

City Council Meeting Agenda

Monday, May 16, 2016 ~ 7:30 P.M.

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

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

Matthew H. Greeson, City Manager
D. Kay Thress, Clerk of Council

If you have questions regarding this agenda please contact the Clerk of Council at 614-786-7347. This agenda and amendments that may be made to it can be found at www.worthington.org

CALL TO ORDER

Roll Call

Pledge of Allegiance

VISITOR COMMENTS**PUBLIC HEARINGS ON LEGISLATION****1) Ordinance No. 17-2016**

Approving an Agreement with the City of Columbus and United Dairy Farmers, Inc. to Provide for the Provision of Municipal Services, the Jurisdiction for Enforcement of Municipal Building and Zoning Regulations and the Sharing of Income Taxes and Personal Property Taxes for the Redevelopment of the 1.446± Acres at 2204 West Dublin-Granville Road.

Introduced May 2, 2016

P.H. May 16, 2016

2) Ordinance No. 18-2016

Approving a Grant as Part of the City's Economic Development Venture Program and Authorizing the City Manager to Enter into an Economic Development Grant Agreement for the Same.

Introduced May 2, 2016

P.H. May 16, 2016

NEW LEGISLATION TO BE INTRODUCED**3) Ordinance No. 19-2016**

Amending Ordinance No. 44-2015 (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 2016 Street Improvement Program and all Related Expenses and Determining to Proceed with said Project. (Project No. 630-16)

REPORTS OF CITY OFFICIALS

Policy Item(s)

- 4) Swiminc. Request – Forgiveness of Loan
- 5) Funding of Improvements – Wilson Bridge Road Corridor

REPORTS OF COUNCIL MEMBERS

OTHER

EXECUTIVE SESSION

ADJOURNMENT



Office of the City Manager

City Manager Report to City Council for the Meeting of Monday, May 16, 2016

PUBLIC HEARINGS ON LEGISLATION

1) Ordinance No. 17-2016 – Service Agreement for United Dairy Farmers Property

United Dairy Farmers is in the process of redeveloping their property at the corner of SR-161 and Linworth Road. They have acquired the former bank property immediately to the east of their existing site. Their existing site is in the City of Columbus, while the newly acquired parcel is in the City of Worthington. Their redeveloped site will have the building partially in Columbus and partially in Worthington. As a result, we need to enter into an agreement with the City of Columbus and the property owner regarding the provision of services to this property. This Ordinance approves the service agreement. More information, including a description of the services to be provided by each city and the apportionment of tax revenue, is included in the attached memorandum from the Law Director.

Recommendation: Approval of Ordinance as Presented

2) Ordinance No. 18-2016 – Venture Grant – Wheels Up

Wheels Up is a private aviation company that sells flight hours on aircraft via guaranteed access to type-specific, fleet specific aircrafts without the requirement to purchase a fractional ownership interest. Since 2014, they have grown from six employees to 22 with plans to grow another 38 jobs over the next five years. They are currently located in Worthington at 450 West Wilson Bridge Road and need to move to a new location that can accommodate their growth.

In order to encourage the expansion to occur in Worthington, staff is recommending a Venture Grant in the amount of \$58,000 payable in four installments. The first installment of \$22,000 would be payable upon either the signing of the lease or the issuance of a Certificate of Occupancy for the property at 350 E. Wilson Bridge Road. The three subsequent installments of \$12,000 each would be payable upon the subsequent completion of each of three 12-month periods after issuance of the Certificate of Occupancy. As part of the grant agreement, Wheels Up agrees to more than \$3 million in total annual payroll within five years of the Certificate of Occupancy.

A memorandum from the Economic Development Manager with additional information is attached.

Recommendation: Approval of Ordinance as Presented

NEW LEGISLATION TO BE INTRODUCED

3) Ordinance No. 19-2016 – Appropriation – 2016 Street Improvement Program

This Ordinance provides an appropriation in the Capital Improvements Fund for the annual street improvement program. The Ordinance is being introduced without a contractor and amount pending the results of the bid process. Bids are scheduled to be opened on May 27, 2016; staff will report the results at the public hearing.

