



Meeting Minutes

Monday, October 2, 2017 ~ 7:30 P.M.

Louis J. R. Goorey Worthington Municipal Building
John P. Coleman Council Chamber
6550 North High Street
Worthington, Ohio 43085

City Council

Bonnie D. Michael, President
Scott Myers, President Pro-Tempore
Rachael Dorothy
Douglas C. Foust
David M. Norstrom
Douglas Smith
Michael C. Troper

D. Kay Thress, Clerk of Council

CALL TO ORDER – Roll Call, Pledge of Allegiance

Worthington City Council met in Regular Session on Monday, October 2, 2017, in the John P. Coleman Council Chambers of the Louis J. R. Goorey Worthington Municipal Building, 6550 North High Street, Worthington, Ohio. President Michael called the meeting to order at or about 7:30 p.m.

Members Present: Rachael R. Dorothy, David Norstrom, Douglas K. Smith, Michael C. Troper and Bonnie D. Michael

Member(s) Absent: Douglas Foust, Scott Myers

Also present: Clerk of Council D. Kay Thress, City Manager Matthew Greeson, Acting Director of Law Thomas Lindsey, Assistant City Manager Robyn Stewart, Director of Finance Scott Bartter, Director of Service and Engineering Dan Whited, Director of Planning and Building Lee Brown, Director of Parks and Recreation Darren Hurley, Chief of Police Jerry Strait and Chief of Fire Scott Highley

There were thirteen visitors present.

President Michael invited all those in attendance to stand and join in the recitation of the Pledge of Allegiance.

SPECIAL PRESENTATION

- Swearing In – Law Director

Mr. Greeson invited Tom Lindsey to join him at the podium where he administered the Oath of Office. He then congratulated Mr. Lindsey.

Mr. Lindsey acknowledged his wife Kathy, daughter Kate and her friend Brandon who were present for his swearing in. He thanked members and stated that he is looking forward to working for the Council.

Ms. Michael welcomed Mr. Lindsey and thanked his family members for coming.

VISITOR COMMENTS

Steve Weaver, 405 Longfellow Ave.

Mr. Weaver shared that he is a resident and business owner in the community. He and his wife have owned the Candle Lab for nearly eleven years in the downtown. He reported this being a conversation that has been ongoing in other circles for quite a while. He brings it to Council to request some guidance as to the best way to proceed. He shared that there are many great things about living in Worthington and owning a business. He and his wife are proud to have started their business here. He added that they will be

expanding to eight stores in the near future. Worthington has given them a great foundation to grow their business and they are very grateful for that.

He is here tonight on behalf of other merchants to see if we can have a conversation about Market Days. Since it occurred this past weekend, we now have a whole year to have a reasonable conversation about perhaps a better way to run this event. Many events in the downtown drive traffic to the downtown. Events are incorporated into the downtown in a way that makes it seem like it is part of the downtown experience and the merchants are grateful for those events. The Farmers Market does that as do the rest of the Partnership events. The one notable exception in recent years is Market Day. The event is set up in such a way that it keeps the people on High St. because the booths face inwards toward the street. This set up cuts off access to downtown businesses for that day. In the early days of his business they knew that this was part of the set-up so many of the merchants would pay for a tent out on High St. and they would get some good sales. In recent years however, the attendance of this event has dropped significantly which means it is no longer viable to buy a tent because there is not enough business out on High St. to do that. It is a huge economical hit to the downtown businesses.

Mr. Weaver stated that they have made repeated attempts to engage the Chamber to have a conversation about rearranging the footprint of the event to try to better incorporate it into the downtown. He reported there being some changes and they are grateful to City staff for helping facilitate those conversations but it hasn't been anywhere near the pace that the merchants would like it to be. In February 2015 the downtown merchants co-signed a letter, which they sent to the Chamber and the City asking for consideration to redo the footprint. Again, a few tents have shifted one way or the other to create a few gaps but it is still very difficult for anybody coming down to Market Day to interact and find the businesses. He has an enormous amount of support with an enormous amount of frustration for this conversation. He doesn't want to make this adversarial. He wants to ensure that the conversation will be useful for everyone and that the solution will work for everybody. He again asked for guidance as to how to have this packaged up. The vast majority of the merchants would probably list this as their number one complaint about business in Worthington. They typically do about \$4,000 in sales on a Saturday and this past Saturday they did \$1,200. It costs each of their neighbors \$3,000 to \$4,000 as well. It is the only weekend out of the year, other than the federal holidays, where they lose access to the Farmers Market because it is driven out of the downtown. They have to field the complaints of those 4,000 to 5,000 who come down expecting the Farmers Market only to find the road closed and the farmers not available.

The merchants' high dream would be to move Market Day to either the Village Green or to the MAC lawn like has been done with the Arts Festival. He knows that this event has been a part of the downtown experience and he knows the long arm of tradition is going to make this difficult to remove from the downtown but at the minimum they want to have a conversation about changing the footprint of the tents in such a way that it facilitates both shopping of the event and the integration of the merchants. They see it as a simple switch but one that they have had almost no luck getting any traction with. He asked that Council use its considerable influence over the Chamber and to a certain degree the City staff

responsible for issuing the permit for this event to see if they will consider this new footprint or a possible move out of the downtown.

Ms. Michael shared that she is aware of conversations between staff and the Chamber and the merchants but Council wouldn't be privy to the information. She commented that it might be helpful if he would share the letter he mentioned and any suggestions. Mr. Weaver provided copies of the letter from 2015.

