

Canal Winchester

*Town Hall
10 North High Street
Canal Winchester, OH 43110*



Meeting Minutes - FINAL

April 1, 2019

6:00 PM

Council Work Session

Mike Walker – Chair

Jill Amos

Will Bennett

Bob Clark

Mike Coolman

Bruce Jarvis

Patrick Lynch

A. Call To Order

Walker called the meeting to order @ 6:02 p.m.

B. Roll Call

Present 7 – Amos, Bennett, Clark, Coolman, Jarvis, Lynch, Walker

C. Also In Attendance

Mayor Ebert, Matt Peoples, Lucas Haire, Amanda Jackson

D. Request for Council Action**RES-19-007**

Development

A Resolution Approving The Mayor's Appointment Of Whit Wardell To Serve A Four Year Term As A Member Of The Landmarks Commission Expiring On December 31, 2022 (**Resolution, Bio Whit Wardell**)

- Request to move to full Council

Mayor: Whit has lived in town since 2015; he currently lives in the old Joe and Kelly Abbott house on West Columbus Street; he graduated Ohio State University with a master's and bachelor's degree in civil engineering; he's been licensed in the state of Ohio as a professional engineer since 2001; he's very interested in the historic character in downtown Canal Winchester; I think he's taken an interest in the old train station, and the Interurban, and some of the buildings that we have around like that; I think he would be a very good addition to the Landmarks Commission.

A motion was made by Bennett to move RES-19-007 to full council, seconded by Lynch. The motion carried with the following vote:

Yes 7 – Bennett, Lynch, Amos, Clark, Coolman, Jarvis, Walker

RES-19-008

Public Service

A Resolution Authorizing The Mayor To Enter Into A Contract For The Participation In The ODOT Winter Contract (018-20) For Road Salt (**Resolution**)

- Request to move to full Council

Peoples: This is our annual contract partnering with ODOT to purchase salt; we are looking at 350 tons, last year we were at 750; our barn has about 950 in it, it holds 1,200; we are still trying to balance that out; a little bit lighter this year – it will probably end up going back and forth, it depends on how much we are using in a given year; Jarvis: Is there a minimum that they require us to purchase each year? Peoples: I don't know that; I know many of their other smaller communities will get into it, I'm assuming they don't have as much of a storage facility as we do; Jarvis: So we have some cooperation with neighboring communities for borrowing salt? I'm sorry, I misunderstood what you were saying, disregard.

ORD-19-020

Development

An Ordinance Authorizing The Mayor To Enter Into A Sign Easement Agreement With Canal Winchester Human Services To Provide For A Sign Easement On Parcel 184-001317 (**Ordinance, Exhibit A**)

- Request to move to full Council

Haire: Thank you Mr. Walker, this ordinance would allow us to grant a sign easement, to the benefit Canal Winchester Human Services for a parcel that we own along Groveport Road, that contains the bike trail that's in front of their place of business; you all are familiar with that site, and know that there is a number of trees that block the building from the right-of-way that that building sits behind, so people are having trouble finding that facility; this would allow them to place a sign there, in an easement area that's 10 by 20 feet, that's just about 15 feet off the driveway, and where the driveway grades off, and flattens out; the exhibit in the packet shows where exactly that sign easement would be located; the Human Services would be responsible for maintaining insurance, and maintaining that area, including any landscaping around the sign; this easement would be only to their benefit; if for any reason they were not to occupy the building there, they would not be able to transfer ownership of that sign, it would need to be removed; Coolman: Mr. Haire, is the city assisting in any of the construction of the sign, or is that being done by a private contractor? Haire: It will be done by the Human Services, and whichever contractor they choose; there is a construction easement to allow them to have a little bit of area surrounding the 10 by 20 area, to construct the sign, and bring in the equipment they need to; Jarvis: The sign is consistent in style and scale with the signs that are at the Lutheran church, and at the David's Way home on the other side; it sort of blends in with the streetscape.

A motion was made by Jarvis to move ORD-19-020 to full council, seconded by Walker. The motion carried with the following vote:

Yes 7 – Jarvis, Walker, Amos, Bennett, Clark, Coolman, Lynch

ORD-19-021
Development

An Ordinance Authorizing The City Of Canal Winchester To Enter Into A Community Reinvestment Area Agreement With Opus Development Company, L.L.C., Pursuant To Section 3735.671 Of The Ohio Revised Code; Authorizing The City Of Canal Winchester To Enter Into A Related School Compensation Agreement With The Canal Winchester Local School District And Opus Development Company, L.L.C.; And Declaring An Emergency ([Ordinance Exhibits](#))

- Request to move to full Council

Haire: Thank you Mr. Walker, this ordinance is the culmination of a lot of work over the last year on this proposed development by Opus on Winchester Boulevard; what this ordinance does is authorize us to grant a 15-year 100% real estate tax exemption on any new construction value on the parcel; in exchange for that, Opus is proposing to construct approximately 800,000 square feet of commercial and industrial space; the construction value on the buildings will be a minimum of \$22 million; they are proposing to have 80 full-time jobs created with a payroll of no less than \$2.4 million; these are speculative buildings in nature, so there are no tenants identified; it's always difficult with the CRA, which requires a certain amount of job creation and commitment on payroll, because you don't know what those entities are going to be; our goal is to have the most people working at the site, with the highest amount of payroll; their goal is to make sure that they have certainty that they're going to receive the real estate tax abatement across the 15 years, even if there is a potential vacancy; these buildings are – one is over 500,000 square feet, one is about 275,000 square feet; if they have a vacancy

