Mr. Murphy: Okay, thank you.

Mr. Clemens: Item 7 - Discussion: Code Compliance- - -on 7-6-09 item held; on 7-20-09 item discussed and held; on 9-8-09 item discussed and held - - - 9-21-09 - *To be kept on agenda so* *committee can follow up and see results.* This has been on, it's been held and if anybody has anything they'd like to bring up pertaining to Code Compliance or anything, this is the time to bring it up. If not, we'll move on to the next item.

Item 8 - ORDINANCE ACCEPTING NINE UNRECORDED DEEDS OF EASEMENT (drainage easements; sanitary sewer easements; highway easements) (Rosehill Road Reconstruction Project)- - -second rdg 9-28-09. Are there any questions from members of Committee, members of Council? If not, I'd like to send this to Council for it's third reading with motion for adoption. Seconded by Mrs. Shirey. All those in favor say "Aye". (All voted "Aye") Opposed. (No response). Thank you and that will end the Service Committee Meeting at 8:54 p.m. I'm sorry, I'm an hour ahead of myself, 7:54 p.m.

Service Committee

- - -Nancy C. Frazier, Clerk of Council

October 5, 2009

(Transcribed/S. Cochran, Ass't. Clerk of Council)

FINANCE COMMITTEE MEETING MINUTES
October 5, 2009

Members of Finance Committee present: Ron Stake, Mel Clemens, Fred Deskins, Jr., Leslie Kelly.

Other members of Council present: Doug Joseph, Barth R. Cotner, Donna Shirey, Council President William L. Hills.

Mr. Stake: I'll call to order the Finance Committee Meeting at 7:55 p.m. Item 2 is approval of the agenda. Are there any additions or deletions to the agenda? I believe we have one. We will make 3a the transfer of funds for Civic Park. All those in favor say "Aye". (All voted "Aye") Opposed. (No response). Motion passes.

Item 3 - Approval of minutes of Finance Committee meeting held September 21, 2009. Are there any additions, deletions or changes to those minutes? Hearing none, they'll stand as submitted.

Item 3a - Transfer of Funds for the Civic Park. It comes from the Community Development Committee and it is the transfer of $2,000 from the Engineering account in 110 to account 410.124.5651. Mrs. Kelly.

Mrs. Kelly: This does come from the Community Development Committee and we request adoption for approval.

Mr. Stake: Okay. Are there any questions or comments from members of the Finance Committee? Then I'll make a motion that the Finance Committee approve this transfer of funds and is there a second. Seconded by Mrs. Kelly.

Mrs. Kelly: We need it approved as an emergency on the third reading.

Mr. Stake: And send it forward to be approved as an emergency on the third reading. All those in favor say "Aye". (All voted "Aye") Opposed. (No response). Motion passes.

Item 4 - Discussion: Transfer of funds for November debt payment. This comes from our City Auditor, Richard Harris. Mr. Harris.

Mr. Harris: Thank you Chairman Stake, members of the Committee, members of Council. We're requesting that Council unappropriate $300,000 from Account No. 440.002.5659 Streetscape Phase II, transfer money to Fund 310, General Debt Retirement Account No. 310 .991.5414 Bond Principal Payment. We, this is money that's left over from Streetscape Phase II. This was bond money. The only place we can put it is in the Debt Retirement Fund. It is, the construction is now done. The only thing left is the ongoing litigation with the right-of-way ordinance so I'm asking for money to be moved over to the General Debt Retirement and appropriated so that I can use that money, I'll need part of that money to pay the November, the debt that's due in November.

Mr. Stake: Okay, thank you Mr. Harris. Are there any questions for Mr. Harris from members of the Finance Committee, members of Council? I see you've got this marked as an emergency?

Mr. Harris: Yeah, I need it effective by sometime the middle of November so if you want to have a couple of readings then pass it, that'd be fine too, whichever, or you can pass it now if you want, if there's no objection.

Mr. Stake: Any problem with sending this forward for next week for passage, from anybody? Got to be done.

Mr. Hills: One question.

Mr. Stake: President Hills.

Mr. Hills: I guess, one question, you're, this isn't the totality of the fund. You're leaving enough in for that litigation?

