

City of Gahanna

*200 South Hamilton Road
Gahanna, Ohio 43230*



Meeting Minutes

Monday, August 23, 2010

Immediately Following Previous Committees or

7:15 PM

Council Committee Rooms

Finance Committee

David L. Samuel, Chair

Beryl D. Anderson

Shane Ewald

Thomas R. Kneeland

Brian Larick

John R. McAlister

Nancy McGregor

Members Present: David L. Samuel, Shane W. Ewald, Thomas R. Kneeland, John McAlister, Nancy R. McGregor, Beryl D. Anderson and Brian Larick

Additional Attendees:

Tony Collins; Mike Andrako; Dottie Franey; Terry Emery; Karl Wetherholt; Angel Mumma; Kristen Treadway; Mayor Stinchcomb; Brandi Braun; Sadicka White; Leah Evans; Donna Jernigan; Brian Hoyt; Chief Dennis Murphy; Dep. Chief Ken Bell; Gen. Jim Williams; Lt. Dan Williams; Tom Lefchik; Ed Hanawalt; Christie Hardin; Kelley Crabtree; Press.

PENDING LEGISLATION

ORD-0140-2010

TO AUTHORIZE THE MAYOR TO ENTER INTO CONTRACT WITH ECONOMIC AND COMMUNITY DEVELOPMENT INSTITUTE TO ESTABLISH A DEVELOPMENT FUND; TO SUPPLEMENTALLY APPROPRIATE \$375,000

Samuel called the meeting for Monday, August 23, 2010 to order; explained Council has an Executive Session at 8:30 P. M.; said we will move the agenda item "Noise Level at the Pub" in front of the Development Department review; our first agenda item is the Economic Development Fund; I would like to make a few comments; I feel we have needed this for a long time; other cities have it; we do need reporting on the loan commitments and we need to be able to pull out if it is not working; there are a lot of safety nets in our plan that you don't find in other programs so I am in support of the legislation.

Ewald said I appreciate the Development Department reaching out and I did learn some things about this I didn't know; but because of the current economic climate and the City's limited funds, I am not going to support this; we need to make sure of our priorities and I see this having too much risk at a time when we cannot afford it; even if the money is left for other things, I cannot support this due to the risk; I don't see how to guarantee a way to recoup this in the short term.

McAlister said I cannot support this either; he quoted Article 8 of the Ohio Constitution that denies governments the ability to lend money or offer credit; said this was passed a long time ago and due to slick lawyers and the kind of legislators around we don't obey it anymore; some people including myself, who pay taxes to run the City but also run a business in this City are now a competitor; have a moral problem with this; this is using tax payer money to subsidize the competition at a local level and I have a real problem with it.

Kneeland said I think the facts need to be clarified; the money for this Development Fund will not be not tax dollars from general income taxes; it is the tax dollars from The Industrial Zone (TIZ) earmarked for specific developmental projects; when we discuss these funds we have to differentiate the facts from fiction and I would call upon Mumma to clarify further; I know these funds have been around since the 1970s and we have benefitted from it. Mumma said this is money from the unappropriated balance of the General Fund; it is from the TIZ Fund and that was added to the General Fund over time; those businesses made these payments and they were banked over the years; they can be used for development or for other expenses.

Mayor said the original legislation clearly talks about use of the fund; it can be used for urban revitalization and gives other specific uses; still, that was 30 years ago, and it can be used for other things; the needs of small businesses are such that this legislation allows us to fund them to create jobs, with as Samuel said, adequate protections to minimize risk.

Ewald said I don't disagree with those comments; we could get great benefits from this;

but I still believe there is firm threat of default and I can't support this use at this time. Larick said I had many questions about how it works and what the long term benefits would be to the City; what I have learned is, in a competitive environment, they will go to the community and see how the business fits; with large enterprises, funding is needed for capital improvements and the City may provide that to bring them into the community and then we are reimbursed through taxes and jobs; what this is, in my mind, is a corporate welfare; it is a tool to give the City a jump start; the least risky of all may be how it is administered; the mediation that goes into this for those in need of funds is no less risky a way to incent the investor to come to the City with long term revenue; so I support the legislation.

Anderson said the cost benefit analysis says it does have risk; but it will also provide a boost if we take the initiative; we just need to make sure we give incentives to all businesses here in Gahanna; I support it.

McGregor said I have had 3 phone calls and although that is not a lot, they were all against it; one was from a current business in the community; he said he had to build his business on his own; he did a home equity loan; now the City will be financing businesses in competition with him; he did it on his own. It is not income tax money; but it is tax money; in this economy, I would rather see it spent on infrastructure, on roads or even minor repairs to make us look better; I am not in support of it.