Recommendation: Introduction for Public Hearing on June 6, 2016

REPORTS OF CITY OFFICIALS

Policy Item(s)

4) Swiminc. Request – Forgiveness of Loan

In 1996, the City approved a loan in the amount of \$600,000 to Swiminc, Inc. for improvements to the swimming facilities operated by Swiminc. The loan was payable in equal installments of \$30,000 on or before December 31st of each year. In response to a request by Swiminc in 2010, the City modified the payments to defer payments for the years 2010 and 2011 and change the annual installment to \$35,000 due on or before December 31st of each year beginning in 2012. In response to a request from Swiminc in 2014, the City delayed the payment due by December 31, 2014 until June 2015 and revised the promissory note so the payments are due in June each year thereafter until the loan amount is repaid.

Swiminc has contacted the City and requested forgiveness of the remaining loan balance of \$105,000 as it kicks off the fundraising efforts for a project to modernize the facility. A letter containing the request from Swiminc is attached. The letter indicates they are seeking forgiveness of the remaining balance so they can utilize the funds for “seed money” for the purpose of realizing their long term goals of a more modern facility. The funds will support efforts over the next three years to expand their organizational capacity and raise funds for an updated and renovated facility.

The loan payments serve as revenue for the City's Capital Improvement Program, thus forgiveness of the loan will result in the reduction in revenue in the amount forgiven. If City Council is supportive of this request, legislation will be prepared to release the promissory note.

5) Funding of Improvements – Wilson Bridge Road Corridor

The City Council received a presentation last fall regarding recommended enhancements to the Wilson Bridge Road corridor. Streetscape and other aesthetic improvements were recommended the Wilson Bridge Road Corridor Study adopted in 2011. Last year, the City's consultant developed more detailed ideas for the enhancements. The presentation from last fall included items such as a traffic signal at the intersection with Old Wilson Bridge Road, streetscape and landscaping enhancements along the corridor and extension of the trail. Staff will provide an overview of the presentation from last fall in preparation for a discussion at the June Committee of the Whole meeting to determine usage of the \$800,000 available in the 2016 Capital Improvement Plan for these enhancements, which is not sufficient to fund all of the recommended enhancements.

EXECUTIVE SESSION

ORDINANCE NO. 17-2016

Approving an Agreement with the City of Columbus and United Dairy Farmers, Inc. to Provide for the Provision of Municipal Services, the Jurisdiction for Enforcement of Municipal Building and Zoning Regulations and the Sharing of Income Taxes and Personal Property Taxes for the Redevelopment of the 1.446± Acres at 2204 West Dublin-Granville Road.

WHEREAS, United Dairy Farmers, Inc. (the “Company”) is the owner of a 0.634± acre parcel (PIN: 610-217753) in the City of Columbus and a 0.812± acre parcel (PIN: 100-006096) in the City of Worthington; and,

WHEREAS, a United Dairy Farmers convenience store and gas pumps are currently located entirely on the Columbus parcel but are proposed to be demolished and reconstructed upon both parcels; and,

WHEREAS, the City of Worthington and the City of Columbus deem it necessary and advisable to reach an agreement regarding the enforcement of each municipality’s building and zoning regulations, the sharing of income tax and personal property tax and the provision of municipal services;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Worthington, County of Franklin, State of Ohio:

SECTION 1. That the City Manager hereby is authorized and directed to execute the Agreement Regarding Municipal Services for 2204 West Dublin-Granville Road, in substantially the form attached to this Ordinance as Exhibit “A”, upon the approval of the Director of Law.

SECTION 2. That notice of passage of this Ordinance shall be posted in the Municipal Administration Building, the Worthington Library, the Griswold Center and the Worthington Community Center and shall set forth the title and effective date of the Ordinance and a statement that the Ordinance is on file in the office of the Clerk of Council. This Ordinance shall take effect and be in force from and after the earliest period allowed by law and by the Charter of the City of Worthington, Ohio.

Passed _____

President of Council

Attest:

Introduced May 2, 2016
P.H. May 16, 2016

Clerk of Council

**AGREEMENT REGARDING MUNICIPAL SERVICES FOR
2204 WEST DUBLIN-GRANVILLE ROAD**

THIS AGREEMENT REGARDING MUNICIPAL SERVICES FOR 2204 WEST DUBLIN-GRANVILLE ROAD is entered into and shall be effective on this ____ day of _____, 2016, by and among the City of Columbus, an Ohio municipal corporation ("Columbus"), the City of Worthington, an Ohio municipal corporation ("Worthington") and United Dairy Farmers, Inc., an Ohio corporation ("Company").