in a 500,000 square foot building, they want to be sure that they'll continue to receive a real estate tax abatement during that period; the job commitments and the payroll commitments are lower than we actually anticipate on this site; for an average project, based on projects that have taken place in central Ohio, we would expect this project to generate between 400 and 500 jobs, and \$13-\$15 million in payroll; I think we will get closer to those numbers, but that's not in the commitment from the developer on a speculative building; associated with this is also a school compensation agreement; this is the first time that we have done a post-1994 CRA agreement in Canal Winchester; the laws were changed in 1994 that require you to either make the schools so that they receive no less than 50% of the revenue that they would receive without the abatement, or to come up with a new revenue-sharing agreement that allows them to get to 50%; we have come up with the attached school compensation agreement in this case, where Opus is committing to pay the school district \$40,000 per year during the term of the abatement – so they will get \$40,000 each year during the 15 year term; after the third year, they will get up to \$100,000 guaranteed from Opus; we're proposing to share 25% of the income taxes that come in from the site with the school district; that would be capped at the total amount that they would have received but for the abatement; we're estimating that cost will be – they would have received approximately \$260,000 a year if we didn't grant an abatement on this site; we don't know what that exact value will be until the auditor values the buildings; once the buildings are constructed, and the auditor sets the value, then we will determine what the cap is on that 25% income tax sharing; what Opus has done is they have basically created a floor, saying the schools will always receive \$100,000, no less; if there is a difference between what they would receive – what the \$40,000 plus having a payroll of \$12 million or less – then Opus will make up that difference to them, or whoever owns the building at the time; we will always receive 75% of the income taxes that come in off of the site, we will share 25% with the schools.

Jarvis: Mr. Haire, I looked through the packet, but it just doesn't register with me right now – this CRA is just for this parcel in question? Haire: Correct, we haven't done a post-1994 CRA; we created the CRA district last – it was approved by the state in December, we created it in early November; council created the new Route 33 CRA; that's a wider district, but each time we grant abatements in there we have to have a specific agreement, with a specific number of jobs, and a specific amount of payroll, and a specific amount of investment determined; that's what this is doing, is it's stating all of the terms of the abatement – they're going to do 'x, y, and z', and for that, they're going to receive a 15-year, 100% real estate tax abatement; Jarvis: So for the foreseeable future, whenever something like this happens, we are going to be doing a spot-designation for a CRA – instead of the old way, where it was an entire area that was designated, right? Haire: Only within that defined Route 33 CRA district that we determined; we still have pre-1994 CRA areas – Canal Pointe, portions along Gender Road, the Old Town area; Jarvis: If for some reason we expanded the Canal Pointe area, say Stan Smith decided to sell – that would have to apply under the new rules? Haire: It would be the new rules; you're allowed 2 amendments to a pre-1994 CRA, to expand the area, and we have done that; Lynch: We have already done the 2? Haire: We have already done the 2, yes, so we can no longer expand under the pre-1994 rules; everything will be post-1994, if we expand any new areas for abatements; Lynch: All of this is pre-1994? Haire: This is a post-1994 – that's why we have the agreement; the other one is a by-right-incentive; basically you build the building, you get the incentive; here we can say whether we will give a 60% abatement, or a 90% abatement, or 100%; we can also determine the number of years that we give an abatement; under the pre-1994 rules, it's automatically 15 years at 100%; there is no negotiation; Clark: That's why it's difficult to compete, the people that have these – it's automatically 100%, people don't have to deal with us and negotiate; Haire: The school board reviewed this application at their March 18th meeting, and authorized

the approval of the agreement, to enter into the school compensation agreement; that portion is taken care of, they're in agreement with the terms of this abatement.

Coolman: Lucas, do you think the job count and the income levels that they forecast – do you think that's a minimum? It's kind of hard to tell the end product, what the number of jobs are – you said it's vastly lesser than what the industry average is, do you think they kind of pretty much established a floor?

Haire: It's basically the floor that they think they'll never go less than; the concern being that if they had a large vacancy for a period of time, that we wouldn't pull the abatement from them, and they'd lose that ability to retain that abatement; for them, it's all about certainty; they need to be able to project the rents for potential tenants to come in, and the biggest fluctuation in rents is real estate taxes, and determining what that real estate tax is going to be; if you can go to a tenant, and say 'this is going to be your lease rate in your entire 10 years, and you're not going to have any fluctuation', then it's a lot easier to sell; these are obviously high-dollar rents, because they're such large spaces; Clark: Again, Lucas said that the pre-1994 you don't have to go through any of that, you don't have to say how much they're going to employ; Haire: Correct.

Amos: So Mr. Haire, we are 25 years out from the pre-1994, correct? Haire: Yes; Amos: How many of those are still in existence that have not been developed – I realize you won't know an exact number – but around us, how many do you think are still in existence, that could apply for 2 additional? Haire: In Canal Winchester, or in central Ohio? Amos: Let's go central Ohio; Haire: Over 6,000 acres; Amos: I guess one of my questions would be – hearing you say that they feel like they could employ lots more, based on the size, and based on some of the research that you've done; we're going full-throttle at 15, and accepting their 60? Is that smart for us to do that – to go all the way at 15 years, but to take their minimum number of employees offered? Haire: Think about it in the perspective of Canal Pointe; in Canal Pointe, our largest building out there is 240,000 square feet, it was developed for Caterpillar Logistics; Caterpillar Logistics was there for a very short period of time; they left the site, and Princeton Delivery Systems came in – they were also there for a short period of time, and then TS Trim was there, and now Capsa Healthcare is there, and Rehrig Pacific was there; these buildings are going to change over time, and you're never going to know who the tenant is going to be, and how much payroll they're going to have; when you're building this on a speculative basis, and you're building it as a tenant space, it's always harder to project that out; based on averages – like I said, I took 15 projects that have occurred recently in central Ohio, that are warehouse and logistics projects that received state incentives, so we know exactly what their commitments are, in terms of the number of jobs and payroll; I averaged that out per square foot, and applied those averages here, and what I came up with was 468 jobs, and \$15.5 million in payroll; that's based on average; the average pay for an employee that received incentives for a warehouse and distribution project was \$33,111; the average number of jobs per square foot – there was one job for each 1,739 square feet; Lynch: This proposal is 1/10th of that? You're thinking of working up to that? This just shows 80 jobs – that's one person for every 10,000 square feet of warehouse; Coolman: But again, that's a minimum, that's not an exact; Haire: That's the floor – that allows them to have certainty that they'll receive the abatement during the term; we have to take the long-term view of the building, that it's going to be there for a long time after the abatement; the building in Canal Pointe has been off abatement for 4 years – it's still there, it's still producing a significant amount of revenue for everyone involved; for the school district, for the township, for everyone that gets that taxing revenue off of that building, and also a significant amount of income tax for the city; Amos: Is it your opinion that the tenants for that original Canal Pointe area fulfilled their original lease obligations, or do you think some of them left prior to? Haire: Some of them left prior to,

just because they were acquired, or went out of business; Amos: Were the buildings that were leased that way, that had the leases – is it still the original owner of the building? Haire: It's not; Amos: It's not, so they've sold it off, as this company is intending to do; Haire: Correct.