Mayor told the story of Jim Grote and Donato's Pizza to illustrate the fact that sometimes when the City takes a risk it pays off.

Samuel said this is a 2 year agreement. White said yes but either party can give a 90 day notice and pull out.

McAlister said the fee of \$75,000 seems expensive; Larick, did you crunch the numbers on that?

Larick said I looked at the presentation from the Deputy Development Director; Jones did a presentation of this and how it is structured and the required amount of jobs in order to recover costs in a given time frame.

McAlister asked White will we get reports on the success of this. White said on every loan.

McAlister said I just didn't want to be in the loan business; we don't know what we are doing; we hired consultants when we did Creekside and it is just another example of government sticking its nose where it doesn't belong.

White said we could have asked for loans guaranteed with capital; I started a business in 1976 and that is exactly what I did; I used house equity; but I had house equity and I borrowed on that and used cash I had saved; the issue today is even if you have equity, it is reduced and you can't get a loan on it; the economy has shifted; no one can just get a loan from the City; they will have to put in their share; we have a business ready to come to Gahanna; he needs \$15,000 to \$20,000 more; this is what we are looking at; it begins to position us for the next period in our time; we will report as promised; as Development Director if it doesn't work I will stand up and say it is not working; this is a loan by loan process; money not loaned out will still be in the fund. McAlister asked what part does Mumma play as the loan is closed. White said as Director of Finance, she pays out the loan.

Recommended for Adoption

ISSUES:

Noise Levels - The Pub

McGregor said I asked for this to come to Committee; over a period of the last 2 months, I have received emails and calls from Mr. Lefchik; the Police have been out to the area to take readings; I know how difficult it is for the City to enforce policies for this with what they use; our Ordinance in place for this is not meeting the needs of this situation; I called Ron Smith; he is with SOH Productions in Gahanna; I asked him to do

a long term reading and he gave me a quote of \$300; other businesses charge up to about \$950; there are some different ways to go about getting readings and that is what I wanted to find out about; sent out a summary of the ordinance.

Mayor said I have been out to this residence on 2 occasions to listen; the way Mr. Lefchik is situated at the end of the court, and the bands are positioned on the patio at The Pub causes a tunnel effect; the acoustics at the cemetery and homes contribute; the Police Department has tried some different solution attempts; they have talked to the Development Department and they have offered to go out to the business to see if they can offer advice on attenuating the noise; this is a difficult and singular situation; and we are looking at a change in the code for this.

Lt. Williams said the current code makes it hard to verify and enforce; ordinance is vague; we may need an ordinance that is not so subjective; ours is for someone with ordinary hearing and our readings are an average of 3 minutes; since May we have done this on 14 different dates with 24 different officers and had 17 different readings; there have been zero violations of the 3 minute average; we have gone to The Pub and asked them to bring it down and there has not been a single time they did not cooperate; we should try to take this as a community measure and work it out as they have not been out of compliance.

White said when I talked to the Mayor, I said we need to go and talk to them at The Pub; we are aware of what can happen with ambient noise; like the whisper that can be heard far away because of the way it travels; I worked with former Mayor McGregor when he looked at this and we did significant research then; sound travels; if we go there and look at the set up before we spend the \$300, we can probably suggest changes in the direction of the band, and suggest the use of acoustical tile or sound boards to mitigate this.

Crabtree, Pub manager, said we have tried all that; we bought the same meter you use; we are not trying to upset anyone and when we check the meter to see if there are any problems, we are where we are supposed to be; we have asked the band to reduce the sound if we think we can; this is a summer issue and our patio will close in 6 weeks so it is only a 3 month thing; we hear the noise from Creekside at our location so it cannot just be us creating this problem. Hardin, who owns The Pub, said we have considered changing the direction of the music, we hear dogs barking, and we live right by the airport with that noise; the surrounding buildings amplify and we have determined it would be worse if we changed the direction; as already mentioned, we have been checking our meter and we have been at acceptable levels; my husband could not be here, but he asks is this a general issue involving all 16 Gahanna bars or is it just us with one person causing the complaints.

Ewald said I talked to the police; I think it may be the way they built the patio on the west side; I have residents on Heil that could hear it; the band faces the same direction; maybe the meter needs to be on the back fence.