WITNESSETH

WHEREAS, Company is the owner of a 1.446± acre parcel of land, the legal description of which is attached hereto as Exhibit A (the "Property"), 0.634± acre of which is in the City of Columbus (the "Columbus Parcel") and 0.812± acre of which is in the City of Worthington (the "Worthington Parcel");

WHEREAS, Company desires to construct a convenience store with gasoline pumps and canopy on the Property, portions of which will be located on the Columbus Parcel and portions of which will be located on the Worthington Parcel;

WHEREAS, Columbus, Worthington and Company desire to reach agreement relative to providing municipal services to the Property, the jurisdiction for the enforcement of regulations and the sharing of income taxes, personal property taxes and municipal fees generated from the Property;

NOW THEREFORE, in consideration of the mutual covenants and provisions set forth herein, the parties agree as follows:

A. Building and Fire Regulations

1. Worthington shall be responsible for providing building plan review, issuing building permits and performing building and fire inspections in compliance with the Ohio Building Code and the State Fire Code for the entire Property. Fees charged for performing such building duties shall be those charged by Worthington for similar buildings constructed in the City of Worthington. No building permit for any building constructed on the Property, all or any part of which is located on the Columbus Parcel, shall be issued by Worthington until Columbus has first issued a certificate of zoning clearance for said building in compliance with Columbus City Codes Section 3305.01. The certificate of zoning clearance authorizes the use of the Columbus Parcel and the portion of the building constructed thereon. Worthington shall, as part of its building plan review and approval and its inspection of the construction of the buildings on the Property, in addition to enforcing Worthington's codes, require Company's compliance with the certificate of zoning clearance issued by Columbus.

2. Company shall apply for building permits and pay permit and inspection fees to Worthington. Company shall deliver copies of site plans and building plans approved by Worthington to the Columbus Department of Building and Zoning services.

B. Zoning Codes

1. Worthington shall enforce the Worthington Zoning Code for the Worthington Parcel based solely on that portion of any buildings constructed in Worthington.
2. Columbus shall enforce the Columbus Zoning Code on the Columbus Parcel based solely on that portion of any buildings constructed in Columbus.
3. Company shall submit site plans accurately depicting the location of any building constructed on the Property, delineating the Columbus/Worthington municipal boundary and calculating the square footage of that portion of the retail store building to be constructed on the Columbus Parcel and the Worthington Parcel, respectively.

C. Utilities. Sanitary sewer and water rates for the Property shall be charged in accordance with Rule and Regulation No. 90-5 of the Division of Water, Columbus Department of Public Utilities.

D. Income Tax. Company shall withhold income tax from its employees, based on Columbus' tax rates. All taxes withheld shall be paid to Columbus.

E. Personal Property Tax

Columbus and Worthington shall share personal property taxes, if any, generated from the Property in proportion to the square footage of the building located in each jurisdiction.

F. Public Area Payment

Company shall pay to: 1) Columbus the parkland fee set forth in Columbus City Codes Section 3318.13 attributable to the Columbus Parcel and 2) Worthington the Public Area Payment in accordance with Section 1175.11 of the Worthington Planning and Zoning Code, based on the square footage of the building area built on the Worthington Parcel.

G. Successors and Assigns

This Agreement shall inure to the benefit of and be binding on all parties and their respective successors and assigns.

H. Public Record

Company shall cause an affidavit to be filed of record with the Franklin County Recorder, which affidavit shall have attached thereto this Agreement and shall refer to the ordinances or resolutions passed or adopted by the respective City Council of Worthington and Columbus authorizing the execution of this Agreement. Said affidavit shall state that any amendment to the Agreement shall be in writing executed by each party, with both Worthington's and Columbus' execution thereof first authorized by its respective City Council.

[Signatures on Following Page]

CITY OF COLUMBUS

by: _____

its: _____

Date: _____

per authority granted in
Ordinance No. _____,
passed _____, _____

CITY OF WORTHINGTON

by: _____

its: _____

Date: _____

per authority granted in
Ordinance/Resolution No. _____,
passed _____, _____

UNITED DAIRY FARMERS, INC.

by: _____

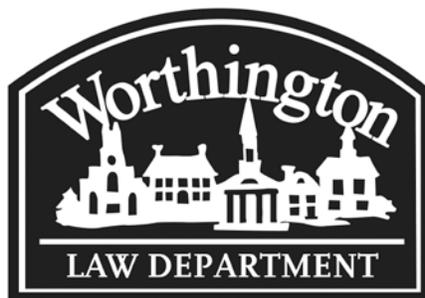
its: _____

Date: _____

Approved as to Form By:

