



# City of Gahanna

## Meeting Minutes

### Finance Committee

200 South Hamilton Road  
Gahanna, Ohio 43230

*Jamie Leeseberg, Chair*  
*Brian Metzbower, President*  
*Stephen A. Renner, Vice President*  
*Karen J. Angelou*  
*Brian D. Larick*  
*Nancy R. McGregor*  
*Michael Schnetzer*

*April Beggerow, CMC, Clerk of Council*

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Monday, November 25, 2019

Council Committee Room

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#### **\*Immediately Following Committee of the Whole**

#### **A. CALL TO ORDER**

Council President Brian Metzbower called the meeting to order at 8:39 p.m.

#### **B. DISCUSSION**

[ORD-0101-2019](#) AN ORDINANCE TO MAKE APPROPRIATIONS FOR CURRENT EXPENSES AND OTHER EXPENDITURES OF THE CITY OF GAHANNA, OHIO DURING THE FISCAL YEAR 2020.

Mr. Larick said that an email that went out to administration still had information that was outstanding. He said there was still an 11% gap and wondered where that was coming from. He continued, by asking Mr. Barr about the driver of an increase.

Mr. Barr said he needed to look up the information. He said it was the grants that were reimbursed in 2019.

Mr. Larick said about the funds page- the different fund balances, end of 2020, the public service fund shows an ending balance of \$181,000, parks fund shows an ending balance of \$191,000 that it's a question for Joann, how that can be accounted and get some opportunity there. He asked what the right of way fund was for.

Mr. Crawford said that there are right of way registration fees charged to the utilities for using the right of way.

Mr. Larick asked if there is a requirement as to how those funds are used.

Mr. Crawford said he didn't know.

Mr. Larick said that he would like to see redevelopment of the park area that makes up Friendship Park, Veterans Park, etc.. but that this was not the moment to discuss those things from his perspective.

Mrs. McGregor said expenditures are about 2.7 million dollars more than revenue for the general fund and if the note is going to be paid in 2 years rather than 1, that would leave still a deficit of \$247,000 plus the finance fees. It's not good to have a budget with a deficit to start off. She asked what the miscellaneous contract services are for. Are they a definite ask?

Mr. Moorehead said the contract services come up when there is a need on a particular basis either to hire a specialist, or for an unplanned basis to fill in the gaps for a workload that staff can't handle. Some of them are recurring, but other is as needed. Most of which is not speculated.

Mr. Renner asked if the contract services fall under the SOM.

Mr. Barr said no, it's operating for all of them and it is in the operational budget.

Mr. Renner said he hears a lot from residents "how did you approve ..." and it may be a just item, but it still needs to come to Council and aired out in a public way so that there is confidence that it was done.

Mr. Larick said that this is where they need to speak to Joann (Finance Director) because she's put in an effort to structure that so that the common carry forward of the p.o.s have been closed out.

Ms. Vollmer said that Joann did send out an email asking for everyone to list the purchase orders they need to carry forward because it is time to close them out.

Mr. Schnetzer said that there are a lot of changes that need to be made and there have been a lot of estimates made on the rate of collection, rate of growth in the economy. He said we need to remain cautious.

Mrs. Jadwin said there will be things coming up in the New Year that there needs to be some sort of cushion for things that will come up.

Mr. Larick said that he doesn't have an answer about how to solve the issue, his point was that there are 3 new funds and at the end of the year, two of those funds have remnants of a total of \$372,000 and can that be

fixed, can those funds be used as opposed to gf which is opportunity.

Mr. Schnetzer said his opinion is to follow up with Joann. He has a couple of things that need investigated.

Mr. Larick replied that the other issue was the 89% of the cap being covered by the new funds, the 11% is coming from where and the perspective on that.

Mr. Schnetzer said there is \$1.66 million being transferred out of the gf and knowing where that is going... he can't trace it to a specific fund that is receiving that amount which makes him wonder if they're being spread out several funds. Does it have to be transferred out..

Mr. Larick said he thought he found it but now he has to go back through.

[2019-0126](#)

Mill Street Development Project; Gahanna Mill Street Investors, LLC

Mr. Metzbower asked what are some of the issues that have been sticking points for this project.