Mayor said we looked at the code for Dublin; if there is noise at 50 feet that can be heard, the property owner has to attenuate it in that City; noise is in the ear of the beholder; some enjoy the music and some are bothered by it; I was out to Mr. Lefchik's home last Thursday and it was loud; we have discussed a couple of changes at The Pub so maybe we could visit there and bring in a sound expert to look at attenuation efforts on the site. White said attenuation is on the property owner. Mayor said I was not saying we would pay for it.

Ed Hanawalt said I am a partner in ownership of The Pub; we are not like Dublin; you would shut down every bar in Gahanna with an ordinance like that; I can hear Gatsby's; I don't know why I hear it; I don't understand why Creekside isn't getting complaints.

Williams said they have little elevation of decibel levels.

Anderson said I have a music background, there are physics involved in how it is set up and the sound waves travel like through a wind tunnel; have you looked at barrier walls or acoustic panels. Hardin said the patio has been in operation for 4 years; the first year

the patio got larger by 10 feet; why are we encountering problems now; I am not saying we are not willing to cooperate; we are open to suggestions. Anderson said there are people who do this and could figure out how to change it.

Lefchik said I have been coping with this for 3 years; I have made a visit and I was not greeted nicely; it has been ongoing; a week ago on a Saturday the police did not come out to the house; they went to the cemetery; I have called the police where they did not come out; I sent out an email a week ago and said in my email that I called the police at 7 and they came out at 10; they said they talked to the owners but the sound level stayed the same.

McGregor said that is why I called SOH Productions; they could do a prolonged reading over time. Samuel said this is combination of things, acoustics as well as readings.

McGregor said the volume does go up sometimes; seems to get louder even because of cloud cover.

Ewald said we have a resident with concerns and the business owner should remedy; maybe through building codes something could be done to work with the owners; we have a fence at 6 feet and maybe we need a variance to make that higher but even that may not work; the code is not the issue; the issue is how the sound travels; the property owners need to get the sound experts to tell them how to attenuate the noise; if it is not per the code then we ask for a variance. Hardin said every time we test we are not over limits; we have not broken any laws. White said the issue is with the 3 minute average; there is a lull between songs which brings the average down.

Kneeland said the measurements we have done on this issue are within the limits of our code, but it is still disrupting his quality of life; we are not disputing the fact that the noise level is within code; but it is still a problem to be resolved; The Pub should look at placement of the band and environmental concerns that would help; they can engage an expert; as far as bringing down the current sound level, I cannot see changing the code due to a single resident's incidents; deal with the problem; reduce the pain on the resident; this is between the Administration, the resident and the business owner; and the least aggressive path to resolution where Council is not involved in changing codes.

McGregor said I do question the meters we use; they may be adequate but a \$45 meter from Radio Shack may not provide the best results. Williams said it is a good enough meter; you can pay a lot more; it doesn't go below 50 decibels. Kneeland said the number is arbitrary; the resident will still be annoyed because of the physics involved; the parties involved can work out a plan to reduce the level to where everyone is happy. Lefchik said if I could make a suggestion; if you are enamored with decibel readings and the problem is with compliance to the ordinance and enforcement of it; consider a combo ordinance and put that in there; I need some protection; I have been complaining for 3 years and it is not working.

Samuel said do we want this back to Committee; issue tabled.

Meeting adjourned for Executive Session.

ISSUES - From the Mayor:

CIC Appointment

Mayor said I sent a memo out about an opening on the CIC (Community Improvement Corporation); I would like to appoint Domonic Deluca; I would ask for his confirmation at the next regular meeting.

Recommendation: Motion Resolution, Consent Agenda.

ISSUES - From the Director of Human Resources:

Early Retirement Incentive Plan

Treadway said we have 4 departments where we are able to offer early retirement through OPERS (Ohio Public Employees Retirement System); the departments are Service, Development and Planning, Parks, and Mayor's Court; it is our belief, after a long process of analysis, that we have 14 individuals who say they are interested in this option and it will save the City about 1.3 million over 5 years; it is our recommendation that we make the offer to the 4 different departments; legislation would be required for each one; we need to have this to OPERS by the end of October for processing so it does need emergency. Ewald said we need to get it out there that this is one of the steps the City has taken to secure our future; thank you for bringing this to Council and we appreciate all the hard work that went into it.

Recommendation: 1st Reading, Consent; no need to come back, 2nd Reading, Consent Agenda; Emergency Language; for 4 Ordinances.