Lynch: So you're thinking that, on average, once they fill this building up – based on other warehouses in the other – you think they're going to pull 400-500 people? And an average payroll of \$13 million? Haire: That would be my estimate; Lynch: So you're looking at \$260,000 in taxes to the city; Haire: Correct; Lynch: The 80 minimum – when does that start, does that start right after occupancy, or do they have 2 years to fill it? Haire: They have 3 years; Lynch: 3 years to fill up to that; that \$2.4 million – that's only \$48,000 in taxes; Haire: Correct; Lynch: That's not a lot of money; the \$40,000 guarantee to the schools for the first 3 years – correct? Haire: Correct; Lynch: After that, it's \$100,000 guarantee; Haire: Correct, the school district was very pleased with those numbers; currently, that site is producing \$5,000 a year in total in real estate taxes; Lynch: Is it all agriculture? Haire: Correct, it's a CAV; that's the school's taxes - \$5,841; the total taxes on the site are \$10,522; Lynch: Let's say with the low number, we get that \$40,000 in income tax to the city; the schools get \$40,000 – are they paying that \$40,000 separate from the income tax that we will receive? Haire: Yes; Lynch: Down the road, even after the \$100,000 a year kicks in, that still doesn't come out of the income tax that the city is receiving – that's completely separate, correct? Haire: No, the up to \$100,000 would be incorporating the income tax; they will pay the difference; if there's \$12 million payroll on the site, then we would receive \$240,000 in income taxes; we would give the schools \$60,000 of that; they would be getting \$40,000 and \$60,000; they're basically saying that they will get no less than that; Clark: Plus they will be getting the income tax that they charge, from anyone that lives in the district that works there, right? Haire: Correct; if there was only \$10 million in payroll on the site, then that would produce \$200,000 a year – we would give the schools \$50,000; that would be 25%, so they would get \$40,000 and \$50,000, and Opus would kick in another \$10,000, to bring them up to \$100,000 guaranteed; that's the last 12 years of the 15 year abatement; at the end of the term, if the buildings are valued at approximately what we think they would be valued at, the schools at the end of the abatement term would receive \$497,000 per year from these buildings in 2035; Lynch: There is also an additional 10 year abatement on the TI work? Am I to understand that we are giving a 50% abatement for 10 years on all TI – within the buildings, as well as equipment and such? Haire: That would be any improvements that take place to the buildings that are in excess of \$100,000; Lynch: In addition to the original shell, right? Haire: Correct; those are not taxed separately – that would only be if major renovations – say someone 5 years down the road would want to undertake a major renovation to this building, then they would also receive the real estate tax abatement on that major renovation; Lynch: And that would only be 50%; Haire: Correct; that would be capped at 15 years – none of those would extend beyond 15 years; if 10 years down the road they came in and did that, they would only get 5 years of the abatement; they'd receive the full value after that; Lynch: Got it; Walker: What was the 75%, to the city? Haire: The city would receive 75% of the income taxes that are produced on the site, we would share 25% with the schools.

Bennett: Just one other question – around the site, are there any other infrastructure requirements, or costs that we are going to have to bear as the city? Haire: Yes, we will talk about those in 2 ordinances down; Lynch: My last question – why are we doing this as an emergency? This is a huge concession, obviously we want jobs here, don't get me wrong; this is a lot to consider – we got handed a hundred page on Friday to read over the weekend, with no real executive briefing like you just provided for us, in writing; why are we doing an emergency vote on this? Haire: I believe we discussed everything in executive session previously, and you were all made aware of the terms of the agreement; it shouldn't

be a surprise what those terms were; we've presented it there, we've presented it to the school board as well; it's an emergency for the financial needs of the city; that's one of the reasons that we can pass emergency legislation, is the financial needs of the city; this allows us to move forward with the agreement, to allow them to move forward with their planning to get the project under construction starting in June; Lynch: I understand, the conversations that we had on this in executive session, they were all very high-level – we never received anything in writing of specifically what we were going to propose, until we got this document; if there is a way in the future, if we are dealing with large tax incentives like this, how can we not get this in writing before, so we have more than just 3 days to review a 100-page legal document? I showed this to an attorney to get some feedback on it; he said as far as he knows, everything looks fine; he was kind of curious to the same thing – he said whenever he develops a document like this for his corporation, he does have to provide an executive version of it; it's basically a cliff note version – it's all spelled out to everyone, in writing, before the legal document; Jarvis: This one is particularly hairy; most of the time, they are more straightforward and easy to digest; I have a question regarding – were you looking for suspension of the rules for 2nd and 3rd reading – were you looking for final passage this evening? Amos: Are you going to touch on – number 23 – the annual fee, is that what you're going to touch on as well, in the second ordinance? Haire: The annual fee? Amos: 'The city agrees to waive the annual fee that's required by the section 37-35.671D; Haire: The City of Canal Winchester can implement a fee of 1% of the value of the abatement, or \$2,500 per year, to administer our annual tax incentive review council; we didn't feel that fee is necessary, because we have to create a whole separate line item in our budget, and we have to account for those funds, and how they were spent to monitor the compliance with the agreement; we have to have an annual tax incentive review council meeting already; our cost wouldn't come anywhere near \$2,500 a year; we chose to waive that fee, it would just be mailing to those specific tenants in that building; we do our annual CRA tour; we already do all those, and they're spread over the cost of the 30+ buildings that are receiving that abatement; Amos: Is that part of the CWICC tour – or is that a different tour? Haire: The housing council tour we just did a few weeks ago; they do have an annual fee to the state as well; I think that's \$750.

