

City of Gahanna

*200 South Hamilton Road
Gahanna, Ohio 43230*



Meeting Minutes

Monday, February 25, 2008

Immediately Following Previous Committees or

7:20 PM

Council Committee Rooms

Finance Committee

Thomas R. Kneeland, Chair

Beryl D. Anderson

Thomas C. Evers

Shane Ewald

John McAlister

Nancy R. McGregor

David L. Samuel

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

Additional Attendees:

Tony Collins, Troy Euton, William Murdock, Rodney Ingram, Tim Wilson, Jerry Isler, Terry Emery, Karl Wetherholt, Chief Murphy, Mayor Stinchcomb, Donna Jernigan, Press.

Tax Abatement for R & K Investments

Kneeland called the meeting to order; explained there was an item added to the agenda from the Development & Parks Committee meeting which is the tax abatement request for R & K Investments; introduced Rod Ingram and Tim Wilson from R & K Investments. Murdock said this is a 4 building tax abatement zone for 10 years; will have 80 employees initially and a \$2.4 million capital investment; R & K Investments and Heat Treating Inc. will go in immediately and rent out the other space; we reviewed in committee that the clawback is in place for the school reimbursement plan. Samuel asked Murdock to review that plan. Murdock explained that since we are allowing the tax abatement, we reimburse schools 50% of the income and property tax. Kneeland said this is done because state laws changed and require us to keep schools whole so that development efforts do not have a negative impact on schools. Kneeland asked visitors from R & K to give a high level overview of their business. Wilson said we provide a service to utilities and refineries where we do heat treating to restore values lost during the welding process; work with nuclear and coal plants; our current location is in Westerville; this location is great because it is by the airport and you have hotels right here. Anderson asked when construction will begin. Wilson said they have started site drawings; plan to break ground for the foundation at the end of March; once we get some clients moved in, we will proceed to next buildings; project is set up as phases with this being phase 1 and we have potential customers already.

Recommendation; Motion Resolution to approve tax abatement on consent agenda.

PENDING LEGISLATION:

ORD-0046-2008

TO AMEND CODE CHAPTER 761, SOLID WASTE AND WASTE RECYCLING FACILITIES, OF THE CODIFIED ORDINANCES OF THE CITY OF GAHANNA.

Kneeland said this ordinance is for code changes. Murdock said he had met with Weber and all were ok. McAlister asked why this issue came back to committee. Kneeland said he believed it needed a penalty section. Mayor said we do not know exactly how it changed but Weber had referred to chapter 509 to apply standard language.

Recommended for Adoption, Consent

ORD-0048-2008

TO APPROPRIATE A FEE SIMPLE INTEREST IN A 10.592 ACRE TRACT OF LAND, LOCATED AT 258 JAMES ROAD AND OWNED BY GEORGE W. WEBER; FOR THE PURPOSE OF PARK LAND AND RECREATIONAL TRAIL DEVELOPMENT; TO SUPPLEMENTALLY APPROPRIATE \$160,000 THEREFOR; AND TO DECLARE AN EMERGENCY

Collins said this ordinance is for the City Attorney to file to appropriate a 10.592 acre tract owned by George Weber; we had a meeting Friday and this ordinance will be used in the event the meeting negotiations fail; emergency is requested so we meet the time

limits for grant funding; we need to do the ordinance now so the money is in escrow when we go to court; any questions. McAlister asked what is the technical need for using eminent domain. Collins said we have been in negotiations for a couple of years; in Friday's meeting seller said he is still interested in selling to us but price is a problem; seller has said he was ok with going to court and wants the court to decide the correct amount. McAlister asked about the source of the \$160,000 to be used for purchase. Collins said the best way to explain it would be to say it follows a path; have 6 parcels; adjacent to the creek for 3 so we are hoping to use Clean Ohio funds which is a 75/25 match; utilized that at first but this grant has expired; now we only get \$40,000; the large parcels are purchased with a State of Ohio Grant fund; that is \$230,000 and we have used \$221,000; use the balance of this grant and the remaining money will come from the general fund; then we will get the \$40,000 back; with financing we use a net of \$100,000 from the general fund; so we get 26 acres for \$100,000 out of our fund. Anderson asked if we can we get the lost grant money back. Collins said no; there will be additional rounds of returned money, such as our grant we lost, and we can reapply down the road for another project like the Big Walnut Trail. McAlister said so there is no federal money being used.