Civil Service Rules - Allow Police Tests to Operate Under Old Rules

Treadway said the Civil Service item is on the agenda because we have encountered a slight problem with Police testing after we passed the Rules changes; to fix it, we had to come back to Council and ask for correction; we need to run the next test under the old Rule in order to be consistent and for all Police candidates to be tested under the same standards; we have 2 sets of rules and need to amend the rules for this situation. Weber said we don't need to amend the new rules; we just need to go back to Rule 17 in the previous rules as it was a different standard. Jernigan said it would only be in effect through November 15th of this year. Ewald said we give 2 tests per year. Treadway said it used to be 3; currently it is 2 remaining; we do combine the successful candidates into one eligibility list; this request does not change that process; it helps with recruiting to do it this way; we will be able to give the September test the old way. Samuel said so we go back to just old rule 17 until November 15. Weber said to do it correctly, we need legislation to supercede it to the one in effect prior to the change. Kneeland said so it needs 2 pieces of legislation. Weber said I think it all can be done in one ordinance; it does need waiver and emergency to pass on September 7.

Recommendation: 1st Reading, Waiver of 2nd Reading, Consent Agenda; Emergency Language.

ISSUES - From the Director of Finance:

Supplemental Appropriation - Development Planning

Mumma said this request is for a supplemental appropriation; we recently became aware of the fact that a 2009 purchase order for a project within the Department of Development and Planning did not get carried over to 2010; due to year end conversions and changes in personnel, we did not carry over the proper amount for an outstanding contract; it is \$35,000 that fell through the cracks and had been returned to the General Fund where we noticed it was higher than it should be; we need the supplemental to fulfill the contract and have taken steps to insure this won't happen in the future.

Recommendation: 1st Reading, Consent; no need to come back, 2nd Reading, Consent Agenda.

Transfer of Funds - Finance Office Expense

Mumma said our next item is a request for a transfer of funds; first let me explain that, after a verbal discussion with the Auditors, we were notified that even transfers within a department from one category of expenditures to another should now be approved by

Council through a motion resolution; transfers can occur within an account series like 5400 to 54XX, but between accounts, like 5300 to 54XX will require approval; as a result, more motion resolutions will be requested on a monthly basis; we realize that things happen; the office might need \$20 in another account; if the money comes from an account not in the same series, we will allow the transfers; they are not supplementals; just transfers, but we have to follow procedures for the auditors. For our legislation request, we zeroed out all the tax accounts and did not increase the finance office expenses to cover the subscription to Lexis Nexis; so we are requesting a motion resolution to transfer \$1500 from seminars and meetings to office expense to finish out the year.

Recommendation: Motion Resolution, Consent Agenda.

ISSUES - Review of 2011 Financials:

Development Department

After executive session Samuel called the meeting back to order at 8:55 P.M.

White said we are here to answer any questions you may have on Development's Financials; there is no presentation.

Larick said are we using the line by line concept.

Mayor said it's just a discussion on financials through 2011.

Samuel said White and Evans are here for questions.

Kneeland said I have none.

Ewald said during the budget process we set up these meetings so that Council can be better prepared at appropriation time. Ewald asked White to give a general layout of the Development Department as to employees.

White said I did bring you our organizational chart (handout available in the Council Office) from an earlier report; we have 4 divisions; Code Enforcement handles all codes that relate to zoning and housing; we have a Community Development Manager position that is vacant and an Economic Development Manager; our Building Department has 3 full time people; a Building & Heating Inspector, the Chief Building Official, and the secretary; they do more online; documents and forms manually held are now online; it is 30 days for an adjudication to be approved or corrected; we do it under 30 days; usually less than 21 days; it is effective and efficient; we work the plans in a queue; if someone is in a hurry we do work on those ahead of it and get those done, and then the one needed is moved along; Planning & Zoning does land use plans; redevelopment still takes planning.

White continued saying this is the first time in 13 years that we have not had interns to assist with our work load; we used to have 3 in the masters degree program to do ongoing projects; they have all been successfully placed so we won't have them.

Anderson asked why won't we have them. White said due to the budget cuts. Mayor said they want to get paid. Ewald said aren't there students who will work unpaid for experience. Evans said not really; even graduate students are looking to be compensated.

White said undergraduate students do not have the skill level to take on annual reports and stand alone projects. Anderson said aren't there some who would be interested in course credit instead of pay. White said the program we used provided quality and has always been at the graduate level which was a paid position.