He stated that he would be happy to update it with new signatures because some of the merchants have changed and there are probably more merchants who would agree to sign. Originally they requested that both sets of booths be moved to the center of the road but the fire chief had some very valid concerns about being able to get emergency vehicles through the area. A simple change would be to continue to set the tents up in the parking spaces along High St. but have them face the sidewalk and businesses. Visitors could then walk along one side of High St., cross at the cross walk and come back down the other side. They would have the experience of shopping a local downtown, the merchants doors would not be blocked, and everybody could get the full Market Day experience while also having access to the merchants. The merchants still think it would be better to move the event to a different location but they at least would like to have a conversation about the footprint and go from there.

Mr. Smith asked that Mr. Weaver let him know if this is an unfair question and then he asked him how he knows that changing the footprint will positively impact the businesses as opposed to it just being a Market Day problem in general no matter where it is located. Mr. Weaver replied that is why he thinks their first choice is to either move it to the Village Green or to the MAC. He would argue that the Arts Festival is a better experience now that it has moved to the MAC lawn. If Market Day vendors were moved up to the Green then the Farmers Market could still go on. The crowd for Farmers Market and the Market Day crowd would create a great event that people would look forward to. Again, at a minimum he would like some consideration given for facing the booths inward toward the sidewalks. He added that currently the crowd walks up one side and down the other and then they head to their cars to go home. The downtown merchants are on the other side of those booths. They are people who pay rent and taxes and are essentially walled off from the crowd. The Chamber and City staff have accommodated us a little. There are now at least a few gaps like at the entrance to his parking lot next to Graeters instead of just one long stretch of booths along High St. At the minimum the people need to be moved off of High St. and up onto the sidewalks where the businesses are. Then if people don't want to visit the businesses they don't have to but this does draw some people into the downtown so it seems a shame to have them just shopping at the booths.

While he is trying to be polite, Mr. Weaver stated that the quality of vendors has dropped significantly in recent years. When they first opened there were many booths of fine artists and great crafts. Now there are more Bathfitters, Gutterguard, banks and health care places. That is all fine as it is ultimately a fundraiser for the Chamber so they need people to come in and buy those booths but it would be a better visitor's experience if they come in and we have those things mixed in with the crafts, food vendors and the great mix of

merchants. It would be a subtle shift to turn the booths 180° and block off High St. so people couldn't be on High St. They wouldn't even have to alter their drawings. They would just change the direction the tents will face. It would be such a big improvement for the merchants. At the minimum that is what they are requesting.

Ms. Michael shared that she would like to see a sketch of how this might work. She would like to know if there will be enough room down the middle if the booths were turned around. Mr. Greeson reported that being the City's practice to hold an "After Action Evaluation" meeting after any event as it provides an opportunity to share what worked and what didn't and determine what issues need resolved before next year, etc. If we want to give serious consideration to this then he agrees with Mr. Weaver that it needs to begin soon for the benefit of all involved. He thinks Mrs. Brown has scheduled a meeting for this week. We can postpone that meeting and make sure that we have the right people involved (representatives of the downtown merchants) and talk about how we can get at this issue. Staff's primary role is to review how we can provide public services and then work to facilitate consensus in our community.

Ms. Michael asked that a report be provided to Council after the meeting occurs. Ms. Dorothy agreed.

After confirming with Chief Strait that the follow-up meeting is this Wednesday, Mr. Greeson stated that he will either work to include people in that meeting or better yet, maybe postpone it for a week or so to get people included and maybe frame the discussion a little so that we can have a productive dialog. Staff have an interest in resolving this issue one way or another as well.

Ms. Dorothy thinks Mr. Weaver shared many good comments. She acknowledged it as the biggest fundraiser for the Chamber and reported that City Council wants to not only support the Chamber but also our downtown merchants. Members also want to give people the opportunity to experience Worthington. There are many pedestrian features between the street and the shops and it would be great if people could use them during that time too. She agrees that it would be good to have a more inclusive dialog about Market Day. Members definitely want to hear a follow-up of what the meeting entails.

When asked by Mr. Greeson if he would be the one to participate in that conversation, Mr. Weaver replied that he would be happy to participate. He is here this evening on behalf of the merchants because two different executive directors from the Partnership have engaged with the Chamber and did not feel like they got very far with the conversation. He volunteered to lead this charge tonight and would be happy to attend a meeting. He added that Nina is very well versed on this issue as she hears the complaint every time they meet so she can represent the merchants as well. If there is something he can do to quantify either the economic impact of this or the level of merchant support and frustration of this in advance of the meeting to try to take that to the Chamber and say that this is something that has to be considered, he will do whatever to get this ball moving quickly. They typically do not get to meet with the Chamber about this until five or six months after the event. By then, the answer is always that everything is already set and can't be changed

so we will talk about it next year. That is why he is here 360 days in advance. Mr. Greeson confirmed that Nina is scheduled to attend the meeting.

Mr. Troper commented that he would be interested in hearing those quantified figures too that Mr. Weaver mentioned. It would help members have a much better understanding of the impact of the event. Mr. Weaver agreed to provide the information. He acknowledged it as a fundraiser for the Chamber but he bets that if we ask the Chamber how much money they are making on the event and then we measure the economic impact on the merchants, he is certainly not volunteering but he thinks everyone would chip in and pay whatever to move this to a different place. That is how big the economic impact is. He will probably get in trouble for volunteering that.

Ms. Michael thanked him for sharing his concerns.

Paul Dorothy, 179 Kenbrook Dr.

Mr. Dorothy shared that all believe the threat of violence can't happen here but it did and he believes the risk it could happen again is real. Antifa is planning nationwide terroristic attacks for November 4th and they are telling their followers to "take to the streets and public squares in cities and towns across the country continuing day after day and night after night-not stopping-until our DEMAND is met."