Mr. Schnetzer said one of the struggles is that what is in front of them was that not enough time has been discussed on the items in the actual agreement.

Mr. Renner asked what Mr. Metzbower's objective was on this approach.

Mr. Metzbower replied that it is define the issues.

Mr. Renner said that there is a process for this sort of thing. That we have short cut this by going to Council. Council's job is to deliberate on lots of issues, but this was brought to a body that was not set up to deal with this. It needs to get back to the normal process.

Mr. Metzbower asked what is that normal process. We're negotiating a contract in the public realm.

Mr. Renner replied, well now we are, but before we get to this process, it's supposed to go through the city processes before it comes to Council. He said that if there is going to be any more discussion on this, then it be remanded back to Planning Commission and then Council is out until it is structured better.

Mrs. McGregor said they've asked to pass the Developer's agreement, yet there are still so many unanswered questions because it hasn't been to Planning Commission. Like the easements behind the CVB, they

gave us that easement in exchange for something else, so if we just abandon that easement then what are we getting, there was a value of that. Similar things with North Street. People said they need to pay fair market value. She asked Mr. Ewald if it can even be sold.

Mr. Ewald replied that it can. He reminded Council that he has strictly interprets the Charter and Planning Commission not only has to review it, but they have to approve it. If they don't approve it, the vacation of the street stops there. If they fail to act within 90 days from the date of referral, then Council may continue forward as though they had the approval of Planning Commission per 11.04 of the Charter.

Mr. Schnetzer said that one of the key lynchpins of the project, of the ask, is the vacation of North Street and you're saying it cannot happen until it goes to Planning Commission? Then I think we're done here.

Mr. Ewald said he knows Mr. Hodge may disagree on that point.

Mr. Hodge said he didn't disagree but he didn't feel it was inconsistent with the terms of the agreement

Mr. Ewald said that his issue with the agreement was section 4 which discussed the vacation of the easement, it assumes the approval of the vacation. He said he didn't know how the agreement could be approved without the response of Planning Commission.

Mr. Renner asked what does Council need to do.

Mr. Ewald replied that the Charter doesn't require a specific vote, only that you ask that it be sent back. You just need to ask the Clerk to send it to Planning Commission, put it on their agenda and start that process. Just on the vacation of the right of way, not design review, FDP, they can even give a recommendation on the valuation of the property. That's what they do.

Mr. Moorehead asked if that same clause applies to the easement on the west side.

Mr. Ewald replied that he believed it would. Under 11.03 of the Charter.

Mr. Hodge said if the street doesn't get vacated or sold, then the project doesn't go forward. He said he knew the language was in the Charter but that it isn't inconsistent with the way the idea is contemplated in the agreement. But if it was, they were here to work with Council to bring it to a vote. If the language needs modified to address the issue, then it

gets modified. Killing 2 years' worth of work over something that is a red herring, he continued, that he'd like this to continue and for this to come to a vote this year.

Mrs. McGregor said that this has not been 2 years that it has been before Council, she's known about it for 6 or 7 months.

Mrs. Angelou said it needs to go to Planning Commission.

Mr. Hodge said we are not asking the City of Gahanna for anything out of the ordinary.

Ms. Bowers said that's not true. We got a letter from outside Counsel that specified all of the points in which this development agreement is not within the norm down to the interest rate level being astronomically high. It is just not true.

Mr. Hodge replied that what Mr. Daniels said, was that money to be used from TIF fund must be for public infrastructure. We're not asking for any money here that is outside money that is permitted to be used under existing TIF legislation.

Mr. Ewald said that the vacation portion could go to Planning Commission, and it can be reported back to Council.

Mr. Moorehead replied that we received the plan on August 30th and there have been comments about bringing items to Planning Commission with comments unresolved. The typical process would be that it is submitted to the city, it is reviewed by police, fire, our arborist, parks & rec, engineering, every department looks at the application, issues comments requests clarification on some things and once those comments and questions are answered, it receives either support from staff and goes to Planning Commission, I believe the current ask is to bring it to Planning Commission in its current state.