Columbus City Attorney

Worthington City Attorney



To: Matt Greeson

From: Pam Fox

Date: April 26, 2016

Subject: Inter-Jurisdictional Agreement for the UDF Redevelopment

United Dairy Farmers, Inc. is undergoing a redevelopment of its convenience store and a relocation of its gas pumps located at 2204 West Dublin-Granville Road. In December of 2014, UDF purchased the First Merit Bank parcel immediately to the east with plans to demolish the existing convenience store structure and rebuild it upon the two parcels. The existing structure currently sits on a parcel that is entirely within the City of Columbus. The bank parcel is a Worthington parcel. The new structure will straddle the parcels, and therefore be in two different municipal corporations. As a result, it is necessary for each city and the property owner to approve an agreement that addresses how inspections, fees, taxes and zoning will be treated by Columbus and Worthington.

There are a few other situations in Worthington where structures and/or parcel lines straddle Columbus and Worthington, but we are aware of only one other time when an agreement with Columbus has been executed. The warehouse at 6150 Huntley Road, constructed around 2002 covers both cities and an agreement exists for that location. Other areas include the shopping center at Huntley and East Dublin-Granville Road where a portion of the tenant spaces are in Worthington, with the parking lot and the remaining spaces in Columbus, and the Sharon Square shopping center at Selby and South High.

The proposed agreement that has been reached for the UDF site gives responsibility for building and fire regulations to Worthington. Because municipalities are not able to contract away their zoning regulations, the site owner has to meet zoning approval (e.g., use approval) of both jurisdictions. The City of Columbus has issued a certificate of zoning clearance, and UDF received rezoning approval by Worthington City Council in October of 2014. Property tax generated, if any, will be apportioned according to the number of square feet of

the building located in each jurisdiction and because the parcels will remain separate, each one will generate its own real property tax. Columbus will collect the income tax generated on the site. In the past we have apportioned income tax revenue based on the building square footage, but the formula for doing so is complicated and would have to be coordinated between Columbus and RITA. Taking into consideration the relatively limited projected payroll numbers at this location, our Finance Department has agreed to forego the income tax revenue and cede it to Columbus.

The agreement attached to the ordinance will have to be approved by the city councils of both cities. The attorney for UDF will shepherd it through the processes. If you have any questions about this, please do not hesitate to contact me.

ORDINANCE NO. 18-2016

Approving a Grant as Part of the City's Economic Development Venture Program and Authorizing the City Manager to Enter into an Economic Development Grant Agreement for the Same.

WHEREAS, this City Council has established an Economic Development Venture Grant Program in order to assist in creating job and employment opportunities within the City; and,

WHEREAS, this City Council created an Economic Development Fund (the "**Fund**") to provide incentives to businesses wishing to remain, locate or expand within the City; and,

WHEREAS, Wheels Up Partners LLC (the "**Company**") desires to lease office space at 350 West Wilson Bridge Road for a period of no less than five (5) years (the "**Project**"); and,

WHEREAS, the Company, a private aviation business, delivers guaranteed access to type-specific, fleet-specific aircrafts without the cost and burden of purchasing a fractional ownership interest; and,

WHEREAS, the Company, operationally headquartered in New York, New York, has committed to expand their business and workforce in the City of Worthington; and,

WHEREAS, the City seeks to assist the Company in the costs borne under the Project and accommodate an expansion of its operations in the City of Worthington; and,

WHEREAS, as structured, this Venture Grant Project meets the criteria for a grant of funds established in the City Economic Development Incentive Policy;

NOW THEREFORE; BE IT ORDAINED by the Council of the Municipality of Worthington, County of Franklin, State of Ohio:

SECTION 1. That there be and hereby is approved a grant to the Company in the amount of Fifty Eight Thousand Dollars (\$58,000.00), to be paid in four (4) installments, in the form of one (1) up-front payment of \$22,000 upon the full execution of the lease for 350 W. Wilson Bridge Road or the issuance of a Certificate of Occupancy, and three (3) subsequent annual installments of \$12,000 each upon the City's confirmation that annual payroll commitments have been met.

ORDINANCE NO. 18-2016

SECTION 2. That the City Manager is hereby authorized and directed to enter into an Agreement with the Company substantially in the form in EXHIBIT A, attached hereto and made a part hereof, establishing the conditions of the grant, with such changes as may be approved by the City Manager and Director of Law and not adverse to the City.