Mr. Dorothy reported speaking with friends that he has in law enforcement and they tell him that they believe that this threat of nationwide gatherings is real. We know that often times when Antifa appears some place violence isn't very far behind them. Perhaps the Chief has more information that he is not privy to through his connections with law enforcement but what he has heard is that the threat is credible. The last time we were threatened by Antifa we were unprepared and the City was inadequate to protect both our safety and our rights the first time around. The last time he spoke before Council he placed before members a series of questions to be answered that speak directly to the safety and security of our community. Plain and simple, we cannot bury our head in the sand and hope that the threat of Antifa will go away. We must take steps to ensure that we are prepared to meet this threat if it comes again and Council must establish that it has what it takes to protect the rights of law abiding citizens of this community. When he last spoke before this body he asked the following questions:

- 1) Are you going to pass an ordinance restricting the use of face coverings and masks during demonstrations to take away the anonymity that groups like Antifa rely upon to perpetrate their violence?

Mr. Dorothy stated that such a law seems like a very common sense and simple measure to protect us all.

- 2) If you do so, will you direct our police to actively enforce that legislation even if it means significant arrest?

- 3) Have you directed our police to draw up contingency plans on how to meet the Antifa threat in an active and efficient manner in the future regardless of where that threat confronts us?
- 4) Can you promise us that you will stop appeasing these violent thugs and start representing the rights of the honest, law abiding citizens?
- 5) Will you enforce the rule of law in the future or will it be mob justice yet again?
- 6) Can you promise to not give the stand down order again?

Mr. Dorothy asked why Council hasn't even taken the simple step of asking City staff to evaluate sample ordinances from around the country that prohibit the use of masks and face coverings as part of demonstrations. There are cities that are far ahead of this including liberal bastions such as Portland have determined that this tool is vital to be able to combat the anonymity that Antifa relies upon to sow their violence. He asked why Council refuses to take action to give our police, who we expect to stand between us and the mob, the tools they need to effectively do their job and protect our community and to reduce the risks that they might have to take to do so. He asked members when he can expect answers to his questions and will he receive any answers tonight.

Ms. Michael replied that she is not aware of any answers tonight. She asked Mr. Greeson and Chief Strait to further evaluate this issue and let members know what they think.

Mr. Dorothy thinks it is a great first step. If the Chief confirms that November 4th really is a credible threat then we have a clock on us. If we can determine that such legislation is effective, like what he read shows it is to be, it seems like a simple way to protect the citizens.

When asked by Ms. Michael if he is aware of any cities in central Ohio with such ordinances in place, Mr. Dorothy replied that he is not aware of any. We typically hear of the ones on the coast where the violence has been more systematic and been going on a longer time. Portland has been experiencing these types of riots for fourteen to sixteen months so they are much further along than we are. Many of the cities that had these "no face coverings or mask" ordinances originally adopted them as a reaction to the Klan. He thinks it is better to look at the laws on the coast because they are actually employing them. We need to see the effectiveness of when they enforce it and whether it drops the threat of violence that occurs at these demonstrations. His research shows that when the no face covering laws are enforced, the violence at those events is much less than the violence at the events where everyone has their face covering on.

Ms. Rachael Dorothy thanked her husband for bringing up this threat. She agrees that the City was caught off guard with the first credible threat that she did not know about personally but was made aware of. If the Chief has any information about an upcoming credible threat she would be very interested to know about it as she imagines everyone in Worthington would. She would like staff to look into an ordinance for face covering during demonstrations, specifically about to prevent eminent threats to Worthington.

Ms. Michael believes it is premature to suggest an ordinance until members know what the Chief is thinking. Ms. Dorothy reiterated that we could look into it but that would be her opinion. Obviously there are seven council members. Mr. Troper added that he would also be interested in learning more about a “no face covering” ordinance. It just seems like a practical way to reduce a threat.

Mr. Dorothy thanked Council for its time. Ms. Michael thanked Mr. Dorothy.

APPROVAL OF MINUTES

- **September 18, 2017 – Regular Meeting**

MOTION Mr. Norstrom made a motion to approve the aforementioned minutes as presented. The motion was seconded by Mr. Smith.

The motion to approve the minutes as presented carried unanimously by a voice vote.

PUBLIC HEARINGS ON LEGISLATION

President Michael declared public hearings and voting on legislation previously introduced to be in order.

Ordinance No. 31-2017 Amending Ordinance No. 45-2016 (As Amended) to Adjust the Annual Budget by Providing for an Appropriation from the Capital Improvements Fund Unappropriated Balance to Pay the Cost of the Community Center South End Roof Replacement Project and Determining to Proceed with said Project. (Project No. 650-17)

The foregoing Ordinance Title was read.

MOTION Ms. Dorothy made a motion to remove Ordinance No. 31-2017 from the table. The motion was seconded by Mr. Troper.

The motion carried unanimously by a voice vote.

Mr. Whited reported that this project went out for bid recently and the bids came back well over the 10% engineer’s or architect’s estimate for the cost of the project. It was quite unusual that it was that much higher so staff asked the consultant to go back to the bidders and ask them why they thought it was so high. We believe there were several issues.

- 1) Weather conditions and the bonding of the material. *The bonding of the materials that are used on the roofing systems do not perform well in cooler temperatures.*
- 2) The tight schedule. *Bidders felt that the tight schedule was very restrictive and priced accordingly.*

- 3) Significant cost increases for insulation, EPD membranes and others.
- 4) Other recent prevailing wage increase that impacted the labor costs.
- 5) The bid was set to ask the roofer to take care of some issues related to windows and doors and things that aren't necessarily roofer type of issues. *That was a concern so they may have priced it higher than they normally would have done. The window replacement scope, some of the siding and fascia work, siding on the walls and painting are not generally issues that they deal with.*
- 6) Anticipated some other possible price increases.