Mr. Harris: Absolutely.

Mr. Hills: And whenever that solidifies itself, the remainder comes back into the Debt Retirement Fund also?

Mr. Harris: That is also correct. By Ohio Revised Code and by the Bond Ordinance that was passed by Council, any excess monies that are borrowed, the only thing that can happen to them is they have to go to the Debt Retirement Account to be used to pay off bonds that money was borrowed against. So, it's not like we have a lot of places we can do with this money anyway.

Mr. Hills: Better than taking it out of the General Fund.

Mr. Harris: That's true.

Mr. Stake: Yes, it is. Any other questions from members of Council? Okay, thank you Mr. Harris. Then I'll make a motion that we send this item on to Council, we send it on to Council to unappropriate $300,000 from Account No. 440.002.5659 Streetscape Phase II and transfer the money to Account No. 310 General Debt Retirement Account No. 310.991.5414 Bond Principal Payment. I'll send this on to Council with recommendation for adoption as an emergency. Seconded by Mr. Deskins. Any further discussion? All those in favor say "Aye". (All voted "Aye") Opposed. (No response). Motion passes. Thank you.

Mr. Harris: Thank you.

Mr. Stake: Item 5 - Discussion: Setting rates for refuse services for residents (contract for 2010 through 2014). This comes from the Safety/Service Director, Mrs. Boratyn.

Mrs. Boratyn: Thank you Chairman Stake, members of Council. As you recall, the city's going to enter into a five-year contract with Rumpke on January 1, 2010 and that was the end result of working with the consortium and bidding with ten communities through SWACO. We accepted that contract with Rumpke in July, Ordinance 53-09 and told you then we'd be back to offer a proposal for setting rates under that contract and that's what we're here to do. (Please see attached document for details).

So that's a summary, and I gave you that summary in a memo, you have the numbers in front of you and Mr. Harris and I will answer any questions you may have.

Mr. Stake: Okay, Mr. Harris, do you have anything you want to add?

Mr. Harris: Do you want me to run through what's on these particular sheets, would that be helpful?

Mr. Stake: Sure.

Mr. Harris: Okay. The first sheet that you'll see after Mrs. Boratyn's memo, would be, these are the variables. There are a couple of variables in there. The $15.89 and the $14.39 per household per month are the fixed costs that Rumpke has agreed to. The per ton charge would go up $.18/yr. That would be the $1.25 per month that she's already talked about from the State of Ohio and SWACO can always attach to that as well. So we figured there would be increases in per household per month of $.18 per year increase over the life of the contract. There's also a surcharge they're allowed to pass on for gasoline costs. Even though gasoline costs have stayed relatively stable this year, the date that this was done was in May. I think at the time this was done, gas was $2.19 - $2.17 a gallon. We will probably see some kind of increase on next year with the cost of gasoline so we figured $.20 the first year and then $.10 the year after that. You know, I'm not smart enough to know what gasoline prices are going to be in five years and these are the kinds of things we're going to have to monitor as we go forward to see if we need to go up and down with these rates in comparison with what happens. The last thing is, the administrative fee is $.34 as figured out, $.34 per month per household. We figured those going up at 3 - 3.5% per year as they have over pretty steadily over the last ten years so I think that will remain fairly constant at 3.5% and if you do that, you'll see that's what the cost would be.

If you look on the next sheet, this would be the rate tables, what the current rate is, the rate for the five years of the contract through 2014. Basically, it would go up $.55 per month per household over the rate, over the five years and that comes out to around between 3.5% and 4%. The last year it goes down to 3.19 to 3.49. At the end of that, that would be the actual rate, including the administrative fees and the Solid Waste Fund would be down to around $300,000. The next page shows you where we have been with the Solid Waste Fund and what we think will happen with these and you can see four years, the revenues do not equal the expenses, 2009 through 2013 the revenues are less than the expenditures and then the last year, you'll see, it's just about, it's a break-even type of situation. At that point, we would be right where we need to be for the next contract. Nobody would have to see a major rate increase from 2014 to 2015. Council had said last year when we came in with this, that they wanted to work that down during that contract. I think that's what this accomplishes. We will monitor this as we go forward, in case those rates needed to be adjusted in some way, shape, or form. If there's any questions on that, I'll be certainly glad to answer those.

