



City of Gahanna

Meeting Minutes

City Council - Special

200 South Hamilton Road
Gahanna, Ohio 43230

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

Krystal Gonchar, Deputy Clerk of Council

Friday, April 5, 2019

6:30 PM

City Hall, Council Chambers

A. CALL MEETING TO ORDER - Roll Call.

Gahanna City Council met in Special Session on Friday, April 5, 2019, in Council Chambers of City Hall, 200 South Hamilton Road, Gahanna, Ohio. President of Council, Brian Metzbower, called the meeting to order at 6:33 p.m. Agenda for this meeting was published on April 4, 2019.

Present 7 - Brian D. Larick, Jamie Leeseberg, Stephen A. Renner, Michael Schnetzer, Nancy R. McGregor, Brian Metzbower, and Karen J. Angelou

Hearing of Visitors:

President Metzbower stated that it is not routine to allow speakers during Special Meetings of Council, but due to the importance of the issue, will open the floor to public comments; stated that he would allow for a period of 10 minutes.

Tom Wester, 888 Ludwig Dr.; thanked Schnetzer for the economic analysis he did; stated he did an excellent job; stated that in the dental profession, they used to pull wisdom teeth one at a time and people were left feeling miserable for 4 weeks; stated that tonight you (Council) will be voting on reducing the credit; stated that someone told him once that if you are going to be a bear, be a grizzly; stated that he recommends that the credit be reduced to 0%; asked how much pain they want feel; asked where they are going to be a year from now if not; asked where is the city going to be.

Diana Redman, 598 Codrington Circle; stated there's a large number of people in Gahanna who work outside of Gahanna; they have chosen to remain a part of the community and they should be adequately represented by Council Members and have their interests heard; we

have had numerous meetings over several months regarding how to handle the defeat of issue 29; now you have come back and are taking away the tax credit by reducing it without an opportunity for the residents to vote on it; people don't have enough time to go out and look for a job in Gahanna and the job market here could not handle filling all those jobs; we are discriminating against a large number of people who have chosen to live here; if you choose to reduce the credit, it should be going to a vote by the people.

Greg Saul, 1027 Zodiac Ave.; stated that he sent an e-mail earlier today and appreciates the responses received and the opportunity to speak today; understands the way the 100% credit is packaged with issue 12; many cities are already at 2.5%; the way our system is set up it pits the voters against each other; you're voting to impose a tax increase on those working outside of the city; there's a bill at almost every General Assembly where people can only be charged in the city where they work, but it has never been passed; understands Council is in a difficult situation; the state was not looking to increase the gas tax when this issue came up; since that time, the state has increased the gas tax to 10 cents on gas and 18 cents on diesel; the increase amount will be a 55/45 split so local governments will receive money from that; gahanna will received an additional \$800,000 per year; municipal taxes are flat taxes; Ohio had 9 tax brackets a few years ago and is now down to 7; you pay 2.5 % despite your income so that's regressive; when you take the credit down to 0% you will be paying 4% if working in Columbus; that's before state taxes kick in; reduction of credit is confusing to voters; state bills go into effect 90 days after Governor signs, here the Ordinances take effect 30 days after the Mayor signs; this should be delayed until after the May vote.

B. ORDINANCE ON SECOND READING- To Amend by Substitution and Adopt.

[ORD-0116-2018](#) TO AMEND SECTION 161.081, CREDIT FOR TAX PAID TO ANOTHER MUNICIPALITY, OF CHAPTER 161, INCOME TAX, OF THE CODIFIED ORDINANCES OF THE CITY OF GAHANNA

Angelou stated that all of the information on the gas tax has been sent to her colleagues up here; MORPC sent out a lot of information on that topic in relation to the state budget; now there's a \$5 license plate tax; there are some obvious things that would raise revenue but none of it is enough to get us out of this situation; is a good thing, but the 10.5 cents does not even reach the inflation from the last time the gas tax was raised; however it is a test that it did get passed at all; no matter what we

do on this, it will be viewed in various ways; we could do nothing and people will say we don't need the money; we could say we will cut services and then not actually cut them and people will say we don't need the money; if we don't say what will happen then people will say they didn't know what will happen; we want to do what's right here; stated she has been canvassing for GRIT and is truthful and transparent when talking to people; no matter how we put it, there will always be negative people; the reason we are doing these things tonight is we wanted to ensure this would be in the best interests of the levy passing; wants to ensure this is fair; this is our best effort and the grassroots effort is phenomenal; we need the money; thanked all the women and men from GRIT who are spending their time getting the message out.