Mr. Whited concluded that there were a variety of different issues that drove costs up. Part of it may have been a low estimate on the part of our architect but there were obviously other issues as well. Our approach is to take a little bit of time to re-evaluate ways to re-bid this. We would like to re-bid in the document to allow the separation of the roofing and window contractors in a way that we can have those prices more expertly addressed by the contractors. We will also lengthen the timeframe and allow the contractor to come in and do some of our critical needs because there is some concern about the leaks in the roof. We would like to "band-aid" some of those issues over the winter and hit full force with those items that require those warmer temperatures. He was hoping it could be re-bid this week but he doesn't think it will happen. We will likely bid next week and that would allow us to repackage the bid and put it back out on the street so we can start construction by mid-November.

MOTION

Mr. Norstrom made a motion to re-bid this project. The motion was seconded by Mr. Smith.

Mr. Norstrom stated that based on Mr. Whited's description he thinks the question is whether we want to separate this into two bids, one related to the windows and one related to the roofs. Mr. Whited explained that separating into two specific bids makes it more cumbersome partly because of the way the plans are currently set up. We would have to separate the plans into two different sets which would expand the timeframe and possibly increase our costs. Mr. Norstrom understood him to say that the work requires two different skill sets. Mr. Whited agreed. He added that our architect believes he can structure the bid so we can focus on those parts of the plans that are appropriate for those individual skill sets. Mr. Norstrom concluded that it would be two different companies forming a partnership to do the work. Mr. Whited agreed. It will definitely put some burden on the construction management but be appropriate.

There being no additional questions/comments, the motion carried unanimously by a voice vote.

MOTION

Mr. Norstrom made a motion to table Ordinance No. 31-2017. The motion was seconded by Ms. Dorothy.

The motion carried unanimously by a voice vote.

Ordinance No. 37-2017

Accepting a Permanent Easement for Warning Signage at 587 Fox Lane, Worthington, Ohio 43085.

The foregoing Ordinance Title was read.

Mr. Whited reported this being an interesting issue. He shared that there is a low head dam on the Olentangy River just north of the Antrim Park. Kayakers and others use that river for recreational purposes. There was a fatality a few decades ago and there has been some more recent incidents of danger situations. In the past there was a large sign that was removed by the city of Columbus. Staff found the parcel outlined in red below to be appropriate to install a new, smaller sign. The low head dam is actually a sewer and can't be removed so it isn't as simple as just removing the dam.



Mr. Whited shared the following pictures of the sign that staff installed. It is located off the edge of the bank but still visible by kayakers and recreational users of the river.



Mr. Whited shared that when staff got involved in this it was sort of a contentious issue and an issue that had some controversy associated with it. The Haueisen's were not very happy about putting this sign on their property. They invited staff to come out and look at their site. Staff members Rob Chandler and Steve Tenant worked closely with the Haueisens to reach a successful result to this issue. He thinks members were given a copy of the letter from them that stated how happy they were with the way this project worked out and they do recognize the need for that sign. The City did get an easement that was signed by them on August 30th. Staff is requesting Council approval for this easement so it can be recorded. It is a small easement along the edge of the river confined to five foot above the high water line of the Olentangy River and approximately 20 feet of their property line.

Mr. Whited agreed with Mr. Norstrom's comment about the sign being clearly visible to boaters. He added that staff erected it out of the way of the property owners but still visible by the boaters. Mr. Norstrom stated that the City has access to the easement to be able to remove brush and things. Mr. Whited agreed that maintenance was the reason for the easement.

Ms. Dorothy thanked staff for working with the homeowners and listening to their concerns and taking action to make sure the whole community is safer for this. We definitely are being respectful to the property owners. She thanked staff for taking the time to do that.

Ms. Michael also thanked staff. She shared that she has heard from the Haueisens, from Stephanie personally just saying what a pleasure it was to work with our people and how much she really enjoyed the respect and professionalism that was shown when they came out. Mr. Whited reported that the Haueisens were very easy to work with.

There being no additional comments, the clerk called the roll on Ordinance No. 37-2017. The motion carried by the following vote:

Yes 5 Troper, Norstrom, Dorothy, Smith, and Michael

No 0

Ordinance No. 37-2017 was thereupon declared duly passed and is recorded in full in the appropriate record book.

NEW LEGISLATION TO BE INTRODUCED

Resolution No. 56-2017

Reauthorizing a Cooperation Agreement Between the City of Worthington and the Board of County Commissioners, Franklin County, Ohio on Behalf of the City of Worthington in Order to Participate in the Franklin County, Ohio Department of Housing and Urban Development Entitlement Program and Abide by the Covenants of That Program.

Introduced by Mr. Troper.

MOTION Mr. Norstrom made a motion to adopt Resolution No. 56-2017. The motion was seconded by Mr. Smith.

Mr. Greeson shared that this renewal occurs every three years. This gives the City an opportunity to participate in the CDBG. Very few of our tracts are eligible because of low or moderate income requirements. Should there be programmatic activity that meets our community's needs and that we were eligible for over of the next three years then this would be the agreement necessary for us to have in place in order to access it.

Ms. Dorothy asked if we have ever used this program and what areas might we be able to use it in and how might we be able to access those funds. Mr. McCorkle replied that we have never used the CDBG. It is HUD funding so it is generally low income and most of Worthington does not qualify to use that funding.

Ms. Dorothy asked how big of an area do we have to have as it seems like we have some areas that might qualify. Mrs. Stewart believes there is a small area near Proprietors that would qualify for CDBG funding but she is not aware of us ever using it.

Ms. Michael asked about a property over near the Post Office that is falling apart. Mrs. Stewart doesn't believe that it is in a census tract that would qualify for that funding. Ms. Michael agreed. Ms. Dorothy asked that staff look to identify whether it would qualify. Mr. McCorkle agreed to look into it.

There being no additional comments, the motion to adopt Resolution No. 56-2017 carried unanimously by a voice vote.