Jackson: Mr. Walker, I would like to address something that Mr. Lynch brought up about executive sessions; we do not typically hand things out in executive session, because they need to be collected at the end – they cannot go home with you; this is why we don't typically write these things down; it makes more work for us, and you're only looking at it for that short period of time; keep that in mind when we are discussing something in executive session – that's why we don't have handouts; Lynch: Thank you for that clarification; I understand that, that we can't take any information from executive session – that's why I was wondering why I was wondering why we didn't have at least a synopsis of what's being proposed, and why things are being proposed a certain way – a cliff note version of this – prior to getting handed a 70-100 page legal document, which is laborious; Mr. Hollins and Lucas probably read through that document just fine; it's a little challenging, the wording and everything; Jarvis: Having said all that, do you feel like you have enough solid background on this to make a decision, one way or another? Or do you need additional time? Lynch: I hate to rush something like this, this is a lot of money for the city; we're talking about a lot of tax dollars that we're looking to abate over a fair amount of time; Walker: Mr. Haire, where are we on that – if it wouldn't be – Haire: I would respectfully ask that you pass this this evening; we have a company that's considering investing more than \$40 million into our community, that we have talked about at length over the last few months; to me, it sends a very bad message, that we felt like you were not familiar enough with this, to other people that are considering investments in our community; it's my fault that you felt like you weren't well enough informed; I'll do my best to make sure that's not the case in the future; Lynch: In the future, if we can get more of a bullet point – we're

even going through the salaries here; Ms. Jackson provided the data on where everyone else is on salaries and such; that's information that I can use to make an informed decision here; having everything you just told us in writing, that we can review over the weekend would've been very, very helpful.

Jackson: The other thing I want to caution you is a lot of times, we don't like to put these things in writing, because then they become public record; keep that in mind, like Luke said – these are all his figures; things can be misconstrued; Bennett: Ms. Jackson – everything that we just discussed became public record; Jackson: That is correct; Bennett: The moment we talk about it – Jackson: You're correct, but the more paperwork we hand out to you, the more public records we have; Bennett: I understand, thank you.

A motion was made by Clark to move ORD-19-021 to full council, seconded by Jarvis. The motion carried with the following vote:

Yes 7 – Clark, Jarvis, Amos, Bennett, Coolman, Lynch, Walker

[ORD-19-022](#)

Development

An Ordinance To Authorize The Mayor Convey A Tract Of Land Consisting Of Lots Six (6), Seven (7) And Eight (8) And Part Of Lot (10) In The Daniel Bergstresser Subdivision To The Canal Winchester Industry And Commerce Corporation To Provide For Its Subsequent Lease To Trine Fairfield LLC, And To Declare An Emergency ([Ordinance, Exhibit A](#))

- Request to move to full Council

Haire: This ordinance would allow us to convey the parcels at 18 and 26 West Waterloo Street to Canal Winchester Industry and Commerce Corporation, to allow them to perform a subsequent lease to Trine Fairfield LLC; this would allow for the mixed-use development that's been proposed along Waterloo Street to take place; the city can't lend its credit to an entity; since this is a leased agreement, it allows us more control over what takes place on the site, and to ensure certain items are constructed, and allows us to have more control over the long-term of that building; what we're proposing is the transfer to the Canal Winchester Industry and Commerce Corporation, who is the economic development for the city; it's a public/private entity that controls that, and they would ultimately enter into a lease agreement with the developer for that site; Lynch: Mr. Haire – once it transfers from the city to the CWICC, who's all part of the – I know you're head of the CWICC? Haire: I'm not on the board of directors, I'm the executive vice president of the organization; Lynch: Once the lease gets developed, we will actually see that lease before it gets awarded? Haire: You would not, it would be a lease between the developer and the CWICC; it would be through their board of directors that would authorize that lease.

A motion was made by Coolman to move ORD-19-022 to full council, seconded by Clark. The motion carried with the following vote:

Yes 7 – Coolman, Clark, Amos, Bennett, Jarvis, Lynch, Walker

[ORD-19-023](#)

Public Service

An Ordinance To Dedicate Lithopolis-Winchester Rd. Right-Of-Way ([Ordinance, Exhibits A B C D](#))

- Request to move to full Council

Peoples: Thank you Mr. Walker, in anticipation of the possibility of getting a grant from the Land and Water Conservation Fund that we applied to earlier this year, if we would happen to get that it would bind the property – it would no longer be able to be transferred or sold; the possibility came up that if we would ever want to expand the right-of-way through there, we wouldn't be able to do it unless we dedicate right-of-way ahead of time; that's what this ordinance would do, is dedicate a 20-foot strip of land on the backside of the existing right-of-way, which is 30 feet from the centerline of the McGill Park property; Jarvis: Mr. Peoples, I'm sorry I got a little bit lost there – this would allow us to sell the property? Peoples: No, if we would happen to get the Land and Water Conservation Fund grant, and we didn't have this in place, we couldn't dedicate it as right-of-way after that; this is something – Jarvis: Just a step in that process; Peoples: Yes, we are hoping to get the grant, but we want to make sure that we don't shoot ourselves in the foot, and hold ourselves back for something that we'd want to do in the future, just by getting that grant.

A motion was made by Coolman to move ORD-19-023 to full council, seconded by Bennett. The motion carried with the following vote:

Yes 7 – Coolman, Bennett, Amos, Clark, Jarvis, Lynch, Walker

ORD-19-024

Development

An Ordinance Authorizing The Execution Of A Tax Increment Financing Agreement; And Declaring An Emergency
(Ordinance Exhibits)