White said we have had a Planner and Community Development Manager since 2003; Matt Huffman's position is not being filled; I act as planner now and I have ask Evans, Economic Development Manager, to take the planners exam next year as we plan for succession; it is too much to do on a regular basis; the tax abatement report alone takes 6 months to get ready for the Auditor; we always had interns that helped with that. Ewald said looking at this list; we see a lot of vacant positions. White said yes, in terms of code enforcement, since we now have no part time code enforcement, we will not pick up

signs on the weekends; Reynolds is a union employee with a specific contract and we can't change his hours without paying a lot of overtime. McGregor said are we working with the union to negotiate more flexible hours. Mayor said we asked for that from the Steelworkers for this classification. Kneeland said we can't change hours but we could change days. Mayor said no we can't do that; we should be able to change it to Tuesday through Saturday or 10 A.M. to 7 P.M. for normal hours but we can't. Mumma said I will pull up the actual contract and get it for you. Ewald said what resident services are impacted by these vacancies. White said if we get a surge of requests we could see delays; our Zoning Administrator goes up front to deal with lunch hours; with regard to planning, I have a meeting every night; I don't have a planner to go to meetings. Gard has to be at Planning Commission; understand we are just down; we are not complaining, but that is just how it is. The Mayor asked me to put together an organizational chart with names; so it shows the 6 vacancies; as of the last couple of years our department is not as big as perceived. Samuel asked are you able to keep up with certifications. White said the City does pay for that; they do go to training and certificate programs locally. Mumma said we are looking at all departments eliminating meetings and seminars and we would have the individuals pay for their own. Ewald said even if it is required for the position.

Mumma said we are looking at it administratively. McGregor said do they have to do that yearly. Evans said yes we have to do that every year. Samuel said why do we have to pay for it; I have had to do it all my life; required to pay for my own certifications; required to have it and maintain it. White said past practice was the City paid for it; if we can accomplish it, we would like to continue to do it. White said I question if we can continue to do the work and have our response time be effective; it is a matter of how much we can accomplish with this short staff; we review the goals and objectives again; and a succession plan is important; we want to accomplish the same work which is to keep this community sustainable and to get and keep jobs.

Anderson said is this a shift in priorities. White said it is a shift to economic development; it is jobs, jobs, with retaining the current base and growing the base over the next 10 years; we have Central Park, Creekside, and Olde Gahanna to develop; we are focused on getting those to maximum capacity. Ewald asked the Mayor when we look at the number of vacancies here and their importance, do we have the ability to leverage other departments' staff. Mayor said every department is going to say the same thing; every department is sharing front desk personnel; we are doing it all over the building. Ewald said how do we know how far to cut; we have directors paid at a high level. Mayor said we can't cut anymore significant positions without affecting service levels; code enforcement will suffer by having no weekend compliance officer; the realtors and garage sale folks will be happy but we will have complaints; we were talking to the FOP (Fraternal Order of Police) to see if an officer could do this as light duty. McGregor said Jeanette is part time and Fredena is full time but she has to also man the front desk. White said yes and Fredena's main function is building inspections, and there were more people when this was in service department; that was cut and combined to a full time position; they lost a position. McGregor said but that hasn't changed in several years. Evans said yes but we did have the support of 3 interns; they were good at taking sign requests and planning. McGregor said what was the cost of the interns. White said \$11,000 each. Ewald said previously we had the staff for grants; how is that impacted. White said the JRS Grant took a lot of work; Representative Garland called for a debriefing on that; we need Finance to help us with grants; they already have additional work; we haven't assessed the price tag but there is no administrative funding. Ewald said could we out source it. White said I would still have to have staff to administer it; it is a catch 22; I don't want to sound like we can't do it; we just aren't up to capacity at this point; keeping the business and addressing the leads are the critical priorities; we are working on a huge lead; if it comes through it will have a lot of work; we realize we are down but this may get us an intern back. Ewald said do you see

contract services budget line going up. White said contract services could potentially go up; you control it ongoing until the job is done. Samuel asked does Brian Hoyt help with your department's programs. White said yes; the website is a huge plus; branding is so important when a business is deciding why Gahanna; our real competition is Westerville and Easton; our street sign replacement started to give Gahanna a different look. McAlister said now all the communities have arches. White said with cutbacks it is important to identify our borders; get them to choose our community and this is good branding; our promotion budget needs to be beefed up to include who we are and what we have; Hoyt is very good at helping us; especially the way he works with people; we need to spend more telling our story; our department doesn't have rags or trucks; it is people. Mumma said on the union issue, at the last negotiations, we fought hard to try and get a schedule switch for 6 days. Mayor said we will work hard again for it. Samuel said which department is here for the next meeting. Mayor said it is Service then Parks, then Police.

Della Brandenberger, Reporting