Resolution No. 57-2017 Authorize the City Manager to Execute an Agreement with the Mid-Ohio Regional Planning Commission (MORPC) for the Comprehensive, Continuing and Cooperative (3-C) Transportation Planning Process.

Introduced by Ms. Dorothy.

MOTION Mr. Troper made a motion to adopt Resolution No. 57-2017. The motion was seconded by Mr. Norstrom.

Mrs. Stewart shared that the Mid-Ohio Regional Planning Commission (MORPC) is designated as the Metropolitan Planning organization for the purpose of utilizing federal funds, typically federal transportation funding. We signed an agreement similar to this one back in the 1970s when many of the organizational activities were occurring. MORPC is in the process of updating all of those agreements to comply with current expectations of the federal government. To make sure that the agreements are in order and up to date they have asked that we approve of and enter into these agreements yet again.

There being no additional comments, the motion to adopt Resolution No. 57-2017 carried unanimously by a voice vote.

Resolution No. 58-2017

Accepting the Recommendations of the 2017 Worthington Tax Incentive Review Council Concerning Parcels of Commercial Real Property in the City of Worthington Receiving Tax Exemptions for Purposes of Economic Development.

Introduced by Mr. Smith.

MOTION

Ms. Dorothy made a motion to adopt Resolution No. 58-2017. The motion was seconded by Mr. Troper.

Mr. McCorkle shared the following background information on the TIRC:

Tax Incentive Review Council (TIRC)

- TIRC meets annually pursuant to ORC 5709.85
 - Community Reinvestment Area (CRA)
 - Tax Increment Financing (TIF)
- TIRC recommends continuing, discontinuing, or continue with modifications to City Council
 - TIRC met on July 31, 2017
- 9 member Council
 - 1 county auditor representative
 - 3 county commissioner representatives
 - 2 city representatives
 - 1 school representative
 - 2 township representatives

Mr. McCorkle shared the following background information about the CRA Program:

Community Reinvestment Area (CRA) Program

Generally: Community Reinvestment Area (CRA) exempts % of real property taxes on assessed value of improvements made to commercial, industrial or residential parcels.

State Requirements:

- Originally created in 1960s as urban blight initiative
- Authorizes real property tax exemptions up to 100%, up to 15 years on improvements to residential, commercial or industrial properties
- Cities, villages, or counties petition the State to create a CRA area or zone
- Community chooses eligible properties, limits, and negotiating procedures

- Requires Housing Council, Housing Officer, and Tax Incentive Review Council (TIRC)
- Commercial & industrial projects require an agreement negotiated before project begins
- ORC § 3735.671 has agreement guidelines
- More than 50% - or longer than 10 years - requires school board approval
- School board notice
 - 45 business days if approval required (can be waived)
 - 14 calendar days otherwise

Annual report to Ohio Development Services Agency

- Due March 31 of each year
- Housing Officer collects data from companies and reports electronically to ODSA

City of Worthington:

Worthington has **one (1) CRA area**, located along 3 commercial and industrial corridors of the City:

- Huntley & Proprietors Roads
- Wilson Bridge Road
- High Street

Only commercial / industrial properties may be abated under the City's CRA implementation

Property owners who commit to the following three (3) eligibility criteria, regarding the exempted property:

1. Conduct **commercial or industrial activity** on the property such as mfg, warehousing, wholesale or office
2. **Minimum investment of at least \$1M** in new construction or improvements to the property
3. Employ minimum of **25 new employees or incur at least \$1M in new annual payroll costs** in the City

Mr. McCorkle shared the following background information about the TIF Program:

Tax Increment Financing (TIF) Program

Generally:

Tax Increment Financing (TIF) **exempts % of real property taxes** on assessed **value of improvements** made to commercial, industrial or residential parcels. TIF deposits must be used to finance the construction of public infrastructure defined within the TIF legislation.

Ms. Dorothy commented that in recent history the City has been approving more TIFs. Mr. McCorkle agreed. He shared that there are four active CRAs, three of which will burn off in the next year. There are currently seven active TIFs.

State Requirements:

- Authorizes real property tax exemptions up to 100%, up to 30 years on improvements to residential, commercial or industrial properties
- Can be “Parcel” or “Incentive District” TIF
- ORC § 5709.40(A)(5) has agreement guidelines
- More than 75% - or longer than 10 years - requires school board approval
- School board notice
 - 45 business days if approval required (can be waived)
 - 14 calendar days otherwise

Annual report to Ohio Development Services Agency

- Due March 31 of each year
- Housing Officer collects data from companies and reports electronically to ODSA

2017 TIRC Annual Review

Mr. McCorkle shared that the TIRC met on July 31st this year. They make recommendations to City Council and City Council is asked to either approve, deny or modify their recommendations. The presented information is as follows:

Annual Inspection – Worthington Station (918 Proprietors Road)

- Former Worthington Foods site, approved in 2007
- 75% for 10 years
- (8) abated parcels amongst (4) owners
 - BCR Worthington LLC (final year is 2022)
 - Dr. Huelsman’s abatement began in 2013
 - Ohio Soybean LLC (final year is 2017)
 - Rail Road Investments LLC (final year is 2017)
 - WFP Properties LLC (final year is 2017)

2016 Reporting Year – Project Performance

	<u>Amended Agreement Terms</u>	<u>As of December 31, 2016</u>
New Jobs	44 full-time	43 full-time
New Annual Payroll	\$2,599,936	\$3,416,846

The Tax Incentive Review Council (TIRC) recommended continuing with the CRA abatement as-is.