Mr. Stake: Are there any questions for Mr. Harris and Mrs. Boratyn?

Mr. Harris: The last sheet on there shows how much per the families are going to save in 2010. Savings per household is $12.24, the last of 2013 it's down to $3.03 and you see in 2014, it's break-even.

Mr. Stake: Okay, any questions from members of Finance Committee, members of Council? Some of the newer Council members probably weren't here but we did have a substantial surplus in the Solid Waste Fund and this is what they're talking, using that surplus to help alleviate some of the costs. Any questions from members of Council or comments? Three readings on this?

Mrs. Boratyn: Yes Sir.

Mr. Stake: Okay, then I'll make a motion that we send this on to Council for its first reading. Seconded by Mrs. Kelly. Any further discussion? All those in favor say "Aye". (All voted "Aye") Opposed. (No response). Motion passes. Thank you.

Mrs. Boratyn: Thank you.

Mr. Stake: Item 6 - Discussion: Transfer of funds concerning inspection/material testing services - Rosehill Road- - -*sent to 9-14-09 Council for first reading, but additional information was needed. At time of approval of agenda, item was removed, to be returned to committee for further consideration*. On 9-21-09 item held at time of approval of agenda. This comes from Mr. Miller.

Mr. Miller: Thank you Chairman Stake. Yes, I'd like to transfer $2,760 from the existing contract that we have with CT Consultants for the inspection services related to Rosehill Road Phase I and I would like to add that exact same amount to the contract with Mannik and Smith for the Inspection Services on Rosehill Road, Phase I, and the reason I'm asking for the transfer is all the work that was performed by both companies out there was anticipated, it was part of their contracts. The volume of work however for Mannik and Smith was a little more than anticipated which resulted in a little less than anticipated for CT Consultants and in doing this, we increase the efficiency out there. We took work that was needed for one and a half people say and we had it done with two people rather than having it done with three. So, that's why I'm before you asking you to transfer this sum of money from one contract to the other.

Mr. Stake: Okay and I know previously, you wanted, you said three readings would be okay. It's been held for quite awhile here but you did want passage as an emergency ready to go with it next week or?

Mr. Miller: I'm still fine with an emergency on the third reading. If there's a desire to do it sooner, that would be great but I don't have any agenda to have it done any sooner.
Mr. Stake: So it hasn't even had it's first reading yet.

Mr. Miller: No.

Mr. Stake: You realize that?

Mr. Miller: Yes.

Mr. Stake: Okay. Any questions or comments from members of the Finance Committee, members of Council? Then I'll make a motion we send this item on to Council for it's first reading. Seconded by Mr. Clemens. Any further discussion: All those in favor say "Aye". (All voted "Aye") Opposed. (No response). Motion passes. Thank you Jim.

Mr. Miller: Thank you.

Mr. Stake: Item 7 - Discussion: Change of Income Tax Formula (at request of Chairman Stake)- - -on 7-6-09 item held for two weeks. On 7-20-09 item held until after August recess. *On 9-8-09 item held.* On 9-21-09 item held at time of approval of agenda. And this really has, as we get into the Budget, and I know that there was some discussion among Council members in regards to maybe changing the formula to provide an ongoing revenue stream to the Capital Improvements Fund and I think that's the impetus for this being on the agenda. Does anybody have any questions or comments, members of Finance Committee in regards to that? Councilman Clemens.

Mr. Clemens: I think, you know, it is the Capital Improvement and I think we should get it changed before we do the budget, before we start putting money in there so we don't have to transfer it.

Mr. Stake: Right, and well that's to let people know we have been transferring money out of the General Fund into the Capital Improvements Fund. I think a substantial amount the last couple of years; and it would be nice if you looked at the 2%, what that generates for the Capital Improvements Fund is not very much and it would be nice to have that as part of the formula with a consistent revenue stream into the Capital Improvements Fund so Capital Improvements can be accomplished. Councilwoman Kelly.