SECTION 3. That notice of passage of this Ordinance shall be posted in the Municipal Administration Building, the Worthington Library, the Griswold Center and the Worthington Community Center and shall set forth the title and effective date of the Ordinance and a statement that the Ordinance is on file in the office of the Clerk of Council. This Ordinance shall take effect and be in force from and after the earliest period allowed by law and by the Charter of the City of Worthington Ohio.

Passed _____

President of Council

Attest:

Introduced May 2, 2016
P.H. May 16, 2016

Clerk of Council

ECONOMIC DEVELOPMENT GRANT AGREEMENT

THIS ECONOMIC DEVELOPMENT GRANT AGREEMENT (the "**Agreement**") is made and entered into this ___ day of _____, 2016 (the "**Effective Date**"), by and between the City of Worthington, an Ohio municipal corporation with primary offices at 6550 North High Street, Worthington, Ohio 43085 (the "**City**") and Wheels Up Partners LLC, a Delaware limited liability company with primary offices at 220 West 42nd Street, 9th Floor, New York, New York 10036 (the "**Company**"). The City and the Company are collectively referred to herein as the "**Parties**".

RECITALS

WHEREAS, pursuant to Ordinance No. 44-2002 (As Amended), Ordinance No. 37-2004, and Ordinance No. 57-2006 (As Amended) (the "**Approval Ordinances**"), and consistent with the goal of encouraging the development and maintenance of commercial and industrial businesses within the City and to provide for the creation of jobs and employment opportunities, the City has adopted an Economic Development Incentive Policy (the "**Policy**"); and

WHEREAS, as authorized in Article VIII, Section 13 of the Ohio Constitution and in accordance with the guidelines established under the Policy, the City has offered to provide the Company an economic development incentive grant to encourage the Company to locate certain of its corporate and administrative offices into commercial office space located within the City (the "**Project**"); and

WHEREAS, the Company has accepted the City's offer to provide an economic development incentive grant and has agreed to enter into this Agreement, which sets forth the Company's respective rights and obligations concerning the payment of such grant.

NOW THEREFORE, the Parties covenant, agree and obligate themselves as follows:

Section 1. Terms of the Grant. The City shall provide to the Company an economic development incentive grant in amounts set forth in this section (the "**Grant**"), which the Company shall use to expand its existing operations. The Company will be located at 350 West Wilson Bridge Road (the "**Premises**") and conduct operations therein. Payments under this Section shall be made to the Company provided that a Certificate of Occupancy (the "**CO**") has been issued for the Premises or that the lease for 350 W. Wilson Bridge Road has been signed, and that this Agreement has been fully executed by both Parties. By accepting the Grant, the Company agrees to meet certain objectives as set forth in Section 3 below (the "**Grant Objectives**").

The Grant shall be payable to the Company pursuant to the following: one (1) one-time payment of Twenty Two Thousand dollars (\$22,000.00) (the "**Initial Grant Amount**") due and payable to the Company upon full execution of the lease for 350 W. Wilson Bridge Road or the issuance of the CO for the Premises (the "**Occupancy Date**"); thereafter, subject to the City's Annual Review under Section 4 of this Agreement to determine if the Company has met the Grant Objectives, upon the subsequent completion of each of three 12-month periods following the Occupancy Date, and until such time as the City has remitted to the Company under this Section

1 a total amount of Fifty Eight Thousand dollars (\$58,000.00) (inclusive of the Initial Grant Amount) (the “**Total Grant Amount**”), the City will pay to the Company Twelve Thousand dollars (\$12,000.00) (each of which constitutes an “**Annual Installment Amount**”). The term of this Agreement shall commence on the Effective Date and end on the later of (i) five (5) years after such Effective Date or (ii) the date on which the City has caused to remit to the Company the Total Grant Amount (the “**Term**”).

Section 2. City's Obligation to Make Payments Not Debt: Payments Limited to Nontax Revenues. Notwithstanding anything to the contrary herein, the obligations of the City pursuant to this Agreement shall not be a general obligation debt or bonded indebtedness, or a pledge of the general credit or taxes levied by the City, and the Company shall have no right to have excises or taxes levied by the City, the State or any other political subdivision of the State for the performance of any obligations of the City herein. Consistent with Section 13 of Article VIII, Ohio Constitution, any payments required to be made by the City pursuant to this Section 2 shall be payable solely from the City's nontax revenues. Further, the obligation of the City to make the payments pursuant to this Agreement shall be in accordance with the Approval Ordinances and subject to certification by the Director of Finance of the City as to the availability of such non-tax revenues.