Ewald said he had questions; I hesitate to endorse the use of eminent domain; why are we in need of 10 acres; 3 are required for connection; 2.731 are required for the trail from the middle of the creek; how much grant would we lose if we don't get 10 acres? Collins said we already have the grant money; this is a flood way and we would like to protect that; because this is not as formal a process as some others, I can't say how it is tied together; if I go back I don't know what they will say; I can provide you a copy of the original application; we planned minimum impact to land owner. Ewald said so if you only get 3 acres instead of 10, would you have to return money to the state? Mayor said it would be negligent for us not to use our grant money; might endanger our opportunity to obtain future money so it would not be wise; I am not a fan of eminent domain either but we have not taken this lightly; this is the first time in my memory that I am aware of it being used for park land; this situation is very special as well; it is clear this is a willing selling; we have a letter of intent; it is just a matter of if he is willing to accept our price; this is not a typical adversarial eminent domain case; we are all willing participants. Ewald asked if the City has considered binding arbitration. Collins said our City Attorney said the court may choose to send it to binding arbitration and the seller is ok with that. Mayor said when you look at a configuration on a map without all the parcels the land would have an hourglass shape; we really need the complete acreage. McGregor said several months ago the seller said he would only sell the whole thing; he is not willing to split it up and sell just several acres. Collins said that is correct; and he is willing to sell and not at all adversarial; on Friday we presented our final written offer; seller said he will think about it. Kneeland said if we go forward and then don't need this property could we sell it? Mayor and Collins both said no. Collins said we are leaving the seller 3 acres for his residence and because it is a floodway, our property can't be developed; we have some ideas for usage but is primarily grass fields. Ewald said he was ok with proceeding with the legislation.

Recommended for Adoption, Consent

ORD-0051-2008

TO REZONE 36.15+/- ACRES AS RID, RESTRICTED INSTITUTIONAL DISTRICT; FOR PROPERTY LOCATED AT 425 S. HAMILTON ROAD; SHEPHERD CHURCH OF THE NAZARENE, OWNER, BY CITY OF GAHANNA, APPLICANT

Kneeland said this and the next ordinance are the standard changes to RID; no questions.

Recommended for Adoption, Consent

ORD-0052-2008

TO REZONE 3.891+/- ACRES AS RID, RESTRICTED INSTITUTIONAL DISTRICT; FOR PROPERTY LOCATED AT 470 HAVENS CORNERS ROAD; GAHANNA COMMUNITY CONGREGATIONAL CHURCH, OWNER, BY CITY OF GAHANNA, APPLICANT

See discussion under ORD-0051-2008.

Recommended for Adoption, Consent

ORD-0054-2008

TO AUTHORIZE THE MAYOR TO ENTER INTO ENGAGEMENT LETTER WITH JULIAN & GRUBE, INC., TO PERFORM THE 2007 FINANCIAL AUDIT FOR THE CITY OF GAHANNA; AND TO DECLARE AN EMERGENCY.

Kneeland said this ordinance is for the audit and has already had a first reading; no questions.

Recommended for Adoption, Consent

ISSUES - From Council:**Resolution - Gahanna Community Theater**

Samuel said this request is to recognize the Gahanna Community Theater; I have been involved in this group since 1984; they do at least one play a year in the winter and have done a mystery theater at Creekside; there is a wide span of age groups participating; when we did Beauty and the Beast it was a sellout every performance; we also utilize a lot of musicians and other non-professional performing arts students from the high school. Kneeland said he agreed this group does a great job in Gahanna and deserves the recognition. Samuel said he would take care of inviting representatives to the Monday Council meeting.

Recommendation: Resolution for consent agenda.

Resolution - Ohio Rail Hub

Kneeland said he had resubmitted the request for a Resolution in support of the Ohio Rail Hub study; I think we need to be mindful of its original intention to encourage commerce and economic development; we have a rail spur and we have businesses that use it like one that recycles computer equipment; I sent out requests for comments several times and only got one response. McAlister asked what the changes are to the original. Kneeland said I took out the referrals to passenger use leaving in the green fuel savings part and freight part. Mayor said in the 5th whereas clause there is an identifying word missing. Jernigan said Council office will fix that. McAlister asked if they have asked for this study. Kneeland said he had letters from some of the rail companies; CSX stated they felt the study was necessary and expressed support for the items listed in it. McAlister said previously the Rail Road (RR) association told me they did not ask for this and I question why taxpayers would be asked to pay state or federal dollars for a study for a private enterprise; they could do this themselves if they wanted it; not disputing improvements but would not support financing, and would need to see that in there before voting yes. Kneeland said we voted for MRDD and we see legislation attached to tax outcomes all the time; this has return on investment for fuel efficient job creation green transportation as a result of the study. McAlister said if the RR's want this study done, let them pay for it and get it done; the federal government bailed out Penn Central RR already and I do not support corporate welfare such as this. Anderson asked if there were criteria we use to identify support for these resolutions. Ewald said they are done on a case-by-case basis. McGregor said when they were here last fall they had a list of about 20 cities that had passed this; most were far away and bigger cities; can we call and find out who they are? Murdock said

Columbus did support it since they are along the rail lines; suburban locations are only involved if they have a rail hub; I will research and notify via email the cities that support this. Mayor said this would be one more reason to have business come to Gahanna; we use that spur now as a tool for Development to use. Kneeland said he would ask for this to be placed on the regular agenda.

Recommendation; Resolution to Regular Council Agenda

MONITOR:

2007-0013

Monitor Items:

- 1) Whiteboard
- 2) Wireless Communication Legislation

McGregor said she wanted to advise Council that the wireless communication moratorium is running out. Mayor said all would be receiving an email that Kreines & Kreines is coming on March 10 for a presentation; and the moratorium expires in April. Meeting adjourned.

Della Brandenberger, Reporting