Mrs. Kelly: I have a question. Can you transfer funds easily out of Capital Improvements and back to General if you would need it the other way?

Mr. Stake: Yeah.

Mrs. Kelly: I mean, I guess my question is that, does it have the same flexibility as transferring from General to Capital?

Mr. Stake: I believe all it would take would be legislative action, right for that?

Mr. Harris: The money that is in there is General Revenue money. It does come from the Income Tax so all it would take, as you did tonight with Mr. Miller's thing for the $2,000, it would take an ordinance authorizing me to put the money, to change the money from 410 back to 110.

Mr. Stake: Mr. Harris, based on that 2% right now, what does that generate annually?

Mr. Harris: That's 2% out of the Income Tax money so it's roughly in the neighborhood of a little over $200,000 a year.

Mr. Stake: Okay. Any other questions, comments. Councilman Clemens.

Mr. Clemens: No, I would be thinking they need, you know in the item of 6%, something like that. That would bring us up to $600,000 a year. That's at least a start, I mean, $200,000 really isn't nothing.

Mr. Stake: Right, I mean we do have a ....

Mr. Clemens: We've always had, until the last four or five years, a Street Program of $1,000,000 or more. We've let our streets get behind for five years so you know, $5,000,000 behind if you go out and look at the roads. So we've got to start having money in there and start building that fund up. I mean, that would be my thought. Something like 6% or 8%.

Mr. Stake: Okay, Mr. Harris, if you would, why don't you give us some projections on what that 6% - 8% would do for that fund?

Mr. Harris: I will have them in your packets on Friday.

Mr. Stake: And we can go from there, okay.

Mr. Harris: Yes Sir.

Mrs. Kelly: Mr. Stake.

Mr. Stake: Yes, Councilman Kelly.

Mrs. Kelly: Mr. Harris, could you also include in that what we would do for that fund but what impact it may have on General Fund and the excess there? Like, what would it do both ways?

Mr. Harris: There will be a plus and minus on it. Yes, I will do the General Fund and 410 as well.

Mrs. Kelly: Thank you.

Mr. Stake: Okay, President Hills.

Mr. Hills: One other thing that may be as we're looking at this, I can't remember and I get accused of remembering too much sometimes but what was our high or was it 13% or 14% at one time?

Mr. Harris: It was 15%.

Mr. Hills: Fifteen percent and it dwindled down over the last....

Mr. Harris: That was back in '99 and then it went down starting, I think it was '02 and then when the change in the Income Tax had that drop after Abercrombie and Fitch left town, it was taken down to zero and then I think in '04 it went to 2%.

Mr. Hills: Is it difficult for you to put that historical data together?

Mr. Harris: I've got it.

Mr. Hills: It wouldn't hurt as we're looking at the place where we once were versus where we are and how we got there.

Mr. Harris: Okay. I can get that for you, sure.

Mr. Hills: Thank you. Thank you Chairman.

Mr. Stake: Thank you and I believe here soon, we should be getting a budget both our regular budget and our Capital Improvement Budget here in a couple weeks so that's also something that we're going to have to take a look at, what kind of Capital Improvements we have and how the funding's going to work there. Okay, any other questions or comments from members of the Finance Committee, members of Council. Well, since we're still taking a look at this, I will make a motion that we hold this item for two more weeks. Seconded by Mr. Clemens. All those in favor say "Aye". (All voted "Aye") Opposed. (No response). Motion passes.

Item 8 - Discussion: REDI funding (at request of Chairman Stake)- - -on 7-6-09 item held for two weeks. On 7-20-09 item held until after August recess. *On 9-8-09 item held.*

On 9-21-09 item held at time of approval of agenda. Additional information has been received - legislative request regarding Amendment of Chapter 192 Hotel Tax - Section 192.02(a) and addition of (d). We did get some information from Development Director Lucas Haire in regards to what we had talked about previously and the proposal was to allocate 15% of the hotel tax revenues up to a maximum of $25,000 per year to Reynoldsburg Economic Development, Inc. and you did receive some additional information in your packet recently in regards to that. Most communities have an economic development arm. We have one, we just haven't been utilizing it properly I don't think, and this is an opportunity to provide some funding and to move forward in utilizing our economic arm properly. Lucas, do you have anything you want to add, anything you want to say in regards to this? You did provide us a memo here also this evening in regards to this but again, without proper funding of an economic development organization, you're not going to be able to do anything and I think we've been missing the boat for several years and I would like to see us provide some funding on a regular basis so that we can take advantage of economic development opportunities. Councilman Clemens.