Section 3. Grant Objectives. In consideration of the City’s agreement to provide the Grant to the Company, the Company agrees to meet and maintain the following Grant Objectives:

(a) The Company shall lease property at 350 West Wilson Bridge Road to facilitate the relocation and expansion of its operations; and

(b) Throughout the Term of this Agreement and during each successive 12-month period therein, the Company shall cause to be paid amounts at least equal to the amounts set forth below, which actual amounts shall solely be used to authorize payment of the Annual Installment Amounts due, if any (the “**Eligible Payroll**”):

(i) At the end of the first 12-month period following the Occupancy Date, the Eligible Payroll shall equal or exceed One Million Five Hundred Thousand dollars (\$1,500,000.00); and

(ii) At the end of the second 12-month period following the Occupancy Date, the Eligible Payroll shall equal or exceed One Million Eight Hundred Thousand dollars (\$1,800,000.00); and

(iii) At the end of the third 12-month period following the Occupancy Date, the Eligible Payroll shall equal or exceed Two Million Two Hundred Eighty Thousand dollars (\$2,280,000.00); and

(iv) At the end of the fourth 12-month period following the Occupancy Date, the Eligible Payroll shall equal or exceed Two Million Seven Hundred Sixty Thousand dollars (\$2,760,000.00); and

(v) At the end of the fifth 12-month period following the Occupancy Date, the Eligible Payroll shall equal or exceed Three Million Two Hundred Forty Thousand dollars (\$3,240,000.00); and

(c) For purposes of this Agreement, Eligible Payroll remitted by the Company shall be equal to the total wages paid to the City by the Company which are subject to City withholding.

Section 4. Annual Review of Grant Objectives; Actions by City. The Company shall make annual reports, in such detail as may reasonably be requested by the City, as to the actual progress of the Company with respect to the Project and the terms of this Agreement. Information requested by the City may include the number of jobs retained, the number of any new jobs created, the amount of payroll attributable to such retained and new jobs, and such other information related to carrying out this Agreement as the City reasonably requires. Prior to remitting the Annual Installment Amount for the respective period, the City shall review the information supplied by the Company to determine whether it is satisfying the Grant Objectives (the “**Annual Review**”).

In the event the City determines in its Annual Review that the Company has met the Grant Objectives during the respective period, the City shall remit to the Company the Annual Installment Amount for that period. If, however, the City determines in its Annual Review that the Company did not otherwise meet the Grant Objectives for the respective period, the Annual Installment Amount shall not be remitted to the Company for that period.

In the event that the City determines at any Annual Review during the Term that the Company has not met the requirement under Section 3 of this Agreement to achieve the Eligible Payroll Amounts, then the City shall have the right to require the Company to repay such portion of the Total Grant Amount previously remitted by the City under this Agreement. Such repayment by the Company shall be paid within sixty (60) days following the date the City notifies the Company of its determination hereunder and the amount of the repayment requested. The City’s failure to notify the Company at any point in time that a repayment is required shall not constitute a waiver of the City’s right to do so.

Section 5. Miscellaneous.

(a) Notices. Except as otherwise specifically set forth in this Agreement, all notices, demands, requests, consents or approvals given, required or permitted to be given hereunder shall be in writing and shall be deemed sufficiently given if actually received or if hand-delivered or sent by a recognized, overnight delivery service or by certified mail, postage prepaid and return receipt requested, addressed to the other party at the address set forth in this Agreement or any addendum to or counterpart of this Agreement, or to such other address as the recipient shall have previously notified the sender of in writing, and shall be deemed received upon actual receipt, unless sent by certified mail, in which event such notice shall be deemed to have been received when the return receipt is signed or refused. For purposes of this Agreement, Notices shall be addressed to:

(i) If to the City:

The City of Worthington
Attention: Economic Development Manager
6550 North High Street
P.O. Box 480
Worthington, Ohio 43085

with a copy to:

Pamela A. Fox
Director of Law
370 Highland Avenue
Worthington, Ohio 43085

- (ii) If to the Company:
Attention: Rob Patris, Executive Vice President
Wheels Up Partners LLC
350 West Wilson Bridge Road
Worthington, Ohio 43085

The Parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

(b) Extent of Provisions: No Personal Liability. All rights, remedies, representations, warranties, covenants, agreements and obligations of the City under this Agreement shall be effective to the extent authorized and permitted by applicable law. No representation, warranty, covenant, agreement, obligation, or stipulation contained in this Agreement shall be deemed to constitute a representation, warranty, covenant, agreement, obligation or stipulation of any present or future official, member, officer, agent or employee of the City or the Company in other than his or her official capacity. No official executing or approving the City's or the Company's participation in this Agreement shall be liable personally under this Agreement or be subject to any personal liability or accountability by reason of the issuance thereof.