Annual Inspection – RoadRunner (Lakeview Plaza)

- Lakeview Plaza property, approved in 2007
- 75% for 10 years
- (1) abated parcel for (1) owner
 - RM-USE LLC (final year is 2018)

2016 Reporting Year – Project Performance:

	<u>Amended Agreement Terms</u>	<u>As of December 31, 2016</u>
New Jobs	50 full-time	23 full-time
New Annual Payroll	\$1,395,000	\$1,646,349

Mr. McCorkle noted their full-time equivalent job creation is twenty three. He added that they employ seasonal employees so their head count for total employees is fifty two but full-time equivalent (at least 35 hours a week) equates to twenty three full-time jobs.

The Tax Incentive Review Council (TIRC) recommended continuing with the CRA abatement on the basis that their payroll well exceeded the payroll numbers.

Mr. McCorkle reported this being the only CRA that did not meet the numbers on the job side but they were recommended to continue based on their payroll.

Annual Inspection – Worthington Professional Park (Lakeview Plaza)

- Lakeview Plaza project, approved in 2007
- 75% for 10 years
- (6) abated parcels amongst (4) owners
 - MA Equities LLC (final year is 2017)
 - Lakeview Spaces LLC (final year is 2017)
 - Blue Sky RE Ltd. (final year is 2017)
 - Healthy Children Holdings LLC (final year is 2017)

2016 Reporting Year – Project Performance:

	<u>Amended Agreement Terms</u>	<u>As of December 31, 2016</u>
New Jobs	35 full-time	44 full-time
New Annual Payroll	\$1,886,345	\$2,721,400

The Tax Incentive Review Council (TIRC) recommended continuing with the CRA abatement as-is.

Update on Pending Project – FC Bank

- Regional bank HQ project, approved in 2015
- 50% for 10 years

- (1) abated parcel for (1) owner
 - FC Bank (final year is 2027)
- Will begin reporting in 2018 (for CY17)

Annual Inspection – TIF Projects

Project	Address	Approval Year	Rate	Term	2016 Deposits	Cumulative Deposits	School TIF?
Worthington Station	766-930 Proprietors Rd.	2007	25%	10	\$ 27,293.58	\$ 180,684.51	No
Worthington Square Venture	150 W. Wilson Bridge Rd.	2010	100%	30	\$ -	\$ -	No – Compensation Agreement Terminated in 2015
The Heights	160 W. Wilson Bridge Rd.	2012	100%	30	\$ 157,528.62	\$ 160,562.94	No
Linworth Crossing	2233-2299 W. Dublin-Granville Rd.	2013	75%	10	\$ -	\$ -	No
Fresh Thyme	933 High Street	2014	75%	10	\$ -	\$ -	No
Downtown TIF District	Multiple	2014	100%	30	\$ -	\$ -	Yes –Varying compensation thresholds.
Trivium Development	350 W. Wilson Bridge Rd.	2015	75%	10	\$ -	\$ -	Schools made whole after \$5.8M valuation reached.

Mr. McCorkle noted that the 2016 Deposits (third column from the right) are numbers to pay attention to. They are the funds where TIF dollars are actually starting to roll in for the increased property valuation. Worthington Station had \$27,293.58 in 2016 with a cumulative total of \$180,684.51. We estimated about \$150,000 for that project to pay for a sound wall and attorney fees for the TIF and we have exceeded that. The Heights had a 2016 deposit of \$157,528.62 as the auditor picked up the full valuation of The Heights at 160 W. Wilson Bridge Rd. That brings the total cumulative to \$160,562.94.

The Tax Incentive Review Council (TIRC) recommended continuing with all TIFs as-is.

Mr. Smith commented that with the CRAs, just thinking of the example right before FC Bank, it was an increase from 35 full-time to 44 full-time, that is pretty good percentage wise. He asked if there is any data out there that shows that these types of programs really do enhance their actual payroll and full-time employees or it is just part of the recipes. Mr. McCorkle replied that he can absolutely pull some payroll together. CRAs are a very valuable tool to create jobs and to create payroll. Where CRAs tend to run into issue is when they burn off. We are seeing it frequently across central Ohio at this time. As the CRAs start to burn off, as developers or building owners start to get hit with the full impact of that tax bill, they pass that cost on to their tenants in the form of increased rent. We see tenants start to move to places where they can get another CRA or something else and hit the reset button. So we see numerous vacancies in buildings where CRAs have burned off.

When asked by Ms. Michael if he anticipates that happening in our situation, Mr. McCorkle replied that he doesn't think so. The tax bill for Worthington Professional Park for example is valued at about \$3,000 to \$4,000 per parcel so it is not substantial. He would

not think that it would be a high enough tax increase to warrant a business leaving their location.

There being no additional comments, the motion to adopt Resolution No. 58-2017 carried unanimously by a voice vote.

Resolution No. 59-2017

Authorizing the Award of Re-emergent Corridor Assistance Program Funds to Help Improve Facility Exterior Facade and Streetscape Along Certain of the City’s Commercial Corridors (7086 Huntley Road).

Introduced by Mr. Norstrom.

MOTION Mr. Smith made a motion to adopt Resolution No. 59-2017. The motion was seconded by Ms. Dorothy.

Mr. McCorkle presented the following PowerPoint Presentation:

ReCAP Program

Application #17: Werstler Management, LLC (dba Heritage Marble)

Applicant Information

- Applicant: Werstler Management, LLC (dba Heritage Marble)
- Site Address: 7086 Huntley Road
- Total Project Cost: \$57,556
- Award Amount: \$25,000
- Applicant owns the building.

7086 Huntley Rd.



Mr. McCorkle reported this project as being close to the Northeast Gateway. He thinks this particular improvement would go to enhance that particular effort.

Scope of Work

- Remove fabric awnings from both entrances
- Replace concrete sidewalk
- Remove (6) trees/stumps from western lawn
- Remove vegetation and outdated landscaping stones/beds
- New LED lighting for new sign
- (3) new lighting fixtures
- Extend entrance façade above roof level
- Resurface existing brick wall with Dekton Ultra-Compact Surfacing
- New planting beds
- New shrubbery and perennials
- Regrade and reseed lawn

7086 Huntley Rd. – Current Condition



South Façade Rendering



Mr. McCorkle reported that all three of their cost proposals were very much in line with one another and ranged between the High \$50K and low \$70K so they were consistent.