Mr. Clemens: Yeah, and I would support that you know. They can, you know, $25,000 out of the General Fund you know, our General Fund isn't that good right now. I have no problem increasing the Hotel Tax. I mean, it's, have that every year, $25,000 go to the REDI Fund, I mean, we're lower than Columbus, lower than everybody, you know. I think that, I think this would work out and that'd be a way to finance it. What would that get us Dick?

Mr. Harris: Since I saw this was going to be on tonight, I went ahead and did the research on it. I have ones for the entire state of Ohio here actually. In Franklin County, Columbus is at 5.1%, the County gets 4.9% also. Dublin is 6%, Gahanna is at 6%, Grandview Heights is at 6%, Grove City is at 6%, Hilliard is at 6%, Reynoldsburg is at 4%, Upper Arlington is at 6%, Westerville is at 6%, Worthington is at 6%, Canal-Winchester is at 6%. If you take the 2008 monies collected, that would, if we would go from 4% to 6%, that would raise an additional $81,158.95 so it is a material amount of money.

Mr. Clemens: I know this and I know there's people that travel and I do and I don't know really of anybody that calls ahead to find out what the hotel tax is because it's different every place you go. The further you go down South, the more expensive it is. All the suburbs are at 6% and we're at 4%. If we would increase this sum, this is a way to supply REDI with money every year and us not have to worry about taking it out of the General Fund. That would be my thought. I mean, that's one way of doing it without taxing the residents of the city. We'd be like everybody else that gets their tax off of the Hotel Tax and as you notice, all the suburbs are 6%.

Mr. Stake: Well, I would just add that there is a huge anti-tax sentiment with the people here in Reynoldsburg.

Mr. Clemens: Oh, I agree with you.

Mr. Stake: We had on the ballot a couple of times an Income Tax increase and that would have passed, if not for the residents of the city. Mostly it would have been for people who worked in this city and it was voted down overwhelmingly.

Mr. Clemens: I agree, and as we look at taxes, I mean, look at the schools. They face the same thing. You know, money's money and you know, this is not a tax increase to the residents and I think this is a way to supply something that the city's really needed and it's.....

Mr. Stake: Well, you know, I'm not closed-minded on that but I'd like to stay on this right here....

Mr. Clemens: I'm not saying it has to be 2%, don't get me wrong. I mean, come up with enough for the $25,000. Maybe it only has to go 4.5% or 4.75%, you know but......

Mr. Harris: Let me say this if I could. I know I was on Council when the Development Department was created and one of the things that we used to say that why we needed this was, we needed development in the city in order to get tax money from places other than property taxes on the residents. This is something the residents don't pay, unless they're staying in a hotel which I can't imagine that many of them are staying in a hotel. The tax rate is pretty substantial here as it is every place else in the county. It's a lot of money that you're leaving on the table because when you start looking at $25,000 a year for REDI and that doesn't sound like a lot, but over five years, that's $125,000. At a time when we're operating on basically the same revenue we took in, in 2001, we've cut Capital Improvements down from 15% to 2% because we didn't have the money to make payroll and stuff, at some point in time, we're going to have to come back and start looking at ways to increase revenue. This is a way to increase revenue without going to the taxpayers that live in the city and asking them for money. And if we're not going to have a Development Department to get taxes from people who are traveling and people who don't work here, what do we need with a Development Department?

Mr. Stake: Councilman Deskins.

Mr. Deskins: Mr. Stake, thank you. I, Luke, would he like to make any comments or have any positive or negative comments about what we're talking about here, of what this would do or...

Mr. Stake: I don't want to turn this into a tax debate. I want to keep on the part about economic development and taking some of the bed tax money and putting it towards funding economic development.