- Request to move to full Council

Haire: This would allow the city to enter into a tax increment financing agreement with Opus Development, LLC; this is for the extension of Winchester Boulevard, and the extension of waterlines, street lights, storm-sewers, all the things associated with that roadway extension; back in 2013, the city established a tax increment financing district, surrounding the Gender Road and Winchester Boulevard/Waterloo Street areas; the intention behind that was to look at the future extension of Winchester Boulevard, and having a funding source to be able to extend that; back in 2007, the city applied for a grant to extend that, at the time the roadway cost was approximately \$15 million; even if we were to receive the grant, we would have no way of coming up with the match; in 2013, we established the TIF with the hope that we would be able to build up some funds to complete some infrastructure improvements that would be necessary for the continued development of that corridor; we have that TIF now, it is bringing in funding at this point, with projects that have taken place recently, we'll bring in even more funding, we're anticipating that; what we're proposing here is to do a 50% cost-share with the developer, for extending the roadway about 1,100 feet to the west; what we've proposed, is we'd do that in 3 payments, up to \$600,000; it would be capped – our portion of the cost would be capped at \$600,000; the payments would be – the first payment would take place at \$250,000, at the completion of the infrastructure, and acceptance of the roadway; the second payment would take place after September 1st, 2020, or 30 days after the completion of the roadway, if it's not complete until after September 1st, 2020; that second payment would also be \$250,000; if the 3rd payment – if necessary, up to \$100,000, would take place after April 1st, 2021, or 30 days after the completion; the reason it's structured that way is because we receive real estate tax settlements twice a year from the county auditor; we typically receive those in March, and August? Jackson: From Franklin? Haire: Yes; so we

typically receive those in March and August; that would allow us to receive those funds, and know what we have in the account before we make payments; the developer would be responsible for the engineering, and for all the plans, and for construction – the construction would be done as a prevailing wage job, since public funds are being expended on that; they would be responsible for all of the construction – we would oversee the construction through our normal process of inspections, and doing everything that we would need to do to ensure that it's a quality public project; the reimbursements would take place after the fact; they would be expending the funds, we would be reimbursing them after the roadway is complete; Lynch: Mr. Haire, is this a cost-sharing of this project – is this in lieu of doing a TIF, requiring them to pay a TIF? Haire: The project is already in a TIF area; Lynch: Will they still be paying a TIF in addition to the cost-sharing? Haire: Yes, on the land portion only; it's basically stacking the incentives – the CRA takes precedent over the TIF; for the first 15 years, they would receive the real estate tax abatement on the building, and it wouldn't pay anything into the TIF for the value of the building; the land increment would receive funds into the TIF; Lynch: Which is a very small portion; Haire: What we're estimating is that will be around \$40,000 a year into the TIF, for the first 15 years; at the end of that 15 years, we're estimating \$247,000 a year would come into the TIF, from 2035; over the 15 year term, our estimates are that this property would generate approximately \$3.6 million into the TIF; that would be our portion – the schools would also receive \$4.5 million from this property, during that TIF term, which is until 2043; Lynch: You lost me on that last part, I'm sorry; Haire: This is a non-school TIF, so the school district is made whole, prior to us receiving our payment; the school district receives the full amount that they would've received otherwise, before the TIF; during that 15 year term, the real estate taxes are abated on the building, not the site; we would receive \$42,000, the school would receive \$53,000, in addition to the other money they would receive; that would be the real estate tax increment – the land would go from the current evaluation of the auditor's value of \$518,000, up to \$3 million, which is the purchase price; Lynch: That will build that TIF pot pretty quickly; Haire: At the end of the term, yes; Lynch: We would be paying half of the construction, the \$600,000 on the \$1.1 million road extension, and then \$40,000 a year the first 15 years, and then \$247,000 a year after 15 years? Haire: Correct, just over \$3.6 million over the term, from 2020-2043; Lynch: Very good, well done; Haire: That will also open up an additional 13 acres on the south side of the roadway, that currently has no road-frontage for development; Jarvis: That was the question I was going to ask – that's great, that's where we, years ago, ran into trouble at Canal Pointe; we just had enough money to get that next one in place, and then the tracks stopped; this would allow for the next tenant, or occupant to come in; that's great; Haire: Previously, we did a similar agreement, but we paid for 100% of the cost, but we reimbursed it over a 10 year period; when Primrose went in, they built over 400 feet of roadway extension; we are currently reimbursing them up to \$40,000 per year; we will reimburse them \$380,000 for that 400 foot extension; I think we are in the fourth year of our payments; Lynch: How much do we currently have in our TIF fund? Haire: Right at about \$150,000, I believe; we just got a new settlement, so I don't know what that did to our current funds; prior to receiving that settlement in March, it was about \$150,000; with that 400 foot extension, we've now got 2 office buildings, and we're obviously getting this 800,000 square foot coming off that extension – that wouldn't have been possible but for that 400 feet; Clark: Down the road, when this builds up, it's going to increase our points when we go to get a grant from ODOT, and other places.

Amos: Mr. Haire, this may be forward, or not even in the ballpark – I thought we had talked about it before – was there a thought to connect this, eventually, towards the direction of Bixby? Haire: Yes; the idea back in 2007, when we applied for the grant, the Bixby interchange was on everyone's radar at that time; there was funding identified, it was part of the state 'Track Process' for major projects; when

Governor Kasich took office, they said 'we don't have any money for transportation', so they went out and bonded the Ohio Turnpike to get a short-term solution for funding, and now we are back in the same boat where they say 'we don't have any funding', so they are looking at gas tax increases; they redid the whole track process – they moved Bixby road from a 2018 construction to a 2030 construction, to a 2032, then to 2036 and beyond; they haven't evaluated new projects for that; with Bixby Road, we are at 2036 and beyond – it's remained on the list, which is a good thing, because a lot of projects dropped completely off the list; Coolman: As you previously stated when we talked about this – continuing that road towards Bixby really forces ODOT to refocus on that; Haire: Correct, with this development, and the potential economic development opportunities for the state of Ohio that come with this project, and the potential economic development opportunities that come for the state of Ohio with Bixby Road, and the project that we're pursuing there, it starts to raise the profile of that Bixby Road, and the need for that Bixby Road interchange even more; Amos: So potentially 2036 could change; Haire: We are hopeful – with Carroll, that interchange there went from not even being on the list, to being constructed in a year; Amos: Okay, good example.