South Façade Rendering



Scoring

Current physical condition:	15
Scope of Work:	15
Viability and repayment:	20
Commitment to Worthington:	5
<u>Overall project quality:</u>	<u>20</u>
TOTAL SCORE	75* ✓

**Minimum score of 65 needed to receive funding.*

Mr. McCorkle reported that the CIC recommends approval of this application.

Ms. Dorothy noted the before and after slide as being good. She asked if he had information about the overall vacancy rates and the rents. The goal to the program was to improve the exterior look, drive down vacancy rate and have the building valuations higher so the rent could be higher. Those increases would benefit the city as a whole. Mr. McCorkle reported that the information is captured quarterly. He will be happy to update the spreadsheet and share the information with members.

There being no additional comments, the motion to adopt Resolution No. 59-2017 carried unanimously by a voice vote.

Ordinance No. 38-2017

Accepting a Permanent Easement for Landscaping at 50 East Dublin-Granville Road, Worthington, Ohio 43085.

Introduced by Mr. Troper.

The Clerk was instructed to give notice of a public hearing on said ordinance(s) in accordance with the provisions of the City Charter unless otherwise directed.

REPORTS OF CITY OFFICIALS

Information Item(s)

- Follow Up – Energy Conservation Project Process

Mr. Greeson shared that Council authorized staff to initiate this process for the community center but had some questions about this process. He wanted Ms. Stewart and Mr. Whited to address some of the questions that were raised before we bring back recommendations.

Mr. Whited shared that staff received a memo from Baker and Hostettler that outlined some of the ORC 717.02 program, which is a Government Energy Conservation Act.

ORC 717.02 A City Government Energy Conservation Act

Comprehensive “self-funded” program where equipment/technology is installed to modernize facilities. Work is paid for by guaranteed energy and operational savings.

- First introduced into Law in 1994
- Encourages local governments to reduce energy and operating costs
- Allows for procurement through Performance Contracting
- Debt incurred not included in calculation of net indebtedness
- Self-funded over 30 years or average equipment life whichever is shorter




ORC 717.02 INSTALLMENT PAYMENT CONTRACTS FOR ENERGY CONSERVATION MEASURES

When Mr. Norstrom asked the definition of a “performance contract”, Mr. Whited explained that it is a design build hybrid that makes the focus on the performance of the features as they are installed as opposed to the actual features that are installed. It performs as provided in the scope of work.

Mr. Whited reported that he followed up with several communities. While the memo from the attorneys suggested that we talk to Akron, Sandusky, Middletown, their projects were not comparable to ours. However, those communities reported being generally satisfied with the projects and procedures. Sandusky found the process a little cumbersome because their process was for much smaller projects and the program is designed for a larger scope of work than what they required. Fairborn, Vandalia, Elyria and Newark were comparable to ours and they were also very pleased with the process and the project results.



ENERGY CONSERVATION MEASURE CATEGORIES:

- Lighting
- HVAC Controls Systems
- Domestic Water
- Doors and Window



Worthington Community Center Improvement Options	Project Packages			
	Bronze	Silver	Gold	Platinum
	Basic Package	Adds Original Bldg Improvements	Adds Recommended Ltg and 1977 Insul	Adds Remainder of Lighting
INITIAL INVESTMENT	\$943,171	\$1,072,731	\$1,503,217	\$1,802,846
GUARANTEED ANNUAL SAVINGS	\$103,164	\$111,022	\$128,494	\$135,260
SIMPLE R.O.I	9.34	9.66	11.70	13.33

ORC 717.02 INSTALLMENT PAYMENT CONTRACTS FOR ENERGY CONSERVATION MEASURES

Mr. Whited shared that he spoke with representatives from three cities and shared their information as follows:

City of Fairborn

Project Details

- Government Center Redesign
 - HVAC Redesign and Commissioning
 - RTU Replacement
 - Building Controls and Automation
 - Roof Replacement
 - Building Envelope Sealing
 - Lighting Retrofit
- Lighting Retrofits
- Boiler Replacement
- Streetlight Retrofit to LED
- Traffic Signals Conversion to LED

Financials

- Project Price - \$1.1M
- Guaranteed Annual Savings
 - \$132,659
- Six Year Performance
 - Ahead of Guarantee
 - \$32,119

Fairborn representatives were very happy with the way the process went. They were happy with their vendor and their savings.

City of Newark

Project Details

- Lighting Upgrades
- Chiller Replacements
- Boiler Replacement
- Integrated Building Management System
- Signalized Intersections Converted to LED
- Building Envelope Sealing

Financials

- Project Price - \$1.7M
- Guaranteed Annual Savings
 - \$220K
- Nine Year Performance
 - Exceeded Savings by \$535,646

City of Vandalia

Project Details

- Lighting Upgrades
- HVAC Replacements
- Integrated Building Management System
- Temperature Control and Humidity Control In
- 18 Signalized Intersections Converted to LED
- Senior Center Upgrades to Leverage CDBG
- Cassel Hills HVAC Upgrades
- Install Infrared Heating in Service Garage

Financials

- Project Price - \$944K
- Guaranteed Annual Savings
 - \$109,000
- Shortfall in Guarantee
 - Issued City Check
 - Corrected at Honeywell's Cost
 - Guarantee on Target

Mr. Whited reported that while he did not talk to Cincinnati, Dayton or Miamisburg, he did obtain their information as follows.