Mr. Hodge said he believed there was a workshop scheduled December 18th.

Mr. Moorehead said he just wanted to be careful if we were going to impose a 90 day window on Planning Commission to make a recommendation to you because they have not yet seen this.

Mr. Ewald said so not make the referral tonight to preserve the 90 day window.

Mr. Moorehead replied that yeah, Planning Commission, I don't know if they would have the information they need in 90 days to make a good recommendation. If that recommendation is no, what does that mean...

Mr. Hodge said that the recommendation on the sale and vacation of North Street is separate and distinct from the design review and the development plan application. If we ask the Planning Commission to hear whether or not they think the vacation of North Street is appropriate, thumbs up, thumbs down, that fulfills the obligation of the charter if I'm not mistaken.

Mr. Ewald said you will still have all of these things in play, but you don't want to start that clock ticking at 90 days because then you're going to end up with a no. I wouldn't vote for something I have no information on. It's up to them whether they want to take a shot within the window, or outside of the window and what I'm hearing is they don't want to start the clock yet.

Mr. Schnetzer asked when the clock starts.

Mr. Ewald said it starts on referral.

Ms. Bowers said that there were a lot of industry specific questions about this project and they're going to want to take a look at it holistically rather than piece meal and that the City's departments deserve the respect to be able to weigh in from an expertise perspective.

Mr. Hodge said that no one here wants to buck the process. Nobody is not trying to work through the Planning Commission process. What they are trying to understand is if there is a financial agreement/collaboration between this developer and the City so they can conclude the remainder of the process.

Mr. Schnetzer asked Mr. Hodge- the agreement includes the vacation of the street correct?

Mr. Hodge replied that the agreement in Section 4 talks about the vacation of the street and in light of the Charter issue, the street vacation issue has to be reworded slightly to lump it in with what was already said, we need to deal with Planning Commission as opposed to Council approving it as part of the agreement.

Mr. Schnetzer replied, but what we have in front of us is the same document, we'd be voting on the vacation of the street and the financial contributions from the City.

Mr. Hodge said **\*\*inaudible\*\***

Mr. Schnetzer said but what I'm hearing is that it can be reworked to remove that and make that a separate piece.

Mr. Hodge said that's correct. One of the items has been discomfort about vacation of the street and whether it is given to Metropolitan Holdings or whether it's sold. Among the items that are concessions on our side is we're prepared to pay the city for the street. So that needs to be incorporated into the agreement. We hope that we can continue to talk about these things and get to where there is an acceptable agreement.

Mr. Metzbower asked if this topic could die with the Planning Commission.

Mr. Ewald replied that if the Planning Commission issues a no recommendation, then that's it.

Mr. Renner said that the vacation of North Street has been conflated with the utility. That whole dialog conflated with should we even vacate that section of street and that is what Planning Commission needs to take on and I will not change from that position. The other item is financials. We were presented with some return of investment numbers. Mr. Blackford said that he needs to evaluate and report back and there is already a noted error - the TIF does roll off December 2035, so those numbers as given to us were already wrong. The values of the numbers overall.

Mr. Schnetzer asked that if that vacation doesn't happen then the project doesn't go forward, is everything else just spinning wheels.

Mr. Moorehead said that what they brought last committee meeting was a list of comments on the final development plan. One of the points that they wanted to bring up, was as that development plan changes, if it changes, or dies, which could still happen in the final development review process, how that affects the agreement as a whole. There are a number of references to exhibits that are a part of that development plan. What happens to the agreement if Council agrees with it, at what point would a different site plan make this invalid.

Mr. Hodge replied that he would assume that what is ultimately approved, if it differed significantly from what is contemplated here, then the contingencies aren't met and the contract is not valid. It wouldn't be binding on either party.

Mr. Moorehead asked who defines significantly different. The City? Both of us?

Mr. Hodge said he didn't have a great answer. If the property isn't financially viable, then the property won't transfer.

Mr. Renner said there are so many things that the city experts need to advise on and before he can put pen on that and say yes, he needs to understand.

Mr. Schnetzer asked what the objective is for the rest of the night.