Jackson: Mr. Walker, to answer Mr. Lynch's question – the Gender Road TIF fund currently has \$266,000 in it; Haire: The only commitment we currently have out of that fund is the \$40,000 a year that we pay – the other agreement that we out of the TIF fund comes to COTA, but it's specific to their parcel, and what's generated on their parcel; we only reimburse them from specific TIF funds that come in from the parcel, and they haven't developed anything, so there's nothing coming out from that; Lynch: How much do we get a year on that TIF, excluding what we'll get from Opus? Haire: It's changing all the time, because of new construction; when we have new construction, it's capturing that value increase; right now, we haven't received any of the TIF funds for BrewDog, for Macintosh, or for Aldi at this point; we'll see those all coming, probably later this year or next year, just because the state hasn't approved the TIF – we added those parcels later, and it has to go through the Ohio tax commissioner, and they have to sign off on it, and it takes a very long time to go; each year, there is a new building constructed – the new Hampton Inn will go into the TIF, the Wyler-Chrysler building will go into the TIF; each time there is new construction there, that's new value, new money going into the TIF; Lynch: So we think that's \$200-300,000? Haire: We estimate in the next 3 years we will collect an excess of \$500,000 into the TIF; Lynch: Per year, that's very good.

Amos: Mr. Haire, I apologize I'm going to go backwards – how much do we have left on the \$40,000 a year? Haire: I think we've made 4 payments.

A motion was made by Jarvis to forward ORD-19-024 to full council, seconded by Coolman. The motion carried with the following vote:

Yes 7 – Jarvis, Coolman, Amos, Bennett, Clark, Lynch, Walker

Jackson: We have made 4 payments on that agreement, so we have 6 more to go; Amos: Thank you; Jarvis: Clarifying question – the emergency clause on that, is it also a request to suspend 2nd and 3rd reading? Haire: It is, yes; Jarvis: Due to construction schedule? Haire: Yes.

E. Reports

Matt Peoples - Thank you Mr. Walker, from my written report, just a couple of highlights; we did hear from ODOT on the Gender Road signal synchronization project; we have been approved for that, we had

some kick-off documents, they're putting their final funding together – I don't have a timeframe of when that is all going to be completed; at least that is moving forward; if you notice, there are tubes across the road on Gender Road, Lithopolis Road, and then there's a couple of other places I've seen in the area – ODOT is doing the counts; Amos: Mr. Peoples, I had a few residents contact me in regards to that Winchester/Lehman area; they believe the traffic light has already been changed? Peoples: There is a sign out there, I noticed it over the weekend, that signal operation has changed; it doesn't have anything to do with our project is – those just went up last week; Amos: I just wanted to make sure they were still evaluating the whole area; Peoples: I'll see what I can find out tomorrow with the engineer, and see if they can hook up with their Columbus signal guy to find out; nothing to do with that one.

Lucas Haire - Thank you Mr. Walker, Planning & Zoning has scheduled to review the mixed use building at 18-26 West Waterloo Street at their next meeting, next Monday night; that also went to the Landmarks Commission at their last meeting; overall, the meeting went very well in terms of them looking at the massing of the building, the scale, the character, the materials, all those things went fairly well; some of the details, they wanted to refine, and put more detail on specific window brands, and types, specific light fixture types; those kind of things that they didn't have all the details ironed out on; we continued that to the next meeting, and hopefully they'll get those issues resolved there; a number of new businesses either opening new in Canal Winchester, or opening new locations over the last few weeks – Orchids & Ivy opened up over here in 15 East Waterloo; a business that was in Canal Winchester for years, left for a short period, and is now back again – happy to be back; I stopped in there last week, and bought some flowers; they said they are loving the location, and they opened up for the 3rd Thursday that the downtown merchants are doing this year; they got opened for that, and he told me they had over 250 people stop in that day; that event apparently went really well, and we had good weather for it; George Emerson opened on the 29th, on Friday – I haven't had a chance to talk to her yet; Julie Renee photography – they opened as well; hopefully all of that went well on their Friday night opening at 360 West Waterloo Street; Singleton Construction, which is a business that is fairly new to Canal Winchester, they opened an office here last year at 5 South High Street – they are in the upstairs where Fantasy Cupcakes recently relocated; they are a construction management company that primarily does work for large retailers around the US; they are expanding, they have leased the space at 2 South High Street, which is above the Wigwam; they will be adding another office there; happy to have them growing, they will be well over 20 employees working in the Old Town area, which makes them the largest employer in the Old Town area, even larger than the City of Canal Winchester, in terms of the number of employees we have working in the Old Town area; good to have that expansion as well, and you'll see their folks around town, wearing their shirts and having lunch at all the different places; it's good to have those employers in the downtown area.

Amanda Jackson - Thank you Mr. Walker, I don't have much, other than to say – I'm going to sound like a broken record – if you have not filed your financial disclosure form for 2018, please do so; it's due towards the end of May, I would advise not waiting until the last minute; Walker: Thank you for that reminder.

F. Items for Discussion

19-023

Elected Officials Salaries for 2020-2021 ([MORCP Survey - Mayor Salaries](#), [MORPC Survey - Council Salaries](#), [OML 2017 City Salary Survey](#))

Jackson: On the odd-numbered years, it is up to council to decide the salaries for all elected officials – this would be council members and the mayor – for the next 2 years; all I wanted to do this evening was to provide you with some data, so you can start talking about it, or thinking about it; this needs to be done prior to July 1st; my plan was to give you basically the month of April, and we will reconvene towards the beginning of May to figure out what your desire is, so that I can draft some legislation for you; with that, I'll answer any questions about the information – if you haven't had a chance to review it completely, please feel free to email once you do.

19-024**Hands Free Ordinance Discussion ([Bexley Hands Free Article](#), [Bexley Hands Free Code](#))**

Jackson: This was added to the agenda at the request of Mr. Bennett; we have Sargent Cassel with us this evening, and he handed out to all of you an existing section of our code; I'm not sure what council's feelings are on it, but based on my quick review, it looks like it kind of covers what the hands-free ordinance that Bexley had passed; with that, I'll turn the discussion to Mr. Bennett, if you want to fill everyone in on where that came from.