(c) Successors. This Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns.

(d) Amendments. This Agreement may only be amended by a written instrument executed by both Parties.

(e) Executed Counterparts. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same agreement. It shall not be necessary in proving this Agreement to produce or account for more than one of those counterparts.

(f) Severability. In case any section or provision of this Agreement, or any covenant, agreement, obligation or action, or part thereof, made, assumed, entered into or taken, or any application thereof, is held to be illegal or invalid for any reason:

(i) that illegality or invalidity shall not affect the remainder hereof or thereof, any other section or provision hereof, or any other covenant, agreement, obligation or action, or part thereof, made, assumed, entered into, or taken, all of which shall be construed and enforced as if the illegal or invalid portion were not contained herein or therein;

(ii) the illegality or invalidity of any application hereof or thereof shall not affect any legal and valid application hereof or thereof; and

(iii) each section, provision, covenant, agreement, obligation or action, or part thereof shall be deemed to be effective, operative, made, assumed, entered into or taken in the manner and to the fullest extent permitted by law.

(g) Captions. The captions and headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of the Agreement.

(h) Governing Law and Choice of Forum. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio or applicable federal law. All claims, counterclaims, disputes and other matters in question between the City, its agents and employees, and the Company, its employees and agents, arising out of or relating to this Agreement or its breach will be decided in a court of competent jurisdiction within Franklin County, Ohio.

IN WITNESS WHEREOF, the City and the Company have caused this Agreement to be executed in their respective names by their duly authorized representatives, all as of the Effective Date defined above.

WHEELS UP PARTNERS LLC

By _____
(Name) (Title)

THE CITY OF WORTHINGTON

By _____
Matthew H. Greeson, City Manager

Approved as to form:

Pamela A. Fox
City of Worthington
Director of Law



MEMORANDUM

TO: Matt Greeson

FROM: David McCorkle

DATE: May 2, 2016

SUBJECT: Venture Grant – Wheels Up Partners LLC Expansion

This agenda item proposes a Venture Grant to assist Wheels Up Partners LLC in the expansion of their operations and signing of a new lease at 350 W. Wilson Bridge Road.

Staff Recommendation:

Staff recommends adoption of an ordinance authorizing the City Manager to enter into a Venture Grant agreement, as described below, to assist Wheels Up's expansion in Worthington.

Background:

In 2001 Kenny Dichter and his partners introduced Marquis Jet, which revolutionized the private aviation industry with its introduction of the first ever 25-hour fractional jet card. The concept is selling a set number of flight hours on an aircraft via guaranteed access to type-specific, fleet-specific aircrafts without the cost and burden of purchasing a fractional ownership interest. In 2010, after more than \$4 billion of jet card sales, Marquis Jet was sold to NetJets, a Berkshire Hathaway company. In 2014, Mr. Dichter recruited a team of NetJets executives and started Wheels Up, a similar model but with lower costs and membership-based programming.

In the last 20 months, Wheels Up has gone from 30 flights per day to 80. Their fleet of King Air planes has also more than doubled over that same timeframe. Each plane holds eight to nine passengers. Wheels Up offers better economics and more choices with a range of products, evolving to meet the needs of the private aviation consumer.

Wheels Up has had a presence in Worthington since their inception in 2014. Their Worthington location, located at 450 W. Wilson Bridge Road, has grown from 6 employees to 22 over that time period. Wheels Up is not done growing. They have identified the building at 350 W. Wilson Bridge Road to accommodate their future expansion efforts. However, they have also noted the

expansion could occur at one of their other locations out of state, namely New York, New York or Bridgeport, Connecticut, or within a neighboring community in central Ohio. Losing Wheels Up would involve not only the approximately 38 new jobs associated with the expansion, but also 22 existing jobs that are already located in Worthington. Staff is recommending a Venture Grant to encourage the expansion to occur in Worthington.

Under the Venture Grant agreement, Wheels Up will cause more than \$3 million in total annual payroll to be paid to persons working in the renovated facility within five years of the start of the Project.