City of Cincinnati

Project Details

- HVAC
 - Boiler Replacement
 - RTUs
 - Variable Refrigerant Flow
 - Fuel Switching
- Building Controls
- Interior Storm Windows
- 4,400 Streetlight Retrofit to LED
- Parking Structures (CO, LED, Maintenance)
- Alternative Fueled Vehicles
- LED Exhibit Hall Lighting
- Color Changing Exterior Fixtures
- Color Changing Fountain Lighting

Financials

- Project Price - \$15.4M
- Guaranteed Annual Savings
 - \$885,000
- Two Year Performance
 - Ahead of Guarantee
 - \$831,000

Mr. Whited noted this as being a much bigger project than ours but one that had some of the same details.

City of Dayton

Project Details

- Lighting
- HED Bridge and Garage Lighting
- HVAC
 - Chiller at One Stop
 - Boiler at Fire Station
 - RTU Replacement at Police
- Building Controls
- 255 Signalized Intersections to LED
- Energy Star Rating for City Hall
- IT Department Liebert Unit Replacement
- Greenhouse Gas Inventory
- Benchmarking of all City Buildings

Financials

- Project Price - \$6M over Three Phases
- Guaranteed Annual Savings
 - \$470,000
- Three Year Performance
 - Phase 1 and 2 - \$389,745 Ahead of Guarantee
 - Phase 3 - \$182,904 Ahead of Guarantee

Mr. Whited explained for Mr. Norstrom that Dayton was ahead of their guarantee savings of \$470,000 by \$389,745 after the first two phases and by another \$182,904 after the third phase.

City of Miamisburg

Project Details

- Lighting Retrofits Throughout the City
- Civic Center Improvements
 - HVAC Replacements
 - Building Controls
 - Outdoor LED Lighting
 - Architectural Enhancements
 - Lighting
- Pipestone Golf Course
 - HVAC Redesign
 - Lighting
 - Window Replacement
- Outdoor LED Lighting
- LED Streetlights
- Traffic Signals Conversion to LED

Financials

- Project Price - \$2.1M
- Guaranteed Annual Savings
 - \$119,377
- First Year Performance
 - \$168,119

Discussion

Mr. Whited noted that he spoke with Public Works Directors, Service Directors and City Engineers at these communities. He did not speak with the Finance Directors but they have all said they are very happy with the program. If they did not reach the guaranteed savings they would receive a check from the vendor, like in the case of Vandalia.

When asked by Mr. Greeson to explain where the city is in our process, Mr. Whited shared that it is out to bid and he believes it will be back by Friday. He reported there being a great deal of interest. Numerous consultants have toured the community center and discussed the project with staff.

Ms. Stewart clarified that this is not an actual competitive bid process. It is a proposal process that allows staff to pick the most qualified as opposed to going solely on price. That is helpful in that we are looking for somebody who would probably be able to back up their guarantee and who also has the experience and expertise to be able to design systems that would be the best for us. Mr. Whited agreed.

Ms. Dorothy asked if the end users were also happy with the performance of their buildings, given that their savings were exceptional. Mr. Whited confirmed that they were actually all very satisfied with the performance of the equipment as well.

Mr. Greeson acknowledged this presentation as an effort to answer Council members' questions.

Additional Items

Mr. Greeson thanked Ms. Michael and Mr. Myers for attending our first Citizens Academy session last Wednesday evening. Ms. Stewart added that the Citizens Academy runs for eight weeks, on Wednesday evenings. Attendees will be traveling to various departments to learn about everything that the city does from a departmental perspective. It will wrap up in November.

Mr. Greeson shared that next week we will have Christina O'Keeffe from MORPC in to talk about the Regional Sustainability Agenda. They are seeking adoption of a plan to replace the Green Pact that was adopted quite some time ago. He thinks it will serve as a good foundation for our own agenda that we would develop off of this.

REPORTS OF COUNCIL MEMBERS

Mr. Smith shared that he spoke with our former Economic Development Manager, Jeff Harris not too long ago and he reported beginning a ReCAP program for residential properties in Mt. Vernon. He saw it as an interesting take on what Worthington does with commercial properties. Mr. Smith stated that he will be interested to see what happens with that effort.

Ms. Dorothy reported that she has been attending the School Facility Committee meetings. There is one more before the Citizen's committee brings forth their recommendation to the School Board, which entails changes to K-5, having four middle schools and probably feeder changes or boundary changes. That School Facility Committee should be done October 25th and then it will go on to the School Board.

Ms. Dorothy shared that while walking around her neighborhood on Loveman she spoke with some city of Columbus people who were working on our water lines. They shared they have seen water lines as bad as ours in Whitehall. She concluded that there is definitely room for improvement. Mr. Whited concurred.

Ms. Michael shared that she found the last issue of the Legislative Update from the Ohio Municipal League pretty interesting. She added that the Central Ohio Mayors and Managers meet on Friday so there will probably be some interesting updates on Monday.

EXECUTIVE SESSION

MOTION Mr. Norstrom made a motion to meet in Executive Session to discuss employee compensation, Board and Commissions appointments, and pending litigation. The motion was seconded by Mr. Smith.

The motion carried by the following voice vote:

Yes 5 Troper, Dorothy, Norstrom, Smith, and Michael

No 0

Council recessed at 8:40 p.m. from the Regular meeting session.

MOTION Mr. Norstrom made a motion to return to open session at 9:21 p.m. The motion was seconded by Mr. Troper.

The motion carried unanimously by a voice vote.

ADJOURNMENT

MOTION Mr. Smith made a motion to adjourn the meeting at 9:21 p.m. The motion was seconded by Ms. Dorothy.

The motion carried unanimously by a voice vote.

President Michael declared the meeting adjourned and wished everyone a happy summer break.

/s/ D. Kay Thress

Clerk of Council

*APPROVED by the City Council, this
16th day of October, 2017.*

/s/ Bonnie D. Michael

Council Member