Bennett: We had discussions with residents at the last Community Coffee – it came up that this is something that Bexley does, and enforces however often Bexley decides to enforce; I followed up with a phone call to the chief of police in Bexley to get a little more background on how they enforce their ordinance; it was an interesting conversation, he said that it is selective; it's enforced when they believe that they're not putting individual's safeties at risk; when it's opportune – of course he said that, as with any traffic ordinance, there is desire from the citizens to see it enforced more stringently; they do have signs posted throughout the city, but he said 'we are a through-pass area for a lot of other suburbs to the city of Columbus'; interesting conversation; it is something that they try to enforce when an opportunity presents itself; it's not something that they are strictly enforcing, but it is a primary offense, so it does offer them the opportunity to pull motorists over, and write a ticket; I did not ask about the fine associated; Jarvis: Did anyone do a cross-walk between Bexley's ordinance and ours? Is there anything that they've got that we don't, or vice versa? Bennett: In reading this, there is talks about how to use a device in their FAQ section, about wanting to see it cradled, or using it hands-free; it specifically calls that out as an individual ordinance; looking at this, this is probably even a greater – they allow for a one-touch type of motion to electronics in their hands-free system; this section of the ordinance that's highlighted wouldn't even allow for that; this is even more stringent; however, if that is the case, then I don't know if it's worth promoting more often; I don't know how often Sargent Cassel has cited drivers for using – Cassel: Honestly, generally we use this section of the ordinance when there is a crash, and we have evidence that they were on their phone when they crashed; Bennett: Is this a primary offense? Cassel: Yes; if you read through Provision C, it doesn't apply to anyone that's on the actual telephone, talking; Section C, number 4; Walker: Sargent Cassel – just a thought – obviously this has become a big problem all over the United States with texting and cell phone use, and having the phone in your hands, and not paying attention; whether its distracted driving from many things – eating, drinking, whatever; the thought came to mind that since that is an offense, and in an accident, hopefully not death, or someone getting hurt – what are the thoughts of signs being posted in Canal Winchester that this is an offense, a criminal offense, and can be imprisonment, or whatever – if these types of things would happen; obviously we never expect an accident to happen, we don't do them on purpose, they're accidents – we don't know when that's going to happen, if something does happen and you're on the phone, it's huge; Cassel: Right now it's a minor misdemeanor, so I'm not going to arrest you for it, I'll just

cite you for it; signage is good, but I guess I'll refer to the speed limit signs – everyone knows that speeding is illegal, but they still do it; officers will stop people when they see them texting, and they're driving erratically; just like speed, you're not going to get everyone to stop speeding; Walker: I understand that, but I also see the signs that are on the highway that ask people to move over for the officer that has his lights on – slow down or move over a lane; since these have been posted, people have been paying more attention to that, and you're reminded when you get your license renewed to do this as well; I have been reminded just when I get it renewed; the 25 mile-per-hour flashing LED sign, how that has made it; just curious – if just that signage of what it could basically – you don't want to end up here; Cassel: Signage is good, and also the internet; more people search the web than they actually look around at their surroundings when they're driving; Bennett: The other thing that this ordinance does say is it doesn't apply to using your telephone on a phone call, which is what Bexley's is doing; there is a slight difference between the two; Cassel: You can change the ordinance, and have the law director tweak the wording; the framework for the wording you want is already here, you will have to vote on it as a group – you have the framework to put in there what you want; Amos: I think what this comes back to is that this came up in Community Coffee, and no one at the table knew this existed; until I went home that day and looked it up myself, I wasn't even aware that this was a primary offense, not a secondary offense; it's educating – any suggestions, since it sounds like you're not issuing a lot of tickets on it – any suggestions how you think, other than the internet – is it something we need to approach the high schools on? One of the residents made a comment that he thought it was a lot of younger people, especially around the time of dismissal; Cassel: Right, the younger people have been brought up on the internet and the phones; definitely education in the schools would be important, I think; Walker: I have a suggestion on that as well – I know we can't put every ordinance in there; we can't put everything that we talk about in the mayor's letter with the water bills; this is such an important thing with texting, that I think this could be put in the mayor's letter; we had talked about that also with the reminder of when the fire department told us how many deaths there were because of fires – to remind them January 1st, to change the batteries on the fire alarm, or whatever time of year; this would be important enough, I believe, because you could pretty much drive down the street anytime, and see someone on the phone or texting; I think it would be a good time – a lot of people read that letter, I read that letter, and consider everything, and usually know it's important; Cassel: I think that's a good idea; I can also get with the school resource officer, Deputy West, and have him get with the administrators, see if they are willing to put anything out; Walker: What is your thoughts, mayor? Mayor: The newsletter is fine; I don't know if we have ever done texting and driving, but we have done several other things like that in the newsletter; Amos: I guess one of our questions would be if we found some things to change in the ordinance, and sent it to Mr. Hollins for review, would council entertain the idea of reviewing it with a more stringent look at it.

Hollins: Let me jump in – this was enacted in 2010; in 2012, the state did enact its own texting while driving statute: 25-11.204; it's been amended several times, the last time being effective October 29th of last year; it probably is due to be reviewed again, and largely would probably need to be consistent with what is now the state law, which probably has cleared up some of these issues, and is probably more stringent; I remember some of those changes had to do with trying to make it more enforceable; the biggest thing here is proof; for next council meeting, or next work session, I can get you a memo with some information on which way the state is going on this issue; Amos: It looks like they amended it even just this past October; Walker: Home-rule usually prevails, right? Hollins: What we can do – we can go beyond – our obligation with traffic and criminal offenses is to adopt codes that are substantially similar to the state codes; however, under our home-rule – as long as we don't do something that's inconsistent