Venture Grant –Terms & Benefits:

The proposed expansion by Wheels Up involving a five (5) year payroll commitment at 350 W. Wilson Bridge Road is recommended for a Venture Grant payable in four (4) installments. The first installment of Twenty Two Thousand Dollars (\$22,000) is payable upon the full execution of the lease for 350 W. Wilson Bridge Road or the issuance of a Certificate of Occupancy. The three subsequent installments, each equaling Twelve Thousand Dollars (\$12,000), are payable upon the subsequent completion of each of three 12-month periods following the issuance of the Certificate of Occupancy.

Each annual payment will be conditioned on Wheels Up meeting the payroll commitments for the respective period. Wheels Up's failure to meet its commitments in a given year will result in the City not remitting the annual installment amount for that period. In this instance, the City would also have the right to require the company to repay a portion of the grant previously remitted.

ORDINANCE NO. 19-2016

Amending Ordinance No. 44-2015 (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 2016 Street Improvement Program and all Related Expenses and Determining to Proceed with said Project. (Project No. 630-16)

WHEREAS, the Charter of the City of Worthington, Ohio, provides that City Council may at any time amend or revise the Budget by Ordinance, providing that such amendment does not authorize the expenditure of more revenue than will be available;

NOW, THEREFORE, BE IT ORDAINED by the Council of the Municipality of Worthington, County of Franklin, State of Ohio:

SECTION 1. That there be and hereby is appropriated from the Capital Improvements Fund Unappropriated Balance to Account No. 308.8150.533359 the sum of _____ to pay the cost of the 2016 Street Improvement Program and all related expenses (Project 630-16).

SECTION 2. That the City Manager be and hereby is authorized and directed to enter into an agreement with firm of _____ for the provision of the aforementioned services.

SECTION 3. For the purposes of Section 2.21 of the Charter of the City, this ordinance shall be considered an "Ordinance Determining to Proceed" with the Project, notwithstanding future actions of this Council, which may be necessary or appropriate in order to comply with other requirements of law.

SECTION 4. That notice of passage of this Ordinance shall be posted in the Municipal Administration Building, the Worthington Library, the Griswold Center and the Worthington Community Center and shall set forth the title and effective date of the Ordinance and a statement that the Ordinance is on file in the office of the Clerk of Council. This Ordinance shall take effect and be in force from and after the earliest period allowed by law and by the Charter of the City of Worthington, Ohio.

Passed _____

President of Council

Attest:

Clerk of Council



**Worthington
POOLS**

April 7, 2016

Bonnie Michael, President
Worthington City Council
6550 North High Street
Worthington, Ohio 43085

Re: SWIMINC, Inc. Request for Forgiveness of Loan

Dear President Michael:

For the last nine years it has been my privilege to serve on the Board of Swiminc, the last year and a half as its President. Through my service on this Board, I have come to appreciate the value that Swiminc, through the Worthington Pools, provides to our community. I also understand and value the partnership between the City of Worthington and Swiminc has in maintaining this community resource. As you know, Swiminc is undertaking an aggressive, but necessary, effort to modernize its venerable facilities and lay the groundwork for its continued success as a standalone non-profit community focused organization. I am writing today to request that the City help kick-start these efforts by forgiving the remaining balance on Swiminc's loan from the City of \$105,000. In doing so, the City will provide Swiminc with much needed "seed money" that we will dedicate solely to the realization of our long term goals.

Swiminc's vision for the future of the Worthington Pools is built on a foundation of almost 60 years of serving the community as the focal point in Worthington of summer pool fun, learn to swim programs, and competitive swimming at all levels. Our facility, however, is old and in need of significant investment. Our vision for the future also requires us to look for new opportunities to provide the programming and facilities that the Worthington Community expects. To realize our goals, however, we need to expand the capabilities of Swiminc to raise the types of capital needed for our pools. Building our organizational capacity for this type of project requires dedicated employees, tireless volunteers, and the availability of the resources to support these efforts. If the City is willing to forgive the remaining balance on the loan it made to Swiminc in the 1990s, Swiminc will have an additional \$35,000 per year for the next 3 years to use exclusively on these efforts.

On behalf of the entire Swiminc team, our Board and our membership, I would like to thank you, all of Council, and the City for your continued support. We also stand ready to provide you, Council or the City management team any information you may need as you consider this request. We look forward to your positive response and please do not hesitate to contact me with questions or concerns.

Very truly yours,


Robert J. Schmidt, Jr.

RJS:csr