Mr. Haire: Sure, and that's, Chairman Stake thanks for that. The request before you tonight is to ask for an allocation of 15% of the bed taxes up to a maximum of $25,000 and the purpose of that is so that we can have a hand in economic development and do some more creative things than we're able to do as just a government entity. So, that's really what the request is for tonight, $25,000 will be a big boost over the current income that we have which is nothing at this point. So it will allow us to do a heck of a lot more than we're doing right now. As everyone else has stated, I don't think that people call ahead necessarily and find out what the hotel tax rate is but my concern's more with just finding a continuing source of funding for REDI so we can actually do some economic development activities.

Mr. Deskins: Thank you Luke. That's what I wanted to hear.

Mr. Haire: Thank you.

Mr. Stake: Any other questions or comments from members of the Finance Committee, members of Council? We can have that other discussion but I would like to send this forward for it's first reading so I'm going to make a motion that we send this item forward for it's first reading. Seconded by Mr. Clemens. President Hills.

Mr. Hills: I have a question and I have no problem going through first and second, I, Luke was, I did get a memo from him dated today and I still have a little concern about the RCIC because I happened to be a member. I think the Mayor was a member when it was formed too and it was with Licking and Fairfield Counties and I appreciate, you attached your Articles of Incorporation on REDI and its counties of Franklin and then Licking County's crossed off and I don't, I know that when the RCIC, the Reynoldsburg Community Investment Corporation was formed, then maybe the Mayor will remember since he sat on it too, it was, it had to be Licking and Fairfield because REDI was restricted to Franklin, and I guess, because your memo says, well, we can go back and do a minor change and add Fairfield, I don't think you've added Licking yet. So, I'm not sure, who needs, whether the City Attorney needs to take a look at it but I do know that the RCIC was there because, I, this was for a tax-free zone. Remember the JED, that there was discussions and a number of different things and there was some quality people came in and sat on that board and weren't able to accomplish some of the things they wanted. It's called Industrial Park out there now.....

Mr. Haire: Sure.

Mr. Hills: ...but they were looking at spots but I think we've got, and I appreciate what Chairman Stake's saying about how we need to do this but we need to clean it up because I don't think REDI, I think REDI is restricted to Franklin and as we're looking at REDI, we're looking at the bed tax. There really isn't that much difference, they all go together as money coming into the city. I don't disagree that if we can have REDI addressing all of our counties, we're much better off but it's not, I don't think it's there yet today. That ought to get cleaned up as we go through but I do appreciate the work that you've done so far on this memo, it's just, and I don't know if, well, that's been a number of years ago but the data's got to be available somewhere.

Mr. Haire: President Hills, REDI does have a meeting the 5th Thursday of this month. I believe there's five Thursdays in October so that's something we could potentially address at that next meeting is amending the Articles of Incorporation to include Licking and Fairfield.

Mr. Hills: See, my concern is, you couldn't before, okay?

Mr. Haire: You couldn't?

Mr. Hills: You couldn't, and that's why you had the RCIC is you couldn't expand REDI. Now, I don't know if there's been some changes in State law or what and that's maybe by the 4th Thursday or the 5th Thursday, whatever it is, we'll find out.

Mr. Haire: Yeah, we'll definitely look into that.

Mr. Hills: But there was some reason when REDI, RCIC was formed, it had to be what REDI wasn't, because REDI couldn't go there. Now I don't know the details. Research brought it up for the City Attorney, right?

Mr. Stake: See, and writing that down I'm sure is going to get right with the City Attorney and figure that out.

Mr. Hills: Okay, that way I think we'll have a better idea. It doesn't do a whole lot of good to start putting things in place and they didn't all fit so.

Mr. Stake: Well, I agree. I mean, we should have something in place where we can deal with economic development in all three counties that we're in. Absolutely, okay. Are there any other questions, comments, discussions? I believe we have a first and a second. All those in favor say "Aye". (All voted "Aye") Opposed. (No response). Motion passes. Thank you. I will adjourn the Finance Committee at 8:25 p.m.

Finance Committee

- - -Nancy C. Frazier, Clerk of Council

October 5, 2009

(Transcribed/S. Cochran, Ass't. Clerk of Council)