Schnetzer stated that the interaction between issue 12 and the language in front of us, indicates that any action taken tonight would be negated if issue 12 passes. Ewald stated that the action before us tonight is a contingency in case issue 12 fails; the amount of money received by the reduction in credit would be for parks, safety. Metzbower stated that he agreed with Mr. Saul's points and has maulled over this for many hours; as Angelou so beautifully said, we are in a Catch-22; thanked Saul for his comments. McGregor said even though it takes effect in 30 days, the change does not go into effect until July 1.

Metzbower asked if the newest version is EXHIBIT A. Larick said what he sees is an attachment titled EXHIBIT A with no date. Schnetzer stated it is the two page copy with no redlines. Ewald confirmed; said he needs to add under "(b)" "to a county" to the language, to allow for tax credit to counties; everything else is correct but that needs to be added back in. Larick read the line in its entirety to verify what Ewald was referring to was the line: "of this section 161.081 for income taxes paid, or withheld by an employer for payment, to a county or municipality other than the City of Gahanna."

Larick thanked everyone for all their time, energy and efforts on these changes; added since Monday, are the adjustments which include reference to the 2.5%; the credit goes to 0% if the income tax is less than 2.5%; it is clear that the credit does not change if the tax rate is 2.5%; the other item we talked about was with regard to dedication, on page two, bullets 1. & 2. talk about 55% for capital and 45% operations; operations to include public safety and parks & recreation activities; this section already collects funds, the additional funds collected would be roughly \$8 million, which is what issue 12 would collect; the amount in real dollars would be the same; the final piece is the effective date of July 1, to

coincide with the mid-year.

Angelou said she understands the concern; that this is clear to us; has a feeling this won't be clear to others; asked why we don't just say it goes to the general fund; asked if it would be clearer to say that we are going to reduce to 50% or 0% and it will all go to the general fund. Larick said it is a structural problem; is a different structure than issue 29. Angelou said she doesn't want to destroy what issue 12 is trying to do. Metzbower asked Larick if what he is trying to say, is that the credit at the 55%/45% distribution would be the same as what would be collected from issue 12. Metzbower asked if the fund exists. Larick said it would be created by the Finance Director. Metzbower asked about restrictions on the operations. Larick said it's the same as issue 12; operational activities; payroll, supplies, camp activities, etc.; can't go to governmental overhead; can't go to something outside the realm of safety, parks & recreation. Metzbower confirmed the money can't pay for something like a tax lawsuit; said for the positions that were defunded, would these funds allow for a Director of Parks & Recreation or City Administrator position be re-funded. Larick said that's an administrative decision but if there were funds available, and council approved the funding, then yes; these funds specifically can be used for the Parks & Recreation Director but not City Administrator.

Metzbower said he appreciates Larick's knowledge and information provided, but wants to ensure that the City Attorney is in agreement with Larick's statements. Ewald said he agrees with the language in front of them, that it is sufficient to meet what was requested, which is dedicated funding. Renner said this version does read better, but urges that we pass this, and then communicate that this action has taken place; will not stop asking colleagues to fund a letter to send to residents. Angelou said in this case, believes we have a potential amount of money; stated the Clerk requested a quote which came back in the \$6,000 range; should be done as soon as possible; asked if the letter should come from Council of City Attorney. Ewald said he is happy to sign a letter but this is a legislative action; thinks the Mayor should sign too. Ewald asked if we had the money in the budget; if so, Council President can direct that. Metzbower said the funding would come from the Council Office budget. Clerk confirmed there was money in the budget.

Schnetzer provided a brief history of how the city got to this place; the city spent down on reserves during the great economic recession; has done a variety of things to refinance and pull funding; city has cut down spending and maxed out the credit card; there's no appetite for cuts in

the community; asked if there will be a 2.5% tax spread out equally, or will there will be a percentage of residents paying upwards of 4%.

A motion was made by Larick, seconded by Schnetzer, that the Ordinance be Adopted as Amended. The motion carried by the following vote:

Yes: 7 - Larick, Leeseberg, Renner, Schnetzer, McGregor, Metzbower and Angelou

C. ADJOURNMENT.

By Leeseberg at 7:35 p.m.