with the statute – we can make it more stringent; Bennett: So hands-free would be more stringent; Hollins: This may address hands-free, but I will look at that; Bennett: Mayor Ebert, I'm just curious – I know in some email exchanges, you had mentioned you had brought this up in the past; I was just curious, for your position on whether or not the hands-free ordinance – Mayor: I thought, when we originally did this, it should've been stronger than what it is, to tell you the truth; Clark: So you're talking that the person couldn't even have – Bennett: You couldn't touch your phone, you can't be holding it; Bexley's does a good job at having an FAQ on what you can and can't do; Clark: We can still hold a phone and talk, right? Bennett: In Canal Winchester, yes; to Mr. Hollin's point – the burden of proof becomes a real issue with some of those; I asked a coworker who lives in Bexley who said that a friend of his had been cited for that, and since then he won't even pick up his phone, even though – potentially, if his friend had decided to go to mayors court and fight that, he could've won; like most people, if you were guilty of the crime, you just pay the fine and move on; Amos: The ORC code does state that it does not apply to the person using a handheld electronic wireless communication device in conjunction with a voice-operated or hands free feature; it's already written that way – MR. Hollins, if you can help us mimic that, it would be great; Hollins: I'm looking up to see what Bexley has, to see if they've just mimicked the state; Coolman: I was just going to say does that also include content for GPS usage – this ordinance says under B2 'to send, read, create, or interact with internet-based content'; that's what a GPS feature for older cars – I used that a lot when I had older cars; Bennett: In Bexley's it said if you're using it in a cradle, you're fine; if you're looking at it in your hand - Clark: If you're holding it, talking on it? Bennett: In Bexley, that's a violation; Walker: Some of the things that bring to mind what I have read about this – just bringing this up, because it will be brought up; what about a sandwich, or a soda, or a coffee? What is going to be the difference in something being in your hand, if it's not a phone? Mayor: It's not only in your hand – I have seen people with books fastened to their steering wheel, reading while going down the road; Coolman: I've seen women putting on makeup; coming from the insurance industry, I will tell you it's all about distracted driving; insurance companies are in a good era right now where they're all making money, on all forms of policies, except for automobile; the reason for it is distracted driving – distracted driving in the last 3 years has increased insurance payouts by about 55% annually; it's doubled their payout; I have a client that was traveling in Michigan, and traffic was stopped on I-75, north of Saginaw; there was a car coming up, he saw it in the rearview mirror, and it just plowed into him; it was a young, male driver, who got out of the car and said 'I'm sorry, I was texting, I didn't see the traffic stopped'; he admitted it – Michigan is a no-fault state, so he got away with it; that's the dangers of it, I think that's the intent; Hollins: I just looked at Bexley, they go far beyond the state; they said, very short and sweet 'no handheld', and there's a few exceptions – Bennett: Yeah, the cradle, it can be mounted; Hollins: You can either be parked, or you better have some one-touch thing to allow for both hands on the wheel; we'll include that in the memo; Walker: I know there's a lot more traffic in New York, when I was driving in Manhattan, you couldn't even be on hands-free; there was no phone, period – the traffic has just – Hollins: No tolerance whatsoever; Walker: I don't know if I was just told that by the person that was driving, or that was law, but that's what he had said; Sargent Cassel, I've seen you nodding over there a little bit ago when we were talking about the coffee, sandwiches, distracted driving – whether it would be anything in your hand, where would that apply? If you can't have a cellphone in your hand – Cassel: I can't think of any ORC that says you can't eat and drive, or drink a pop and drive; I would say that would fall under whatever you guys want to put under this; if you're going to change it, you may as well put whatever you want in it; Walker: Just know of things that are going to be brought up – some people are going to say 'what's the difference if you have a soda'; Cassel: There is not a difference, distracted driving is distracted driving.

Jarvis: It's been addressed, but I guess I'll ask the question – what is the way forward on this issue? Mr. Hollins has given us an indication that the state stopped short of what Bexley has passed; do we want to look at at least the differences between that, and come to a decision on whether it should be included? Walker: My thought would be at least to equal what the state is; Jarvis: That would probably be a step up from where we are right now, but do we keep going; I guess I'd like to know what the differences are; it's some analysis between what the state says, and what we have on the books, and what Bexley has proposed; I'm not sure whose doorstep to sit that on; Bennett: It seems like Mr. Hollins' doorstep; I'm happy to help Mr. Hollins, in any way; Hollins: One thing I do want to double check is that we believe Bexley's ordinance is authorized by home-rule, just in case; they probably have done the research, but we want to double check to make sure; the only issue I can see is if somebody would argue that it's not consistent enough with state law; I don't know that that's the standard; Mayor: Mayor Kessler and I talked about that a year ago – I know he said at the time that it's difficult to enforce, unless there is an accident involved; Jarvis: Mr. Hollins, is that within the scope of your retainer? Hollins: Absolutely, I'll get you a memo for this work session next time.

G. Old/New Business

Walker: As far as old business, since that sign is working so well – the LED flashing sign – Mr. Peoples, how soon maybe for Columbus Street, or some of the other streets, would we be able to possibly be able to put that same type of sign; because it is working very well, and it hasn't died down according to what we have heard from Sargent Cassel, and everyone else; it grabs my attention every time I go by it; Peoples: For East Waterloo Street, we are doing another study, to make sure that we are still efficient on the speed reduction on that; per the guidance policy we put together, we would have to do a study in order for a street to justify that sign being put in; that was 8-10 miles an hour over; if the 85th percentile is 8-10 miles per hour the posted speed limit, then we would consider some mitigating factors; Walker: I know when we talked about this 3.5 years ago they were \$5,000, and they've come down to \$1,500; if we get there, then we can – I don't want to keep bringing it up, you'll let us know I suppose, if we get to that point if it justifies having one on Columbus, or Thrush, or High; Jarvis: That's the only question I have – where all would we be looking? Based on what we know, and what we've heard – that step down from 35 to 25 on West Waterloo is a potential site; is Columbus Street also on that? Peoples: Columbus Street does not meet the threshold, per the previous studies that we've done; the other one would be Washington Street – technically the speed limit changes on the south side of the Washington Street bridge; rarely does anyone ever do that, just based on the speed trailers out there; it's always flashing; that would be the next place; I would say East Waterloo being number one, and Washington number 2; Jarvis: Okay, and West Waterloo after that? Peoples: Yes, and Dietz Drive – given the time of day, it's usually school dismissal time.

H. Adjournment @ 7:21 p.m.

A motion was made by Bennett to adjourn, seconded by Lynch. The motion carried with the following vote:

Yes 7 – Bennett, Lynch, Amos, Clark, Coolman, Jarvis, Walker